

Work and Poverty in Ireland: an Analysis of SILC 2004-2010

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*"Work and Poverty –
National and EU Perspectives"*

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Motivation

“... having a job remains the best safeguard against poverty and social exclusion [but] it does not prevent it. Raising employment rates is good but a significant share of adult Europeans at risk of poverty or social exclusion are working”.

DG Employment, 2011, *Employment and Social Developments in Europe 2011*.

Two Key Indicators



Measure	Base and Measurement
Household Joblessness (Very Low Work Intensity)	Working-age adults spend less than one fifth of available time in employment Base: Persons age 0 to 59 Rate High in Ireland compared to EU

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Household Joblessness (Very Low Work Intensity)	Working-age adults spend less than one fifth of available time in employment Base: Persons age 0 to 59 Rate High in Ireland compared to EU
In-work poverty (individual)	Working age adult in employment but living in a poor household Base: Persons in employment age 18 to 59 Rate Similar in Ireland to EU average

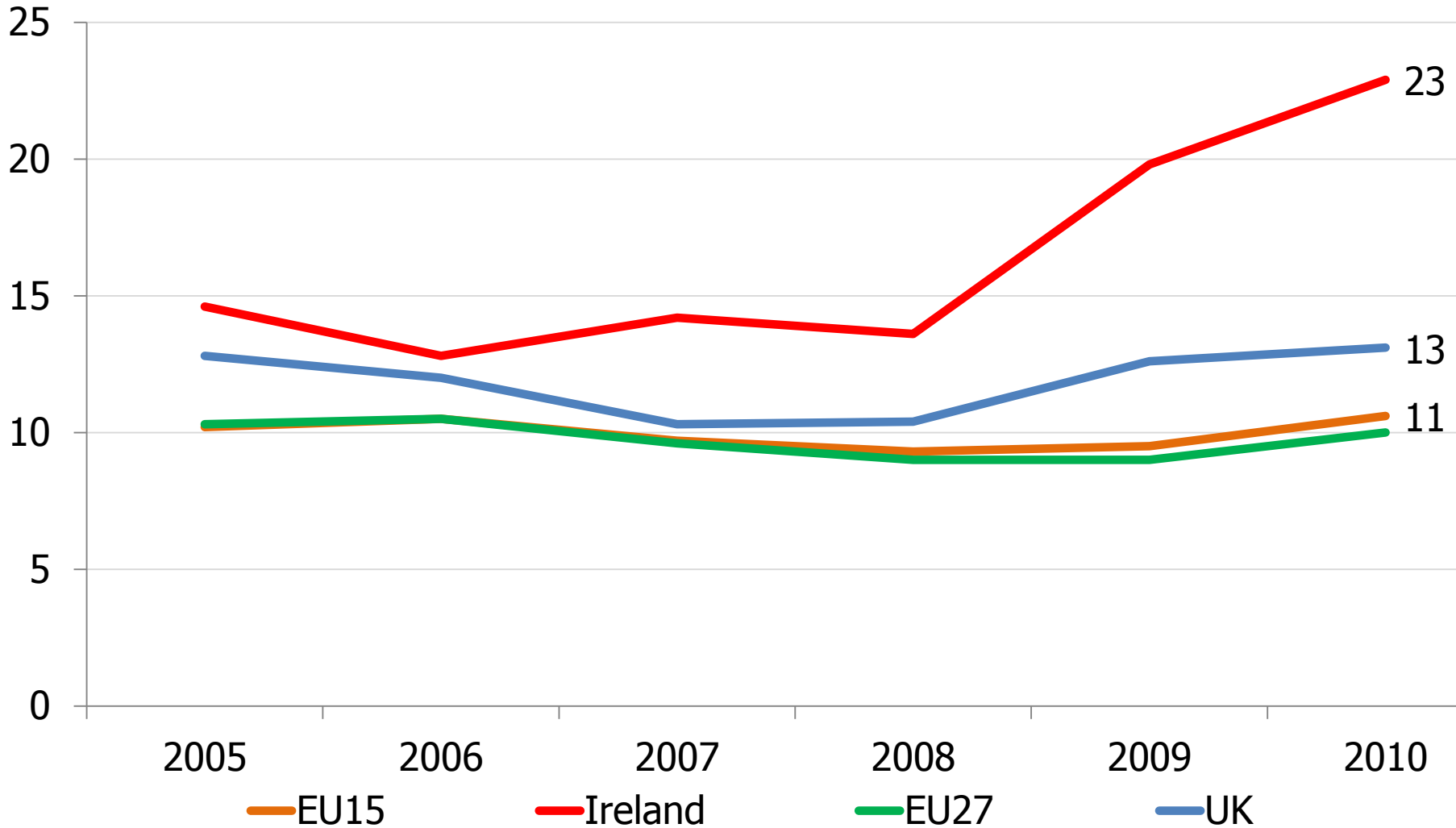
Questions Addressed

1. Why is the rate of household joblessness so high in Ireland, compared to other EU countries?
2. What impact has the recession had on household work patterns?
3. What are the characteristics of jobless households?
4. Has the relationship between joblessness and poverty changed over time?
5. How significant is in-work poverty in Ireland and
6. What are the characteristics of the in-work poor?

