

Monitoring poverty and social exclusion in Northern Ireland 2012

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Monitoring poverty and social exclusion in Northern Ireland 2012

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Commentary

The last Monitoring Poverty and Social Exclusion in Northern Ireland report was published in autumn 2009, when Northern Ireland was being hit hard by the recession and had seen a steeper rise in unemployment than any other part of the UK. The report was quite downbeat, with a fear of worse to come.

This report looks at what has changed in the two-and-a-half years since then. It examines low income, work, benefits and education. What emerges is a complex picture. There has been continued long-term improvement in some areas and persistent problems in others. There are variations both between and within geographical areas and population groups. In all of this, there is the sense that while the position is no worse than three years ago, it is also no better, and Northern Ireland is now faced by the uncertainties of public sector cuts and welfare reform.

Is there a convergence with Great Britain?

Northern Ireland has for a long time had higher levels of worklessness than Great Britain. In 2006 (and even more so in earlier years) the proportion of people not in paid work in Northern Ireland was, at 33 per cent, higher than Scotland, Wales or any of the English regions. By mid-2011, while still high at 34 per cent, it was lower than the North East of England and the same as Wales. This follows a smaller than average rise in worklessness since the mid-2000s, meaning that this convergence continued even during the recession.

This slow convergence can also be seen in, for instance, the level of Disability Living Allowance (DLA) claims. While the overall rate of claims is, at 10 per cent, double the Great Britain figure, this gap is much smaller for younger claimants. Between 4 per cent and 5 per cent of under-35s claim DLA in Northern Ireland, compared with 3 per cent in Great Britain. These levels are very close to those in Wales and the North East of England.

What these indicators show is that Northern Ireland no longer stands out alone compared with other parts of the UK. Rather, it looks similar to Wales and the English regions outside the south.

However, there are other indicators where, even if there is some degree of convergence, the difference between Northern Ireland and Great Britain remains high. Around 23 per cent of working-age people in Northern Ireland claim a key benefit, compared with 16 per cent in Great Britain. In Wales and the North East of England, which have the highest rates in Great Britain, the figure is 20 per cent.

One obvious area of divergence is pensioner poverty, which is higher in Northern Ireland than Great Britain (21 per cent compared with 16 per cent). Moreover it has risen in recent years while falling in Great Britain.

Key stats

- Proportion of pensioners living in poverty:
21 per cent.
- Increase in number of people in in-work poverty since 2004/05:
30,000.
- Proportion of adults aged 16-64 not in paid work:
34 per cent.

In-work poverty and workless households

One aspect of poverty in Northern Ireland that is common to all parts of the UK is the increase in in-work poverty. By 2009/10, half of children in poverty in Northern Ireland lived with a working parent.

When thinking about in-work poverty, the hours worked both by individuals and across households are important. The number of full-time jobs has fallen slightly in the last five years, from 470,000 to 450,000. The number of part-time jobs has remained steady at 250,000. Before that, the number of part-time jobs grew by 33 per cent in the decade to 2006. The number of full-time jobs grew by 16 per cent; part-time work makes up a growing proportion of the total number of jobs in Northern Ireland.

This links to the finding above on in-work poverty. The vast majority of children in low-income, working families live with both parents. Part-time earnings are often not enough to lift a family with two adults out of poverty.

As well as needing full-time work, a household will often need all the adults to be in paid work to move out of poverty. Northern Ireland has quite a high proportion of workless households (21 per cent), but a higher proportion of single-earner households (31 per cent) than any country or region in Great Britain. If that single earner is on a low wage, their earnings are unlikely to be sufficient to lift their family out of poverty.

People and places

Levels of poverty and worklessness vary both geographically and between the Protestant and Catholic populations. Poverty is higher in the west than the east. In the rural west 24 per cent of people are in poverty, as are 23 per cent in the urban west. The figures for the urban and rural east are both 17 per cent.

The fact that the poverty rate in the rural east is 17 per cent suggests that rurality *per se* is not the issue, but evidently there is substantial poverty in some rural areas. In the rural east, some quite deprived communities live alongside wealthier commuters who work in Belfast and live rurally. The Programme for Government (www.northernireland.gov.uk) highlights the £13 million brought forward to tackle rural poverty and social exclusion. This programme will need to recognise the different types of rural poverty in the east and west of the country and not overlook, on account of the low average level of poverty, poor people living in the rural east.

The poverty rate among Protestants (of all ages) is 19 per cent compared with 26 per cent for Catholics. Work rates vary too. Across Northern Ireland as a whole, in the three years to 2010 on average, 28 per cent of working-age Protestants were not in paid work compared with 35 per cent of Catholics.

