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# Survey on Income and Living Conditions (SILC)

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## Introduction and summary of results

The Survey on Income and Living Conditions (SILC) in Ireland is a household survey covering a broad range of issues in relation to income and living conditions. It is the official source of data on household and individual income and also provides a number of key national poverty indicators, such as the *at risk of poverty* rate, the *consistent poverty* rate and rates of *enforced deprivation*. SILC was conducted by the Central Statistics Office (CSO) for the first time in 2003 under EU legislation (Council regulation No. 1177/2003) and is currently being conducted on an annual basis. The survey is also carried out in other EU member states allowing comparable statistics to be compiled on a pan-European basis.

A summary of the key results of the 2009 survey along with comparative information for previous years is presented below:

**Table A Summary of main results**

	2006	2007	2008	2009	% change 2008-2009
<b>Annual average income</b>	€	€	€	€	%
Gross household income (per household)	55,075	59,820	60,581	56,522	-6.7%
Disposable household income (per household)	43,646	47,988	49,043	45,959	-6.3%
Equivalised disposable income (per individual)	21,229	23,610	24,380	23,326	-4.3%
At risk of poverty threshold (60% of median income)	10,566	11,890	12,455	12,064	-3.1%
<b>Poverty &amp; deprivation rates</b>	%	%	%	%	
At risk of poverty rate	17	16.5	14.4	14.1	
Consistent poverty rate	6.5	5.1	4.2	5.5	
Deprivation rate (experienced 2 or more forms of deprivation)	13.8	11.8	13.8	17.3	

The analysis in this report is divided into five separate chapters, namely:

- ◆ Chapter 1 Income
- ◆ Chapter 2 At risk of poverty rate
- ◆ Chapter 3 Deprivation
- ◆ Chapter 4 Consistent poverty rate
- ◆ Chapter 5 EU comparison and indicators

### New features of the 2009 SILC publication

Information on additional deprivation indicators is given for the first time in Chapter 3. It includes indicators relating to the housing cost burden, difficulty in making ends meet and others.

In 2009, a special module on material deprivation, in particular regarding children's deprivation, was conducted and is analysed in Chapter 3.

Tentative estimates of persistent poverty are given in Appendix 4.

The main points of note from each chapter are outlined below:

## Chapter 1 Income

Income details were collected through face-to-face interviews and registers available from the Revenue Commissioners and the Department of Social Protection. The most common social welfare payments, such as old-age payments, were checked against data from the Department of Social Protection while employee income was compared with estimates available from the National Employment Survey and the Earnings, Hours and Employment Costs Survey.

At an overall level income decreased across individuals and households. This could be attributed to a decline in average direct income which was partially offset by an average increase in social transfers over the year. The most notable results from Chapter 1 are presented below:

- ◆ In 2009, average gross household income was €56,522, a decrease of almost 7% from 2008. See *Table 1.7*.
- ◆ Average net disposable household income was €45,959 in 2009, a decrease of more than 6% from €49,043 in 2008. See *Table 1.3*.
- ◆ Average annual equivalised disposable income decreased by 4.3% in 2009, falling from €24,380 in 2008 to €23,326 in 2009. See *Table 1.4*.
- ◆ The *at risk of poverty* threshold in 2009 was €12,064, a decrease of over 3% from €12,455 in 2008. See *Table 1.8*.
- ◆ In 2009, almost one quarter of households were in arrears on one or more of the following items: utility bills, rent or mortgage payments, hire purchase agreements or other loans/bills. This compares with a rate of just over 10% in 2008. See *Table 1.9*.

## Chapter 2 At risk of poverty rate

The *at risk of poverty* threshold fell by 3.1% over the year but there was no statistically significant change in the *at risk of poverty* rate which was 14.1% in 2009. This was due to the fact that the decline in income was evident right across the income distribution and the rates of decline were broadly similar. The most notable results from Chapter 2 are presented below:

- ◆ In 2009, 14.1% of the population were *at risk of poverty* compared with a rate of 14.4% in 2008. The change over the year was not statistically significant. See *Table 2.1*.
- ◆ The inclusion of social transfers within income reduced the *at risk of poverty* rate from 46.2% to 14.1% in 2009. See *Table 2.2*.
- ◆ From an age perspective children (aged 0-17) remained the most vulnerable age group in 2009 with an *at risk of poverty* rate of 18.6%, no statistically significant change on one year earlier. See *Table 2.1*.

- ◆ In relation to household composition people living in lone parent households continued to be the most vulnerable group experiencing the highest *at risk of poverty* rate in 2009 at 35.5%. This did not represent a statistically significant change on one year earlier. See *Table 2.1*.
- ◆ More than one third (34%) of households *at risk of poverty* were in arrears with one or more of the following items: utility bills, rent or mortgage payments, hire purchase agreements or other loans/bills, compared with just over 24% of households in general. This compared with almost 20% of households *at risk of poverty* and just over 10% of households in general in 2008. See *Table 2.7*.

### Chapter 3 Deprivation

Enforced deprivation refers to the inability to afford basic specific goods or services and is examined in detail in this chapter. Detailed analysis of the eleven forms of enforced deprivation associated with *consistent poverty* is provided in this chapter and analysis of other types of deprivation e.g. child related items, over-indebtedness etc is also included. An individual was considered deprived if they experienced at least two of the eleven forms of enforced deprivation associated with *consistent poverty*. Some of the most notable findings are presented below:

- ◆ The level of deprivation of two or more items increased to over 17% in 2009, from 13.8% in 2008. Almost 29% of individuals reported to have experienced at least one form of enforced deprivation in 2009. This level had increased in 2009 from the reasonably stable levels between 2006 and 2008 of around 25%. See *Table 3.1*.
- ◆ Lone parent households reported the highest levels of deprivation with almost 63% of individuals from these households experiencing one or more forms of deprivation compared with almost 29% at state level. See *Table 3.3 and Figure 3b*.
- ◆ Individuals living in households with children showed an increase in reported deprivation rates of two or more items, between 2008 and 2009. Households comprising two adults with one to three children and other households with children each reported an increase of approximately three percentage points between years. See *Table 3.3 and Figure 3b*.
- ◆ The most commonly reported of the eleven deprivation indicators continued to be the inability to afford to replace worn out furniture, at 16.3% in 2009 compared with a rate of 13.3% in 2008. See *Table 3.8*.

### Chapter 4 Consistent poverty rate

At a national level, data from SILC is used to monitor and evaluate progress towards achieving the targets set out in the National Anti-Poverty Strategy (NAPS). The key NAPS indicator derived from SILC is the *consistent poverty* rate which combines relative income poverty (i.e. the *at risk of poverty* rate) with material deprivation to examine the percentage of individuals who are in *consistent poverty* in Ireland.

- ◆ The percentage of people in *consistent poverty* in 2009 was 5.5%, an increase of 1.3 percentage points on the 4.2% recorded in 2008. See *Table 4.1*.
- ◆ Children (aged 0-17) remained the most exposed age group with a *consistent poverty* rate of 8.7% in 2009, up from the 6.3% recorded in 2008. See *Table 4.1*.
- ◆ Almost 17% of people living in lone parent households were in *consistent poverty* in 2009, the highest rate recorded among household types.
- ◆ Individuals living in households that were rented at the market rate showed a significant increase in their rate of *consistent poverty* rising from 2.9% in 2008 to 8.3% in 2009.

## Chapter 5 EU comparison and indicators

The EU definition of income and equivalence scale are different to those used for national purposes. In the case of indicators for Ireland for all households the effect of these differences has generally been that a higher *at risk of poverty* rate is recorded using EU definitions rather than national definitions (see Chapter 5 for details). The international comparison information presented in this chapter is based on 2008 results, the latest available at EU level.

- ◆ In 2008, the average *at risk of poverty* rate for the EU-27 was 16.5%. The rate has remained relatively stable since 2005 varying between 16% and 17%. See *Table 5.1*.
- ◆ Ireland (using the EU methodology) had an *at risk of poverty* rate of 15.5% in 2008, the 13th highest in the EU-27. See *Table 5.1 and Figure 5a*.
- ◆ Latvia had the highest *at risk of poverty* rate at 25.6% while the Czech Republic had the lowest rate at 9.0%. See *Table 5.1 and Figure 5a*.
- ◆ More than 17% of the EU-27 population experienced at least three forms of enforced deprivation in 2008 while the comparable figure for Ireland was almost 14%. See *Table 5.1*.

### Other points to note:

#### Sample

In quarter 2 2009 the sampling frame for the SILC survey was changed to the 2006 Census of Population. Households new to the survey from quarter 2 2009 onwards were selected from this sampling frame. Prior to this, households were selected from the old sampling frame, the 1996 Census of population which had been updated through visual enumeration in 2002.

#### Reference period

For practical reasons data collection for SILC 2009 began in December 2008 and finished in January 2010. The income reference period was twelve months prior to the date of interview meaning the reference period of this report runs from December 2007 to January 2010.

#### Statistical significance

All year to year comparisons quoted here are statistically significant unless otherwise stated. SILC is a sample survey. As in all sample surveys, margins of statistical error exist. Thus, where there is a nominal change in the value of an item from one year to the next, given the inherent margin of statistical error in reality there may be no change in the value of that indicator. Changes in proportions presented in this publication are only noted if they are statistically significant using a 95% confidence interval.

#### The at risk of poverty measure

The at risk of poverty rate is a relative measure of income poverty that often behaves counter-intuitively. An individual is deemed to be at risk of poverty relative to other people in society.

Example:

Take an individual whose total income has fallen compared with last year and who was at risk of poverty last year. In the current year that individual may not be at risk of poverty if the median income of all persons has fallen by more than the decrease in that individual's income.

Similarly another person whose total income has fallen and was not at risk of poverty in 2008 may be at risk of poverty this year. This is because the median income of all persons may have fallen by less than the change in that individual's income.



# Chapter 1

## Income

### Key Findings

**Table 1a Summary of main results**

	2006	2007	2008	2009
<b>Annual average income</b>	€	€	€	€
Gross household income (per household)	55,075	59,820	60,581	56,522
Disposable household income (per household)	43,646	47,988	49,043	45,959
Equivalised disposable income (per individual)	21,229	23,610	24,380	23,326
At risk of poverty threshold (60% of median income)	10,566	11,890	12,455	12,064

- ◆ In 2009, average gross household income was €56,522, a decrease of almost 7% from 2008. See *Table 1.7*.
- ◆ Average net disposable household income was €45,959 in 2009, a decrease of more than 6% from €49,043 in 2008. See *Table 1.3*.
- ◆ Average annual equivalised disposable income decreased by 4.3% in 2009, falling from €24,380 in 2008 to €23,326 in 2009. See *Table 1.4*.
- ◆ The at risk of poverty threshold in 2009 was €12,064, a decrease of over 3% from €12,455 in 2008. See *Table 1.8*.
- ◆ In 2009, almost one quarter of households were in arrears on one or more of the following items: utility bills, rent or mortgage payments, hire purchase agreements or other loans/bills. This compares with a rate of just over 10% in 2008. See *Table 1.9*.

### Background information

The Survey on Income and Living Conditions (SILC) collects information relating to the income of household members in the twelve months prior to the date of interview. Data collection for SILC 2009 began in December 2008 and continued until January 2010. Therefore the income reference period of this report is December 2007 to January 2010.

*Gross household income* is calculated by summing all direct income and all social transfers for all members of the household. Total direct income is composed of employee income, employer's social insurance contributions, gross cash benefits or losses from self-employment and any other direct income e.g. rental income. Total social transfers include unemployment and old-age benefit, children/family related allowances, housing allowances and other social transfers such as survivors, sickness or disability benefits.

Tax and social insurance contributions are summed and deducted from gross household income to arrive at *net disposable household income*. Deductions include employer's social insurance contributions, regular inter-household cash transfers (paid), tax on income and social insurance contributions.

This chapter will begin with a brief analysis of gross household income and will continue with a more in-depth analysis of net disposable household income. Net disposable household income is analysed in more detail; it is considered to provide a better reflection of the income at the disposal of the household and in that sense provides a proxy for the "standard of living" experienced by households.

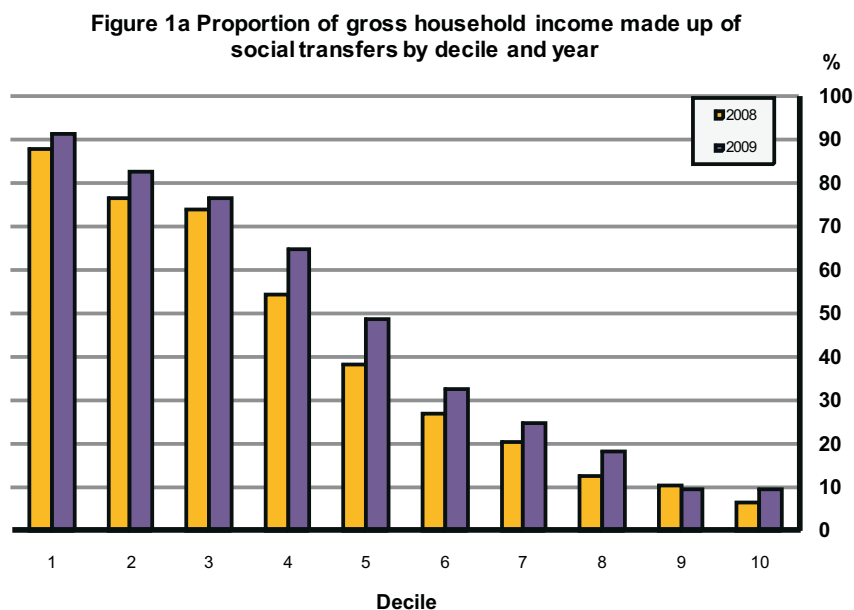
## Household income

### Gross household income

Average gross household income, the sum of total direct income and total social transfers, was €56,522 in 2009, a decrease of almost 7% from €60,581 in 2008. This equates to a decline in average weekly gross household income from €1,161.00 to €1,083.21 between 2008 and 2009. See *Table 1.7*.

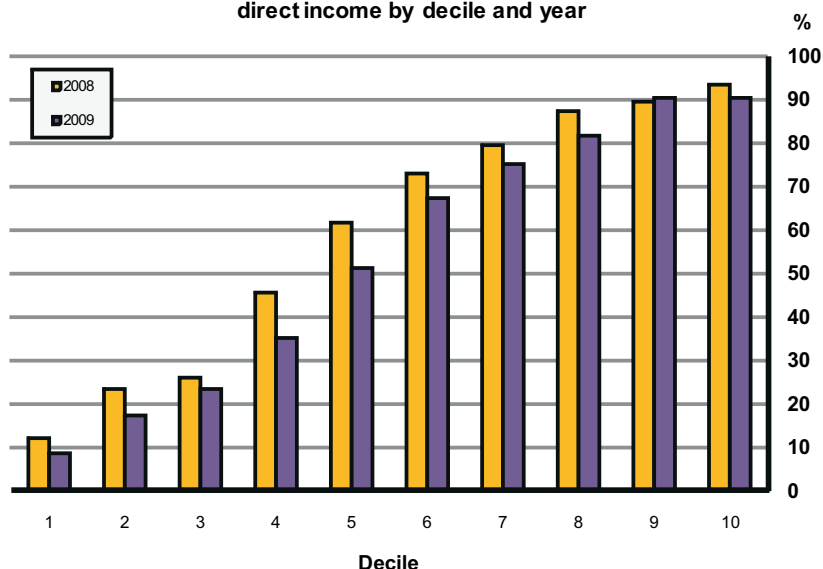
Between 2008 and 2009 average weekly household direct income fell by almost 12% (from €902.50 to €796.16) while income derived from social transfers increased by more than 11% (€258.50 to €287.05) over the same period. The increase in social transfers between 2008 and 2009 is reflective of both an increase in social welfare rates and an increase in the numbers in receipt of social welfare payments. See *Tables 1.1, 1.2, Figure 1a and Figure 1b*.

- ◆ At State level, social transfers represented almost 27% of gross household income in 2009 while the comparable figure for 2008 was just over 22%. *Figure 1a* below illustrates the change in proportion between 2008 and 2009 by gross household income deciles.



- ◆ Direct income decreased as a percentage of gross household income between 2008 and 2009 from just under 78% to 73.5%. *Figure 1b* illustrates the change in proportion between 2008 and 2009 across the deciles.

**Figure 1b Proportion of gross household income made up of direct income by decile and year**

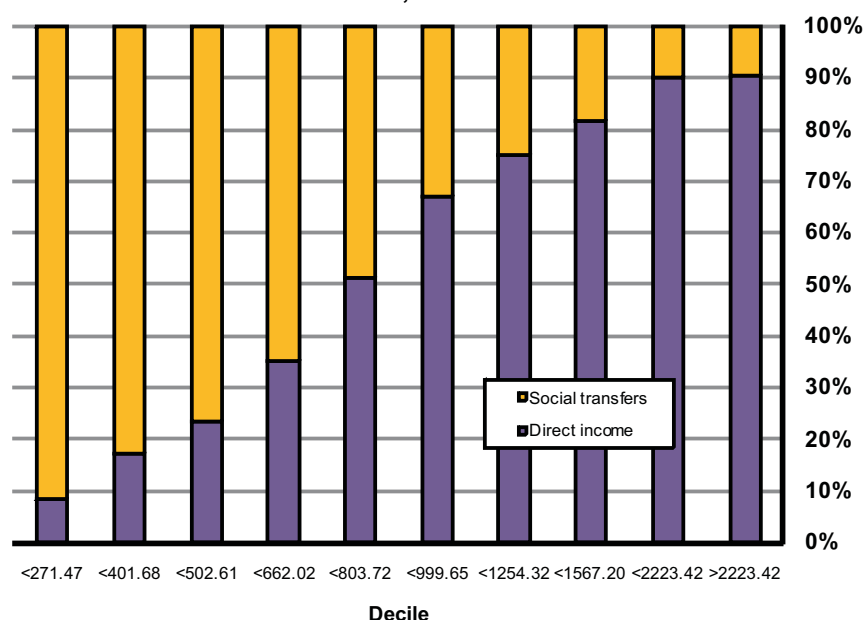


### Composition of gross household income by decile

A breakdown of average gross household income by decile revealed that as gross household income increased the household's dependency on social transfers decreased. See *Figure 1c*.

- ◆ More than 91% of the average gross household income of households in the lowest income decile was made up of social transfers. The percentage of gross household income made up of social transfers remained above 50% up to and including the fourth decile where 65% of gross household income was made up of social transfers.
- ◆ After the fourth decile social transfers fell to less than half of gross household income and fell to just under 10% of in the top income decile.

**Figure 1c Gross household income by income type and decile, SILC 2009**



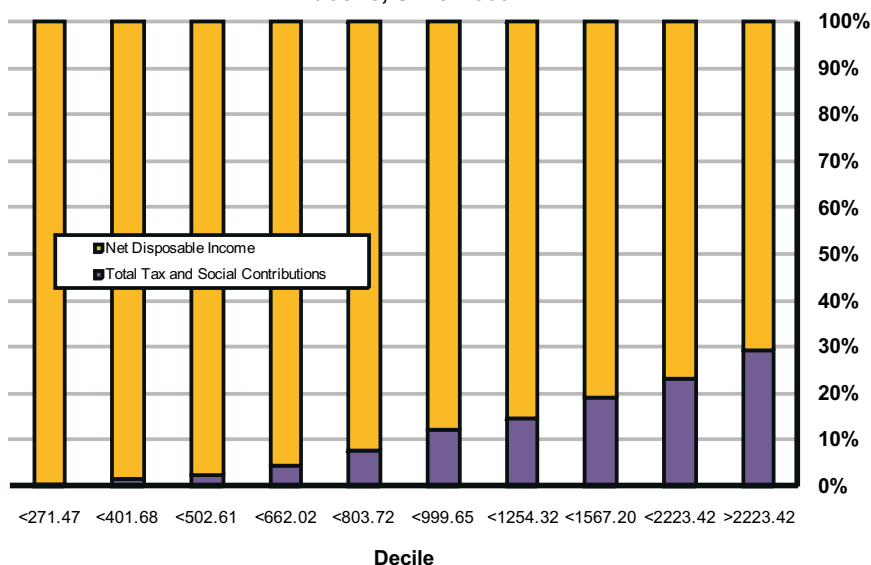
As outlined earlier in this chapter, tax and social insurance contributions were summed to household level and subtracted from gross household income to calculate net disposable household income. In 2009, at State level, tax and social insurance contributions accounted for just under 19% of gross household income, representing no significant change in the proportion from 2008. See *Tables 1.1, 1.2 and Figure 1d*.

- ◆ Between 2008 and 2009 the average amount of income tax and social insurance paid increased for those who were both at work at the date of interview and who had employment income during the income reference period. However, the number of people paying income tax and social insurance contributions decreased between 2008 and 2009. Therefore, at state level, the average amount of tax and social insurance contributions decreased from the 2008 figure.

An analysis of gross household income and tax and social insurance contributions by decile is presented in *Figure 1d* below.

- ◆ In general, tax and social insurance contributions as a percentage of gross household income increased as gross household income increased. Almost 30% of gross household income in the highest income decile went on tax and social insurance contributions. This compares with 8% of gross household income for households in the fifth decile while in the lowest income decile tax and social insurance contributions accounted for less than 1% of gross household income. Year on year there was little change in these proportions.

**Figure 1d Gross household income broken down by net disposable income and tax and social contributions by decile, SILC 2009**



### Factors influencing income levels

Various characteristics of individuals and households have an influence on income and some of these factors are inter-related. Regression modelling was used to assess the factors genuinely and independently influencing income. In terms of household income various characteristics of both the household and the head of household were found to independently influence household income. In the case of individual equivalised income some additional characteristics of the individual were also found to have an influence in addition to those factors found at household level. *Table 1b* below shows the factors which were found to be significant. The results of this analysis have been used in identifying the characteristics focused on in the remainder of this chapter. See *appendix 3 for more details*.

**Table 1b Variables found to be significant in determining the level of household and equivalised income in 2009**

Characteristics of the household	Characteristics of the head of household	Characteristics of the individual (individual equivalised income only)
Household composition	Age of the head of household (household income model only)	Education level of the individual
Number of people at work in the household.	Sex of the head of household	Age of the individual
Region the household was located	Education level of the head of household.	Sex of the Individual
Tenure of the household	Principal Economic Status of the head of household (individual equivalised income only)	Health Status
Whether the household was located in an urban or rural area		Work status
		Paid work

### Net disposable household income

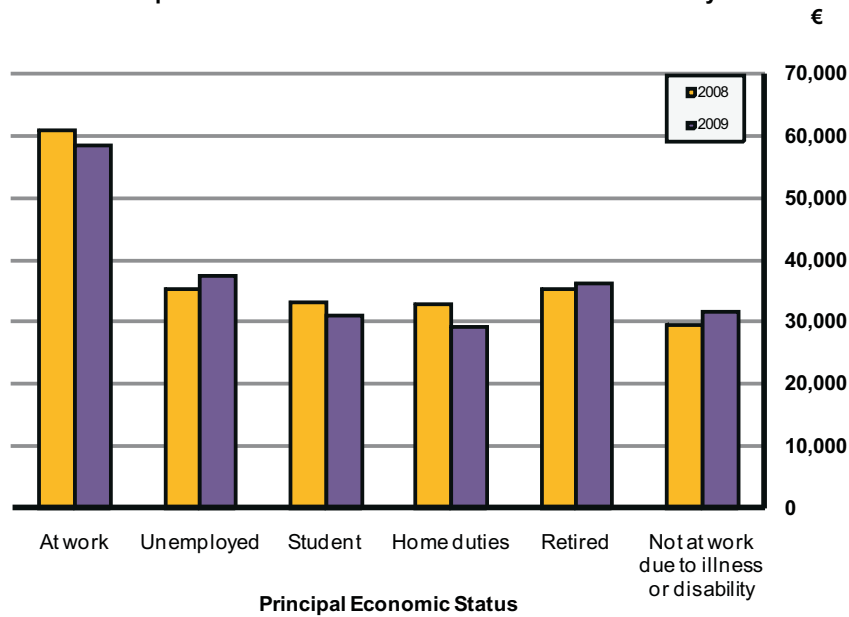
In 2009, average net disposable household income was €45,959, a decrease of more than 6% from €49,043 in 2008. Changes in income across different types of households were driven by increases in social transfers and decreases in direct income. See *Table 1.3*.

### Analysis by the characteristics of the head of household

The biggest percentage decrease in average net disposable household income was recorded for households where the head of household was on home duties, down more than 11% between 2008 and 2009. This change was primarily driven by a decrease of over 30% in direct income for this type of household. In addition to this household type experiencing the largest decline in net disposable household income over the year they also had the lowest net disposable household income in absolute terms when compared to other households within this classification. See *Table 1.3 and Figure 1e*.

- ◆ Households where the head of household was unemployed (+6.4%), retired (+2.3%) or not at work due to illness or disability (+7.7%) all recorded increases in the household's net disposable income.
- ◆ The highest net disposable household income was recorded for households headed by a person at work (€58,405) while households headed by a student had an income of €31,104. Both groups experienced a fall in their net disposable household income between 2008 and 2009 of 4.2% and 6.5% respectively.

**Figure 1e Average Net disposable household income by the Principal Economic Status of the head of household and year**



An analysis of the head of household by age group revealed that the net disposable income for households headed by a person of working age (aged 18-64) was €50,772 in 2009, down almost 7% from €54,520 recorded one year previously. See Table 1.3.

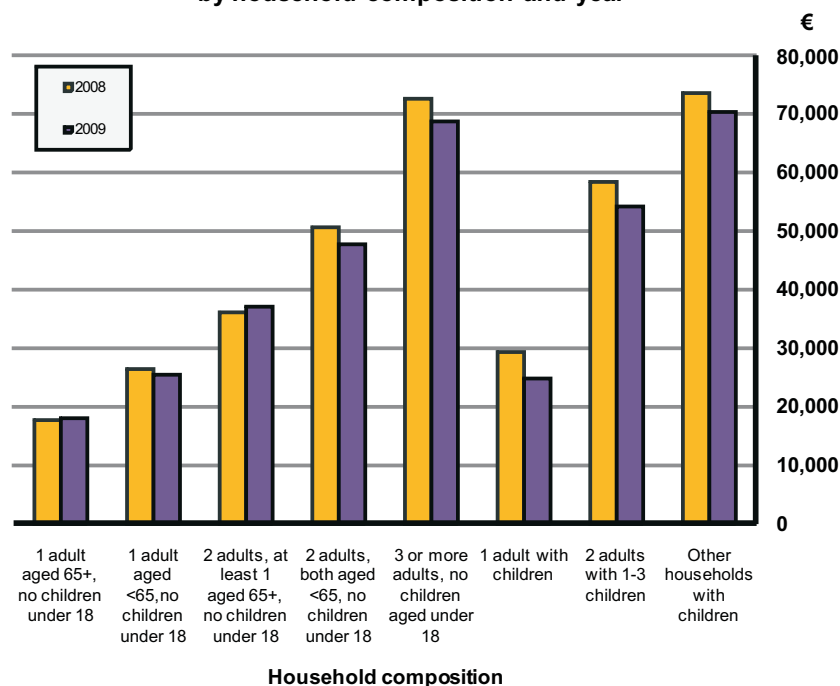
- ◆ Households where the head of household was aged 75 or over reported the lowest net disposable household income at €24,792, down from €26,388 (-6.0%) in 2008.
- ◆ Households headed by a person aged 65-74 had a net disposable household income of €33,898, a slight increase on the previous year.

#### Analysis by the characteristics of the household

Households composed of one adult with one or more children had a net disposable household income of €24,898 in 2009, down from €29,403 in 2008. This change represented a decrease of more than 15% over the year and could be attributed primarily to a fall in direct income although this was offset to some extent by an increase in social transfers. See Table 1.3 and Figure 1f.

- ◆ Households composed of one adult aged 65 and over had the lowest net disposable household income within this classification in 2009 at €17,985.
- ◆ 'Other households with children' had the highest average net disposable household income in 2009 at €70,329, however this represented a decrease of 4.2% from €73,427 in 2008.

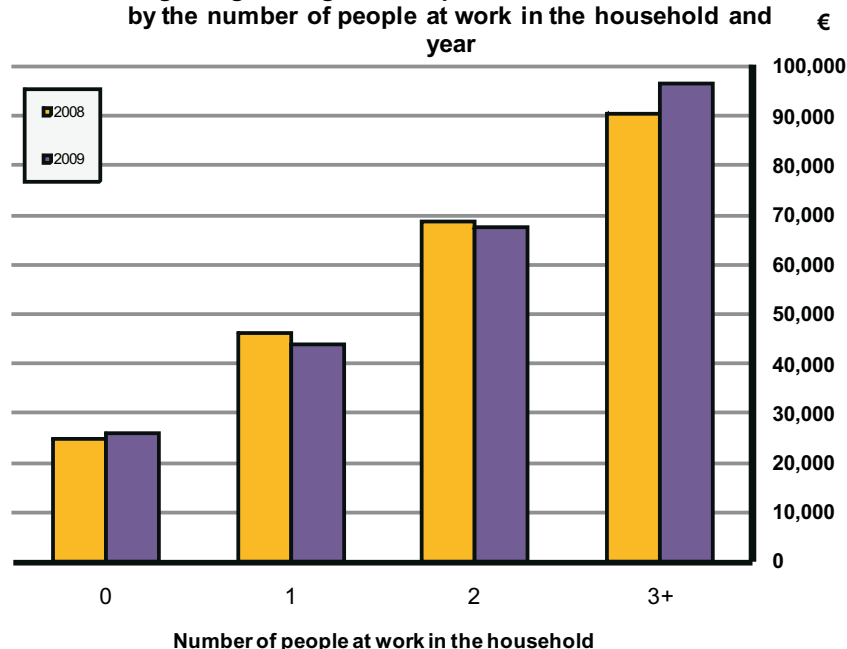
**Figure 1f Average net disposable household income by household composition and year**



Looking at households based on the number of people at work the results show that in 2009, households with three or more persons at work had an average net disposable household income of €96,721, up 7% from €90,407 in 2008. The number of households interviewed where three or more respondents were at work decreased between 2008 and 2009 falling from 242 households to 191 households. The increase in average net disposable household income for this group was due to an increase in direct income. See *Table 1.3 and Figure 1g*.

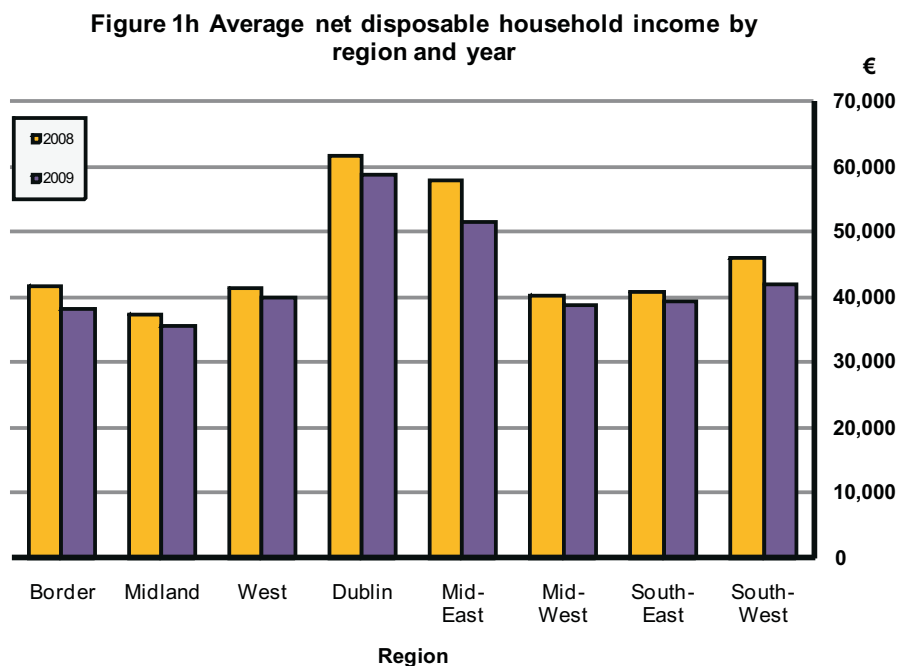
- ◆ The lowest average net disposable household income was recorded for households where no person worked at €25,829 in 2009, an increase of 4.5% from €24,721 in 2008 reflecting an increase in social transfers over the year.
- ◆ Households with one person at work had an average net disposable household income of €43,921 in 2009 while the equivalent figure for households with two people at work was €67,450. Both groups experienced a decrease in their average net disposable household income over the year of 5.1% and 1.9% respectively.

**Figure 1g Average net disposable household income by the number of people at work in the household and year**



A breakdown by region indicated that all regions recorded decreases, ranging from 3% to 11%, in average net disposable household income between 2008 and 2009. In absolute terms, households in the Dublin and Mid-East regions had the highest average net disposable income at €58,759 and €51,519 respectively. See Table 1.3 and Figure 1h.

- ◆ In 2009, households in the Mid-East region saw their net disposable household income decrease to €51,519 from €57,759 in 2008, a decrease of almost 11%.
- ◆ Households in the Midland region had the lowest average net disposable household income at €35,532 in 2009, down from €37,379 in 2008. In 2009, those households in the Midland region had an average net disposable household income that represented just over 60% of the average net disposable household income of households in the Dublin region (€58,759).



### Analysis by other socio-demographic variables

A breakdown of average net disposable household income by other socio-demographic variables showed the following results. See Table 1.3.

- ◆ Average net disposable household income of female headed households was €39,413 in 2009 compared with €50,570 for households headed by a male. The latter was over 28% higher than the former in 2009. Both groups experienced a decrease in average net disposable household income between 2008 and 2009 of 5.0% and 6.7% respectively.
- ◆ In 2009, average net disposable household income increased as the highest level of education achieved by the head of household increased. Households where the highest level of education achieved by the head of household was primary or below had an average net disposable household income of €30,224 while the comparable figure for households headed by a person with a third level degree or higher was €69,401.
- ◆ Households who owned and occupied their homes had an annual average net disposable household income of €50,078 in 2009. This compares with €41,887 for those in rented accommodation and €28,979 for those in accommodation rented at below the market rate or rent free.



- ◆ In 2009, households in urban areas had a net disposable household income of €49,364 compared with €40,522 for households in rural areas. Both groups saw their income fall by 6% between 2008 and 2009.

## Equivalised disposable income

The needs of a household grow with each additional member, however, due to economies of scale in consumption, not in a proportional way. The consumption of heat, electricity, etc. will not be three times as high for a household with three members than for a single person. With the help of *equivalence scales* each household type in the population is assigned a value in proportion to its needs. The factors commonly taken into account to assign these values are the size of the household and the age of the household members more specifically whether they are adults or children. The national equivalence scale assigns the first adult in each household a value of 1, each subsequent adult a value of 0.66 and each child a value of 0.33. These values are then summed and an equivalised household size is established. Net disposable household income is divided by the equivalised household size to calculate equivalised disposable income.

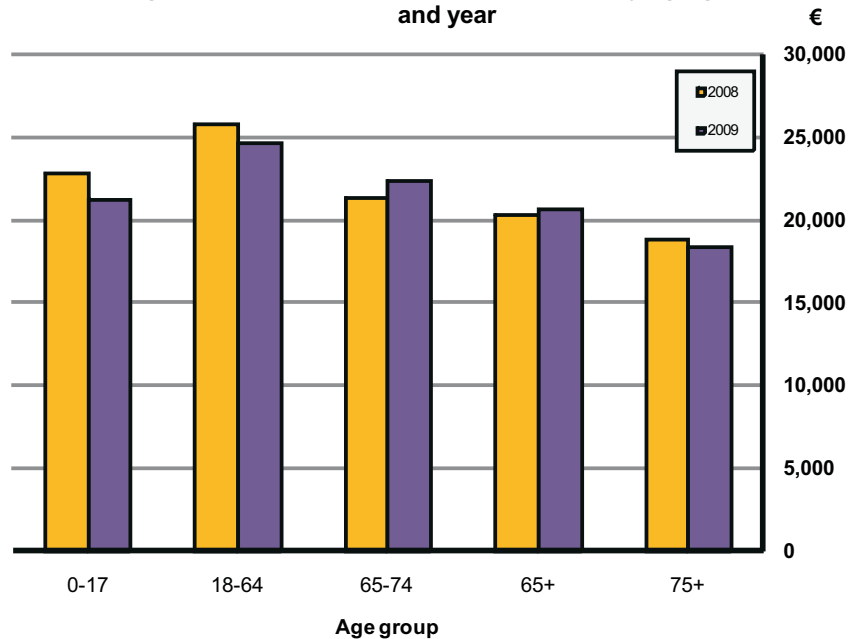
Equivalised disposable income is then applied to each member of the household and forms the basis of the analysis for the remainder of this report. Equivalised disposable income not only allows us to more accurately compare the relative economic position of different types of households but it also allows us to look at individuals within the households. Equivalised disposable income is also used in the calculation of the at risk of poverty rate which will be discussed in Chapter 2 of this report.