1. Why is the rate of Household Joblessness so high in Ireland?

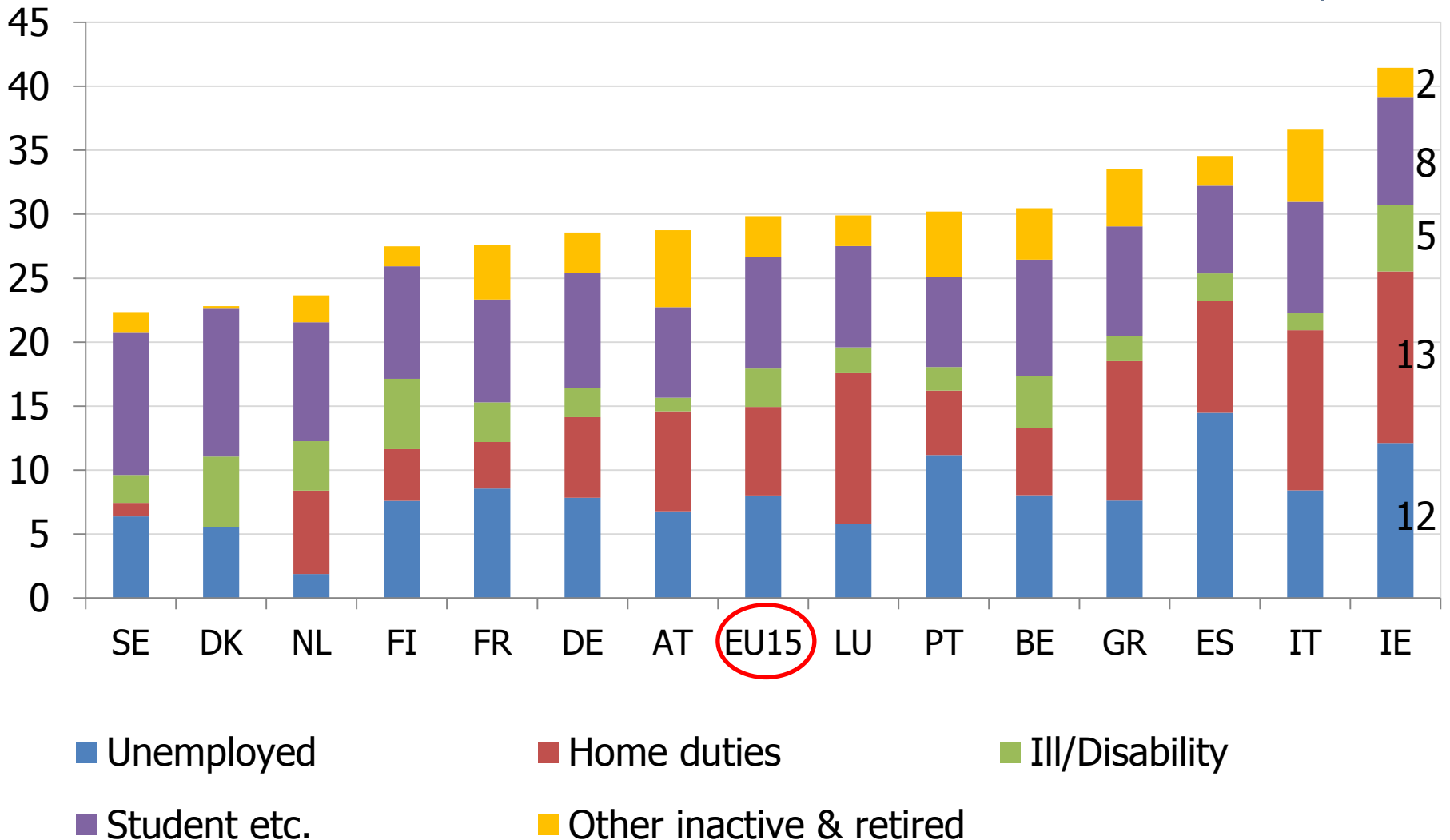


Percentage Household Joblessness: Ireland, UK and EU

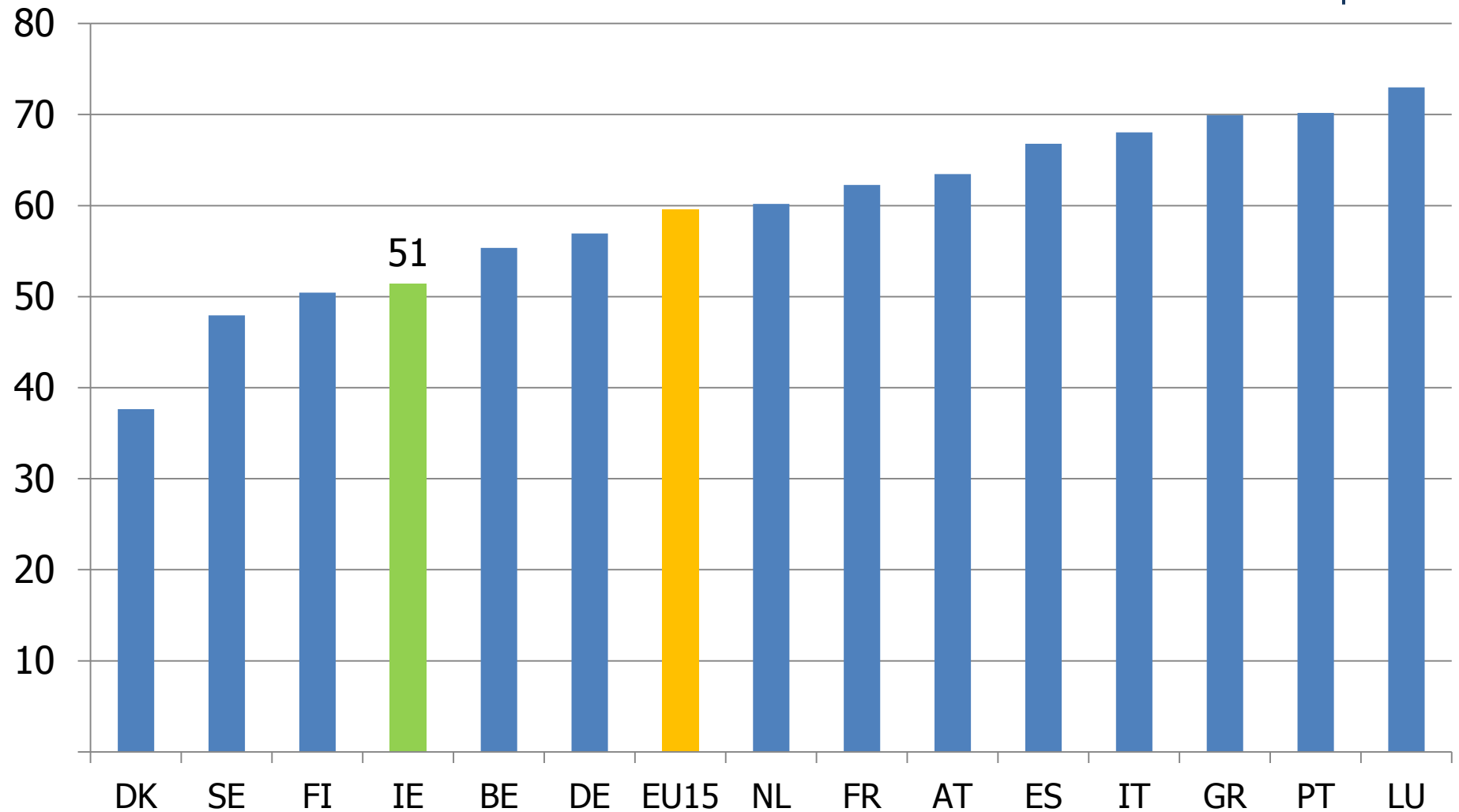


EU-SILC. % persons age 0-59 in VLWI households

