Monitoring poverty and social exclusion in Northern Ireland 2006
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Monitoring poverty and social exclusion in Northern Ireland 2006

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While all the reports in this series that we have done over the years have benefited from our Advisory Group members, in this particular case the support has been invaluable. This is because, while Northern Ireland is similar to Britain in terms of the relevant administrative systems, it is also economically, socially and historically distinct. The similarity means that we have been able to apply an approach developed in Britain to Northern Ireland, whilst the distinctiveness means that this has involved a degree of translation – and it is this that the Advisory Group has helped us with so much.

In addition, we would also like to thank Andrea Heaney, Myrtle Hill, Donald Hirsch and Steve Macarthur for help on specific matters as well as the Northern Ireland Anti-Poverty Network in providing us with facilities in Northern Ireland.

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The usual disclaimer applies: we, the authors, and not those who have helped us are wholly responsible for all errors, omissions and misunderstandings to be found in this report.
Introduction

Origins

Monitoring Poverty and Social Exclusion is a series of independent reports which draw their material from official statistics.

The first such report, published in 1998, provided a baseline measure of the wide range of problems that come under this heading. The new Labour government had already made social exclusion one of its priorities. In January 1999, just a month after the first report appeared, the Prime Minister, Tony Blair, committed his government to ending child poverty by 2020. Against this promising background, Monitoring Poverty and Social Exclusion grew into a series of annual reports, to track how much progress was being made in meeting these aspirations.

Up until now, these reports have largely been restricted to Great Britain. There have also been two separate reports for Scotland and one for Wales. The main reason for restricting attention to GB is that, until recently, the official statistics on low income households did not cover Northern Ireland.

Beginning in 2002/03, however, the statistics on low income were extended to Northern Ireland. Since there is now three years’ such data (the minimum, in our view, to provide sufficiently reliable estimates at the Northern Ireland level), it is now possible to look at Northern Ireland through the lens of Monitoring Poverty and Social Exclusion.

In the absence, hitherto, of this official data, previous studies of the extent of poverty in Northern Ireland have had to take a different approach. Of particular note is the Poverty and Social Exclusion in Northern Ireland study, published in 2003, which gathered its own data via a household survey.1 As well as using its own data, this study also measures poverty differently. A recent report for the Office of the First Minister and Deputy Minister provides an overview of the different approaches and what they imply about the level of poverty in Northern Ireland.2

It should also be noted that during the course of our study, certain errors were found in the official statistics for Northern Ireland. The government statisticians have now corrected these errors. However, it does mean that the poverty statistics for Northern Ireland from this source (that is, the Family Resources Survey for each of the years 2002/03, 2003/04 and 2004/05) that were published before August 2006 are slightly inaccurate.

Structure and focus of the report

What is distinctive about Monitoring Poverty and Social Exclusion is that it places the poverty statistics on a broader canvas that shows not only those factors that give rise to poverty in the first place but also those factors that are likely to be associated with it, and to some extent consequences of it too. The structure of the report, arranged under the following eight themes, reflects this approach:

- benefit recipiency;
- employment and pay;
- income poverty;
- deprivation and exclusion from services;
- housing and neighbourhoods;
- health and harm;
- disadvantage in work;
- education.
Roughly speaking, the first two themes (benefit recipiency and employment and pay) cover the direct causes of poverty while themes four to seven (deprivation and exclusion from services, housing and neighbourhoods, health and harm and disadvantage in work) may be seen as associates/consequences of it. The final theme, education, deals with both consequences and causes, that is, the educational consequence for a child living in poverty, and the likelihood that poor educational outcomes will lead to poverty in adult life. In doing so, therefore, the education theme closes the circle.

Another contrast is between those themes where factors specific to Northern Ireland play a major role and those where they do not. Education, health and harm, housing and neighbourhoods are themes of the former type while those to do with benefits, work and income poverty itself are of the latter. Among these specific factors is, of course, the conflict in Northern Ireland.

The report is built around a series of 50 indicators, each of which comprises two graphs and an accompanying text. Each indicator is intended to be free-standing and self-explanatory, reflecting the fact that the report has the character of a work of reference.

The graphs themselves are of three main types. They are:

- comparisons between Northern Ireland and either GB as a whole or each of the nine English regions plus Wales and Scotland;
- trends over time, usually for 10 years;
- inequalities within Northern Ireland on the basis variously of class, income, area deprivation, educational attainment, gender, locality (on the basis of the 26 districts), industry and, but only very occasionally, religion.

Although individual statistics showing differences by religion are reported from time to time, such differences are not a focus of this report. The major exception to this is in education where some results are presented by religion and deprivation (or a proxy for it) simultaneously.

**Commentary and Laeken indicators**

In addition to the individual indicators, the report also includes a commentary. As well as highlighting the key points from the indicators, this provides a longer discussion of the main issues that arise from the report. In contrast to the main body of the report, which treats each indicator separately, this discussion links them together across themes in order to answer four questions concerning:

1. the links between benefit recipiency, tax credits, work and the rate of income poverty;
2. the factors behind high rates of benefit recipiency, especially those for sickness and disability;
3. the broader picture of poverty, that is, apart from just low income;
4. educational outcomes for the most deprived children, and for those getting minimum qualifications.

These are not the only questions that could have been examined: for example, the connection (or rather the lack of it) between deprivation and housing conditions is another that could have been looked at. What the four questions above have in common, however, is their direct relevance to the UK government's general approach towards reducing poverty which regards moving people into paid work as the principal way to achieve this. In the short term, the main policy levers
for encouraging and supporting this shift are the benefit and tax credit systems, along with the National Minimum Wage. In the longer term, the level of education of the population, especially at the bottom, is also seen as crucial. The first, second and fourth questions address these issues directly.

This commentary also provides a separate presentation of a small number of indicators that use the EU’s ‘Laeken’ statistics to compare Northern Ireland with both the UK as a whole and with Ireland. The reason for taking this approach is that it is only for the EU statistics that the UK and Ireland figures can reasonably be assumed to be comparable. By following the methodology for the published UK figures, we have been able to produce what we believe to be comparable figures for Northern Ireland as well.

The poverty website

All of the graphs appearing in this report can also be accessed online via the poverty website www.poverty.org.uk. This website also includes a number of other graphs that have been considered for this report but, for reasons of space, have not been included here.

Northern Ireland’s changing population

Where possible, the graphs in this report showing trends over time go back 10 years. In most cases too, what is shown is the percentage of some particular group of the population rather than absolute numbers. Over this period, however – and indeed over a much longer period both into the past and into the future – both the overall size of the Northern Ireland population and the size of particular groups have changed. By way of background, the main changes are discussed below.

<table>
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<th>Size of Northern Ireland population by age</th>
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- Pensionable age
- Working age 35 and over
- Working age under 35
- Under 16
Changes over the 10 years 1996 to 2006

- The total population of Northern Ireland has grown by 70,000 people over the last 10 years, from 1.66 million to 1.73 million, a rate of growth of 4 per cent. The size of the individual groups within the population, however, has changed in quite different ways.
- The number of children fell by 9 per cent.
- The working-age population grew by 8 per cent. Within that total, however, the number aged under 35 declined by 4 per cent while the number aged over 35 grew by 18 per cent.
- The number of pensioners grew by 12 per cent.

With the younger groups declining in number and the older groups increasing, the average age of the population has gone up over the decade.

Longer term trends (as a share of the total population)

- The proportion of the population who are of pensionable age has only risen slightly over the last 20 years, from 15 per cent in 1986 to 16 per cent now. In twenty years’ time, however, it is forecast to rise to 24 per cent.
- The proportion of the population who are of working-age is now at a peak (62 per cent). Twenty years ago this share stood at 58 per cent which is also where it is forecast to stand in twenty years’ time.
- The proportion of the population who are children has been falling steadily, down from 27 per cent 20 years ago to 22 per cent now. It is expected to continue to fall steadily, down to 19 per cent in twenty years’ time.

Compared with Great Britain

The population of Northern Ireland is currently slightly younger than that of GB: 22 per cent are children compared with 19 per cent in GB; and those of pensionable age account for 16 per cent compared with 19 per cent in GB. However, these differences are much less marked than they were twenty years ago. In fact, the age composition of the Northern Ireland and GB populations are projected to carry on converging to a point where, in twenty years’ time, Northern Ireland will no longer be any ‘younger’ than GB.

- Finally, note that most of the work-related data in this report comes from the Northern Irish part of the quarterly UK-wide Labour Force Survey datasets. This means that the data is up to 2006. It is, however, a slightly different source than the Northern Ireland Labour Force survey dataset, which excludes duplicate records but which only goes up to 2004.
Commentary

Summary of key points

In this opening section, we provide a summary of the report’s key points. Instead of arranging them by subject, as in the main report, we present them so as to provide the answers to three, higher-level questions about poverty and social exclusion in Northern Ireland. These are:

- Where does Northern Ireland stand in relation to Great Britain, and in particular in relation to its 11 ‘regions’?¹
- What are the major trends in Northern Ireland?
- What are the major inequalities within Northern Ireland?

It should be noted that the position of Northern Ireland relative to both the UK as a whole and the Irish Republic is dealt with separately at the end of the commentary.²

Northern Ireland and Great Britain

In most cases, Northern Ireland is not only at one end of the spectrum when compared with the 11 GB regions, but is often some way away from them. The subjects where Northern Ireland stands out in this way are:

1 The high number of people receiving out-of-work benefits, in particular: the 19 per cent of working-age people receiving one of the key out-of-work benefits [1A], the 13 per cent of working-age people receiving one of the key out-of-work sickness and disability benefits [1A], and the 27 per cent of people aged over 60 receiving the guarantee element of Pension Credit [3A].

2 The high number of disabled people, especially related to mental health, reflected in the 9 per cent of working-age people receiving Disability Living Allowance [4A] and the three per cent of the whole adult population receiving that benefit for mental health reasons [38A].

3 The extent of low pay among full-time employees, reflected in the 22 per cent paid less than £6.50 an hour [12A] and the high numbers receiving in-work benefits, that is, the 19 per cent of working-age households receiving working and/or child tax credits [6A]. By contrast, the 43 per cent of part-timers who are paid less than £6.50 an hour is below the GB average [12A].

4 The high numbers without paid work, specifically the 31 per cent of people aged 16 to retirement lacking paid work [7A], alongside the very low proportion (7 per cent) of people in that age group wanting paid work [9A]. Nearly 80 per cent of social sector households are headed by someone not in paid work [30A].

5 The very high fuel poverty rate, with 24 per cent of households unable to afford to heat their home to an adequate standard [27A] – although the proportion of homes lacking central heating is actually much lower than in GB [26A].

6 The small proportion of babies who are of low birthweight (6 per cent), lower than any of the GB regions [33A]. Note that this is the only one of these six subjects where Northern Ireland stands out for being markedly better than GB.

Against this unfavourable background, it is striking that, on all the headline measures of income poverty, Northern Ireland is around the GB average. Thus:
7. The 20 per cent overall income poverty rate is around the GB average, but with just Scotland and the three southern English regions outside London having lower rates [14A]. Around 350,000 people are living in income poverty in Northern Ireland.

8. The 25 per cent child income poverty rate is slightly below the GB average. Again, just Scotland and the three southern English regions outside London have lower rates [17A]. Around 100,000 children are living in income poverty in Northern Ireland.

9. The 20 per cent pensioner income poverty rate in Northern Ireland is the same as the GB average. Seven of the eleven GB regions have lower rates [16A]. Around 50,000 pensioners are living in income poverty in Northern Ireland.

10. The 27 per cent income poverty rate among disabled working-age adults is below the GB average of 30 per cent, even though the rate among non-disabled working-age adults (16 per cent) is almost the same as GB [18B].

**Trends over time**

Whereas the comparisons with GB usually show Northern Ireland to have greater problems than elsewhere, the trends over time are much more mixed, with both positive and negative messages, sometimes intertwined. The key points here are:

11. While the level is still high, the fall in the proportion without paid work (five percentage points in a decade) is a bigger improvement than in any GB region [7A].

12. The continuing rise in the proportion of people receiving Disability Living Allowance for reasons of mental ill-health, a proportion which was already high by GB standards and which has more than doubled since 1998 [38A].

13. The fall in the proportion of workless, two adult households (down nearly a half in a decade) alongside no change in the proportion of workless, single adult households [8A]. At the same time, the already high proportion of social rented sector households where the head is not working has continued to drift upwards [30B].

14. The growth in job numbers (20 per cent since 1997), which is bigger than anywhere in GB. Most of the increase has been in private sector services, although the numbers in construction have also grown strongly [10A, 10B].

15. The narrowing pay inequalities between men and women since 1998, both between high paid men and high paid women, and between low paid men and low paid women – alongside widening pay inequalities between high and low paid workers overall [13B].

16. The rise in the numbers presenting as homeless (up 60 per cent since 1999/00), mainly among those without dependent children [29A].

17. The lack of improvement in the proportion of 16-year-olds failing to reach a basic educational standard: specifically, the 14 per cent not getting five GCSEs (no change since 1998/99) and the five per cent getting no GCSEs at all (no change for at least a decade). This is against a background of a continuing rise in the proportion getting at least five ‘good' GCSEs at grade A to C, up from 53 per cent to 63 per cent in a decade [46A].
Inequalities within Northern Ireland

In general, this report deliberately does not look at the differences in outcomes for Protestants and Catholics. This is mainly because, having been the focus of many other reports, the differences are well-known and follow a familiar pattern.\textsuperscript{3} For example, the overall income poverty rate of 20 per cent translates into a rate of 18 per cent for Protestants and 23 per cent for Catholics. The main exception to this pattern is that the education outcomes for the most deprived Protestants and Catholics differ from what is seen for the two groups on average.

The key points regarding inequalities within Northern Ireland are:

18 The \textbf{higher proportion of disadvantaged people in western districts}, sometimes along with Belfast too. Subjects conforming to the west-east pattern include the proportions in receipt of out-of-work benefits [1B] or guarantee part of Pension Credit [3B] as well as those with a limiting long-term illness [37B]. The risk of low pay is also higher in western districts (Belfast here being ‘eastern’) [41A]. But this west-east pattern does not always apply, with aspects of housing quality [26B] and low birthweight babies [33B] being two exceptions.

19 The 20 per cent of households who lack money-related essentials because they cannot afford them, including the capacity to pay utility bills, or have money for saving or small personal expenditure, or to contribute to a pension, or have money for repairs [20A]. Half of the poorest households also lack home contents insurance, compared with just a fifth of homes on average income [23B].

20 The \textbf{non-monetary disadvantage faced by low income households} such as: the nearly 30 per cent of the poorest households who lack a bank account (three times the average) [22A]; the more than 50 per cent of households in the most deprived areas suffering a poor physical environment (five times the average) [31A]; or the heightened fear of crimes such as burglary or assault among people in low income households [32B], whether or not they face an increased likelihood of being a victim of such crime [32A].

21 The \textbf{additional disadvantage, only partly caused by money, faced by certain groups}, such as the reduced mobility of both lone parents and single pensioners, half and two-thirds of whom respectively lack access to a car, compared with just 10 per cent of working-age couples and 20 per cent of pensioner couples [25A].

22 The \textbf{doubled risk borne by those who have low or no qualifications}, compared with those who have A-levels, of lacking but wanting paid work [39A] or of being low paid [39B].

23 The \textbf{two-and-a-half-fold difference in the rate of premature mortality} (itself due predominantly to differences in rates of heart disease and cancers) between the managerial and professional class and those in routine or manual occupations. Overall, there are around 3,000 premature deaths per year in Northern Ireland [36B].

24 The other \textbf{health inequalities that adversely affect low income, or deprived, groups}, including: a threefold greater likelihood within the poorest fifth of a girl giving birth by the age of 16 [35A]; five-year-olds in families reliant on means-tested benefit having almost twice as many decayed, missing or filled teeth as other five-year-olds [34B]; and an infant mortality rate in the most deprived fifth of local areas which is one third higher than in other local areas [34A].

25 The \textbf{greater proportion of deprived children with unsatisfactory educational outcomes} including: the 35 per cent of 11-year-olds in schools with the highest number of deprived
children who do not reach level 4 at Key Stage 2 (compared with 22 per cent on average) \[45A\]; the 30 per cent of 16-year-olds receiving free schools meals who do not get five GCSEs (compared with 15 per cent on average) \[46B\]; and the 60 per cent of school leavers in the most deprived wards who do not go on to further or higher education (compared with 40 per cent on average) \[47B\].

**Resulting questions**

This report, in both its approach and its findings, raises many further questions. There is only space here to touch on a few of them. Using the evidence presented here, we try to answer four questions, as follows:

- First, how is it possible that a very high level of benefit recipiency, a still low work rate and a high proportion of low paid full-time workers can yield an income poverty rate that is no worse than the GB average?
- Second, what are the reasons for the high rates of benefit recipiency, especially of sickness and disability benefits, in Northern Ireland?
- Third, while the official GB method of calculating poverty rates focuses on low income, there is more to poverty than that: what does the broader picture show?
- Fourth, why is there such a gap in educational outcomes between deprived children and others and why is there no further progress in the numbers getting at least minimum qualifications?

**Why are the rates of income poverty not higher?**

**The meaning of ‘income poverty’**

A household is defined as being in income poverty if its income is less than 60 per cent of the GB median household income. 2004/05 is the latest year for which data is available. Some examples of what this 60 per cent median was worth in that year are:

- £100 per week for a single adult with no dependent children;
- £183 per week for a couple with no dependent children;
- £186 per week for a single adult with two dependent children;
- £268 per week for a couple with two dependent children.

These sums of money are measured after income tax, rates, and housing costs have been deducted, where housing costs include rents, mortgage interest (but not repayment of the principal), buildings insurance and water charges. The sum of money left over is therefore what is available to pay for food, clothing, travel, heating, lighting and so on.

**The Northern Ireland income poverty rates**

Although the question is why the income poverty rates are as low as they are, it is right to begin by emphasising that poverty rates of 20 per cent overall \[14A\], 25 per cent for children \[17A\] and 20 per cent for pensioners \[16A\] are high, even if they are only average for the GB.4

With just three years of data, there is still too little information to draw reliable conclusions about recent trends in income poverty in Northern Ireland. There is no reason, though, to think that the
recent reductions in poverty rates for pensioners and children seen in GB should not apply in Northern Ireland as well since both are influenced by the UK-wide tax and benefits system. On that basis, the rates of income poverty reported here come after a good half dozen years during which poverty reduction in general, and child poverty reduction in particular, have been priorities for the UK government.

When looked at in comparative terms, however, these income poverty rates are surprisingly low, given that Northern Ireland has a higher proportion of people than any GB region not in paid work [7A], receiving an out-of-work benefit [1A], receiving the guarantee part of Pension Credit [3A], or, as a full-time worker, being paid less than £6.50 an hour [12A]. So why are the rates not higher?

Our analysis suggests three broad reasons. First, the level of housing costs (chiefly rent, mortgage interest, buildings insurance and water charges) are, at present, much lower in Northern Ireland than in any GB region [15B]. The importance of this can be seen in the fact that, on an alternative measure of income poverty (before housing costs are deducted), the rate in Northern Ireland is equal to that in the North East of England, the GB region with the highest rate [15A].

Second, since in-work tax credits are supposed to help households work their way out of income poverty, there is no reason to suppose that Northern Ireland’s high rate of recipiency for tax credits [6A] should be read as a sign of poverty.

Third, for some groups within the population, it is wrong to assume that receipt of out-of-work benefits automatically signals income poverty.

This is certainly not the case for single pensioners. The level of the guarantee part of Pension Credit for single pensioners is set at a level slightly above the income poverty threshold. Thanks to this, the poverty rate for single pensioners across GB is now barely more than half what it was a decade ago and is also now no higher than for pensioner couples. This link between high rates of recipiency of the Guarantee Credit and low pensioner poverty rates is underlined by the fact that the English North East, on many measures the poorest of the English regions, has the lowest pensioner poverty rate in GB [3A and 16A].

The assumption that out-of-work benefits for working age people also signals poverty may also be wrong for many. Certainly, as a sole source of income, Incapacity Benefit, Income Support and Jobseeker’s Allowance leave households below the income poverty threshold. As the latter two of these benefits are means-tested, most of the households dependent on them will indeed be in poverty: for example, three-quarters of those households who are unemployed are also in income poverty [19B]. Incapacity Benefit, by contrast, is not means-tested. As a result, a household may have other sources of income – for example, from private insurance, other state benefits, or a partner’s earnings – which may be enough to lift it above the income poverty threshold.

Other non-means-tested benefits play a role too, including Disability Living Allowance (DLA). Entitlement to DLA is based on a person’s medical condition. As in GB, the number of people receiving DLA has been rising since at least 1998 [4B] but both the level in Northern Ireland and the increase over the period is much higher than that in GB [4A].

The effect of all this is to leave the risk of income poverty among those households who are out of work but not counted as unemployed (that is, the sick and disabled and lone parents) almost one quarter lower in Northern Ireland than in GB [19A]. In turn, the income poverty rate among
disabled working-age adults, though higher than among their non-disabled peers (27 per cent compared with 16 per cent), is markedly lower than among disabled adults in GB (30 per cent) [18B].

Why is there a high rate of sickness benefit recipiency?

The first part of the answer to this is simply that the levels of sickness and disability in Northern Ireland are high too. The 2001 Census showed that the proportion of the working-age population describing themselves as suffering from a limiting long-standing illness was higher in Northern Ireland than in all GB regions except Wales and the North East of England [4A]. When adjustment is made for the slightly younger age composition of the working-age population in Northern Ireland, the rate of self-reported limiting long-standing illness becomes equal to that in Wales, the GB region with the highest adjusted rate.

Next, the proportion of disabled people in Northern Ireland who are not in paid work and therefore eligible for out-of-work benefits is, at 70 per cent, much higher than the equivalent proportion in GB (60 per cent). Along with the high number of students, high numbers of disabled people receiving out-of-work benefits account for the entire difference in the proportion of the population in paid work in Northern Ireland compared with GB. [7B]

To what extent this low work rate is a consequence of limited job opportunities is unclear. Since the fall in the proportion of people without paid work over the last decade has been bigger in Northern Ireland than any GB region [7A], thanks in turn to the high rate of jobs growth [10A], the low employment rate could be seen as a legacy of a very much worse economic situation twenty years ago.

The very high proportion of people receiving Disability Living Allowance (DLA) in Northern Ireland also plays a part. As a recent study confirms, the higher rates of DLA recipiency in Northern Ireland are not simply a reflection of higher overall levels of limiting long-standing illness [4A]. Because of the way in which it is treated in the statistics, income from DLA does make a significant difference to the rate of income poverty. [6]

Entitlement to DLA is both tightly defined (being either for those who have difficulties with walking or for those with care needs) and rigorously assessed (with the possibility of an examination by a doctor acting on the government’s behalf). Given this, the higher rate of DLA recipiency relative to the underlying level of long-standing illness must reflect one or both of two things, namely: either that social or institutional factors affect the relationship between recipiency and need in Northern Ireland; and/or that the conditions that people are suffering from in Northern Ireland are different from those in GB and perhaps more severe.

On the first point, the emphasis on rights in Northern Ireland, reflected for example in the Belfast Agreement, may mean that people in Northern Ireland are more aware of what they are entitled to than people in GB. [7] Better support, for example from either voluntary or community organisations, may reinforce this. [6]

On the latter point, the obvious question concerns the legacy of the conflict in Northern Ireland. One estimate of its impact is that 7 per cent of the adult population in Northern Ireland were injured themselves, while 36 per cent had a close friend or close relative injured or killed. [38B]
The 7 per cent of the population who were personally injured is, on its own, large enough to account for the difference between Northern Ireland and GB in the levels of both sickness and disability benefit receipt in general (three per cent of the working-age population [8B]) and DLA receipt in particular (4½ per cent of the working-age population [4A]).

Research suggests that around a third of people who said they had been affected a lot by the conflict were deemed to show signs of a possible mental health problem. Given the 36 per cent who had a close friend or relative injured or killed, this is more than enough to account for the difference between Northern Ireland and GB in receipt of DLA for mental health reasons (2 per cent of the adult population [38A]), which is in turn a large part of the difference in DLA recipiency overall.

In summary, therefore, these findings suggest that the legacy of the conflict may well be a major reason for Northern Ireland’s overall high levels of sickness and disability benefit recipiency.

What is it that people in poverty lack?

Material deprivation or services that are unaffordable?

While low income remains at the heart of official poverty measures, the recognition that a lack of income is only one aspect of poverty means that, in future, broader measures of deprivation will also be used. So what is it that poor households in Northern Ireland lack, besides money? Both official data and the Poverty and Social Exclusion Study in Northern Ireland provide a wealth of information about this.

The first point is that a lack of consumer durables is a relatively small part of the problem. For example, just 2 per cent lack fridges or colour TVs and, more generally, the trends are rapidly downward [21A]. The proportion of low-income households lacking consumer durables is, however, around twice that for middle income households [21B].

Looking at items deemed by the Northern Ireland population to be essential, just 3 per cent lack consumer durables because they cannot afford them, fewer, it would seem, than those who lack either things that are food-related, home-related, clothing-related or activities such as travel or friends to visit (between 3 per cent and 7 per cent) [20A].

By contrast, 20 per cent of households lack items (because they cannot afford them) that may be described as directly money-related, such as the capacity to pay utility bills, having money for savings or small personal (as opposed to family) expenditure, having the money to save for a pension, or having money for repairs [20A].

The picture this presents is rather at odds with the popular perception of poverty as a state whereby a person lacks material goods. A child with no winter coat, or without well-fitting shoes, or eating fewer than three meals a day, is in a condition that few would disagree constitutes severe poverty. But however striking the image, the proportion of children lacking any one of these items is estimated to be very low, just 2 or 3 per cent.

What these figures suggest to us is that, instead of an image marked by a lack of things, modern poverty is marked by real difficulties in paying for essential services, or accumulating small
financial assets (pensions, savings, insurance, a bank account) or taking part in activities (like going on holiday once a year) that the rest of society takes for granted.

**Higher costs in Northern Ireland**

Against this background, it is important to note two areas that may reasonably come under the heading of essential services but where costs in Northern Ireland are markedly higher than in GB.

The first of these is childcare. A proxy measure for the cost of childcare, namely the average amount paid for the childcare element of Working Tax Credit, is 10 per cent higher in Northern Ireland than any region of GB apart from London [24A].