## Analysis by socio-demographic characteristics

Annual average equivalised disposable income was €23,326 in 2009, down by 4.3% from €24,380 in 2008. The results of analysis by socio-demographic characteristics follow a broadly similar pattern to those discussed in the average net disposable household income section of this chapter. Differences occur as it is the characteristics of the individuals within the households and not just the head of household that is relevant when looking at equivalised disposable income. See *Table 1.4 and Figure 1i*.

- ◆ Persons aged 75 and over had an annual average equivalised disposable income of €18,392 in 2009, the lowest level recorded across the age groups. Individuals of working age (aged 18-64) had an equivalised income of €24,678, a decrease of 4.2% from 2008 while persons aged under 18 saw their equivalised income fall by almost 7% over the year from €22,798 in 2008 to €21,244 in 2009.
- ◆ Individuals who described their Principal Economic Status as 'at work' had an average equivalised disposable income in 2009 of €28,732. This was down slightly from €29,240 in 2008, a decrease of just under 2% year on year. Those who stated that they were 'not at work due to illness or disability' had the lowest average equivalised disposable income at €17,196. This was up by almost 8% from the 2008 figure of €15,966. Students experienced the biggest change in their average equivalised disposable income between 2008 and 2009; it fell by 9% from €21,415 in 2008 to €19,491 in 2009.
- ◆ Persons with a highest education level attained of 'third level degree or above' had an average equivalised disposable income of €34,265, the highest income level recorded across this group. Persons with an education level of 'primary or below' had an equivalised disposable income of €17,582, the lowest income recorded across the group. Average equivalised disposable income increased as the highest level of education attained increased.

Figure 1i Equivalised disposable income by age group and year



#### Analysis by equivalised disposable income decile

Results of an analysis of income by equivalised disposable income decile followed a similar pattern to those discussed in relation to gross household income earlier in this chapter. Results indicated that those in the lower income deciles were more dependent on social transfers as a source of income than those in higher income deciles. See Tables 1.5 and 1.6.

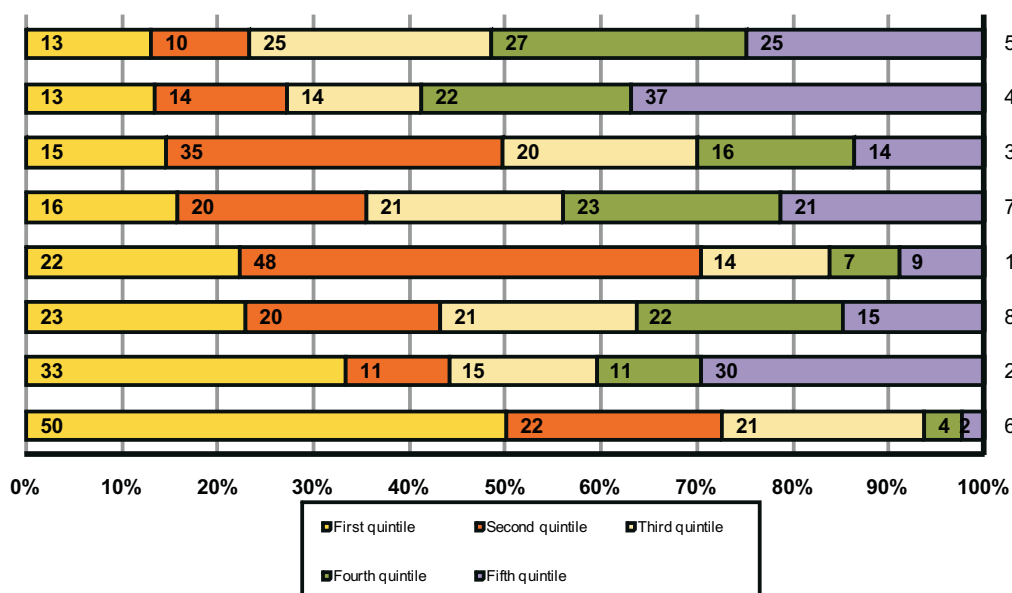
- ◆ At state level weekly equivalised gross income was €551.39 with more than one quarter (25.5%) of this made up of social transfers. Individuals in the higher income deciles were less reliant on social transfers where just under 11% of equivalised gross income of individuals in the top income decile was accounted for by social transfers.
- ◆ Between 64% and 74% of gross weekly equivalised income, of persons in the bottom three deciles, was made up of social transfers. Those in decile two were most dependent on social transfers with 74% of equivalised gross income being accounted for by social transfers. Decile two contained a larger concentration than other deciles of the following types of people; those living in lone parent households (28.2%), people living in households rented below the market rate or rent free (28.4%) and persons not at work due to illness or disability (26.7%).

A further analysis of the equivalised disposable income deciles by socio-demographic characteristics was conducted and some of the most significant results are presented below. See Table 1.6 and Figure 1j.

- ◆ Just over half (50.2%) of persons living in lone parent households were in the bottom two equivalised disposable income deciles. Therefore, 50.2% of persons living in lone parent households were in deciles one and two (i.e. had an average equivalised disposable income of less than €255.28 per week).
- ◆ More than one third (33.4%) of adults of working age (aged 18-64) living alone were in the bottom two income deciles meaning they had an average equivalised disposable income of less than €255.28 per week. This compares with 13.4% of persons living in a household composed of two people of working age (aged 18-64).

- ◆ An analysis by region showed that more than 48% of those living in the Dublin region were in one of the three highest income deciles compared with just over 13% of those living in the Midland region. More than 19% of people living in the Dublin region occupied the highest income decile therefore they had an average equivalised disposable income of more than €740.49 per week.
- ◆ Almost 31% of people with a third level degree or above were in the highest income decile meaning they had an equivalised disposable income of more than €740.49 in 2009. While the comparable figure for those with a primary education or below is just over 2%. More than 63% of people with a primary education or below were in one of the four lowest income deciles (i.e. had an equivalised disposable income of less than €335.49 per week).
- ◆ Nearly 58% of people who stated they were 'not at work due to illness or disability' had an equivalised disposable income of less than €289.58 per week meaning they were in one of the three lowest income deciles.

**Figure 1j Percentage of persons in each equivalised disposable income quintile by household composition, SILC 2009**



#### KEY

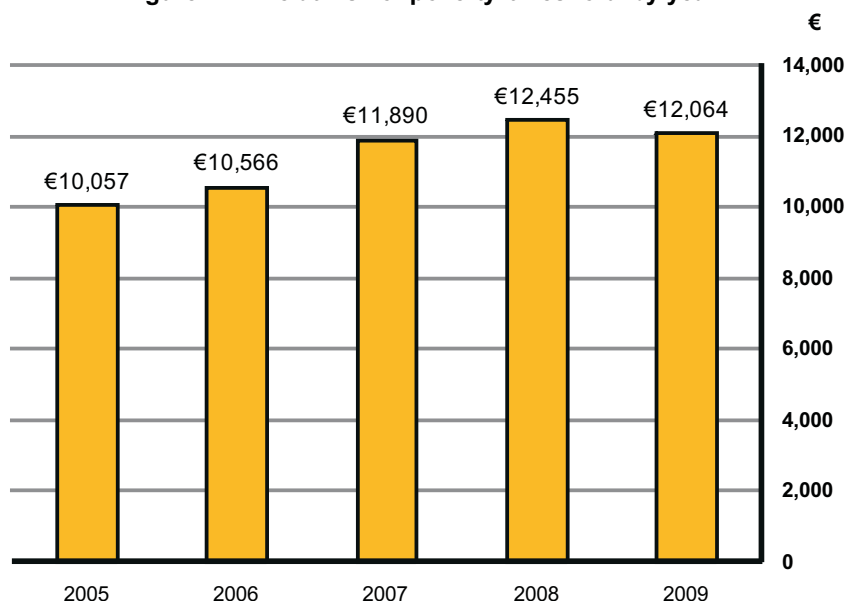
- 1 - 1 adult aged 65+, no children under 18
- 2 - 1 adult aged <65, no children under 18
- 3 - 2 adults, at least 1 aged 65+, no children under 18
- 4 - 2 adults, both aged <65, no children under 18
- 5 - 3 or more adults, no children aged under 18
- 6 - 1 adult with children
- 7 - 2 adults with 1-3 children
- 8 - Other households with children

## At risk of poverty threshold

The at risk of poverty threshold is the value below which a person is considered to be at risk of poverty. The threshold is set, in line with international standards, at 60% of the median equivalised disposable income. Equivalised disposable income is used as it facilitates the comparison of living standards across households regardless of composition and size. In 2009, the at risk of poverty threshold for an individual was €12,064, a decrease of over 3% on the 2008 figure of €12,455. See Table 1.8.

An analysis of the at risk of poverty threshold over time indicated a steady increase in the threshold over the 2005-2008 period. However, the 2009 threshold of €12,064 represents the first decrease in the threshold since the implementation of the SILC survey. See Figure 1k.

Figure 1k The at risk of poverty threshold by year



## Equality of income

The Gini coefficient is a measure of income inequality that assesses the dispersion of income across the population. The Gini coefficient can range from 0% to 100%. A lower Gini coefficient indicates a more equal distribution, with 0% corresponding to perfect equality, while higher Gini coefficients indicate a more unequal distribution, with 100% corresponding to perfect inequality. The Gini coefficient can be used to indicate how the distribution of income has changed within a population over a period of time; thus it is possible to see if income inequality is increasing or decreasing. See Table 1c below.

In 2009, using the national definition of income and national equivalence scales, the Gini coefficient was 29.3% down slightly from the 2008 figure of 30.7%. There has been a significant decline in the Gini coefficient between 2006 and 2009 when the value of the indicator fell from 32.4% to 29.3% indicating that the income distribution has become more equal over time.

Table 1c Indicators of equality of income by year

	% of individuals			
	2006	2007	2008	2009
<b>National/NAPS Indicators using alternative national scale<sup>1</sup></b>				
Gini coefficient	32.4	31.7	30.7	29.3
Income distribution (Income quintile share ratio)	5.0	4.9	4.6	4.3

<sup>1</sup> See Background Notes

The quintile share ratio is the ratio of the total equivalised disposable income received by the 20% of persons with the highest income to that received by the 20% of individuals with the lowest equivalised disposable income. Perfect equality would yield a value of 1 while the more unequal the distribution the larger the ratio. The income quintile share ratio in 2009 was 4.3. There was a significant decline in the income quintile share ratio from 5.0 to 4.3 between 2006 and 2009. See Table 1b.

The Gini coefficient and the quintile share ratio indicate that the income distribution has become more equal over time.

## Over indebtedness and income

In 2008 a special module on over indebtedness and financial exclusion was included as part of the SILC questionnaire and in 2009 a number of the questions were kept on the questionnaire and asked of all households interviewed. There were four types of arrears included which were:

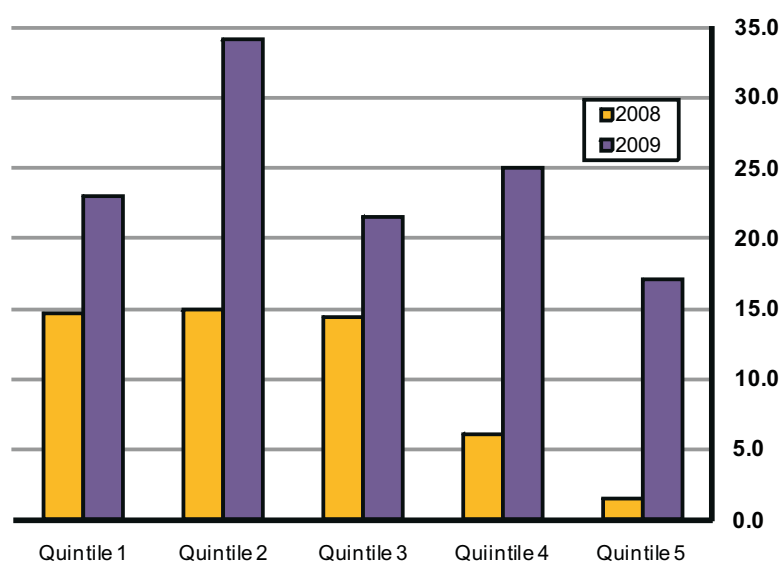
- ◆ rent or mortgage arrears
- ◆ utility bill arrears
- ◆ hire purchase or other loan arrears
- ◆ other bill arrears e.g. education, health, etc

Questions were asked at household level and gross household income quintiles (i.e. five income bands with 20% of households falling into each income band) have been used for the analysis rather than income deciles which were the focus of the earlier parts of this chapter. This has been done as the sample for this set of questions was not of sufficient size to allow a detailed analysis by decile and type of arrears.

Overall, almost one quarter of households were in arrears, on at least one occasion during the twelve months prior to the date of interview, on at least one of the four items included. This was a significant increase on the position one year earlier when just over 10% were in arrears on at least one item. See *Table 1.9a*, *Table 1.9b* and *Figure 1l*.

- ◆ In 2009 more than one third (34.2%) of households with a gross weekly household income of between €401.68 and €662.02 (second income quintile) had arrears on at least one of the four items asked. This compares with 15% of households in the second income quintile one year earlier.
- ◆ In 2009, 17% of households with a weekly gross income in excess of €1,567.20 (i.e. they were in the highest income quintile) had arrears on at least one of the four items included. This compares with less than 2% of households in the highest income quintile in 2008.

**Figure 1l Percentage of households who had arrears by quintile and year**



In 2009, arrears on 'other bills' such as health and education (17.0%) were the most common type of arrears experienced by households. This was followed by utility bill arrears where close to 10% of households were in arrears.

- ◆ Households in the second income quintile had the highest rate of arrears across each of the four items included. More than 23% of households within this income category were in arrears on other bills, just under 7% had arrears on hire purchase or other loans, almost 10% were in arrears with their mortgage or rent while close to 17% were in arrears with their utility bills.

Other questions in relation to the financial position of the household have been included in the analysis this year. The four additional areas of analysis were:

- ◆ If the household has the ability to meet an unexpected expense of €1,085 in 2009 (€985 in 2008) without borrowing.
- ◆ If the household had to go into debt in the last 12 months to meet ordinary living expenses.
- ◆ The degree of ease or difficulty the household has in making ends meet.
- ◆ Housing cost burden (including mortgage/rent, insurance or service charges etc).

In 2009, almost 48% of households stated that they would be unable to meet an expense of €1,085 without borrowing. See *Table 1.9a and Table 1.9b*.

- ◆ In 2008, just over 41% of households were unable to meet an expense of €985 without borrowing.
- ◆ Two thirds of household in the second income quintile in 2009 were unable to meet an unexpected expense of €1,085 without borrowing while just over 63% of households in the lowest income quintile were unable to meet an expense of this size without borrowing.

More than 11% of households had to go into debt in 2009 to meet ordinary living expenses. This figure was up from just over 9% in 2008. See *Table 1.9a and Table 1.9b*.

- ◆ Households in the second income quintile were most exposed with 18% stating that they had to go into debt to meet ordinary living expenses in 2009.
- ◆ Just over 5% of households with a gross weekly household income of more than €1,567.20 (i.e. in the highest income quintile) were unable to meet ordinary living expenses without borrowing in 2009.

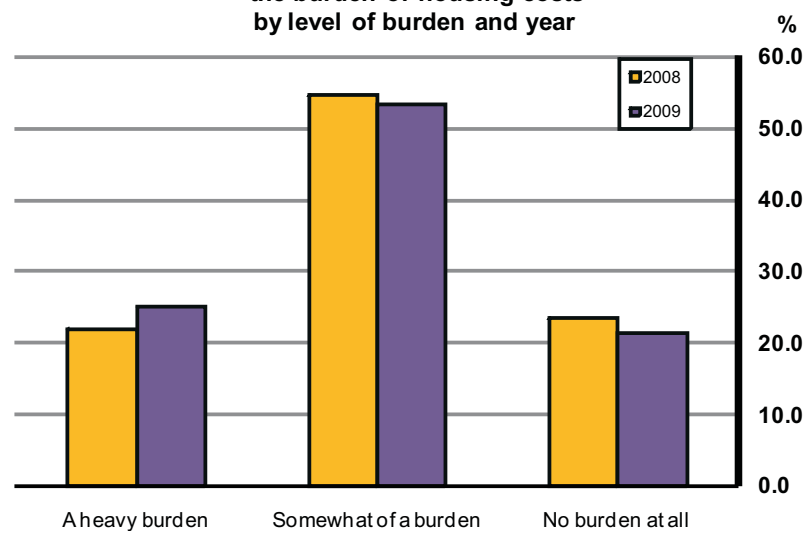
In 2009, just under 10% of households stated they experienced 'great difficulty', just over 14% experienced 'difficulty' and almost 38% experienced 'some difficulty' in making ends meet. See *Table 1.9a and Table 1.9b*.

- ◆ A similar pattern of results could be observed in 2008 when 8.5% stated they 'had great difficulty', 14.2% stated they 'had difficulty' and 34.2% 'had some difficulty' in making ends meet.
- ◆ Just over 3% of households in 2009 and 4% of households in 2008 said they could make ends meet 'very easily'.

The final topic examined, in relation to the financial position of the household, was housing cost burden. In 2009 more than 25% of households stated that housing costs were a heavy burden, while almost 54% stated that housing costs were somewhat of a burden. See *Table 1.9a, Table 1.9b and Figure 1m*.

- ◆ In 2008 just under 22% of households stated that housing costs were a heavy burden while almost 55% stated they were somewhat of a burden.
- ◆ In 2009, just over 21% of households stated that housing costs were no burden at all, this figure was down from 23.5% in 2008.

Figure 1m Percentage of households reporting on the burden of housing costs by level of burden and year



**Table 1.1 Gross household income by decile, activity composition of the household and composition of net disposable household income, 2009**

<b>Decile</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
Weekly threshold (€)	<271.47	<401.68	<502.61	<662.02	<803.72
<b>Average Weekly Household Income</b>	€	€	€	€	€
<b>Direct Income</b>					
Employee income	4.03	28.60	64.46	150.08	279.76
Employer's social insurance contributions	0.27	1.91	4.84	12.98	27.99
Cash benefits or losses from self-employment	7.90	15.94	19.23	31.39	44.84
Other direct income	5.99	9.90	18.76	10.73	21.41
<b>Total direct income</b>	<b>18.19</b>	<b>56.36</b>	<b>107.29</b>	<b>205.19</b>	<b>374.00</b>
<b>Social Transfers</b>					
Unemployment benefits	24.74	26.61	31.60	67.43	59.55
Old-age benefits	100.21	121.49	139.18	138.67	127.37
Family/children related allowances	9.47	56.82	92.56	105.83	86.61
Housing allowances	17.75	20.87	20.71	13.80	12.44
Other social transfers	41.25	43.23	62.85	51.62	70.66
<b>Total social transfers</b>	<b>193.42</b>	<b>269.02</b>	<b>346.91</b>	<b>377.35</b>	<b>356.63</b>
<b>Gross Income</b>	<b>211.61</b>	<b>325.37</b>	<b>454.20</b>	<b>582.53</b>	<b>730.64</b>
<b>Tax and Social Contributions</b>					
Tax on income and social contributions	0.41	1.80	5.27	11.20	24.17
Employer's social insurance contributions	0.27	1.91	4.84	12.98	27.99
Regular inter-household cash transfers paid	0.49	1.28	1.02	2.48	3.29
<b>Total Tax and Social Contributions</b>	<b>1.16</b>	<b>5.00</b>	<b>11.13</b>	<b>26.66</b>	<b>55.45</b>
<b>Net Disposable Income</b>	<b>210.45</b>	<b>320.37</b>	<b>443.07</b>	<b>555.88</b>	<b>675.19</b>
Household size (persons per household)	1.24	1.65	2.26	2.71	2.72
<b>% of persons per household by activity composition</b>					
Not yet at school	0.8	6.6	7.8	5.0	5.4
At school	5.1	12.9	13.1	21.4	18.4
At work	13.2	13.9	13.1	19.7	28.7
Unemployed	10.1	8.5	8.6	11.5	8.6
Not economically active	70.9	58.1	57.3	42.5	38.9
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

**Table 1.2 Gross household income by decile and composition of net disposable household income, SILC 2008**

<b>Decile</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
Weekly threshold (€)	<270.65	<424.53	<520.09	<687.87	<892.70
<b>Average Weekly Household Income</b>	€	€	€	€	€
<b>Total direct income</b>	<b>26.65</b>	<b>80.61</b>	<b>122.99</b>	<b>274.73</b>	<b>485.78</b>
<b>Total social transfers</b>	<b>193.20</b>	<b>259.84</b>	<b>349.08</b>	<b>324.77</b>	<b>303.72</b>
<b>Gross Income</b>	<b>219.85</b>	<b>340.46</b>	<b>472.07</b>	<b>599.49</b>	<b>789.49</b>
<b>Total Tax and Social Contributions</b>	<b>4.90</b>	<b>6.71</b>	<b>13.19</b>	<b>35.82</b>	<b>83.80</b>
<b>Net Disposable Income</b>	<b>214.95</b>	<b>333.75</b>	<b>458.87</b>	<b>563.68</b>	<b>705.70</b>



**Table 1.1 (contd.) Gross household income by decile, activity composition of the household and composition of net disposable household income, 2009**

6	7	8	9	10	State	Decile
<999.65	<1,254.32	<1,567.20	<2,223.42	>2,223.42		Weekly threshold (€)
€	€	€	€	€	€	
						<b>Average Weekly Household Income</b>
						<b>Direct Income</b>
477.93	650.05	879.85	1,279.62	2,188.26	599.70	Employee income
48.67	69.75	101.89	135.74	244.62	64.80	Employer's social insurance contributions
71.06	111.91	141.02	223.78	386.24	105.25	Cash benefits or losses from self-employment
15.39	19.40	30.36	35.97	96.44	26.40	Other direct income
<b>613.05</b>	<b>851.11</b>	<b>1,153.12</b>	<b>1,675.10</b>	<b>2,915.56</b>	<b>796.16</b>	<b>Total direct income</b>
						<b>Social Transfers</b>
57.66	51.37	53.31	35.40	49.97	45.78	Unemployment benefits
102.47	97.47	89.61	52.45	190.84	116.00	Old-age benefits
67.23	84.14	64.51	56.92	54.62	67.91	Family/children related allowances
9.07	5.35	3.29	1.77	0.75	10.58	Housing allowances
62.96	43.84	46.71	34.29	10.67	46.78	Other social transfers
<b>299.38</b>	<b>282.17</b>	<b>257.43</b>	<b>180.83</b>	<b>306.85</b>	<b>287.05</b>	<b>Total social transfers</b>
<b>912.44</b>	<b>1,133.28</b>	<b>1,410.55</b>	<b>1,855.93</b>	<b>3,222.42</b>	<b>1,083.21</b>	<b>Gross Income</b>
						<b>Tax and Social Contributions</b>
57.51	95.86	160.61	285.74	694.51	133.58	Tax on income and social contributions
48.67	69.75	101.89	135.74	244.62	64.80	Employer's social insurance contributions
3.73	1.84	7.55	11.61	7.29	4.05	Regular inter-household cash transfers paid
<b>109.91</b>	<b>167.45</b>	<b>270.06</b>	<b>433.09</b>	<b>946.42</b>	<b>202.43</b>	<b>Total Tax and Social Contributions</b>
<b>802.53</b>	<b>965.83</b>	<b>1,140.49</b>	<b>1,422.84</b>	<b>2,276.00</b>	<b>880.78</b>	<b>Net Disposable Income</b>
2.93	3.29	3.13	3.45	3.78	2.72	Household size (persons per household)
						<b>% of persons per household by activity composition</b>
6.1	6.7	8.1	9.4	7.1	6.7	Not yet at school
16.9	20.0	16.8	14.6	13.9	16.1	At school
38.8	41.8	48.3	53.7	55.6	36.7	At work
9.9	7.0	6.6	4.1	3.0	7.3	Unemployed
28.3	24.6	20.2	18.1	20.3	33.2	Not economically active
<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>Total</b>

**Table 1.2 (contd.) Gross household income by decile and composition of net disposable household income, SILC 2008**

6	7	8	9	10	State	Decile
<1125.72	<1368.05	<1729.64	<2263.58	<2263.58		Weekly threshold (€)
€	€	€	€	€	€	
						<b>Average Weekly Household Income</b>
732.57	984.04	1,350.40	1,768.93	3,210.60	902.50	<b>Total direct income</b>
271.75	255.48	194.66	205.59	227.04	258.50	<b>Total social transfers</b>
<b>1,004.31</b>	<b>1,239.52</b>	<b>1,545.06</b>	<b>1,974.52</b>	<b>3,437.64</b>	<b>1,161.00</b>	<b>Gross Income</b>
135.70	202.24	309.14	437.22	986.19	221.11	<b>Total Tax and Social Contributions</b>
<b>868.61</b>	<b>1,037.27</b>	<b>1,235.91</b>	<b>1,537.30</b>	<b>2,451.45</b>	<b>939.89</b>	<b>Net Disposable Income</b>

**Table 1.3 Annual average disposable household income by demographic characteristics and year**

	All households		
	Average annual household disposable income		% change
	2008	2009	2008-2009
	€	€	%
<b>State</b>	<b>49,043</b>	<b>45,959</b>	<b>- 6.3</b>
<b>Sex (head of household)</b>			
Male	54,224	50,570	- 6.7
Female	41,469	39,413	- 5.0
<b>Age group (head of household)</b>			
18-64	54,520	50,772	- 6.9
65-74	33,625	33,898	+ 0.8
65+	30,137	29,711	- 1.4
75+	26,388	24,792	- 6.0
<b>Principal Economic Status (head of household)</b>			
At work	60,977	58,405	- 4.2
Unemployed	35,208	37,450	+ 6.4
Student	33,278	31,104	- 6.5
Home duties	32,878	29,237	- 11.1
Retired	35,363	36,183	+ 2.3
Not at work due to illness or disability	29,475	31,731	+ 7.7
<b>Highest education level attained (head of household)<sup>1</sup></b>			
Primary or below	31,595	30,224	- 4.3
Lower secondary	43,610	40,648	- 6.8
Higher secondary	53,598	47,912	- 10.6
Post leaving cert	48,074	49,982	+ 4.0
Third level non degree	60,806	65,036	+ 7.0
Third level degree or above	75,686	69,401	- 8.3
<b>Household composition</b>			
1 adult aged 65+	17,858	17,985	+ 0.7
1 adult aged <65	26,533	25,364	- 4.4
2 adults, at least 1 aged 65+	36,006	37,184	+ 3.3
2 adults, both aged <65	50,563	47,882	- 5.3
3 or more adults	72,585	68,593	- 5.5
1 adult with children aged under 18	29,403	24,898	- 15.3
2 adults with 1-3 children aged under 18	58,523	54,138	- 7.5
Other households with children aged under 18	73,427	70,329	- 4.2
<b>Number of persons at work in the household</b>			
0	24,721	25,829	+ 4.5
1	46,297	43,921	- 5.1
2	68,749	67,450	- 1.9
3+	90,407	96,721	+ 7.0
<b>Tenure status</b>			
Owner-occupied	53,170	50,078	- 5.8
Rented at the market rate	42,894	41,887	- 2.3
Rented at below the market rate or rent free	30,755	28,979	- 5.8
<b>Urban/rural location</b>			
Urban areas	52,532	49,364	- 6.0
Rural areas	43,215	40,522	- 6.2
<b>Region</b>			
Border	41,666	38,247	- 8.2
Midland	37,379	35,532	- 4.9
West	41,368	40,004	- 3.3
Dublin	61,724	58,759	- 4.8
Mid-East	57,759	51,519	- 10.8
Mid-West	40,120	38,857	- 3.1
South-East	40,836	39,332	- 3.7
South-West	46,002	42,019	- 8.7

<sup>1</sup> There was a change in the composition of the three highest educational attainment categories between 2008 and 2009 due to an update to the question

**Table 1.4 Annual average equivalised disposable income by demographic characteristics and year**

All persons

	Average annual equivalised disposable income		% change
	2008	2009	2008-2009
	€	€	%
<b>State</b>	<b>24,380</b>	<b>23,326</b>	<b>- 4.3</b>
<b>Sex</b>			
Male	24,640	23,627	- 4.1
Female	24,121	23,029	- 4.5
<b>Age group</b>			
0-17	22,798	21,244	- 6.8
18-64	25,751	24,678	- 4.2
65-74	21,375	22,321	+ 4.4
65+	20,263	20,681	+ 2.1
75+	18,866	18,392	- 2.5
<b>Principal Economic Status (aged 16 years and over)</b>			
At work	29,240	28,732	- 1.7
Unemployed	18,692	18,239	- 2.4
Student	21,415	19,491	- 9.0
Home duties	19,218	18,331	- 4.6
Retired	22,400	23,691	+ 5.8
Not at work due to illness or disability	15,966	17,196	+ 7.7
<b>Highest education level attained (aged 16 years and over) <sup>1</sup></b>			
Primary or below	17,565	17,582	+ 0.1
Lower secondary	20,577	19,731	- 4.1
Higher secondary	24,424	23,537	- 3.6
Post leaving cert	23,457	23,820	+ 1.5
Third level non degree	30,367	26,682	- 12.1
Third level degree or above	37,262	34,265	- 8.0
<b>Household composition</b>			
1 adult aged 65+	17,858	17,985	+ 0.7
1 adult aged <65	26,533	25,364	- 4.4
2 adults, at least 1 aged 65+	21,690	22,400	+ 3.3
2 adults, both aged <65	30,460	28,845	- 5.3
3 or more adults	26,526	25,771	- 2.8
1 adult with children aged under 18	17,908	15,162	- 15.3
2 adults with 1-3 children aged under 18	25,438	23,956	- 5.8
Other households with children aged under 18	22,443	21,713	- 3.3
<b>Number of persons at work in the household</b>			
0	15,881	15,866	- 0.1
1	23,365	22,087	- 5.5
2	29,439	29,349	- 0.3
3+	28,112	31,284	+ 11.3
<b>Tenure status</b>			
Owner-occupied	26,164	25,400	- 2.9
Rented at the market rate	21,547	20,482	- 4.9
Rented at below the market rate or rent free	16,016	15,257	- 4.7
<b>Urban/rural location</b>			
Urban areas	25,928	24,764	- 4.5
Rural areas	21,785	20,956	- 3.8
<b>Region</b>			
Border	21,142	20,155	- 4.7
Midland	18,552	18,867	+ 1.7
West	20,485	20,340	- 0.7
Dublin	30,234	29,129	- 3.7
Mid-East	27,477	24,612	- 10.4
Mid-West	20,867	20,435	- 2.1
South-East	20,548	20,229	- 1.6
South-West	23,307	21,570	- 7.5

<sup>1</sup>There was a change in the composition of the three highest educational attainment categories between 2008 and 2009 due to an update to the question

**Table 1.5 Average weekly equivalised income by net disposable equivalised income deciles and composition of net equivalised disposable income, 2009**

<b>Decile</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
Weekly threshold (€)	<209.91	<255.28	<289.58	<335.49	<385.33
<b>Average Weekly Equivalised Income</b>	€	€	€	€	€
<b>Direct Income</b>					
Employee income	25.59	41.66	71.54	134.18	196.41
Employer's social insurance contributions	1.88	4.04	7.31	13.76	21.11
Cash benefits or losses from self-employment	13.83	11.71	19.42	25.03	40.26
Other direct income	9.42	6.55	3.27	5.36	4.12
<b>Total direct income</b>	<b>50.72</b>	<b>63.96</b>	<b>101.54</b>	<b>178.33</b>	<b>261.90</b>
<b>Social Transfers</b>					
Unemployment benefits	27.56	34.98	27.34	26.87	28.11
Old-age benefits	11.20	21.51	65.02	51.97	40.40
Family/children related allowances	49.33	68.61	51.84	52.01	48.97
Housing allowances	4.51	7.90	10.77	8.88	8.17
Other social transfers	21.97	46.75	29.42	20.71	24.68
<b>Total social transfers</b>	<b>114.56</b>	<b>179.74</b>	<b>184.39</b>	<b>160.45</b>	<b>150.33</b>
<b>Gross Income</b>	<b>165.28</b>	<b>243.70</b>	<b>285.93</b>	<b>338.78</b>	<b>412.23</b>
<b>Tax and Social Contributions</b>					
Tax on income and social contributions	1.87	3.17	5.34	12.17	25.53
Employer's social insurance contributions	1.88	4.04	7.31	13.76	21.11
Regular inter-household cash transfers paid	1.48	1.40	0.70	1.45	4.37
<b>Total Tax and Social Contributions</b>	<b>5.23</b>	<b>8.61</b>	<b>13.35</b>	<b>27.38</b>	<b>51.00</b>
<b>Net Disposable Income</b>	<b>160.05</b>	<b>235.09</b>	<b>272.57</b>	<b>311.40</b>	<b>361.23</b>

**Table 1.5 (contd.) Average weekly equivalised income by net disposable equivalised income deciles and composition of net equivalised disposable income, 2009**

6	7	8	9	10	State	Decile
<443.96	<509.04	<595.82	<740.49	>740.49		Weekly threshold (€)
€	€	€	€	€	€	
						<b>Average Weekly Equivalised Income</b>
						<b>Direct Income</b>
281.69	365.60	465.94	586.15	925.67	308.68	Employee income
31.32	40.04	51.01	64.21	102.49	33.63	Employer's social insurance contributions
28.58	60.98	52.66	91.84	216.88	55.99	Cash benefits or losses from self-employment
6.56	6.65	8.13	15.98	60.31	12.58	Other direct income
<b>348.15</b>	<b>473.28</b>	<b>577.74</b>	<b>758.17</b>	<b>1,305.34</b>	<b>410.88</b>	<b>Total direct income</b>
						<b>Social Transfers</b>
17.57	16.82	20.88	12.56	21.91	23.44	Unemployment benefits
52.18	46.66	43.93	58.49	107.09	49.78	Old-age benefits
38.04	27.05	23.49	21.18	16.93	39.74	Family/children related allowances
3.26	1.60	3.64	1.28	0.57	5.05	Housing allowances
24.45	17.25	18.55	12.47	9.01	22.50	Other social transfers
<b>135.49</b>	<b>109.38</b>	<b>110.49</b>	<b>105.98</b>	<b>155.51</b>	<b>140.51</b>	<b>Total social transfers</b>
<b>483.65</b>	<b>582.65</b>	<b>688.23</b>	<b>864.16</b>	<b>1,460.85</b>	<b>551.39</b>	<b>Gross Income</b>
						<b>Tax and Social Contributions</b>
37.49	66.68	85.04	138.15	314.13	68.69	Tax on income and social contributions
31.32	40.04	51.01	64.21	102.49	33.63	Employer's social insurance contributions
1.57	1.83	2.17	1.92	3.53	2.04	Regular inter-household cash transfers paid
<b>70.37</b>	<b>108.55</b>	<b>138.22</b>	<b>204.28</b>	<b>420.15</b>	<b>104.36</b>	<b>Total Tax and Social Contributions</b>
<b>413.27</b>	<b>474.10</b>	<b>550.02</b>	<b>659.88</b>	<b>1,040.71</b>	<b>447.03</b>	<b>Net Disposable Income</b>

**Table 1.6 Demographic characteristics of individuals by net disposable equivalised income deciles, 2009**

<b>Decile</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
Weekly threshold (€)	<209.91	<255.28	<289.58	<335.49	<385.33
<b>Distribution across deciles</b>	%	%	%	%	%
<b>Sex</b>					
Male	10.4	9.5	9.2	9.9	9.5
Female	9.9	10.3	10.9	10.0	10.6
<b>Age group</b>					
0-17	12.8	12.6	9.6	11.8	10.7
18-64	9.4	8.9	8.0	8.1	10.0
65-74	7.5	8.4	19.6	15.0	6.9
65+	8.0	8.8	22.8	15.7	8.8
75+	8.7	9.4	27.1	16.7	11.4
<b>Principal Economic Status (aged 16 years and over)</b>					
At work	4.1	3.6	4.7	6.1	8.9
Unemployed	18.5	15.1	11.8	11.2	11.2
Student	20.6	13.1	10.6	10.3	13.1
Home duties	13.6	14.2	21.0	13.5	9.3
Retired	7.3	8.6	15.2	12.5	10.2
Not at work due to illness or disability	12.3	26.7	18.7	11.2	10.2
<b>Highest education level attained (aged 16 years and over)<sup>1</sup></b>					
Primary or below	12.9	17.7	19.1	13.7	9.9
Lower secondary	14.2	12.6	13.4	9.0	11.9
Higher secondary	9.9	7.2	7.5	8.1	11.3
Post leaving cert	6.1	6.9	5.7	8.8	12.1
Third level non degree	4.5	2.7	3.8	5.4	5.1
Third level degree or above	4.0	1.5	8.3	6.3	3.8
<b>Household composition</b>					
1 adult aged 65+	7.0	15.3	36.0	12.1	7.2
1 adult aged <65	13.6	19.8	4.8	5.8	7.6
2 adults, at least 1 aged 65+	8.8	5.8	16.8	18.3	7.9
2 adults, both aged <65	7.0	6.4	8.9	4.9	4.5
3 or more adults	7.6	5.4	4.3	5.9	12.8
1 adult with children aged under 18	22.0	28.2	9.6	12.8	10.8
2 adults with 1-3 children aged under 18	9.0	6.8	7.9	11.7	9.7
Other households with children aged under 18	11.3	11.5	11.5	8.8	13.4
<b>Number of persons at work in the household</b>					
0	22.2	21.8	19.1	13.4	7.7
1	8.9	9.3	9.4	13.2	13.9
2	2.9	2.2	5.0	5.0	10.2
3+	1.1	0.0	0.5	3.3	1.7
<b>Tenure status</b>					
Owner-occupied	7.6	6.5	8.7	8.6	10.6
Rented at the market rate	15.1	7.4	12.4	14.0	9.5
Rented at below the market rate or rent free	19.0	28.4	15.0	13.4	8.0
<b>Urban/rural location</b>					
Urban areas	8.8	7.6	8.9	9.1	11.0
Rural areas	12.4	13.7	12.0	11.3	8.5
<b>Region</b>					
Border	5.7	16.6	17.1	12.4	9.2
Midland	14.7	15.8	6.9	14.6	8.2
West	9.9	15.6	9.9	12.6	12.1
Dublin	6.2	4.7	5.7	7.2	7.8
Mid-East	12.0	5.8	10.1	7.2	8.6
Mid-West	15.9	10.1	10.1	13.4	11.7
South-East	14.0	12.1	14.6	10.5	11.0
South-West	11.3	9.9	11.0	9.3	13.9