But Catholic work rates in particular vary substantially between different parts of Northern Ireland. In the north, 45 per cent of working-age adults are not in paid work, compared with 30 per cent in the east. But Catholic work rates vary substantially across Northern Ireland. In fact, there is a greater variation within Catholics in different areas than between Catholic and Protestant work rates across Northern Ireland as a whole.

Key stats

- Proportion of all working-age households containing a mix of working and workless adults:

31 per cent.

- Increase in the total number of low-paid jobs in the decade to 2011:

25,000.

- Proportion of working-age population receiving a key benefit:

23 per cent.

Some progress on women's pay and employment

Some of the most striking longer-term changes in the report relate to women's economic participation. The proportion of women not in paid work has fallen by 5 percentage points since 1996, to 38 per cent. The proportion of men not in paid work is now 28 per cent, much the same as 15 years ago. The 14 percentage point gap between male and female employment rates is now 10 percentage points. Two-thirds of the growth in female employment has been in part-time work.

There has also been convergence in median (average) pay levels. Female median full-time hourly pay is now equal to that of men at around £11 per hour, having been (the equivalent of) £1.30 lower a decade ago. This has not been repeated anywhere else in the UK, and reflects, at least in part, the high proportion of women who work in the relatively well paying public sector.

Median part-time pay among men and women is roughly equal, at around £8 per hour for both. So while there is no gender gap at part-time or full-time level, there is a substantial gap in median hourly pay between part- and full-time work.

Educational inequalities

In the last five years, there has been notable improvement in the levels of educational qualifications of Northern Ireland's school leavers. The proportion of children leaving school without 5 GCSEs at A*–C (including English and maths) has fallen from 74 per cent to 69 per cent for children on free school meals and 42 per cent to 36 per cent for other children. So there has been improvement for all children, but no closing of the gap between deprived and non-deprived pupils.

These GCSE and A Level results are better than England and Wales. 75 per cent of GCSEs taken in Northern Ireland achieved an A*–C grade, compared with 67 per cent in England and Wales (Scotland figures are not available for comparison). At A Level, 84 per cent of grades were between A* and C, compared with 76 per cent in England and Wales.

The gap in GCSE and A Level converts into a bigger gap still in terms of participation in education after leaving school. The proportion of 18-year-olds going on to higher education was 45 per cent in 2012, far higher than England (35 per cent), Scotland or Wales (both 30 per cent).

The issues are twofold. First, can the ambitions of the 45 per cent of 18-year-olds going on to further education be met by the job market in Northern Ireland? Second, not all school leavers choose to go into education. School leavers on free school meals are twice as likely as other pupils to go into employment or training (40 per cent of boys and 20 per cent of girls on free school meals do so). If the falling numbers of school leavers going into employment or training are reflecting a lack of opportunity, what policy responses are available to help these young people?

Key stats

- Free school meals gap for pupils not achieving five GCSEs at A*–C including maths and English:
33 per cent.
- Proportion of 18-year-olds going on to higher education:
45 per cent.

Recession, cuts and welfare reform

The previous report in this series came out in the depths of the recession in 2009, when Northern Ireland had seen a significant rise in worklessness. The outlook was bleak. This report shows that, while things have not got much better, they have not got much worse either. But currently Northern Ireland is, like much of Great Britain, in a pause after the very worst of the recession but before the public sector cuts have really begun.

These cuts could impact on Northern Ireland more severely than elsewhere, as the public sector makes up more of the job market than in Great Britain (30 per cent compared with 20 per cent on some estimates). Women make up the majority of public sector workers, so the progress on female employment could be threatened.

In addition, there are the huge changes to the benefit system that will result from the Welfare Reform Act. The changes from Disability Living Allowance to the Personal Independence Payment and the increased requirements on people with disabilities to look for work will impact far more on Northern Ireland than other parts of the UK due to the much higher proportion of people with disabilities.

The Programme for Government mentions establishing an advisory group to 'assist ministers in alleviating hardship including any implications of the UK Government's Welfare Reform Programme'. This advisory group will have to do more than advise; it will have to come up with proper plans to deal with the impact of these reforms and be a voice for those most affected.

Chapter 1

Income and poverty

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About this chapter

Low income is key to understanding poverty and exclusion. The first chapter in this report looks at low income in Northern Ireland. It sets out the context in terms of comparisons with Great Britain and changes over time.

The analysis then looks at poverty and family work status. As national policy focuses ever more on work as the sole route out of poverty, despite high levels of unemployment, in-work poverty is one of the key challenges facing Northern Ireland.

Finally, this section looks at the distribution of income across the whole population. It looks at households with average and high incomes and assesses how their economic circumstances have changed in recent years.

Defining poverty and low income

A household is counted as having a low income ('poverty' for short) if its income is less than 60 per cent of the median UK household income for the year in question. The value of this 60 per cent threshold in terms of pounds per week varies according to how many adults and children live in the household. It is measured after income tax has been deducted. The amounts can be measured before or after housing costs have been deducted.