The second of these is the cost of fuel to heat the home. Prices of individual fuels are higher in Northern Ireland than in GB (the most recent UK government estimate showing prices for fuel and light to be 13 per cent higher than the GB average). This is then compounded by the fact that many households in Northern Ireland face a restricted choice of fuels and are not therefore able to use the cheapest.

As a result, the problem of fuel poverty (where a household has to spend more than 10 per cent of its income on fuel to heat its home) is more widespread in Northern Ireland than in England: in 2004, 24 per cent of homes in Northern Ireland suffering from this condition compared with 9 per cent in the North East of England and Yorkshire, the worst of the English regions [27A].

**Why has educational progress at the bottom stalled?**

**Deprivation, religion and gender**

In most respects, the picture of education painted in this report, where the focus is either on those failing to achieve ‘minimum’ qualifications or on education outcomes for children from deprived backgrounds, is a negative one. First, there is no sign at secondary level of any reduction in the proportion getting fewer than five GCSEs compared with a decade ago. This lack of progress at the bottom is masked in Northern Ireland, as elsewhere, by the fact that the usual ‘headline’ indicator, that is, the numbers failing to get five ‘good’ GCSEs (grades A to C), has continued to improve over the last decade [46A].

Second, there is a marked gap in the outcome for children in deprived backgrounds or circumstances compared with children on average at both age 11 [45A], 16 [46B] and in entry to further or higher education [47B].

The availability of information on education outcomes by religion shows, however, that the relationship between deprivation and education outcomes can depend on other factors. So on average, the main educational statistics for 11- and 16 -year-olds, and for schools leavers, show little difference between children in ‘Catholic’ schools or areas and children in ‘Protestant’ ones. Once account is taken of deprivation, however, this picture of near-equality changes. For example:

- At the end of primary school, at every level of deprivation, fewer 11-year-olds in Catholic-managed schools fail to reach level 4 at Key Stage 2 than in other primary schools. This difference is greatest (30 per cent compared with 45 per cent) for the most deprived schools [45B].

- At the end of secondary school, 50 per cent of school leavers in the most deprived wards that are ‘Catholic’ fail to go on to further or higher education, compared with 70 per cent in the most deprived wards that are ‘Protestant’ [47B].
This pattern, of school leavers in ‘Catholic’ wards being more likely to go on than those in ‘Protestant’ ones, holds everywhere except in the least deprived wards. As a result, the difference in the likelihood of going on in ‘Catholic’ wards between the most and the least deprived is much less than the difference in ‘Protestant’ ones [47B].

Once gender is taken into account, the picture is refined yet further. Among 19- to 24-year-olds, there are more men than women who lack minimum qualifications. And, for both men and women, a bigger proportion of Protestants than Catholics lack minimum qualifications [48A].

**Schools, communities and economic opportunities**

The education research literature in Northern Ireland offers some explanations for these findings. The factors that others’ research has identified as coming into play here fall into three broad groups.

The first group, concerning the way that schools themselves work and including the role that parents have to play, may contribute to why children from deprived backgrounds tend to fare worse than others. The Transfer Test, taken at age 11 (in addition to the Key Stage 2 tests), is a particular focus of criticism from some people. The pressure on secondary (non-grammar) schools to compete academically is another. But special features of the Northern Ireland education system such as selection and transfer tests can at best be only part of the explanation for phenomena that are also seen across GB; neither can they explain differences in either gender or religion.

A second group of factors concern community and social norms and the way that they can limit horizons. Working class children, boys especially, may often be conditioned to develop a very strong sense of locality, with future aspirations limited to what is known there.

A third group of factors, overlapping with the other two, concerns the opportunities that children and young adults believe to be available to them in the labour market. One aspect of this is the research finding that some working class Protestant communities may remain attached to the idea that jobs can be found through informal networks of families and friends – with presumably a consequent downgrading of the idea of the importance of educational qualifications. By contrast, Catholic parents may place a greater emphasis than Protestant ones on the need to enter Higher Education.

**A three-way comparison between Northern Ireland, Ireland and the UK**

**The EU’s Laeken indicators**

Ideally, this report would have looked at Northern Ireland in an all-Ireland context as well as a UK one. In our experience, however, it is extremely difficult ever to be sure that statistics that come from different sources are truly comparable. As a result, the idea that the indicators developed in this report for Northern Ireland could be extended to include Ireland is simply not practical.

The EU’s Laeken indicators provide a way of getting round this to some extent. As a set of officially sanctioned statistics produced, in principle, for each of the 25 member states, they allow a comparison between the UK and Ireland. Because the UK Laeken statistics come from UK-wide sources, these sources can also, in principle, be used to estimate equivalent figures for Northern Ireland based on the same definitions.
The table below summarises selected Laeken statistics for the UK, Ireland and Northern Ireland. This is done in two ways:

- by showing the position each country occupies within the (at maximum) 25 EU member state ‘league’, with in all cases 1st being good and 25th being bad;
- by showing the value of the statistic, usually a percentage. This is important because there are indicators where quite large differences in league position actually reflect only small changes in the underlying measure.

These statistics cannot be directly compared with similar statistics in the main report as the definitions are almost always somewhat different. This is particularly the case for the poverty statistics as they use a different source (the British Household Panel Survey rather than the Family Resources Survey) as well as different methods for adjusting for relative household size.

**Points of comparison between the UK, Ireland and Northern Ireland**

The key points of this comparison between the UK and Ireland are as follows:

- On the poverty statistics, both the UK and Ireland occupy positions in the lower half of the EU league, with the two countries’ rankings close to one-another.
- On the work-related statistics, the UK is at the top of the EU league for long-term unemployment (ie has the lowest figure) but at the bottom for the proportion of children who are in jobless households. Ireland is closer to the EU average for both statistics.
- On the proportion of the working-age population with no qualifications, the UK is close to the top of the EU league whilst Ireland is close to the EU average.

In terms of Northern Ireland’s position:

- Northern Ireland is in the lower half of the EU league on the poverty-related statistics, close to both the UK and Ireland.
- Northern Ireland scores less well than either the UK or Ireland on the work-related statistics. For long term unemployment, this places it near the EU average. For jobless households, it places it at the bottom of the EU league.
- On the proportion of the working-age population with no qualifications, Northern Ireland scores worse than the UK but better than Ireland, leaving it somewhat better than the EU average.

**Summary table: Laeken Indicators for Ireland and the UK**

The table shows both statistic and the rank (out of a maximum of 25) for Ireland and for the UK for a selection of the Laeken Indicators published by the EU. In all cases, 1st is best and 25th is worst. For example, the UK has the lowest long-term unemployment rate (1 per cent) of any EU country. Figures for Northern Ireland are also shown using the same data sources and definitions as their UK equivalents. The poverty statistics for Northern Ireland are from the British Household Panel Survey, use the Northern Ireland median, and are not directly comparable with the other poverty statistics used in this report. Data is for the latest year and varies from one indicator to the next.
## EU league table position

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<td>18 % 25 to 64 with no qualifications</td>
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**Legend:**
- Dark blue: Ireland
- Maroon: UK
- Orange: Northern Ireland
- Light blue: Statistic not provided
Chapter 1

Benefit recipiency

Indicators
1 Reliant on out-of-work benefits
2 Reliant on out-of-work benefits long term
3 Reliant on Guarantee Pension Credit
4 In receipt of disability benefits
5 Out-of-work benefit levels
6 In receipt of in-work benefits
Reliant on out-of-work benefits

1A: Nearly one in five people in Northern Ireland receive some form of out-of-work benefit – a higher rate than in any of the regions in Great Britain.

![Graph showing the proportion of working-age people in receipt of a key out-of-work benefit by region.](image)

Source: DSD (Northern Ireland), Client Group Analysis, DWP (Great Britain), and ONS (population estimates); the data is for February 2006

1B: The proportion of working-age people who are in receipt of out-of-work benefits is much higher in Strabane, Derry and Belfast than elsewhere – twice the rate of some other areas.

![Graph showing the proportion of working-age people in receipt of a key out-of-work benefit by district.](image)

Source: DSD (recipients) and ONS (population estimates); the data is for February 2006

The first graph shows how the proportion of working age people in Northern Ireland receiving out-of-work benefits compares to the regions of Great Britain, with the data shown separately according to whether the individuals are sick or disabled. ‘Key out-of-work benefit’ covers the following benefits: Jobseeker’s Allowance, Income Support, Incapacity Benefit and Severe Disablement Allowance.

The second graph shows how the proportion of working age people in Northern Ireland receiving out-of-work benefits varies across the districts of Northern Ireland.

The source for the Northern Ireland data in both graphs is the Department for Social Development (DSD) and the source for the Great Britain data in the first graph is the Department for Work and Pensions. The data is for February 2006 and has been analysed to avoid double-counting of those receiving multiple benefits by matching data from individual samples. ONS population estimates for 2004 (the latest available) have been used to calculate the proportions.

Overall quality of this indicator: medium. The data comes from a complete administrative count but the Northern Ireland and Great Britain data comes from different sources.
**Why this indicator?**

This indicator looks at how many people of working age are in receipt of one or more out-of-work benefits, namely: Jobseeker’s Allowance (JSA) for the unemployed; Income Support (IS) for lone parents and others; and Incapacity Benefit (IB), Severe Disablement Allowance (SDA) or IS for sick or disabled people.

To be out of work and *solely* reliant on benefits is guaranteed to mean that someone is on low income as the rates of benefit (with the exception of the child supplements) have been going up for many years only in line with prices. However, it should also be borne in mind that up to two-thirds of these recipients may not be ‘solely reliant’ on these benefits, and may either have other sources of income themselves or be living in a household where someone else is in paid work.

The first graph shows how Northern Ireland compares with the eleven GB regions, with sick or disabled people shown separately. The second shows how the districts within Northern Ireland compare with one another.

**Key points from the graphs**

- 19 per cent of working age adults in Northern Ireland are receiving at least one out-of-work benefit, equivalent to some 200,000 people at any point in time.

- This proportion is around one tenth higher than the rate in the North East of England (17 per cent), the GB region with the highest rate. The GB average is 13 per cent.

- This high overall rate is driven by a high rate of receipt by people who are sick or disabled, some 13 per cent of all working-age adults in Northern Ireland. The GB average for this benefit group is just 8 per cent. By contrast, the proportion receiving either JSA or IS is, at 6 per cent, much closer to the GB average of 5 per cent.

- The breakdown by district shows a high proportion in Belfast (26 per cent) and higher ones still (up to 29 per cent) in Derry and Strabane. This is two and half times the rate in North Down, which has the lowest proportion (11 per cent). With the exceptions of Moyle and Fermanagh, the proportion is always higher in the western districts than in the eastern ones.

- Even so, almost all districts still have a recipiency rate higher than the GB average and none are as low as the GB region with the lowest rate.

**Other points**

- The 200,000 working-age people receiving an out-of-work benefit is 20,000 fewer than it was in 1999. Of those, the number who are sick and disabled has gone up by 20,000, from 120,000 in 1999 to 140,000 in 2006.
Reliant on out-of-work benefits long term

2A: Four-fifths of working-age people receiving a key out-of-work benefit for two years or more are now sick or disabled.

Source: DSD

2B: Two-thirds of the long-term claimants of Incapacity Benefit or Severe Disablement Allowance are aged less than 55 and a third are aged less than 45.

Source: DSD IB and SDA statistics, February 2006 data

The first graph shows all those of working age who were in receipt of a ‘key out-of-work benefit’ for two years or more. ‘Key out-of-work benefit’ covers the following benefits: Jobseeker’s Allowance, Income Support, Incapacity Benefit and Severe Disablement Allowance.

For each year, the total is broken down by type of claimant: unemployed, sick and disabled, lone parents and others (e.g. carers and asylum seekers).

As can be seen from the first graph, the majority of claimants of key out-of-work benefits are sick or disabled. In this context, the second graph provides, for the latest year, a breakdown of recipients of Incapacity Benefit or Severe Disablement Allowance by reason.

The data source for both graphs is the Department for Social Development (DSD).

Overall quality of this indicator: high. The data comes from a complete administrative count.
Key points

Why this indicator?
This indicator looks at that part of the working-age population shown in the previous indicator who have been receiving out-of-work benefits for two years or more (‘long term’). In the latest year, these long term recipients represent around two-thirds of all those receiving these benefits at a particular point in time.

Most of those receiving these benefits are not actually doing so on a means-tested basis: they may therefore have other sources of income. Even so, given that the rates of benefit fall well below the income poverty thresholds, individuals living in households that have been wholly reliant on these benefits over a long time are very likely to suffer both acute and chronic deprivation.

The first graph looks at how the number of long term recipients has changed over the last seven years. The number is broken down by the type of recipient (and corresponding benefit), namely: unemployed (Jobseeker’s Allowance – JSA), sick or disabled (Incapacity Benefit – IB, Severe Disablement Allowance – SDA, or Income Support – IS), lone parents (IS), or other (IS). The second graph breaks down the total number of long term claimants of IB/SDA according to their age.

Key points from the graphs
■ Between 1999 and 2006, the total number of people in Northern Ireland receiving a key out-of-work benefit for more than two years rose by 5,000, from 130,000 to 135,000. As the working-age population has been growing over that period, this corresponds to a steady proportion receiving benefits long-term, at 13 per cent.

■ While the total has changed little, the mix has altered markedly over the period, with a steady growth in the numbers of sick and disabled recipients and corresponding falls in some other groups. Thus, the number of long-term sick and disabled recipients has risen by 20,000 over the last seven years and, at 110,000, now accounts for four-fifths of all long-term recipients. The group which has seen the largest fall are the long-term unemployed, down from 14,000 in 1999 to just 3,000 in 2006.

■ Long-term recipients of sickness and disability benefits are by no means confined to those in their 50s or early 60s. In fact, those aged 55 to 64 make up just a third, with a further third aged 45 to 54 and the same number again aged under 45. One sixth are under 35.
3A: The proportion of people aged 60 and over in receipt of the guaranteed part of Pension Credit is higher in Northern Ireland than in any of the regions in Great Britain.

Source: DSD Pension Credit statistics; the data is for February 2005

3B: The proportion of people aged 60 and over in receipt of guaranteed Pension Credit is higher in Cookstown than anywhere else – and three times the rate in some areas.

Source: DSD (recipients) and ONS (population estimates); the data is for February 2006

The first graph shows how the proportion of people aged 60 and over in receipt of the guaranteed part of Pension Credit in Northern Ireland compares with that in each of the regions of Great Britain.

The second graph shows how the proportion of people aged 60 or over in receipt of the guaranteed part of Pension Credit varies across the districts of Northern Ireland.

The data source for both graphs is the Department for Social Development (DSD) Pension Credit statistics and the data is for February 2005.

Overall quality of this indicator: high. The data comes from a complete administrative count.
Key points

**Why this indicator?**

This indicator looks at how many people aged 60 or over are reliant on means-tested Pension Credit, specifically the guarantee part of Pension Credit which ensures that a pensioner receives a minimum level of weekly income (£114 per week for a single pensioner and £174 a week for a pensioner couple in April 2006).

Before the introduction of the Pensioners’ Minimum Income Guarantee in 2001, any pensioner ‘wholly reliant on means-tested benefits’ would have had an income well below the income poverty line. This, though, is now no longer necessarily so, thanks to the fact that the Minimum Income Guarantee (now the guarantee part of Pension Credit) was not only set at a much higher level than its predecessor but is also uprated each year in line with earnings (rather than just prices).

The first graph shows how Northern Ireland compares with the eleven GB regions. The second shows how the districts within Northern Ireland compare with one another.

**Key points from the graphs**

- 27 per cent of people age 60 or over are receiving the guarantee part of Pension Credit. This proportion is one quarter higher than the GB region with the highest rate, namely the North East of England. The GB average is 17 per cent.

- There is substantial variation in the proportion receiving the guarantee part of Pension Credit across the districts of Northern Ireland, ranging from 40 per cent in Cookstown to 14 per cent in Castlereagh, a ratio of three to one. At 32 per cent, Belfast occupies a middle position.

- With a small number of exceptions (Magherafelt and Armagh), districts in the far west and south west have higher proportions than other districts, including Belfast.

- Even where levels of recipiency are low relative to the rest of Northern Ireland, they are still high compared to GB, with all but Castlereagh, Carrickfergus and North Down showing proportions above the GB average.

**Other points**

- Northern Ireland also stands out for the proportion of its pensioners who have no sources of income apart from the State. Over the period 2002/03 to 2004/05, 40 per cent of single pensioners and 20 per cent of pensioner couples were in this position in Northern Ireland, in both cases more than twice the rate in GB.¹
4A: The proportion of the working-age population with a limiting long-standing illness is higher than in most of the regions of Great Britain – but the proportion receiving Disability Living Allowance (DLA) is higher than in all of them.

Source: DSD and DWP (Disability Living Allowance) and ONS (limiting long-standing illness); the data is for 2001.

4B: The proportion of working-age people receiving DLA in Northern Ireland has risen by a quarter since 1998, and is more than twice the level in Great Britain.

Source: DSD (Northern Ireland) and DWP (Great Britain).

Disability Living Allowance (DLA) is paid to cover the direct costs of living with a disability. The first graph shows how both the proportion of working-age people receiving DLA and the proportion of working-age people self-reporting a limiting long-standing illness compare to the regions of Great Britain. Because data on limiting long-standing illness is only available from the 2001 Census, the data on DLA recipiency is also for 2001. The second graph shows how the proportion of working-age people in receipt of DLA has changed over time. For comparison purposes, the equivalent data for Great Britain is also shown.

The source for the Northern Ireland data on DLA recipiency in both graphs is the Department for Social Development (DSD) and the source for the Great Britain data is the Department for Work and Pensions. The overall adequacy of the indicator: medium. The data on benefit recipiency comes from administrative counts and the question asked in the Census is the usually accepted way of measuring the prevalence of limiting long-standing illness. However, their definitions use differing thresholds. Furthermore, the Northern Ireland and Great Britain data comes from different sources.
**Key points**

**Why this indicator?**

Disability Living Allowance (DLA) is a payment towards covering the additional, day-to-day costs of living with disability, available to people under the age of 65. It has two components, one for people who have difficulties with walking and one for people with care needs. The official who decides whether to award DLA can refer the claimant for examination by a doctor acting on the government’s behalf. Entitlement to DLA is therefore tightly defined and subject to rigorous assessment.

The average amount paid in Northern Ireland (£65 per week in 2005) may appear substantial and it does add to the income over which an individual or family has some discretion. But the additional costs of disability can also be substantial, one recent estimate putting the amount for a single pensioner at between £30 and £180 a week depending on the severity of impairment, with slightly lower figures for couples.

As DLA is need-based, one would expect a link between the numbers receiving DLA and the level of limiting long-term illness. The first graph shows how far this might be so, setting Northern Ireland alongside the GB regions and using data from the 2001 Census. The second graph shows the trend in the proportion of the working-age population receiving this benefit in Northern Ireland over time.

**Key points from the graphs**

- In 2001, 9 per cent of the working-age population in Northern Ireland was in receipt of DLA. This rate was almost one-and-a-half times the rate in Wales which was the GB region with the highest rate. The GB average was 4 per cent.

- Since 2001, the rates of working-age DLA recipiency have continued to rise, both in Northern Ireland and across GB. In 2006, the proportion in Northern Ireland was 10 per cent (equivalent to 100,000 people), compared with 4.5 per cent for GB.

- Part of the explanation for higher DLA recipiency in Northern Ireland lies in its worse levels of ill-health. In 2001, 17 per cent of the working-age population described themselves as suffering from a limiting long-standing illness, compared with 14 per cent for GB as a whole.

- Across the GB regions, there was a link in 2001 between self-reported limiting long-standing illness and DLA recipiency (ranging from 18 per cent and 6 per cent respectively for Wales, to 10 per cent and 2.5 per cent respectively for the English South East). Northern Ireland, though, does not fully fit this pattern, having a higher rate of DLA recipiency than any GB region but a rate of limiting long-standing illness that is lower than both Wales and the North East of England.

- The rate of limiting long-standing illness depends in part on the age distribution of the population. Since Northern Ireland has a young population, its age-standardised rate of limiting long-standing illness is on a par with that in Wales, which itself has the highest age-standardised rate of any GB region. Standardising for age, however, does not affect the ratio between DLA recipiency and limiting long-standing illness, which therefore remains high for Northern Ireland.

**Other points**

- A recent study confirms the impression that receipt of DLA in Northern Ireland is high relative to the levels of mortality and limiting long-standing illness. Given the rigour with which DLA claims are judged, one possible explanation is that, because of the conflict, the nature of ‘limiting long-standing illness’ is more severe in Northern Ireland while another is that social and institutional factors mean that a higher proportion of those who would qualify for DLA actually claim the benefit in Northern Ireland.
Out-of-work benefit levels

5A: Among all adults, two-fifths of those reliant on state benefits are of working age and do not have dependent children.

- Pensioners: 32%
- Lone parents: 14%
- Couples with children: 16%
- Working-age without children: 38%

Source: NPI calculations using data from DSD and the Family Resources Survey; the data is for February 2005

5B: While the level of Income Support for both pensioners and families with two or more children is higher, relative to earnings, than it was in the late 1990s, the level for working-age adults without children is much lower.

- Couple, no children
- Couple, 1 child aged less than 11
- Couple, 2 children aged less than 11
- Pensioner couple

Source: Benefit levels from DWP and earnings indices from ONS

The first graph provides a breakdown of the recipients of ‘key out-of-work benefits’ by family type. ‘Key out-of-work benefit’ covers the following benefits: Jobseeker’s Allowance, Income Support, Incapacity Benefit and Severe Disablement Allowance.

The data source for the first graph is the Department for Social Development (DSD) and the data is for February 2005. This source does not, however, divide the overall working-age numbers by family type and this division has been estimated using the proportions by family type receiving Incapacity Benefit or Jobseeker’s Allowance in Northern Ireland according to the Family Resources Survey.

The second graph shows how the value of Income Support has varied over time for selected family types. The selected family types are pensioner couples, couples with two children aged less than 11, couples with one child aged less than 11 and couples with no children.

The base year is 1997, at which point the value of the benefits is set to 100 per cent. The figures for subsequent years are deflated by the growth in average earnings in each year. So, for example, the value of Income Support for a couple aged 25 to 59 with no children was £90.10 in April 2006 and £77.15 in April 1997, a growth of 17 per cent in money terms, while average earnings grew by 47 per cent; so the figure for April 2006 is 80 per cent (1.17/1.47). The data source for the earnings data is the ONS Average Earnings Index, using the seasonally adjusted series.

Overall adequacy of the indicator: limited. The first graph in particular combines data from two rather different sources.

Key points

Why this indicator?
This indicator does three things: first, it presents an overview of the types of people dependent on out-of-work benefits; second, it shows what has happened to the value of these benefits over the last decade; and third, as a consequence, it draws attention to a group especially disadvantaged by the benefit system, namely working-age adults without dependent children.

The first graph divides the Northern Ireland households in receipt of key out-of-work benefits into four groups, namely: two-parent families living with children; lone-parent families; working-age adults not living with children; and pensioners.

The second graph shows how the value of Income Support has changed over the last decade relative to average earnings. Figures are shown for a selection of different family/household types, namely: a pensioner couple; a couple with one dependent child; a couple with two dependent children; and a working-age couple with no dependent children.

Key points from the graphs
- Over the period 2002/03 to 2004/05, around two-fifths of those in receipt of out-of-work benefits in Northern Ireland were working-age adults without dependent children, some 100,000 people. A similar proportion were pensioners. Families with children made up the remainder, some 40,000 two-parent families and 40,000 lone-parent ones.
- The value of Income Support, relative to average earnings, paid to couples without children has fallen by 20 per cent since 1997.
- Relative to average earnings, the value of Income Support for couples with two children has risen by 10 per cent over the same period, whilst the value of Income Support to couples with one child is similar to a decade ago.
- The differences in outcomes for working-age adults according to the number of dependent children they have living with them reflects the UK government’s decision to devote the real increases in benefits for non-pensioners overwhelmingly towards children.
- Relative to average earnings, the value of benefits for pensioner couples are some 10 per cent higher than in 1997.

Other points
- The first graph has a slightly different make-up to the corresponding one for GB, where the proportions for couples with children is much smaller (9 per cent in GB compared with 16 per cent in NI). The main reason for this is that a estimated 30 per cent of IB/SDA claimants in NI have children, almost double the proportion in GB. By contrast, the proportions for lone parents are similar.5
In receipt of in-work benefits

6A: Northern Ireland has a higher proportion of households who are in receipt of tax credits than any of the Great Britain regions.

Source: Geographic Analyses, HM Revenue & Customs; the data is for April 2006

6B: The introduction of Working and Child Tax Credits (WTC and CTC) means that the number of working households who are in receipt of in-work benefits has doubled since 2001.

Source: Geographic Analyses, HM Revenue & Customs

The first graph shows how the proportion of working-age households in receipt of tax credits in Northern Ireland compares to the regions of Great Britain.

The second graph shows the proportion of working-age households in receipt of tax credits (and their equivalents in previous years) for each year since 2001. Note that, in April 2003, the Working Tax Credit (WTC) and Child Tax Credit (CTC) replaced the Working Families Tax Credit (WFTC) and Disabled Person’s Tax Credit (DPTC).

The data source for both graphs is the HM Revenue & Customs.

2001 Census population estimates have been assumed to apply for all the years covered by the graphs. This is because there are no estimates for how the number of working-age households has changed over time. The number of working-age households used is the number of households where the ‘Household Reference Person’ is of working age.

Overall adequacy of the indicator: medium. All the data is considered to be very reliable and provides an accurate count of the people on those benefit/tax credits. However, the extensive changes in the system from year to year makes the data somewhat difficult to interpret.
Why this indicator?

Tax credits are a form of means-tested benefit for working households. First introduced in 1999 as Working Families Tax Credit, it underwent a major modification in 2003 becoming two separate benefits, namely Child Tax Credit (CTC) and Working Tax Credit (WTC). Each of these in their turn had a number of different elements to them, including the family element of CTC which is paid to any household with a dependent child with an annual income of less than £50,000, and the childcare element of WTC which, as its name implies, offsets up to 80 per cent of the cost of childcare.

Households receiving only the CTC family element are excluded from this indicator (on the grounds that even most above average income households with children receive it).

The first graph shows the proportion of working-age households receiving one or both of CTC or WTC for Northern Ireland compared with each of the GB regions. The second shows how this proportion has changed over the last five years, including a breakdown according to whether the households contain children or not.

Key points from the graphs

- 19 per cent of working-age households in Northern Ireland are receiving tax credits, a higher proportion than in any GB region. This rate is one percentage point higher than the rate in the North East of England, which is the GB region with the highest rate.