**Table 1.6 (contd.) Demographic characteristics of individuals by net disposable equivalised income deciles, 2009**

6 <443.96	7 <509.04	8 <595.82	9 <740.49	10 >740.49	State	Decile Weekly threshold (€)
%	%	%	%	%	%	
10.4	10.9	9.6	10.2	10.5	100.0	<b>Distribution across deciles</b>
9.5	9.6	9.9	10.1	9.3	100.0	<b>Sex</b>
						Male
						Female
						<b>Age group</b>
9.4	9.9	8.2	8.4	6.7	100.0	0-17
10.1	10.7	11.3	11.7	11.8	100.0	18-64
12.5	9.3	5.2	6.2	9.4	100.0	65-74
10.3	8.4	5.3	5.1	6.9	100.0	65+
7.2	7.1	5.4	3.6	3.4	100.0	75+
						<b>Principal Economic Status (aged 16 years and over)</b>
12.0	12.8	14.2	16.2	17.5	100.0	At work
8.9	8.8	7.8	3.6	3.2	100.0	Unemployed
6.7	6.2	8.4	6.3	4.6	100.0	Student
6.5	8.3	5.7	4.5	3.5	100.0	Home duties
12.8	9.1	6.2	8.8	9.3	100.0	Retired
6.5	4.3	5.0	3.0	2.2	100.0	Not at work due to illness or disability
						<b>Highest education level attained (aged 16 years and over)</b>
7.7	8.5	4.7	3.5	2.3	100.0	Primary or below
9.4	9.2	8.4	7.0	5.0	100.0	Lower secondary
12.2	13.2	11.8	11.4	7.5	100.0	Higher secondary
11.2	12.1	12.4	13.9	11.0	100.0	Post leaving cert
10.8	9.7	15.9	17.1	25.0	100.0	Third level non degree
7.0	6.6	12.4	19.6	30.5	100.0	Third level degree or above
						<b>Household composition</b>
6.4	3.7	3.4	3.9	5.1	100.0	1 adult aged 65+
7.8	3.7	7.3	11.6	18.0	100.0	1 adult aged <65
12.6	9.9	6.4	5.8	7.9	100.0	2 adults, at least 1 aged 65+
9.5	13.1	8.8	15.5	21.4	100.0	2 adults, both aged <65
12.5	12.2	14.4	13.9	11.0	100.0	3 or more adults
10.5	1.6	2.2	1.7	0.7	100.0	1 adult with children aged under 18
11.0	12.5	10.2	11.2	10.0	100.0	2 adults with 1-3 children aged under 18
7.1	9.5	12.2	8.6	6.2	100.0	Other households with children aged under 18
						<b>Number of persons at work in the household</b>
6.4	3.0	2.3	1.8	2.3	100.0	0
10.2	12.2	7.9	7.4	7.6	100.0	1
12.2	12.5	14.9	18.1	16.9	100.0	2
12.6	18.8	23.8	19.5	18.7	100.0	3+
						<b>Tenure status</b>
10.4	11.6	11.3	12.6	12.3	100.0	Owner-occupied
11.1	9.7	9.2	6.0	5.7	100.0	Rented at the market rate
7.1	4.1	2.5	1.2	1.3	100.0	Rented at below the market rate or rent free
						<b>Urban/rural location</b>
10.6	9.4	11.3	11.6	11.9	100.0	Urban areas
8.8	11.7	7.2	7.7	6.5	100.0	Rural areas
						<b>Region</b>
12.0	6.7	6.5	9.6	4.0	100.0	Border
13.0	13.7	6.8	2.7	3.6	100.0	Midland
8.4	12.3	6.7	6.8	5.6	100.0	West
9.1	11.1	14.5	14.5	19.3	100.0	Dublin
9.2	10.3	11.1	13.9	11.7	100.0	Mid-East
11.5	5.9	6.9	8.7	5.9	100.0	Mid-West
8.8	8.6	7.9	6.6	5.9	100.0	South-East
10.5	12.1	8.6	7.8	5.8	100.0	South-West

Table 1.7 Average income measures by the national definition of income and year<sup>1</sup>

	SILC 2008		SILC 2009	
	Annual	Weekly	Annual	Weekly
<b>National income definition</b>				
Total gross household income	60,581	1,161.00	56,522	1,083.21
Total disposable household income	49,043	939.89	45,959	880.78
<b>National income definition, national equivalence scale</b>				
Equivalised total disposable household income	24,380	467.24	23,326	447.03
Equivalised total disposable household income including old-age and survivors' benefits but excluding all other social transfers	20,418	391.30	18,750	359.34
Equivalised total disposable household income excluding all social transfers	17,982	344.62	16,067	307.92

<sup>1</sup> Gross and disposable household income is averaged over households, while equivalised income is averaged over individuals.

Table 1.8 At risk of poverty thresholds by year

	SILC 2008		SILC 2009	
	Annual	Weekly	Annual	Weekly
<b>National income definition, national equivalence scale</b>				
At risk of poverty				
40% of median income	8,303	159.13	8,043	154.13
50% of median income	10,379	198.91	10,053	192.67
60% of median income	12,455	238.69	12,064	231.20
70% of median income	14,531	278.47	14,075	269.73
Illustrative values (60% level)				
1 adult, no children	12,455	238.69	12,064	231.20
2 adults, 2 children	28,895	553.77	27,988	536.38



Table 1.9a Over-indebtedness items by gross household income quintiles, 2009

% of households

Decile	1	2	3	4	5	State
Gross household income quintile(€)	< €401.68	< €662.02	< €999.65	< €1,567.20	> €1,567.20	
<b>State</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
<b>Number of items in arrears</b>						
Yes	23.0	34.2	21.6	25.1	17.0	24.2
No	77.0	65.8	78.4	74.9	83.0	75.8
<b>Rent or Mortgage arrears</b>						
Yes	3.9	9.9	5.9	4.2	1.2	5.0
No	96.1	90.1	94.1	95.8	98.8	95.0
<b>Utility Bill arrears</b>						
Yes	10.9	16.7	9.8	8.4	2.0	9.6
No	89.1	83.3	90.2	91.5	98.0	90.4
<b>Arrears on other bills</b>						
Yes	14.4	23.4	14.5	18.3	14.1	17.0
No	85.6	76.6	85.5	81.7	85.9	83.1
<b>Arrears on other loans</b>						
Yes	4.4	6.5	3.7	3.8	1.8	4.0
No	95.7	93.5	96.3	96.2	98.2	96.0
<b>Has the household had to go into debt in the last 12 months to meet ordinary living expenses?</b>						
Yes	9.5	18.0	13.8	10.7	5.1	11.4
No	90.5	82.0	86.2	89.3	94.9	88.6
<b>Has the household had the ability to pay an unexpected expense of €1,085 without borrowing? <sup>1</sup></b>						
Yes	36.7	33.5	50.8	59.9	80.8	52.3
No	63.3	66.5	49.2	40.1	19.2	47.7
<b>The degree of ease or difficulty the household has to make ends meet</b>						
With great difficulty	13.0	17.8	10.1	5.8	2.4	9.8
With difficulty	16.0	16.3	15.5	17.5	5.4	14.1
With some difficulty	37.7	38.9	40.8	36.3	34.4	37.6
Fairly easily	23.0	19.9	25.1	27.5	34.0	25.9
Easily	8.0	5.3	5.0	9.9	17.1	9.1
Very easily	2.2	1.6	3.6	3.0	6.8	3.4
<b>Housing cost burden</b>						
A heavy burden	27.4	33.1	24.1	26.9	14.4	25.2
Somewhat of a burden	49.4	51.2	57.0	52.2	57.8	53.5
No burden at all	23.2	15.7	18.9	20.9	27.9	21.3

<sup>1</sup> The unexpected expense value is one twelfth of the EU at risk of poverty threshold in N-2.

Table 1.9b Over-indebtedness items by gross household income quintiles, 2008

% of households

Decile	1	2	3	4	5	State
Gross household income quintile(€)	< €424.63	< €687.87	< €1,125.72	< €1,729.64	> €1,729.64	
<b>State</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
<b>Number of items in arrears</b>						
0	85.3	85.0	85.5	94.0	98.6	89.7
1+	14.7	15.0	14.5	6.0	1.5	10.3
<b>Rent or Mortgage arrears</b>						
Yes	6.0	8.4	6.2	3.3	0.5	4.9
No	94.0	91.6	93.8	96.7	99.5	95.1
<b>Utility Bill arrears</b>						
Yes	11.9	10.4	10.1	4.9	0.9	7.7
No	88.0	89.6	89.9	95.1	99.1	92.3
<b>Arrears on other bills</b>						
Yes	2.5	2.7	4.3	3.1	0.1	2.6
No	97.5	97.3	95.7	96.9	99.9	97.4
<b>Arrears on other loans</b>						
Yes	2.7	3.9	3.8	1.7	0.2	2.4
No	97.3	96.1	96.2	98.4	99.8	97.6
<b>Has the household had to go into debt in the last 12 months to meet ordinary living expenses?</b>						
Yes	8.0	13.5	11.6	7.5	5.0	9.1
No	92.0	86.5	88.4	92.5	95.0	90.9
<b>Has the household had the ability to pay an unexpected expense of €985 without borrowing? <sup>1</sup></b>						
Yes	35.7	43.5	54.5	70.8	88.7	58.6
No	63.7	56.5	45.3	28.5	11.3	41.1
<b>The degree of ease or difficulty the household has to make ends meet</b>						
With great difficulty	13.4	10.6	9.8	7.2	1.3	8.5
With difficulty	17.6	20.4	16.0	10.7	6.0	14.2
With some difficulty	37.3	37.7	37.6	34.2	23.8	34.2
Fairly easily	24.2	24.3	24.7	32.9	38.4	28.9
Easily	5.4	5.5	8.9	11.1	19.9	10.1
Very easily	1.6	1.6	2.4	3.8	10.6	4.0
<b>Housing cost burden</b>						
A heavy burden	26.9	28.8	22.4	18.4	13.0	21.9
Somewhat of a burden	55.1	51.7	56.0	59.8	50.4	54.6
No burden at all	18.0	19.6	21.6	21.7	36.6	23.5

<sup>1</sup> The unexpected expense value is one twelfth of the EU at risk of poverty threshold in N-2.

## Chapter 2

### At risk of poverty rate

#### Key Findings

**Table 2a Summary of main results**

	2006	2007	2008	2009
<b>Annual average income</b>	€	€	€	€
Gross household income (per household)	55,075	59,820	60,581	56,522
Disposable household income (per household)	43,646	47,988	49,043	45,959
Equivalised disposable income (per individual)	21,229	23,610	24,380	23,326
At risk of poverty threshold (60% of median income)	10,566	11,890	12,455	12,064
<b>Poverty Rates</b>	%	%	%	%
At risk of poverty rate	17.0	16.5	14.4	14.1

- ◆ In 2009, 14.1% of the population were at risk of poverty compared with a rate of 14.4% in 2008. The change over the year was not statistically significant. *See Table 2.1.*
- ◆ The inclusion of social transfers within income reduced the at risk of poverty rate from 46.2% to 14.1% in 2009. *See Table 2.2.*
- ◆ From an age perspective children (aged 0-17) remained the most vulnerable age group in 2009 with an at risk of poverty rate of 18.6%, no significant change on one year earlier. *See Table 2.1.*
- ◆ In relation to household composition people living in lone parent households continued to be the most vulnerable group experiencing the highest at risk of poverty rate in 2009 at 35.5%, no significant change on one year earlier. *See Table 2.1.*
- ◆ More than one third (34%) of households at risk of poverty were in arrears with one or more of the following items: utility bills, rent or mortgage payments, hire purchase agreements or other loans/bills, compared with just over 24% of households in general. This compared with almost 20% of households at risk of poverty and just over 10% of households in general in 2008. *See Table 2.7.*

## Background information

The at risk of poverty rate identifies the proportion of individuals who are considered to be at risk of experiencing poverty based on the level of their current income and taking into account their household composition. It is calculated as the percentage of persons with an equivalised disposable income of less than 60% of the national median income. The at risk of poverty rate can be calculated using alternative thresholds, such as 40%, 50% etc; however, the at risk of poverty rate using the 60% threshold is the internationally recognised measure.

The median equivalised disposable income in 2009 was €20,107 giving a 60% threshold of €12,064. Therefore persons with an equivalised disposable income of less than €12,064 in 2009 were considered to be at risk of poverty. The threshold had decreased by 3.1% since 2008 when the at risk of poverty threshold had been €12,455. The at risk of poverty rate is then calculated as the number of people with an equivalised disposable income below the threshold expressed as a proportion of the total population.

While the at risk of poverty rate is the main focus of this chapter, a number of additional indicators are also presented as outlined below:

### ◆ The relative at risk of poverty gap

The relative at risk of poverty gap is the difference between the median equivalised income of persons below the at risk of poverty threshold and the at risk of poverty threshold expressed as a percentage of the at risk of poverty threshold (60% of median equivalised income). This indicator can be used to estimate the depth of poverty.

### ◆ The at risk of poverty rate anchored at a moment in time

The at risk of poverty rate anchored at a moment in time (2006) is the percentage of the population whose income in a given year (2009) is below the 2006 at risk of poverty threshold, with the threshold only being updated to take account of inflation between 2006 and 2009. The purpose of this indicator is to get an indication of changes in absolute poverty over time.

## At risk of poverty rate

In 2009, 14.1% of people had an equivalised disposable income of less than €12,064 meaning they were at risk of poverty. The rate of 14.1% in 2009 meant there was no significant change in the at risk of poverty rate between 2008 (14.4%) and 2009. However, the rate has fallen by almost 3 percentage points since 2006 (17.0%) representing a significant decline in the rate over time. Analysis of the at risk of poverty rate using other thresholds is presented below. See *Table 2.2*.

When the at risk of poverty threshold is set at 40% of median income (€8,043), just 3.3% of individuals were found to be at risk of poverty. There was no significant change in this rate between 2006 and 2009. The at risk of poverty rate rose to 6.9% when the threshold was increased to 50% of median income (€10,053) and to almost 25% when the threshold was raised to 70% of median income (€14,075). In 2006, the at risk of poverty rate at the 50% threshold was 8.9% and at the 70% threshold was 26.7% meaning there was a significant decrease in the at risk of poverty rate at the 50% and 70% thresholds between 2006 and 2009.

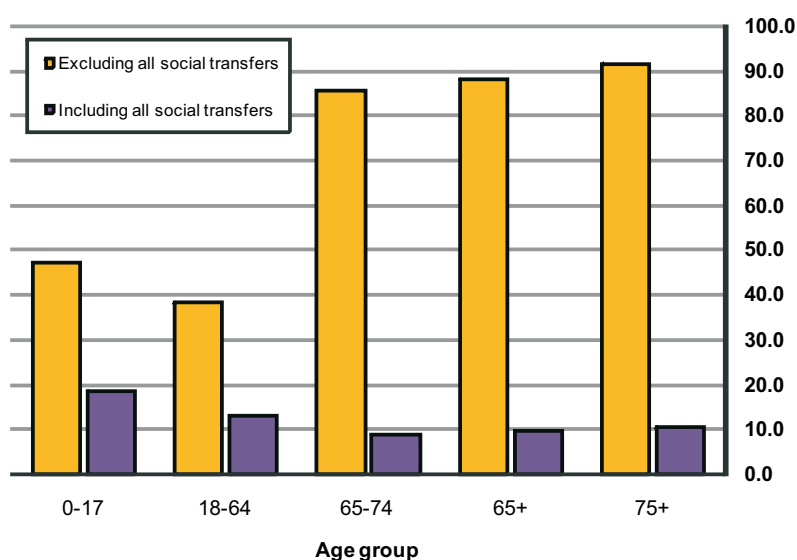
## Effect of social transfers

Almost 27% of overall gross household income was made up of social transfers in 2009. The following analysis shows the impact of social transfers on the at risk of poverty rate by presenting rates excluding and including social transfers. The impact varies by the characteristics of different groups. Overall, the at risk of poverty rate when social transfers were excluded was 46.2%, falling by more than two thirds to 14.1% when all social transfers are included. See *Table 2.2 and 2.3*.

- ◆ The impact on the at risk of poverty rate of social transfers has increased since 2006 when social transfers reduced the at risk of poverty rate from 40.3% excluding social transfers to 17.0% when all social transfers were included. In other words while the at risk of poverty rate excluding social transfers has increased over the period, the rate including social transfers has fallen.

- ◆ Social transfers had a broadly similar impact on the at risk of poverty rate of both males and females. The at risk of poverty rate excluding all social transfers was 44.4% for males and just over 48% for females. The inclusion of social transfers reduced this rate to 14.1% for both males and females.
- ◆ The protection offered by social transfers against the risk of poverty was most evident among the older age groups. This reflects the relative importance of the state pension and other state allowances for these age groups. When social transfers were excluded the at risk of poverty rate of persons aged 65 and over was 88%. When social transfers were included this rate fell to 9.6%. In comparison, social transfers had the least, yet still significant, impact for persons in the 0-17 age group when compared with other age groups reducing the at risk of poverty rate from 47.3% to 18.6%. See *Figure 2a*.

**Figure 2a At risk of poverty rate including and excluding social transfers by age group, SILC 2009**



### Factors influencing the at risk of poverty rate

Logistic regression was used to identify which socio-demographic variables were independently associated with the likelihood of an individual being at risk of poverty. As the at risk of poverty rate is an income based measure the linear regression model on income and the logistic regression model on the likelihood of individuals being at risk of poverty yielded similar results. However, as the at risk of poverty rate focuses specifically on people with lower incomes some different factors can be found than in the model on income.

The regression found a statistically significant relationship between the likelihood of being at risk of poverty and the variables in table 2b below. See *appendix 2 for more details*.

**Table 2b Variables found to be significant in determining whether an individual was at risk of poverty in 2009**

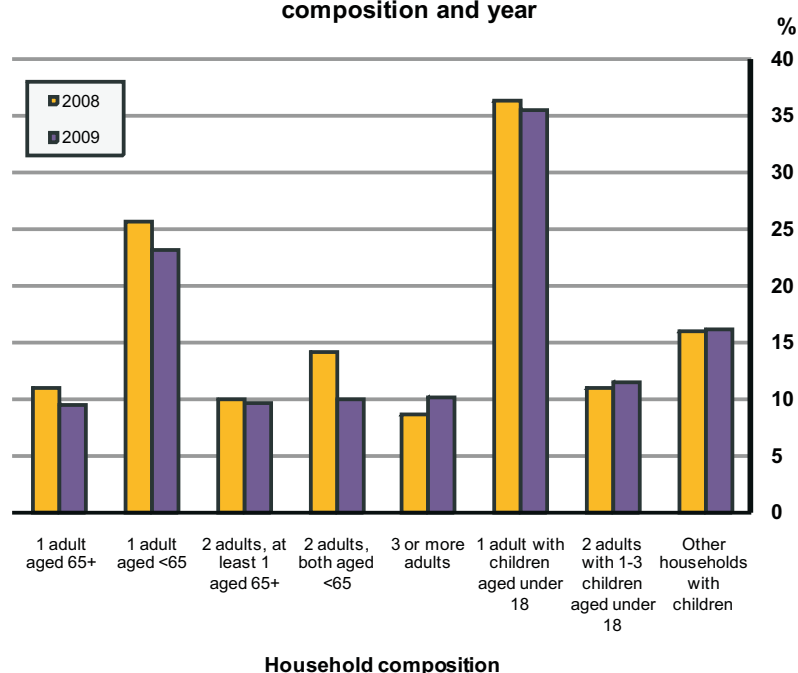
Characteristics of the household	Characteristics of the head of household	Characteristics of the individual
Household composition	Age of the head of household	Age of the individual
Number of people at work in the household	Education level of the head of household	Whether the individual had a chronic illness
Region the household was located	Principle economic status of the head of household	Work Status
Tenure of the household	Sex of the head of household	
Whether the household was located in an urban or rural area		

### Analysis of the at risk of poverty rate by socio-demographic characteristics

While the overall at risk of poverty rate has fallen in recent years and now stands at 14.1%, there is wide variation both in the at risk of poverty rate and its trend for different types of individuals and households. See Table 2.1 and Figure 2b below.

- ◆ By household composition the lowest at risk of poverty rate was recorded for persons aged 65+ living alone (9.5%) while individuals in lone parent households continued to record the highest at risk of poverty rate at 35.5%.
- ◆ Across household composition, the biggest year on year change was recorded for persons living in households composed of two adults aged less than 65. The at risk of poverty rate for this group fell by nearly a third, from 14.2% in 2008 to 10.0% in 2009. For individuals in all other household types there was no statistically significant change in the at risk of poverty rate between 2008 and 2009.

**Figure 2b At risk of poverty rate by household composition and year**

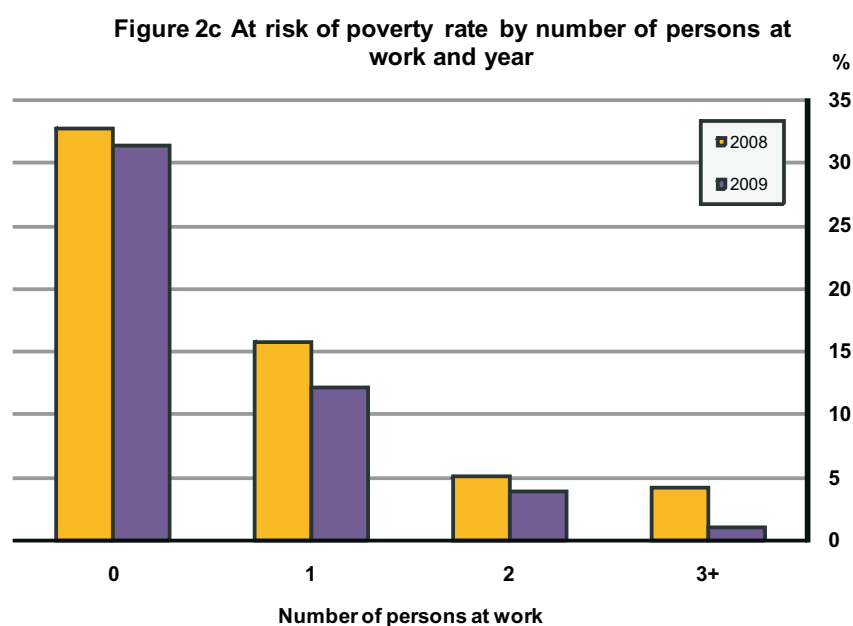


A breakdown by region indicated that persons living in the Midland region continued to be the most at risk of poverty in 2009 when compared with their counterparts in the other seven regions of the country. See *Table 2.1*.

- ◆ In 2009, the highest regional at risk of poverty rate was recorded for persons living in the Midland region at 23.5%, representing no change on the 2008 rate. Persons living in the Mid-West had the next highest at risk of poverty rate at 18.9%, followed closely by those living in the South-East region (18.3%). The lowest regional at risk of poverty rate in 2009 was recorded for Dublin (8.3%).
- ◆ Proportionally, the biggest change in the at risk of poverty rate was recorded for persons living in the Mid-East region. Their at risk of poverty rate increased from just over 10% in 2008 to 14.6% in 2009.

Analysis by the number of persons at work in the household revealed that as in previous years the at risk of poverty rate fell as the number of persons at work in the house increased (31.4% where no person was at work in the household compared with 1.1% where 3 or more persons were at work). See *Table 2.1* and *Figure 2c* below.

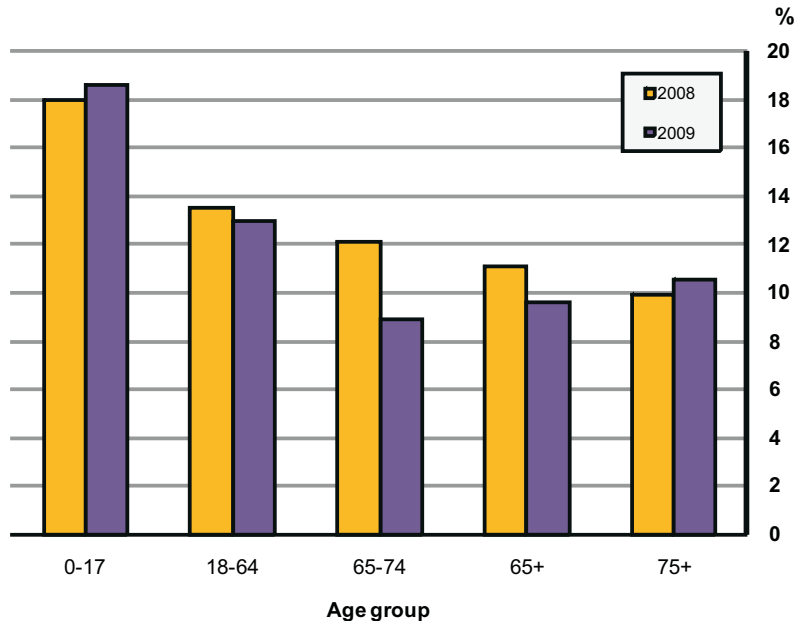
- ◆ Persons living in households where three or more people were at work experienced a significant fall in their at risk of poverty rate between 2008 and 2009, from 4.2% to 1.1% respectively.
- ◆ There was no significant change in the at risk of poverty rates across each of the other household types within this classification between 2008 and 2009.



A breakdown by age group indicated that children remained the most at risk age-group in 2009 while those aged 65-74 were the least at risk age-group when compared with other age categories. See *Table 2.1* and *Figure 2d* below.

- ◆ The at risk of poverty rate for children in 2009 was 18.6%. The rate in 2008 was 18.0%. The change over the year was not significant.
- ◆ Persons aged 65-74 reported the lowest at risk of poverty rate when compared with other age groups at 8.9%. This compares with a rate of 13.0% for persons of working age (18-64) and a rate of 10.6% for persons aged 75 and over.

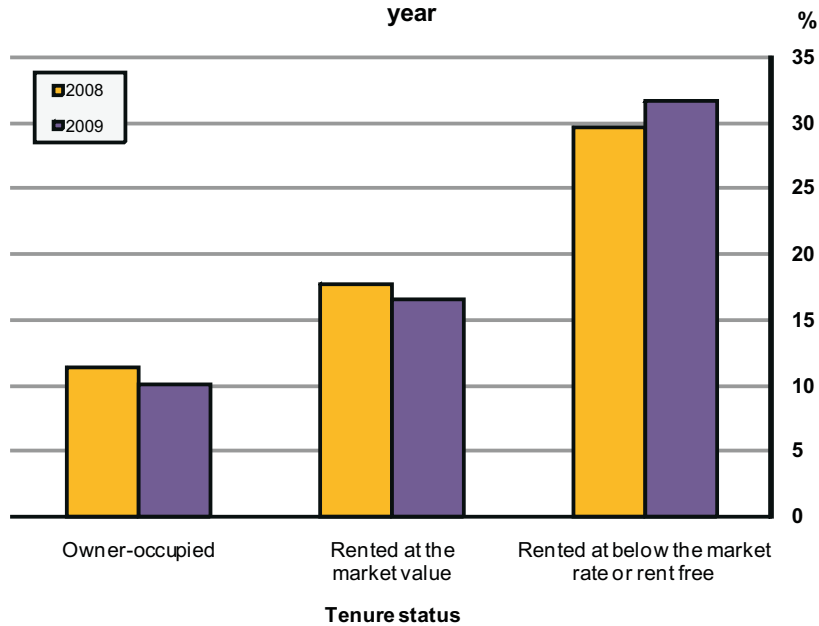
Figure 2d At risk of poverty rate by age group and year



Analysis by tenure status revealed that persons living in owner-occupied accommodation had a significantly lower at risk of poverty rate than persons living in accommodation either rented at the market rate or below the market rate or rent free. See Table 2.1 and Figure 2e below.

- ◆ The at risk of poverty rate for persons living in owner-occupied accommodation was 10.1% in 2009 while the rate for persons living in accommodation rented at the market rate was 16.5% and for persons living in accommodation rented at below the market rate or rent free was 31.7%.
- ◆ Between 2008 and 2009 there was no significant change in the rate reported by persons living in any of the three types of accommodation.

Figure 2e At risk of poverty rate by tenure status and year

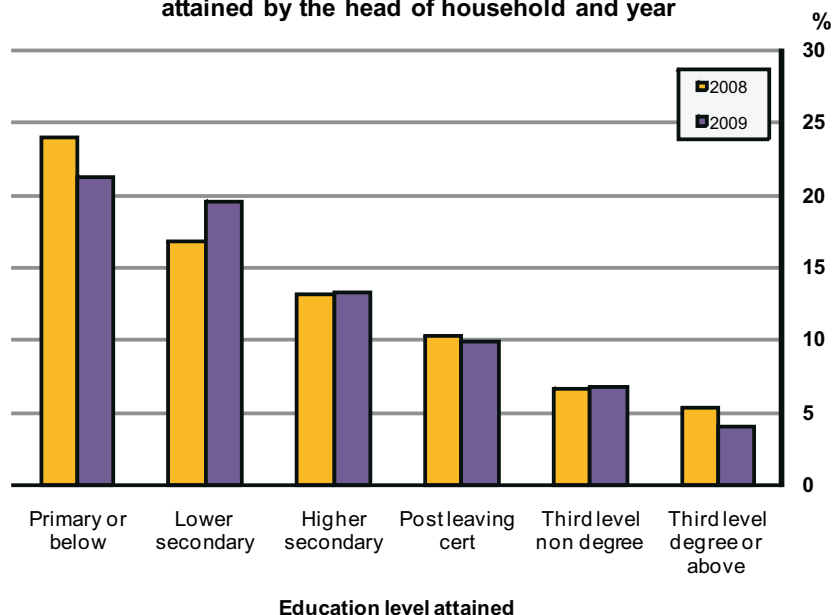




As discussed earlier in this chapter, regression results showed a number of additional characteristics which have an influence on the likelihood of an individual being at risk of poverty, as outlined below. See *Tables 2.1, 2.5 and Figure 2f*.

- ◆ **Urban/Rural location of household:** The at risk of poverty rate was higher in rural areas than urban areas (17.8% compared with 11.8%). Individuals living in rural areas had a lower average equivalised disposable income when compared to individuals living in urban areas (€20,956 compared to €24,764 respectively) while the at risk of poverty threshold is set at state level.
- ◆ **Principal Economic Status of head of household:** People in households where the head of household was 'at work' or 'retired' had clearly lower at risk of poverty rates than other categories within the classification (5.7% and 9.2% respectively). Where the head of household was not 'at work' or 'retired' the at risk of poverty rate was 25% or higher, for example, where the head of household was 'unemployed' the at risk of poverty rate was 33.2%.
- ◆ **Education level of the head of household:** As the education level of the head of household increased the at risk of poverty rate decreased. Where the head of household had a highest level attained of education of primary or below the at risk of poverty rate was 21.3%, falling to 13.4% where the head of household had higher secondary education and 4.0% where the head of household had a third level degree or higher.
- ◆ **Age of head of household:** The at risk of poverty rate was lowest where the head of household was aged 65 and over at 9.4% compared with 14.8% where the head of household was aged 18-64).
- ◆ **Sex of head of household:** The at risk of poverty rate was lower where the head of household was male at 12.3% compared with 17.1% where the head of household was female.

**Figure 2f At risk of poverty rate by education level attained by the head of household and year**



### Profile of the population at risk of poverty

By looking at the profile of the people who are at risk of poverty it is possible to see which groups are relatively over or under represented in the at risk of poverty population. What this analysis shows is that where a given group of people has a higher than average at risk of poverty rate that group will be relatively over-represented in the group of people who are at risk of poverty, i.e. they will be a higher percentage of the group of people at risk of poverty than they are of the population as a whole. Overall analysis indicated

some significant changes in the composition of the at risk of poverty population in 2009. See *Tables 2.4 and 2.5*.

- ◆ People living in households where no person was at work made up more than 28% of the population, but accounted for almost 63% of the at risk of poverty population across this group. This was a marked increase on 2008 when households where no person worked accounted for just over 50% of the at risk of poverty population across this group.
- ◆ Across household type lone parent households were over-represented in the at risk of poverty population accounting for just over 7% of the overall population but over 18% of the at risk of poverty population.
- ◆ Children (0-17), people living in accommodation rented at below the market rate and people living in rural areas are all groups over represented in the at risk of poverty population when compared with the overall population.
- ◆ Analysis by the position of the head of household indicated the following:
  - ◆ People living in female headed households were more at risk and therefore made up a proportionately larger part of the at risk of poverty population than people living in male headed households.
  - ◆ Analysis by the principal economic status of the head of household revealed that almost 23% of the at risk of poverty population were living in households where the head of household was at work. This was a significant change from one year earlier when this group made up almost 40% of the at risk of poverty population.

### Analysis of the at risk of poverty rate by health related characteristics

A number of health related characteristics of individuals are collected as part of the SILC survey. Analysis of these showed that there was a relationship between various health related characteristics and the likelihood of a person being at risk of poverty. See *Table 2.6*.

- ◆ People with a medical card had a much higher at risk of poverty rate than those without a medical card (25.3% compared with 7.2%).
- ◆ A lower at risk of poverty rate was observed for people with private health insurance when compared with those without private health insurance (5.5% compared with 21.1%).
- ◆ Those who had a poorer self reported health status tended to have higher at risk of poverty rates. Almost 17% of people with a health status of 'fair' were at risk of poverty compared with 11.8% of people who reported their health status as 'very good'.
- ◆ Similarly, those with a chronic illness or health problem, or those who were limited in their activity had higher at risk of poverty rates than people who did not experience these problems.

### Relative at risk of poverty gap

The relative at risk of poverty gap is a percentage measure of how far below the at risk of poverty threshold the median income of persons at risk of poverty is. The closer the median income of these persons is to the threshold the smaller the percentage will be. See *Table 2.2*.

- ◆ In 2009 the median income of persons who were at risk of poverty was €10,104. This was 16.2% below the at risk of poverty threshold of €12,064. As such, the relative at risk of poverty gap in 2009 was 16.2%.

- ◆ In 2008 the relative at risk of poverty gap was 19.2% indicating that the depth of poverty has decreased between the two years.

### At risk of poverty anchored at a moment in time

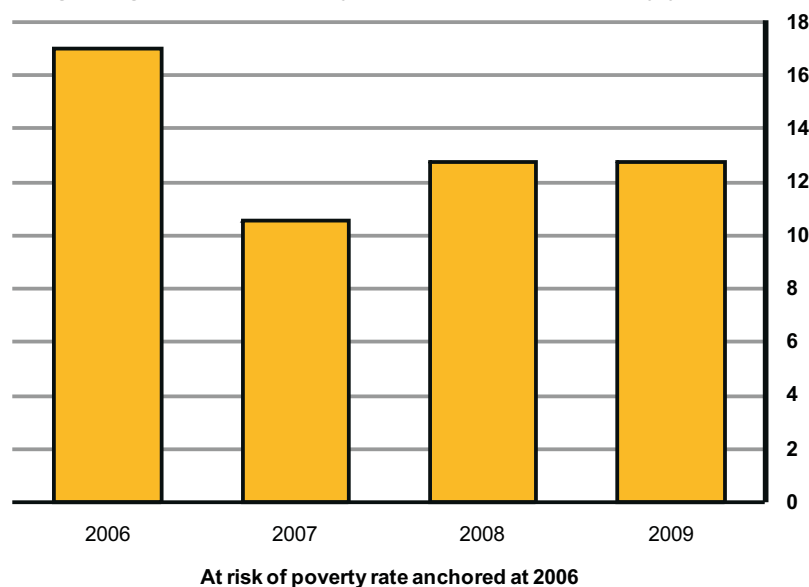
The at risk of poverty rate anchored at a moment in time gives an indication of changes in income poverty, in an absolute sense, over time. The base year was set as 2006. The at risk of poverty threshold for 2006 was €10,566. This threshold was updated by the change in the consumer price index each year to take account of inflation. Table 2c outlines the anchored at a moment in time threshold and the at risk of poverty threshold for each year.