For example, in 2009/10 (the latest year for which data is available) the threshold was £166 before housing costs (£124 after) for a single adult with no dependent children, £232 (£210) for a lone parent with two children under 14, £248 (£214) for a couple with no dependent children and £347 (£300) for a couple with two children under 14.

While measured relative to the national average, this does not mean that the discussion is centred on something called 'relative poverty'. Poverty is inherently relative, as it describes a condition where people cannot afford to participate in society. Moreover, there is no evidence that the poverty threshold is too high in absolute terms, in fact quite the contrary. The Minimum Income Standard (MIS) attempts to construct an absolute level of income that people would describe as a minimum. When asked as part of MIS research, people generally set this minimum above the poverty thresholds used in this report.

Poverty and housing costs

The first graph compares the trends in poverty in Northern Ireland and Great Britain since 2002/03. It shows the proportion of the population living in poverty on both the before housing costs (BHC) and after housing costs (AHC) bases.

In 2009/10, the most recent year for which data is available, 23 per cent of people in Northern Ireland were in poverty on both the BHC and AHC bases. At the start of the series in 2006, both figures were at 20 per cent.

The similarity in poverty rates on both bases in Northern Ireland is in contrast to the position in Great Britain where AHC poverty is consistently higher than BHC poverty. In 2009/10, 22 per cent of people in Great Britain were in poverty AHC compared with 17 per cent BHC.

In most years before 2009/10, poverty has been lower in Northern Ireland on the AHC basis and higher on the BHC basis. The reason for this is Northern Ireland's lower average housing costs. For households on below average incomes, the average weekly housing cost (that is, rent, mortgage interest but not mortgage capital) is £43 per week in Northern Ireland. This is lower than Wales or Scotland (£49 each) and far lower than any of the English regions.

This makes a difference to the measures. Many low-income households get housing benefits to cover housing costs. This is included as income in the BHC measure. So high housing costs lead, perversely, to higher incomes.

The second graph shows how many children, working-age adults and pensioners are in poverty under each measure. The total, in both cases, is around 380,000. There are more children in poverty under the AHC measure (120,000) compared with the BHC measure (110,000). Similarly, there are more adults with dependent children (95,000 compared with 85,000). None of these differences are large enough to be significant. The number of working-age adults without children is roughly the same on both measures.

The number of pensioners is a quarter lower on the AHC measure – 60,000 compared with 80,000 using BHC. This is because, as a group, pensioners tend to have low housing costs. Many own their properties outright, having paid off their mortgages.

Overall, then, there is little difference in the rate of poverty in Northern Ireland on the different measures. The only real difference is for pensioners. However, when compared with Great Britain there is a difference, reflective of lower average housing costs in Northern Ireland compared with Great Britain.

Risks of poverty

The first graph compares the poverty risks by age group in Northern Ireland with those in Great Britain. It compares the three most recent years of data with the three years to 2004/05, the oldest available data, which was used in the first Monitoring Poverty and Social Exclusion in Northern Ireland report in 2006.

Over that period, the proportion of people in poverty in Northern Ireland changed little, from 21 per cent to 22 per cent. This is almost identical to the picture in Great Britain. Poverty among children has risen from 27 per cent to 28 per cent and for working-age adults from 18 per cent to 20 per cent.

But the risk of poverty for pensioners is higher in Northern Ireland than in Great Britain, and the gap is growing. 21 per cent of pensioners in Northern Ireland live in poverty, a slight rise on the earlier figures. In Great Britain, 16 per cent of pensioners are in poverty, a fall of 4 percentage points over the same period. So not only is pensioner poverty higher in Northern Ireland than in Great Britain, the trends are heading in opposite directions. There is further discussion of this at the end of the chapter.

If we were to make these comparisons using the BHC measure, the rate in Northern Ireland would be higher than Great Britain for all age groups. The gap is greatest for pensioners, 28 per cent of whom are in poverty under the BHC measure in Northern Ireland compared with 20 per cent in Great Britain.

Across Northern Ireland, the highest levels of poverty are found in the west, both rural and urban areas. Some 23 per cent of people in the urban west and 24 per cent in the rural west were in poverty in the three years to 2009/10. By contrast, 17 per cent of those in the urban east and 17 per cent of those in the rural east lived in such households. The figure for Belfast was 20 per cent.

The poverty rate among Catholics is, at 26 per cent, significantly higher than among Protestants (19 per cent). By way of a comparison, 26 per cent is higher than any other UK country or English region outside London. It is lower than any non-white ethnic group in the UK.

The Programme for Government mentions tackling rural poverty specifically. Clearly, in the rural west, poverty is very high. But the rural west and the rural east, from where a lot of people commute to work in Belfast, are very different and the relative affluence of those who commute can hide the poverty of those who do not.