- The GB average for tax credit recipiency is 15 per cent, around one fifth lower than the Northern Ireland figure.

- The reform of 2003 made a huge difference to the numbers of working households receiving benefits. The total number of such households is now double what it was in 2001, that is 19 per cent compared with 10 per cent.

- In addition, households without children became able to claim for the first time only in 2003. Although still small, making up just one eighth of the total, this group, at 2 per cent of working-age households, is a growing one.

Other points

- The near doubling in the number receiving tax credits after the reform of the credits in April 2003 compared with the two years before mirrors what happened in GB (where the rise was from 8 per cent in 2002 to 14 per cent in 2004).
Chapter 2
Employment and pay

Indicators
7 Without paid work
8 Workless households
9 Wanting paid work
10 The changing mix of jobs
11 Male and female jobs
12 Low pay
13 Pay inequalities
**Indicator 7**

**Without paid work**

**7A:** Northern Ireland has more of its working-age population not in paid work than any region in Great Britain, but it has also seen the largest falls in that proportion over the last decade.

![Graph showing the proportion of people not in paid work in Northern Ireland and other regions in Great Britain for 1995/96 and 2005/06.](source)

Source: Labour Force Survey, ONS

**7B:** Northern Ireland’s high level of people not in paid work is entirely accounted for by the high number of students and long-term sick/disabled.

![Graph showing the distribution of people not in paid work in Northern Ireland and Great Britain, broken down by type of person.](source)

Source: Labour Force Survey, ONS; the data is the average for Spring 2005 and Autumn 2005

The first graph shows how the proportion of working-age individuals in Northern Ireland who are not working compares to the regions of Great Britain, with the data shown for both the latest year and for a decade ago.

The second graph breaks down, for the latest year, the workless population by type of person – student, people with disabilities, single adults, couples with children and couples without children. For comparison purposes, the equivalent data for Great Britain is also shown.

The data source for both graphs is the Labour Force Survey (LFS). In the first graph, the data for each year is the average of the four quarters to the relevant winter. In the second graph, the data is the average for the spring and autumn quarters, as family type is not recorded in the summer and winter quarters.

Overall adequacy of this indicator: high. The LFS is a large, a well-established, quarterly government survey designed to be representative of the population as a whole.
Key points

Why this indicator?
The importance of this indicator, which looks at the proportion of the working-age population not in paid work, flows directly from the status which ‘work’ enjoys in the UK Government’s thinking. One reflection of this is the recent adoption of an 80 per cent employment target for the UK. Another is the way that work is viewed as the route out of poverty, with the minimum wage and tax credits designed to support this approach.

The first graph shows the proportion of the working-age population not in paid work, separately for 1995/96 and 2005/06, and for Northern Ireland compared with each of the GB regions.

The second graph unpacks the 2005 figures, for Northern Ireland and GB, to show the breakdown of those without paid work according to economic and family status.

Key points from the graphs

■ 31 per cent of Northern Ireland’s working-age population is not in paid work, a higher proportion than in any GB region. This proportion is, though, within just one percentage point of the rates in both London and the North East of England.

■ The GB average is 25 per cent. This 6 percentage point difference between Northern Ireland and the GB average is entirely accounted for by two groups. First, Northern Ireland has more students who are not in paid work than GB: 7 per cent of all working-age adults compared with 5 per cent. Second, Northern Ireland has more sick and disabled people who are not in paid work than GB: 9 per cent of all working-age adults compared with 6 per cent.

■ Northern Ireland has also seen the biggest fall over the last decade in the proportion of people not in paid work: down five percentage points, compared with three percentage points in GB and four percentage points for each of Scotland, Wales and the North East of England.

Other points

■ Twenty years ago, 40 per cent of the working-age population in Northern Ireland was not in paid work, some three, four and five percentage points more than Wales, the English North East and Scotland, the three highest regions in GB. At that time, therefore, more than a decade before the end of the conflict, Northern Ireland’s position on this measure was indeed exceptional. The fact that it is no longer so is evidence of sustained reduction in the proportion not in paid work (down four percentage points to a decade ago and a further five percentage points since), a rate of improvement bettered only by Scotland.

■ 70 per cent of working-age people with a work-limiting disability in Northern Ireland are not in paid work. This is noticeably higher than the 60 per cent in GB.¹
Workless households

8A: Half of all workless households are single adult households without dependent children

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</tbody>
</table>

Source: Labour Force Survey, ONS

8B: Three-fifths of people in workless working-age households are living in single adult households.

- Adults in 2+ adult households: 60,000
- Children in 2+ adult households: 20,000
- Single adults: 80,000
- Children in single adult households: 50,000

Source: Labour Force Survey, ONS; the data is the average for Spring 2005 and Autumn 2005

The first graph shows, over time, the number of workless working-age households (i.e. households where none of the adults are working) as a proportion of total working-age households, with the data being grouped into the following four household types: single adults without dependent children, lone parent households, households with two or more adults but no dependent children, and households with two or more adults and one or more dependent children.

The second graph shows, for the latest year, the number of people in workless working-age households in the following four categories: adults in households with only one adult, adults in households with two or more adults, children in households with two or more adults, and children in households with only one adult and children in households with two or more adults.

In both graphs, households which are entirely composed of full-time students have been excluded from the analysis, as have households where their economic status is not known.

The data source for both graphs is the Labour Force Survey (LFS). The data for each year is the average for the spring and autumn quarters (analysis by household type not being available for the summer and winter quarters).

Overall adequacy of the indicator: high. The LFS is a large, well-established, quarterly government survey designed to be representative of the population as a whole.
Why this indicator?
A significant influence on a household’s income is its overall work status: in view of
the level of out-of-work benefits, a workless household – that is, one where no adult is
doing paid work – is very likely to have a low income. A child growing up in a workless
household could also be seen as being at an additional disadvantage: lacking the
experience of a working life leaves them under-prepared for entering the world of work
as they reach maturity.

The first graph shows how the proportion of workless working-age households has
changed over the last decade, the households divided according to whether single adult
or couple and whether with or without children.

The second graph shows what proportion of the people in workless, working-age
households are single adults, adults in couples, children of lone parents and children of
couples.

Key points from the graphs
■ Around half of all workless households in Northern Ireland, and 10 per cent of all
working-age households, are single adult households without children (50,000
households). This proportion is the same as a decade ago. A further quarter, and 5
per cent of all working-age households, are workless lone parents, again the same as
a decade ago.

■ By contrast, the proportion of households with two adults who are workless has
dropped from 8 per cent of all working-age households to 5 per cent. This decline
has been particularly pronounced for workless two-adult households with children,
down from 4 per cent a decade ago to 2 per cent.

■ Taken together, this means that most workless households are single adult
households. Even a decade ago, there were nearly twice as many single adult
workless households as two adult ones (15 per cent compared with 8 per cent); now
there are at least three times as many (15 per cent compared with 5 per cent).

■ Of the 210,000 people living in workless households, 80,000 are adults living alone
or with children while 60,000 are adults living in households with other adults. Of the
70,000 children living in workless households, 50,000 are living with one adult and
20,000 are living with two.

Other points
■ Over the last decade, the number of children living in workless households has come
down, from 90,000 to 65,000. Over that time, the balance between the numbers in
lone as opposed to two-adult households has shifted markedly, from rough equality a
decade ago to the 50:20 split of 2005.
Wanting paid work

9A: Northern Ireland has a lower proportion of its working-age population lacking but wanting paid work than any of the regions in Great Britain.

![Graph showing the proportion of people aged 16 to retirement who would like to be in work but are not for each region in Northern Ireland and Great Britain.]

Source: Labour Force Survey, ONS; the data is for the four quarters to Winter 2005/06

9B: Official unemployment has almost halved over the last decade. The number of people who are ‘economically inactive but want work’ has also fallen substantially.

![Graph showing the number of people either unemployed or economically inactive but wanting work has changed over the last decade.]

Source: Labour Force Survey, ONS

The first graph shows how the proportion of the working-age population who are either unemployed (on the ILO definition) or ‘economically inactive’ but want paid work in Northern Ireland compares to the regions of Great Britain.

The second graph shows how the number of people either unemployed or economically inactive but wanting work has changed over the last decade.

‘Unemployment’ is the ILO definition, which is used for the official government unemployment numbers. It includes all those with no paid work in the survey week who were available to start work in the next fortnight and who either looked for work in the last month or were waiting to start a job already obtained. The economically inactive who want paid work includes people not available to start work for some time and those not actively seeking work.

The data source for both graphs is the Labour Force Survey (LFS). To improve statistical reliability, the data is averaged across the four quarters of each year.

Overall adequacy of the indicator: high. The LFS is a large, well-established, quarterly government survey designed to be representative of the population as a whole.
Why this indicator?
This indicator looks at people who lack, but want, paid work. Its importance is self-evident. In official parlance, there are two parts to this group: those who are ‘unemployed’ and those who are ‘economically inactive but wanting work’. Expressed as a proportion of the working-age population, the two groups together make up the ‘want work’ rate.

The official estimate of unemployment is based upon the ILO (International Labour Organization) definition, namely, a count of jobless people who (a) want to work, (b) are available to start work in the next two weeks, and (c) have been actively seeking work in the last four weeks, or who have just found a job and are waiting to start. This is not the same as the claimant count, that is those people receiving Jobseeker’s Allowance.

Everybody who is either working or unemployed is ‘economically active’; everybody else is ‘economically inactive’. This means that someone is economically inactive if they are not working and they fail any one or more of the three criteria (a) to (c) above. Of these, it is those who nevertheless want paid work who are the group of interest here.

Key points from the graphs
■ 7 per cent of the working-age population in Northern Ireland are out of work but nevertheless want paid work. This ‘want work’ rate is lower than any GB region, just over half the rate in both London and the North East of England (12 per cent) and 2 percentage points lower than the rate in the lowest GB region, namely the South West of England.

■ The immediate reason for Northern Ireland’s low ‘want work’ rate is the very low number of people who are economically inactive but want work, just 3.5 per cent. This is far lower than any GB region and way below the GB average of 5.5 per cent.

■ By contrast, the 3.5 per cent rate of unemployment is only just a fraction below the GB average rate of 4 per cent.

■ Over the last decade, unemployment has more than halved, down from 75,000 in 1995/96 to 35,000 in 2005/06. Over the same period, the number of economically inactive people wanting work has come down from 60,000 to 35,000. Both have therefore fallen, but the number unemployed has fallen further.
The changing mix of jobs

10A: As with all the regions in Great Britain, all the growth in jobs in Northern Ireland has been in service industries.

![Bar chart showing the proportion of jobs in different sectors for each region in Great Britain and Northern Ireland, 1997 to 2006.](image)

Source: Labour Market Statistics, ONS (Great Britain), DETI (Northern Ireland) and Labour Force Survey (self-employed)

10B: Whilst manufacturing has declined, the number of jobs in construction has grown. The net result is that the overall number of jobs in the production sector is unchanged.

![Line chart showing the number of jobs in manufacturing, construction, and other production industries from 1997 to 2006.](image)

Source: DETI (employed) and Labour Force Survey (self-employed)

Both graphs show trends in the number of jobs by industry sector. In the first graph, the total number of jobs is divided into three broad sector groups: manufacturing, construction and other production industries (industry codes A-F); private sector services (codes G-K) and public sector and other community services (codes L-Q). In the second graph, production group is further broken down into manufacturing (code D), construction (code F) and other production industries (codes A-C and E).

The first graph shows, for each sector, the change in jobs between 1997 and 2006, shown as a proportion of the total jobs in each region in 1997, and comparing Northern Ireland to the regions in Great Britain.

The second graph shows, over time, the total number of jobs in manufacturing, construction and other production industries.

In both graphs, the figures include both employed and self-employed people. For employees, the source for the Northern Irish data is the Department of Enterprise, Trade and Investment (DETI), and that for Great Britain is ONS Labour Market Statistics. For self-employment, the source for both Northern Ireland and Great Britain is the Labour Force Survey (LFS).

Overall adequacy of the indicator: medium. The data is from authoritative sources but is subject to substantial revisions from time to time. Furthermore, the Northern Ireland data is not from the same source as the Great Britain data, though they use similar methodologies.
**Key points**

**Why this indicator?**
Both the overall number of jobs in Northern Ireland, and the mix of those jobs, have changed a lot over the last decade. Note that a count of ‘jobs’, as in this indicator, is not the same as a count of people employed, partly because some people may hold two jobs and partly because some people doing a job may be self-employed rather than employed.

The first graph shows the change in the number of jobs in the period 1997 to 2006, expressed as a proportion of the total number of jobs in 1997. The change is broken down between three broad groupings, namely: manufacturing, construction and other production industries; private sector services; and the public and voluntary sectors. Northern Ireland is compared with each of the GB regions.

The second graph shows a more detailed picture of changes within the manufacturing, construction and other production industry sectors.

**Key points from the graphs**

- Between 1997 and 2006, the total number of jobs in Northern Ireland grew by 20 per cent, or 130,000 jobs. This was a faster rate of growth than any GB region.

- Over that period, all GB regions lost jobs in manufacturing, construction and production industries. By contrast, the total number of jobs in these sectors in Northern Ireland remained unchanged.

- The main increase in jobs in Northern Ireland over this period was in private sector services, equivalent to 13 per cent of all jobs in 1997. This is a higher proportional increase than in any of the GB regions. It also saw an increase in public and voluntary sector jobs, equivalent to 6 per cent of all jobs in 1997, a lower proportional increase than in most of the GB regions.

- Looking at the change of jobs within the manufacturing, construction and production industry sectors in more detail, manufacturing jobs fell by around 20,000, to 90,000. By contrast, the number of jobs in construction grew by around 30,000, to 70,000.

- Besides greatly increasing the proportion of jobs in this group (from just a fifth in 1997 to a third in 2006), this also represents a shift away from employment (overwhelmingly predominant in manufacturing and production industries), towards self-employment (two-fifths of all jobs in construction).

**Other points**

- Despite the changes over the last decade, Northern Ireland still has 25 per cent of its jobs in manufacturing, construction and other production industries. This is a higher proportion than most GB regions. It also has a very large public and voluntary sector – at nearly 40 per cent it accounts for more jobs in Northern Ireland than in any of the GB regions.\(^3\)
11A: The number of jobs has increased for both men and women and for both full-time and part-time work.

The first graph shows the number of jobs split by gender and full-/part-time, with the data shown separately for 1997 and 2006. The figures include both employed and self-employed people. For employees, the source is the Department of Enterprise, Trade and Investment (DETI) and, for self-employment, the source is the Labour Force Survey. The data source for the second graph is the Labour Force Survey, ONS; the data is for the four quarters to Winter 2005/06.

11B: Women predominate in personal service, administrative, secretarial and sales jobs whilst men predominate in skilled trades and as process, plant & machine operatives.

The second graph shows, for the latest year, what proportion of jobs in each occupation group are carried out by women. Note that the major occupations under the title ‘personal service’ are related to healthcare and childcare services. Those under ‘elementary’ relate to routine occupations.

Overall adequacy of the indicator: medium. The data in the first graph is from an authoritative source but may be subject to substantial revisions from time to time.
Key points

Why this indicator?
This indicator further explores the changes in jobs over the last decade, with a focus on the relative position of men and women.

The first graph shows the change in the number of jobs between 1997 and 2006, split according to whether done by men or women and whether full- or part-time.

The second graph looks at occupations rather than industries and shows what proportion of the jobs in each occupational groups are performed by women.

Key points from the graphs
■ Over the period 1997 to 2006, the number of jobs done by both men and women in Northern Ireland increased in both full- and part-time work.

■ The biggest absolute increase has been in male full-time jobs, up from 320,000 to 370,000. The biggest proportional increase, however, has been in part-time jobs, up by a quarter to 250,000. Female full-time jobs also grew, at a similar rate to male full-time jobs. Thanks to this, there are now almost as many female part-time jobs in Northern Ireland as there are female full-time ones.

■ Women hold two-thirds or more of all jobs in the personal services sector, administrative and retail and sales and customer service.

■ Both professional jobs, and associate professional and technical jobs, are divided almost equally between women and men.

■ Around 40 per cent of both elementary jobs and manager/senior official jobs are held by women.

■ Women hold 10 per cent or fewer of the jobs in the process, plant and machine operative sector and in skilled trades.

Other points
■ Many male jobs are in sectors where total employment has not been growing. In particular, 40 per cent of male full-time jobs are in production, construction and manufacturing, compared to 10 per cent of female full-time jobs and 10 per cent of part-time jobs.4

■ By contrast, more than 50 per cent of female full-time jobs are in the public sector, where employment has increased. Nearly half of all part-time jobs are also in the public sector. By contrast, only a quarter of male jobs are in that sector.5
12A: The proportion of full-time employees earning less than £6.50 per hour is higher in Northern Ireland than in any of the regions of Great Britain.

12B: Around two-thirds of those paid less than £6.50 per hour are full-time workers, with one-third being male full-time workers.

The first graph shows how the proportion of both full-time and part-time employees paid less than £6.50 per hour in Northern Ireland compares to the regions of Great Britain. The second graph shows the distribution of employees paid less than £6.50 per hour. The data is divided by male/female and full-time/part-time. The data source for both the graphs is the Annual Survey of Hours and Earnings (ASHE) the Department of Enterprise, Trade and Investment (DETI) and the data is for 2005. Overall adequacy of the indicator: high. ASHE is a large annual survey of employers.
Why this indicator?
As discussed in indicator 19, a third of people in working-age households in Northern Ireland who are in income poverty have someone in their household who is doing paid work. It is clear that in-work poverty must be linked with low pay. But exactly how?

A recent analysis for Great Britain shows that, while just 15 per cent of low paid workers lived in households suffering from income poverty, 65 per cent of the households in in-work poverty were low paid. Low pay is, therefore, a major cause of in-work poverty even though most people who are low paid do not suffer from it.

The first graph shows the proportion of both full- and part-timers who are low paid (£6.50 an hour or less), with Northern Ireland compared with each of the GB regions. The second shows the proportion of all low paid employees in Northern Ireland by gender and full- or part-time work.

Key points from the graphs
- 22 per cent of full-time employees in Northern Ireland are paid less than £6.50 an hour. This proportion is far higher than in any GB region among whom the next highest proportion (18 per cent) is found in Yorkshire and Humberside and the North East of England.
- By contrast, the proportion of low paid, part-time employees in Northern Ireland is, at 43 per cent, lower than in any GB region bar the high wage areas of London and the South East of England. Taken together, the full- and part-time statistics show Northern Ireland following a very different pattern from anywhere in GB.
- Thanks to this unusual pattern, there are actually more low paid full-time employees (61 per cent) in Northern Ireland than low paid part-time ones (39 per cent). There are also slightly more low paid full-time men (33 per cent) than low paid full-time women (28 per cent). Since most part-timers are women, however, 60 per cent of all low paid employees are women.

Other points
- Further analysis underlines the point that what makes Northern Ireland unusual on low pay is the full-time/part-time contrast rather than the male/female contrast. So among full-timers, the proportions of men and women who are low paid are both high compared with the GB regions. For women, Northern Ireland’s 24 per cent is second only to Yorkshire and the Humber. For men, however, the male full-time proportion of 20 per cent in Northern Ireland is fully 5 per cent higher than the 15 per cent rate in the highest GB regions.
Pay inequalities

13A: Overall pay inequalities in Northern Ireland are similar to those in most of the regions in Great Britain.

![Graph showing hourly pay at the 90th percentile compared to the 10th percentile for each region.](source: Annual Survey of Hours and Earnings, ONS; the data is for 2005)

13B: At both the top and the bottom of the pay scale, rates of pay for women have become closer to rates of pay for men. Overall pay inequality is greater than a decade ago.

![Graph showing earnings at the 10th and 90th percentiles for men and women over time.](source: Annual Survey of Hours and Earnings, ONS)

The first graph shows how the ratio between the hourly earnings at the 90th percentile and the hourly earnings at the 10th percentile in Northern Ireland compares to the regions of Great Britain. Pay at the 90th percentile is the pay of people one tenth of the way from the top of the pay distribution. Pay at the 10th percentile is the pay of people one tenth of the way from the bottom of the pay distribution.

The second graph shows, over time, four statistics: gross hourly pay of full-time male employees at the 10th percentile, gross hourly pay of full-time female employees at the 10th percentile, gross hourly pay of full-time male employees at the 90th percentile, and gross hourly pay of full-time female employees at the 90th percentile.

In each case, the statistics are shown as a proportion of average (median) hourly pay of full-time male employees thus providing a measure of earnings inequalities. The left-hand axis shows proportions at the 10th percentile and the right hand axis shows the proportion at the 90th percentile.

The data source for both graphs is the Annual Survey of Hours and Earnings (ASHE). Some detailed changes were made to the ASHE survey base in 2004 and an adjustment has been made for this in the second graph.

Overall adequacy of the indicator: high. ASHE is a large annual survey of employers.
Key points

**Why this indicator?**

This indicator is concerned with overall pay inequalities: in other words, not just low pay but the degree of difference in pay rates between low earners and high earners. While this may not be quite so directly related to (in-work) income poverty as low pay, there is a view that low pay is in part a consequence of high pay, whether economically or at least in terms of the willingness of society to tolerate large differences in pay.

Both graphs measure this inequality by comparing the pay of the person at the 90th percentile (in other words, there are 10% per cent of people who are paid more than him or her) with the pay of the person at the 10th percentile (that is, there are 10 per cent of people who are paid less than him or her).

The first graph compares Northern Ireland with each of the GB regions, using the 90:10 ratio as the measure. The second graph shows what has happened to pay at both the 90th and 10th percentiles in Northern Ireland, over the past few years, for men and women separately, with the amounts expressed as a share of median male pay.

**Key points from the graphs**

- The rate of pay at the 90th percentile in Northern Ireland is about 3.5 times the rate of pay at the 10th percentile. This degree of overall pay inequality is similar to the GB average. The only regions of England to have markedly higher pay inequality are London and the regions around it.

- Within Northern Ireland, pay at the bottom for men (that is, the 10th percentile of male earnings) is higher than pay at the bottom for women (that is, the 10th percentile of female earnings). Similarly, pay at the top for men is higher than pay at the top for women.

- However, in both cases, the pay inequalities between men and women have been declining since 1998. At the bottom, female pay has gone from 90 per cent of male pay in 1998, to 96 per cent in 2005. At the top, female pay has gone from 85 per cent of male pay in 1998 to 93 per cent in 2005.

- Throughout the period, both male and female pay at the top rose steadily relative to male average earnings – in other words, a widening of the pay inequalities in the upper half of the pay distribution.

- Male and female pay at the bottom also rose relative to male average earnings up to 2003 – in other words, a narrowing of the pay inequalities in the lower half of the pay distribution – but has, in the two most recent years, apparently fallen again – in other words, a widening of inequalities.

- Combining the trends at the top and bottom, the overall level of pay inequality, for both men and women, is higher now than in the late 1990s.
Chapter 3

Income poverty

Indicators
14 Income poverty: overall
15 Income poverty and housing costs
16 Income poverty: pensioners
17 Income poverty: children
18 Income poverty: working-age adults
19 Income poverty: work status
**Income poverty: overall**

**14A:** The proportion of people who are in income poverty in Northern Ireland is similar to the Great Britain average.

The first graph shows how the proportion of people in low income households in Northern Ireland compares to the regions of Great Britain. Two low income thresholds are shown. The higher threshold is 60 per cent of the contemporary British median household income after deducting housing costs. The lower threshold is 60 per cent of British median income in 1996/97 after deducting housing costs.

The second graph shows a breakdown of those on low income, with the data broken down by children, pensioners and working-age adults with and without dependent children.

The data source for both graphs is Households Below Average Income, based on the Family Resources Survey (FRS). To improve its statistical reliability, the data is the average for the years 2002/03 to 2004/05 (Northern Irish data not being available for earlier years). The self-employed are included in the statistics. Income is disposable household income after deducting housing costs. All data is equivalised (adjusted) to account for variation in household size and composition.

Overall adequacy of the indicator: medium. The FRS is a well-established annual government survey designed to be representative of the population as a whole and the Northern Ireland sample has been boosted to improve sample sizes. However, the Northern Irish sample is a recent addition to the survey and is yet to be fully quality assured by the Department for Work and Pensions.
Why this indicator?

By convention, the ‘income poverty’ threshold is defined as 60 per cent of the income of the average household (‘median income’). Except where stated otherwise, this is the average GB household. The justification for defining income poverty relative to the average is that anyone whose income is so far below that average is unlikely to be able to live normally by the standards of that society.

The amount of money that this 60 per cent income poverty threshold represents varies according to the number of adults and children the household contains. In 2004/05, the latest year for which data is available, the threshold was worth:

- £100 per week for single adult with no dependent children
- £183 per week for a couple with no dependent children
- £186 per week for a single adult with two dependent children
- £268 per week for a couple with two dependent children.

These sums of money are measured after income tax, rates, and housing costs have been deducted, where housing costs include rents, mortgage interest (but not repayment of the principal), buildings insurance and water charges. The sum of money left over is therefore what is available to pay for food, clothing, travel, heating, lighting and so on.

The first graph compares the income poverty rate in Northern Ireland with that in each of the GB regions. It also shows the proportion of the population whose household income now falls below a fixed threshold (60 per cent of 1996/97 median, uplifted just for inflation).

The second graph shows the proportion of people in households below the income poverty threshold according to the age and family status.

In all cases, statistics are shown as an average of the three years for which Northern Ireland data is available, namely 2002/03 to 2004/05. Unlike GB, where data has been available since 1994/95, these are the first three years for which data for Northern Ireland has been available.

Key points from the graphs

- Over the period 2002/03 to 2004/05, 20 per cent of the population of Northern Ireland were living in income poverty, equivalent to around 350,000 people.
- Northern Ireland’s 20 per cent rate is similar to the GB average. Although just four GB regions have lower rates, Northern Ireland’s income poverty rate places it in a group made up of most of the English regions (outside the south), as well as Wales and Scotland.
- Over the period 2002/03 to 2004/05, 12 per cent of the population of Northern Ireland had incomes below the fixed (1996/97) poverty line, equivalent to around 200,000 people.
- Of the 350,000 people in income poverty, half are working-age adults, divided almost equally between those with, and those without, dependent children. A further third are children while the remaining sixth are pensioners.