**Table 2c At risk of poverty thresholds by year**

Threshold	Year			
	2006	2007	2008	2009
at risk of poverty threshold:	€10,566	€11,890	€12,455	€12,064
anchored at a moment in time	€10,566	€11,062	€11,591	€11,613

The anchored at a moment in time threshold, which is the 2006 threshold updated for inflation, is lower than the at risk of poverty threshold for each year. Hence the at risk of poverty rate anchored at a moment in time is lower than the at risk of poverty rate in each year from 2006 onwards. See Tables 2.2, 2b and Figure 2g below.

**Figure 2g At risk of poverty rate anchored at 2006 by year**



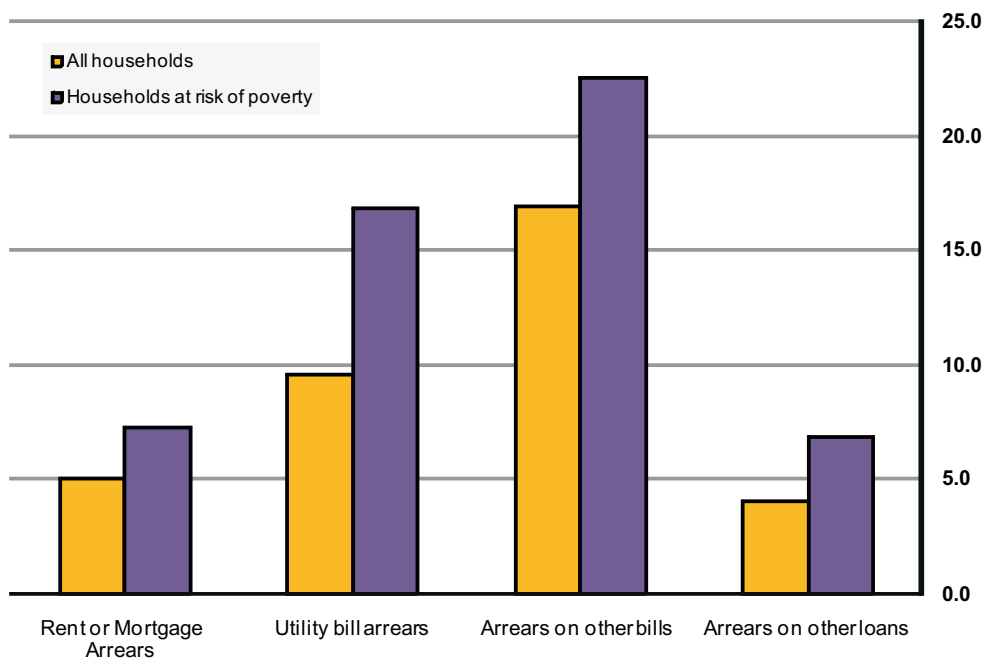
Results indicate that if the risk of poverty threshold was held constant since 2006 and updated only for inflation there would be 12.8% of people at risk of poverty in 2009. The at risk of poverty rate anchored in 2006 fell to 10.6% in 2007 but increased to 12.8% in 2008 and has remained unchanged in 2009.

## Poverty and over indebtedness

In 2009 almost one quarter of households (24.2%) were in arrears with at least one bill or loan, a significant increase from 10.3% in 2008. More than one third of households (34%) that were at risk of poverty in 2009 were in arrears with at least one loan or bill. This compares with just under 20% of households at risk of poverty in 2008. See Table 2.7 and Figure 2h.

- ◆ In 2009, 17% of the households were in arrears on 'other bills', which was the most commonly reported form of arrears. Almost 23% of households at risk of poverty reported being in arrears with 'other bills'. There was a significant increase in this form of arrears for the population as a whole between 2008 (2.6%) and 2009 (17.0%) and especially among households at risk of poverty (3.4% in 2008 to 22.6% in 2009). 'Other bills' included bills in relation to health, education etc.

**Figure 2h A comparison of the type and rate of arrears reported by households at risk of poverty and the overall population, Silc 2009**



In 2009 more than 11% of households had to go into debt to meet ordinary living expenses while nearly 48% of households stated they did not have the ability to meet an unexpected expense (of €985 in 2008 or €1,085 in 2009) without borrowing. See Table 2.7.

- ◆ Households at risk of poverty were more exposed with more than 17% being unable to meet ordinary living expenses without borrowing and more than 71% being unable to meet an unexpected expense (of €985 in 2008 or €1,085 in 2009) without borrowing.
- ◆ Almost 62% of households and more than three quarters (76%) of households at risk of poverty in 2009 stated they had some level of difficulty in making ends meet. More than 21% of households at risk of poverty stated they had 'great difficulty' in making ends meet compared with just under 10% of the overall population. Almost 40% of households at risk of poverty in 2009 considered their housing costs a heavy burden compared with just over one quarter (25.2%) of the overall population.

**Table 2.1 At risk of poverty rate by demographic characteristics and year**

% of individuals

	At risk of poverty rate	
	2008	2009
	%	%
<b>State</b>	<b>14.4</b>	<b>14.1</b>
<b>Sex</b>		
Male	14.0	14.1
Female	14.9	14.1
<b>Age group</b>		
0-17	18.0	18.6
18-64	13.5	13.0
65-74	12.1	8.9
65+	11.1	9.6
75+	9.9	10.6
<b>Principal Economic Status (aged 16 years and over)</b>		
At work	6.7	5.5
Unemployed	23.0	24.8
Student	23.4	25.9
Home duties	21.7	19.1
Retired	10.8	9.6
Not at work due to illness or disability	25.5	21.7
<b>Highest education level attained (aged 16 years and over)<sup>1</sup></b>		
Primary or below	22.3	18.6
Lower secondary	16.7	19.7
Higher secondary	12.6	12.8
Post leaving cert	10.7	9.1
Third level non degree	4.9	4.9
Third level degree or above	5.5	4.8
<b>Household composition</b>		
1 adult aged 65+	11.0	9.5
1 adult aged <65	25.7	23.2
2 adults, at least 1 aged 65+	10.0	9.6
2 adults, both aged <65	14.2	10.0
3 or more adults	8.7	10.1
1 adult with children aged under 18	36.4	35.5
2 adults with 1-3 children aged under 18	11.0	11.4
Other households with children aged under 18	16.0	16.1
<b>Number of persons at work in the household</b>		
0	32.7	31.4
1	15.7	12.2
2	5.1	3.8
3+	4.2	1.1
<b>Tenure status</b>		
Owner-occupied	11.4	10.1
Rented at the market rate	17.7	16.5
Rented at below the market rate or rent free	29.6	31.7
<b>Urban/rural location</b>		
Urban areas	11.9	11.8
Rural areas	18.7	17.8
<b>Region</b>		
Border	16.5	14.1
Midland	23.5	23.5
West	17.2	14.1
Dublin	9.8	8.3
Mid-East	10.2	14.6
Mid-West	22.0	18.9
South-East	15.5	18.3
South-West	14.0	14.7

<sup>1</sup>There was a change in the composition of the three highest educational attainment categories between 2008 and 2009 due to an update to the question

Table 2.2 Key national indicators of poverty and social exclusion by year

	% of individuals			
	2006	2007	2008	2009
<b>National/NAPS Indicators using alternative national scale</b>				
At risk of poverty rate				
Equivalised total disposable income:				
Including all social transfers (60% median income threshold)	17.0	16.5	14.4	14.1
Including old-age and survivors' benefits but excluding all other social transfers (60% threshold)	32.2	33.1	34.6	36.0
excluding all social transfers (60% median income threshold)	40.3	41.0	43.0	46.2
Including all social transfers (40% median income threshold)	3.4	3.6	3.3	3.3
Including all social transfers (50% median income threshold)	8.9	8.6	7.9	6.9
Including all social transfers (70% median income threshold)	26.7	26.8	25.7	24.5
Relative at risk of poverty gap	17.5	17.4	19.2	16.2
<i>Anchored at 2006</i>	17.0	10.6	12.8	12.8

Table 2.3 Key national indicators of poverty and social exclusion by age, sex and year

	% of individuals											
	2008				2009							
	0-17	18-64	65+	75+	Total	0-17	18-64	65+	75+	Total		
<b>Males</b>												
At risk of poverty rate	17.6	12.8	13.2	11.7	9.2	14.0	18.9	12.9	8.8	8.9	9.1	14.1
Equivalised total disposable income:												
Including all social transfers (60% median income threshold)	40.5	31.1	28.2	26.2	23.0	33.1	46.1	32.5	19.7	18.8	17.2	34.8
Including old-age and survivors' benefits but excluding all other social transfers (60% threshold)	41.2	34.1	82.5	85.5	90.3	41.0	47.3	36.5	83.1	86.3	92.2	44.4
excluding all social transfers (60% median income threshold)	3.4	3.0	5.2	4.9	4.4	3.3	3.5	3.4	2.8	2.9	2.9	3.4
Including all social transfers (40% median income threshold)	9.5	7.1	8.8	7.5	5.4	7.8	7.7	7.0	5.5	6.1	7.1	7.1
Including all social transfers (50% median income threshold)	29.8	21.1	31.4	29.7	26.9	24.3	29.9	20.9	24.6	23.9	22.7	23.7
Including all social transfers (70% median income threshold)												
<b>Females</b>												
At risk of poverty rate	18.4	14.2	10.9	10.7	10.3	14.9	18.3	13.1	9.0	10.2	11.5	14.1
Equivalised total disposable income:												
Including all social transfers (60% median income threshold)	42.6	33.9	31.4	36.4	36.2	36.1	46.3	36.1	22.0	24.0	26.3	37.3
Including old-age and survivors' benefits but excluding all other social transfers (60% threshold)	43.5	37.5	85.4	86.5	87.6	44.9	47.4	40.2	87.9	89.4	91.1	48.1
excluding all social transfers (60% median income threshold)	3.6	3.2	3.4	2.9	2.4	3.3	3.8	3.0	2.3	3.1	4.1	3.2
Including all social transfers (40% median income threshold)	9.6	7.9	5.1	5.2	5.2	8.0	9.2	5.8	5.7	5.9	6.2	6.7
Including all social transfers (50% median income threshold)	29.3	24.0	36.8	39.2	41.8	27.2	29.9	22.8	25.3	28.1	31.3	25.3
Including all social transfers (70% median income threshold)												
<b>Total persons</b>												
At risk of poverty rate	18.0	13.5	12.1	11.1	9.9	14.4	18.6	13.0	8.9	9.6	10.6	14.1
Equivalised total disposable income:												
Including all social transfers (60% median income threshold)	41.5	32.5	29.8	30.4	31.0	34.6	46.2	34.3	20.8	21.7	22.8	36.0
Including old-age and survivors' benefits but excluding all other social transfers (60% threshold)	42.3	35.8	84.0	86.1	88.6	43.0	47.3	38.3	85.5	88.0	91.5	46.2
excluding all social transfers (60% median income threshold)	3.5	3.1	4.3	3.8	3.1	3.3	3.6	3.2	2.6	3.0	3.7	3.3
Including all social transfers (40% median income threshold)	9.5	7.5	7.0	6.2	5.3	7.9	8.4	6.4	5.6	6.0	6.6	6.9
Including all social transfers (50% median income threshold)	29.6	22.5	34.2	35.0	36.0	25.7	29.9	21.9	25.0	26.2	28.0	24.5
Including all social transfers (70% median income threshold)												

Table 2.4 Profile of population at risk of poverty by demographic characteristics and year

% of individuals

	2008			2009		
	At risk of poverty rate	Proportion of the population	Proportion of the population at risk of poverty	At risk of poverty rate	Proportion of the population	Proportion of the population at risk of poverty
<b>State</b>	14.4	100.0	100.0	14.1	100.0	100.0
<b>Sex</b>						
Male	14.0	49.9	48.3	14.1	49.7	49.8
Female	14.9	50.1	51.7	14.1	50.3	50.2
<b>Age group</b>						
0-17	18.0	26.1	32.7	18.6	26.4	34.9
18-64	13.5	63.0	58.9	13.0	62.5	57.6
65-74	12.1	6.1	5.1	8.9	6.5	4.1
65+	11.1	10.9	8.4	9.6	11.1	7.6
75+	9.9	4.8	3.3	10.6	4.6	3.5
<b>Principal Economic Status<sup>1</sup></b>						
At work	6.7	40.6	19.0	5.5	36.7	14.3
Unemployed	23.0	5.1	8.1	24.8	7.3	12.9
Student	23.4	8.1	13.1	25.9	7.9	14.6
Home duties	21.7	12.6	18.9	19.1	13.3	18.0
Retired	10.8	6.6	4.9	9.6	6.9	4.7
Not at work due to illness or disability	25.5	3.7	6.5	21.7	4.1	6.4
Children under 16 years of age	17.6	22.4	27.4	17.1	22.8	27.6
<b>Highest education level attained<sup>1,2</sup></b>						
Primary or below	22.3	16.6	25.8	18.6	15.6	20.5
Lower secondary	16.7	14.5	17.2	19.7	15.5	21.7
Higher secondary	12.6	19.8	17.1	12.8	19.0	17.3
Post leaving cert	10.7	6.0	4.4	9.1	11.0	7.1
Third level non degree	4.9	6.4	2.2	4.9	8.1	2.8
Third level degree or above	5.5	13.1	5.0	4.8	7.7	2.6
Children under 16 years of age	17.6	22.4	27.4	17.1	22.8	27.6
<b>Household composition</b>						
1 adult aged 65+	11.0	3.4	2.5	9.5	3.8	2.6
1 adult aged <65	25.7	4.3	6.4	23.2	3.7	6.1
2 adults, at least 1 aged 65+	10.0	7.6	5.1	9.6	7.1	4.8
2 adults, both aged <65	14.2	11.4	9.7	10.0	11.4	8.0
3 or more adults	8.7	15.9	7.6	10.1	12.3	8.8
1 adult with children aged under 18	36.4	6.1	17.5	35.5	7.3	18.5
2 adults with 1-3 children aged under 18	11.0	31.7	25.7	11.4	33.2	26.9
Other households with children aged under 18	16.0	19.5	25.5	16.1	21.3	24.3
<b>Number of persons at work in the household</b>						
0	32.7	22.0	50.1	31.4	28.1	62.5
1	15.7	32.0	34.3	12.2	32.9	28.4
2	5.1	34.8	12.4	3.8	31.1	8.5
3+	4.2	11.2	3.2	1.1	7.9	0.6
<b>Tenure status</b>						
Owner-occupied	11.4	76.9	61.1	10.1	73.7	53.0
Rented at the market rate	17.7	10.1	11.5	16.5	11.3	13.3
Rented at below the market rate or rent free	29.6	13.0	27.4	31.7	15.0	33.7
<b>Urban/rural location</b>						
Urban areas	11.9	62.7	51.6	11.8	62.2	52.3
Rural areas	18.7	37.3	48.4	17.8	37.8	47.7
<b>Region</b>						
Border	16.5	11.0	12.6	14.1	11.0	11.0
Midland	23.5	6.1	10.0	23.5	5.9	9.9
West	17.2	10.0	12.0	14.1	9.9	9.9
Dublin	9.8	27.5	18.7	8.3	27.4	16.2
Mid-East	10.2	11.7	8.3	14.6	12.0	12.4
Mid-West	22.0	8.3	12.7	18.9	8.2	11.0
South-East	15.5	11.0	11.8	18.3	11.1	14.4
South-West	14.0	14.3	14.0	14.7	14.6	15.2

<sup>1</sup> The number of households in the unweighted sample does not equal the State total in all classifications due to the omission of cells containing very small numbers.

<sup>2</sup> There was a change in the composition of the three highest educational attainment categories between 2008 and 2009 due to an update to the question



**Table 2.5 The at risk of poverty rate and the profile of the population at risk of poverty by the demographic characteristics of the head of household and year**

	% of individuals			
	2008		2009	
	At risk of poverty rate	Profile of the population at risk of poverty	At risk of poverty rate	Profile of the population at risk of poverty
<b>State</b>	14.4	100.0	14.1	100.0
<b>Sex (head of household)</b>				
Male	13.1	63.8	12.3	62.1
Female	16.7	36.2	17.1	37.9
<b>Age group (head of household)</b>				
18-64	14.9	86.0	14.8	86.1
65-74	13.9	7.8	9.6	8.0
65+	11.5	14.0	9.4	13.9
75+	8.4	6.1	9.4	5.8
<b>Principal Economic Status (head of household)</b>				
At work	9.0	63.4	5.7	56.1
Unemployed	28.3	5.8	33.2	11.0
Student	46.1	1.3	41.8	1.8
Home duties	26.3	14.1	25.9	14.5
Retired	11.7	9.7	9.2	10.2
Not at work due to illness or disability	28.1	5.2	26.4	5.8
<b>Highest education level attained (head of household)<sup>1</sup></b>				
Primary or below	24.0	25.3	21.3	22.7
Lower secondary	16.9	19.4	19.6	19.6
Higher secondary	13.1	19.0	13.4	18.9
Post leaving cert	10.4	7.9	10.0	16.1
Third level non degree	6.7	9.5	6.8	10.9
Third level degree or above	5.4	17.7	4.0	11.4

<sup>1</sup>There was a change in the composition of the three highest educational attainment categories between 2008 and 2009 due to an update to the question

**Table 2.6 At risk of poverty rate by key health related characteristics and year**

	% of individuals		
	At risk of poverty rate		
	2007	2008	2009
	%	%	%
<b>Total population</b>			
<b>Medical card</b>			
Yes	34.4	25.7	25.3
No	7.9	8.7	7.2
<b>Private medical insurance</b>			
Yes	4.9	7.3	5.5
No	27.1	20.9	21.1
<b>Covered by either medical card or private medical insurance</b>			
Yes	17.5	15.1	14.9
No	14.6	12.4	11.1
<b>Population aged 16 years and over</b>			
<b>Chronic illness or health problem</b>			
Yes	22.0	16.0	15.2
No	14.1	12.7	12.5
<b>Limited activity</b>			
Strongly limited	27.7	18.7	17.8
Limited	24.9	16.5	15.2
Not limited	13.8	12.6	12.5
<b>Health Status</b>			
Very good	12.4	11.0	11.8
Good	15.6	14.6	13.4
Fair	27.1	18.5	16.7
Bad/very bad	31.3	17.9	14.8
<b>Smoker</b>			
Yes	19.4	14.4	17.3
No	15.0	13.2	11.9

Table 2.7 Over indebtedness indicators by households at risk of poverty and year

	% of households			
	2008		2009	
	All households	Households at risk of poverty	All households	Households at risk of poverty
<b>State</b>	100.0	100.0	100.0	100.0
<b>Number of items in arrears</b>				
0	89.8	80.4	75.8	66.0
1+	10.2	19.6	24.2	34.0
<b>Rent or Mortgage Arrears</b>				
Yes	4.9	8.4	5.0	7.2
No	95.1	91.6	95.0	92.8
<b>Utility bill arrears</b>				
Yes	7.7	15.9	9.6	16.8
No	92.4	84.1	90.4	83.2
<b>Arrears on other bills</b>				
Yes	2.6	3.4	17.0	22.6
No	97.5	96.6	83.1	77.5
<b>Arrears on other loans</b>				
Yes	2.4	5.1	4.0	6.8
No	97.6	94.9	96.0	93.2
<b>Has the household had to go into debt in the last 12 months to meet ordinary living expenses?</b>				
Yes	9.1	14.7	11.4	17.3
No	90.9	85.3	88.6	82.7
<b>Has the household had the ability to pay an unexpected expense of about €1,000 without borrowing?<sup>1</sup></b>				
Yes	58.6	31.3	52.3	28.6
No	41.4	68.7	47.7	71.4
<b>The degree of ease or difficulty the household has to make ends meet</b>				
With great difficulty	8.5	19.1	9.8	21.4
With difficulty	14.2	20.4	14.1	18.7
With some difficulty	34.2	39.0	37.6	35.9
Fairly easily	28.9	17.4	25.9	19.2
Easily	10.1	2.9	9.1	4.2
Very easily	4.0	0.6	3.4	0.6
<b>Housing cost burden</b>				
A heavy burden	21.9	37.4	25.2	39.7
Somewhat of a burden	54.6	49.6	53.5	45.1
No burden at all	23.5	12.9	21.3	15.3

<sup>1</sup> The actual figure used was €985 in 2008 and €1,085 in 2009. For year N it is one twelfth of the EU at risk of poverty threshold in year N-2 in line with EU practice.



## Chapter 3

### Deprivation

#### Key Findings

**Table 3a Summary of main results**

	2006	2007	2008	2009
<b>Annual average income</b>	€	€	€	€
Gross household income (per household)	55,075	59,820	60,581	56,522
Disposable household income (per household)	43,646	47,988	49,043	45,959
Equivalised disposable income (per individual)	21,229	23,610	24,380	23,326
At risk of poverty threshold (60% of median income)	10,566	11,890	12,455	12,064
<b>Poverty Rates</b>	%	%	%	%
At risk of poverty rate	17	16.5	14.4	14.1
2+ deprivation items	13.8	11.8	13.8	17.1

- ◆ Almost 29% of individuals reported to have experienced at least one form of enforced deprivation in 2009. This level had increased in 2009 from the reasonably stable levels between 2006 and 2008 of around 25%. See *Table 3.1*.
- ◆ Of the 28.6% of individuals who reported to have experienced some form of enforced deprivation, 11.5% experienced one deprivation item, 7.4% experienced two items and 9.7% experienced three or more items. See *Table 3.1*.
- ◆ Lone parent households reported the highest levels of deprivation with almost 63% of individuals from these households experiencing one or more items of deprivation compared with almost 29% at state level. Over 44% of individuals in lone parent households experienced two or more of the forms of deprivation. See *Table 3.3 and Figure 3b*.
- ◆ Individuals living in households with children showed an increase in reported deprivation rates of two or more items between 2008 and 2009. Households comprising two adults with one to three children and other households with children reported an increase of approximately three percentage points each between years. See *Table 3.3 and Figure 3b*.

- ◆ Overall, for nine of the eleven deprivation items there was a significant change in the proportion of people experiencing deprivation between 2008 and 2009. Those items where rates increased included the inability to afford a morning, afternoon or evening out in the last fortnight, which rose to 14.9% in 2009 from 11.1% in 2008. The ability to afford to replace worn out furniture also rose from 13.3% in 2008 to 16.3% in 2009. Those that decreased included the inability to afford a warm coat, the inability to afford new clothes and two pairs of strong shoes. See *Table 3.8*.

## Background information

The Survey on Income and Living Conditions collects information relating to enforced deprivation experienced by individuals. Enforced deprivation refers to the inability to afford basic identified goods or services. It is reported at the household and not the individual level, but it is assumed that each person in a household where a form of deprivation was reported experienced that form of deprivation. The eleven items listed below are examined in detail, among others, in this report. If an individual experienced two or more of these eleven basic deprivation items due to inability to afford them, and was also identified as being at risk of poverty, then the individual is defined as being in *consistent poverty*.

### List of 11 deprivation indicators

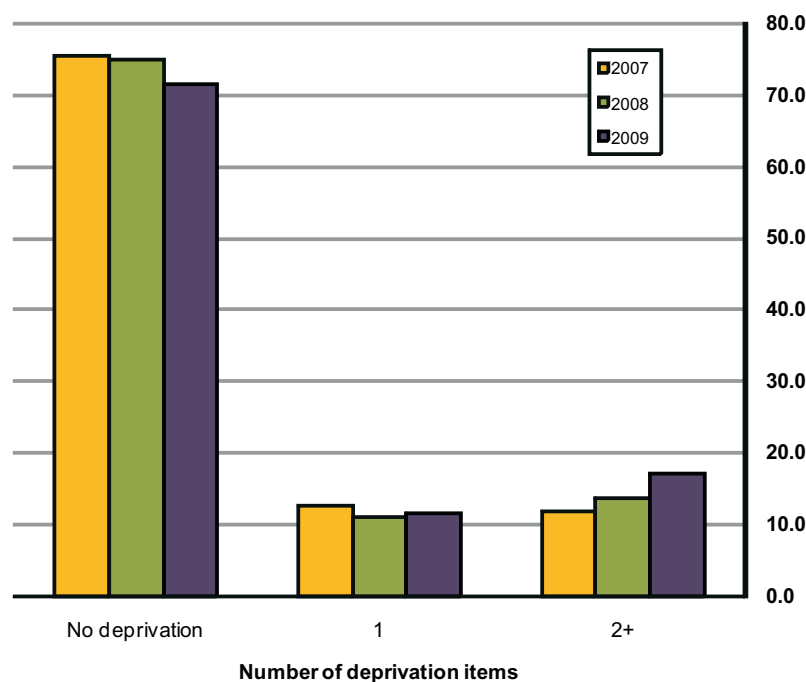
1. Without heating at some stage in the last year due to lack of money
2. Unable to afford a morning, afternoon or evening out in the last fortnight
3. Unable to afford two pairs of strong shoes
4. Unable to afford a roast once a week
5. Unable to afford a meal with meat, chicken or fish every second day
6. Unable to afford new (not second-hand) clothes
7. Unable to afford a warm waterproof coat
8. Unable to afford to keep the home adequately warm
9. Unable to afford to replace any worn out furniture
10. Unable to afford to have family or friends for a drink or meal once a month
11. Unable to afford to buy presents for family or friends at least once a year

### Analysis of overall deprivation rates

The proportion of individuals who experienced none of the enforced deprivation items decreased from 75.1% in 2008 to 71.4% in 2009, meaning that the remainder of 28.6% of individuals experienced some form of enforced deprivation in 2009. See *Table 3.1 and Figure 3a*.

- ◆ Almost 29% of the population experienced enforced deprivation of some sort in 2009. This was broken down into 11.5% who had experienced one form of deprivation, 7.4% had experienced two forms and 9.7% who had experienced three or more forms of enforced deprivation.
- ◆ Similar to the pattern between 2007 and 2008, the proportion of individuals who experienced two or more forms of deprivation rose again in 2009, from 13.8% in 2008 to 17.1% in 2009.

**Figure 3a Number of enforced deprivation items experienced by year**



### Factors influencing deprivation

As in chapter 2, logistic regression was used to assess which socio-demographic factors were associated with the likelihood of the experience of deprivation. Household income (deciles) was included as an independent variable in this regression model as it did not form part of the calculation of the deprivation rate, and, as expected, income was found to display a close relationship to the likelihood of experiencing deprivation. As with the at risk of poverty model, it was shown that the sex of the individual or the head of household did not influence the likelihood of an individual experiencing deprivation. The majority of other factors were in common with those found for models on income and the likelihood of being at risk of poverty. Table 3b shows the independent variables which were found to be significant in the case of deprivation:

**Table 3b Variables found to be significant in determining whether an individual was deprived in 2009**

Characteristics of the household	Characteristics of the head of household	Characteristics of the individual
Tenure of the household	Age of the head of household	Age of the individual
Region the household was located (NUTS3)	Education level of the head of household	Principal economic status of the individual
Household composition	Principal economic status of the head of household	Highest education level of the individual
Number of people at work in household		Health status of the individual
Household income (decile)		

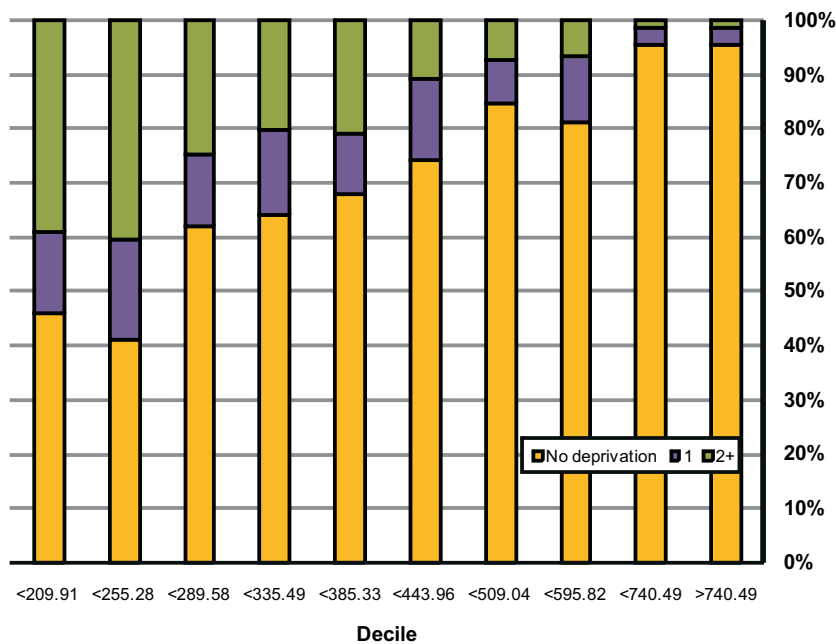
### Analysis of deprivation rates by income decile

Income deciles were constructed using weekly net equivalised income. Weekly household income was equivalised (see Chapter 1) to take account of different household compositions and the population was then divided by ten so that approximately 10% of the population was represented in each decile for this analysis.

The experience of deprivation mostly decreased as income rose. However, some level of deprivation continued to be experienced by individuals in the higher income deciles although this was much lower in the top two deciles. See Table 3.2 and Figure 3b.

- ◆ More than 50% of people in the first two deciles experienced some form of deprivation, with those experiencing no deprivation at 45.9% and 41.0% in deciles one and two respectively.
- ◆ The proportion of people experiencing two or more items of deprivation was highest in the second decile at 40.5%, followed by the first decile at 39.0%. This increased from 2008 where two or more deprivation items were reported for 37.2% and 27.0% of people in deciles two and one respectively.
- ◆ In 2009 deprivation levels of two or more items was reported at over 20% right into the fifth decile. This was a significant increase on the 2008 results where deprivation rates over 20% were only reported up to the third decile.

Figure 3b Number of deprivation indicators by net equivalised income decile, SILC 2009



### Analysis of deprivation rates by socio-demographic characteristics of individuals

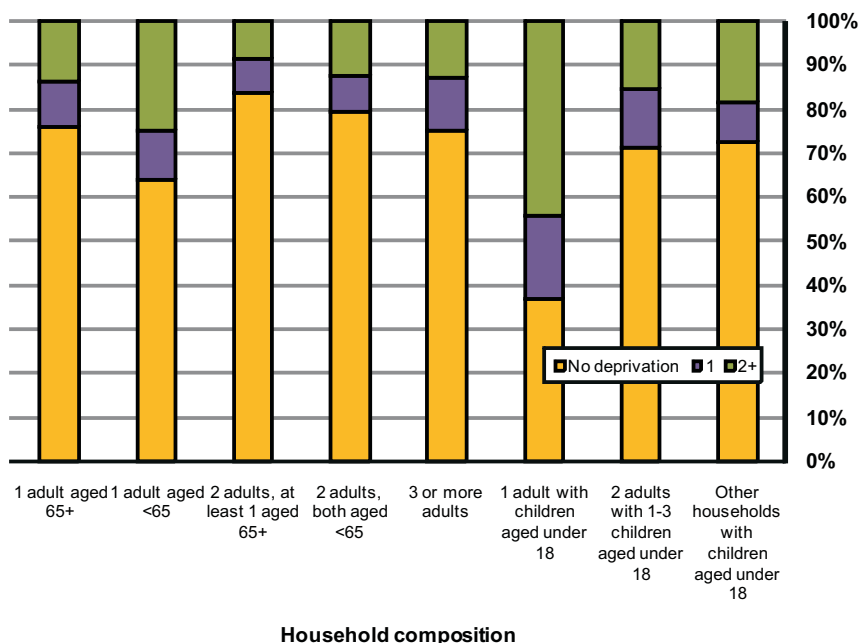
Significant variation in the experience of deprivation could be seen across different types of household. Looking at household composition, it can be seen that individuals in lone parent households had the highest levels of reported deprivation. See Table 3.3 and Figure 3c.

- ◆ Just over 37% of individuals in lone parent households experienced no deprivation at all, leaving the remainder of 62.9% reporting having experienced at least one form of deprivation in 2009. Individuals in lone parent households reported the highest rates of deprivation experiencing two or more items of deprivation at 44.1%.



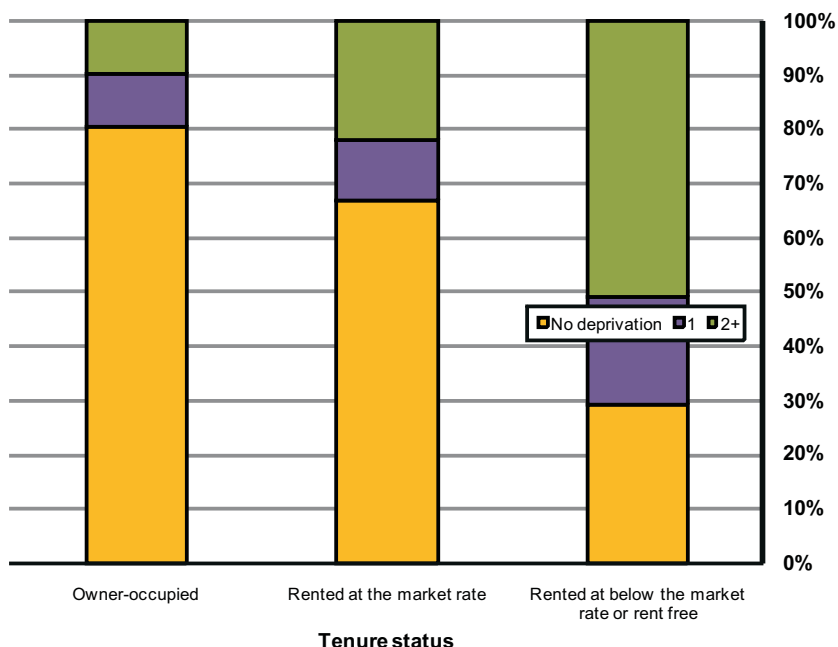
- ◆ Households comprising one adult aged less than 65 without children reported the next highest levels of deprivation with just over a quarter of individuals (25.1%) reporting to have experienced two or more items, an increase from 20.6% in 2008.
- ◆ Following the same trend as the previous year, households consisting of two adults, one aged over 65, with no children, reported that 83.5% of individuals did not experience any form of deprivation in 2009 and only 8.4% of individuals in these households reported to have experienced two or more forms of deprivation.

**Figure 3c Number of deprivation indicators by household composition, SILC 2009**



**Tenure:** Individuals living in households renting at below the market rate or rent free reported the highest levels of deprivation, with only 29.1% experiencing no deprivation at all and 50.9% of these individuals experiencing two or more items of enforced deprivation. This figure showed an increase from 40.1% in 2008. See figure 3d.

**Figure 3d Number of deprivation indicators by tenure status, SILC 2009**



**Age of individual:** Children (aged 0-17) reported higher levels of deprivation (36.8%) than any other age group. Over 23% of children reported to have experienced two or more items of enforced deprivation in 2009 which is an increase from 18.1% in 2008. See *Table 3.3*.

**Principal economic status of individual:** On a principal economic status basis, individuals who were unemployed (50.7%) or who could not work due to illness or disability (47.2%) were the most likely to experience deprivation in 2009. This trend remained since 2008 as there was no significant change in the rates between the years.

**Number at work in household:** Individuals living in households where no one was working reported to have experienced enforced deprivation of two or more items at a rate of 33.9% compared with a rate of 30.5% in 2008. This compares with individuals living in households with three or more people at work in 2009 (5.6%) who showed an increase from 2.0% in 2008.

**Region:** Individuals living in the South-East and Border regions reported higher levels of deprivation than their counterparts living in other regions. Those living in the South-East region reported to have experienced two or more items of deprivation at a rate of 24.1% and those living in the Border region reported a rate of 21.0%. These rates compare with a rate of just 10.0% for those living in the Mid-East region in 2009.

### Analysis of deprivation rates by socio-demographic characteristics of head of household

Households where the age of the head of household was of working age (aged 18-64) experienced the highest rates of deprivation with 16.0% of persons living in such households reporting to have experienced two or more items of deprivation in 2009. This compares with a rate of 9.5% for those aged 65 and above. See *Table 3.4*.

Households where the principal economic status of the head of household was retired or at work experienced the lowest levels of enforced deprivation with around 8% of individuals in these households experiencing two or more of the eleven deprivation items.