Comparisons with the Republic of Ireland

Though direct comparisons of child poverty between Northern Ireland and other EU countries are not possible, the EUROSTAT data allows comparison for the whole of the UK. For these purposes, the observation that poverty in Northern Ireland is similar to the rest of the UK is obviously helpful. Measured on the before housing costs basis, at 20 per cent, the UK had the twelfth highest child poverty rate among the 27 EU countries in 2010. It was around the EU average for the 27 countries (21 per cent).

There was not much difference between the child poverty rates in the UK and the Republic of Ireland in 2010. At 20 per cent, child poverty in Ireland was marginally lower than in the UK. However, after falling between 2006 and 2008, child poverty started rising in Ireland and was almost 2 percentage points higher in 2010 compared with 2008.

Poverty and work status

The first graph looks at the total number of people in poverty in Northern Ireland by the work status of the household. As before, it looks at the change since 2004/05. The total number of people in poverty in Northern Ireland was 380,000 in the three years to 2009/10. This represents a rise of around 35,000 since the three years to 2004/05.

The number of retired people in poverty has risen from 55,000 to 70,000. None of the remaining increase comes from workless, working-age families – it is all from families where at least one adult is in paid work.

Among working-age households, the number in low-income, fully-working households (where at least one adult is in full-time work and, in a couple, where both adults are working), has risen from 15,000 to 30,000. There was also a rise in part-working households (where the only paid work is part-time or, in a couple, where one adult is not working). The number of people in poverty in these households has risen from 120,000 to 135,000.

While neither rise alone is particularly large, in combination they suggest a trend towards in-work poverty. This trend can also be seen in Great Britain.

The second graph looks at child poverty specifically. Around half of the 120,000 children in poverty in Northern Ireland, some 55,000, live in workless households. Most of these (40,000) live in lone parent households. Of those in poverty living in working households, most live either in a couple household where only one adult works (21,000) or one where the only paid work is part-time work (15,000). Only 8,000 children (7 per cent of all those in poverty) live in low-income households where all the adults work and at least one works full-time.

It is worth drawing attention to the 20,000 children in poverty in households where the highest earning adult is self-employed. Such families do have a high risk of poverty, but this is often due to fluctuating incomes rather than persistently low incomes. As a result, children in these households tend to be less materially deprived than other children in poverty.

Changing income levels

The first graph looks at how incomes in Northern Ireland and the UK have changed in the years since 2004/05. It shows 5 points for comparison – the 10th percentile point, which is the income below which 10 per cent of the population live, and then the 30th, 50th (median), 70th and 90th percentile points. These percentile points are calculated separately for Northern Ireland and the UK.

The graph shows that, at the 50th, 30th and 10th percentile points, there has been little or no income growth in Northern Ireland in the years since 2004/05.

There has been some growth at the 70th percentile point (that is, for those on slightly above average incomes) from £426 to £436 per week and more substantial growth at the 90th percentile point (from £628 to £646).

In Great Britain, there has been income growth at all levels except at the 10th percentile. But as was the case in Northern Ireland, the rise in income was smaller in the lower half of the distribution and far more significant at the top.

But given that incomes in Great Britain were higher than in Northern Ireland at all points of the distribution anyway, this means the gap between Northern Ireland and Great Britain has grown in recent years. Median income in Northern Ireland is, at £335, 94 per cent of the Great Britain figure; it was 96 per cent in 2004/05.

So Northern Ireland has seen a growing gap between rich and poor and a growing gap between itself and the rest of the UK. The second graph emphasises part of this point. It shows the total income growth in Northern Ireland between 2002/03 and 2009/10. 46 per cent of the growth has gone to the top fifth. Only 3 per cent went to the bottom fifth.

Comment

Why is pensioner poverty so high?

It is striking from the findings that, while the overall rate of poverty in Northern Ireland is no higher than the rest of the UK, the rate of pensioner poverty is substantially higher. Why might this be the case?

Pensioners in Northern Ireland are more likely than those in Great Britain to be entirely reliant on state support for their income. 40 per cent of single pensioners and 25 per cent of couples have no income other than the state pension and pension credits. In the UK as a whole, these figures are 20 per cent and 5 per cent respectively.

This then has a knock-on effect on the benefits system. Rather more pensioners in Northern Ireland claim the guarantee part of Pension Credit than in Great Britain – 27 per cent compared with 17 per cent.

The high proportion of pensioners in Northern Ireland reliant on state support is likely to continue. Across all age groups, the proportion of people in employment who are contributing to a pension is lower in Northern Ireland than in Great Britain. Focusing more closely on those nearing retirement age, the proportion of employees aged 45–64 in Northern Ireland who are not contributing to a pension is, at 38 per cent, higher than the Great Britain figure by 6 percentage points.