Other points

- Over the period 2002/03 to 2004/05, 19 per cent of the population lived in households with an income below 60 per cent of the median Northern Ireland household income. This rate is a bit lower than the rate against the GB median because median income is some £9 a week lower in Northern Ireland than in GB: £295 compared to £304 in 2004/05.
Income poverty and housing costs

15A: The proportion of people who are in income poverty measured before housing costs are deducted is higher in Northern Ireland than in most regions of Great Britain.

Source: Households Below Average Income, DWP; the data is the average for 2002/03 to 2004/05

15B: Housing costs for households with below average incomes are much lower in Northern Ireland than in any of the regions of Great Britain.

Source: Households Below Average Income, DWP; the data is the average for 2002/03 to 2004/05

The first graph shows how the proportion of people in low income households in Northern Ireland compares to the regions of Great Britain before deducting housing costs (rather than the after-deducting-housing-costs measure used in other indicators). The low income threshold is 60 per cent of the contemporary British median household income after deducting housing costs.

The second graph shows how housing costs in Northern Ireland compare to the regions of Great Britain, with the data shown separately depending on whether rents paid for by Housing Benefit are considered to be a housing cost or not. Housing costs are calculated as ‘income before deducting housing costs’ less ‘income after deducting housing costs’.

The data source for both graphs is Households Below Average Income, based on the Family Resources Survey (FRS). To improve its statistical reliability, the data is the average for the years 2002/03 to 2004/05 (Northern Irish data not being available for earlier years). Income is disposable household income. All data is equivalised (adjusted) to account for variation in household size and composition.

Overall adequacy of the indicator: medium. The FRS is a well-established annual government survey designed to be representative of the population as a whole and the Northern Ireland sample has been boosted to improve sample sizes. However, the Northern Irish sample is a recent addition to the survey and is yet to be fully quality assured by the Department for Work and Pensions.
Key points

Why this indicator?
The role of this indicator is to highlight the importance of housing costs in explaining Northern Ireland’s rate of income poverty and in particular why, at 20 per cent, that rate is no higher than the GB average despite Northern Ireland having more low pay and a below average employment level.

The first graph shows an alternative measure of the income poverty rate before housing costs have been deducted, comparing Northern Ireland with each of the GB regions. This is the only graph in this chapter that measures income poverty in this way, all others being after deducting housing costs.

The second graph shows the average level of housing costs for all households with below (GB) average incomes, again comparing Northern Ireland with each of the GB regions. Besides rent and mortgage interest payments, housing costs in principle include water charges and, for owner occupiers, buildings insurance. Two points should be noted. First, it would make sense to include domestic rates (and in GB, Council Tax) as part of housing costs in the second graph but this cannot be done because the data to do this for Northern Ireland is not available. Second, the amount of rent included is gross rent, any Housing Benefit the household receives being included in income. The second graph shows housing costs both like this and net of Housing Benefit.

Key points from the graphs

- Over the period 2002/03 to 2004/05, 20 per cent of the population of Northern Ireland were living in income poverty measured on a before-deducting-housing-costs basis. The fact that this rate is the same as the main, ‘after deducting housing costs’ rate (indicator 14) is entirely coincidental.

- Northern Ireland’s 20 per cent rate is higher than that for all GB regions apart from the North East of England. Unlike most GB regions, therefore, Northern Ireland’s ranking when poverty is measured before deducting housing costs is very different from its ranking when it is measured after deducting housing costs.

- Over the period 2002/03 to 2004/05, housing costs in Northern Ireland for households with below average incomes were £27 a week gross and £17 a week net (of Housing Benefit).

- On both measures, housing costs in Northern Ireland are lower than in any GB region, by about £5 a week compared with Wales (the lowest GB region) and about £10 a week compared with the average GB region. It is for this reason that the two measures of income poverty (before and after housing costs) rank Northern Ireland so differently when compared with the GB regions.

Other Points

- Housing costs vary hugely by housing tenure, with gross costs ranging from an average of £3 per week for those who own their properties outright to £64 per week for private renters. The average for those with a mortgage is £28 per week, whilst that for social renters is £42. Looking at housing costs net of Housing Benefit, the differences are less but still substantial: while outright owners and mortgage holders remain at £3 and £28 per week respectively, the average cost for private renters reduces to £31 per week and that for social renters reduces to £11.4
16A: The proportion of pensioners in income poverty in Northern Ireland is similar to the average in Great Britain.

![Graph showing the proportion of pensioners below 60% of GB median income after deducting housing costs for different regions.](source)

**Source:** Households Below Average Income, DWP; the data is the average for 2002/03 to 2004/05

16B: The income poverty rate for those of pensionable age is similar to that for working-age adults.

![Graph showing the proportion below 60% of GB median income after deducting housing costs for different groups.](source)

**Source:** Households Below Average Income, DWP; the data is the average for 2002/03 to 2004/05

The first graph shows how the proportion of pensioners in low income households in Northern Ireland compared to the regions in Great Britain. The low income threshold used is 60 per cent of the contemporary British median household income after deducting housing costs.

The second graph shows the risks of being in low income households for people of different ages. For comparison purposes, the equivalent figures for Great Britain are also shown.

The data source for both graphs is Households Below Average Income, based on the Family Resources Survey (FRS). To improve its statistical reliability, the data is the average for the years 2002/03 to 2004/05 (Northern Irish data not being available for earlier years). The self-employed are included in the statistics. Income is disposable household income after deducting housing costs. All data is equivalised (adjusted) to account for variation in household size and composition.

Overall adequacy of the indicator: medium. The FRS is a well-established annual government survey designed to be representative of the population as a whole and the Northern Ireland sample has been boosted to improve sample sizes. However, the Northern Irish sample is a recent addition to the survey and is yet to be fully quality assured by the Department for Work and Pensions.
Why this indicator?

This indicator looks at the income poverty rate among pensioners comparing it both with the pensioner rate in GB, as well as the rates for children and working-age adults in both Northern Ireland and GB. All the income poverty rates shown in this indicator are on the same basis as the overall income poverty rates in indicator 14.

The lack of any properly comparable long term data on pensioner poverty in Northern Ireland lessens the impact of this indicator. The historical context in GB, however, is that the pensioner poverty rate has fallen rapidly since the mid-1990s.

The first graph compares the income poverty rate among pensioners in Northern Ireland with that in each of the GB regions. In 2004/05, a pensioner would be deemed to be in income poverty if their weekly household income, after housing costs, was below £100 for a single pensioner or £183 for a pensioner couple.

The second graph compares pensioner poverty to working-age and child poverty, both in Northern Ireland and in GB.

Key points from the graphs

■ Over the period 2002/03 to 2004/05, 20 per cent of pensioners in Northern Ireland were living in income poverty, equivalent to some 50,000 people.

■ Compared with the GB regions, Northern Ireland is towards the middle of the distribution, with four GB regions, including London, having a higher rate and seven having a lower one.

■ Northern Ireland’s 20 per cent rate is the same as the GB average. It is also the same as the rate for the Northern Ireland population as a whole.

■ The 20 per cent income poverty rate among pensioners in Northern Ireland is higher than that for working-age adults (18 per cent) but lower than that for children (25 per cent). Although GB shows the same pattern (children worst, working-age adults best), the position of pensioners relative to the other two groups is slightly worse in Northern Ireland than in GB.

Other points

■ Over the last six years, the rate of income poverty for pensioner couples in GB has fallen by a quarter while the rate for single pensioners has halved. As a result, the rate for single pensioners is now the same, or even slightly lower than, for couples, whereas it used to be much higher. Although there is no comparable data for Northern Ireland, there is no reason to suppose that the broad pattern – of big falls for single pensioners and smaller falls for couples – will be any different. This is because the main driving force behind the falls, namely higher levels of Pension Credit, applies in Northern Ireland as in GB.

■ Research published in 2005 suggested that the minimum income that people over 65, with no defined disability, would need in order to live in a healthy way was £123 a week for a single person and £193 a week for a couple. These figures, which exclude rent or mortgage and rates, are therefore after deducting housing costs. They exceed the income poverty thresholds used in this report by £23 a week for a single pensioner, and £7 a week for a pensioner couple.
17A: The proportion of children who are in income poverty is somewhat lower in Northern Ireland than in most of Great Britain.

17B: Two-fifths of the children in income poverty live in couple households where at least one of the adults is in paid work.

The first graph shows how the proportion of children in low income households in Northern Ireland compares to the regions in Great Britain. The low income threshold used is 60 per cent of the contemporary British median household income after deducting housing costs.

The second graph shows a breakdown of the children who were in low income households by family type (couple or lone parent) and work status (workless or someone in paid work).

The data source for both graphs is Households Below Average Income, based on the Family Resources Survey (FRS). To improve its statistical reliability, the data is the average for the years 2002/03 to 2004/05 (Northern Irish data not being available for earlier years). The self-employed are included in the statistics. Income is disposable household income after deducting housing costs. All data is equivalised (adjusted) to account for variation in household size and composition.

Overall adequacy of the indicator: medium. The FRS is a well-established annual government survey designed to be representative of the population as a whole and the Northern Ireland sample has been boosted to improve sample sizes. However, the Northern Irish sample is a recent addition to the survey and is yet to be fully quality assured by the Department for Work and Pensions.
Why this indicator?
Reducing and – by 2020 – eliminating child poverty is the overarching goal of the UK government’s anti-poverty policy. While there were a number of reasons for concentrating on child poverty like this, the fact that the rate of child poverty was much higher than the rate of poverty among either pensioners or working-age adults was clearly of major importance.

The first graph compares the rate of income poverty among children in Northern Ireland with the rate in each of the GB regions. The second looks at both the family status (whether one-parent or two) and the economic status (whether some paid work being done, or not) of those children in Northern Ireland living in poverty.

All the income poverty rates shown in this indicator are on the same basis as the overall income poverty rates in indicator 14.

Key points from the graphs
- Over the period 2002/03 to 2004/05, 25 per cent of children in Northern Ireland – some 100,000 in total – were living in income poverty.
- Northern Ireland’s 25 per cent child poverty rate is some 2 percentage points below the GB average. Compared with the individual GB regions, Northern Ireland is towards the middle of the distribution, with four GB regions having a lower rate and seven having a higher one.
- Of the 100,000 children living in poverty, around half were living in families with two parents and the other half were living in families with one.
- Of the 100,000 children living in poverty, around half were living in families where at least one adult was doing some paid work. With ‘in-work poverty’ among children on this scale, it is clear that having someone in the household at work is not sufficient to lift all such households out of poverty.
- Of the 50,000 children in poverty and living with two parents, most were in families where some paid work was being done. By contrast, among the 50,000 children in poverty and living with one parent, very few were in families where some paid work was being done. For children in couple households therefore, in-work poverty is much more likely than out-of-work poverty, whereas among children in lone parent households, the opposite is the case.

Other points
- Over the period 2002/03 to 2004/05, 24 per cent of children lived in households with an income below 60 per cent of the median Northern Ireland household income. This rate is a bit lower than the rate against the GB median because median income is some £9 a week lower in Northern Ireland than in GB: £295 compared to £304 in 2004/05.7
18A: Two-fifths of all lone parents are in income poverty.

The first graph shows the risk of a working-age person being in a low income household, with the data shown separately for couples/singles and with/without dependent children. For comparison purposes, the equivalent figures for Great Britain are also shown. The low income threshold used is 60 per cent of the contemporary British median household income after deducting housing costs.

18B: Disabled adults are one-and-a-half times as likely to live in income poverty as non-disabled adults.

The second graph compares the risks of working-age adults being in low income by whether or not they have a disability. For comparison purposes, the equivalent figures for Great Britain are also shown, as are the British figures from a decade ago.

The data source for both graphs is Households Below Average Income, based on the Family Resources Survey (FRS). To improve its statistical reliability, the data is the average for the years 2002/03 to 2004/05 (Northern Irish data not being available for earlier years). The self-employed are included in the statistics. Income is disposable household income after deducting housing costs. All data is equivalised (adjusted) to account for variation in household size and composition.

Overall adequacy of the indicator: medium. The FRS is a well-established annual government survey designed to be representative of the population as a whole and the Northern Ireland sample has been boosted to improve sample sizes. However, the Northern Irish sample is a recent addition to the survey and is yet to be fully quality assured by the Department for Work and Pensions.
Key points from the graphs

- Over the period 2002/03 to 2004/05, around 40 per cent of lone parents in Northern Ireland (equivalent to around 25,000 lone parents) were living in income poverty.

- Over the same period, the comparable rates and numbers for other working-age adults were: 20 per cent of working-age single adults without dependent children (60,000 working-age adults); 15 per cent of working-age couples with dependent children (60,000); and 10 per cent of working-age couples without dependent children (30,000).

- Across all groups, apart from couples without children, the proportion of working-age adults in income poverty is slightly lower in Northern Ireland than in GB.

- Over the period 2002/03 to 2004/05, just over 25 per cent of disabled working-age adults in Northern Ireland were living in income poverty (around 40,000 people). This rate is around 10 per cent higher than that for non-disabled adults in Northern Ireland.

- Over the same period in GB, the comparable rates were 30 per cent for disabled adults, 13 percentage points higher than the 17 per cent rate for non-disabled adults. This means that, while the rates for non-disabled adults are very similar, the rate for disabled adults is somewhat lower in Northern Ireland than in GB.

- Northern Ireland data for earlier years is not available but, over the three-year period to 1996/97 in GB, these rates looked very different: 19 per cent for non-disabled adults and 28 per cent for disabled adults. Over the intervening period, therefore, the rates for non-disabled adults fell by 2 percentage points to 17 per cent while the rate for disabled adults went up by 2 percentage points to 30 per cent. This means that not only is the poverty rate among disabled adults much higher than among non-disabled ones, but also that the gap between the two groups has widened markedly over the last decade.
19A: As in Great Britain, the only households in Northern Ireland with a low risk of income poverty are those where all the adults are working.

19B: Excluding pensioners, a third of those in income poverty live in households where someone is in paid work.

The first graph shows the risk of a household being on low income, with the data shown separately for the following economic statuses: all working (one in full-time work and the other – if applicable – in full-time or part-time work); some working (includes households where no one is working full-time but one or more are working part-time); unemployed (head or spouse unemployed) and other workless (includes long-term sick/disabled and lone parents). For comparison purposes, the equivalent data for Great Britain is also presented. The low income threshold used is 60 per cent of the contemporary British median household income after deducting housing costs.

The second graph shows a breakdown of those in low income households by economic status. To provide consistency with the first graph, both self-employed households and households where the head or spouse is aged 60 or over are excluded from this analysis.

The data source is Households Below Average Income, based on the Family Resources Survey (FRS). Income is disposable household income after deducting housing costs. All data is equivalised (adjusted) to account for household size and composition.

Overall adequacy of the indicator: medium. The FRS is a well-established annual government survey designed to be representative of the population as a whole and the Northern Ireland sample has been boosted to improve sample sizes. However, the Northern Irish sample is a recent addition to the survey and is yet to be fully quality assured by the Department for Work and Pensions.
Key points

Why this indicator?
The reason for looking at income poverty rates by work status is that the problem of poverty is not by any means confined to people who are not in paid work. Given the UK government’s stress upon work as the route out of poverty, the existence of in-work poverty on any appreciable scale calls the adequacy of their approach into question.

The first graph compares the rates of income poverty among working-age households (Northern Ireland and GB separately), grouped according to the household’s work status. The four groups are:

- ‘All working’: full time or, for two adult households, one full- and one part-time.
- ‘Some-working’: part-time only or, for two adult households, one full-time and one not working.
- ‘ILO unemployed’: not working but at least one adult actively seeking and ready to work.
- ‘Other workless’: lone parents or households where (at least) one person is sick or disabled.

The second graph shows how the population of people in working-age households in Northern Ireland in income poverty divides between the four groups.

All the income poverty rates shown in this indicator are on the same basis as the overall income poverty rates in indicator 14.

Key points from the graphs

- Over the period 2002/03 to 2004/05, 75 per cent of people in ‘ILO unemployed’ households in Northern Ireland were living in income poverty.

- Over the same period, the comparable rates for the three other groups were: 50 per cent for ‘other workless’; 20 per cent for ‘some working’ and 2½ per cent for ‘all working’. This means that it is only households counted as ‘all working’ who have a really low risk of being in poverty; indeed, they are the only households who even have a below average risk of poverty.

- For three of the four groups, the rate of income poverty in Northern Ireland is very similar to the rates for the comparable group in GB. The exception to this is the ‘other workless’ group (mainly sick, disabled and lone parents), where Northern Ireland’s 50 per cent rate compares with a GB rate of 60%. Since this group of people accounts for half of the working-age household poverty in Northern Ireland, it is clear that this lower rate makes an appreciable difference to the overall poverty numbers in Northern Ireland.

- Excluding pensioners, the ‘all working’ and ‘some working’ households between them contain a third of all people in working-age households in income poverty; these people – some 80,000 – are therefore the ones experiencing what can be called ‘in-work’ poverty.

- A further half of people in working-age households suffering income poverty are in ‘other workless’ households (110,000). Just one in six (equivalent to 40,000 people) count as ‘ILO unemployed’. Unemployment accounts for just a small proportion of people in poverty.
Chapter 4
Deprivation and exclusion from services

Indicators

20 Lacking essential items
21 Lacking consumer durables
22 Without a bank account
23 Without pensions or insurance
24 Childcare provision
25 Without access to a car
Lacking essential items

20A: The essential items that are most commonly lacking are those which are directly money-related.

20B: Proportion of households who ‘do not have because cannot afford’ by number of essentials.

The graphs in this indicator look at the proportion of households who ‘do not have because they cannot afford’ particular kinds of ‘essential’ items and activities. ‘Do not have because they cannot afford’ means that the households lack the item/activity due to hardship rather than choice. ‘Essential’ means that more than half of the population consider the item/activity to be a necessity in contemporary society. The data source for both the graphs is a once-off survey entitled Poverty and Social Exclusion in Northern Ireland, 2002/03, which looked at people’s ability to afford some 40 goods and services considered essential for modern living.

The first graph groups these 40 items into six groups, namely money-related, clothes, activities, related to the home, food and consumer durables. For each group, the graph shows the average proportion of households who do not have an item/activity in the group. So, for example, the 3.6 per cent figure for “food” is the average of the 4.8 per cent, 3.3 per cent and 2.7 per cent proportions for the particular items asked about.

The second graph shows the proportion of households who lack ‘because they cannot afford’ a particular number of essential items/activities. So, for example, 33 per cent of households lack at least three of the items/activities.

Overall adequacy of this indicator: medium. The survey is a comprehensive analysis of the subject but is a snapshot in time on a subject where the statistics can change rapidly over time.
Why this indicator?

This indicator looks at poverty from a different perspective to the income poverty approach taken in Chapter 3. Here attention is directed towards the things that people lack because they cannot afford them yet which a majority of the public in Northern Ireland considers now to be necessities in contemporary society.

The first graph looks at the proportion of households who cannot afford particular kinds of essential items/activities. 40 such items have been brought together into six groups: money-related, clothes, activities, related to the home, food and consumer durables.

The second graph looks at the proportion of households who cannot afford a given number of essential items. The figures are shown separately for all households and for households with children. The list of essential items is slightly different for households with children.

Key points from the graphs

- Very few people in Northern Ireland cannot afford either particular consumer durables (3 per cent), selected items of food (4 per cent), outings and other activities (6 per cent) or selected items of clothing (6 per cent). These small proportions still mean that there are thousands of people in this situation in Northern Ireland (5 per cent of the population equating to 85,000 people); these numbers are, however, far lower than the number of people in income poverty.

- By contrast, one fifth of the population cannot afford ‘directly money-related’ items, including access to a pension, money to replace worn out furniture or money for a holiday.

- Just over half of all households lacked, because they could not afford, at least one essential item; 40 per cent lacked two or more, and 33 per cent lacked three or more.

- In households with children, just under half of all the children lacked, because their parents could not afford, at least one item deemed essential for children; 27 per cent lacked two or more, and 20 per cent lacked three or more. Taken together with the previous point, this appears to suggest that children are somewhat less likely than adults to lack essentials.

Other points

- The source of the data for this indicator is the Northern Ireland Poverty and Social Exclusion Survey. The authors of the report for which that survey was carried out have taken their analysis of it further, using income data as well and making a number of assumptions, to produce an overall estimate of the rate of poverty in Northern Ireland in 2002/03 of 30 per cent.¹

- Persistent poverty, defined as being in poverty today and in two of the previous three years, is more common in the UK and Ireland than in most of the rest of the European Union. Of the 15 member states in 2001, only Portugal, Greece and Italy had higher rates of persistent poverty. The rate in the UK is twice that in Denmark and the Netherlands.²

- Although there is only limited data on the level of indebtedness in Northern Ireland, one recent study suggests that around 10 per cent of the population of Northern Ireland was over-indebted in 2005. A similar, although not entirely comparable, study in 2004 returned rates of over-indebtedness for the UK as a whole of 8–9 per cent.³
21A: The proportion of households lacking selected consumer durables has fallen considerably over the last decade.

21B: For many consumer durables, the proportion of low income households lacking them is two to three times that for households on average incomes.

The first graph shows the proportion of households lacking selected consumer durables. The second graph shows, for the latest year, how the proportion of households lacking selected durables varies by level of household income. The data source for both graphs is the Continuous Household Survey. Overall adequacy of the indicator: limited. The choice of consumer durables in the analysis is largely driven by the data availability and is both somewhat arbitrary and rather limited.
Key points

Why this indicator?
The previous indicator looked at the nature of material deprivation in Northern Ireland. This indicator looks at one aspect of this, namely households lacking certain consumer durables.

The first graph shows the proportion of households lacking selected consumer durables over the last decade. The second compares the proportion of households in the poorest fifth of households who lack these durables with the proportion of households with average incomes.

There are two reasons for looking at the situation of average households. One is that it shows how far it is ‘ordinary’ for households to possess a particular item. For example, with still around half of average households lacking a personal computer in 2004/05, the computer has arguably not yet reached the status of being something that households ordinarily possess. To lack it therefore is not yet a sign of material deprivation, although it surely will be soon.

The second reason for looking at average households is that it can be taken as a measure of households who lack a particular item by choice. The point of concern, therefore, is how far poor households lack particular items in excess of the proportion of average households, this excess then being a measure of material deprivation.

Key points from the graphs
- Since 1995/96, the proportion of households in Northern Ireland lacking consumer durables has come down sharply. For example, the proportion without a microwave oven fell from 32 per cent to 10 per cent in 2004/05; the proportion without a video recorder or DVD player from 27 per cent to 11 per cent; and the proportion without a freezer from 21 per cent to 8 per cent.
- The proportion lacking colour televisions or fridges, already very low a decade ago, continued to come down to the point where all but one to two per cent of households now possess them.
- All the items shown are now possessed by the vast majority of households on average income. The inference is that it is now ‘ordinary’ to do so.
- The tiny proportion of the poorest fifth lacking either colour televisions or fridges is no higher than that for households on average incomes.
- By contrast, all the other items shown are ones where the proportion of households in the poorest fifth lacking them is higher than average. So 23 per cent lack video recorders or DVD players, 18 per cent lack freezers and microwave ovens, and 10 per cent lack washing machines. In all these cases, the proportion is two to three times that for households on average incomes.
Without a bank account

22A: A quarter of households in the poorest fifth do not have a bank account. At all income levels, the proportion lacking a bank account in Northern Ireland is much higher than in Great Britain.

![Graph showing proportion of households without bank accounts by income quintile.

Source: Family Resources Survey, DWP; the data is the average for 2002/03 to 2004/05]

22B: Unemployed, sick and disabled, lone parent and single adult households are all much more likely to have no account than the average household.

![Graph showing proportion of households without bank accounts by household type.

Source: Family Resources Survey, DWP; the data is the average for 2002/03 to 2004/05]

The first graph shows how the proportion of households without a bank, building society or any other kind of account varies by level of household income. For comparison purposes, the equivalent data for Great Britain is also shown.

The second graph shows how the proportions in the latest year vary for selected different household types, as determined by the head of the household. A figure for all households is provided for comparison.

The data source for both graphs is the Family Resources Survey (FRS). To improve its statistical reliability, the data is the average for 2002/03 to 2004/05 (Northern Irish data not being available for earlier years). As well as bank, building society and post office accounts, the figures also count any savings or investment accounts but do not include stocks and shares, premium bonds, gilts or Save As You Earn arrangements.

Income is household disposable income, equivalised (adjusted), and is measured after deducting housing costs. Note that, although the statistics are for Northern Irish households only, the allocations to income quintile are those for the total UK population income distribution.

Overall adequacy of the indicator: medium. The FRS is a well-established annual government survey designed to be representative of the population as a whole and the Northern Ireland sample has been boosted to improve sample sizes. However, the Northern Irish sample is a recent addition to the survey and is yet to be fully quality assured by the Department for Work and Pensions.
Key points

Why this indicator?
The first indicator in this section (20) showed that, whilst goods and some activities were affordable to the overwhelming majority of people in Northern Ireland, the ability to save money was a problem for many. This indicator looks at whether access to bank accounts may also be an issue. Lack of a bank account can mean higher prices for basic utilities than when paying by either cheque or direct debit, labour market disadvantage (employers tend to expect to pay wages directly into accounts), and limited access to credit.

The first graph compares the proportion of working-age adults without a bank account by income, with equivalent figures for GB provided for comparison purposes. The second graph looks at a range of household groups where lack of a bank account is more prevalent than the average.

Key points from the graphs

- Over the period 2002/03 to 2004/05, 28 per cent of households in Northern Ireland in the poorest fifth of households lacked a bank account. This is twice the rate for the comparable group in GB and nearly three times the rate for Northern Ireland households with average incomes.

- At every income level, more households in Northern Ireland than Great Britain lack a bank account.

- Overall, around one in eight of all households in Northern Ireland lacked a bank account. However, for households where the head of the household is unemployed or disabled, the rate was around one in four, double the average figure. Similarly, the rate was also around one in four for both lone parents and single adults.

Other points

- Although data over time is not available for Northern Ireland, it is for GB. This shows that the proportion of poor households without bank accounts has fallen sharply in the last five years, from around a fifth in 2000/01 to around a tenth in 2004/05. The current Northern Ireland proportion is similar to that in GB five years ago.
Without pensions or insurance

23A: More than half of employees on average and below-average incomes are not contributing to a non-state pension (although some may belong to a non-contributory pension scheme).

Source: Family Resources Survey, DWP, the data is the average for 2002/03 to 2004/05

For each income quintile, proportion of working-age adults who are currently employed who did not contribute to a pension in the latest year (per cent)

23B: Half of the poorest households are uninsured. This compares to one in five for households on average incomes.

