

CHERISHING ALL EQUALLY 2016

KEY INDICATORS OF ECONOMIC INEQUALITY

Report Highlights: November 2016

Analysis of Ireland's economic inequality indicators 2016

Inside these Report Highlights we provide evidence of the trends in relation to 18 key indicators that monitor the trends in economic inequality in Ireland. You can find these indicators outlined in the centre pages.

Analysis of the recent trends in these 18 key indicators reveals that in spite of the economic recovery, economic inequality is worsening in Ireland.

- Indicators in relation to gross income, wealth, deprivation (particularly child poverty), public expenditure, cost of living and social welfare have all disimproved.
- There have been some welcome improvements, particularly in relation to the increase in employment rates and the fall in levels of 'Not in Education, Employment and Training' (NEETs).
- However, high rates of low pay (particularly for women), precarious work, and jobless households are all significant issues.

As has been demonstrated internationally, a rising level of economic inequality such as we are experiencing in Ireland jeopardises the sustainability of the recovery both economically and socially.

Moreover, the provision of high quality and affordable public services and infrastructure in areas of housing, childcare, transport, health care, and education, that are required to mitigate this rising inequality are, as yet, not forthcoming. Ireland now has the lowest levels of government expenditure as a proportion of GDP in the EU 28 and also has the lowest level of government revenue in the EU 28.

Cherishing All Equally 2016 is the second report in an annual series and is part of a long-term project by TASC to monitor trends in economic inequality in Ireland. It presents key economic inequality indicators in Ireland, which provide critical information for the public, for policy makers and activists alike. This year's report, authored by TASC Policy Analysts, Dr Rory Hearne and Cian McMahon, includes sections on 'Why Economic Inequality Matters', 'Analysis of Ireland's Economic Inequality Indicators 2016', and two themed sections, one on 'Gender and Economic Inequality in Ireland' and the other on 'Children and Economic Inequality in Ireland.'

Ireland is continuing the neo-liberal approach to economic development that has demonstrably failed to deliver sustainable growth and worsens inequality. The trends in these indicators in relation to economic inequality in Ireland demonstrate clear warning signs that alternative policy approaches are required in order to ensure a more sustainable and equal recovery that ensures all citizens can benefit, particularly the least advantaged.

Key indicators of economic inequality

Key indicators of economic inequality in Ireland, *Cherishing All Equally (CAE) 2015*, *Cherishing All Equally (CAE) 2016*, and EU comparison

1. Gross income inequality				
	Cherishing All Equally 2015		Cherishing All Equally 2016	EU 28 (2016)
Top 10% income share	33.93% (2011)	↑	38.75% (2016 est.)	-
Top 1% income share	9.11% (2011)	↑	10.95% (2016 est.)	-
Bottom 90% income share	66% (2011)	↓	61.25% (2016 est.)	-
Gross Gini coefficient	46 (2012)	↓	45.7 (2014)	36.5

2. Net income inequality				
	Cherishing All Equally 2015		Cherishing All Equally 2016	EU 28 (2016)
Net Gini coefficient	29.9 (2012)	↑	30.8 (2014)	30.9

3. Employment				
	Cherishing All Equally 2015		Cherishing All Equally 2016	EU 28 (2016)
Share of 20-64 year olds in employment	65.5% (70.9% male; 60.3% female) (2013)	↑	68.8% (75.1%/62.6%) (2014)	70.1% (75.9%/64.3%)

4. Unemployment				
	Cherishing All Equally 2015		Cherishing All Equally 2016	EU 28 (2016)
Share of Irish working-age households that are 'jobless'	17.1% (2013)	↓	16% (2014)	10.9%

5. Minimum wage				
	Cherishing All Equally 2015		Cherishing All Equally 2016	EU 28 (2016)
Statutory Minimum Wage (€9.15) as share of Living Wage (€11.50)	76% (2015)	↑	79.5% (2016)	-

6. Social Protection				
	Cherishing All Equally 2015		Cherishing All Equally 2016	EU 28 (2016)
Typical payment p.a. for single jobseeker or person with disability	€9, 776 (2015)	↔	€9,776 (2016)	-
Typical payment p.a. for single carer	€10, 608 (2015)	↔	€10, 608 (2016)	-
Typical payment p.a. for single pensioner	€11, 976 (2015)	↑	€12,132 (2016)	-

7. Wealth Inequality				
	Cherishing All Equally 2015		Cherishing All Equally 2016	EU 28 (2016)
Top 10% wealth share	42-58% (2014 est.)	↑	53.8% (2013)	-
Bottom 50% wealth share	12% (2015 est.)	↓	4.9% (2013)	-

8. Public Spending				
	Cherishing All Equally 2015		Cherishing All Equally 2016	EU 28 (2016)
General government expenditure, % of GDP	38.6% (2013)	↓	35.1% (2015)	47.4%