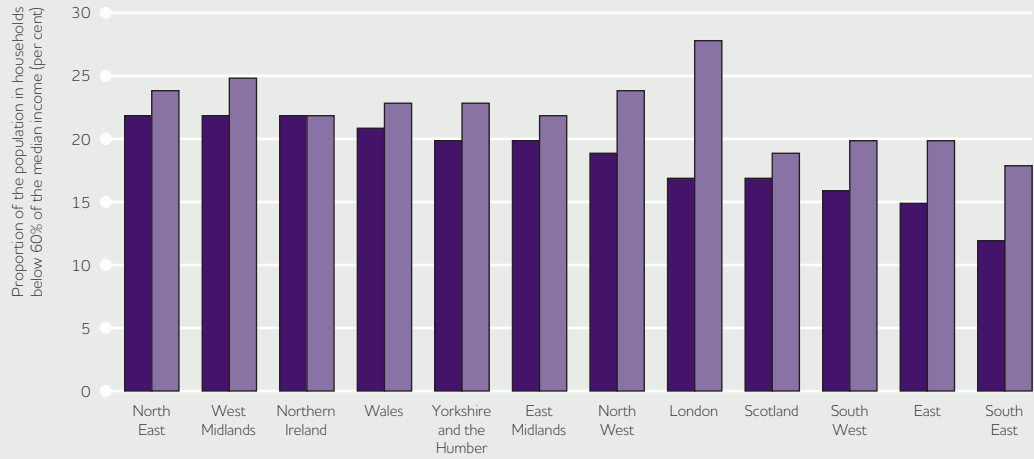
The government's strategy for older people, *Ageing in an Inclusive Society*, was published in 2005. A review of the strategy in 2009 by Age NI found that there had been little progress across its six stated objectives. The strategy itself has been under review since 2009, leaving a sizeable policy gap.

Poverty and housing costs

Indicator: 1A

Compared with the rest of the UK, Northern Ireland has a high level of poverty measured before housing costs but a lower than average level measured after housing costs.

- Before housing costs
- After housing costs

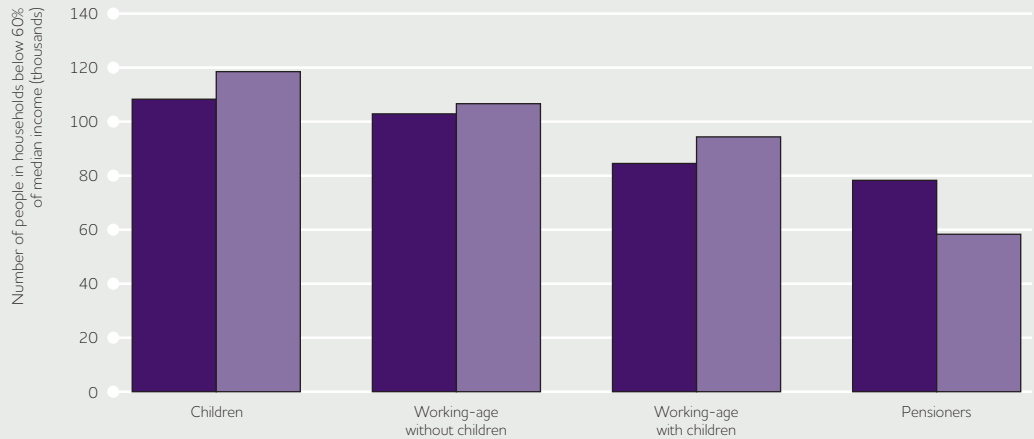


Source: Households Below Average Income, DWP, 2007/08 to 2009/10

Indicator: 1B

There are more children and working-age adults in poverty on the after housing costs measure, but more pensioners in poverty on the before housing costs measure.