Source: The Expenditure and Food Survey, ONS; the data is the average for 2003/04 and 2004/05

The first graph shows how the proportion of currently employed working-age adults not contributing to a non-state pension varies by level of household income. Note that ‘not contributing to a pension’ is not the same as “not having a pension” because some people will belong to a non-contributory pension scheme and others will have a pension which they happen not to have contributed to over the latest year.

The data source for the first graph is the Family Resources Survey (FRS). To improve its statistical reliability, the data is the average for 2002/03 to 2004/05 (Northern Irish data not being available for earlier years). The income quintiles are UK-based quintiles based on equivalised household income after deducting housing costs.

The second graph shows how the proportion of households without household contents insurance varies by household income. The data for the second graph comes from the Expenditure and Food Survey. To improve its statistical reliability, the data is the average for the years 2003/04 to 2004/05. The income quintiles are UK-based quintiles, based on gross, unequivalised income.

Overall adequacy of the indicator: medium. The FRS and EFS are well-established annual government surveys designed to be representative of the population as a whole.
Key points

Why this indicator?
This indicator takes further the theme identified in Indicator 20, namely that an inability to ‘save’ small sums of money is a more widespread problem among poor households nowadays than a lack of consumer durables.

This indicator looks at access to two financial services, namely saving for a non-state pension and possession of household insurance.

Having a pension other than the state pension is key to alleviating poverty in old age.

The first graph looks at how the proportion of people of working age who are not saving for a pension varies according to the level of income.

Theft of household goods has the greatest effect on those who both lack home contents insurance and who are poor. The second graph looks, again by level of income, at the proportion of households lacking home contents insurance.

Key points from the graphs

- There is a large difference in the proportion of people who are not contributing to a non-state pension according to their level of income. Among the poorest fifth of working-age people, 75 per cent are not contributing. By contrast, 55 per cent of people on average incomes and 30 per cent of people in the richest fifth are not contributing.

- The difference in proportion of people lacking home contents insurance is even more marked. 50 per cent of those in the poorest fifth lack such insurance compared with 20 per cent of those on average incomes and less than 10 per cent of those in the richest fifth.

- There is little difference in the risk of burglary by income group (see Indicator 32), so the fact that more people in the higher income brackets have home contents insurance reflects their ability to purchase it rather than their greater need for it.
Childcare provision

24A: The average amount of childcare support from tax credits is higher in Northern Ireland than in most of the regions of Great Britain.

The data source for the first graph is HM Revenue and Customs Working Tax Credits statistics and the data is for April 2006.

24B: There is a substantial difference in the number of day nursery and childminder places available in the east and west of Northern Ireland.

The data source for the second graph is the Department of Health, Social Services and Public Safety (DHSSPS) and the data is for 2005.

The first graph shows both the proportion of child tax credit recipients who also receive the childcare element of the tax credit and, for these people, the average weekly amount that they receive. For both statistics, it compares the figures in Northern Ireland with those in the regions of Great Britain.

The data source for the first graph is HM Revenue and Customs Working Tax Credits statistics and the data is for April 2006.

The second graph shows how the number of childcare and nursery places per 1,000 children under 5 varies across the healthcare trusts in Northern Ireland.

The data source for the second graph is the Department of Health, Social Services and Public Safety (DHSSPS) and the data is for 2005. The numbers have been translated into rates using 2001 Census population data (the latest available by health care trust).

Overall adequacy of the indicator: medium. Both graphs say something about variations in childcare provision but only tell a partial story.
### Key points

**Why this indicator?**

Getting people into work is key to the UK government’s strategy to reducing poverty. One important aspect of this is getting parents (back) into paid work following the birth of a child. In turn, the availability and affordability of childcare is seen as the key to achieving this.

The first graph compares Northern Ireland with each of the GB regions. It shows two things – the number of households getting help with childcare expressed as a proportion of all households receiving child tax credit above the ‘family element’, and the average amount of money they receive. The amount received in part reflects the cost of the childcare but, as it is means-tested, the link between the amount of the credit and the cost is not an exact one.

The second graph looks at how early childcare provision varies across Northern Ireland within the nine healthcare trusts. Figures are given for the number of childcare and nursery places expressed per 1,000 under fives in each area.

### Key points from the graphs

- 15 per cent of CTC recipients in Northern Ireland are receiving tax credits to cover the cost of childcare. Across the GB regions, this proportion ranges from 13 per cent in Wales to 20 per cent in the North West of England.

- The average amount received in Northern Ireland for childcare support is £54 a week. Among the GB regions, only the figure for London is higher.

- There is substantial variation in the availability of childcare places across Northern Ireland, from 380 places per 1,000 children under five in South and East Belfast, to 70 places in Newry and Mourne. Foyle, an area which includes Derry, Limavady and two-thirds of Strabane, has around 110 places. North and West Belfast has just 180 places.

### Other points

- No directly comparable data on the number of childcare places is available for Great Britain. For the record, however, figures for England show around 300 places either with childminders or in nursery groups per 1,000 children under five in 2006. Three of the healthcare trusts in Northern Ireland have a higher rate than this and seven have a lower rate.\(^5\)

- 6.5 per cent of the households in Northern Ireland who receive CTC above the ‘family’ element are also in receipt of the disabled child element of CTC. This is higher than any of the GB regions, the GB average being 5 per cent.\(^5\)

- The number of childminding places in North and West Belfast has fallen dramatically over the last few years, from 3,500 in 2003 to 1,000 in 2005. It has been suggested that one reason for this was the introduction of new regulations around childminding, which resulted in many childminders leaving the profession.\(^7\)
25A: Just about all working-age couples have a car but many working-age singles, and most single pensioners, do not.

25B: Although the great majority of working-age households everywhere in Northern Ireland use a car to get to work, the proportion without a car is far higher in Belfast and Derry than elsewhere.

The first graph shows the proportion of households who do not have access to either a car or van, with the data shown separately for each major type of household.

The second graph shows the proportion of households in each district without a car, plus the proportion of working-age adults in each district where at least one person in the household drives to work.

The data source for both graphs is the 2001 Census.

Overall adequacy of this indicator: limited. Ideally, this indicator would cover all aspects of transport rather than just cars. Furthermore, the need for a car, either to get to work or for other purposes, will depend on a household’s circumstances, including where they live.
Why this indicator?
The ability to travel is an important element of access, which is in a sense the opposite of social exclusion. Almost all jobs require some form of travel, whether to and from work or at work itself. Transport is also needed to access services such as schools and hospitals. In rural areas in particular, lack of access to transport can have a major detrimental effect on the quality of a person’s life.

The first graph looks at how access to a car varies among different groups of the population based on age and family circumstances.

The second graph looks at how levels of car ownership among the working-age population varies between the 26 Northern Ireland districts. This graph also shows the proportion of working households in each district where at least one person drives to work, where this is intended as a proxy measure of the need to possess a car.

Key points from the graphs

■ In 2001, only a small minority of couples, both working-age and pensioner, and whether with or without dependent children, were lacking a car: from just 5 per cent among those with children to 20 per cent for pensioners.

■ By contrast, over half of lone parent families and two-thirds of single pensioners lacked a car. Both the very low levels of non-ownership among the corresponding couple households, and the enormous difference between those rates and the ones for single adult households, suggest that the latter suffer a considerable degree of disadvantage as a result of not owning a car.

■ Looked at on a district basis, Belfast and Derry stand out for the proportion of their working-age households without a car: 38 per cent and 29 per cent respectively. In all other districts, the proportions fall in a fairly narrow range, from 22 per cent in Craigavon, to 12 per cent in Magherafelt.

■ Belfast also has a much lower proportion of its working households with at least one person driving to work: 59 per cent. In all other districts, this proportion varies between 70 per cent and 80 per cent. The implication of this is that, perhaps apart from Belfast, a car is virtually an essential everywhere, with little difference between the different districts.

Other points

■ From the 2001 census, one third of workless, working-age households in Northern Ireland do not have a car, compared with just one in twelve of working, working-age households. While being out of work may make a car hard to afford, causality will also run the opposite way too, with use of a car for some being essential in order to take work.
Chapter 5
Housing and neighbourhoods

Indicators
26 Lacking central heating
27 Fuel poverty
28 Overcrowding
29 Homelessness
30 Work status of households in social housing
31 State of physical environment in local area
32 Fear of crime
26A: At all incomes levels, less than one in twenty households lack central heating. This is a much lower proportion than in Great Britain.

For each income quintile, proportion of households lacking central heating (per cent)

Source: Family Resources Survey, DWP; the data is for 2003/04

26B: Moyle, Strabane and Fermanagh have the highest proportion of households lacking central heating.

Source: Census 2001

The first graph shows how the proportion of households without central heating varies by level of household income. For comparison purposes, the equivalent data for Great Britain is also shown.

The data source for the first graph is the Family Resources Survey (FRS). The data is for 2003/04 (Northern Irish data not being available for earlier years and the question not being asked in 2004/05.). Income is household disposable income, equivalised (adjusted), and is measured after deducting housing costs. Note that, although the statistics are for Northern Irish households only, the allocations to income quintile are those for the total UK population income distribution.

The second graph shows, for 2001, how the proportion of households without central heating varies across the districts of Northern Ireland.

The data source for the second graph is the 2001 Census.

Overall adequacy of the indicator: medium. The FRS is a well-established annual government survey designed to be representative of the population as a whole and the Northern Ireland sample has been boosted to improve sample sizes. However, the Northern Irish sample is a recent addition to the survey and is yet to be fully quality assured by the Department for Work and Pensions.
**Key points**

**Why this indicator?**
Central heating that ensures that the house is warm in winter and free from damp makes an important contribution towards good health. Across the UK, the last decade has been marked by a steady and substantial fall in the number of homes lacking central heating. It has long been the case that a majority have had central heating; in this situation, the key question now is how far low income homes lack central heating compared with the average.

The first graph shows the proportion of homes lacking central heating according to their level of income; figures are shown separately for Northern Ireland and GB. The second, using the 2001 Census, shows this proportion across the different districts of Northern Ireland.

**Key points from the graphs**
- In 2003/04, 3 per cent of all households in Northern Ireland lacked central heating, half the GB average of 7 per cent.
- Households in the poorest fifth are no more likely than households with average income to lack central heating (4 per cent). Only households with above average income have yet lower proportions still without central heating. This is a different pattern from GB, where it is still the case that 10 per cent of households in the poorest fifth lack central heating.
- Since low income households are no more likely to lack central heating than households with average income, it is not surprising that the pattern across Northern Ireland is not obviously aligned with other measures of deprivation. The proportion without central heating is highest is Moyle, Strabane and Fermanagh, lowest in Castlereagh and second lowest in Derry. The proportion lacking central heating in Belfast is also below average.

**Other points**
- Those living in private rented accommodation in Northern Ireland are most likely to lack central heating (6 per cent), followed by those in social rented accommodation (5 per cent). Just 2 per cent of owner occupiers lack central heating.¹
- Some of the areas which have high rates of lacking central heating also have high proportions of energy inefficient housing. Strabane, Fermanagh, Moyle and Ballymoney are all in the bottom quarter of districts on both measures. The relationship is not consistent, though. Craigavon and Belfast both have high proportions of energy inefficient housing, but low proportions of housing lacking central heating.²
- As with lacking central heating, there appears to be little correlation between deprivation and ‘non decent’ housing.³ Some of the more deprived areas in the west such as Derry and Limavady have the lowest proportions of ‘non-decent’ homes – 20 per cent and 25 per cent respectively.⁴
27A: Fuel poverty in Northern Ireland is more than twice as common as anywhere in England.

The first graph shows how the estimated proportion of households in Northern Ireland who are in fuel poverty compares to English regions.

The second graph shows how the estimated proportion of households in Northern Ireland who are in fuel poverty varies by household income, tenure and family type.

Households are considered to be in “fuel poverty” if they have to spend more than 10 per cent of their household income on fuel to keep their home in a ‘satisfactory’ condition, where, for example, a ‘satisfactory’ heating regime is considered to be one where the main living area is at 21 degrees centigrade with 18 degrees centigrade in the other occupied rooms. It is thus a measure which compares income with what the fuel costs should be rather than what they actually are. The fuel costs included comprise that used for space heating, water heating, lighting, cooking and household appliances.

The data source for both these graphs is the interim report of the 2004 House Condition Survey from the Northern Ireland Housing Executive. The England data in the first graph comes from the English House Condition Survey of 2003.

Overall adequacy of this indicator: low. The Northern Ireland Housing Executive explicitly state that the Northern Ireland data is directly comparable with the English data but the project team has not been given access to the dataset and therefore cannot confirm this.
Why this indicator?
As well as central heating, the energy efficiency of a home and the affordability of fuel also determine whether a home can be heated to an adequate standard. The statistics in this indicator define a household as being in fuel poverty if it has to spend more than 10 per cent of its income on fuel in order to do this.

The first graph compares the rate of fuel poverty in Northern Ireland (in 2004) to the rates in each of the English regions (in 2003). Comparable estimates for this period for Wales and Scotland are not available. The second looks at who within Northern Ireland is most affected.

Key points from the graphs
- In 2004, 24 per cent of households in Northern Ireland, equivalent to some 150,000 households, were in fuel poverty. This is more than twice as high as the English North East's 9 per cent, (the worst rate for any English region) and nearly three times the English average.5
- Within Northern Ireland, those on low incomes were especially at risk of fuel poverty (50 per cent of households with an annual income of under £10,000). 40 per cent of pensioners were in fuel poverty in 2004.
- According to the 2004 data, people renting their home were no more likely to be in fuel poverty than owner occupiers. This is in sharp contrast with the equivalent data for 2001, when renters were around twice as likely as owner occupiers to be in fuel poverty.

Other points
- As other indicators in this report show, some of the factors that influence the fuel poverty rate do not apply on the scale necessary to explain Northern Ireland's very much higher fuel poverty rate. These include low income, non-decency and/or an absence of central heating where, in all cases, Northern Ireland is little different from the UK average.6
- By contrast, the price of fuel and light in Northern Ireland is higher than the UK average, by between 8 per cent and 12 per cent.7 Despite higher prices, households in Northern Ireland used more electricity than in England and Wales.8 It has been estimated that if prices were the same as in England, fuel poverty in Northern Ireland would be lower by one fifth.9
- The fall in the fuel poverty rate among social sector households between 2001 and 2004, noted above, may also be due to a fall in the use of previously inefficient fuel sources. This is because, besides the general fall in fuel prices over this period, there appears to have been a big switch away from using solid fuel for central heating in social housing, replacing it with oil or gas.10
- It should be noted that since these figures were compiled, the price of fuel has risen sharply everywhere. Fuel poverty rates now will therefore be higher than those shown here.
Overcrowding

28A: Overcrowding is twice as prevalent in rented housing as in owner-occupation.

![Graph showing proportion of people living in overcrowded conditions by housing tenure.](source: Continuous Household Survey, NISRA)

28B: Derry and Strabane have the highest proportion of overcrowded households - three times the rate in some areas.

![Graph showing proportion of households with an occupancy rating of -1 or less by district.](source: Census 2001)

The first graph shows the proportion of people living in conditions that fall below the ‘bedroom standard’, with the data shown separately by housing tenure. For comparison purposes, the equivalent data for the mid 1990s is also shown.

The ‘bedroom standard’ is a measure of occupation density that is calculated in relation to the number of bedrooms and the number of household members and their relationship to each other. One bedroom is allocated to each married or cohabiting couple, any other person over 21, each pair aged 10 to 20 of the same gender and each pair of children under 10.

The data source for the first graph is the Continuous Household Survey.

The second graph shows how the proportion of households living in overcrowded conditions varies across the districts of Northern Ireland.

The data for second graph is from the 2001 Census. The overcrowding measure used in the Census is called ‘occupancy rating’ which assumes that every household, including one person households, requires a minimum of two common rooms (excluding bathrooms).

Overall adequacy of the indicator: limited. The bedroom standard itself is considered by many to be low, particularly for those aged over 10, and the overall level of overcrowding shown by it may therefore be too low.
Why this indicator?

Clearly, within reason, households would prefer to have more space available rather than less, and a household that is deemed to be ‘overcrowded’ is therefore suffering as a result.

‘Overcrowding’ measured here is based on the ‘bedroom standard’, which is calculated in relation to the number of bedrooms and the number of household members and their relationship to each other. One bedroom is allocated to each married or cohabiting couple, any other person over 21, each pair aged 10 to 20 of the same gender and each pair of children under 10. Any house under the bedroom standard for numbers of rooms is defined as overcrowded.

A household may be overcrowded for one or more of at least three reasons. First, a larger property may not be available. Second, a larger property may not be affordable. Or third, the household may include people who are expected to be there only temporarily, either because they cannot find, or cannot afford, a place of their own. As the next indicator shows, loss of accommodation with friends or relatives is the single biggest reason for people presenting as homeless in Northern Ireland. Overcrowding may therefore be both indicative of deeper housing problems and symptomatic of wider problems to do with low income, perhaps especially among younger adults.

Key points from the graphs

- Over the period 2002/03 to 2004/05, overcrowding was twice as common among those living in rented accommodation as among those in owner occupation: 9 per cent of people in the former category compared with 5 per cent for people in the latter.

- Compared with the mid to late 1990s, these proportions represent a marked improvement, the proportions having come down since then by between 3 percentage points for owner occupiers and 5 percentage points for social renters, although there has been little change for private renters.

- According to the 2001 Census, the proportion of overcrowded households (based on a measure called ‘occupancy rating’) in each Northern Ireland district follows a pronounced west-east pattern, with Derry, Strabane and Limavady all having rates of overcrowding of at least 10 per cent, whereas North Down and Castlereagh had rates below 4 per cent. The pattern is not just restricted to the extremes however, since almost all eastern districts, with the exception of Belfast, have lower proportions than almost all western ones.
The number of households presenting as homeless has almost doubled since 1999/00, with most of the increase being households without dependent children.

There are many reasons why people present as homeless.

The first graph shows, over time, the number of households who presented themselves as homeless in the stated year, with the data split between those with and without dependent children.

The second graph shows, for the latest year, how the proportion of households presenting as homeless varies by reason.

The data source for both graphs is Northern Ireland Housing Statistics. Note that the data is for those presenting as homeless, not those subsequently accepted as being homeless.

Overall adequacy of the indicator: medium. While there is no reason to believe there is any problem with the underlying data, it does not include many single people who are effectively homeless, as local authorities have no general duty to house such people and therefore many do not apply.
Why this indicator?

As well as being a serious problem in its own right, homelessness is also a symptom of wider problems about the lack of availability of suitable, affordable housing.

In particular, a person can be homeless – in the sense of not having a home of their own – without lacking a place to stay altogether (‘roofless’). Rather, a person is homeless if either they have no legal right to occupy their accommodation or if they have no place that is reasonable to continue to occupy. As a result, homeless people live in a wide variety of circumstances: some are roofless, but others – the great majority – live temporarily with friends or relatives.

This indicator shows the number of households ‘presenting as homeless’ to the Northern Ireland Housing Executive. The first graph shows the number presenting as homeless annually over the last decade, split between those with and without dependent children. The second shows a breakdown of the number in 2004/05 by the reasons given for being homeless.

Key points from the graphs

■ In 2004/05, around 17,000 households presented as homeless, some 6,000 of whom had dependent children. The vast majority of those without dependent children are single people rather than couples.

■ In 1995/96, the comparable figures were 11,000 and 4,500. Over this period, the numbers have therefore grown substantially, with most of the growth being among households without dependent children. More specifically, almost all the growth took place during the four-year period 1999/2000 to 2003/04 (which is also when homelessness rose steeply in England, again mainly among those without dependent children).11

■ In 2004/05, six reasons accounted for almost all of those presenting as homeless. The largest of these was loss of accommodation with friends or relatives (23 per cent), followed by relationship breakdown (19 per cent).

Other points

■ Over the last decade, the relative importance of the different reasons for presenting as homeless have changed markedly, with the numbers citing intimidation or harassment showing a particular sharp increase, from around 1,000 households in 1995/96 to some 2,200 in 2004/05.

■ Not every household that presents as homeless is eventually found to be so by the Housing Executive. Those who are fall into two groups: those deemed to be ‘in priority need’ towards whom the authorities then have a duty to provide housing; and those ‘not in priority need’, towards whom the authorities have no such duty. The latter are exclusively households without dependent children. That subset of the homeless who are deemed to be in priority need number about half of all those who present as homeless.
Work status of households in social housing

30A: Four-fifths of heads of households in social housing in Northern Ireland are not in work, more than in any region of Great Britain.

Source: Labour Force Survey, ONS; the data is for 2005/06

30B: The proportion of social sector households where the head of the household is not in paid work has risen over the last decade.

Source: Labour Force Survey, ONS

The first graph shows how the proportion of working-age households where the 'household reference person' (which is the person with the highest income in the household) is not in paid work in Northern Ireland compares to the regions of Great Britain, with the data shown separately for social housing tenants and those in other tenures. For those who are in social housing, the second graph shows how the proportion of heads of household who are not in work has changed over time. For comparison purposes, the equivalent data for Great Britain is also shown.

The data source for both graphs is the Labour Force Survey (LFS).

Overall adequacy of the indicator: high. The LFS is a large, a well-established, quarterly government survey designed to be representative of the population as a whole.
Why this indicator?

This indicator shows how far households living in social housing accommodation are in paid work: more specifically (given the availability of data) whether the head of household (or more recently, the Household Reference Person) is working. The potential concern here is that, if areas of social housing have very few working households, then the children brought up there may have too little experience of, and therefore not see themselves in the future as part of, the ‘world of work’.

The first graph shows the proportions of all households not in work, separately for those in the social rented sector and for others, comparing Northern Ireland against each of the GB regions. The second graph, comparing Northern Ireland with GB as a whole, shows the change in the proportion of non-working, social sector households over the last decade.

Key points from the graphs

■ 79 per cent of social sector head of households in Northern Ireland are not in paid work. This proportion is higher than in any of the GB regions. The GB region with the highest proportion is the North East of England with 76 per cent. The figures for Wales and Scotland are 73 per cent and 69 per cent respectively.

■ By contrast, the proportion of non-working head of households in other tenures is, at 36 per cent, similar to the GB average.

■ Not only is the proportion of social sector households not in paid work higher in Northern Ireland than in any GB region, it has also been growing over the last decade, having stood at 75 per cent in 1996/97. By contrast, the proportion in GB has remained very steady, at around 70 per cent, for more than a decade.

Other points

■ It has not always been the case that Northern Ireland has had a higher proportion of non-working households in the social housing sector than any GB region. Just over 20 years ago, in 1984, only London, Scotland and the South of England had lower proportions than Northern Ireland’s 62 per cent. Even after suffering a very sharp rise in the second half of the 1980s, this was still true of Northern Ireland’s 72 per cent in 1991. It is therefore the more recent, and continuing growth, that is the direct cause of Northern Ireland’s present position.

■ Northern Ireland also stands out for the proportion of non-working, working-age households in social rented accommodation. This is true both for the current level (69 per cent in 2005/06 compared with the 61 per cent in the North West of England, the highest of the GB regions) and for its continuing growth (up from 61 per cent in 1991 and 66 per cent in 2001/02).

■ These trends are the result of two effects. One is a change in work status of a household in social rented accommodation, for example, a working household becoming workless because of redundancy, or long-term sickness, or retirement. The other is a change in tenure of social rented property when a household buys its home, so moving it out of the sector. Since households buying their homes are more likely to be working ones, this too reduces the proportion of working households in the social rented sector.
31A: There is a strong relationship between the state of the local outdoor physical environment and the level of deprivation. The relationship between housing quality and deprivation is much weaker.

31B: Over half of areas with the worst physical environment are in the most deprived fifth of all local areas.

The first graph shows, for each level of overall deprivation, the proportion of super output areas who are in the lowest fifth for outdoor physical environment and housing quality respectively.

The second graph shows, for each level of overall deprivation, the share of the super output areas that are in the worst fifth for outdoor physical environment.

The data source for both graphs is the super output area level (i.e. small area level) 2005 Multiple Deprivation Measure (MDM), with the super output areas being grouped into five equal groups according to their MDM score. The rankings for outdoor physical environment and housing quality both come from the ‘living environment’ domain of the MDM. Note that there is little risk of multi-collinearity in doing this, as the living environment makes up only 5 per cent of the total deprivation score.

Overall adequacy of indicator: low. The measure of physical environment is based on a subjective judgement of a surveyor, and may vary from one area to the next. Furthermore, the data on housing quality is derived from the Home Condition Survey and, as such, is based on very small samples at a small area level.
**Why this indicator?**

The physical environment includes things such as litter, graffiti, vacant or boarded up buildings and an overall measure of visual quality. The state of the physical environment has a significant impact on quality of life. Often, however, such issues are outside the direct control of the individual, so a poor environment can add to a sense of helplessness and exclusion.

More specifically, this indicator looks at the links between poor physical environment, poor housing quality and general deprivation. The first graph looks at what proportion of local areas, by their overall level of deprivation, suffer from poor physical environments and/or from a poor housing stock. The second graph looks at how all the areas with poor physical environments are distributed according to the level of deprivation. In both cases, a ‘poor’ physical environment, or a ‘poor’ housing stock, means an environment, or housing stock, in the worst fifth.

**Key points from the graphs**

- Local areas in the most deprived fifth of all areas are five times as likely as average areas to suffer from a poor physical environment and ten times as likely as areas with the lowest levels of deprivation. In other words, the more deprived an area is, the more likely it is to suffer from a poor physical environment.

- By contrast, there is no such correlation between deprivation and housing quality, with both the most deprived areas, and areas with average levels of deprivation, having about 30 per cent of their housing stock deemed as ‘poor’. Only in areas with below average levels of deprivation does the state of the housing stock begin to improve markedly.

- The strong correlation between deprivation and poor physical environment means that over half (57 per cent) of the worst areas in terms of physical environment are in the most deprived fifth of all areas. A further 20 per cent are in the next most deprived.

**Other points**

- The proportion of areas with poor physical environments varies substantially across Northern Ireland, but there is no obvious geographical pattern. Around half of all areas in Derry fall into the bottom fifth in terms of physical environment. In Newry and Mourne, Magherafelt, Limavady and Dungannon, there are no such areas.
Fear of crime

32A: Poor households, women and older people are the most worried about both burglary and mugging.

The first graph shows how the proportion of the population who are very worried about muggings and burglaries varies by household characteristic and gender. The data source for the first graph is the 2003/04 Northern Ireland Crime Survey, with the data obtained via the Northern Ireland Office report entitled Perceptions of and concern about crime in Northern Ireland: findings from the 2003/04 Northern Ireland Crime Survey. The household characteristics shown have been selected from a longer list.