- ◆ Conversely 34.3% of individuals living in households headed by a person who was unemployed reported having experienced two or more deprivation items, which was a decrease from the rate of 45.9% reported in 2008.
- ◆ Individuals living in households headed by students reported to have experienced some form of deprivation at a rate of 57.0% in 2009 which was a significant increase from a rate of around 32.0% in 2008.

Households where the highest education level attained of the head of household was primary or below reported a rate of 24.0% for two or more deprivation items in 2009. This compares with a rate of 5.9% for those with third level degree or above in the same year.

- ◆ The rate for those individuals living in households headed by a person with lower secondary education reported a rise in their deprivation rates of two or more items from 14.7% in 2008 to 20.9% in 2009.

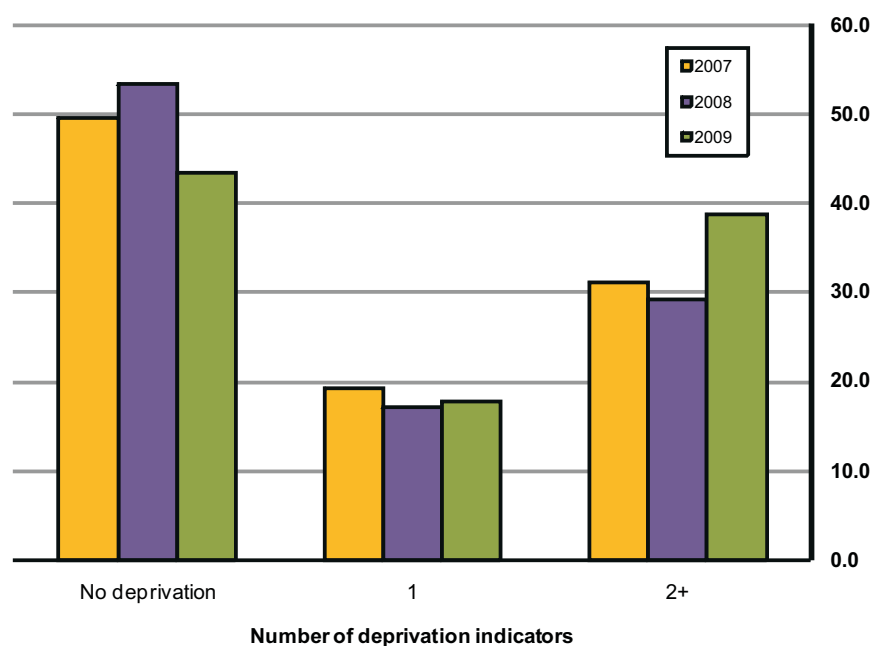
### Analysis of deprivation rates for those who were at risk of poverty

In addition to looking at deprivation within the population as a whole, it is also of interest to look at the experience of deprivation of persons who are at risk of poverty as this can be used to determine if they are at risk of being in consistent poverty. This analysis shows that, while individuals of different profiles may have similarly low levels of income, they may nonetheless experience different rates of deprivation. A particular example of this is that older people, even where they are at risk of poverty based on their income, are less likely to report experiencing enforced deprivation than other age groups. See *Tables 3.5 and 3.6*.

While 28.6% of the general population reported to have experienced at least one form of deprivation this rose to over half (56.6%) among individuals who were at risk of poverty. This has increased from 46.5% in 2008. This indicates that proportionately more of the people who were at risk of poverty experienced deprivation in 2009 than in the previous year.

The most notable change in the year for people at risk of poverty was the increase in the number experiencing two or more items of deprivation, rising from 29.3% in 2008 to 38.8% in 2009. See *Table 3.5* and *Figure 3e*.

**Figure 3e Number of deprivation indicators for individuals at risk of poverty by year**



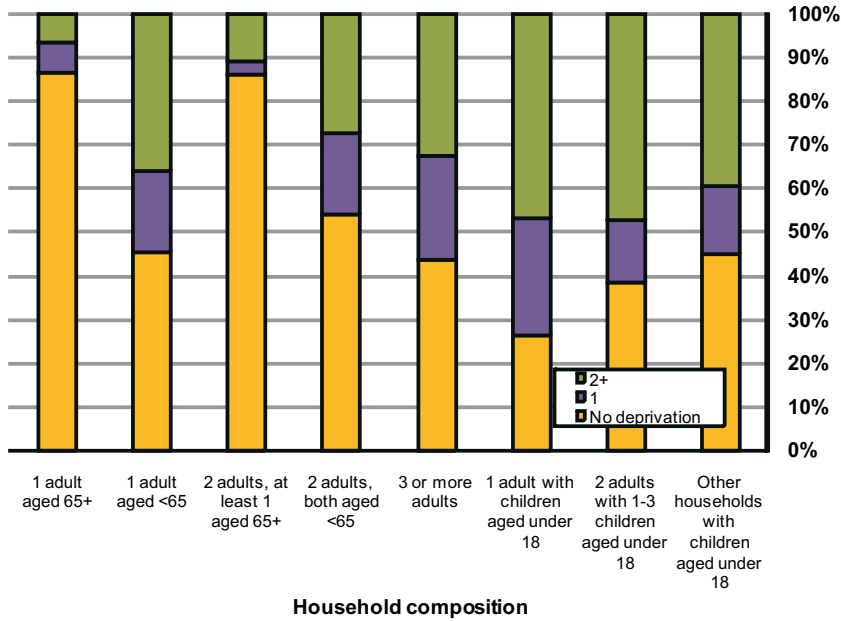
#### Analysis of deprivation rates for individuals who were at risk of poverty by socio-demographic characteristics

As with the population as a whole, there was a significant variation in the experience of deprivation across the different characteristics of the people who were at risk of poverty. A number of the patterns seen were similar to those observed within the full population. See *Table 3.6*.

Examining household composition for those at risk of poverty, almost 74% of individuals in lone parent households who were at risk of poverty reported that they experienced some form of deprivation in 2009. In comparison, 13.2% of people aged 65 or more living alone who were at risk of poverty experienced one or more items of deprivation. See *figure 3f*.

- ◆ Almost 47% of individuals living in lone parent households at risk of poverty reported to have experienced two or more items of deprivation in 2009.
- ◆ A similar rate was reported by persons in households comprising two adults and one to three children who were at risk of poverty reported at just over 47% which was a significant increase from the rate of 27.4% reported in 2008. Other households with children reported experiencing two or more deprivation items at a rate of 39.2% in 2009, up from 25.5% in 2008.

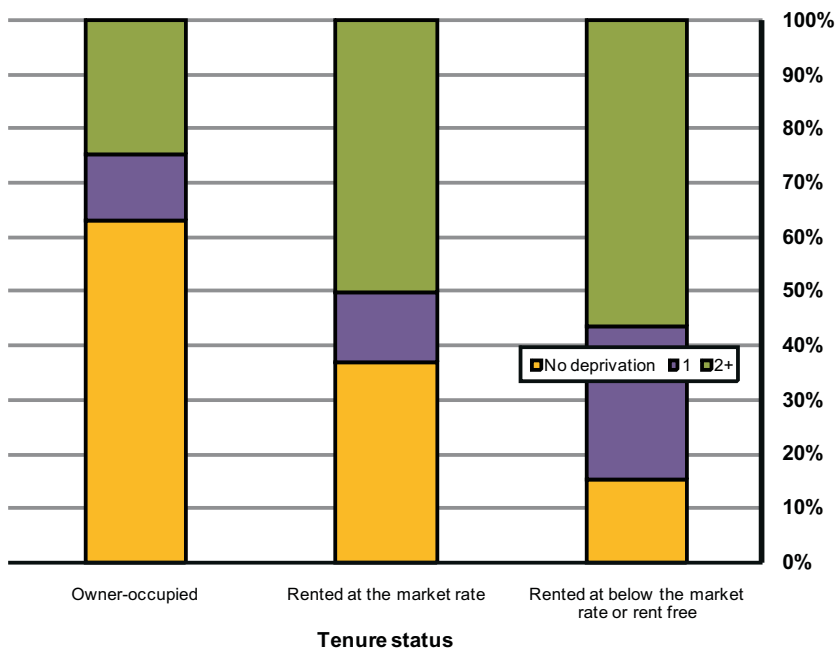
**Figure 3f Number of deprivation indicators for individuals at risk of poverty, by household composition, SILC 2009**



Examining tenure status for those who were at risk of poverty, the highest deprivation rates recorded were for those renting at below the market rate or rent free with 84.7% reporting to have experienced at least one form of deprivation. See Table 3.6 and Figure 3g.

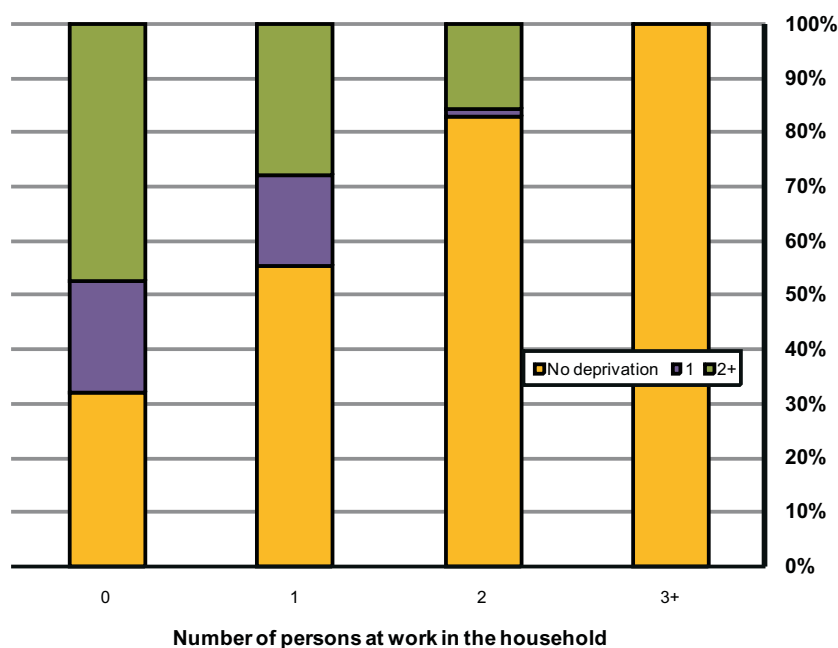
- ◆ The next highest figure for those experiencing deprivation was reported by persons at risk of poverty living in accommodation rented at the market rate at 63.1%. In comparison 36.9% of persons at risk of poverty living in owner occupied accommodation reported to have experienced at least one form of the deprivation items in 2009.

**Figure 3g Number of deprivation indicators for individuals at risk of poverty by tenure status, SILC 2009**



- ◆ Of the breakdown of age, children (aged 0-17) were the most likely age group of those at risk of poverty to experience deprivation, with 46.7% experiencing two or more items of deprivation, a rise of 11.9 percentage points on the rate reported in 2008 (34.8%). Children's rates (46.7%) compared with a rate of 11.7% for people aged 65 and over who were at risk of poverty in 2009.
- ◆ Examining the number of people at work in a household shows that individuals who lived in households where no one was working and who are at risk of poverty reported a rate of 47.4% experiencing two or more forms of deprivation, a significant increase from the rate of 40.5% reported in 2008. This contrasts markedly with persons living in households with three or more people at work and at risk of poverty where no experience of deprivation was reported in 2009. See Table 3.6 and Figure 3h.

**Figure 3h Number of deprivation indicators for individuals at risk of poverty by number of persons at work in the household, SILC 2009**



- ◆ Individuals living in the South-East region who were also at risk of poverty, reported to have experienced two or more items of deprivation at a rate of almost 63% while those living in the Mid-West and Mid-East region reported rates of around 25%.

#### Analysis of deprivation rates for individuals who were at risk of poverty by socio-demographic characteristics of head of household

Examining the age of the head of household for those at risk of poverty, it can be seen that individuals in households headed by those of working age (aged 18-64) reported the highest rates of experiencing two or more items of deprivation at 41.4% a significant increase from the reported rate of 31.3% in 2008. Those of working age (41.4%) compares with those aged 75+ who reported a rate of just 9.7% in 2009. See Table 3.7.

Even where a household was at risk of poverty the level of deprivation remained relatively low where the education level of the head of household was third level degree or above, with 7.3% of people in these households experiencing two or more items of deprivation. This compares with 42.9% of people living in households headed by an individual with a highest level of education of primary or below.

Examining the principal economic status of the head of household for those at risk of poverty, it can be seen that households headed by students were the most likely to have experienced two or more deprivation items with reported rates of 53.9% in 2009, a significant increase from 13.0% in 2008. The next highest reported rates of two or more items of deprivation were reported by individuals living in households headed by an unemployed person 46.2% which had also increased from the 2008 rate of 42.9%.

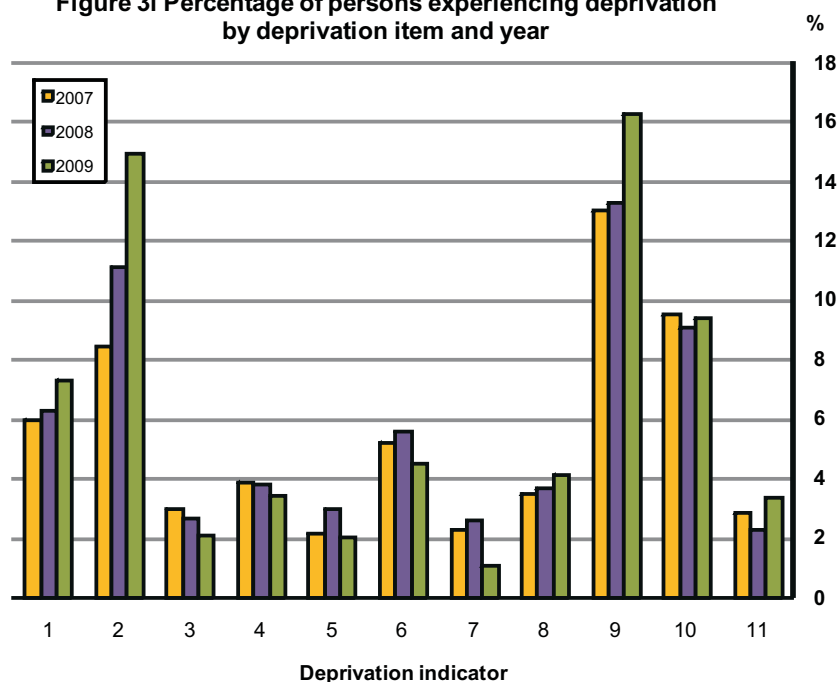
Where the head of household was at work, just over 30% of individuals at risk of poverty experienced two or more forms of deprivation, a significant increase from the reported rate of 14.8% in 2008.

### Analysis of types of deprivation and their prevalence

In looking at the eleven deprivation indicators separately it can be noted that among the population as a whole the trend in the experience of the different forms of deprivation has only changed a little for most indicators over recent years, although some of the increases were significant between 2008 and 2009. See *Table 3.8 and Figure 3i*.

- ◆ The most commonly reported of the eleven deprivation indicators in 2009 was the inability to afford to replace worn out furniture, at 16.3%, up significantly from 13.3% in 2008. This deprivation item has been consistently the highest over the last number of years.
- ◆ Following the same pattern as 2008, the second most commonly reported deprivation indicator in 2009 was the inability to afford a morning, afternoon or evening out in the last fortnight, at 14.9% up from 11.1% in 2008. Related to this, the next most commonly reported indicator was the inability to afford to have family or friends for a drink or meal once a month, at 9.4% in 2009.
- ◆ Being without heating at some stage in the last year due to lack of money was reported by 7.3% of individuals. This was up significantly from 6.3% in 2008.

**Figure 3i Percentage of persons experiencing deprivation by deprivation item and year**



**Key**

- 1 Without heating at some stage in the last year
- 2 Unable to afford a morning, afternoon or evening out in the last fortnight
- 3 Unable to afford two pairs of strong shoes
- 4 Unable to afford a roast once a week
- 5 Unable to afford a meal with meat, chicken or fish every second day
- 6 Unable to afford new (not second-hand) clothes
- 7 Unable to afford a warm waterproof coat
- 8 Unable to afford to keep the home adequately warm
- 9 Unable to afford to replace any worn out furniture
- 10 Unable to afford to have family or friends for a drink or meal once a month
- 11 Unable to afford to buy presents for family or friends at least once a year

Examining household composition it can be seen that lone parent households reported the highest rates for ten of the eleven deprivation items. Well over one third of individuals in lone parent households lived in a household with the inability to replace worn out furniture (38.4%). Also prominent was the inability to afford a morning, afternoon or evening out in the last fortnight at 32.2% up from 28.1% in 2008. Just under one fifth of people in lone parent households lived in a household which was unable to afford to have family or friends for a drink or meal once a month (18.3%) or went without heating at some stage in the last year (18.4%). See Table 3.9.

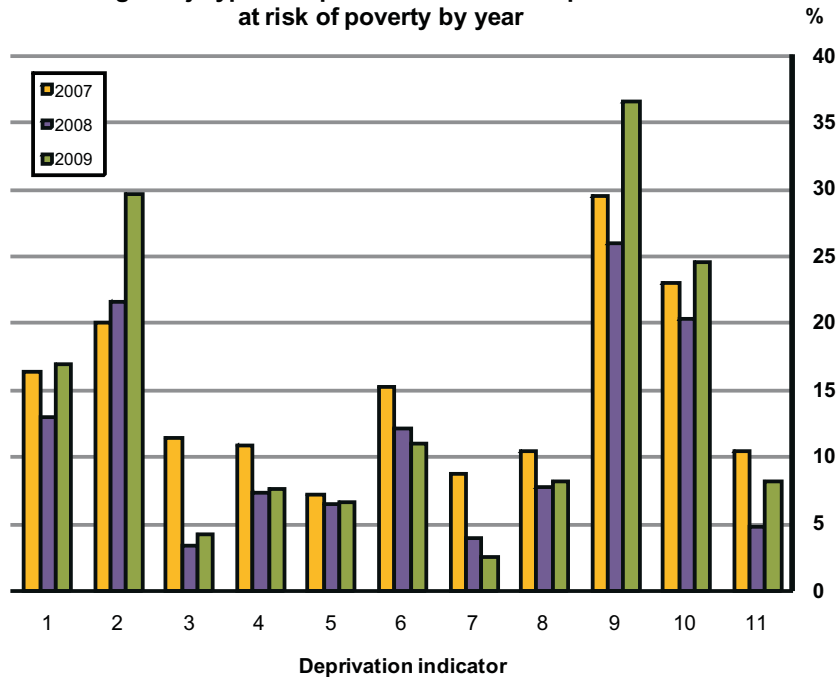
- ◆ Households comprising one adult aged less than 65 with no children reported the next highest deprivation rates in most cases. Their inability to afford a meal with meat was highest of all household types at 7.8% compared with the state average of 2.1%.
- ◆ All household types with children reported the inability to afford a morning, afternoon or evening out in the last fortnight at above the state average rate of 14.9% in 2009. Lone parents reported a rate of 32.2%, households consisting of two adults with 1-3 children reported a rate of 16.5% and other households with children reported a rate of 17.6%.

## Types of deprivation and their prevalence for those at risk of poverty

The results for the eleven different deprivation indicators for persons at risk of poverty followed broadly the same trend of the experience of deprivation for the population at large, as discussed earlier in this chapter, although the rates are higher. Furthermore, the most commonly reported deprivation indicators were the same as those reported for the population as a whole.

The most commonly reported of the eleven deprivation indicators was the inability to afford to replace worn out furniture, reported by 36.6% of individuals at risk of poverty in 2009, up significantly from 26.0% in 2008. See Table 3.10 and Figure 3j.

**Figure 3j Type of deprivation indicator of persons at risk of poverty by year**



### Key

- |    |   |
|----|---|
| 1  | Without heating at some stage in the last year                              |
| 2  | Unable to afford a morning, afternoon or evening out in the last fortnight  |
| 3  | Unable to afford two pairs of strong shoes                                  |
| 4  | Unable to afford a roast once a week  |
| 5  | Unable to afford a meal with meat, chicken or fish every second day         |
| 6  | Unable to afford new (not second-hand) clothes                              |
| 7  | Unable to afford a warm waterproof coat                                     |
| 8  | Unable to afford to keep the home adequately warm                           |
| 9  | Unable to afford to replace any worn out furniture                          |
| 10 | Unable to afford to have family or friends for a drink or meal once a month |
| 11 | Unable to afford to buy presents for family or friends at least once a year |

- ◆ The next most commonly experienced forms of deprivation reported by individuals at risk of poverty were the inability to afford a morning, afternoon or night out in the last fortnight at 29.6%, the inability to have friends or family for a drink or meal once a month at 24.6% and being without heating at some stage in the last year due to lack of money at 17.0%. All of the top four indicators reported increases in the rates between 2008 and 2009



Examining the results by household composition, the figures show that households consisting of two adults with one to three children reported the inability to afford a morning, afternoon or evening out in the last fortnight at a rate of 45.0%. This rate is higher than that for lone parent households at 37.8% and the state average of 29.7%. See *Table 3.11*.

Similarly, these households with two adults and one to three children reported not being able to have friends or family around for a drink or meal one a month at a rate of 34.6% compared with lone parent households with a rate of 20.1% and a state average of 24.6%.

### Analysis of some further deprivation indicators

As part of the SILC survey other questions relating to deprivation, in addition to the eleven deprivation items used for consistent poverty, were asked of households. The questions focussed on the financial position of the household in the twelve months prior to the date of interview. These items are now examined for the population as a whole and for the population at risk of poverty. See *Table 3.12*.

- ◆ The reported level of arrears among individuals in general increased between 2008 and 2009 across all types of arrears (rent/mortgage, utility, loans and other). This was particularly notable for 'other bills' (health, education etc) where the rate of 3.1% in 2008 increased to 18.6% in 2009. Similarly the rate increased for those at risk of poverty from 3.5% in 2008 to 26.9% in 2009.
- ◆ The reported level of having one or more types of arrears for individuals in the population at large rose significantly to 26.8% in 2009 from 11.3% in 2008. This was also true for those individuals at risk of poverty, reporting a rate of 40.5% in 2009 compared with 21.7% in 2008.
- ◆ More than 48% of individuals stated that they were unable to face an unexpected expense of €1,085 in 2009, compared with 2008 when just under 41% of individuals stated they were unable to meet an unexpected expense of €985. For those at risk of poverty, the rate increased from just over 69% in 2008 to almost 78% in 2009.
- ◆ Between 2008 and 2009, there was an increase in the proportion of individuals who stated that they had some level of difficulty in making ends meet. Most notably, individuals who stated they experienced 'great difficulty' in making ends meet increased from 9.3% in 2008 to 11.2% in 2009.
- ◆ In 2009, just under 18% of individuals stated that housing costs were 'no burden at all' compared with just over 21% of individuals in 2008. The percentage of individuals at risk of poverty and who stated that housing costs were 'no burden at all' remained static between 2008 and 2009 at approximately 11%. The figures indicate that the majority of individuals, whether at risk of poverty or not, felt that their housing costs were 'somewhat of a burden' or 'a heavy burden'.
- ◆ Similarly, people in general reported not being able to afford to take a week's holiday at a rate of 38.8% in 2009 which had increased from 30.3% in 2008. For those at risk of poverty, this rate increased to 72% in 2009 from just under 57% in 2008.

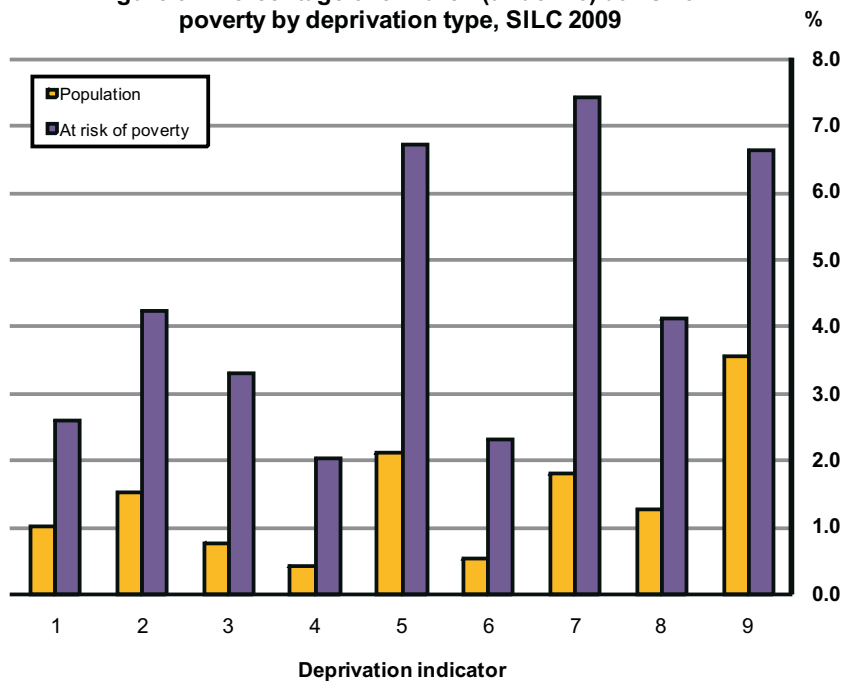
### Analysis of special module on deprivation items

In 2009 a special module on material deprivation was included in the SILC survey and the results of an analysis of this module are included below. In particular, questions about deprivation were asked relating specifically to children (aged less than 16). See *Table 3.13 and Figure 3k*.

- ◆ In many cases deprivation rates for children were low, but for children who were at risk of poverty, the rates were higher across all types of deprivation.
- ◆ In 2009, just under 2% of children reported being unable to participate in school trips or events that cost money, while the rate increased to 7.4% for children living in households that were at risk of poverty.

- ◆ The results indicated that less than 2% of children could not afford a new pair of shoes while the rate rose to 4.2% for children who were at risk of poverty in 2009.
- ◆ That a child was unable to afford to participate in leisure activities was reported by 2.1% of households, while children who were at risk of poverty reported a rate of 6.7% for the same item of deprivation in 2009.
- ◆ More than 4% of children who were at risk of poverty did not have a suitable place to study at home in 2009 while this rate was just over 1% for the overall population.

**Figure 3k Percentage of children (under 16) at risk of poverty by deprivation type, SILC 2009**



**Key**

- 1 Unable to afford to buy new clothes for children
- 2 Unable to afford to buy shoes for children
- 3 Unable to afford to give children a daily meal of meat/chicken/fish
- 4 Unable to afford to buy children's books
- 5 Unable to afford for children to participate in leisure activities (e.g. Swimming)
- 6 Unable to afford to have other children over to play and/or eat occasionally
- 7 Unable to afford for children to participate in school trips/events costing money
- 8 Child does not have a suitable place to study at home
- 9 Child does not have an outdoor space in which to play safely

**Table 3.1 The number of deprivation indicators reported by year**

	% of individuals					
	2004	2005	2006	2007	2008	2009
Number of deprivation items experienced						
No deprivation	75.8	75.3	74.8	75.6	75.1	71.4
1	10.1	9.8	11.4	12.6	11.1	11.5
2	4.6	5.1	4.7	4.0	4.9	7.4
3+	9.5	9.8	9.1	7.8	8.9	9.7
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
2+	14.1	14.9	13.8	11.8	13.8	17.1

**Table 3.2 Summary of deprivation indicators by net equivalised income decile and year**

Distribution across deciles		Number of deprivation indicators experienced					
		0	1	2	3+	2+	
Decile	Weekly threshold (€)	%	%	%	%	%	
<b>2008</b>		<b>75.1</b>	<b>11.1</b>	<b>4.9</b>	<b>8.9</b>	<b>100</b>	<b>13.8</b>
1	<212.67	54.0	19.0	12.1	15.0	100	27.0
2	<256.19	50.8	12.0	6.7	30.5	100	37.2
3	<296.49	63.8	13.5	6.7	15.9	100	22.7
4	<341.17	62.3	19.5	5.5	12.7	100	18.2
5	<397.82	76.3	14.3	3.7	5.7	100	9.4
6	<450.92	80.0	11.6	5.0	3.4	100	8.4
7	<524.45	83.4	7.6	5.0	3.9	100	9.0
8	<612.25	87.0	8.2	3.4	1.4	100	4.7
9	<769.99	95.6	4.2	0.2	0.0	100	0.2
10	>769.99	97.2	2.8	0.0	0.0	100	0.0
<b>2009</b>		<b>71.4</b>	<b>11.5</b>	<b>7.4</b>	<b>9.7</b>	<b>100</b>	<b>17.1</b>
1	<209.91	45.9	15.1	14.0	25.0	100	39.0
2	<255.28	41.0	18.5	11.5	29.0	100	40.5
3	<289.58	61.9	13.4	11.1	13.6	100	24.7
4	<335.49	64.0	15.9	8.7	11.3	100	20.1
5	<385.33	67.9	11.0	13.1	8.0	100	21.0
6	<443.96	74.3	15.0	6.6	4.2	100	10.7
7	<509.04	84.7	8.1	5.7	1.5	100	7.2
8	<595.82	81.0	12.2	5.1	1.6	100	6.8
9	<740.49	95.5	3.3	0.4	0.9	100	1.2
10	>740.49	95.4	3.3	0.4	0.9	100	1.3

Table 3.3 Summary of deprivation indicators by demographic characteristics and year

Number of deprivation indicators experienced	% of individuals					
	2008			2009		
	0	1	2+	0	1	2+
<b>State</b>	75.1	11.1	13.8	71.4	11.5	17.1
<b>Sex</b>						
Male	76.1	10.7	13.3	71.6	11.6	16.8
Female	74.2	11.5	14.3	70.7	11.6	17.7
<b>Age group</b>						
0-17	69.3	12.6	18.1	63.2	13.3	23.5
18-64	76.6	10.6	12.8	72.7	11.3	16.0
65-74	80.3	9.9	9.9	81.9	9.1	9.0
65+	80.6	10.2	9.2	81.5	9.0	9.5
75+	80.9	10.6	8.5	80.8	8.9	10.2
<b>Principal Economic Status (aged 16 years and over)</b>						
At work	84.7	8.7	6.6	83.3	8.9	7.9
Unemployed	48.4	14.6	37.0	49.3	16.4	34.3
Student	77.9	11.7	10.4	67.2	13.4	19.4
Home duties	69.2	13.3	17.5	66.0	13.6	20.3
Retired	83.5	9.2	7.3	82.7	9.3	8.0
Not at work due to illness or disability	51.4	12.2	36.4	52.8	11.5	35.7
<b>Highest education level attained (aged 16 years and over)<sup>1</sup></b>						
Primary or below	62.6	14.2	23.2	61.2	14.9	24.0
Lower secondary	73.9	10.5	15.6	66.7	12.4	20.9
Higher secondary	79.6	10.9	9.5	74.6	12.3	13.1
Post leaving cert	78.5	11.9	9.6	79.5	8.1	12.4
Third level non degree	85.2	6.6	8.2	87.4	6.8	5.8
Third level degree or above	91.7	6.0	2.3	87.7	6.4	5.9
<b>Household composition</b>						
1 adult aged 65+	76.3	12.0	11.7	75.8	10.3	13.9
1 adult aged <65	68.3	11.1	20.6	63.9	11.0	25.1
2 adults, at least 1 aged 65+	81.3	9.4	9.4	83.5	8.1	8.4
2 adults, both aged <65	80.9	10.0	9.2	79.2	8.4	12.4
3 or more adults	82.5	10.8	6.7	75.1	12.2	12.7
1 adult with children aged under 18	45.0	19.1	35.9	37.1	18.8	44.1
2 adults with 1-3 children aged under 18	76.8	10.5	12.7	71.4	13.2	15.4
Other households with children aged under 18	74.2	10.6	15.2	72.3	9.4	18.3
<b>Number of persons at work in the household</b>						
0	54.7	14.8	30.5	50.8	15.2	33.9
1	71.2	13.7	15.1	68.9	13.8	17.3
2	86.5	7.6	5.9	88.7	6.2	5.1
3+	90.7	7.3	2.0	84.1	10.3	5.6
<b>Tenure status</b>						
Owner-occupied	81.3	9.9	8.7	80.4	9.9	9.7
Rented at the market rate	69.1	12.8	18.1	66.8	11.1	22.1
Rented at below the market rate or rent free	43.3	16.6	40.1	29.1	20.0	50.9
<b>Urban/rural location</b>						
Urban areas	73.1	12.6	14.3	69.2	12.1	18.7
Rural areas	78.4	8.6	13.0	74.4	10.7	14.9
<b>Region</b>						
Border	72.0	16.0	11.9	62.0	17.0	21.0
Midland	67.2	12.2	20.5	70.7	14.9	14.4
West	77.0	5.8	17.2	71.4	9.3	19.3
Dublin	79.9	9.6	10.6	71.5	11.7	16.8
Mid-East	72.2	14.2	13.6	83.3	6.8	10.0
Mid-West	79.0	8.7	12.3	75.5	11.4	13.1
South-East	70.6	12.1	17.3	63.7	12.2	24.1
South-West	74.1	11.3	14.6	70.7	11.0	18.3

<sup>1</sup>There was a change in the composition of the three highest educational attainment categories between 2008 and 2009 due to an update to the question

Table 3.4 Summary of deprivation indicators by head of household characteristics and year

Number of deprivation indicators experienced	% of individuals					
	2008			2009		
	0	1	2+	0	1	2+
<b>State</b>	75.1	11.1	13.8	71.4	11.5	17.1
<b>Sex (head of household)</b>						
Male	78.5	9.5	12.0	73.6	11.1	16.8
Female	69.2	13.9	17.0	67.2	12.3	17.7
<b>Age group (head of household)</b>						
18-64	74.1	11.3	14.5	69.4	12.0	16.0
65-74	81.4	8.5	10.1	82.8	8.4	9.0
65+	81.3	9.5	9.3	82.2	8.7	9.5
75+	81.1	10.6	8.2	81.3	9.2	10.2
<b>Principal Economic Status (head of household)</b>						
At work	82.6	10.1	7.3	81.2	9.4	7.9
Unemployed	36.0	18.1	45.9	40.7	19.4	34.3
Student	68.1	12.3	19.6	43.0	23.0	19.4
Home duties	62.7	13.9	23.4	59.8	13.3	20.3
Retired	84.6	8.8	6.6	82.6	10.1	8.0
Not at work due to illness or disability	46.9	11.4	41.7	50.1	13.0	35.7
<b>Highest Education level attained (head of household)<sup>1</sup></b>						
Primary or below	60.1	15.2	24.7	56.3	16.3	24.0
Lower secondary	73.0	12.4	14.7	63.5	12.6	20.9
Higher secondary	81.8	9.0	9.3	73.3	13.2	13.1
Post leaving cert	75.4	14.1	10.5	78.7	8.2	12.4
Third level non degree	78.6	8.7	12.6	86.2	7.5	5.8
Third level degree or above	89.5	6.4	4.1	84.9	6.5	5.9

<sup>1</sup>There was a change in the composition of the three highest educational attainment categories between 2008 and 2009 due to an update to the question

Table 3.5 The number of deprivation indicators reported by persons at risk of poverty and year

Number of deprivation items experienced	% of individuals at risk of poverty					
	2004	2005	2006	2007	2008	2009
No deprivation	52.5	47.9	44.0	49.7	53.5	43.4
1	13.8	14.2	17.8	19.2	17.2	17.8
2	10.4	10.6	11.1	8.3	12.2	12.9
3+	23.4	27.3	27.0	22.8	17.2	25.9
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
2+	33.8	37.9	38.1	31.1	29.3	38.8