- Before housing costs
- After housing costs

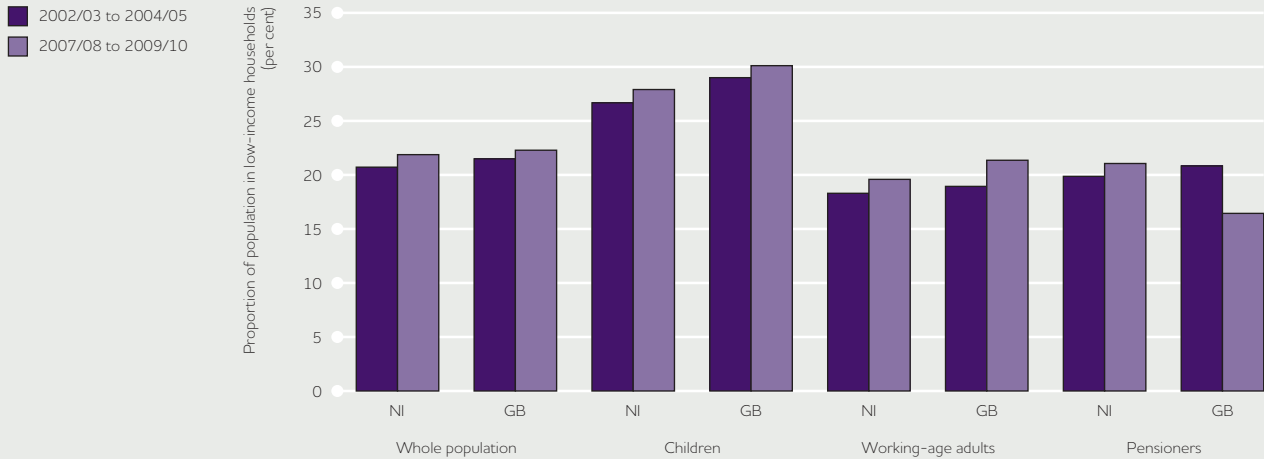


Source: Households Below Average Incomes, DWP, 2007/08 to 2009/10

Risks of poverty

Indicator: 2A

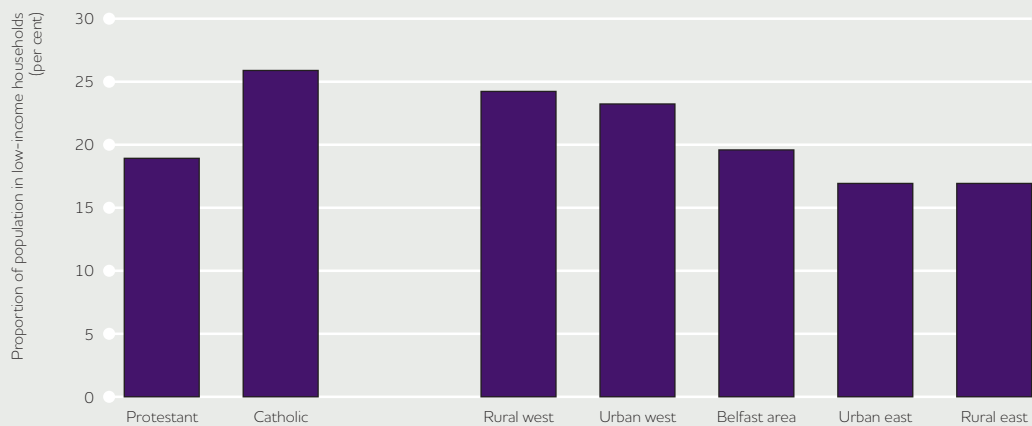
The proportion of people in poverty has risen for all age groups in recent years. Northern Ireland has a lower proportion of children and working-age adults in poverty than Great Britain, but a higher proportion of pensioners.



Source: Households Below Average Income, DWP

Indicator: 2B

Catholics are more likely to be in poverty than Protestants. People in the west are more likely to be in poverty than people in the east.

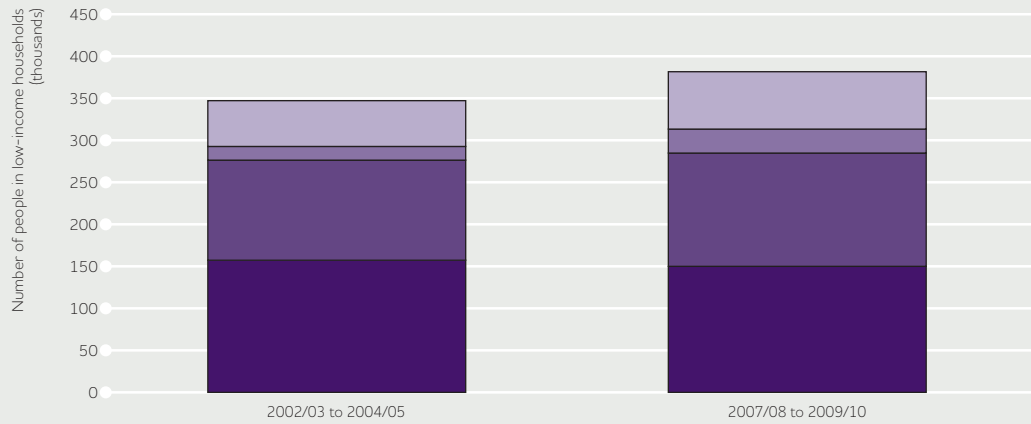


Source: Households Below Average Income via DSDNI; figures are three years to 2009/10 for religion and three years to 2008/09 for geography

Indicator: 3A

All the recent rise in poverty has come in working and retired households.