32B: Assaults are much more common in deprived areas whilst burglaries are more or less equally common in all areas.

The second graph shows how the prevalence of both assaults and burglaries varies by the level of deprivation of the local area (i.e. ward). The data source for the number of assaults and burglaries is the Northern Ireland Neighbourhood Information Service and the data is for 2004/05. It is a count of the number of notifiable offences recorded by the police. The data source for the level of deprivation of the local area is the ward-level 2005 Multiple Deprivation Measure (MDM), with the wards being grouped into 10 equal groups according to their MDM score.

Overall adequacy of the indicator: low. The data shown in the two graphs has been mainly driven by data availability. The ward-level data on recorded crime in the second graph may be affected by differing recording practices in different parts of the country.
Why this indicator?
Like the indicator on physical environment, fear of crime is a measure of quality of life. However, fear of crime can be excluding in a way that simply living in a run down area is not because being frightened to leave the house reduces a person's ability to partake fully in wider society. As fear of crime is subjective, it can vary between groups in the same geographical area. This indicator looks at which groups of society are most anxious about crime.

The first graph looks at two offences, burglary and mugging, and how fear of these crimes varies according to different characteristics: income, gender, age and location (Belfast or not). The second looks at the reported incidences of burglaries and assaults, according to the level of deprivation of the local area.

Key points from the graphs
■ For both mugging and burglary, income, gender and age have a much bigger influence on fear of crime than location, with little difference between Belfast and elsewhere as far as fear of mugging (19 per cent compared with 15 per cent) or burglary (23 per cent to 21 per cent) are concerned.

■ Much bigger differences are seen when comparing by gender. Women are more likely than men to be anxious about both burglary (25 per cent to 16 per cent) and mugging (22 per cent to 9 per cent). Similar differences can be seen between the over 60s and under 30s (25 per cent compared with 16 per cent for burglary and 20 per cent compared with 13 per cent for mugging).

■ The biggest variation in fear of crime, however, is by level of income. People with incomes below £10,000 are more than twice as likely to be anxious about burglary as those earning over £30,000 (29 per cent compared with 13 per cent). For muggings, this difference is even bigger: 26 per cent compared with 7 per cent.

■ Just as fear of crime varies sharply by income, so to does the incidence of some forms of crime. The likelihood of assault increase steadily with the area’s level of deprivation. Thus, the rate of recorded assaults in the most deprived tenth of wards is, at 28 per 1,000 population, twice the average rate and four times the rate in the least deprived tenth.

■ But there are other forms of crime where the link with deprivation is much weaker. Although it is true that the burglary rate in the most deprived tenth of local areas is, at 11 burglaries per 1,000 population, somewhat above average, for all other levels of deprivation, the rate fluctuates between 6 and 9 per 1,000.

Other points
■ A similar lack of connection between the likelihood of being a victim of crime and fear of crime can be seen for both gender and age: for example, men are one and a half times as likely as women to be victims of an assault while those under 16 to 29 are three times as likely as those over 60 to be victims.14
Chapter 6
Health and harm

Indicators
33 Low birthweight babies
34 Child health and well-being
35 Teenage well-being
36 Premature death
37 Working-age limiting long-term illness
38 Mental ill-health
33A: The proportion of babies who are of low birthweight is lower in Northern Ireland than in any of the regions of Great Britain.

Source: DHSSPSNI (Northern Ireland), ISD (Scotland) Birth Statistics FM1, ONS (England and Wales); the data is for 2004.

33B: North and West Belfast, Ballymoney and Craigavon have the highest proportion of babies who are of low birthweight.

Source: DHSSPS; the data is the average for 2003 to 2005.

The first graph shows how the proportion of babies born who are defined as having a low birthweight, i.e. less than $2 \frac{1}{2}$ kilograms ($5 \frac{1}{2}$ lbs), in Northern Ireland compares to the regions of Great Britain.

The second graph shows how the proportion of babies born who are defined as having a low birthweight varies across the districts of Northern Ireland.

The data is for live births only (i.e. it excludes stillbirths).

The source for the Northern Ireland data in both graphs is the Department of Health, Social Services and Public Safety (DHSSPS) and the source for the Great Britain data in the first graph is the FM1 statistics for England and Wales, and ISD for Scotland. The data is for live births only (i.e. it excludes stillbirths). In the first graph, the data is for 2004 (the latest data available for Great Britain). In the second graph, the data is the average for 2003 to 2005.

Overall adequacy of this indicator: medium. While all the statistics are factual, the data for Northern Ireland and Great Britain is from different sources and therefore might not be strictly comparable. Furthermore, the numbers at the district level are small enough to have some uncertainty to them.
Why this indicator?

Low birthweight – defined as being born at full term with a weight of 2.5 kg or less – is held to be associated with poverty and exclusion in two ways. First, a baby’s low weight at birth may be a sign of their mother’s reduced nutritional intake and/or lower level of well-being: in other words, present or past poverty.

Second, low birthweight is itself a risk factor for problems with the child’s own health and well-being as it develops: in other words, future deprivation or disadvantage. For example, low birthweight babies are more likely to die within the first few weeks of life, or develop certain chronic illnesses, such as heart disease or diabetes, in adulthood. Very low birthweight (under 1.5 kilograms) is also associated with long-term disabilities such as cerebral palsy.

The first graph shows how Northern Ireland compared with each of the GB regions. The second compares the proportion of babies born with a low birthweight across the Northern Ireland districts, with Belfast divided into four parts.

Key points from the graphs

■ In 2004, 6 per cent of babies in Northern Ireland were born with a low birthweight. This proportion is lower than in any of the GB regions, being 1 percentage point lower than the best of those regions (the South East of England) and 2.5 percentage points lower than the worst of them (the English West Midlands).

■ There is considerable variation in the proportion of babies born with low birthweight across Northern Ireland, from 4 per cent, to 7.5 per cent. Whether there is a geographical pattern to it is debatable but it certainly does not correspond to the pattern of deprivation seen in many other indicators. On the one hand, the proportion is high in both West and North Belfast and Craigavon; but the proportions in Strabane, Newry, Dungannon, Cookstown and Armagh are among the lowest.

Other points

■ Research on related issues points to some of the factors that may contribute to explaining the statistics above, including: lower birth rates among teenage mothers in Northern Ireland than in England, Wales or Scotland;\(^1\) a smaller proportion of births to unmarried mothers in Northern Ireland compared with England and Wales;\(^2\) apparently better maternal health during pregnancy – 40 per cent of UK mothers reporting an illness or problem during pregnancy compared with 30 per cent for Northern Ireland;\(^3\) and much stronger family support, with two-fifths of Northern Ireland mothers reporting seeing their mother every day compared with one-fifth of mothers in England.\(^4\)
34A: The rate of infant mortality is one third higher in deprived wards than in non-deprived wards.

![Graph showing infant mortality rates in deprived wards vs. non-deprived wards.](image)

Source: General Register Office for Northern Ireland; the data is the average for 1997 to 2001

34B: The average number of missing, filled or decayed teeth is far higher among children from low-income households than for other children.

![Graph showing dental health of children by receipt of means-tested benefits.](image)

Source: Children's Oral Health in Ireland, 2002

The first graph compares infant mortality rates in deprived wards with rates in non-deprived wards. Infant mortality is defined as death before the age of one year, with the rates expressed as a proportion of total live births. Deprived wards are those in the bottom fifth of all wards according to the ward-level 2005 Multiple Deprivation Measure (MDM).

The data source for the first graph is the General Register Office for Northern Ireland, with the data obtained via the 2004 publication *Equality and inequalities in health and social care in Northern Ireland* published by the Department of Health, Social Services and Public Safety (DHSSPS).

The second graph compares the dental health of children whose parents are in receipt of means-tested benefits compared with other children, with the data shown separately for five-year-olds and 15-year-olds. In each case, it shows the average number of missing, decayed or filled teeth.

The data source for the second graph is a one-off report called *Children's oral health in Northern Ireland*, published in 2002 by the Oral Health Service Research Centre at the University of Cork, and with the data obtained via the 2004 publication *Equality and inequalities in health and social care in Northern Ireland* published by DHSSPS.

Overall adequacy of this indicator: low. The choice of both graphs is mainly driven by data availability.
Key points

Why this indicator?
This indicator looks at proxy measures for the health and well-being of children, from newborn babies to adolescents, with the focus being on the differences within Northern Ireland according to the level of deprivation. The justification for including such measures in a report on poverty and social exclusion rests on the degree to which deprived children face greater risks of poor health than other children.

The first graph compares the rate of infant mortality – deaths among children aged under one – in the most deprived fifth of local areas in Northern Ireland with the rate elsewhere in Northern Ireland. The data is the average for 1997 to 2001.

The second graph looks at the average number of missing, decayed or filled teeth in the mouths of five-year-olds and 15-year-olds, comparing deprived children in Northern Ireland with others. ‘Deprivation’ here is measured by whether the child’s family is in receipt of means-tested benefits. Oral health is considered to be a rather good proxy measure for children, reflecting as it does the influence of a range of factors including diet, tooth-brushing habits and access to dentists.

Key points from the graphs
■ Within Northern Ireland, there is a marked difference in the rate of infant mortality, the rate in the most deprived fifth of areas (7 per 1,000 live births) being one third higher than the rate elsewhere (5 per 1,000).

■ Oral health shows a similar pattern of additional disadvantage for children from deprived backgrounds compared with others. Deprived five-year-olds had, on average, three missing, decayed or filled teeth compared with two for other five-year-olds. The difference is similar at age 15, with an average of five missing, decayed or filled teeth among deprived children compared with four among other children.

Other points
■ At 5 deaths per 1,000 live births in 2002 to 2004, the rate of infant mortality in Northern Ireland is similar to the GB average.5

■ Although it is unclear whether the data is truly comparable, the overall average rate of some two missing, decayed or filled teeth among all five-year-olds in Northern Ireland is a higher number than in almost all English regions, though similar to the number in both Wales and Scotland. The figure for the best of the English regions is just one missing, decayed or filled tooth per five-year-old.6
Teenage well-being

35A: The rate of births to girls aged 13 to 16 in the most deprived fifth of areas is now three times that for girls in the rest of the country.

![Graph showing birth rates per 1,000 females aged 13 to 16, with data for areas of high deprivation and for other areas.]

Source: DHSSPS

35B: Teenagers in receipt of free school meals are more likely than other children to be using drugs.

![Graph showing the proportion of year 8 to year 12 children (12- to 17-year-olds) (per cent) in receipt of free school meals and those not in receipt of free school meals, divided into those currently using any drug and those who have ever taken cannabis.]

Source: Young Persons’ Behaviour and Attitudes Survey, 2000

The first graph shows, over time, the rate of births to girls aged 13 to 16, with the data shown separately for areas of high deprivation and for other areas.

The data source for the first graph is the Department of Health, Social Services and Public Safety (DHSSPS), who produced the rates using the most recent population estimates. ‘High deprivation’ is defined as those super output areas (i.e. small area levels) in the worst fifth in the 2005 Multiple Deprivation Measure (MDM).

The second graph shows the proportion of children in years 8 to 12 who are currently using drugs, with the data divided according to whether or not the children are in receipt of free school meals (a proxy for whether or not the children live in low income households).

The data for the second graph comes from the Young Persons’ Behaviour and Attitudes Survey of 2000, with the data obtained via the 2004 publication Equality and inequalities in health and social care in Northern Ireland published by DHSSPS. The report does not specify the definition of ‘current’ in ‘currently using any drug’.

Overall adequacy of this indicator: low. Births at age 16 are an entirely different matter to births at age 13. Ideally one would also look at conceptions as well as births but this is difficult to do in Northern Ireland, where abortion is illegal so terminations, which have to be carried out outside the province, are not counted anywhere in official statistics. Finally, the second graph relies on data that is now six years old.
Key points

Why this indicator?
This indicator focuses on teenagers and young adults. This age group has a specific set of needs, as it approaches adulthood, which would not be picked up looking only at adults or children.

This indicator looks at two issues connected with teenage well-being and the way it varies with the level of deprivation. The first graph shows the birth rate for mothers aged 16 or under. ‘Deprivation’ is measured by residence in one of the most deprived fifth local (super-output) areas. Young mothers are a particularly vulnerable group, as giving birth at a young age may pose risks to the mother’s health and interfere with her present and future education.7

The second graph looks at drug use among teenagers and how that varies by deprivation, deprivation in this case being measured by whether or not the teenager receives free school meals.

Key points from the graphs
- In 2004, in the most deprived areas of Northern Ireland, seven girls in every 1,000 aged 13 to 16 gave birth. In other areas, by contrast, just two such girls in every 1,000 gave birth.
- Over the past few years, the difference in these birth rates between deprived areas and others appears to have widened. While the time series is admittedly short, the rate in deprived areas over the last four years has gone up year on year, while that in non-deprived areas has, if anything, gone down.
- Using receipt of free school meals as an indicator of deprivation, a survey of young people’s behaviour and attitudes in 2000 found that 12 per cent of 13 to 17-year-olds from deprived backgrounds were currently using a drug. This compares with 8 per cent of this age group from non-deprived backgrounds.

Other points
- The proportion of teenagers who had ever tried an illegal drug or solvent was around 22 per cent in 2003. This is comparable to the proportion in England and Wales, though the latter does not include solvent misuse.8
36A: The rate of premature death has declined by a fifth over the last decade.

Source: Department of Finance and Personnel (Northern Ireland), General Register Office (Scotland) and ONS (England and Wales)

36B: The rate of premature deaths among those in routine and manual occupations is two-and-a-half times as high as that among those in managerial and professional occupations.

Source: Department of Finance and Personnel Northern Ireland; the data is the average for 2002 to 2005

The first graph shows, over time, the number of deaths of people aged under 65 per 100,000 population, with the data standardised to a constant European age structure. For comparison purposes, the equivalent data for Great Britain is also shown.

The second graph shows the rate of deaths of people aged under 65 by social class. The data is not standardised by age.

In both graphs, the number of deaths is divided into four groups of cause, namely circulatory diseases (including heart disease), neoplasms/cancers, other internal causes (respiratory, digestive etc) and external causes (accidents, suicides, assaults etc).

The source for the Northern Ireland data in both graphs is the Registrar General with the data being obtained via the Department of Finance and Personnel; the data in the second graph is the average for 2002 to 2005 (earlier data uses a different definition of social class). The source for the Great Britain data in the first graph is the General Register Office for Scotland and ONS for England and Wales.

Overall adequacy of this indicator: medium. All the data in the first graph is both factual and comparable but comes from different sources.
Key points

Why this indicator?
This indicator looks at the rate of premature death, defined here as death before the age of 65. The fundamental justification for including it is to show how far premature death rates differ by social class. This is shown in the second graph.

A second reason for looking at premature death is to show both the overall scale of the problem and the principal reasons for it.

The first graph shows the 10-year trend in the premature death rate, since 1994, with the GB rate shown alongside for comparison. Since 1994 is the year when the ceasefires were declared, with obvious implications for the premature death rate, we also comment on the longer term trends.

Key points from the graphs
- Over the last decade, the rate of premature death in Northern Ireland has declined steadily from 260 deaths per 100,000 people in 1994 to 210 per 100,000 in 2004. These rates equate to around 3,000 premature deaths each year (a number that has remained fairly steady throughout the period as the size of the underlying population has been growing). Both the rate, and the trend it has followed, are similar to those for GB.
- In 2004, one quarter of those deaths were due to circulatory diseases, one third to cancers and one third to other internal causes. The remainder – some 10 per cent – were due to external causes.
- Over the 10-year period, the death rates for circulatory problems and cancers have fallen whereas that for other internal causes has risen. The death rate due to external causes has hardly changed.
- There is great variation in the rate of premature death within Northern Ireland by social class. The rate for intermediate occupations is twice that for managerial and professional groups, the rate for manual and routine occupations is two and half times as high and the rate for those who have never worked or are long term unemployed is three and half times as high.\(^9\)

Other points
- Premature death rates in Northern Ireland are higher than in eight of the GB regions and lower than in three. The rate in Northern Ireland is one-fifth lower than in Scotland (the worst rate).
- The rate of premature death among men is much higher than among women: in 2004, 260 per 100,000 population for men compared with 160 for women.
- Marked differences in the premature death rates by social class are the norm in GB.\(^{10}\)
- As in GB, the premature death rate has been trending downwards in Northern Ireland over a much longer period. For example, between 1986 and 1994 it fell from 330 to 260 per 100,000, with annual falls in six of the eight intervening years.
- The premature death rate in Northern Ireland rate used to exceed the GB rate by more than it does now, equivalent to around 150 deaths per year fewer in the period 1995 to 2004 than in the period 1986 to 1994. The effect of the 1994\(^{11}\) ceasefire is evident here, the number of deaths due to the conflict falling from an average of 84 per year between 1986 and 1994 to 21 per year between 1995 and 2001.\(^{12}\)
37A: At all ages, people who are living in rented accommodation are much more likely to suffer from a limiting long-standing illness than those in owner occupation.

Source: 2001 Census

37B: Strabane, Derry and Cookstown have the highest proportion of working-age people with a long-term illness, 50% higher than in some other areas.

Source: Census 2001

The first graph shows the proportion of adults self-reporting a limiting long-standing illness by age band (under 45, 45-59 and 60+) and housing tenure.

The second graph shows how the proportion of working-age people self-reporting a limiting long-standing illness varies across the districts of Northern Ireland.

The data source for both graphs is the 2001 Census.

Overall adequacy of the indicator: high. The question asked in the Census is the usually accepted way of measuring the prevalence of limiting long-standing illness.
Why this indicator?

Limiting long-term illness among people of working age is not only a potential cause of poverty but also a potential consequence of it. It can be a cause because someone with such a condition is both less likely to have a job and to have less choice about what job they do – and therefore what rate of pay they can achieve. It can also be a consequence if it arises as a result of repeated spells of worklessness or reduced opportunities.

The first graph shows the proportion of people reporting themselves as suffering from a limiting long-term illness, separately by age and housing tenure. The second graph shows the proportion of working-age people suffering from a limiting long-term illness across each of the 26 Northern Ireland districts.

Key points from the graphs

- The proportion of people suffering from a limiting long-term illness rises with age – but is always much higher among those living in social rented accommodation than among those who are owner occupiers.

- Among those aged under 45, 17 per cent of individuals living in social rented accommodation reported such a condition in the 2001 Census, compared with 7 per cent among owner occupiers. Among those aged 45 to 59, the comparable figures were 53 per cent and 22 per cent respectively, while among those aged over 60, the figures were 68 per cent and 47 per cent.

- Across the Northern Ireland districts, the proportion of working age people suffering from a limiting long-term illness ranged from 22 per cent in Strabane to 13 per cent in North Down. The proportion in Belfast (20 per cent) places it among those districts with the highest rates.

- In general, there is a pronounced east-west pattern to the prevalence of this condition, with almost all the western districts (the main exception being Fermanagh) having higher proportions than eastern ones.

Other points

- Trends in limiting long-standing illness have been quite flat over recent years. According to the Continuous Household Survey, the rate in 1994/95 was the same as it was in 2004/05.

- The Continuous Household Survey also suggests that the rate for those with a household income below £5,000 is 50 per cent, more than three times the rate for those with a household income over £26,000 (though this is from an admittedly small sample size).
Mental ill-health

38A: The proportion of people in Northern Ireland claiming DLA for mental health reasons has more than doubled since 1998, and is three times the level in Great Britain.

![Graph showing the proportion of people claiming DLA for mental health reasons in Northern Ireland (NI) and Great Britain (GB) from 1998 to 2006.](image)

Source: DSD (Northern Ireland) and DWP (Great Britain); the data is for February of each year.

38B: Two-fifths of adults say that they were either personally injured in the troubles or had a close friend or relative either injured or killed.

![Pie chart showing the proportion of adults who were personally injured, had a close friend or relative killed or injured, or neither.](image)

Source: Poverty and Social Exclusion in Northern Ireland, 2002/03, Hillyard, P. et al.

The first graph shows how the proportion of people claiming Disability Living Allowance (DLA) for mental health reasons in Northern Ireland has changed over time. For comparison purposes, the equivalent data for Great Britain is also shown.

The source for the Northern Ireland data in the first graph is the Department for Social Development (DSD) and that for the Great Britain data is the Department for Work and Pensions. The denominator is the entire adult population, rather than the working-age population, as an age breakdown of DLA recipients by reason is not available.

The second graph shows the proportion of adults who self-reported that they were either personally injured during the troubles or had a close friend or relative killed or injured.

The data source for the second graph is a once-off survey entitled Poverty and Social Exclusion in Northern Ireland, 2002/03.

Overall adequacy of the indicator: medium. The graphs do not measure mental ill-health directly.
Key points

Why this indicator?
Mental ill-health is an aspect of ill-health thought to be especially significant in Northern Ireland – for example, 40 per cent of all awards for Incapacity Benefit or Severe Disablement Allowance are for mental or behavioural conditions\textsuperscript{13} – and it is included here for that reason.

The first graph uses data on benefit recipiency – specifically those receiving Disability Living Allowance (DLA) for mental health reasons – to compare mental ill-health in Northern Ireland with GB, year by year since 1998.

The second graph shows the proportion of the population in Northern Ireland who report that they were either injured themselves during the conflict, or had a close friend or relative who was killed or injured.

Key points from the graphs

- The number of people in Northern Ireland receiving DLA for mental health reasons in 2006 was 2.9 per cent of the total adult population. This is three times the comparable figure for GB (0.9 per cent).

- In 1998, the figures for Northern Ireland and GB were 1.2 per cent and 0.4 per cent respectively. In both cases, therefore, the proportion receiving DLA on mental health grounds has more than doubled in seven years.

- DLA, which is paid to people who first claim when they are aged under 65, has two components to it, one for people who have difficulties with walking and one for people with care needs. Entitlement to DLA is tightly defined and subject to rigorous assessment, including examination by an independent doctor.

- Among those who chose to answer questions about their experience of the conflict, 7 per cent indicated that they themselves had been injured during it, while a further 36 per cent indicated that a close relative or friend had either been injured or killed. Putting these two figures together implies that in the early years of this decade, around half a million people had been affected by the conflict in this way.

Other points

- Other evidence that suggests a growth in the extent of mental ill-health in Northern Ireland is the 33 per cent rise in the number of anti-depressant prescription items issued in the five years from 2000, to 1.4 million in 2005, equivalent to 0.75 prescription items per head.\textsuperscript{14}

- Research suggests a connection between the conflict and the risk of mental ill-health within Northern Ireland: the greater the extent to which someone's area or life is affected by it, the greater the likelihood that they have poorer mental health.\textsuperscript{15} How far the conflict explains the overall levels of mental ill-health in Northern Ireland is less clear.\textsuperscript{16}

- Analysis of the British Household Panel Survey suggests that the risk of mental ill-health, when assessed on the basis of household questionnaire information, is similar in Northern Ireland (at around 20\%) to that in England, Wales and Scotland.\textsuperscript{17} Some other research, however, suggests that the risk is higher in Northern Ireland than in England.\textsuperscript{18}
Chapter 7
Disadvantage in work

Indicators

39 Employment risks for those with few qualifications
40 Low pay industries
41 Low pay areas
42 Young adult unemployment
43 Insecure at work
44 Support at work
Employment risks for those with few qualifications

39A: The lower a person’s qualifications, the more likely they are to be lacking but wanting paid work.

![Graph showing the proportion of people aged 25 to 50 who lack but want paid work, broken down by highest qualification. The data is shown separately for those who are unemployed and those counted as ‘economically inactive’ who want paid work. Source: Labour Force Survey, ONS; the data is for the four quarters to Winter 2005/06.]

39B: The lower a person’s qualifications, the more likely they are to be low paid.

![Graph showing the proportion of employed people aged 25 to 50 who earn less than £6.50 per hour, broken down by level of highest qualification. Source: Labour Force Survey, ONS; the data is for the four quarters to Winter 2005/06.]

The first graph shows the proportion of 25- to 50-year-olds who lack but want paid work, with the data broken down by highest qualification. The data is shown separately for those who are unemployed and those counted as “economically inactive” who want paid work.

“Unemployment” is the International Labour Organization (ILO) definition, which is used for the official UK unemployment numbers. It includes all those with no paid work in the survey week who were available to start work in the next fortnight and who either looked for work in the last month or were waiting to start a job already obtained.

The economically inactive who want paid work includes people not available to start work for some time and those not actively seeking work.

The second graph shows the proportion of 25- to 50-year-olds who are in employment who have an average hourly gross pay of less than £6.50, with the data broken down by level of highest qualification.

The data source for both graphs is the Labour Force Survey (LFS).

Overall adequacy of the indicator: medium. The LFS is a well-established survey designed to be representative of the population as whole. However, the low pay data in the second graph is considered by ONS to be less reliable than the non-income data in the first graph.
Why this indicator?
This indicator relates a person’s highest level of qualification to both being out of (but wanting) a job and to low pay. By connecting past education with their current or future economic prospects, this provides a crucial link not just in the account of poverty presented in this report but also in the anti-poverty strategy that the UK government has been pursuing since 1997, a strategy which sees work as the route out of poverty and qualifications as the route to work.

The statistics shown in the indicator relate to the 25- to 50-year-old population only. Younger working-age adults are excluded on the grounds that some of them are still completing their education and that the risk of low pay among this group is high for all levels of qualification. Older working-age adults are excluded on the grounds that the high levels of worklessness among this group might distort the figures.

‘Low pay’ is defined here as an hourly rate of pay of £6.50 or less.

Key points from the graphs
■ Some 6 per cent of all 25- to 50-year-olds in Northern Ireland lack but want paid work, just under half of them counting as unemployed. For those with either a degree or with A-levels (or the vocational equivalent NVQ3), the percentage is lower – 3 per cent and 5 per cent respectively.

■ By contrast, people who either lack any qualification or do not have any GCSEs at grade C or above face a 10 per cent risk of lacking but wanting work, nearly twice the average. It is noticeable that possession of only a low qualification (that is, GCSE but not at grade C) does nothing to reduce the risk here compared with having no qualification at all.

■ Even people whose highest qualification does include GCSEs at grade A to C face an above average risk of lacking but wanting work. It is therefore only the possession of either A-levels or better that confers on someone a lower than average risk of lacking work in this way.