**Table 3.6 Summary of deprivation indicators for those at risk of poverty by demographic characteristics and year**

Number of deprivation indicators experienced	% individuals at risk of poverty					
	2008			2009		
	0	1	2+	0	1	2+
<b>State</b>	53.5	17.2	29.3	43.4	17.8	38.8
<b>Sex</b>						
Male	54.0	17.5	28.5	42.0	18.8	39.2
Female	53.0	16.8	30.1	45.0	16.5	38.5
<b>Age group</b>						
0-17	48.5	16.7	34.8	33.1	20.2	46.7
18-64	53.4	17.9	28.7	44.9	17.5	37.6
65-74	68.9	17.3	13.8	76.7	9.1	14.2
65+	74.0	13.8	12.2	81.4	6.9	11.7
75+	81.7	8.5	9.8	87.0	4.4	8.7
<b>Principal Economic Status (aged 16 years and over)</b>						
At work	69.1	14.8	16.1	69.3	10.0	20.6
Unemployed	33.5	24.4	42.1	31.3	22.2	46.5
Student	61.1	20.4	18.4	35.3	20.7	44.1
Home duties	52.8	15.3	31.9	47.4	16.9	35.7
Retired	73.0	17.2	9.9	72.2	13.4	14.4
Not at work due to illness or disability	36.3	11.8	51.9	46.1	13.2	40.7
<b>Highest education level attained (aged 16 years and over) <sup>1</sup></b>						
Primary or below	45.2	19.1	35.7	49.8	14.9	35.3
Lower secondary	55.7	14.9	29.4	41.4	19.1	39.5
Higher secondary	58.5	21.3	20.2	45.8	18.1	36.1
Post leaving cert	68.3	15.7	16.0	53.3	10.8	35.9
Third level non degree	74.3	9.4	16.4	63.0	17.1	19.9
Third level degree or above	84.4	10.4	5.3	70.1	12.8	17.1
<b>Household composition</b>						
1 adult aged 65+	75.7	15.9	8.4	86.8	6.6	6.6
1 adult aged <65	48.6	13.4	38.0	45.4	18.7	35.9
2 adults, at least 1 aged 65+	73.4	9.2	17.4	86.3	2.8	10.9
2 adults, both aged <65	44.4	21.8	33.8	54.1	18.5	27.4
3 or more adults	60.4	34.1	5.5	43.9	23.4	32.6
1 adult with children aged under 18	36.6	14.5	48.9	26.3	26.7	46.9
2 adults with 1-3 children aged under 18	60.4	12.2	27.4	38.6	14.2	47.2
Other households with children aged under 18	54.7	19.8	25.5	44.8	15.9	39.2
<b>Number of persons at work in the household</b>						
0	40.2	19.4	40.5	32.2	20.4	47.4
1	64.3	15.8	19.9	55.4	16.8	27.8
2	66.4	15.6	18.0	83.0	1.3	15.7
3+	96.1	3.9	0.0	100.0	0.0	0.0
<b>Tenure status</b>						
Owner-occupied	61.9	18.0	20.0	63.1	12.1	24.7
Rented at the market rate	70.4	13.1	16.4	36.9	12.9	50.2
Rented at below the market rate or rent free	27.6	17.0	55.4	15.3	28.1	56.6
<b>Urban/rural location</b>						
Urban areas	46.1	18.8	35.1	37.6	20.1	42.3
Rural areas	61.4	15.5	23.2	50.0	15.0	35.0
<b>Region</b>						
Border	51.2	21.2	27.6	41.3	20.2	38.5
Midland	46.0	21.7	32.4	47.5	22.6	29.9
West	66.9	8.9	24.2	40.2	19.3	40.5
Dublin	47.1	16.8	36.1	30.9	15.8	53.3
Mid-East	43.0	34.7	22.3	63.2	11.4	25.3
Mid-West	69.1	15.1	15.8	56.6	18.8	24.6
South-East	56.5	14.8	28.6	23.8	13.5	62.7
South-West	47.8	11.2	41.0	51.4	21.5	27.1

<sup>1</sup>There was a change in the composition of the three highest educational attainment categories between 2008 and 2009 due to an update to the question

**Table 3.7 Summary of deprivation indicators for those at risk of poverty by head of household characteristics and year**

Number of deprivation indicators experienced	% individuals at risk of poverty					
	2008			2009		
	0	1	2+	0	1	2+
<b>State</b>	53.5	17.2	29.3	43.3	17.8	38.8
<b>Sex (head of household)</b>						
Male	61.0	15.5	23.5	45.6	17.2	37.2
Female	43.1	19.4	37.5	41.1	18.1	40.8
<b>Age group (head of household)</b>						
18-64	50.8	17.9	31.3	39.7	18.9	41.4
65-74	71.3	12.8	15.9	77.2	6.4	16.4
65+	75.2	11.4	13.4	80.7	5.6	13.6
75+	83.3	8.5	8.2	85.7	4.6	9.7
<b>Principal Economic Status (head of household)</b>						
At work	70.0	15.2	14.8	60.0	9.8	30.2
Unemployed	28.9	28.3	42.8	31.1	22.7	46.2
Student	67.3	19.7	13.0	13.0	33.0	53.9
Home duties	37.1	17.2	45.7	35.5	21.3	43.1
Retired	72.5	18.3	9.2	69.8	15.8	14.4
Not at work due to illness or disability	39.0	11.2	49.8	57.1	8.2	34.7
<b>Highest Education level attained (head of household)<sup>1</sup></b>						
Primary or below	40.7	20.5	38.8	40.0	17.1	42.9
Lower secondary	49.2	20.4	30.4	41.8	19.0	39.2
Higher secondary	70.9	12.8	16.3	40.3	20.0	39.7
Post leaving cert	60.6	17.1	22.3	46.3	12.7	41.0
Third level non degree	65.7	6.8	27.5	51.8	24.7	23.5
Third level degree or above	87.9	7.0	5.1	86.0	6.7	7.3

<sup>1</sup>There was a change in the composition of the three highest educational attainment categories between 2008 and 2009 due to an update to the question

**Table 3.8 Percentage of the population reporting each type of deprivation, by year**

Deprivation Indicators	% of individuals					
	2004	2005	2006	2007	2008	2009
Without heating at some stage in the last year	5.4	6.5	5.7	6.0	6.3	7.3
Unable to afford a morning, afternoon or evening out in the last fortnight	10.2	10.3	8.8	8.4	11.1	14.9
Unable to afford two pairs of strong shoes	3.8	3.3	3.1	3.0	2.7	2.1
Unable to afford a roast once a week	4.5	4.2	4.4	3.9	3.8	3.4
Unable to afford a meal with meat, chicken or fish every second day	3.7	2.9	2.4	2.2	3.0	2.1
Unable to afford new (not second-hand) clothes	5.8	6.8	5.5	5.2	5.6	4.5
Unable to afford a warm waterproof coat	2.7	2.8	2.1	2.3	2.6	1.1
Unable to afford to keep the home adequately warm	3.3	4.0	3.9	3.5	3.7	4.1
Unable to afford to replace any worn out furniture	13.4	13.8	13.7	13.1	13.3	16.3
Unable to afford to have family or friends for a drink or meal once a month	11.3	11.6	10.7	9.6	9.1	9.4
Unable to afford to buy presents for family or friends at least once a year	4.5	4.6	3.3	2.9	2.3	3.4
Experienced deprivation (1+ items)	24.2	24.7	25.2	24.4	24.9	28.6
Experienced deprivation (2+ items)	14.1	14.8	13.8	11.8	13.8	17.1

Table 3.9 Percentage of the population reporting deprivation by year and household composition

Deprivation Indicators	% of individuals								
	1 adult aged 65+	1 adult aged <65	2 adults, at least 1 aged 65+	2 adults, both aged <65	3 or more adults	1 adult, with children aged under 18	2 adults, with 1-3 children aged under 18	Other households with children aged under 18	Total households
<b>2008</b>									
Without heating at some stage in the last year	5.5	12	3.5	6	3.2	20.5	6.2	4.2	6.3
Unable to afford a morning, afternoon or evening out in the last fortnight	4.5	12.5	2.7	5.0	9.2	28.1	10.1	14.6	11.1
Unable to afford two pairs of strong shoes	2.9	3.8	1.4	0.9	2.3	6.1	1.4	4.7	2.7
Unable to afford a roast once a week	3.9	9.1	2.3	4.5	2.1	6.6	3.7	3.4	3.8
Unable to afford a meal with meat, chicken or fish every second day	2.0	6.9	2.2	3.5	1.6	8.5	1.6	3.7	3.0
Unable to afford new (not second-hand) clothes	5.2	12.6	5.3	4.1	1.7	11.5	4.2	7.9	5.6
Unable to afford a warm waterproof coat	1.7	2.2	1.1	0.9	1.8	5.6	2.2	4.1	2.6
Unable to afford to keep the home adequately warm	4.3	7.8	3.0	3.4	2.3	10.6	2.7	3.4	3.7
Unable to afford to replace any worn out furniture	14.8	19.1	11.7	11.2	8.4	31.9	12.2	12.1	13.3
Unable to afford to have family or friends for a drink or meal once a month	5.4	10.9	8.0	5.3	5.1	21.4	7.9	11.6	9.1
Unable to afford to buy presents for family or friends at least once a year	3.1	8.6	2.9	1.6	1.0	7.1	1.2	2.3	2.3
<b>2009</b>									
Without heating at some stage in the last year	7.2	12.6	4.2	4.4	5.0	18.4	7.5	6.1	7.3
Unable to afford a morning, afternoon or evening out in the last fortnight	3.2	15.6	2.8	9.9	10.7	32.2	16.5	17.6	14.9
Unable to afford two pairs of strong shoes	1.4	4.6	1.9	1.5	1.1	7.4	2.3	0.6	2.1
Unable to afford a roast once a week	3.6	9.3	1.7	4.3	1.2	11.7	2.6	2.2	3.4
Unable to afford a meal with meat, chicken or fish every second day	1.5	7.8	1.0	1.6	2.7	7.1	1.4	0.7	2.1
Unable to afford new (not second-hand) clothes	5.8	10.5	2.8	4.4	5.4	12.3	3.1	2.8	4.5
Unable to afford a warm waterproof coat	1.4	3.5	0.9	0.8	1.3	3.5	0.8	0.3	1.1
Unable to afford to keep the home adequately warm	5.1	8.7	2.5	2.0	5.4	11.4	3.7	2.2	4.1
Unable to afford to replace any worn out furniture	15.6	23.7	7.6	12.2	11.5	38.4	15.6	16.3	16.3
Unable to afford to have family or friends for a drink or meal once a month	7.8	11.9	4.3	7.7	4.9	18.3	10.2	10.2	9.4
Unable to afford to buy presents for family or friends at least once a year	4.4	9.0	2.5	2.1	2.7	12.8	2.5	1.7	3.4



**Table 3.10 Percentage of the population at risk of poverty<sup>1</sup> reporting each type of deprivation by year**

% of individuals at risk of poverty

Deprivation Indicators	2004	2005	2006	2007	2008	2009
Without heating at some stage in the last year	12.6	18.1	16.7	16.4	13.0	17.0
Unable to afford a morning, afternoon or evening out in the last fortnight	25.2	28.3	25.5	20.1	21.6	29.6
Unable to afford two pairs of strong shoes	9.5	9.5	9.5	11.4	3.4	4.3
Unable to afford a roast once a week	11.2	11.0	13.6	10.9	7.4	7.7
Unable to afford a meal with meat, chicken or fish every second day	9.7	9.2	6.7	7.2	6.5	6.6
Unable to afford new (not second-hand) clothes	14.2	16.1	17.2	15.2	12.2	11.0
Unable to afford a warm waterproof coat	6.7	7.5	4.3	8.7	4.0	2.6
Unable to afford to keep the home adequately warm	7.9	11.5	10.7	10.4	7.8	8.3
Unable to afford to replace any worn out furniture	27.8	30.5	33.0	29.5	26.0	36.6
Unable to afford to have family or friends for a drink or meal once a month	25.7	30.2	28.3	23.1	20.4	24.6
Unable to afford to buy presents for family or friends at least once a year	11.6	12.6	9.6	10.5	4.8	8.2
Experienced deprivation (1+ items)	47.5	52.1	56.0	50.3	46.5	56.6
Experienced deprivation (2+ items)	33.8	37.8	38.1	31.1	29.4	38.8

<sup>1</sup> Including all social transfers, 60% median income threshold.

**Table 3.11 Percentage of the at risk of poverty<sup>1</sup> population who reported deprivation by year and household composition**

Deprivation Indicators	% of individuals at risk of poverty								
	1 adult aged 65+	1 adult aged <65	2 adults, at least 1 aged 65+	2 adults, both aged <65	3 or more adults	1 adult, with children aged under 18	2 adults, with 1-3 children aged under 18	Other households with children aged under 18	Total households
<b>2008</b>									
Without heating at some stage in the last year	4.4	22.6	6.8	12.8	1.7	24.2	12.5	9	13.0
Unable to afford a morning, afternoon or evening out in the last fortnight	6.7	19	6.2	14.7	20.8	34.1	15.8	27	21.6
Unable to afford two pairs of strong shoes	0.8	8.6	5.7	3.1	0	8.4	0.3	2.7	3.4
Unable to afford a roast once a week	3.7	15.9	1.7	16.8	0	10.4	2.9	7.7	7.4
Unable to afford a meal with meat, chicken or fish every second day	1.3	12.7	2.5	12.6	3.3	13.8	1.5	4.8	6.5
Unable to afford new (not second-hand) clothes	6.5	27.7	10.5	14.1	1.7	17.8	10.2	9.8	12.2
Unable to afford a warm waterproof coat	0.8	4.4	2.4	0.5	0	13	1.7	3.4	4.0
Unable to afford to keep the home adequately warm	2.2	13.5	4.3	4.6	8.2	15.8	4.7	6.3	7.8
Unable to afford to replace any worn out furniture	8.4	35.4	22.4	36.6	13.4	38.6	25.7	17.4	26.0
Unable to afford to have family or friends for a drink or meal once a month	7.2	19.7	12.8	16.1	0.5	30	25.2	19.5	20.4
Unable to afford to buy presents for family or friends at least once a year	2.1	16.5	8.5	5.4	0.5	5.7	2.3	4.5	4.8
<b>2009</b>									
Without heating at some stage in the last year	3.5	17.3	0.7	14.2	5.7	26.8	17.4	18.8	17.0
Unable to afford a morning, afternoon or evening out in the last fortnight	1.2	19.5	3.7	23.0	15.8	37.8	45.0	24.3	29.6
Unable to afford two pairs of strong shoes	0.0	7.4	8.9	4.2	0.0	11.4	2.5	1.2	4.3
Unable to afford a roast once a week	3.3	11.4	5.1	5.8	1.0	19.5	4.8	4.9	7.7
Unable to afford a meal with meat, chicken or fish every second day	0.3	10.9	0.3	3.8	16.9	10.4	4.6	4.1	6.6
Unable to afford new (not second-hand) clothes	3.6	16.8	1.1	9.3	16.2	21.8	11.5	2.3	11.0
Unable to afford a warm waterproof coat	0.0	5.9	3.7	1.7	4.6	4.7	1.2	1.4	2.6
Unable to afford to keep the home adequately warm	4.0	12.8	0.4	6.4	3.7	10.8	9.1	8.6	8.3
Unable to afford to replace any worn out furniture	7.1	36.7	11.3	27.4	19.7	46.9	43.0	39.0	36.6
Unable to afford to have family or friends for a drink or meal once a month	4.8	16.6	7.1	11.4	17.3	20.1	34.6	31.5	24.6
Unable to afford to buy presents for family or friends at least once a year	4.5	15.1	1.6	6.1	16.9	9.1	7.1	6.5	8.2

<sup>1</sup> Including all social transfers, 60% median income threshold.

**Table 3.12 Percentage of the population reporting other types of deprivation by year**

Deprivation Indicators	% of individuals		% of individuals at risk of poverty <sup>1</sup>	
	2008	2009	2008	2009
In arrears with rent or mortgage in the last year	5.6	6.5	9.7	10.5
In arrears with utility bills in the last year	8.3	11.2	16.1	21.4
In arrears with other bills in the last year	3.1	18.6	3.5	26.9
In arrears with other loan repayments in the last year	2.8	5.0	6.7	8.5
Has one or more types of arrears	11.3	26.8	21.7	40.5
Unable to afford to face unexpected expenses <sup>2</sup>	40.9	48.4	69.2	77.8
In debt from ordinary living expenses	10.9	13.1	17.5	21.7
Able to make ends meet - with great difficulty	9.3	11.2	19.1	24.4
Able to make ends meet - with difficulty	14.3	15.3	22.2	20.3
Able to make ends meet - with some difficulty	35.5	39.0	41.3	38.3
Able to make ends meet - Fairly easily	28.0	24.2	14.4	13.8
Able to make ends meet - Easily	9.4	7.5	2.1	2.5
Able to make ends meet - very easily	3.3	2.8	0.4	0.7
Housing cost burden - a heavy burden	24.0	28.9	39.9	43.3
Housing cost burden - somewhat of a burden	54.9	53.3	49.3	45.7
Housing cost burden - no burden at all	21.1	17.8	10.7	11.0
Unable to afford one week annual holiday away from home	30.3	38.8	56.7	72.0
Unable to afford a washing machine	0.4	0.6	1.3	0.9
Unable to afford a clothes dryer	6.7	6.5	12.4	14.2
Unable to afford a dish washer	9.7	8.6	17.3	19.0
Unable to afford a colour TV	0.1	0.4	0.6	1.9
Unable to afford a satellite dish	8.5	10.6	16.0	23.9
Unable to afford a VCR/DVD player	2.0	3.2	4.2	5.8
Unable to afford a CD player	2.4	2.1	3.3	4.9
Unable to afford a home telephone	7.2	7.9	12.9	19.2
Unable to afford a mobile phone	3.8	2.5	7.1	6.0
Unable to afford a car	8.6	9.1	21.0	21.7
Unable to afford a computer	6.5	5.7	11.6	13.5
Unable to afford to have a hobby	7.3	7.7	13.3	16.6
Unable to afford the internet	n/a	8.3	n/a	21.2
Dwelling has damp walls	11.9	13.2	16.3	20.3
Dwelling has dark rooms	5.4	5.6	6.1	6.0
Dwelling does not have hot running water	0.6	0.8	1.2	0.9
Noise a problem in the neighbourhood	12.0	10.4	12.3	14.7
Crime a problem in the neighbourhood	12.2	14.5	12.4	16.3
Unable to afford to attend a dentist on one occasion in last year	3.5	4.6	5.3	2.8
Unable to afford to attend a doctor on one occasion in last year	2.4	1.9	1.3	2.5

<sup>1</sup> Including all social transfers, 60% median income threshold<sup>2</sup> Expense of €985 in 2008 and €1085 in 2009

Table 3.13 Percentage of the population reporting other types of deprivation, by year

Deprivation Indicators	% of individuals		% of individuals at risk of poverty <sup>1</sup>	
	2007 <sup>2</sup>	2009	2007 <sup>2</sup>	2009
Dwelling has shortage of space	22.1	15.9	29.9	21.1
Difficult to access public transport	24.6	23.4	27.9	26.0
Difficult to access banking services	19.7	24.3	24.7	27.6
Difficult to access postal services	14.0	18.0	16.4	19.6
Neighbourhood has litter around	-	25.0	-	27.6
Neighbourhood has damaged public amenities	-	15.9	-	18.1
<i>Deprivation rates for children aged under 16</i>				
Unable to afford to buy new clothes for children	-	1.0	-	2.6
Unable to afford to buy shoes for children	-	1.5	-	4.2
Unable to afford to buy fruit and vegetables for children	-	0.3	-	1.8
Unable to afford to give children three meals a day	-	0.2	-	1.3
Unable to afford to give children a daily meal of meat/chicken/fish	-	0.8	-	3.3
Unable to afford to buy children's books	-	0.4	-	2.0
Unable to afford to buy outdoor toys for children (e.g. Bike, skates)	-	0.7	-	2.9
Unable to afford to buy indoor toys for children (e.g. Board games)	-	0.2	-	0.5
Unable to afford for children to participate in leisure activities (e.g. Swimming)	-	2.1	-	6.7
Unable to afford to have a children's party on special occasions	-	0.3	-	1.7
Unable to afford to have other children over to play and/or eat occasionally	-	0.5	-	2.3
Unable to afford for children to participate in school trips/events costing money	-	1.8	-	7.4
Child does not have a suitable place to study at home	-	1.3	-	4.1
Child does not have an outdoor space in which to play safely	-	3.5	-	6.6

<sup>1</sup> Including all social transfers, 60% median income threshold

<sup>2</sup> Source SILC Module on Housing Conditions, 2007. (No further relevant information is available for this table.)

## Chapter 4

### Consistent poverty rate

#### Key Findings

**Table 4a Summary of main results**

	2006	2007	2008	2009
<b>Annual average income</b>	€	€	€	€
Gross household income (per household)	55,075	59,820	60,581	56,522
Disposable household income (per household)	43,646	47,988	49,043	45,959
Equivalised disposable income (per individual)	21,229	23,610	24,380	23,326
At risk of poverty threshold (60% of median income)	10,566	11,890	12,455	12,064
<b>Poverty Rates</b>	%	%	%	%
At risk of poverty rate	17.0	16.5	14.4	14.1
2+ deprivation items	13.8	11.8	13.8	17.1
Consistent poverty rate	6.5	5.1	4.2	5.5

- ◆ The percentage of people in consistent poverty in 2009 was 5.5%, an increase of 1.3 percentage points on the 4.2% recorded in 2008. See *table 4.1*.
- ◆ Children (aged 0-17) remained the most exposed age group with a consistent poverty rate of 8.7% in 2009, up from the 6.3% recorded in 2008. This compares with a consistent poverty rate of 1.3% among persons aged 65-74 and just 0.9% among persons aged 75 or over in 2009. See *Table 4.1*.
- ◆ Almost 17% of people living in lone parent households were in consistent poverty in 2009. From a household composition perspective lone parent households remained the household type with the highest consistent poverty rate. There was no significant change in their rate between 2008 and 2009. See *Table 4.1*.
- ◆ Individuals living in households that were rented at the market rate showed a significant increase in their rate of consistent poverty rising from 2.9% in 2008 to 8.3% in 2009. See *Table 4.1*.

## Background information

At a national level, data from SILC is used to monitor and evaluate progress towards achieving the targets set out in the National Anti-Poverty Strategy (NAPS). The key NAPS indicator derived from SILC is the consistent poverty rate which combines a relative income measure (at risk of poverty) with a lack of what are considered to be basic resources. An individual is defined as being in 'consistent poverty' if they are:

- ◆ Identified as being at risk of poverty at the 60% of median income threshold as discussed in Chapter 2, and
- ◆ Living in a household experiencing at least two forms of enforced deprivation from the eleven basic deprivation items listed below:
  1. Without heating at some stage in the last year due to lack of money
  2. Unable to afford a morning, afternoon or evening out in the last fortnight
  3. Unable to afford two pairs of strong shoes
  4. Unable to afford a roast once a week
  5. Unable to afford a meal with meat, chicken or fish every second day
  6. Unable to afford new (not second-hand) clothes
  7. Unable to afford a warm waterproof coat
  8. Unable to afford to keep the home adequately warm
  9. Unable to afford to replace any worn out furniture
  10. Unable to afford to have family or friends for a drink or meal once a month
  11. Unable to afford to buy presents for family or friends at least once a year

## Consistent poverty rate

In 2009, 5.5% of people were in consistent poverty, an increase of 1.3 percentage points over the year. Until 2008, consistent poverty had been decreasing annually from 6.5% in 2006 to 4.2% in 2008. See *Tables 4.1 and 4a*.

## Factors influencing the consistent poverty rate

As the consistent poverty rate is a combination of the at risk of poverty rate and the deprivation rate it is to be expected that the factors influencing those two measures would also influence the likelihood of an individual being in consistent poverty and this was shown to be the case for most of the regression results. *Table 4a* lists the characteristics shown by logistic regression to be significant in determining whether a person was in consistent poverty or not. See *Appendix 2 for more details*.

**Table 4b Characteristics associated with the likelihood of an individual being in consistent poverty**

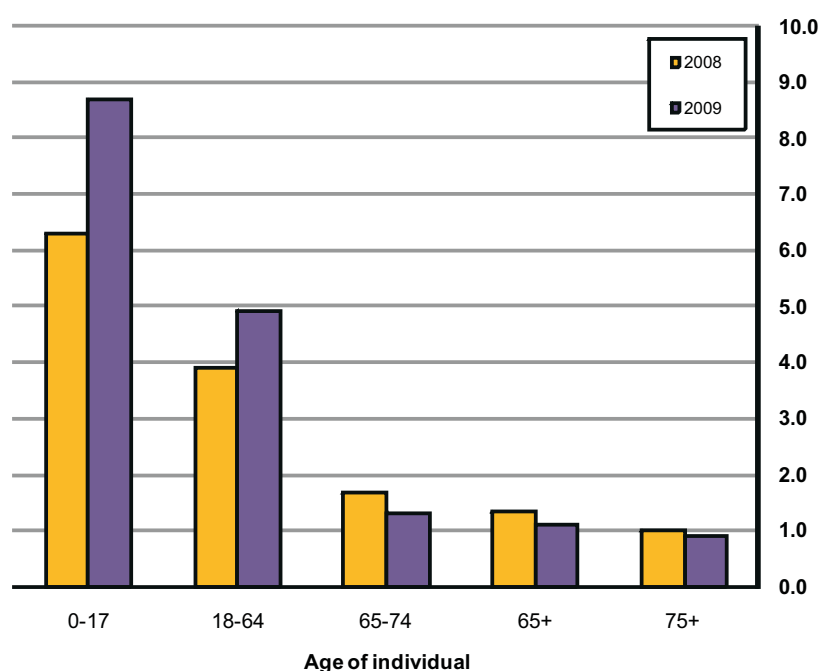
Characteristics of the household	Characteristics of the head of household	Characteristics of the individual
Tenure of the household	Age of the head of household	Highest education level of the individual
Whether the household was located in an urban or rural area		
Region the household was located		
Household composition		
Number of people at work in the household		

### Analysis of consistent poverty by socio-demographic characteristics

Children (aged 0-17) remained the age group with the highest consistent poverty rate in 2009 at 8.7%, compared with 1.3% of persons aged 65-74 and 0.9% of persons aged 75 or over. See Table 4.1 and Figure 4a.

- ◆ The rate of consistent poverty for people of working age (aged 18-64) also increased between 2008 and 2009 from 3.9% to 4.9%.
- ◆ The lower consistent poverty rates for older age groups reflected lower levels of deprivation (as discussed in chapter 3), even for individuals with low income levels.

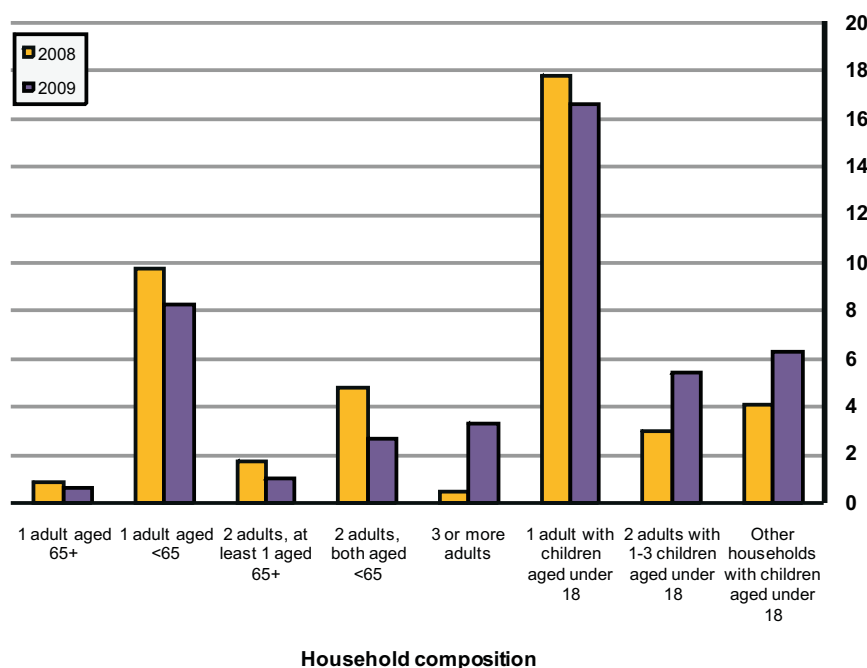
**Figure 4a Consistent poverty rates by age of individual**



Analysis by household composition revealed that the same two household types with the highest consistent poverty rate in 2008 remained the most vulnerable household types in 2009. See Figure 4b.

- ◆ Individuals living in lone parent households had a consistent poverty rate of 16.6% in 2009, representing no significant change from 2008. Individuals aged under 65 living alone had a consistent poverty rate of 8.3%, also no significant change from 2008. These two household types continued to have higher consistent poverty rates than all other household types.
- ◆ However, in a change from 2008, other households with children reported a consistent poverty rate of 6.3% in 2009 up significantly from 4.1% in 2008, while households comprising two adults with 1-3 children reported a rate of 5.4% in 2009 compared with a rate of 3.0% in 2008. Overall, all household types with children reported higher rates of consistent poverty than most other household types. A factor in this is the higher rates of deprivation reported by households with children in 2009. See *Chapter 3*.
- ◆ In line with the findings by age as reported earlier, households comprising predominantly older people in 2009 had lower consistent poverty rates than other age categories. Single adults aged over 65 with no children had a consistent poverty rate of 0.6% in 2009 while people in households with 2 adults at least one of whom was aged 65 or over with no children had a consistent poverty rate of 1.0% in 2009. These rates did not change significantly from 2008.
- ◆ Households comprising three or more adults with no children showed a significant rise in their consistent poverty rate, up to 3.3% in 2009 from 0.5% in 2008.

Figure 4b Consistent poverty rates by household composition



An examination of consistent poverty by the number of people at work in the household indicated that the highest consistent poverty rates recorded were for individuals living in households where no-one worked (14.9%). This rate fell to 3.4% for individuals living in households with one person working, 0.6% for households with two people working and for households where three or more people were at work there was no evidence of consistent poverty. This was also seen in chapter 3, where no deprivation was reported for individuals at risk of poverty, where three or more people were working in a household. See *Table 4.1*.

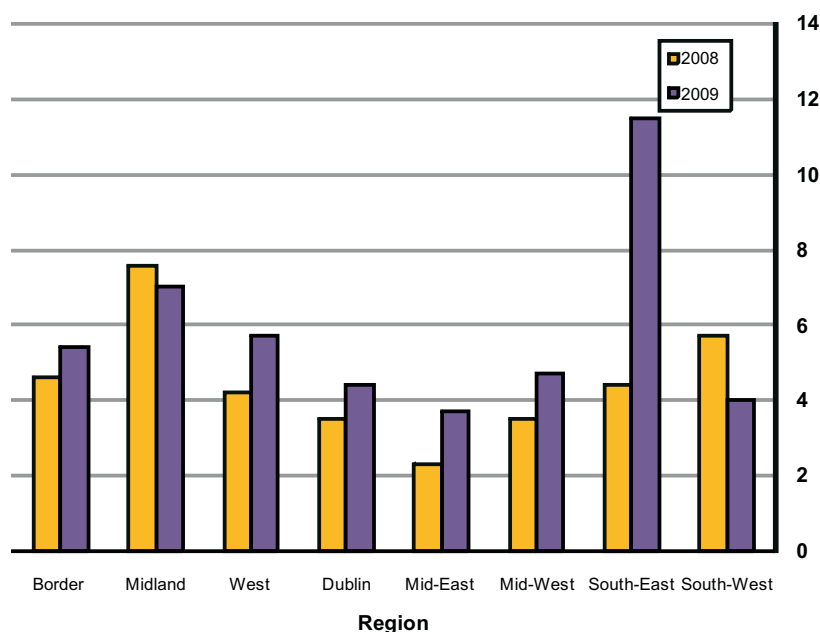
- ◆ The consistent poverty rate for individuals in households where no-one was working rose from 13.2% in 2008 to 14.9% in 2009.
- ◆ For households with one or more persons working there was no statistically significant change in the consistent poverty rate between 2008 and 2009.



Analysis of consistent poverty rates by region revealed that the highest rates of consistent poverty were recorded for those living in the South-East and Midland regions at 11.5% and 7.0% respectively in 2009. This compares with a rate of 3.7% in the Mid-East region, the lowest rate recorded in any region. See *Figure 4c*.

- ◆ There was a significant rise in the consistent poverty rate in the South-East from 4.4% in 2008 to 11.5% in 2009. This may be partly explained by the fact that unemployment rates in the South East region were higher than other regions at this time. (See *Quarterly National Household Survey*).
- ◆ A decrease was recorded in the consistent poverty rate for those individuals living in the South-West region falling from 5.7% in 2008 to 4.0% in 2009.

**Figure 4c Consistent poverty rates by region**

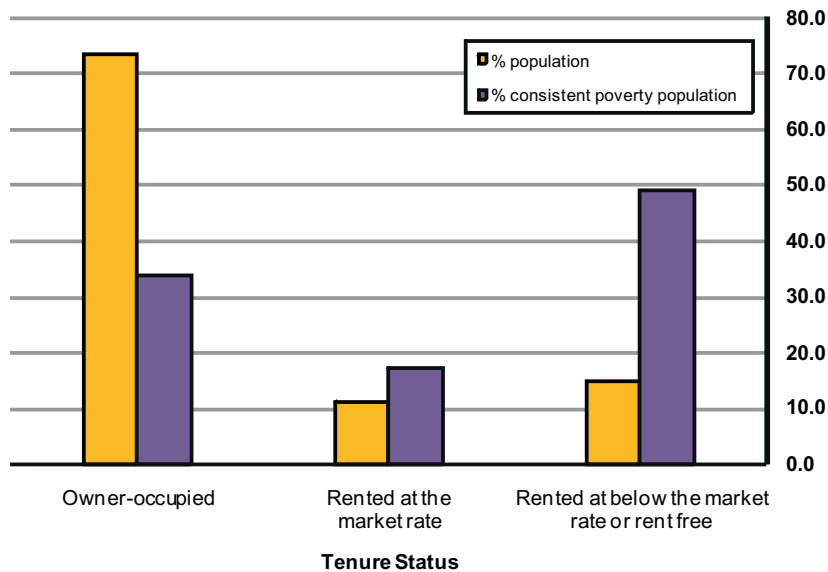


The other characteristics found by regression analysis to have an influence on the likelihood of an individual being at in consistent poverty are discussed below. See *Table 4.1*.

**Tenure:** Examining the tenure status of individuals, the highest consistent poverty rate reported was for those renting at below market rate. The rate reported in 2009 was 17.9%, not a significant change from 2008 but in-keeping with the same trend as 2008. This compares with a consistent poverty rate of 8.3% for persons in accommodation rented at the market rate and 2.5% for persons living in owner-occupied housing.

- ◆ The consistent poverty rate increased significantly for those living in accommodation that was rented at the market rate, up from 2.9% in 2008 to 8.3% in 2009. This was driven primarily because deprivation rates increased for this category in 2009. See *Figure 4d*.
- ◆ There was no significant change in the consistent poverty rate for individuals living in accommodation that was owner occupied between 2008 and 2009.

Figure 4d Profile of population in consistent poverty by Tenure Status SILC 2009



**Urban/Rural location:** There was a significant rise in the rate of consistent poverty for individuals living in rural areas from 4.3% in 2008 to 6.2% in 2009. The rate of consistent poverty for individuals living in urban areas was 5.0% although this was not a significant increase from the 2008 rate of 4.2%.

**Highest education level of the individual:** Consistent poverty rates rose between 2008 and 2009 for some categories of education level of the individual, namely lower secondary, higher secondary and post leaving cert. However, the clear relationship between education levels and poverty rates remained; for the most part, as education levels increased consistent poverty rates fell.

- ◆ A rate of 7.8% was recorded for persons with a highest education level of lower secondary, falling to 3.3% for people with post leaving cert and 0.8% where the person had a third level degree or above.

#### Analysis of consistent poverty by socio-demographic characteristics of head of household

Examining the age of the head of household it can be seen that as in 2008, households headed by a person of working age (18-64) had higher consistent poverty rates than those with older heads of household. Households headed by someone aged between 18 and 64 reported a consistent poverty rate of 6.2% compared with a rate of 1.6% where the head of household was aged 65-74 and 0.9% where the head of household was aged 75 or over. See Table 4.3.

When analyzing the Principal Economic Status of heads of households, it was found that higher consistent poverty rates were recorded for those living in households where the head of household was unemployed (15.4%) or on home duties at 11.2%. Where the head of household was at work the consistent poverty rate was just 1.7%.

Where the head of household had a highest education level attained of primary or below the consistent poverty rate was 9.2%, compared with just 1.0% where the head of household had an education level of third level degree or above.

#### Profile of the population experiencing consistent poverty

In Chapter 2 groups with higher at risk of poverty rates were relatively over-represented within the at risk of poverty population. Some interesting patterns could also be seen when undertaking a similar analysis of people who were in consistent poverty. See Table 4.2.

By age group children (aged 0-17) made up 26.4% of the general population and 41.9% of the group of people in consistent poverty.

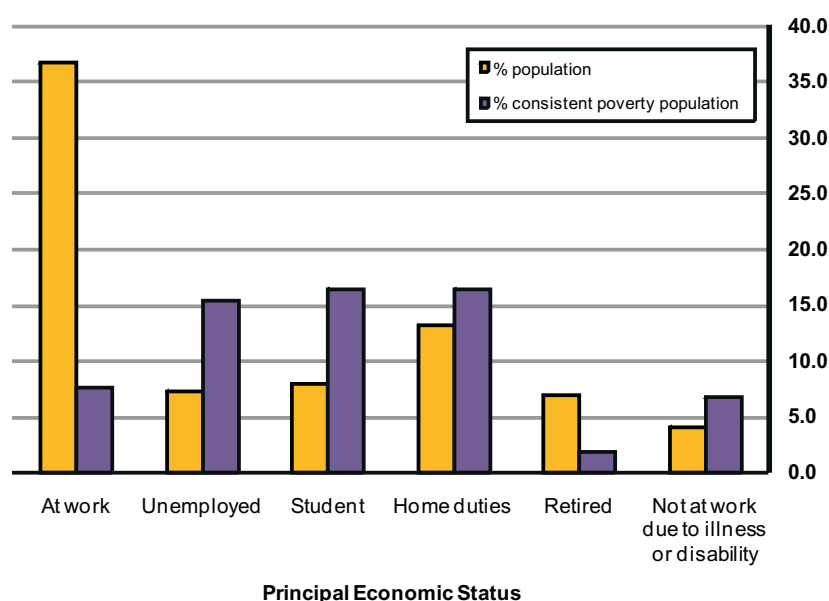
Analysis by household composition indicated that people in households with children represented nearly four fifths (79.6%) of the group of people in consistent poverty while they accounted for just under 62% of the population. This relative over-representation was driven primarily by lone parent households, although the 2009 results show that there has been a rise in the consistent poverty rates for all households with children.