- Retired
- Full-working
- Part-working
- Working-age workless



Source: Households Below Average Income, DWP

Indicator: 3B

Around half of children in poverty live in working households.



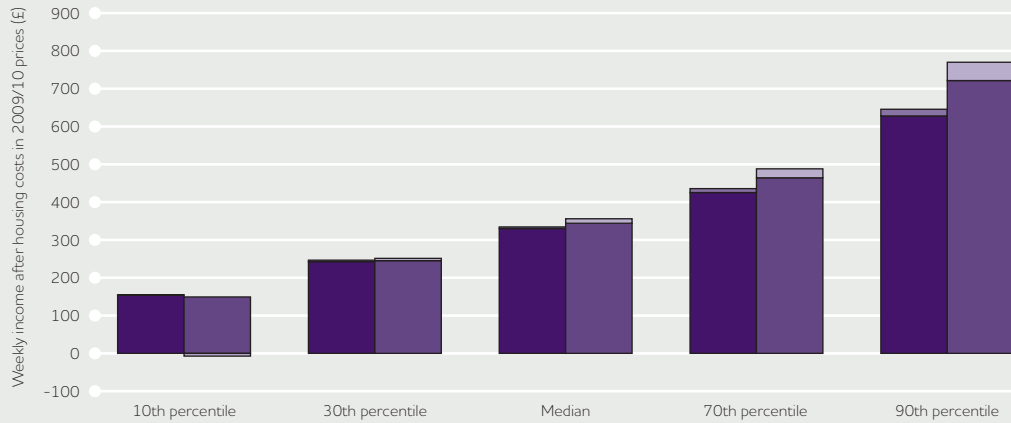
Source: Households Below Average Income, DWP; the data is the average for 2007/08 to 2009/10

Changing income levels

Indicator: 4A

Incomes below the median have not grown in Northern Ireland in recent years. Higher incomes have grown, but at a slower rate than in Great Britain.

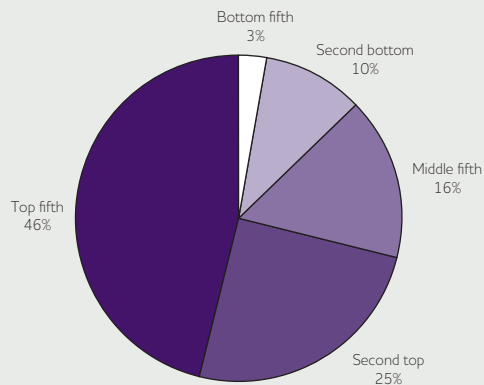
- Northern Ireland 2002/03 to 2004/05
- Northern Ireland change to 2007/08 to 2009/10
- Great Britain 2002/03 to 2004/05
- Great Britain change to 2007/08 to 2009/10



Source: Households Below Average Income, DWP

Indicator: 4B

The top fifth have seen almost half of the income growth in Northern Ireland since 2002/03.



Source: Households Below Average Income, DWP, 2002/03 and 2009/10

Chapter 2

Work and worklessness

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About this chapter

Given the current low level of out-of-work benefits, a workless, working-age household is very likely to be in poverty. This section looks at worklessness, the trends over time and the variations within Northern Ireland.

But as we note in the first chapter, a job is not sufficient in itself to lift a family out of poverty. Wages and hours matter, as does the distribution of work across households. This section also looks at hourly pay, the rising number of part-time jobs and the number of workless households.

Worklessness in Northern Ireland compared with Great Britain

The first graph compares the proportion of people not in paid work in Northern Ireland with the proportion in the UK's other countries and regions. In 2006, Northern Ireland had the highest proportion of workless people in the UK. Now it is second highest, behind the English North East.

The increase in worklessness in Northern Ireland since 2006 has actually been limited. 34 per cent of adults aged 16–64 in Northern Ireland are not in paid work compared to 33 per cent in 2006. The underlying figures suggest this number rose quite dramatically in 2008/09, before falling back somewhat to its current level.

The second graph looks at the overall level of worklessness in Northern Ireland and Great Britain, and the reasons why people are not in paid work. The overall level of worklessness in Northern Ireland is slightly higher than the Great Britain average. 34 per cent of working-age adults in Northern Ireland are not in paid work, compared with 30 per cent in Great Britain.

This higher than average level of worklessness is explained by two things. First, students make up a larger proportion of the working-age population in Northern Ireland – 7 per cent, compared with 4 per cent in Great Britain. The second reason is that a larger proportion of the Northern Irish population are workless due to long-term sickness or disability – 7 per cent compared with 4 per cent.

If both of these groups were the same size as the Great Britain average, worklessness in Northern Ireland would be lower than in Great Britain, all else being equal.