■ The corresponding patterns for the risk of low pay by level of qualification are similar, but even more pronounced. In particular, only possession of a degree causes someone to have a below average risk of low pay: 8 per cent compared with 23 per cent on average. Even with A-levels as the highest qualification, the risk of low pay is no better than average. And people with either low or no qualifications face a 50 per cent risk.
40A: More than half of employees in the retail, hotel and restaurant sectors are paid less than £6.50 per hour, two-thirds of them being women.

Source: Labour Force Survey, ONS; the data is for the four quarters to Winter 2005/06

40B: Two-fifths of all low paid workers work in the retail, hotel and restaurant sectors. A further quarter work in the public sector.

Source: Labour Force Survey, ONS; the data is for the four quarters to Winter 2005/06

The first graph shows how the proportion of workers who were paid less than £6.50 per hour varies by industry sector, with the data shown separately for men and women.

The second graph shows the share of low paid workers by industrial sector.

Some of the sectors have been combined together for presentational purposes with the particular sectors shown being manufacturing and other production (industry code A-F); wholesale & retail (G); hotels & restaurants (H); public administration, education & health (L-N); other business activities (J-K); and other services (I & O-Q).

The data source for both graphs is the Labour Force Survey (equivalent data from the Annual Survey Hours and Earnings not being publicly available). People whose hourly pay rates cannot be calculated from the survey data have been excluded from the analysis.

Overall adequacy of the indicator: medium. The Labour Force Survey is a large, well-established, quarterly government survey designed to be representative of the population as a whole but there are some doubts about the reliability of its low pay data.
Key points

**Why this indicator?**

Around 160,000 employees in Northern Ireland were paid less than £6.50 per hour in 2005. This indicator analyses the distribution of these people between the various sectors of the economy.

The point of the indicator is twofold. The first is to show how far sectors that are big employers of low paid workers are the same as the ones in which most employees are low paid. The second is to show how far low pay is concentrated in sectors where market forces may be thought to play the largest part in determining pay levels.

The first graph shows the proportion of employees in each sector who are low paid, described here as the ‘risk’ of being low paid in a particular sector. The second graph shows how the low paid employees are distributed across the different sectors (the ‘share’ of low pay).

**Key points from the graphs**

- The risk of low pay in the hotel and restaurant sector is, at over 70 per cent, three times as high as the risk of low pay in the public sector. The risk of low pay in the retail and wholesale sector is 60 per cent.

- In any sector in which women make up a significant proportion of the workforce, they also make up more than half of those in low pay. Obvious examples of this are in the hotel and restaurant and retail and wholesale sectors, in both of which women make up two-thirds of those in low pay.

- However, even in sectors where low pay is less common, it is women who make up the majority of the low paid. Only 20 per cent of those in public sector jobs earn less than £6.50 per hour, but four-fifths of these (16 per cent of the total) are women. This is the highest proportion of any sector.

- The biggest single employer of low paid workers is the retail and wholesale sector which accounts for 31 per cent of all low paid workers in Northern Ireland. This reflects both its size and the high risk of being low paid if employed in that sector. Hotels and restaurants, despite the high risk of low pay, account for just 8 per cent of all low paid jobs.

- By contrast, such is the size of the public sector that, despite the fact that it has the lowest risk of low pay, it still accounts for 28 per cent of all those in low pay. It should be stressed that this proportion only includes people who are employed directly by the public sector: those working within the sector but employed by private sector contractors are not included.

- While a precise assessment cannot be made, around only one quarter of all low paid jobs are in sectors which could potentially re-locate the work abroad (most of manufacturing and some private/financial services); downward pressure on wages from international competition can therefore only be a small part of the cause of low pay in Northern Ireland.
Low pay areas

41A: Strabane and Cookstown stand out for their high proportion of workers who are low paid - twice the proportion in some other areas.

41B: Around two-fifths of those paid less than £6.50 per hour are aged 40 or over.

The first graph shows the proportions of employees paid less than £6.50 per hour across the districts of Northern Ireland. The data is based on where people live rather than where they work. To improve its statistical accuracy, the data is the average for 2004 and 2005. Note that there is no data for Moyle.

The second graph shows, for 2005, how distribution of employees paid less than £6.50 per hour varies by age, gender and full-time/part-time.

The data source for both graphs is the Annual Survey of Hours and Earnings (ASHE), Department of Enterprise, Trade and Investment (DETI).

Overall adequacy of the indicator: high. ASHE is a large annual survey of employers.
Why this indicator?
This indicator provides further information on where low paid employees work in Northern Ireland and who they are. Low pay here is defined as an hourly rate of pay of £6.50 or less.

The first graph uses the 26 districts to show how the ‘risk’ of low pay (that is, the proportion of employees living in the district who are low paid) varies across Northern Ireland.

The second graph groups all low paid employees according to their age and whether they are full- or part-time. The risk of low pay is certainly highest among young workers aged 21 or under, some three-quarters of whom are low paid. But that does not, of course, mean that most low paid workers are young.

Key points from the graphs

■ Strabane and Cookstown stand out for the high proportion of low paid workers living there: respectively 46 per cent and 39 per cent. For most districts, the proportion of low paid workers lies between 25 per cent and 35 per cent.

■ More generally, there is a pronounced geographical pattern to low pay, with the risks usually being greater in the far west and south west than elsewhere, including Belfast. Indeed, at 28 per cent, Belfast itself has one of the lowest risks of low pay.

■ Low pay is not just a problem for young workers. Only a fifth of low paid workers are aged 21 or under (two-thirds of them full-time and one-third part-time). By contrast, a fifth of low paid workers are aged 50 or over, with a similar proportion aged in their 40s. In fact, the number of low paid workers is similar in each of the five age groups shown, namely, up to 21, 20s, 30s, 40s and 50 and above.

■ Only in the oldest of the age groups do part-time low paid workers out-number full-time low paid workers; at all other ages, full-timers out-number part-timers. As a result, just over half of all low-paid workers are full-timers aged under 50.

Other points

■ Those areas with high numbers on low pay are often the areas with high rates of benefit recipiency. For example, Strabane, Cookstown, Newry and Mourne and Derry all have both high levels of benefit recipiency and high proportions of low paying jobs. Conversely, Castlereagh and Newtownabbey and North Down all have both relatively low levels of benefit recipiency and low proportions of low paid jobs.

■ The proportion of working-age households receiving tax credits varies between 20 per cent and 25 per cent in western districts and between 15 per cent and 20 per cent in eastern ones.²

■ Low pay is equally common among Catholics and Protestants – in each case around one third earning less than £6.50 per hour.³
Young adult unemployment

42A: The unemployment rate for 18- to 24-year-olds in Northern Ireland is similar to the Great Britain average.

Source: Labour Force Survey, ONS; the data is for the four quarters to Winter 2005/06 combined

42B: The unemployment rate for 18- to 24-year-olds is no lower than it was seven years ago and is now three times the rate for older workers.

Source: Labour Force Survey, ONS

The first graph shows, for the latest year, how the unemployment rate for 18- to 24-year-olds in Northern Ireland compares with the regions of Great Britain.

The second graph shows, over time, the unemployment rate for those aged 18 to 24, compared with those aged 25 and over (up to retirement).

‘Unemployment’ is the International Labour Organization (ILO) definition. It includes all those with no paid work in the survey week who were available to start work in the next fortnight and who either looked for work in the last month or were waiting to start a job already obtained. The ILO unemployment rate is the percentage of the economically active population who are unemployed on the ILO measure (i.e. the total population for the relevant age group less those classified as economically inactive). So, for example, it excludes those still in education.

The data source for both graphs is the Labour Force Survey (LFS). To improve statistical reliability, the data for each year is the average for the four quarters up to the winter quarter.

Overall adequacy of the indicator: medium. The LFS is a large, well-established, quarterly government survey designed to be representative of the population as a whole but the use of a particular age group means that the sample sizes are relatively small.
Why this indicator?
This indicator looks at unemployment with focus on the 18- to 24-year-old group, not only because unemployment has been higher for this group than for older workers but also because unemployment at this age can make it harder for someone to complete the transition from childhood to adulthood.

‘Unemployment’ here follows the International Labour Organization (ILO) definition. It is not restricted to those receiving Jobseeker’s Allowance but instead includes all those with no paid work who are available to start work in the next fortnight and who have either looked for work in the last month or are waiting to start a job already obtained.

The second graph looks at the progress of this young adult unemployment rate over the last decade and compares it with the rate for workers aged 25 and over.

Both graphs express the rate of unemployment as a proportion of the economically active population (that is, as a proportion of those in jobs, plus those who are unemployed, but excluding those who are students).

Key points from the graphs
- 10 per cent of the ‘economically active’ 18- to 24-year-olds in Northern Ireland are unemployed. Though close to the GB average, this rate is lower than that in all but four of the GB regions, across the south and east of England (but excluding London).
- Over the last decade, while the rate of unemployment for those aged 25 to retirement has come down steadily, from 9.5 per cent to 3.5 per cent, there has not been any clear declining rate for the under 25s.
- As a result of this, the difference in the rate of unemployment between the under and over 25s has grown over the last decade. Ten years ago, the rate for under 25s was less than twice that of the over 25s, but is now three times higher.
- During 2005/06, there were on average around 10,000 unemployed people aged under 25 and 20,000 unemployed people aged 25 to retirement.

Other points
- Unemployment among those aged 25 to 34 is somewhat higher than that for older age groups, but is still only about half the rate for those aged under 25.
- For every age group, Catholics are more likely to be unemployed than Protestants. On average, 4.5 per cent of working-age Catholics are unemployed compared with 3 per cent of working-age Protestants. This gap is, however, smaller among younger age groups than older ones.\(^4\)
Indicator 43

Insecure at work

43A: Just one in eight part-time workers want a full-time job but a third of temporary workers want a permanent job.

Source: Labour Force Survey, ONS; the data is for the four quarters to Winter 2005/06

43B: The number of people on temporary contracts has remained broadly unchanged throughout the last decade.

Source: Labour Force Survey, ONS

The first graph shows the principal reasons that people give for taking part-time or temporary work. In each case, the main point of interest is those taking these forms of work who would prefer, respectively, full-time or permanent work.

The second graph shows the number of people on temporary contracts. A temporary employee is one who said that their main job is non-permanent in one of the following ways: fixed period contracts; agency temping; casual work; seasonal work; and other temporary work.

The data source for both graphs is the Labour Force Survey (LFS) and the data for each year is the average of the four quarters to the relevant winter quarter.

Overall adequacy of the indicator: high. The LFS is a large, well-established, quarterly government survey designed to be representative of the population as a whole.
Key points

Why this indicator?
Given the stress on work as the route out of poverty, this indicator looks at jobs that might be thought to be inferior in that they offer either too few hours or too little security.

The first graph looks at how far both part-time employees and temporary employees are satisfied with the status of their jobs. The second graph looks at how the number of people employed on temporary contracts has changed over the last decade.

Key points from the graphs
■ In terms of feeling satisfied with their job, there is a marked difference between part-time and temporary employees. On the one hand, the vast majority (85 per cent) of part-time employees said they did not want a full-time job, with just one in eight saying that they were working part-time because they could not find a full-time job.

■ On the other hand, only a third of temporary employees said they did not want a permanent job, with a third reporting that they could not find a permanent job.

■ Taking these two points together, the implication is that, whereas a large majority of part-time workers are (fairly) satisfied with having a job of that type, only a minority of temporary workers are satisfied with (or at least indifferent to) the insecurity of their situation.

■ Over the last decade, the number of people on temporary contracts has remained fairly steady, at between 30,000 and 40,000 people.

■ Over the same period, as discussed in Indicator 11, the number of part-time jobs grew by around a quarter, from around 200,000 to around 250,000.

Other points
■ Since 1995, the number of people on temporary contracts in the UK as a whole has actually decreased, and is now the lowest it has been for a decade. Overall, though, temporary jobs make up a similar proportion of all jobs in the UK as they do in Northern Ireland.
Support at work

44A: Access to training differs significantly by occupation, being least in the plant & machine and elementary (routine) occupations.

The first graph shows how the proportion of employees who have received some job-related training in the last three months varies by occupation group. Training includes both that paid for by employers and by employees themselves. Note that the major occupations under the title ‘personal service’ are related to healthcare and childcare services. Those under ‘elementary’ relate to routine occupations.

44B: Only a sixth of workers earning less than £6.50 an hour belong to a trade union compared with more than half of those earning £9 an hour or more.

The second graph shows the proportion of people currently employed who are members of a trade union or staff association, with the data shown separately by level of pay.

The data source for both graphs is the Labour Force Survey (LFS). In the first graph, the data is the average of the four quarters to winter 2005/06. In the second graph, the data is for the 2005 autumn quarter of the Labour Force Survey (the data is only collected in the autumn quarters).

Overall adequacy of the indicator: medium. The LFS is a well-established, quarterly government survey, designed to be representative of the population as a whole. But a single, undifferentiated notion of ‘training’, without reference to its length or nature, lessens the value of the indicator.
Key points

Why this indicator?
This indicator looks at two aspects of the support which an employee might receive at work, namely training and trade union membership. On the assumption that both represent a benefit to employees, the former directly and the latter perhaps as more of a means to an end, the importance of the indicator lies in the extent to which the likelihood of receiving these benefits varies according to the nature or status of the job.

The first graph shows the likelihood of having received some workplace training during the last three-month period with the results shown according to the occupation category of the job. These nine categories range from professional and managerial to elementary. The second graph looks at the proportion of employees belonging to a trade union with the results shown according to the rate of pay.

Key points from the graphs
- There is a marked variation in training opportunities available to different professions: essentially, those jobs that require qualifications to enter are then the ones that are most likely to provide in-work training.
- So, for example, professionals are four times as likely to receive in-work training as those working as plant or machine operatives (40 per cent compared to 10 per cent). Similarly, associate professionals are twice as likely to receive training as people in elementary trades (30 per cent compared to 15 per cent).
- Only a small minority of low paid workers (those earnings £6.50 an hour or less) belong to a trade union (15 per cent).
- By contrast, over half of all workers earning £9 an hour or more belong to a trade union with nearly two-thirds of those earning £15 an hour or more belonging to one.

Other points
- People with no academic qualifications are unlikely to receive training once at work – only one in ten do so. By contrast, those with higher education qualifications are far more likely to get training – a third of people with degrees get training at work.\(^6\)
- Access to training also differs significantly by industry, with best access being in the public sector.\(^7\)
- Low paid workers account for just one eighth of total trade union membership in Northern Ireland. Those earning between £6.50 and £9 an hour account for a quarter, those earning between £9 and £15 an hour account for a further third, with the remainder being those earning more than £15 per hour.
Chapter 8
Education

Indicators
45 Outcomes for younger children
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Outcomes for younger children

45A: 11-year-olds in schools with a high proportion receiving free school meals are twice as likely to fail to reach level 4 at Key Stage 2 as 11-year-olds in other schools.

Source: School-level data, DENI

45B: At every level of deprivation, fewer 11-year-olds in Catholic schools fail to achieve level 4 at Key Stage 2 than 11-year-olds in other schools.

Source: School-level data, DENI; the data is for 2004/05

The first graph shows, over time, the proportion of children not achieving level 4 at Key Stage 2 for English and Maths, with the data shown separately for all schools and for the fifth of schools with the highest rates of free school meal recipiency.

The second graph shows, for 2004/05, how the proportion of children not achieving level 4 at Key Stage 2 for English and maths varies by level of deprivation in the school, with the data shown separately for Catholic-managed and other-managed schools. Each figure is the average for English and Maths. The measure of deprivation used is recipiency of free school meals, with the schools grouped into fifths according to the proportion of their pupils receiving free school meals.

The data for both graphs comes from the Department of Education Northern Ireland (DENI). In the first graph, no data is available for 2004. For any particular year, schools who did not submit Key Stage 2 results have been excluded from the analysis.

Overall adequacy of this data: medium. While all the data is administrative and so more reliable than survey results, data for a number of schools is not available for some years. Furthermore, schools open and close over time, making the first graph less reliable.
**Key points**

### Why this indicator?

This indicator looks at the connection between childhood deprivation and whether children reach minimum educational standards at age 11. This is measured by whether a child reaches level 4 in the Key Stage 2 tests taken by all children in the last year of primary school, where level 4 is the target level for this age group. In Northern Ireland, children take these tests (part of the assessment under the National Curriculum) in addition to the Transfer Test that influences whether they go on to grammar school.

The first graph shows the proportions achieving this level, in Maths and English separately, according to the level of the deprivation of the school. The second graph shows the differences for Maths and English averaged, again by deprivation and also by whether the school is Catholic-managed or not. In both graphs, deprivation is measured at the school level by the proportion of children in the school who are entitled to free schools meals.

### Key points from the graphs

- On average, the higher the level of deprivation in a school, the less likely it is that its children will have reached level 4 at age 11. Even so, even in the most deprived fifth of schools, around two-thirds of children do reach this level.

- In English, 37 per cent of 11-year-olds in the most deprived fifth of primary schools failed to reach level 4 in 2005. This compares with an average of 23 per cent for all schools.

- In maths, the figures were similar but slightly lower: 33 per cent in the most deprived fifth of primary schools failing to reach level 4 compared to 21 per cent for all schools.

- Since 2001, the overall proportion of children failing to reach level 4 has come down by around four percentage points (from 27 per cent to 23 per cent in English and from 25 per cent to 21 per cent in Maths). Over the same period, the proportion of children failing to reach level 4 in the most deprived fifth of schools has come down by around five percentage points (from 42 per cent to 37 per cent in English and from 39 per cent to 33 per cent in Maths). This suggests that the improvement witnessed on average has also occurred in the schools with high levels of deprivation.

- Within Northern Ireland, children attending Catholic-managed schools in the most deprived fifth of all primary schools are less likely to fail to reach level 4 than those attending other schools in the most deprived fifth: in 2005, 32 per cent compared with 47 per cent in English and 29 per cent compared to 42 per cent in Maths. Though smaller, such differences can also be seen for schools with average levels of deprivation.

### Other points

- For all schools, the proportions not attaining level 4 in maths or English in Northern Ireland appear to be similar (within a percentage point or two) to those for England.
16-year-olds lacking reasonable GCSEs

46A: 14 per cent of school leavers still obtain fewer than 5 GCSEs, the same as in 1998/99. 5 per cent get no GCSEs at all, the same as a decade ago.

![Graph showing proportion of school leavers failing to obtain five or more GCSEs at grade C or above from 1994/95 to 2004/05.](source: Northern Ireland School Leavers Survey, DENI)

46B: A third of pupils entitled to free school meals leave school with fewer than 5 GCSEs, the same proportion as a decade ago and more than twice the proportion for school leavers on average.

![Graph showing proportion of school leavers failing to obtain 5 or more GCSEs at grade C or above from 1994/95 to 2004/05.](source: Northern Ireland School Leavers Survey, DENI)

Both graphs show the number of school leavers failing to obtain five or more GCSEs at grade C or above.

In the first graph, the data is shown separately for those who obtain no GCSEs at all (either because they did not enter for exams or achieved no passes), those who do obtain some GCSEs but less than five, and those who obtain five or more GCSEs but less than five at grade C or above.

In the second graph, the data on school leavers with fewer than five GCSEs is shown separately for pupils entitled to free school meals and for pupils in total.

The data source for both graphs is the Northern Ireland School Leavers Survey, with the data up to 2003/04 obtained via the Office of the First Minister and Deputy First Minister’s report entitled Update of indicators of social need for Northern Ireland 2005. Note that data is not available for 2002/03 and the figures in the graphs are the average for the previous and following year.

Overall adequacy of the indicator: medium. While the data itself is sound enough, the choice of the particular levels of exam success is a matter of judgement.
Key points

Why this indicator?
This indicator looks at the children who fail to achieve the headline ‘five grade A to C GCSEs’ at age 16. The attainment levels of these children are broken down into three groups, namely: no GCSEs at all, fewer than five GCSEs; and five GCSEs but not all of them at level C or above.

The first graph shows the progress over time on this measure.

The second graph looks at the connection between one of the attainment levels (fewer than 5 GCSEs) and deprivation, measured by whether the pupil is entitled to free school meals.

Key points from the graphs

■ In 2004/05, 5 per cent of 16-year-olds obtained no GCSEs, 9 per cent obtained some but fewer than five GCSEs and a further 23 per cent obtained five GCSEs but not all at grade C.

■ These three groups together make up all those who fail to achieve at least five A to C GCSEs. As a whole, this headline measure has come down, from 47 per cent in 1994/95 to 37 per cent in 2004/05. But almost all of this fall has been in the group getting five GCSEs but not at grades A-C. By contrast, there has been no fall in the numbers getting no GCSEs and no fall since 1997/98 in the numbers getting fewer than five. Rather, as the headline measure has gradually improved, the proportion getting few or no GCSEs at all has remained largely unchanged at around 15 per cent, or one in seven of all 16-year-olds.

■ Among children entitled to free schools meals, the proportion getting few or no GCSEs has remained at around 30 per cent over the decade, double the rate for all 16-year-olds on average.

Other points

■ One particularly disadvantaged group is young people who have been in care. In 2003, 50 per cent of those young people who leave care had no qualifications at all on leaving school – 10 times the national average – and only 10 per cent got 5 or more GCSEs grades A-C compared to a national average of 60 per cent.²
Destinations of school leavers

47A: Far more girls than boys go into higher and further education, whereas more boys go into work or training.

![Graph showing the destinations of school leavers in 2004/05, with the data shown separately for boys and girls.]

Source: Northern Ireland School Leavers Survey, DENI; the data is for 2004/05

47B: More pupils in deprived Catholic areas go on to further or higher education than do pupils in deprived Protestant areas.

![Graph showing how the proportion of school leavers who go on to further or higher education varies by level of deprivation and religion.]

Source: Northern Ireland School Leavers Survey, DENI obtained via the Northern Ireland Neighbourhood Information Service; the data is the average for the four years to 2001/02

The first graph shows the destinations of school leavers in 2004/05, with the data shown separately for boys and girls. The second graph shows how the proportion of school leavers who go on to further or higher education varies by level of deprivation and religion. In terms of deprivation, all the wards in Northern Ireland are divided into quintiles (fifths) using the 2005 Northern Ireland Multiple Deprivation Measure. In terms of religion, each ward is characterised as ‘Catholic’, ‘Protestant’ or ‘mixed’ using data from the 2001 Census. A ward is characterised as Catholic if more than 70 per cent of its population consider themselves to be Catholic, Protestant if more than 70 per cent of its population consider themselves to be Protestant, and mixed if neither of the above pertains. The latest ward-level data is for the year 2001/02 and, to improve its statistical reliability, the data is the average for the four years to 2001/02.

The data source for both graphs is the Northern Ireland School Leavers Survey, with the data in the second graph being obtained via the Northern Ireland Neighbourhood Information Service.

Overall adequacy of the indicator: high. The School Leavers Survey is a well-established government survey.
**Key points**

**Why this indicator?**
The first graph presents information on the full range of school leavers’ destinations, separately for girls and boys. The second graph presents information on how the proportion of school leavers going on to further or higher education varies by the deprivation and religious background of the local area.

Deprivation is measured at the ward level, using the Multiple Deprivation Measure: statistics showing the connection between deprivation and going on to further or higher education are therefore presented at the ward level, with wards placed in one of five equal groups according to their level of deprivation. Wards are also classified by whether they are ‘Catholic’ or ‘Protestant’ or ‘mixed’.  

**Key points from the graphs**
- In 2004/05, 75 per cent of girls leaving school went on to further or higher education, compared with just 55 per cent of boys. For both girls and boys, some three-fifths of those going on went into higher education and two-fifths into further education.
- By contrast, 25 per cent of boys leaving school but just 10 per cent of girls went on to some other form of training, leaving some 15-20 per cent of both boys and girls going either into employment (without training), unemployment or some other (unknown) destination. As a result, while girls are much more likely than boys to leave school for some form of education, boys and girls are about equally likely to leave school for either education or training.
- On average, the higher a local area's level of deprivation, the lower will be the proportion of its school leavers going on to further or higher education. For example, over the four years to 2001/02, some 45 per cent of school leavers living in the most deprived fifth of wards went on to further or higher education compared with 65 per cent in wards with average levels of deprivation.
- Among wards with high levels of deprivation, many more school leavers in Catholic wards go on to further or higher education than do school leavers in Protestant ones. For example, among wards in the most deprived fifth of all wards, Catholic wards saw 47 per cent of school leavers going on to further or higher education in the four years to 2001/02, compared with only 32 per cent in Protestant wards. Among wards in the second most deprived fifth of all wards, Catholic wards saw 63 per cent of school leavers going on to further or higher education, compared with 53 per cent in Protestant wards.
- This gap, whereby more school leavers in Catholic wards than Protestant wards go on to further or higher education, can be seen at every level of deprivation except in the least deprived fifth of all wards. One effect of this is that an area's level of deprivation makes less difference to the proportion going on to further or higher education if the area is Catholic than if it is Protestant.

**Other points**
- Around 10 per cent of 16- to 18-year-olds in Northern Ireland – some 10,000 people – are not in education, employment or training (‘NEET’). This is a similar proportion to GB.
Young adults lacking basic qualifications

48A: More young men than young women, and more young Protestants than young Catholics, lack basic educational qualifications.

The first graph shows the proportion of 19- to 24-year-olds without a basic qualification, with the data shown separately for those without NVQ2 or equivalent and those without any GCSEs. The data is split by gender and religious denomination. To improve its statistical reliability, three years’ data – 12 quarters – has been used. Equivalence scales have been used to translate academic qualifications into their vocational equivalents. So, for example, ‘NVQ2 or equivalent’ includes those with five GCSEs at grade C or above, GNVQ level 2, two AS levels or one A level. In line with these equivalence scales, 45 per cent of those with an ‘other qualification’ are considered to have NVQ2 or equivalent.

48B: Only a minority of 17-year-olds without either 5 good GCSEs or NVQ2 at age 17 have acquired further qualifications by the age of 24.

The second graph shows how the proportion of young adults with various levels of highest qualification varies by age. The ages shown are 17 and 24. To improve statistical reliability, the figures are the averages for the years 1997/98 to 2005/06. The data source for both graphs is the Labour Force Survey (LFS).

Overall adequacy of the indicator: medium. The LFS is a large, well-established, quarterly government survey designed to be representative of the population as a whole but the fact that the analysis is for 18- to 24-year-olds only means that the sample sizes are still small.
Why this indicator?
This indicator looks at young adults up to the age of 24 who lack ‘basic qualifications’ (that is, NVQ2 or its academic equivalent, five GCSEs at grades A to C). They are divided between those who have no qualifications and those who have only NVQ1 or its GCSE equivalent. The importance of basic qualifications can be seen from Indicator 39 which shows that among 25- to 50-year-olds, people who lack qualifications to this level run heightened risks of being either out of work or low paid.