Almost 37% of the population defined their principal economic status as 'at work' in 2009 but this group made up just under 8% of the group in consistent poverty. By comparison those who defined their status as 'unemployed' represented 7.3% of the total population but 15.5% of the group in consistent poverty. As such while the number of people at work was five times that of the unemployed, unemployed people made up a larger proportion of those in consistent poverty. See figure 4e.

*Note: The national unemployment rate is calculated as a percentage of the labour force (employed and unemployed) for persons over 15 years of age, and runs at approximately 13%. In SILC, unemployment is self-defined for persons over 16, and calculated as a percentage of the population as a whole.*

- ◆ On a principal economic status basis, the largest proportion of those in consistent poverty was made up of people who were students or individuals on home duties at 16.5% each. However they accounted for just 7.9% and 13.3% of the general population respectively.

**Figure 4e Profile of population and consistent poverty by Principal Economic Status, SILC 2009**



A breakdown by the number of people at work highlighted the impact of one or more people in the household working in reducing (and even eliminating) consistent poverty. Households with no-one at work represented over three quarters (76.3%) of those in consistent poverty in 2009 while they represented just over 28% of the general population.

Individuals living in households which were headed by a person who worked accounted for 17.7% of the population in consistent poverty in 2009, which is a decrease from the rate of 20.0% in 2008. However, households headed by someone at work accounted for 56.1% of the population at large in 2009, a decrease from the population of 63.4% figure in 2008. See Table 4.3.

- ◆ Individuals living in households headed by an unemployed person represented 31.1% of the population in consistent poverty in 2009, an increase from 16.8% in 2008. However, these individuals in households headed by an unemployed person accounted for 11.0% of the general population in 2009, an increase from 5.8% in 2008.

Examining the age of the head of household it was revealed that individuals living in households that were headed by someone of working age (18-64) accounted for over 96% of those in consistent poverty in 2009. This group represented slightly over 86% of the population in general in 2009.

### Analysis of consistent poverty by health related characteristics

The patterns revealed in Chapter 2 with regard to the relationship between at risk of poverty rates and health characteristics are also evident in relation to the consistent poverty rate. See *Table 4.4*.

The most notable points include:

- ◆ People with a medical card had a higher consistent poverty rate than those without a medical card (11.5% compared with 1.8%) while their consistent poverty rate increased from 9.8% in 2008 to 11.5% in 2009.
- ◆ People with private health insurance had a lower consistent poverty rate than those without it (0.8% compared with 9.3%). The rate of consistent poverty for those people without private medical insurance increased from 7.5% in 2008 to 9.3% in 2009.
- ◆ Consistent poverty rates increased as health status decreased with a rate of 3.6% for those with 'very good' health and 9% for those who describe their health as 'bad/very bad'. This pattern was also evident across chronic illness and limited activity in that those with a chronic illness or with limited or strongly limited activity reported higher rates of consistent poverty than those who were not experiencing these problems.

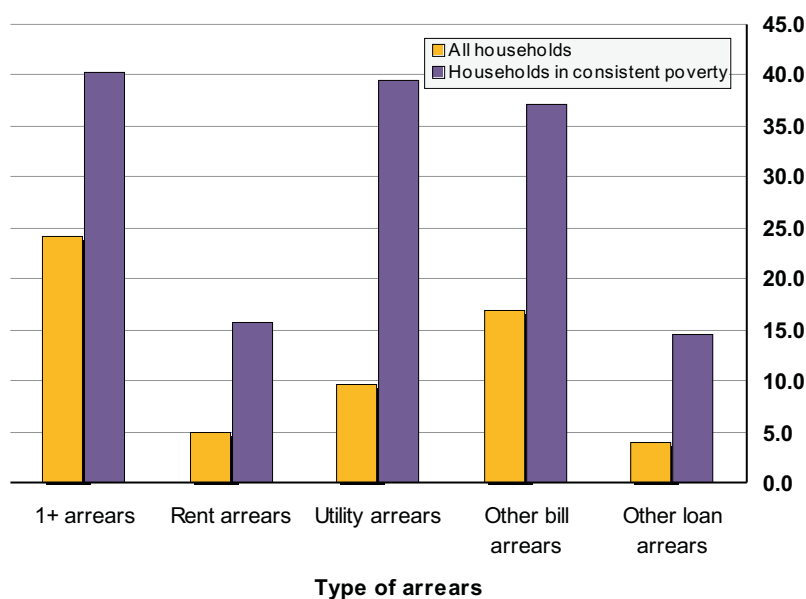
### Over indebtedness/arrears and consistent poverty

Following on from the over indebtedness analysis in earlier chapters, an analysis in relation to consistent poverty has also been undertaken. See *Table 4.5*.

Almost a quarter of households in the population as a whole, (24.2%), reported being in arrears of one or more of the items listed in table 4.5, in 2009. This had risen from just over 10% in 2008.

- ◆ Households reported having utility bill arrears at a rate of 9.6% in 2009 whereas for households in consistent poverty this rate was reported at over 39% in the same year. There was no significant change in the rates between 2008 and 2009. See *Figure 4f*.
- ◆ Analysis of 'other bill' arrears revealed that almost 17% of households in the population in general had this type of arrears, an increase from a rate of 2.5% in 2008. Examining the households who were in consistent poverty in 2009 revealed that over 37% reported to be in arrears on 'other bills', a significant increase from the rate of around 8% reported in 2008.

**Figure 4f Profile of households in consistent poverty by type of arrears reported SILC 2009**



In 2009, more than 35% of households in consistent poverty reported being in debt from ordinary living expenses whereas households in general reported a rate of 11.4%. There was no significant change reported between 2008 and 2009 for either group of households.

Regarding the ease/difficulty in making ends meet, households in consistent poverty reported much higher rates of 'difficulty' than households in the population at large in 2009. Households in consistent poverty reported that 46.1% of them made ends meet 'with great difficulty' in 2009. This compares with 9.8% of households in the general population in 2009.

Examining the housing cost burden for households, it was reported by over 98% of households in consistent poverty that housing costs were 'somewhat of a burden' or 'a heavy burden' in both 2008 and 2009.

- ◆ Just over 25% of households in the general population reported that housing costs were 'a heavy burden' in 2009. However, for households in consistent poverty, this rate was reported at almost 67%. There were no significant changes in these rates between 2008 and 2009 for either group of households.

Table 4.1 Individual consistent poverty rates, by year

% of individuals

	Consistent poverty rate	
	2008	2009
	%	%
<b>State</b>	<b>4.2</b>	<b>5.5</b>
<b>Sex</b>		
Male	4.0	5.5
Female	4.5	5.4
<b>Age group</b>		
0-17	6.3	8.7
18-64	3.9	4.9
65-74	1.7	1.3
65+	1.4	1.1
75+	1.0	0.9
<b>Principal Economic Status (aged 16 years and over)</b>		
At work	1.1	1.1
Unemployed	9.7	11.5
Student	4.3	11.4
Home duties	6.9	6.8
Retired	1.1	1.4
Not at work due to illness or disability	13.2	8.8
<b>Highest education level attained (aged 16 years and over)<sup>1</sup></b>		
Primary or below	8.0	6.6
Lower secondary	4.9	7.8
Higher secondary	2.5	4.6
Post leaving cert	1.7	3.3
Third level non degree	0.8	1.0
Third level degree or above	0.3	0.8
<b>Household composition</b>		
1 adult aged 65+	0.9	0.6
1 adult aged <65	9.8	8.3
2 adults, at least 1 aged 65+	1.7	1.0
2 adults, both aged <65	4.8	2.7
3 or more adults	0.5	3.3
1 adult with children aged under 18	17.8	16.6
2 adults with 1-3 children aged under 18	3.0	5.4
Other households with children aged under 18	4.1	6.3
<b>Number of persons at work in the household</b>		
0	13.2	14.9
1	3.1	3.4
2	0.9	0.6
3+	0.0	0.0
<b>Tenure status</b>		
Owner-occupied	2.3	2.5
Rented at the market rate	2.9	8.3
Rented at below the market rate or rent free	16.4	17.9
<b>Urban/rural location</b>		
Urban areas	4.2	5.0
Rural areas	4.3	6.2
<b>Region</b>		
Border	4.6	5.4
Midland	7.6	7.0
West	4.2	5.7
Dublin	3.5	4.4
Mid-East	2.3	3.7
Mid-West	3.5	4.7
South-East	4.4	11.5
South-West	5.7	4.0

<sup>1</sup>There was a change in the composition of the three highest educational attainment categories between 2008 and 2009 due to an update to the question

Table 4.2 Profile of population in consistent poverty by year and demographic characteristics

% of individuals

	2008			2009		
	Consistent poverty rate	Population	In consistent poverty	Consistent poverty rate	Population	In consistent poverty
<b>State</b>	<b>4.2</b>	<b>100.0</b>	<b>100.0</b>	<b>5.5</b>	<b>100.0</b>	<b>100.0</b>
<b>Sex</b>						
Male	4.0	49.9	46.9	5.5	49.7	50.2
Female	4.5	50.1	53.1	5.4	50.3	49.8
<b>Age group</b>						
0-17	6.3	26.1	38.7	8.7	26.4	41.9
18-64	3.9	63.0	57.8	4.9	62.5	55.8
65-74	1.7	6.1	2.4	1.3	6.5	1.5
65+	1.4	10.9	3.5	1.1	11.1	2.3
75+	1.0	4.8	1.1	0.9	4.6	0.8
<b>Principal Economic Status<sup>1</sup></b>						
At work	1.1	40.6	10.5	1.1	36.7	7.6
Unemployed	9.7	5.1	11.7	11.5	7.3	15.5
Student	4.3	8.1	8.3	11.4	7.9	16.5
Home duties	6.9	12.6	20.6	6.8	13.3	16.5
Retired	1.1	6.6	1.6	1.4	6.9	1.8
Not at work due to illness or disability	13.2	3.7	11.5	8.8	4.1	6.7
Children under 16 years of age	6.4	22.4	34.0	8.1	22.8	33.9
<b>Highest education level attained<sup>1,2</sup></b>						
Primary or below	8.0	16.6	31.4	6.6	15.6	18.6
Lower secondary	4.9	14.5	17.2	7.8	15.5	22.1
Higher secondary	2.5	19.8	11.8	4.6	19.0	16.0
Post leaving cert	1.7	6.0	2.4	3.3	11.0	6.6
Third level non degree	0.8	6.4	1.2	1.0	8.1	1.5
Third level degree or above	0.3	13.1	0.9	0.8	7.7	1.2
Children under 16 years of age	6.4	22.4	34.0	8.1	22.8	33.9
<b>Household composition</b>						
1 adult aged 65+	0.9	3.4	0.7	0.6	3.8	0.4
1 adult aged <65	9.8	4.3	8.4	8.3	3.7	5.6
2 adults, at least 1 aged 65+	1.7	7.6	3.0	1.0	7.0	1.3
2 adults, both aged <65	4.8	11.4	11.2	2.7	11.4	5.7
3 or more adults	0.5	15.9	1.4	3.3	12.3	7.4
1 adult with children aged under 18	17.8	6.1	29.1	16.6	7.3	22.3
2 adults with 1-3 children aged under 18	3.0	31.7	24.0	5.4	33.2	32.7
Other households with children aged under 18	4.1	19.5	22.2	6.3	21.3	24.6
<b>Number of persons at work in the household</b>						
0	13.2	22.0	69.1	14.9	28.1	76.3
1	3.1	32.0	23.3	3.4	32.9	20.3
2	0.9	34.8	7.6	0.6	31.1	3.4
3+	0.0	11.2	0.0	0.0	7.9	0.0
<b>Tenure status</b>						
Owner-occupied	2.3	76.9	41.9	2.5	73.7	33.8
Rented at the market rate	2.9	10.1	6.4	8.3	11.3	17.2
Rented at below the market rate or rent free	16.4	13.0	51.7	17.9	15.0	49.1
<b>Urban/rural location</b>						
Urban areas	4.2	62.7	61.8	5.0	62.2	57.0
Rural areas	4.3	37.3	38.2	6.2	37.8	43.0
<b>Region</b>						
Border	4.6	11.0	11.9	5.4	10.9	10.9
Midland	7.6	6.1	11.1	7.0	5.9	7.6
West	4.2	10.0	9.9	5.7	9.9	10.3
Dublin	3.5	27.5	23.1	4.4	27.4	22.2
Mid-East	2.3	11.7	6.3	3.7	12.0	8.1
Mid-West	3.5	8.3	6.8	4.7	8.2	7.0
South-East	4.4	11.0	11.5	11.5	11.1	23.3
South-West	5.7	14.3	19.5	4.0	14.6	10.6

<sup>1</sup> The number of households in the unweighted sample does not equal the State total in all classifications due to the omission of cells containing very small numbers.

<sup>2</sup> There was a change in the composition of the three highest educational attainment categories between 2008 and 2009 due to an update to the question.

**Table 4.3 Profile of population in consistent poverty by year and demographic characteristics of the head of household**

% of individuals

	2008			2009		
	Consistent poverty rate	Population	In consistent poverty	Consistent poverty rate	Population	In consistent poverty
<b>State</b>	4.2	100.0	100.0	5.5	100.0	100.0
<b>Sex (head of household)</b>						
Male	3.1	63.8	46.5	4.6	62.1	51.9
Female	6.2	36.2	53.5	7.0	37.9	48.1
<b>Age group (head of household)</b>						
18-64	4.7	86.0	94.9	6.2	86.1	96.7
65-74	2.2	7.8	4.1	1.6	8.0	2.3
65+	1.5	14.0	5.1	1.3	13.9	3.3
75+	0.7	6.1	1.0	0.9	5.8	1.0
<b>Principal Economic Status (head of household)<sup>1</sup></b>						
At work	1.3	63.4	20.0	1.7	56.1	17.7
Unemployed	12.1	5.8	16.8	15.4	11.0	31.1
Student	6.0	1.3	1.8	22.6	1.8	7.5
Home duties	12.0	14.1	40.1	11.2	14.5	29.6
Retired	1.1	9.7	2.5	1.3	10.2	2.5
Not at work due to illness or disability	14.0	5.2	17.1	9.2	5.8	9.7
<b>Highest education level attained (head of household)<sup>1,2</sup></b>						
Primary or below	9.3	25.3	55.6	9.2	22.8	38.2
Lower secondary	5.1	19.4	23.6	7.5	19.4	26.6
Higher secondary	2.1	19.0	9.6	5.5	19.2	19.3
Post leaving cert	2.3	7.9	4.3	5.9	8.1	8.7
Third level non degree	1.8	9.5	4.1	2.3	8.1	3.4
Third level degree or above	0.3	17.7	1.2	1.0	20.4	3.6

<sup>1</sup> The number of households in the unweighted sample does not equal the State total in all classifications due to the omission of cells containing very small numbers.

<sup>2</sup> There was a change in the composition of the three highest educational attainment categories between 2008 and 2009 due to an update to the question.



Table 4.4 Consistent poverty rate<sup>1</sup> by key health-related characteristics and by year

% of individuals

	Consistent Poverty Rate		
	2007	2008	2009
	%	%	%
<b>Total population</b>	5.1	4.2	5.5
<b>Medical card</b>			
Yes	13.0	9.8	11.5
No	1.2	1.4	1.8
<b>Private medical insurance</b>			
Yes	0.9	0.6	0.8
No	8.9	7.5	9.3
<b>Covered by either medical card or private medical insurance</b>			
Yes	6.1	4.6	5.9
No	2.2	2.8	3.9
<b>Population aged 16 years and over</b>			
<b>Chronic illness or health problem</b>			
Yes	7.9	6.0	5.5
No	3.2	2.8	4.4
<b>Limited activity</b>			
Strongly limited	11.9	7.7	7.8
Limited	8.1	5.5	5.5
Not limited	3.3	3.0	4.3
<b>Health Status</b>			
Very good	2.6	2.1	3.6
Good	4.2	3.7	5.1
Fair	9.3	7.0	6.3
Bad/very bad	14.7	11.5	9.0
<b>Smoker</b>			
Yes	6.7	6.1	8.5
No	3.7	2.8	3.5

<sup>1</sup> After social transfers, 60% median income threshold.

Table 4.5 Over indebtedness indicators, households in consistent poverty and year

% of households

	2008		2009	
	All households	Households in consistent poverty	All households	Households in consistent poverty
<b>State</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
<b>Number of items in arrears</b>				
0	89.7	50.4	75.8	59.8
1+	10.3	49.6	24.2	40.2
<b>Rent or Mortgage Arrears</b>				
Yes	4.9	21.5	5.0	15.8
No	95.1	78.5	95.0	84.2
<b>Utility bill arrears</b>				
Yes	7.7	41.8	9.6	39.4
No	92.3	58.2	90.4	60.6
<b>Arrears on other bills</b>				
Yes	2.5	8.3	16.9	37.2
No	97.5	91.7	83.1	62.9
<b>Arrears on other loans</b>				
Yes	2.4	12.3	4.0	14.5
No	97.6	87.7	96.0	85.5
<b>Has the household had to go into debt in the last 12 months to meet ordinary living expenses?</b>				
Yes	9.1	32.9	11.4	35.1
No	90.9	67.1	88.6	64.9
<b>Has the household had the ability to pay an unexpected expense of about €1,000 without borrowing<sup>1</sup></b>				
Yes	58.6	1.7	52.3	0.5
No	41.4	98.3	47.7	99.5
<b>The degree of ease or difficulty the household has to make ends meet</b>				
With great difficulty	8.5	47.6	9.8	46.1
With difficulty	14.2	27.5	14.1	23.0
With some difficulty	34.2	21.2	37.6	27.4
Fairly easily	28.9	1.4	25.9	3.4
Easily	10.1	0.0	9.1	0.1
Very easily	4.0	0.0	3.4	0.0
<b>Housing cost burden</b>				
A heavy burden	21.9	64.8	25.2	66.9
Somewhat of a burden	54.6	33.4	53.5	31.8
No burden at all	23.5	1.7	21.3	1.3

<sup>1</sup> The actual figure used was €985 in 2008 and €1,085 in 2009. For year N it is one twelfth of the EU at risk of poverty threshold in year N-2 in line with EU practice.

## Chapter 5

### EU comparison and indicators

#### Key Findings

- ◆ In 2008, the average at risk of poverty rate for the EU-27 was 16.5%. The rate has remained relatively stable since 2005 varying between 16% and 17%. See *Table 5.1*.
- ◆ Ireland (using the EU methodology) had an at risk of poverty rate of 15.5%, the 13th highest in the EU-27. See *Table 5.1 and Figure 5a*.
- ◆ Latvia had the highest at risk of poverty rate at 25.6% while the Czech Republic had the lowest rate at 9.0%. See *Table 5.1 and Figure 5a*.
- ◆ More than 17% of the EU-27 population experienced at least three forms of enforced deprivation in 2008. See *Table 5.1*.

#### Background information

The EU definition of gross income differs from the national definition of income in that it does not include income from private pensions or the value of goods produced for own consumption. Also employer's social insurance contributions are included in Ireland's national definition of gross income but are excluded from the EU definition. The EU definition of income is used throughout this chapter.

Furthermore, the EU use an alternative equivalence scale (the OECD scale) to that used for national indicators in Ireland. The OECD equivalence scale assigns to the first adult a value of 1, to each subsequent adult a value of 0.5 and to each child a value of 0.3. As the values for subsequent adults and children are lower, higher equivalised incomes are yielded by this methodology other than for single adult households who have a value of 1 under either scale. The effect on the at risk of poverty threshold is that a higher threshold for Ireland is used under EU definitions (€13,797, compared with the national threshold of €12,455 in 2008). As a result of this higher threshold, higher proportions of people in single adult households will be found to be at risk of poverty as their equivalised income will be lower than that calculated nationally (due to the exclusion of private pensions etc) and the at risk of poverty threshold will be higher.

In the case of indicators for Ireland for all households the effect of all of these differences has generally been that a higher at risk of poverty rate is recorded using EU definitions rather than national definitions.

A new EU Common Deprivation Indicator was introduced in 2008. It consists of nine deprivation indicators listed below. If an individual reports experiencing three or more of these indicators they are deemed to be deprived. The list of 9 Common EU Deprivation Indicators is:

1. Unable to afford to face unexpected expenses
2. Unable to afford one week annual holiday away from home
3. Unable to afford to pay for arrears (mortgage, rent, bills)

4. Unable to afford a meal with meat, chicken or fish
5. Unable to afford to keep the home adequately warm
6. Unable to afford a washing machine
7. Unable to afford a colour TV
8. Unable to afford a telephone
9. Unable to afford a car

Other measures included in this chapter are outlined below:

**Aggregate replacement ratio:** The aggregate replacement ratio is the ratio of the median individual income from pensions of retired persons aged 65-74 to the median earnings of those in work aged 50-59. For this indicator average direct (non-equivalised) income is used. Only persons, who have been retired or in work, for each month of the income reference period are considered for this indicator. The purpose of the indicator is to measure the generosity of pensions across the EU..

**In-work at risk of poverty rate:** The in-work poor are defined as those individuals who are classified as employed (according to their most frequent activity status) and whose equivalised disposable income is below 60% of national median equivalised income.

The international comparison information presented in this chapter is based on 2008 results, the latest available at EU level. However, provisional estimates of the 2009 indicators of poverty and deprivation for Ireland (using the EU methodology) are presented in this chapter. EUROSTAT is due to release 2009 results, using the EU methodology, for EU member states on an incremental basis with a full set of results for all member states expected to be available in mid-January 2010.

## International comparison for 2008

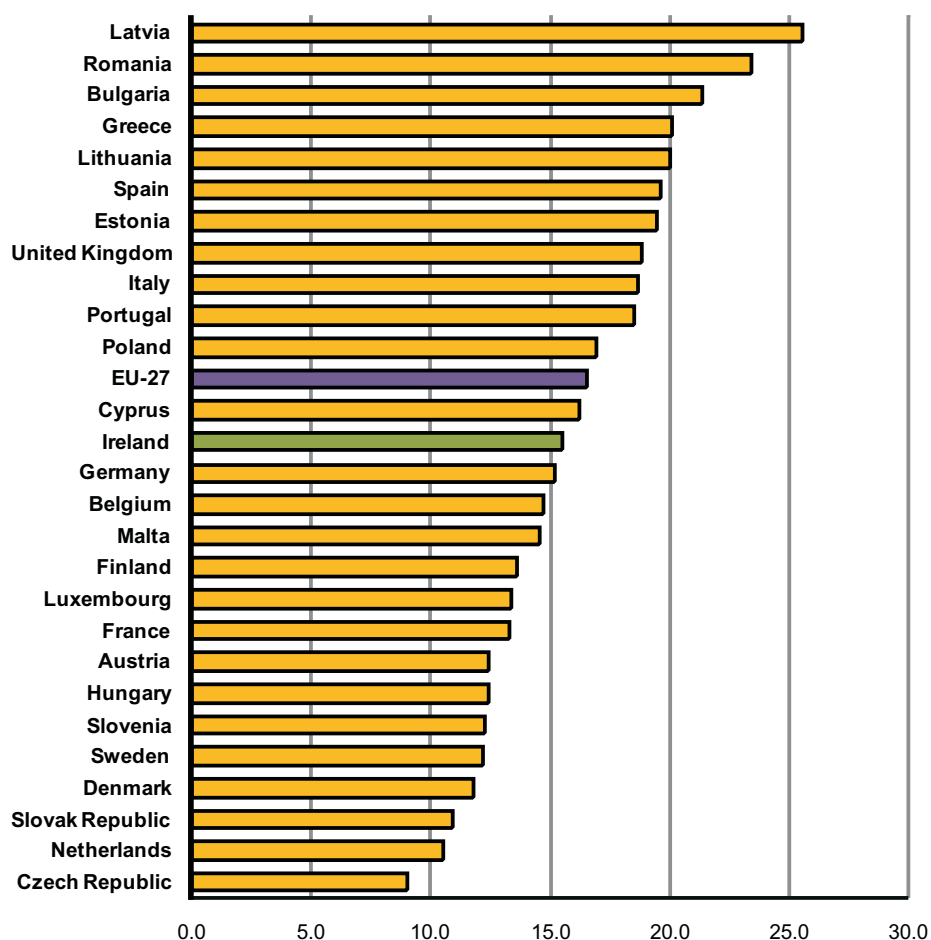
### At risk of poverty rate

In 2008, 16.5% of the population in the EU27 were at risk of poverty, meaning their net equivalised disposable income was below the at risk of poverty threshold<sup>1</sup>. The EU at risk of poverty rate has remained relatively stable since 2005 varying between 16% and 17%. See *Table 5.1 and Figure 5a*.

- ◆ The highest at risk of poverty rates in 2008 were in Latvia (25.6%) and Romania (23.4%) while the lowest rates were in the Czech Republic (9.0%) and the Netherlands (10.5%).
- ◆ Ireland had an at risk of poverty rate of 15.5% which was 1 percentage point below the EU-27 average and ranked 13<sup>th</sup> highest in the EU-27 in 2008.

<sup>1</sup> The at risk of poverty threshold is calculated for each country according to the EU definition of income and EU equivalence scale.

Figure 5a The at risk of poverty rate (EU definition of income and equivalence scale) by country, SILC 2008



### At risk of poverty rate excluding all other social transfers

The at risk of poverty rate at the 60% threshold, excluding all social transfers, was 42.2% across the EU-27 falling to 16.5% when all social transfers were included. The inclusion of all social transfers had a significantly different impact on the at risk of poverty rate across EU member states. See Tables 5.1 and 5.2.

- ◆ Ireland's at risk of poverty rate excluding all social transfers was 41.8%, just under the EU average (42.2%). When all social transfers were included Ireland's at risk of poverty rate fell to 15.5%, one percentage point below the EU average (16.5%). The impact of social transfers on the at risk of poverty rate in Ireland has increased since 2006, when the at risk of poverty rate excluding social transfers was 40.1% which fell to 18.5% when social transfers were included.
- ◆ Among a number of member states the effect of the inclusion of all social transfers was to decrease the at risk of poverty rate by 30 percentage points or more, including:
  - ◆ Austria (42.4% excluding, 12.4% including social transfers)
  - ◆ France (44.7% excluding, 13.3% including social transfers)
  - ◆ Hungary (52.1% excluding, 12.4% including social transfers)
  - ◆ Sweden (42.2% excluding, 12.2% including all social transfers)
- ◆ The inclusion of social transfers had least effect in Latvia and Cyprus where the at risk of poverty rates excluding social transfers were 37.1% and 29.3% respectively and 25.6% and 16.2% following the inclusion of social transfers.

### In-work at risk of poverty rate

The in-work at risk of poverty rate indicates the percentage of persons at risk of poverty who are at work on the date of interview. The in-work at risk of poverty rate for the EU-27 in 2008 was 8.5%. See *Table 5.1*.

- ◆ Romania reported the highest rate at 17.5% while the Czech Republic reported the lowest rate at 3.6%. Ireland had an in-work at risk of poverty rate of 6.5%, 2 percentage points below the EU-27 rate and ranked 16<sup>th</sup> highest among the EU-27.

### Aggregate replacement ratio

The aggregate replacement ratio for the EU-27 was 0.50 meaning that the average income from pensions of persons aged 65-74 was equal to half the personal income from earnings of persons aged 50-59 who were at work. See *Table 5.1 and Table 5.2*.

- ◆ Austria had the highest aggregate replacement ratio in 2008 at 0.68 while Latvia reported the lowest ratio at 0.30.
- ◆ Ireland had an aggregate replacement ratio of 0.49 which equalled the ratio reported by Spain, Romania and Finland. The aggregate replacement ratio in Ireland has increased from 0.38 in 2006, indicating that the median income from pensions of retired people aged 65-74 has increased relative to the median income from earnings of people aged 50-59.

### Relative at risk of poverty gap

Across the EU-27 the relative at risk of poverty gap was 21.9% indicating that the median income of persons who were at risk of poverty was almost 22% below the at risk of poverty threshold in 2008. See *Table 5.1 and Table 5.2*.

- ◆ The country with the highest at risk of poverty gap among the EU-27 was Romania at 32.3% while the lowest at risk of poverty gap was recorded by the Netherlands at 14.9%.
- ◆ Ireland had an at risk of poverty gap of 17.7%, more than 4 percentage points below the EU average, joint 8<sup>th</sup> lowest in the EU along with Malta. In Ireland the relative at risk of poverty gap had increased by more than one percentage point since 2006.

### Equality of income

The Gini coefficient is a measure of income inequality that assesses the dispersion of income across the population, while the quintile share ratio is the ratio of the total equivalised disposable income received by the 20% of persons with the highest income to that received by the 20% of individuals with the lowest equivalised disposable income. In general, the lower the value of both the Gini coefficient and the quintile share ratio the more equal the income distribution. In 2008 an analysis of the income distribution in the EU-27 revealed an average Gini coefficient of 30.6% and a quintile share ratio of 5.0. See *Table 5.1*.

- ◆ Romania had the most unequal income distribution in 2008 with a Gini coefficient of 36.0% and an income quintile share ratio of 7.0.
- ◆ Slovenia and Slovakia recorded both the lowest Gini coefficients at 23.4% and 23.7% respectively and the lowest income quintile share ratios of 3.4 in both cases.
- ◆ Ireland had a Gini coefficient of 29.9% and an income quintile share ratio of 4.4 both just below the EU-27 average.

### Material deprivation

In 2008, more than 17% of the EU-27 population were materially deprived, meaning they had an enforced lack of at least three of the nine deprivation items discussed earlier. See *Table 5.1*.

- ◆ The highest levels of material deprivation were recorded in Bulgaria (51.0%), Romania (50.3%), Hungary (37.1%) and Latvia (35.2%) while the lowest levels of material deprivation could be found in Luxembourg (3.5%) and Sweden (4.5%).
- ◆ In Ireland almost 14% of the population experienced at least three forms of enforced deprivation in 2008, a level almost 4 percentage points below the EU average.

### Provisional results (using the EU methodology): Ireland 2009

The poverty and material deprivation results for each member state in the EU will not be published by EUROSTAT until January 2011. However, provisional results for Ireland have been computed by the CSO and are presented below. See *Tables 5.2, 5.3, 5.4, 5.5 and Figure 5b*.

- ◆ The average **equivalised disposable income** for Ireland in 2009, according to the EU income definition and equivalence scale, was €25,475 down from €26,809 one year earlier.
- ◆ The **EU at risk of poverty threshold**, based on 60% of median equivalised income (EU definition), was €13,467 in 2009, down from €13,797 in 2008.
- ◆ The **EU at risk of poverty rate** for Ireland in 2009 was 15.0%, representing a significant decline in the rate since 2006 (18.5%) but no significant change from 2008.
- ◆ The **Gini coefficient** and **quintile share ratio** in 2009 were 28.8% and 4.2 respectively indicating a movement towards a more equal income distribution when compared with 2006 when the Gini coefficient was 31.9% and the quintile share ratio was 5.0.
- ◆ In 2009, almost 56% of individuals experienced at least one form of **enforced deprivation** from the list of nine EU deprivation items, indicating an increase in the level of enforced deprivation from 2008 (48%). More than 17% of people experienced three or more of the nine forms of enforced deprivation in 2009, up from slightly under 14% in 2008.
  - ◆ The most common form of deprivation experienced was an inability to afford to face unexpected expenses with a little under half of individuals (48.6%) experiencing this form of enforced deprivation in 2009, up from 41% one year earlier.
  - ◆ Almost 39% of individuals were unable to afford one week's holiday away from home in 2009 compared with just over 30% in 2008, while more than 14% were unable to afford to pay for arrears on items such as rent, mortgage, utility bills etc compared with almost 11% in 2008.
  - ◆ The least common forms of deprivation experienced were an inability to afford a washing machine, colour TV or telephone with less than 1% of people experiencing these forms of deprivation in either 2008 or 2009 in Ireland.

**Figure 5b Number of EU deprivation indicators reported in Ireland by year**

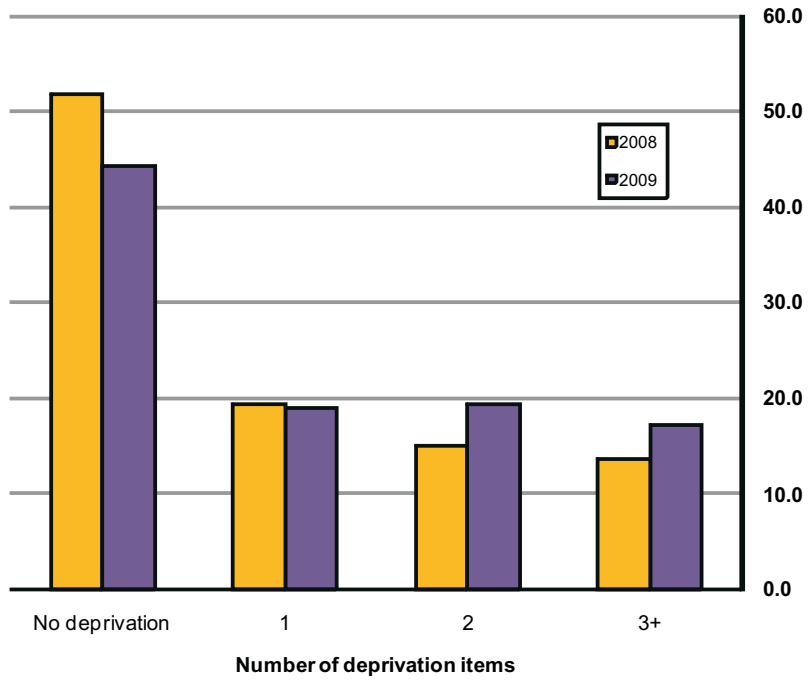




Table 5.1 Key indicators of poverty and social exclusion (EU definition of Income and equivalence scale) in EU member states, 2008

Region	At risk of poverty rate (Equivalentised total disposable income)										Income distribution (income quintile share ratio)
	Including all social transfers	(60% median income threshold) excluding all social transfers	In work at risk of Poverty Rate including Social transfers	Material deprivation (3+ more items)	Aggregate replacement ratio	Relative at risk of poverty gap	Gini coefficient	% of individuals			
EU-27	16.5	42.2	8.5	17.4	0.50	21.9	30.6	5.0			
EU-15 <sup>1</sup>	16.4	41.8	8.1	12.5	0.50	21.2	30.4	4.9			
Eurozone <sup>2</sup>	16.0	42.0	8.0	13.1	0.50	21.4	30.0	4.8			
Belgium	14.7	41.7	4.8	11.6	0.45	17.2	27.5	4.1			
Bulgaria	21.4	40.0	7.5	51.0	0.34	27.0	35.9	6.5			
Czech Republic	9.0	37.6	3.6	16.2	0.51	18.5	24.7	3.4			
Denmark	11.8	37.2	5.0	5.4	0.41	18.0	25.1	3.6			
Germany	15.2	43.5	7.1	12.7	0.44	22.2	30.2	4.8			
Estonia	19.5	36.3	7.3	12.4	0.45	20.3	30.9	5.0			
Greece	20.1	41.5	14.3	21.8	0.41	24.7	33.4	5.9			
Spain	19.6	38.2	10.6	8.7	0.49	23.6	31.3	5.4			
France	13.3	44.7	6.8	13.1	0.66	18.1	28.1	4.2			
Ireland	15.5	41.8	6.5	13.6	0.49	17.7	29.9	4.4			
Italy	18.7	42.9	8.9	16.1	0.51	23.0	31.0	5.1			
Cyprus	16.2	29.3	6.4	23.3	0.32	16.6	28.0	4.1			
Latvia	25.6	37.1	11.0	35.2	0.30	28.6	37.7	7.3			
Lithuania	20.0	38.5	9.3	27.0	0.44	25.7	34.0	5.9			
Luxembourg	13.4	40.2	9.4	3.5	0.58	16.6	27.7	4.1			
Hungary	12.4	52.1	5.4	37.1	0.59	17.3	25.2	3.6			
Malta	14.6	36.2	5.1	13.3	0.45	17.7	26.9	4.0			
Netherlands	10.5	35.1	4.8	5.2	0.43	14.9	27.6	4.0			
Austria	12.4	42.4	6.3	13.7	0.68	15.3	26.2	3.7			
Poland	16.9	44.1	11.5	32.3	0.56	20.6	32.0	5.1			
Portugal	18.5	41.5	11.8	23.0	0.51	23.2	35.8	6.1			
Romania	23.4	47.8	17.5	50.3	0.49	32.3	36.0	7.0			
Slovenia	12.3	38.5	5.1	16.9	0.44	19.3	23.4	3.4			
Slovakia	10.9	37.5	5.8	27.8	0.54	18.1	23.7	3.4			
Finland	13.6	39.4	5.1	9.1	0.49	15.7	26.4	3.8			
Sweden	12.2	42.2	6.8	4.5	0.62	18.0	24.0	3.5			
United Kingdom	18.8	40.6	8.6	11.6	0.43	20.8	34.0	5.6			

Source: Eurostat and the Survey on Income and Living Conditions (SILC) in Ireland.