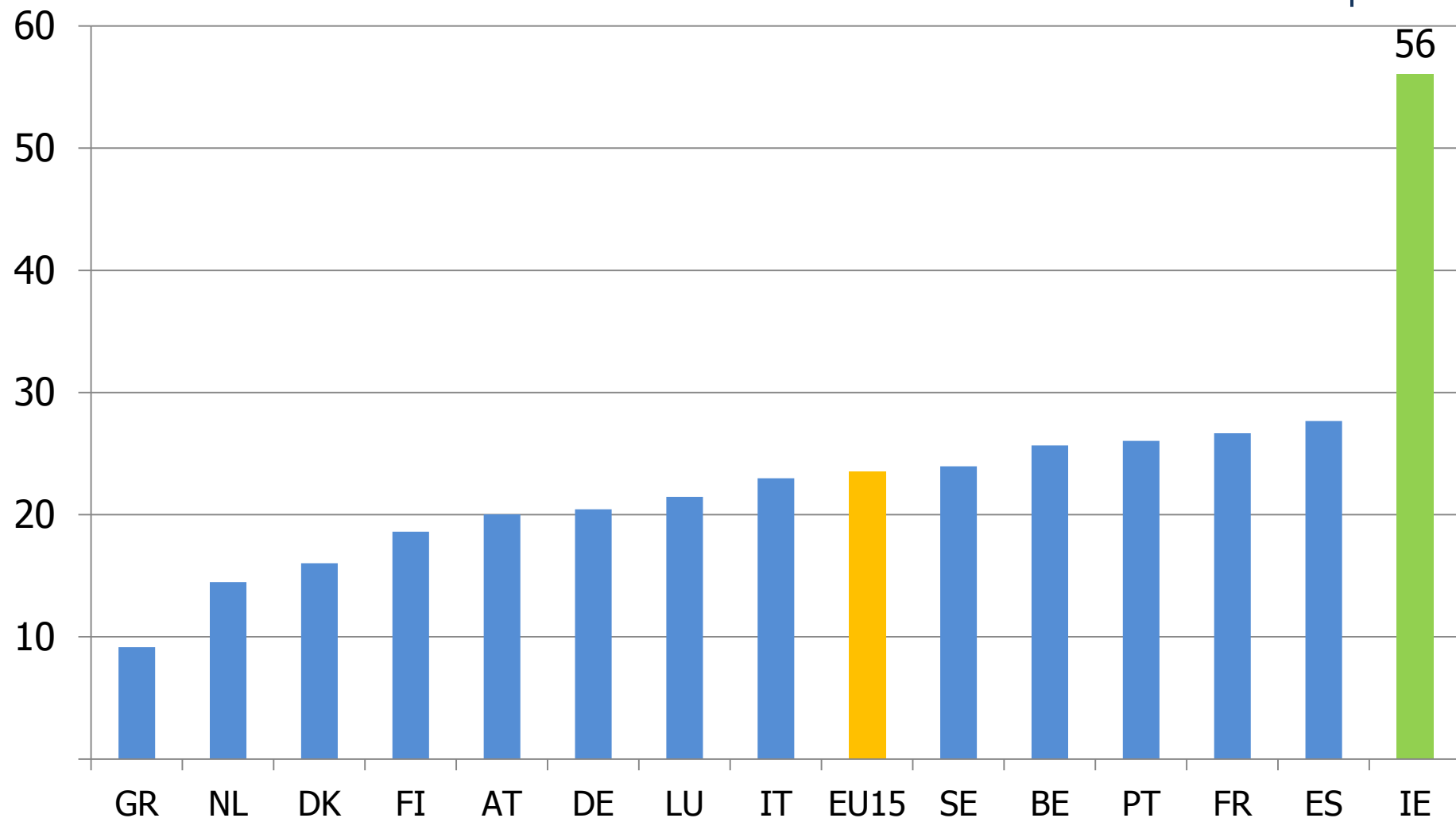
All Adults 18-59, PES – EU-SILC 2009



% jobless adults age 18-59 living with an employed adult, EU-SILC 2009



% adults in jobless households living with children, EU-SILC 2009

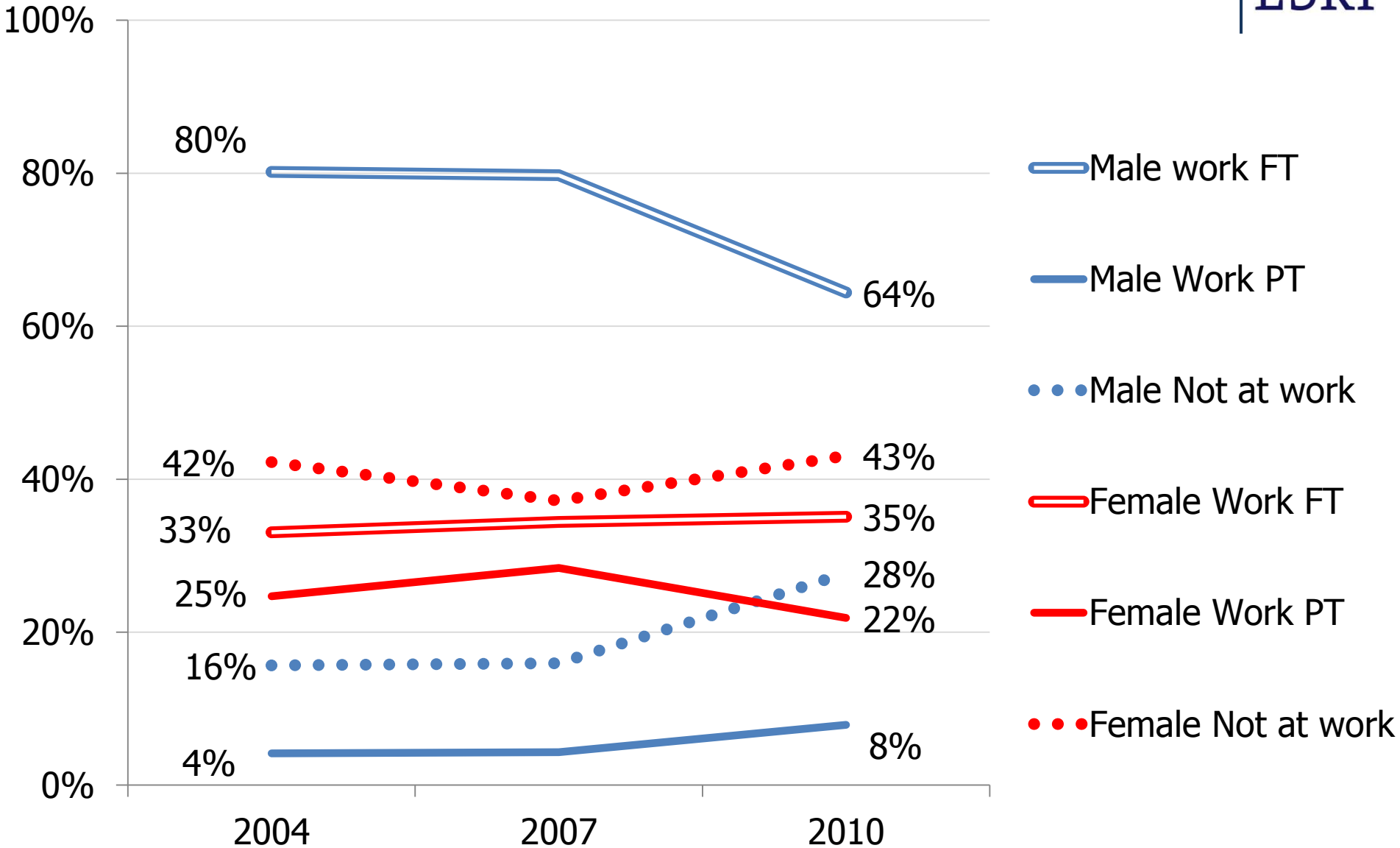