The second graph presents information on the overall range of qualification levels among both 17-year-olds and 24-year-olds, the difference between the two ages being a measure of the progress made during the young adult period.

Key points from the graphs
■ Among 19- to 24-year-olds, more young men (24 per cent) than young women (20 per cent) lack basic qualifications.

■ Among both young men and young women, more Protestants than Catholics lack basic qualifications. This means that the group with the highest proportion lacking basic qualifications are young Protestant men (27 per cent) and that the group with the smallest proportion lacking them are young Catholic women (19 per cent).

■ Averaging over a nine-year period, around two-fifths of 17-year-olds lacked basic qualifications compared with a quarter of 24-year-olds. Over the same period, almost all of those whose highest qualification at 17 was 5 GCSEs at grade A to C go on to achieve either higher academic qualifications or vocational qualifications at NVQ2 or NVQ3.

Other points
■ The proportion of 19-year-olds lacking basic qualifications in Northern Ireland has fluctuated over the last decade but without any clear trend, the 23 per cent in this situation in 2005/06 being the same as a decade earlier.5
Working-age lacking qualifications

49A: The proportion of the working-age population without any educational qualifications is much higher in Northern Ireland than in any of the regions in Great Britain.

Source: Labour Force Survey, ONS; the data is for the four quarters to Winter 2005/06.

49B: The proportion of people under the age of 35 who lack basic qualifications is much smaller than the proportion for people over 35.

Source: Labour Force Survey, ONS; the data is for the twelve quarters to Winter 2005/06.

The first graph shows how the proportion of working-age adults without any educational qualifications in Northern Ireland compares to the regions of Great Britain. To improve its statistical reliability, the data is averaged for the four quarters to winter 2005/06.

The second graph shows the proportion of working-age adults without qualifications in Northern Ireland by gender and for selected age groups. To improve its statistical reliability, three years’ data – 12 quarters – has been used.

The data source for both graphs is the Labour Force Survey (LFS).

Overall adequacy of the indicator: high. The LFS is a well-established, quarterly survey designed to be representative of the population as a whole.
Key points

Why this indicator?
This indicator looks at working-age adults who lack any qualifications. As Indicator 39 shows, even low qualifications heighten the risk of being either out of work or low paid, and therefore of being in poverty. The main interest in this indicator lies in the differences by both age and gender in the numbers lacking any qualifications; differences which also help explain why Northern Ireland looks as it does when viewed in a UK context.

Key points from the graphs

■ 22 per cent of the working-age population in Northern Ireland lack any qualifications. This proportion is far higher than any of the GB regions (the next highest being Wales and the English West Midlands, both with 16 per cent) and therefore also way above the GB average of 13 per cent.

■ Within Northern Ireland, there is a huge difference in the proportion of unqualified working-age people according to whether they are under or over the age of 35. Among those under 35, around 10 per cent are unqualified. By contrast, among those aged 35 to 49 the rate is double that at 23 per cent. And among those age 50 to retirement, the rate is almost double again at 40 per cent. It is these very high rates among older working-age people which give Northern Ireland such a high overall proportion – although they also hold out the promise that the overall proportion will fall rapidly over the next decade.

■ Within the younger age group, the proportion of 18- to 24-year-olds without qualifications is the same as the proportion of the 25- to 34-year-olds. This means that the great progress in reducing the proportion of people with no qualifications seems to have come to an end – and probably did so at least a decade ago.

■ Among those aged 50 and above, markedly more women than men lack any qualifications. Up to the age of 34, this difference is reversed, meaning that there are actually slightly more men than women without any qualifications.

Other points

■ Despite the big improvement in the numbers without any qualification, Northern Ireland still has a higher proportion of unqualified people than GB in every age group. But the degree to which Northern Ireland is worse than GB has come down enormously, from a situation among the over 50s where Northern Ireland’s 40 per cent compares with GB’s 22 per cent, to one among the under 35s where the figures are 11 per cent and 8 per cent respectively.6
Adult participation in education

50A: Twice as many women as men are now enrolled in higher or further education as mature students.

50B: Moyle and Ballymoney have the lowest proportion of the over 25 population taking part in further or higher education – just half the rate of some other areas.

The first graph shows, over time, the number of men and women aged over 25 attending higher or further education. The second graph shows, for the latest year, how the proportion of people aged over 25 who are attending higher or further education varies across the districts of Northern Ireland, based on the district the student is living in. The source for both graphs is the Higher Education Statistics Agency. In the first graph, the data was obtained by the Department for Employment and Learning, while the data for the second graph was obtained via the Northern Ireland Neighbourhood Information Service.

Overall adequacy of this indicator: medium. The figures used are complete counts. However, the data for 2002/03 is known to be artificially low because of a new recording system that was introduced and the data by district will, in part, be influenced by students moving to areas where there are appropriate facilities for them.
Key points

Why this indicator?

This indicator is concerned with those aged over 25 who are taking part in further or higher education. In principle, interest here is restricted to those taking part in further or higher education whose level of qualification prior to taking part was low. In practice, though, it is not possible to do this.

The first graph shows the number of men and women aged over 25 taking part in further or higher education. The second graph shows how the proportion of those aged over 25 taking part in further or higher education varies across the 26 Northern Ireland districts.

Key points from the graphs

■ The number of both men and women aged over 25 participating in further or higher education has been growing substantially over the last decade. The total number now in further or higher education is 70,000, almost double the number a decade ago.

■ The number of women aged over 25 in further or higher education is now almost double that of men: 46,000 women over the age of 25 were enrolled in 2004/05 compared to 24,000 men.

■ The biggest change in gender balance has been in higher education. Ten years ago, roughly the same number of men and women aged over 25 were attending an institute of higher education – around 6,000 of each. Now, 12,000 women over 25 are enrolled, compared to 8,000 men. Women over 25 have always outnumbered men two to one in the further education sector – 18,000 to 8,000 in 1994/95 and 33,000 to 17,000 in 2004/05.

■ The proportion of the population over 25 taking part in further or higher education ranges from 4 per cent in Moyle, Ballymoney and Magherafelt to 8 per cent in Newry & Mourne and North Down.

■ While there is no strong geographical pattern to these participation rates, it is noticeable that the far western districts – Omagh, Strabane, Limavady and Fermanagh – have middling rates of participation while Derry has one of the highest rates. Belfast, too, has an above average participation rate.
Introduction


2. McLaughlin, E. and Monteith, M., 2006. Child and family poverty in Northern Ireland, OFMDFM. Although this report does look at poverty in the same way as our report, that is, using data from the official household survey, it looks at these figures for the first year only, that is 2002/03, rather than the three years 2002/03 to 2004/05 employed here.

3. Source: Northern Ireland historic populations from NISRA, Great Britain historic populations from the Office of National Statistics. All projected populations for 2006 are from the Government Actuary’s Department.

Commentary

1. The description of Scotland and Wales as ‘regions’ of GB, along with the nine regions of England, is of course a convenient shorthand only.

2. In general, Northern Ireland is compared in this report with Great Britain rather than the UK. This three-way comparison with Ireland is the exception to this since it uses European Union statistics for member countries, in other words, for the UK rather than just for GB.


4. In what follows, the source for statistics on income poverty in Northern Ireland is the UK Government’s Households Below Average Income datasets, themselves derived from the annual Family Resources Survey, for the three years 2002/03, 2003/04 and 2004/05. Throughout, the three years have been combined to get a single point estimate for Northern Ireland. In the project team’s view, both the limited number of Northern Irish households in the dataset, coupled with some concerns about how representative it was in the first year for which it included Northern Ireland (2002/03), mean that one cannot be confident that year-to-year changes in the statistics reflect changes in the real world. As more data becomes available – starting with that for 2005/06 in March 2007 – so these concerns will abate. Since the estimates are for the three years combined, they will inevitably differ slightly from studies that have used single years, for example, McLaughlin, E. and Monteith, M., 2005, Child and family poverty in Northern Ireland, OFMDFM (which used 2002/03) or Households below average income Northern Ireland, 2004/05, DSD, 2006. Differences also arise because the Department of Work and Pensions recently (July 2006) revised the Northern Ireland part of the datasets to properly take account of household rates, an error which had been pointed out to them by the project team.


6. Whether it is right to treat DLA as simply an addition to income is a moot point as its very existence reflects the fact that coping with disability costs money. See for example, Zaidi, A. and Burchardt, T., 2003. Comparing incomes when needs differ: equivalence for the extra costs of disability in the UK, Centre for Analysis of Social Exclusion, LSE. However, since DLA is not calculated in direct relation to an actual and unavoidable expenditure (unlike weekly rents and childcare charges), it can arguably be treated as an addition to the money that the household has discretion over and so, therefore, included in the calculation of whether or not the household is in income poverty.


8. The suggestion that other factors – ‘social, geographical or cultural’ – may influence the relationship between recipiency and need appears in Rosato, M. and O’Reilly, D, 2006. Should uptake of state benefits be used as indicators of need and disadvantage? Health and Social Care in the Community 14 (4), 294-301.


11. Wingfield, D., Fenwick, D. and Smith, K., 2005. Relative regional consumer price levels in 2004, Economic Trends 615, Office for National Statistics: Appendix D. This paper showed that the overall consumer price index in Northern Ireland to be some 4 per cent below the UK average. Excluding housing costs (mortgage interest payments, depreciation, local government taxes), which are a third lower in Northern Ireland, the resulting index is 1 per cent above the UK average. Apart from fuel and light, the cost of motoring is the other item well above average.

12. An implication of the more or less average income poverty rate in Northern Ireland is that low income is unlikely to contribute much to the explanation of higher fuel poverty rates; rather, the problem must lie on the side of the fuel used and its price.

13. While it seems clear that fuel poverty is much worse in Northern Ireland, it is unclear to the project whether the difference is really quite as great as these figures suggest. An implication of the more or less average income poverty rate in Northern Ireland is that low income is unlikely to contribute much to the explanation of higher fuel poverty rates. Furthermore, the proportion of homes without central heating is lower in Northern Ireland than in Great Britain, running at less than 4 per cent among all those households with below average incomes [26A]. Although the level of homes deemed to be ‘non-decent’, most often on the grounds of their inadequate heating [26B], stood at more than 30 per cent in 2001, a similar non-decent rate was also recorded in England in 2003 (2003 English House Condition Survey, OPM).
14 For the latest year, 22 per cent of children in both Catholic-managed and other schools failed to reach level 4 at Key Stage 2 for Maths and English. Similarly, 36 per cent of children in Catholic-managed schools and 38 per cent of children in other schools failed to get five GCSEs grade A to C, while 35 per cent and 34 per cent of 19-year-olds did not go on to further or higher education. Sources: DENI School level data and DENI School leavers’ survey, 2005.

Wards have been defined as ‘Catholic’ if 70 per cent or more of their population in the 2001 Census defined themselves as such. Similarly, ‘Protestant’ wards are those where 70 per cent or more of the population defined themselves as such. All other wards are classified as ‘mixed’.

For example, preparation for this test can be seen as narrowing the curriculum, forcing a teaching and learning style not suited to all pupils, absorbing time and resources, and affecting teachers’ expectations of pupils not entered for it (Gallagher, T. and Smith, A., 2000. The effects of the selective system of secondary education in Northern Ireland, Department of Education Research Briefing, RB 4/2000). Failure in the test, or not even being entered for it, may affect self-esteem (Remedios, R., Ritchie, K. and Lieberman, D.A., 2005. I used to like it but now I don’t: the effect of the transfer test in Northern Ireland on pupils’ intrinsic motivation. British Journal of Educational Psychology, Vol. 75, pp.435-452); and this may then be carried forward into the secondary years (Gallagher, A.M. and Smith, A., 2001. The effects of selective education in Northern Ireland, Education Review, Vol. 15 (1), Autumn 2001). More generally, working class parents may feel unable to offer adequate educational support to their children because of their own limited schooling experience, or lack of basic literacy (Collins, J. and Rice, M., 1999. All in the family?: Problems of intergenerational literacy in West Belfast. Irish Educational Studies, Vol. 18, pp.102-115.). Finally, half of primary school pupils receive private coaching outside school, at a cost prohibitive for many (Caul, L., McWilliams, S. and Eason, G., 2000. Coaching for the transfer procedure: perspectives and perceptions. Paper presented at the British Educational Research Association conference, Cardiff University, 7-10 September 2000).


19 Osborne, B. and Smith, A., 2006. Higher education in Northern Ireland: a report on factors associated with participation and migration, Belfast: OFMDFM, Equality Directorate Research Branch. Such differences are, in turn, both a cause and effect of the fact that Catholic-managed schools tend to produce better educational outcomes for disadvantaged children, with a further cause/effect being the fact that Catholic-managed schools are also more likely to have sixth forms, so raising aspirations (cause) and catering for the greater number of children qualified to go into them (effect). See also Armstrong, D., 1999. School performance and staying-on: a micro analysis for NI, The Manchester School, Vol. 67(2), pp. 203-230. Such an ‘opportunities’ perspective may also explain why Catholic women in particular, and women in general, are more likely to seek educational qualifications, this being a route by which to overcome traditional disadvantage and discrimination. But more limited labour market opportunities available to girls at age 16 may also be a factor here (Osborne and Smith, 2006).

20 The sources are the British Household Panel Survey 2003/04 for indicators 1, 2 and 4; the Labour Force Survey for indicators 6, 7 and 18; and ONS for indicator 9. Note that the Northern Ireland poverty rate for indicator 1 is with respect to the Northern Irish median rather than the GB median used in the main report, and that equivalisation for indicators 1, 2 and 4 uses the modified OECD scales rather than the McClements scales used in the main report. Also note that it has not been possible to duplicate the UK poverty rates by age group, work status or household type in the published Laeken indicators, even after discussions with the Institute for Social and Economic Research at the University of Essex who are responsible for the British Household Panel Survey, and thus these have not been included in the table. Finally, note that the qualification level of ISCED 2 or less in Laeken indicator 18 has been assumed to be equivalent to ‘no qualifications’ in the Labour Force Survey.

1 Benefit recipiency
1 Source: NPI analysis of Households Below Average Income, 2002/03 to 2004/05.
2 Figures from DSD.
4 Rosato, M. and O’Reilly, D., 2006. Should uptake of state benefits be used as indicators of need and disadvantage?, Health and Social Care in the Community Vol 14 (4), pp. 294-301. It should be noted that the same study also concludes that most of the variation in the uptake of DLA within Northern Ireland (that is,
between different electoral wards) can be explained by variations in limiting long-standing illness and mortality. Table 3 in this study shows that the degree of explanation achieved here is similar to that in the three Northern regions of England as well as London. See also O’Reilly, D. and Stevenson, M., 2004. Are data on the uptake of disability benefits a useful addition to census data in describing population health care needs? Journal of Health Service Research and Policy Vol.9 (3) July 2004.

5 Source: NPI analysis of the Family Resources Survey, 2002/03 to 2004/05.
6 See www.poverty.org.uk/indicators/06.htm.

2 Employment and pay
1 Source: NPI analysis of Labour Force Survey, average for the four quarters to winter 2005/06.
2 Source: ONS analysis of the spring quarters of the Labour Force Survey.
3 Source: DETI (Northern Ireland), ONS Labour Market Statistics (Great Britain) and the Labour Force Survey (self-employed). The data is for March 2006.
4 Source: DETI, The data is for March 2006.
5 Source: DETI, The data is for March 2006.
6 Source: NPI analysis of Households Below Average Income. Reasons why it is possible to be low paid and not in in-work poverty include: other adults in the other households earn more; long hours; lower than normal housing costs; tax credits.
7 Note that ‘pay inequalities’ is not the same as ‘income inequalities’, partly because the former relates to individuals whilst the latter relates to households, partly because the former excludes those not working whilst the latter includes them, and partly because the former is gross of income and other taxes whilst the latter is net of these taxes. Furthermore, the trends between the two can be different; for example, if people enter the job market but at a low pay rate, this will tend to increase pay inequalities (because of more people on low pay) whilst reducing overall income inequalities (because these people, albeit on low pay, have seen their incomes increased.

3 Income poverty
1 The justification for using a British, rather than a UK, average as the benchmark is simply that, up to the last three years, income poverty statistics have only been available for Britain, rather than the UK, and the Great Britain benchmark is that which has been used by the Department for Work and Pensions and others. Use of a UK benchmark would give very similar results.
2 The data for these graphs, and those in the other indicators on income poverty, comes from the Households Below Average Income dataset which is based on the UK government’s Family Resources Survey. This is a large and sophisticated survey which has been used for many years in Great Britain to monitor trends in income poverty. It should be noted, however, that the Northern Irish sample is a recent addition to the survey (starting from 2002/03) and is yet to be fully quality assured by the Department for Work and Pensions.
3 Source: NPI analysis of Households Below Average Income, 2002/03 to 2004/05.
4 Source: NPI analysis of Households Below Average Income, 2002/03 to 2004/05.
5 See www.poverty.org.uk/indicators/35.htm.
7 Source: NPI analysis of Households Below Average Income, 2002/03 to 2004/05.

4 Deprivation and exclusion from services
1 Hillyard, P., Kelly, G., McLaughlin E., Patsios, D., and Tomlinson, M., 2003, ‘Bare necessities: poverty and social exclusion in Northern Ireland – key findings’, Belfast, Democratic Dialogue. The approach used to determine the consensual poverty rate by this method identified a lack of three or more essentials as the threshold defining poverty. Besides the 30 per cent found to be in poverty, a further 2 per cent were found to lack three or more essentials but to have an income above the income threshold; while a further 12 per cent lacked fewer than three essentials but fell below the income threshold.
2 Source: Eurostat. The data is for 2001 and is before deducting housing costs. Note that the underlying source for the UK figures is the British Household Panel Survey, and thus they are not directly comparable with the income poverty rates presented elsewhere in this report (which use Households Below Average Income).
3 Source: Office of the First Minister and Deputy First Minister, 2006, Personal over-indebtedness in Northern Ireland, table 10. The two measures of over-indebtedness are (i) when someone is spending more than 25 per cent of their gross income servicing consumer credit commitments; or (ii) when someone is spending more than 50 per cent of their gross income servicing mortgage and consumer credit commitments combined.
4 See www.poverty.org.uk/indicators/46.htm.
5 Source: OFSTED Quarterly Childcare Statistics as at 31st March 2006.
6 HM Revenue and Taxes, tax credit data for April 2006.
7 Source: telephone conversation with North and West Belfast Early Years Team and a telephone conversation with Northern Ireland Association of Childminders.
8 Source: 2001 Census.
5 Housing and neighbourhoods

1 Source: NPI analysis of the Family Resources Survey, 2003/04 (the question was not asked in 2004/05).
2 Source: 2001 House Condition Survey, NIHE.
3 ‘Decency’ in the context of housing quality comprises four factors, namely, thermal comfort, the state of repair, fitness and modern facilities. Of the four, the first is quantitatively the most important.
4 Source: 2001 House Condition Survey, NIHE.
5 The 2001 House Condition Survey Thematic Report, NIHE, explicitly states that the definition and measurement of fuel poverty in Northern Ireland and England are directly comparable. NPI has, however, not been given access to the dataset and therefore cannot confirm this.
6 Beside higher fuel prices and less efficient fuel, there is also the problem of households living in properties that are strictly bigger than they need: Fuel Poverty Monitor 2006.
8 Boardman, B., and Fawcett, T. 2002. Competition for the poor. Liberalisation of electricity supply and fuel poverty: lessons from Great Britain for Northern Ireland, Environmental Change Institute, University of Oxford. Whilst there is evidence that Northern Irish customers consume more electricity, it is not clear how much more: Boardman and Fawcett cite two studies, one quoting a figure of 4 per cent, the other 24 per cent.
9 NIHE has estimated that, if prices had been the same as in England, 43,000 households would have been removed from fuel poverty in 2001.
10 Source: 2004 House Condition Survey, NIHE. For example, the proportion of housing executive dwellings using a solid fuel burner halved between 2001 and 2004, from 47 per cent to 24 per cent.
11 For England, see www.poverty.org.uk/indicators/49.htm.
12 The household reference person is the householder, i.e. the person who: a) owns the household accommodation, or b) is legally responsible for the rent of the accommodation, or c) has the household accommodation as an emolument or perquisite, or d) has the household accommodation by virtue of some relationship to the owner who is not a member of the household. If there are joint householders the household reference person will be the one with the highest income. If their income is the same, then the eldest householder is taken.
13 See, for example, the Consultation Report commissioned by the Triax Neighbourhood Renewal Taskforce in Derry (Gallagher, M., 2003, Tackling inequalities, bridging the gap), which notes the fairly good condition of the housing stock (in Northern Ireland terms) in what is nevertheless a very deprived area of Derry.

6 Health and harm

2 ONS birth statistics for 2004. At least in England and Wales, babies born to lone parents are more likely to be of low birthweight than babies born to couples. See www.poverty.org.uk/indicators/10.htm.
3 Kelly, Y., Macfarlane, A., Butler, N. R., 2004. Pregnancy, labour and delivery in Dex, X., and Joshi, H. (eds.) Millennium cohort study: first survey: a user’s guide to initial findings. London: Centre for Longitudinal Studies, University of London. It should be noted though that the authors raise the possibility that the lower proportion in Northern Ireland may reflect under-reporting (see p.77: Kelly et al, 2004) but they do not give any explanation as to why under-reporting might be more prevalent in Northern Ireland.
4 Owen, C., Mooney, A., Brannan, J., and Statham, J., 2004. Wider family. In: Dex, X., and Joshi, H. (ed.) Millennium cohort study: first survey: a user’s guide to initial findings, London: Centre for Longitudinal Studies, University of London. Mothers in the survey cohort were asked: How often do you see your mother/father nowadays? The highest proportion of main respondents to see their mother every day was in Northern Ireland (39 per cent) and the lowest in England (22 per cent). Within Northern Ireland, comparing different wards, 48 per cent of those in disadvantaged wards saw their mother every day, compared with 32 per cent of those in advantaged wards. Furthermore, an Economic and Social Research Council study found that, compared with patterns in Britain, contact with family is more frequent and norms about family obligations are more deeply held in Northern Ireland. Prof M. Daly, Family and social networks in Northern Ireland, (2002) ESRC Funded Awards. Available from http://www.esrcsocietytoday.ac.uk/ESRCInfoCentre/Plain_English_Summaries/governance_and_citizenship/identity/index220.aspx.
9 The importance of this inequality can be seen in the fact that if all four groups had the same premature death rate as managers and professionals, the total number of premature deaths in Northern Ireland would be reduced by a half, some 1,500 deaths per year.
10 For example, for those aged 35 to 64 in England and Wales, the rate of lung cancer among those from manual backgrounds was two and a half times that for those from non-manual ones while the rate of ischaemic heart disease was one and a half times as high. Source: www.poverty.org.uk/indicators/32.htm.
11 These figures are based on a comparison between Northern Ireland and England and Wales, Northern Ireland being about 11 per cent higher than England and Wales in the earlier period but just 6 per cent higher in the latter.

12 Source: NPI calculations using annual number of deaths due to the conflict as recorded by Sutton. An index of deaths from the conflict in Northern Ireland, http://cain.ulst.ac.uk/sutton/. In total, Sutton records 3,523 deaths (in Northern Ireland and elsewhere) between 1969 and 2001 as being due to the conflict.

13 Source: DSD IB and SDA statistics, February 2006 data.

14 Ministerial response (Shaun Woodward) to Gregory Campbell M.P. [65867] (Hansard, 2 May 2006: Column 1478W).

15 See for example, O’Reilly, D. and Stevenson, M., 2003. Mental health in Northern Ireland: have ‘The Troubles’ made it worse? Journal of Epidemiology and Community Health Vol. 57, pp. 488–492. See also the 2001 Health and Well-Being Survey which suggested that people who said they have been affected a lot by the troubles were almost twice as likely to show signs of a possible mental health problem (34 per cent) as those who had not been affected much (18 per cent).

16 See for example Curran, P. and Miller, P. 2001. Psychiatric implications of chronic civilian strife or war: Northern Ireland, Advances in Psychiatric Treatment vol 7, pp. 73–80 who note that just 6 per cent of referrals and admissions to the general NHS psychiatric practice of the Mater Infirmorum Hospital (serving North and West Belfast) had as their precipitants any violence-related issues.

17 Source: NPI analysis of the British Household Panel Survey, 2001/02 to 2004/05, with the percentages being the proportion of the working-age population who scored 4 or more in a series of 12 questions designed to detect possible psychiatric morbidity (termed the ‘GHQ12 score’).


18 A 2003 DHSSPS report entitled Effectiveness evaluation: health and social care services (chapter 7) stated that the risk of mental health problems in Northern Ireland was a quarter higher than in England (data source not stated).

A similar finding is report in the Bamford Review of Mental Health and Learning Disability, (Northern Ireland) 2006, Mental health improvement and well-being – a personal, public and political issue, Belfast: Department of Health, Social Services and Public safety. This stated that, according to the 2001 Health and Well-Being Survey, 20 per cent of the population aged over 16 in Northern Ireland considered themselves to be depressed, that a similar percentage had a potential psychiatric disorder, and that such rates were a fifth higher than in England and Scotland.

7 Disadvantage in work

1 Source: April 2006 data from Geographic Analysis, HM Revenue & Customs.

2 Source: Labour Force Survey, 4 quarters to winter 2005/06.

3 Source: NPI analysis of the Labour Force Survey, averaged across the years 2003/04 to 2005/06.

4 Source: NPI analysis of Labour Force Survey, averaged across the four quarters to winter 2005/06.

5 Source: NPI analysis of Labour Force Survey, averaged across the four quarters to winter 2005/06.

8 Education

1 For England, see www.poverty.org.uk/indicators/13.htm. In view of the uncertainty about whether the two countries’ statistics are completely comparable, we would attach no significance to any small differences recorded.

2 DHSSPS, Northern Ireland Care Leavers 2002/03.

3 Wards have been defined as ‘Catholic’ if 70 per cent or more of their population in the 2001 Census defined themselves as such. Similarly, ‘Protestant’ wards are those where 70 per cent or more of the population defined themselves as such. All other wards are classified as ‘mixed’.

4 Source: NPI analysis of Labour Force Survey, averaged across the four quarters to winter 2005/06.


6 Source: further NPI analysis of the data underlying the graphs in this indicator.