9. Public spending on services				
	Cherishing All Equally 2015		Cherishing All Equally 2016	EU 28 (2016)
Public spending per household on health and education	€13, 706 (2012)	↓	€13, 542 (2014)	-

10. Tax				
	Cherishing All Equally 2015		Cherishing All Equally 2016	EU 28 (2016)
Tax-to-GDP ratio	29.1% (2012)	↑	30.5% (2014)	40%

11. Social security contributions				
	Cherishing All Equally 2015		Cherishing All Equally 2016	EU 28 (2016)
Net social security contributions, % of GDP	5.7% (2013)	↓	5.3% (2014)	13.3%

12. Childcare costs				
	Cherishing All Equally 2015		Cherishing All Equally 2016	EU 28 (2016)
Typical childcare fees, % of family net income	27.4% (2012)	↔	27.4% (2012)	11.2%

13. Third-level education				
	Cherishing All Equally 2015		Cherishing All Equally 2016	EU 28 (2016)
Share of 30-34 year olds with a third-level qualification	52.6% (2013)	↓	52.3% (2015)	38.7%

14. Secondary education				
	Cherishing All Equally 2015		Cherishing All Equally 2016	EU 28 (2016)
Share of labour force with lower secondary education or less	23.3% (2013)	↓	20.2% (2015)	23.5%

15. Youth unemployment				
	Cherishing All Equally 2015		Cherishing All Equally 2016	EU 28 (2016)
Share of 15-29 year olds 'Not in Employment, Education, or Training' (NEETs)	18.1% (2013)	↓	16.8% (2015)	14.8%

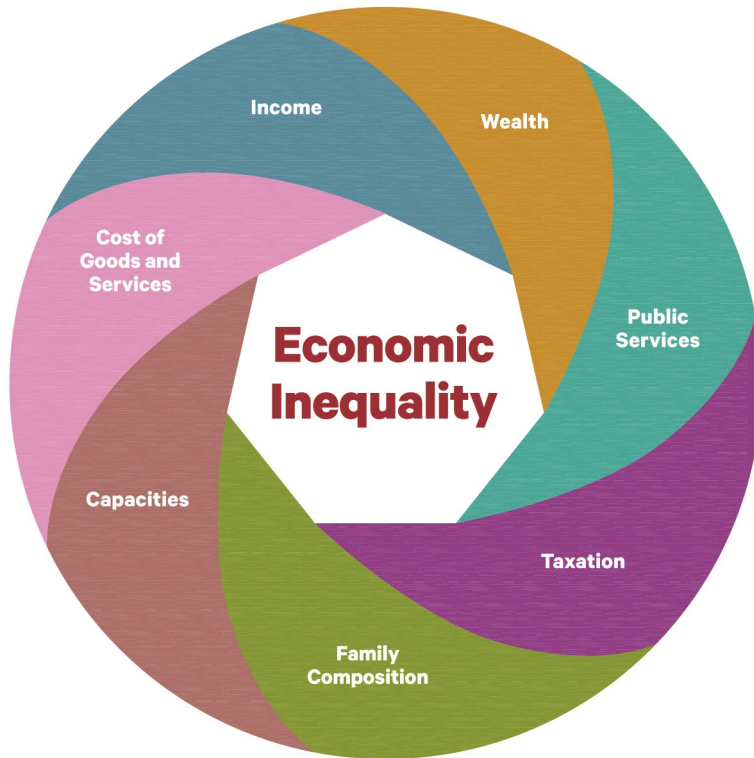
16. Cost of living				
	Cherishing All Equally 2015		Cherishing All Equally 2016	EU 28 (2016)
Cost of living in Ireland relative to EU average	21.2% above (2012)	↑	25.1% above (2014)	-

17. Deprivation				
	Cherishing All Equally 2015		Cherishing All Equally 2016	EU 28 (2016)
Share of population experiencing two or more forms of material deprivation	26.9% (2012)	↑	29% (2014)	-

18. Child poverty				
	Cherishing All Equally 2015		Cherishing All Equally 2016	EU 28 (2016)
Share of 0-16 year olds at risk of poverty or social exclusion	33.6% (2013)	↓	29% (2014)	27.4%

The source and reference for all the data in the indicators presented in this table are available in the 'Trends in key indicators of economic inequality in Ireland' section below where each indicator is discussed.

Chart 1: Factors influencing economic inequality (Source: TASC 2015)



In this centenary year, *Cherishing All Equally 2016* provides an important contribution towards understanding economic inequality in Ireland one hundred years after the 1916 Proclamation, which declared “equal rights and equal opportunities” to all citizens, and, particularly, “cherishing all of the children of the nation equally”.

References and sources for the data are available in the full report *Cherishing All Equally 2016*, available here, <http://www.tasc.ie/publications/cherishing-all-equally-2016/>

All the charts in these Report Highlights are taken from the full report.

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