2. What impact has the recession had on household work patterns?



Couple Work Patterns, 2004-2010

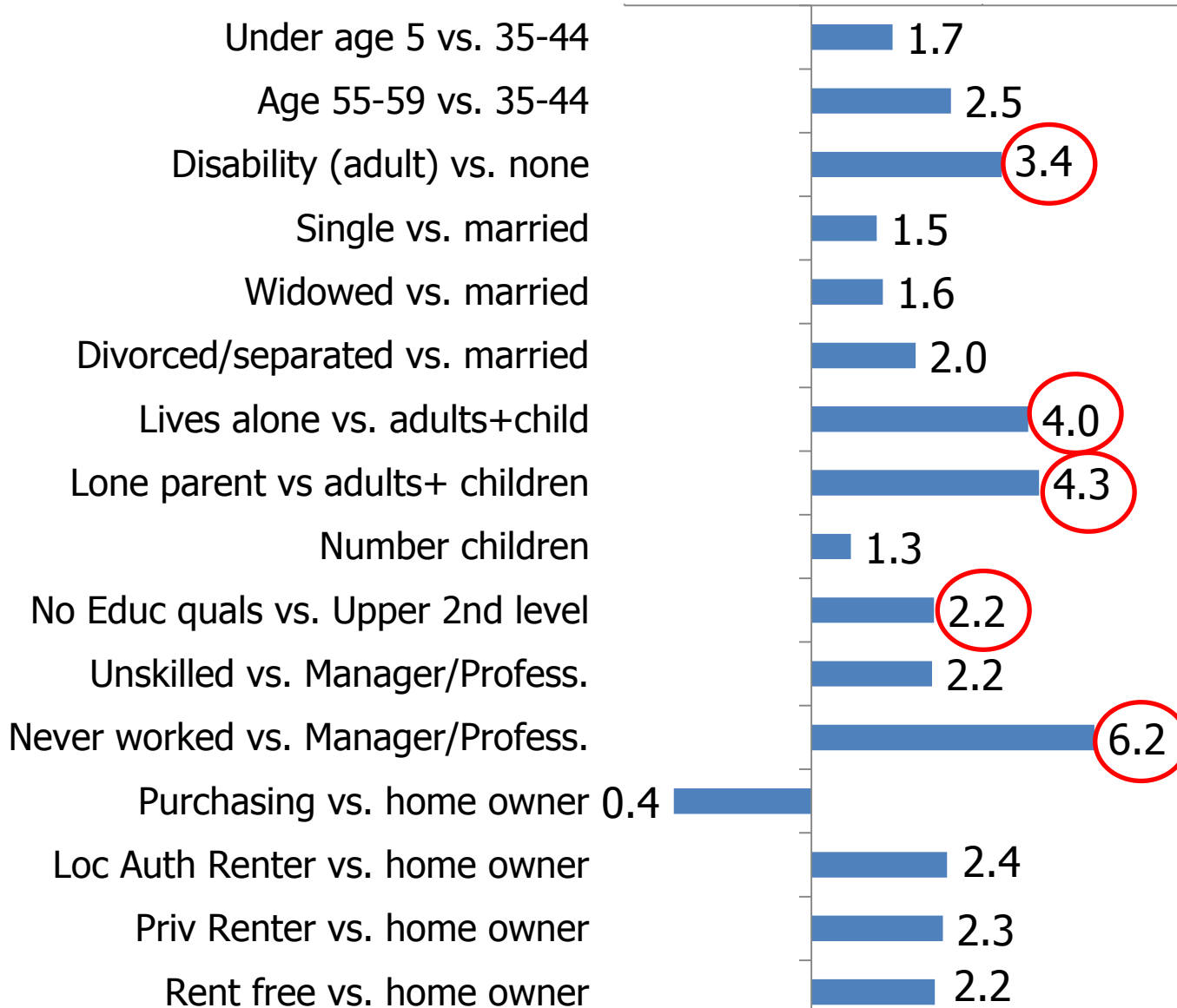
Males and Females in Couple households



3. What are the Risk factors for Household Joblessness?