Note: <sup>1</sup> The EU-15 were the original 15 member states of the EU: Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, Sweden and the United Kingdom.<sup>2</sup> Eurozone consists of EU member states which have adopted the euro currency as their sole legal tender

Table 5.2 Key EU indicators of poverty and social exclusion for Ireland by year

	% of individuals			
	2006	2007	2008	2009 <sup>1</sup>
<b>At risk of poverty rate</b>				
Equivalised total disposable income:				
Including all social transfers (60% median income threshold)	18.5	17.2	15.5	15.0
Including old-age and survivors' benefits but excluding all other social transfers (60% threshold)	32.8	33.1	34.0	37.5
excluding all social transfers (60% median income threshold)	40.1	40.1	41.8	46.2
Including all social transfers (40% median income threshold)	3.4	3.6	2.6	3.3
Including all social transfers (50% median income threshold)	9.1	8.9	8.1	7.3
Including all social transfers (70% median income threshold)	27.4	26.2	25.6	24.4
Relative at risk of poverty gap	16.6	17.6	17.7	16.2
Anchored at 2005	17.0	12.0	9.9	9.8
In-work at risk of poverty	6.2	5.6	6.5	5.3
<b>Equality of income</b>				
Gini coefficient	31.9	31.3	29.9	28.8
Income quintile share ratio	5.0	4.9	4.5	4.2
<b>Aggregate replacement ratio</b>	0.38	0.49	0.49	0.48

<sup>1</sup> 2009 estimates are provisional

Table 5.3 Average income measures by EU definition of income and equivalence scales for Ireland by year

	EU-SILC 2008		EU-SILC 2009 <sup>1</sup>	
	Annual	Weekly	Annual	Weekly
<b>EU income definition and equivalence scale</b>				
Average equivalised disposable income	26,809	513.78	25,475	488.21
<b>EU at risk of poverty threshold</b>				
60% of median income	13,797	264.41	13,467	258.09
Illustrative values (60% level)				
1 adult, no children	13,797	264.41	13,467	258.09
2 adults, 2 children	28,973	555.25	28,281	541.99

<sup>1</sup> 2009 estimates are provisional

**Table 5.4 The number of deprivation indicators reported in Ireland by year**

Number of deprivation indicators experienced	% of individuals	
	2008	2009
0	52.0	44.3
1	19.4	19.1
2	15.0	19.4
3+	13.6	17.2
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

**Table 5.5 Percentage of the population in Ireland reporting each type of EU defined deprivation by year**

Deprivation Indicators	% of individuals	
	2008	2009
Unable to afford to face unexpected expenses	41.0	48.6
Unable to afford one week annual holiday away from home	30.4	38.9
Unable to afford to pay for arrears (mortgage, rent, bills)	10.8	14.2
Unable to afford a meal with meat, chicken or fish	3.0	2.1
Unable to afford to keep the home adequately warm	3.7	4.2
Unable to afford a washing machine	0.4	0.6
Unable to afford a colour TV	0.1	0.4
Unable to afford any type of telephone	0.2	0.2
Unable to afford a car	8.6	9.1



# Appendix 1

## Sample size

**Table A1 Sample size by demographic characteristics and year**

	Number of individuals	
	2008	2009
<b>State</b>	<b>12,551</b>	<b>12,641</b>
<b>Sex</b>		
Male	6,079	6,129
Female	6,472	6,512
<b>Age group</b>		
0-17	2,801	3,066
18-64	7,011	7,141
65-74	1,478	1,359
65+	2,739	2,434
75+	1,261	1,075
<b>Principal Economic Status (aged 16 years and over)</b>		
At work	4,536	4,262
Unemployed	490	819
Student	723	733
Home duties	2,121	1,977
Retired	1,586	1,463
Not at work due to illness or disability	558	550
<b>Highest education level attained (aged 16 years and over)<sup>1</sup></b>		
Primary or below	2,926	2,484
Lower secondary	1,898	1,854
Higher secondary	2,199	2,129
Post leaving cert	746	1,290
Third level non degree	770	988
Third level degree or above	1,473	1,077
<b>Household composition</b>		
1 adult aged 65+	907	861
1 adult aged <65	673	670
2 adults, at least 1 aged 65+	1,742	1,456
2 adults, both aged <65	1,340	1,380
3 or more adults	1,648	1,563
1 adult with children aged under 18	783	879
2 adults with 1-3 children aged under 18	3,338	3,598
Other households with children aged under 18	2,120	2,234
<b>Number of persons at work in the household</b>		
0	3,904	4,220
1	3,978	4,175
2	3,644	3,460
3+	1,025	786
<b>Tenure status</b>		
Owner-occupied	10,225	9,805
Rented at the market rate	780	1,128
Rented at below the market rate or rent free	1,546	1,708
<b>Urban/rural location</b>		
Urban areas	7,760	7,920
Rural areas	4,791	4,721
<b>Region</b>		
Border	1,332	1,199
Midland	685	698
West	929	1,122
Dublin	3,322	3,498
Mid-East	1,183	1,412
Mid-West	1,316	1,227
South-East	1,401	1,276
South-West	2,383	2,209

<sup>1</sup>There was a change in the composition of the three highest educational attainment categories between 2008 and 2009 due to an update to the question

**Table A2 Sample size of head of household by demographic characteristics and year**

	Number of individuals	
	2008	2009
<b>State</b>	<b>12,551</b>	<b>12,641</b>
<b>Sex (head of household)</b>		
Male	7,810	7,625
Female	4,741	5,016
<b>Age group (head of household)</b>		
18-64	9,258	9,720
65-74	1,736	1,592
65+	3,293	2,921
75+	1,557	1,329
<b>Principal Economic Status (head of household)</b>		
At work	6,716	6,526
Unemployed	567	1,135
Student	125	161
Home duties	2,144	2,076
Retired	2,242	2,030
Not at work due to illness or disability	693	646
<b>Highest education level attained (head of household)<sup>1</sup></b>		
Primary or below	3,791	3,174
Lower secondary	2,356	2,269
Higher secondary	2,217	2,360
Post leaving cert	1,027	1,802
Third level non degree	1,050	1,428
Third level degree or above	1,970	1,505

<sup>1</sup>There was a change in the composition of the three highest educational attainment categories between 2008 and 2009 due to an update to the question

**Table A3 Sample size by health characteristics and year**

	Number of individuals	
	2008	2009
<b>State</b>	<b>12,551</b>	<b>12,641</b>
<b>Medical card</b>		
Yes	5,055	5,168
No	7,496	7,473
<b>Private medical insurance</b>		
Yes	6,049	6,000
No	6,502	6,641
<b>Covered by either medical card or private medical insurance</b>		
Yes	10,087	10,201
No	2,464	2,440
<b>Population aged 16 years and over</b>	<b>10,116</b>	<b>9,902</b>
<b>Chronic illness or health problem</b>		
Yes	3,125	2,976
No	6,991	6,926
<b>Limited activity</b>		
Strongly limited	749	673
Limited	1,800	1,626
Not limited	7,567	7,603
<b>Health Status</b>		
Very good	4,024	3,979
Good	4,030	3,936
Fair	1,733	1,626
Bad/very bad	329	361
<b>Smoker</b>		
Yes	2,272	2,195
No	7,844	7,707



**Table A4 Sample size by the type of over-indebtedness indicator and year**

	Number of households	
	2008	2009
<b>State</b>	<b>5,247</b>	<b>5,183</b>
<b>Number of items in arrears</b>		
0	4,823	4,122
1+	424	1,061
<b>Rent or Mortgage Arrears</b>		
Yes	175	254
No	5,072	4,929
<b>Utility bill arrears</b>		
Yes	306	415
No	4,941	4,768
<b>Arrears on other bills</b>		
Yes	99	732
No	5,148	4,451
<b>Arrears on other loans</b>		
Yes	98	173
No	5,149	5,010
<b>Has the household had to go into debt in the last 12 months to meet ordinary living expenses?</b>		
Yes	350	517
No	4,897	4,666
<b>Has the household had the ability to pay an unexpected expense of €1,000 without borrowing<sup>1</sup>?</b>		
Yes	3,164	2,846
No	2,083	2,337
<b>The degree of ease or difficulty the household has to make ends meet</b>		
With great difficulty	345	477
With difficulty	692	679
With some difficulty	1,695	1,847
Fairly easily	1,641	1,391
Easily	615	574
Very easily	255	211
<b>Housing cost burden</b>		
A heavy burden	952	1,179
Somewhat of a burden	2,793	2,707
No burden at all	1,500	1,296

<sup>1</sup> The unexpected expense was €985 in 2008 and €1,085 in 2009. It is one twelfth of the EU at risk of poverty threshold in N-2.



## Appendix 2

### Background notes

#### Purpose of Survey

The primary focus of the Survey on Income and Living Conditions (SILC) is the collection of information on the income and living conditions of different types of households in Ireland, in order to derive indicators on poverty, deprivation and social exclusion. It is a voluntary (for potential respondents) survey of private households. It is carried out under EU legislation (Council Regulation No 1177/2003) and commenced in Ireland in June 2003. This report presents results from the survey based on data collected in the period December 2008 to January 2010.

#### Reference period

Information is collected continuously throughout the year, with up to 130 households surveyed each week to give a total sample of 5,000 to 6,000 households in each year. In 2009, the achieved sample size was 5,183 households and 12,641 individuals. The income reference period for SILC is the 12 months prior to date of interview. Therefore the income reference period of this report is December 2007 to January 2010.

#### Longitudinal and cross sectional households

There is both a cross-sectional and a longitudinal element to the SILC survey. Households interviewed for the first time are considered to be cross sectional households (wave 1 households) and households who are being interviewed for the second (wave 2 households), third (wave 3 households) or fourth (wave 4 households) time are considered to be longitudinal households. In any one year approximately 25% of the responding households should be wave 1 households, 25% should be wave 2 and so on. However, due to sample attrition this is not always the situation. In a case where a household in wave 3 refuses to complete the survey (i.e. has been interviewed for two years of the survey but refuses on the third year) a substitute household is selected but will only be interviewed for two years (i.e. remainder of the non-responding household's panel).

#### Data collection

Information is collected from all household members on laptop computers, using Computer-Assisted Personal Interview (CAPI) software.

#### New sample

In quarter 2 2009, households being selected for the SILC survey for the first time or households replacing longitudinal households who dropped out of the survey were drawn from a new sample. Up to quarter 2 2009 the 1996 Census of the Population, which was updated through visual enumeration in 2002, was the sampling frame from which households were selected. From quarter 2 2009 onwards the 2006 Census of the Population was used as the sampling frame.

## Sample design

A two-stage sample design was used. This comprised of a first stage sample of 1690 blocks (or small areas) selected at county level to proportionately represent eight strata reflecting population density. Each block was selected to contain, on average, 30 dwellings for SILC.

The eight population density strata groups used were as follows:

- 1 Cities
- 2 Suburbs of cities
- 3 Mixed urban/rural areas bordering on the suburbs of cities
- 4 Towns and their environs with populations of 5,000 or over (large urban)
- 5 Mixed urban/rural areas bordering on the environs of larger towns
- 6 Towns and their environs with a population of 1,000 to 5,000 (other urban)
- 7 Mixed urban/rural areas
- 8 Rural areas

The second stage of sampling involved the random selection of one sample and two substitute households for each block. In cases where interviewers could not secure an interview from the sample household, they systematically approached the two substitute households in the selected order (in the same block as the sample household), in order to secure a SILC interview. In this manner variations in response by region were controlled.

## Weighting

The first step in the weighting procedure is the calculation of the household design weights. This is the inverse proportion to the probability with which the household was sampled. For SILC, the probability of the selection of a household is based on two elements; the probability of the selection of a block and the probability of selection of a household within that block. The design weights were calculated separately for each wave.

For cross-sectional or 'wave 1' households (who entered the sample in 2009), the design weights were calculated as above and adjusted so as to be proportional to the 2009 sample as a whole. No adjustment was made for non-response as substitutions were made for non-responding households.

For longitudinal households (waves 2, 3, 4), base weights were calculated by firstly adjusting the personal weights from the previous year for non-response. The Weight Share Method was then applied to calculate a base weight for the household. These design weights were then adjusted so as to be proportional to the 2009 sample as a whole.

In accordance with Eurostat recommendation, CALMAR was used to calculate the household cross-sectional weights. Benchmark information was used to gross up the data to population estimates. The benchmark estimates were based on:

- ◆ Age by sex: Individual population estimates are generated from population projections from census data. Age is broken down into four categories: 0-14, 15-34, 35-64 and 65 and over.
- ◆ Region: Household population estimates in each of the eight NUTS3 regions are generated using Labour Force Survey (LFS) data.
- ◆ Household composition: Household composition estimates are also generated from the LFS. The following categories are used:

- ◆ One adult, no children
- ◆ Two adults, no children
- ◆ Three or more adults, no children
- ◆ One adult, one or more children
- ◆ Two adults, one to three children
- ◆ Other households with children

Due to the “integrative” calibration method, the personal weight generated in CALMAR is equal to the household weight. Because there is no individual non-response within a household, the weights for personal cross-sectional respondents aged 16 and over are the same as the overall personal weight.

## Definitions of income

There are two definitions of income (EU definition and national definition) referred to in this release, the components of which are outlined below. Some key differences between EU and national definitions are:

- ◆ The EU definition of gross income does not include income from ‘private pensions’. These are defined as private schemes fully organised by the individual, where contributions are at the discretion of the contributor independently of their employers or the state. Thus, ‘private pensions’ does not include occupational or state pensions.
- ◆ All contributions to pension plans, except for those to private pension plans as defined above, are deducted from gross income when calculating disposable income under the EU definition. No pension contributions of any kind are deducted from gross income in the calculation of disposable income for national purposes.
- ◆ Employer’s social insurance contributions are included in the national definition of income. They are deducted from gross income in the calculation of net income. They are not included in any EU calculations of income. Employer’s social insurance contributions include contributions to private health insurance and life assurance schemes.
- ◆ The EU definition of income does not include the value of goods produced for own consumption.

**Gross income:** Income details are collected at both a household and individual level in SILC. In analysis, each individual’s income is summed up to household level and in turn added to household level income components to calculate *gross household income*. The components of gross household income are:

### Direct Income:

- ◆ Employee income:
  - ◆ Gross employee cash or near cash income
  - ◆ Gross non-cash employee income
- ◆ Employer’s social insurance contributions (not included in EU definition)
- ◆ Gross cash benefits or losses from self-employment
- ◆ Other direct income:
  - ◆ Value of goods produced for own consumption (not included in EU definition)
  - ◆ Pension from individual private plans (not included in EU definition)
  - ◆ Income from rental of property or land

- ◆ Regular inter-household cash transfers received
- ◆ Interests, dividends, profit from capital investments in unincorporated business
  - ◆ Income received by people aged under 16

#### Social Transfers:

- ◆ Unemployment benefits
- ◆ Old-age benefits (note that this includes all occupational pensions and other such social welfare payments to those aged 65 and over)
- ◆ Family/children related allowances. For example:
  - ◆ Maternity/adoptive benefit
  - ◆ Child benefit
  - ◆ Single parent allowances
  - ◆ Carers benefit
- ◆ Housing allowances. For example:
  - ◆ Rent supplement
  - ◆ Free phone/electricity etc
  - ◆ Fuel Allowances
  - ◆ Exceptional needs payments
- ◆ Other social transfers. For example:
  - ◆ Survivors' benefits
  - ◆ Sickness benefits
  - ◆ Disability benefits
  - ◆ Education-related allowances
  - ◆ Social exclusion not elsewhere classified

**Disposable income:** Tax and social insurance contributions are also summed to household level and subtracted from the gross household income to calculate the *total disposable household income*. The components of disposable household income are gross household income less:

- ◆ Employer's social insurance contributions (not included in EU definition)
- ◆ Regular inter-household cash transfer paid
- ◆ Tax on income and social insurance contributions (National definition of income does deduct any pension contributions. EU definition deducts contributions to state and occupational pensions)

**Equivalence scales:** Equivalence scales are used to calculate the *equivalised household size* in a household. Although there are numerous scales, we focus on the national scale in this report. The national scale attributes a weight of 1 to the first adult, 0.66 to each subsequent adult (aged 14+ living in the household) and 0.33 to each child aged less than 14. The weights for each household are then summed to calculate the equivalised household size.

Example:

A household consists of 5 people: 2 adults and 3 children. The National scale gives a weight of 1 to the first adult and 0.66 to each subsequent adult (aged 14+) living in the household, and 0.33 to each child. Thus, this household's *equivalised household size* is  $1 + 0.66 + 0.33 + 0.33 + 0.33 = 2.65$ .

**Equivalised income:** Disposable household income is divided by the equivalised household size to calculate equivalised disposable income for each individual, which essentially is an approximate measure of how much of the income can be attributed to each member of the household. This equivalised income is then applied to each member of the household.

Example:

If a household has a total disposable income of €50,000 and the equivalised household size is 2.65, the equivalised income for this household is €18,868. This income is applied to each member of the household.

### Impact of equivalence scales

Although equivalisation of income is very important in the calculation of poverty indicators, there is no consensus internationally on what the correct equivalence scale is or how it should be derived. The use of different scales can have a substantial impact on poverty rates for particular sub-groups. However, according to research, sensitivity analyses suggest that while the level and, in particular, the composition of income poverty are affected by the use of different equivalence scales, trends over time and rankings across countries are much less affected by the type of scale selected.

### Laeken indicators

In 2001 the Laeken European Council endorsed the first set of 18 common statistical indicators for social inclusion, which will allow monitoring in a comparable way of member states' progress towards agreed EU objectives regarding poverty and social exclusion. They cover four dimensions of social exclusion: financial poverty, employment, health and education.

The Laeken indicators are:

- ◆ At risk of poverty rate by various classifications
- ◆ Inequality of income distribution: S80/S20 quintile share ratio
- ◆ At persistent risk of poverty rate by gender (60% median)
- ◆ Relative at risk of poverty gap
- ◆ Regional cohesion (dispersion of regional employment rates)
- ◆ Long term unemployment rate
- ◆ Persons living in jobless households
- ◆ Early school leavers not in education or training
- ◆ Life expectancy at birth
- ◆ Self-defined health status by income level
- ◆ Dispersion around the at risk of poverty threshold
- ◆ At risk of poverty rate anchored at a moment in time
- ◆ At risk of poverty rate before social transfers by gender

- ◆ Inequality of income distribution: Gini coefficient
- ◆ At persistent risk of poverty rate by gender (50% median)
- ◆ Long term unemployment share
- ◆ Very long term unemployment rate
- ◆ Persons with low educational attainment

### Some Laeken definitions

**At risk of poverty rate:** This is the share of persons with an equivalised income below a given percentage (usually 60%) of the national median income. It is also calculated at 40%, 50% and 70% for comparison. The rate is calculated by ranking persons by equivalised income from smallest to largest and the median or middle value is extracted. Anyone with an equivalised income of less than 60% of the median is considered *at risk of poverty at a 60% level*.

**Inequality of income distribution (S80/S20 quintile share ratio):** This is the ratio of total equivalised income received by the 20% of persons with the highest income (top quintile) to that received by the 20% of persons with the lowest income (lowest quintile).

**Relative at risk of poverty gap:** This is the difference between the median equivalised income of persons below the at risk of poverty threshold and the at risk of poverty threshold, expressed as a percentage of the at risk of poverty threshold. The purpose of the indicator is to measure how far below the poverty threshold the median income of people at risk of poverty is. The closer the median income is to the threshold the smaller the percentage will be.

Note in previous Living in Ireland Survey (LIIS) publications (source ESRI) the at risk of poverty gap was calculated on the basis of the **mean** income of those at risk of poverty rather than the median, which is the basis for the calculation in SILC.

**At risk of poverty rate before social transfers:** This indicator is calculated based on two alternative measures of equivalised income. The first calculates equivalised income as the total disposable household income including old-age and survivors' benefits but excluding all other social transfers. The second excludes all social transfers. Any person with an equivalised income before social transfers of less than 60% of the median **after** social transfers is considered at risk of poverty before social transfers (i.e. the same threshold is used for calculating the rate before and after social transfers).

**Gini coefficient:** This is the relationship between cumulative shares of the population arranged according to the level of income and the cumulative share of total income received by them. If there was perfect equality (i.e. each person receives the same income) the Gini coefficient would be 0%. A Gini coefficient of 100% would indicate there was total inequality and the entire national income was in the hands of one person.

**At risk of poverty rate anchored at a moment in time:** For a given year  $n$ , the "at-risk-of-poverty rate anchored at a moment in time" is the share of the population whose income in a given year is below a risk-of-poverty threshold calculated in the standard way for a previous base year and then up-rated for inflation. The purpose of this indicator is to get some indication of the changes in 'absolute poverty' over time. In this publication the threshold for 2006 is adjusted in line with inflation for each year 2007-2009.

In Ireland, SILC is a continuous survey with an income reference period of 12 months prior to date of interview. Consequently the reference period varies from one respondent to another depending on the date of interview. This generates a 'floating' income reference period for the income data. An individual interviewed in January of a year  $n$  would have a reference period of January to December  $n-1$ , with a central



point of July n-1. A person interviewed in December of year n would have a reference period of December of year n-1 to November of year n and a central point of June of year n. In order to calculate the index for the base year, the average over the central points of the relevant period was taken. That is:

From 2006 to 2009, interviews were conducted over full years, resulting in the following monthly indices:

2006		2007		2008		2009	
Month	CPI	Month	CPI	Month	CPI	Month	CPI
Jul-05	94.2	Jul-06	98.2	Jul-07	103.1	Jul-08	107.6
Aug-05	94.7	Aug-06	98.9	Aug-07	103.6	Aug-08	108.1
Sep-05	95.5	Sep-06	99.3	Sep-07	103.9	Sep-08	108.4
Oct-05	95.5	Oct-06	99.2	Oct-07	104	Oct-08	108.2
Nov-05	95.4	Nov-06	99.6	Nov-07	104.6	Nov-08	107.2
Dec-05	95.3	Dec-06	100	Dec-07	104.7	Dec-08	105.9
Jan-06	95	Jan-07	99.9	Jan-08	104.2	Jan-09	104.1
Feb-06	96.1	Feb-07	100.7	Feb-08	105.5	Feb-09	103.7
Mar-06	96.5	Mar-07	101.4	Mar-08	106.5	Mar-09	103.7
Apr-06	97.2	Apr-07	102.2	Apr-08	106.6	Apr-09	102.9
May-06	97.7	May-07	102.6	Mar-08	107.4	May-09	102.4
Jun-06	98	Jun-07	102.8	Jun-08	107.9	Jun-09	102.1
<b>Average:</b>	<b>95.9</b>	<b>Average:</b>	<b>100.4</b>	<b>Average:</b>	<b>105.2</b>	<b>Average:</b>	<b>105.4</b>

The threshold for 2006 (the base year) was €10,566. The threshold for each other year was calculated as follows:

- ◆ Threshold(2006) = €10,566
- ◆ Threshold(2007) = €10,566/95.9\*100.4 = €11,061.80
- ◆ Threshold(2008) = €10,566/95.9\*105.2 = €11,590.60
- ◆ Threshold(2009) = €10,566/95.9\*105.4 = €11,612.70

The at risk of poverty rate anchored in 2006 in a given year is the proportion of the population in that given year with an equivalised income below the corresponding threshold above.

### National Anti-Poverty Strategy (NAPS) indicators

At a national level, data from the SILC is used to monitor and evaluate progress towards achieving the targets set out in the National Anti-Poverty Strategy (NAPS). The NAPS was initiated by the Government after the 1995 United Nations Social Summit in Copenhagen, Denmark. The strategy, launched in 1997, sets out the extent of poverty, identifies the main themes, and formulates strategic responses to combat poverty in Ireland. The strategic aims of the NAPS fall into five key areas:

- ◆ Educational disadvantage
- ◆ Unemployment
- ◆ Income adequacy
- ◆ Disadvantaged urban areas
- ◆ Rural poverty

The key NAPS indicator derived from SILC is the consistent poverty measure, which combines relative income measures with a lack of what are considered to be basic resources. Originally the NAPS referred to the calculation of the threshold as 60% of the **mean** equivalised income, but it is now generally accepted that 60% of the **median** is a more appropriate method.

### Consistent poverty

The consistent poverty measure looks at those persons who are defined as being at risk of poverty and assesses the extent to which this group may be excluded and marginalised from participating in activities which are considered the norm for other people in society. The identification of the marginalised or deprived is currently achieved on the basis of a set of eleven basic deprivation indicators:

1. Two pairs of strong shoes
2. A warm waterproof overcoat
3. Buy new (not second-hand) clothes
4. Eat a meal with meat, chicken, fish (or vegetarian equivalent) every second day
5. Have a roast joint or its equivalent once a week
6. Had to go without heating during the last year through lack of money
7. Keep the home adequately warm
8. Buy presents for family or friends at least once a year
9. Replace any worn out furniture
10. Have family or friends for a drink or meal once a month
11. Have a morning, afternoon or evening out in the last fortnight for entertainment

An individual is defined as being in 'consistent poverty' if they are:

- ◆ Identified as being at risk of poverty and
- ◆ Living in a household deprived of two or more of the eleven basic deprivation items listed above (Note that it is enforced deprivation that is relevant in this context. For example, a household may not have a roast once a week. The household is classified as deprived of this basic indicator only if the reason they didn't have it was because they could not afford it).

### Further information

#### Statistical significance

All estimates based on sample surveys are subject to error, some of which is measurable. Where an estimate is statistically significantly different from another estimate it means that we can be 95% confident that differences between those two estimates are not due to sampling error.

#### Principal Economic Status Classification

Results are available using the Principal Economic Status (PES) classification, which is also used in the Quarterly National Household Survey (QNHS) and the Census of Population. The PES classification is based on a combination of questions in which respondents aged 16 or over are asked what their usual situation is with regard to employment and their responses are categorised as follows:

- ◆ At work
- ◆ Unemployed
- ◆ Student
- ◆ Engaged on home duties
- ◆ Retired
- ◆ Unable to work due to illness or disability

### Number of people at work in the household

A person is defined as 'at work' based on their PES response as above.

### Household reference person

The household reference person is the person in the household considered responsible for the accommodation. If two people are considered responsible, the elder of the two is defined as the household reference person.

### Household composition

For the purposes of deriving household composition, a child was defined as any member of the household aged 17 or under. Households were analysed as a whole, regardless of the number of family units within the household. The categories of household composition are:

- ◆ 1 adult aged 65+
- ◆ 1 adult aged <65
- ◆ 2 adults at least 1 aged 65+
- ◆ 2 adults, both aged <65
- ◆ 3 or more adults
- ◆ 1 adult, with children aged under 18
- ◆ 2 adults with 1-3 children aged under 18
- ◆ Other households with children aged under 18

### Tenure status

Tenure status refers to the nature of the accommodation in which the household resides. Responses are classified into the following three categories;

- ◆ Owner-occupied
- ◆ Rented at the market rate
- ◆ Rented at below the market rate or rent free

## Urban/rural location

As previously stated, during sample design, the country is divided up into 8 strata based on population density. These areas are further classified into urban and rural areas as follows:

- ◆ Urban
  - ◆ Cities
  - ◆ Suburbs of cities
  - ◆ Mixed urban/rural areas bordering on the suburbs of cities
  - ◆ Towns and their environs with populations of 5,000 or over (large urban)
  - ◆ Mixed urban/rural areas bordering on the environs of larger towns
  - ◆ Towns and their environs with a population of 1,000 to 5,000 (other urban)
- ◆ Rural
  - ◆ Mixed urban/rural areas
  - ◆ Rural areas.

## Regions

The regional classifications in this release are based on the NUTS (Nomenclature of Territorial Units) classification used by Eurostat. The NUTS3 regions correspond to the eight Regional Authorities established under the Local Government Act, 1991 (Regional Authorities) (Establishment) Order, 1993, which came into operation on 1 January 1994. The NUTS2 regions, which were proposed by Government and agreed by Eurostat in 1999, are groupings of the NUTS3 regions. The composition of the regions is set out below.

### Border, Midland and Western NUTS2 Region

<b>Border</b>	Cavan Donegal Leitrim Louth Monaghan Sligo
<b>Midland</b>	Laoighis Longford Offaly Westmeath
<b>West</b>	Galway City Galway County Mayo Roscommon

### Southern and Eastern NUTS2 Region

<b>Dublin</b>	Dublin Dun Laoghaire-Rathdown Fingal South Dublin
<b>Mid-East</b>	Kildare Meath Wicklow
<b>Mid-West</b>	Clare Limerick City Limerick County North Tipperary
<b>South-East</b>	Carlow Kilkenny South Tipperary Waterford City Waterford County Wexford
<b>South-West</b>	Cork City Cork County Kerry

## Time Series

Times series data for all tables in this publication are available on our website: [www.cso.ie](http://www.cso.ie)

## SILC Modules

Since 2005, special focus has been put on a different topic relating to poverty and/or social exclusion within SILC each year. Modules will be repeated after a period of time such as the intergenerational transmission of poverty Modules that have been published to date and future modules are listed below.

### Modules published:

Year	Module
2005	Intergenerational transmission of poverty
2006	Community involvement
2007	Housing Conditions
2008	Over-indebtedness and financial exclusion (as part of the 2008 publication)
2009	Deprivation (as part of the 2009 publication)

### Future modules are as follows:

Year	Module
2010	Intra-household sharing of resources
2011	Intergenerational transmission of poverty
2012	Housing Conditions
2013	Well-being

The following information on SILC statistics is available on the CSO website [www.cso.ie](http://www.cso.ie): a full set of time series tables, additional data in relation to SILC modules, methodology details and questionnaires. Special analyses can also be requested by emailing [pamela.lafferty@cso.ie](mailto:pamela.lafferty@cso.ie) or [marion.mccann@cso.ie](mailto:marion.mccann@cso.ie).



## Appendix 3

### Regression analysis

Regression analysis was run on SILC 2009 data to establish which socio-demographic characteristics were associated with each of the key indicators. Five separate models were constructed and the dependent variable in each model is outlined below:

1. The log of household disposable income.
2. The log of equivalised disposable income (individual).
3. The at risk of poverty rate.
4. The deprivation rate (persons experiencing two or more deprivation items).
5. The consistent poverty rate.

The independent variables included in each model were as follows:

**Table 3a List of independent variables used**

Household level	Head of household	Individual level (models 2,3,4 and 5 only)
Tenure	Age of the head of household	Age
Urban or rural location	Education level of the head of household	Sex
Region (NUTS 3 level)	Principal Economic Status of the head of household	Principal Economic Status
Household Composition	Education level (highest level of education achieved) of the head of household	Education level (highest level of education achieved)
Number of people at work in the household		Health status (models 3, 4 and 5 only)
Household Income (Model 4 only)		Chronic illness (models 3,4 and 5)

### Models 1 and 2: The log of household and equivalised disposable income

As income is a continuous variable linear regression was used to assess which socio-demographic characteristics were associated with the level of income received by the individual or household. Two separate models were constructed and a list of the variables that were found to be significant in determining the level of income of the household or individual are outlined in *Table 2b*. R-square values of 0.59 and 0.39 were achieved for model 1 and model 2 respectively; indicating that 59% and 39% of the variation in income was explained by model 1 and 2 respectively.

### Models 3, 4 and 5: At risk of poverty rate, deprivation rate and consistent poverty rate

Logistic regression was used to assess which socio-demographic characteristics were associated with a person being at risk of poverty, deprived of two or more material items or in consistent poverty. Logistic regression was used in this case as the dependent variables were categorical variables. In logistic regression a base model must be selected for each model. The following base model was selected for each of the three models:

Sex:	Female
Sex of head of household:	Female
Age:	0-17
Age of head of household:	18-25
Highest level of education achieved:	Primary or below
Highest level of education achieved of head of household:	Primary or below
Principal Economic Status:	Unemployed
Principal Economic Status of head of household:	Unemployed
Tenure:	Rented below the market rate or rent free
Urban-rural location:	Rural
Region:	South-West
Household Composition:	Lone parent household
Number of persons at work in the household:	No person at work
Health status:	Very bad
Chronic illness:	Has chronic illness
Income (model 4 only):	Bottom income decile
Paid work:	Not in paid work
Work status (employee, family worker):	Family worker

Each of the three models achieved r-square values of between 0.28 and 0.36 indicating that between 28% and 36% of the variation in each dependent variable was explained by the model. A list of the variables included in each model and whether they were significant factors in determining the likelihood a person was at risk of poverty, deprived of two or more material items or in consistent poverty is outlined in *Table A3b*.



Table 3b List of independent variables and whether they were significant in each regression model

	Model 1 Income (Household)	Model 2 Income (Equivalised)	Model 3 At risk of poverty	Model 4 Deprivation	Model 5 Consistent Poverty
<b>R-square</b>	0.6106	0.4374	0.2931	0.378	0.386
<b>Age</b>	Not tested	No	Yes	Yes	Yes
<b>Age of household reference person</b>	Yes	No	Yes	Yes	Yes
<b>Sex</b>	Not tested	No	No	No	No
<b>Sex of the household reference person</b>	Yes	Yes	No	No	Yes
<b>Tenure</b>	Yes	Yes	Yes	Yes	Yes
<b>Principal Economic Status</b>	Not tested	No	No	Yes	No
<b>Principal Economic Status of the household reference person</b>	No	No	Yes	Yes	Yes
<b>Urban or rural location</b>	Yes	Yes	Yes	Yes	Yes
<b>Region (nuts 3)</b>	Yes	Yes	Yes	Yes	Yes
<b>Highest level of education attained</b>	Not tested	Yes	No	Yes	No
<b>Highest level of education of the head of household</b>	Yes	Yes	Yes	Yes	Yes
<b>Household composition</b>	Yes	Yes	Yes	Yes	Yes
<b>Number of people at work in the household</b>	Yes	Yes	Yes	Yes	Yes
<b>Decile (Household income)</b>	Not tested	Not tested	Not tested	Yes	Not tested
<b>Health status</b>	Not tested	Not tested	No	Yes	Yes
<b>Chronic illness</b>	Not tested	Not tested	Yes	Yes	No



## Appendix 4

### Tentative estimates for persistent poverty

The following analysis has been undertaken in an attempt to estimate the persistent poverty rate for Ireland. It should be noted that the estimates presented are limited by the small size of the relevant sample (see *Table A1*) and therefore likely to be subject to greater levels of variation than would normally be presented with official statistics. The figures while likely to provide broadly indicative levels of the rate of persistent poverty should be interpreted with caution.

The persistent poverty indicator is defined as the percentage of people below the at risk of poverty threshold in the current year and in at least two of the previous three years. Only households that remained in the sample for all four years of the panel could be considered which means that the available sample was much smaller for this indicator than other indicators presented in the main body of the report. See *Table A1*

**Table A1 Persistent poverty sample size compared to the overall sample size by year**

	Overall Sample 2007	Persistent poverty 2004- 2007	Overall Sample 2008	Persistent poverty 2005- 2008	Overall Sample 2009	Persistent poverty 2006- 2009
Number of households	5,608	491	5,247	529	5,183	466
Number of individuals	13,691	1,174	12,551	1,174	12,641	1,059

The SILC sample design should ensure that 25% of households interviewed in year one e.g. 2006 should remain in the sample for the full four years e.g. until 2009. In 2006, 5,836 households were interviewed. Approximately one quarter (some 1,450) should have remained in the sample until 2009. However, due to the difficult issue of sample attrition and the normal problems of non-response just 466 households were available in 2009. Also there maybe differential rates of attrition between categories rendering the remaining sample unrepresentative. Weighting is used to make sure that the sample in each year remains representative of the overall population. The methodology provided by EUROSTAT has been followed to design a weight for the persistent poverty measure in each of the three applicable years.

Although the weighting process ensures that the population is representative, due to the small sample size even large changes in the persistent poverty rate, at state level, across two years may not be statistically significant. In *Table A2* the change in the rate between 2007 and 2008 is statistically significant but one should bear in mind that if the figure for 2008 was 10.0%, instead of 9.5%, the change would not be statistically significant. This is particularly problematic across sub-groups where sample sizes are even smaller. Hence, the persistent poverty rate is presented at state level only and should be considered as a tentative estimate. The CSO is continuing to study the problem with a view to producing a more robust estimate in the future.

**Table A2 Tentative estimates of the Persistent Poverty Rate by year**

	% of individuals		
	2007	2008	2009
<i>Persistent Poverty rate</i>	15.5	9.5	7.7

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