Odds of Very Low Work Intensity, 2004-2010



Profile of those in VLWI households in 2010



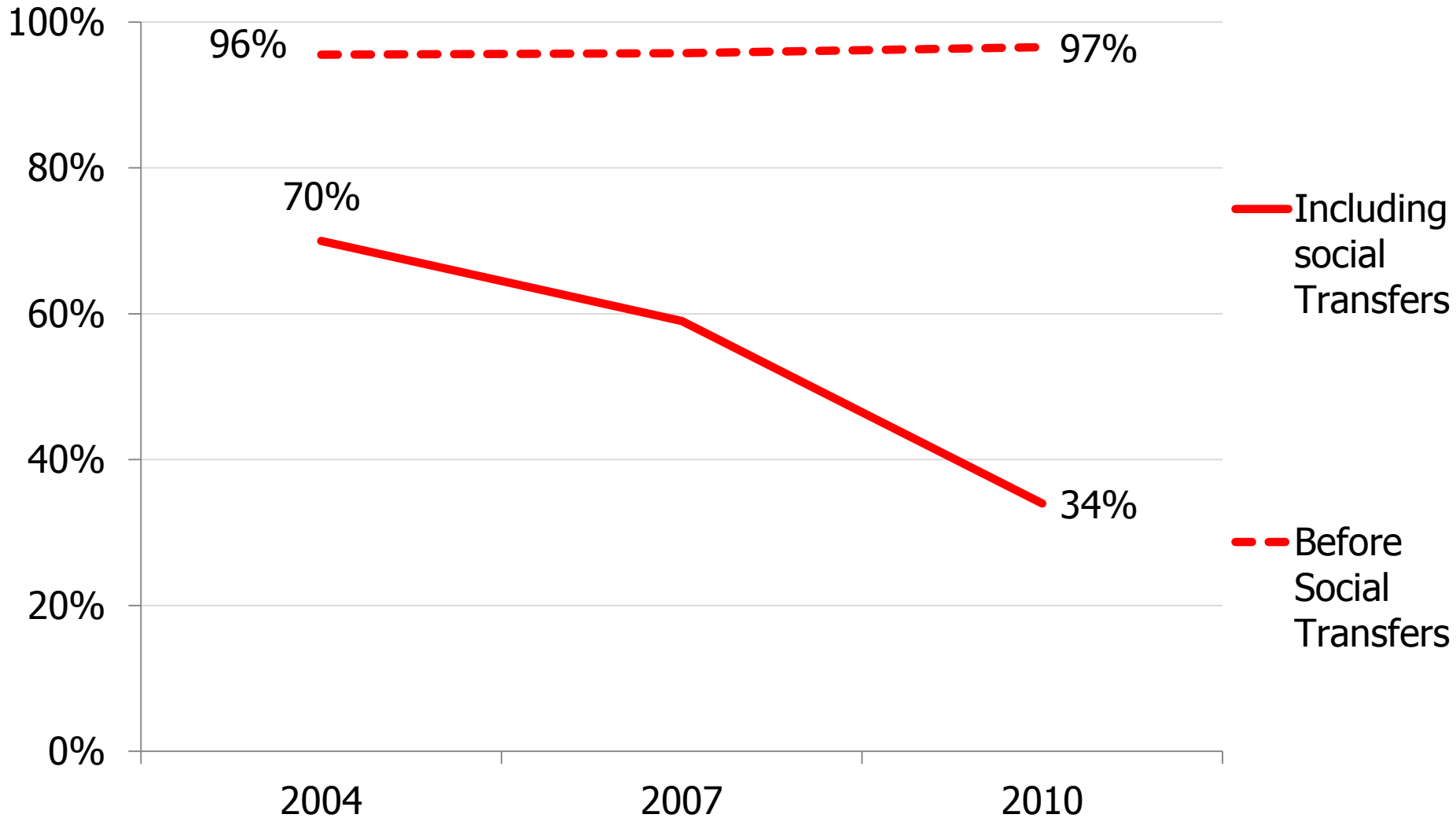
- In 2010
 - 65% householder has less than full 2nd level education
 - 36% are children
 - 18% are adults with a disability
 - 41% some adult with a disability in the household
 - 21% Lone Parent
 - 47% Two adults with children

4. Has the relationship between household joblessness and poverty changed over time?

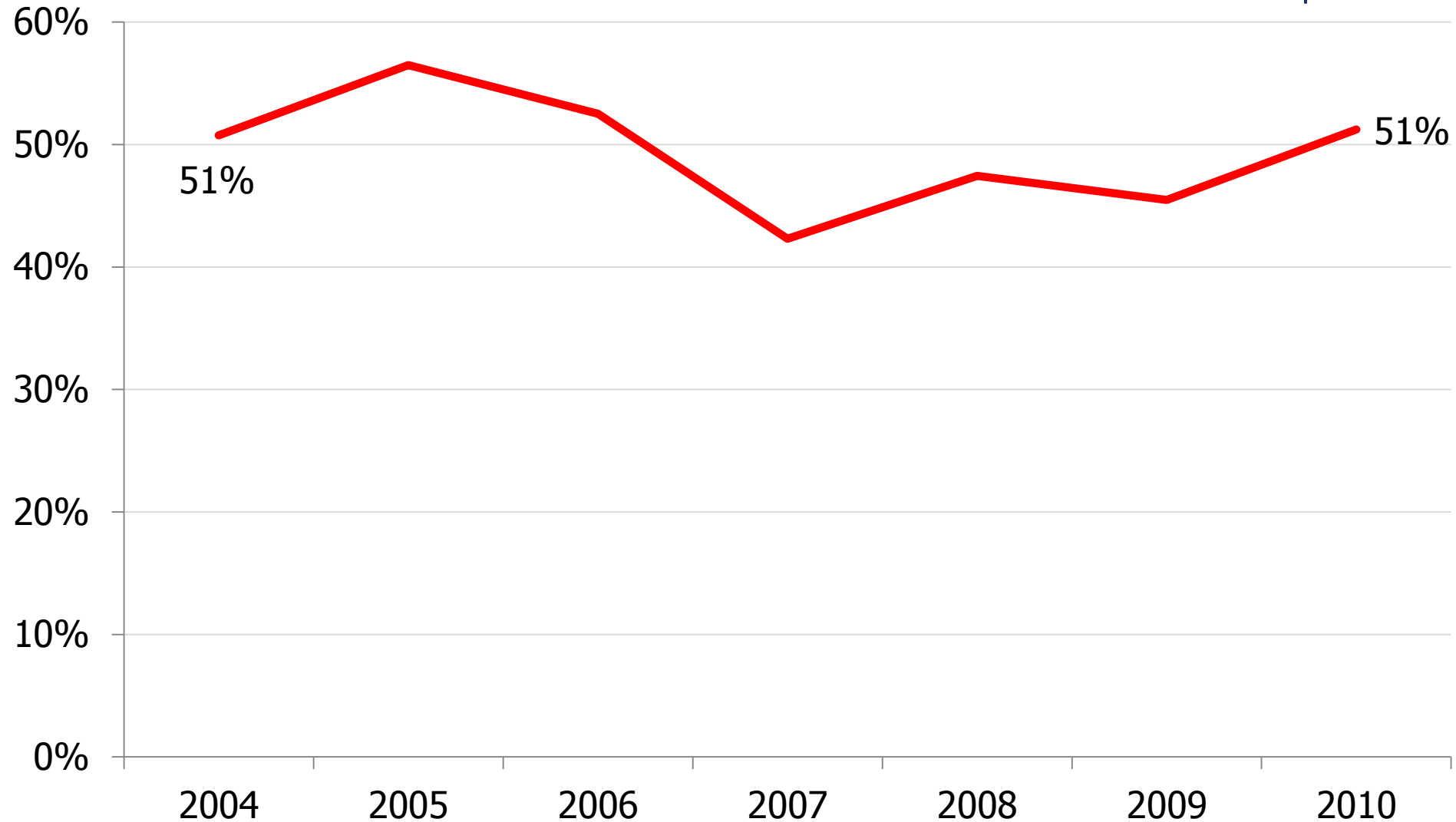


Poverty in Jobless Households (2004-2010)

including social transfers and before social transfers



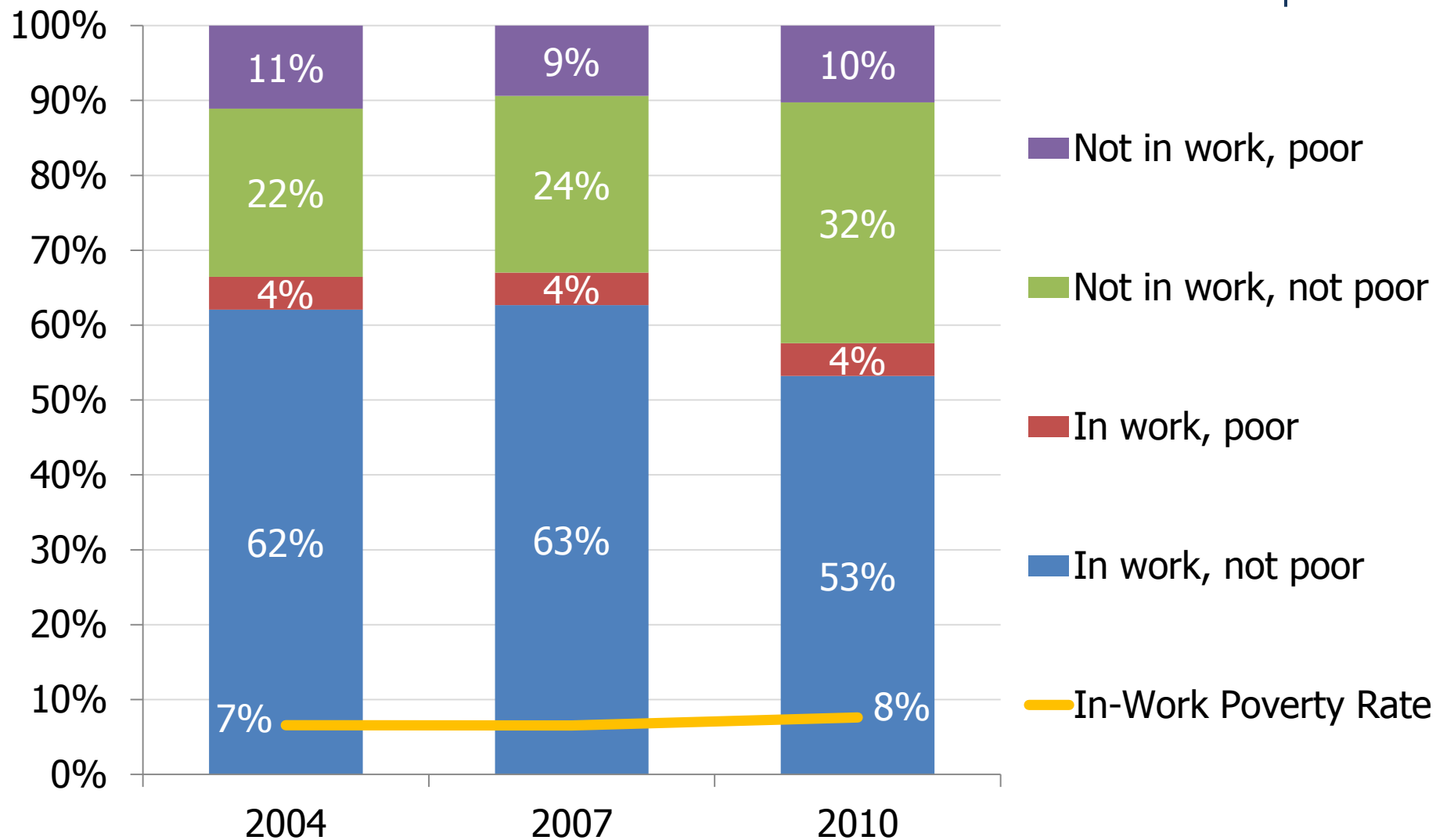
Basic Deprivation in Jobless Households, 2004-2010



5. How significant is in-work poverty in Ireland



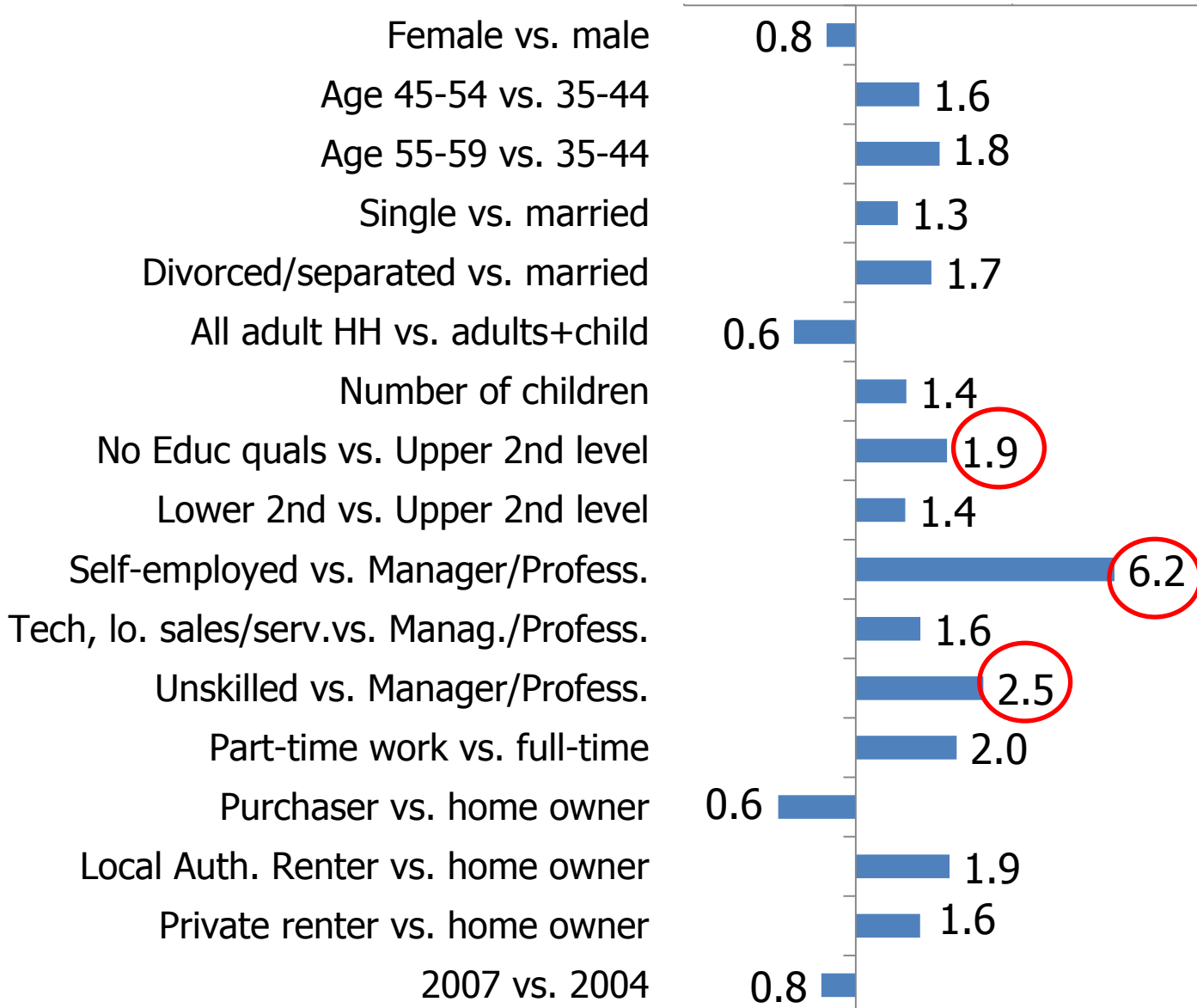
Poverty in and out of work (Individual, age 18-59; % of individuals), 2004-2010



6. What are the characteristics of the in-work poor?



Odds of In-Work Poverty, 2004-2010



Conclusions (1)

- **Household Joblessness adds value to the understanding of risk factors for social exclusion**
 - Broader than unemployment (considers other inactive statuses)
 - Considers work in total household context
- **Adults in jobless households face more severe & complex barriers to work**
 - They have lower levels of education
 - Also challenges in terms of disability,
 - Household composition (lone parenthood, larger number of children)
- **Change over time in association with income poverty**
 - Weakening association since 2004, due to effectiveness of social transfers
 - But situation with respect to deprivation has not changed

Conclusions (2)

- **In-work poverty –**

- Fewer people affected by in-work poverty than by household joblessness
- Not high by European standards
- Slight increase with recession
- Strong association with self-employment
- Not especially disadvantaged in terms of education, family structure

Policy Implications

- Household joblessness an important risk factor for social exclusion (acknowledged in new social targets)
- Social transfers have been very important in moving jobless households above 60% poverty threshold – less impact at 70% threshold and on deprivation
- Implications for labour market activation
 - Broader population – more disadvantaged, more complex needs
 - Need for targeting on training and employment support
 - Other supports: childcare, support for carers, people with disability
- Careful planning of pathway to work
 - Rate at which social welfare benefits withdrawn
 - Guard against inadvertent increase in in-work poverty



Thank you

Two Key Indicators



Measure	Base and Measurement
<p>Household Joblessness</p> <p>(Very Low Work Intensity)</p>	<p>Base population: Age 0-59</p> <p>Measure: Proportion of available person months over past year spent at work by working age adults; adjusting for hours worked.</p> <p>Excluded: adults age 60+; households with no working-age adults</p> <p>Very Low Work Intensity (<20%) is a key social exclusion indicator.</p> <p>Rate High in Ireland compared to EU</p>
<p>In-work poverty</p> <p>(individual)</p>	<p>Base: Person aged 18-59 in employment</p> <p>Measure: Poverty status of persons of working age in employment</p> <p>Excludes: Persons not of working age; persons not at work</p>