Comparisons with the Republic of Ireland

At 66.4 per cent, the employment rate in Northern Ireland was higher than the EU average of 64.5 per cent in 2011. It had remained broadly unchanged compared with 66.2 per cent in 2006. It was substantially higher than the rate in the Republic of Ireland, which saw a massive fall in employment from 68.1 per cent in 2006 to 59.1 per cent in 2011, with most of the reduction taking place between the recessionary quarters of 2008 and 2009.¹

So, before the recession, work rates were lower in Northern Ireland than in the Republic. After the recession, the opposite is true.

¹ Source: Quarterly Labour Market Supplement, DETINI, Oct–Dec 2011 and 2006. The employment rates for EUROSTAT comparisons are measured on a different basis to those in the rest of this publication and hence will not always match.

Workless people and places

The first graph shows the changing levels of worklessness for men and women in Northern Ireland since 1995. In 2011, 38 per cent of working-age women were not in paid work, compared with 28 per cent of working-age men.

But whereas the figure for men is only a percentage point lower than 15 years earlier, the figure for women is 5 percentage points lower. So the gap has closed, largely due to an increase in male worklessness since the onset of the recession at a time when female worklessness remained level.

The second graph looks at the differences in the proportions not in paid work between Catholics and Protestants across the sub-regions of Northern Ireland.

In the three years to 2010, 28 per cent of working-age Protestants and 35 per cent of working-age Catholics were not in paid work. Catholics were more likely to lack paid work than Protestants across all the sub-regions, though there were significant variations.

The difference was small in Belfast and the east of Northern Ireland – 37 per cent of Catholics lacked paid work compared with 34 per cent of Protestants in Belfast. In the east the figures were 30 per cent and 27 per cent. In the north of the province, though, 45 per cent of Catholics were not in paid work compared with 31 per cent of Protestants.

Essentially, the proportion lacking paid work among Protestants varied a little by geography, but rates among Catholics varied a lot. For Catholics, the difference between regions with the highest and the lowest rates was 15 percentage points (45 per cent in the north compared with 30 per cent in the east). The corresponding difference for Protestants was only 7 percentage points (34 per cent in Belfast compared with 27 per cent in the east). What this means is that there is greater variation between Catholics in different parts of the country than between Catholics and Protestants on average.

Research by the Office of the First Minister and Deputy First Minister (OFMDFM) also showed that in 2010 the unemployment rate was 6 per cent for Protestants and 9 per cent for Catholics. This gap has narrowed over the previous 15 years, when the figures were 8 per cent and 16 per cent respectively. Most of this change comes from the closing gap between Catholic men and Protestant men. For women, the gap is smaller and little changed over the same time period.

Other research showed that most of the gap in employment rates between Catholics and Protestants could be explained by a combination of factors such as geography, age and disability. Moreover, the amount that could not be explained, that is the gap assigned to religion itself, was falling. It was estimated that in 2004, around one-quarter of the employment gap between Catholics and Protestants was due to religion (Bryson, J., Hanvey, E., Marsh, R., Mosca I., Zuleeg, F. (2005) *Phase 2: Exploring Labour Market Outcomes*. Available at: www.ofmdfmi.gov.uk/phase2.pdf, accessed 20 March 2012).

Full-time work, part-time work and household work status

The previous chapter showed that, for a family to escape poverty, paid work was almost always necessary but not always sufficient. The number of hours worked by each individual and the total worked across the household are important factors.

The first graph of this pair shows the number of full-time and part-time jobs in Northern Ireland at five-year intervals going back to the mid-1990s. In 2011, there were 450,000 full-time jobs, 250,000 part-time jobs and 120,000 people in self-employment. The number of full-time jobs has fallen since 2006, from 470,000. The number of part-time and self-employed posts are the same as five years earlier.

The longer-term trend to 2006 was one of growth in all three areas. In the decade to 2006, the number of full-time jobs increased by 70,000. The number of part-time jobs also grew, from 180,000 to 240,000. The rate of growth, though, was faster for part-time work, an increase of 33 per cent compared with 16 per cent in full-time work. Over the same period, the number of people in self-employment rose from 100,000 to 120,000.

Over the period since 1996, the number of men in part-time work has grown by around 20,000 and the number of women in part-time work by 40,000. Women make up two-thirds of the growth in part-time work and (entirely coincidentally) part-time work makes up two-thirds of the growth in female employment.

So, in the 'good' years before the recession, around 50 per cent of the jobs created were full-time, 40 per cent part-time and 10 per cent self-employed. Since then, some full-time jobs have been lost.

The second graph shows the work statuses of working-age households. There are three categories – workless, mixed and full-working. Workless households have no adults in paid work. In a mixed household, at least one working-age adult is in paid work and at least one is not. In a fully working household, all working-age adults are in paid work.

Northern Ireland has, at 48 per cent, the lowest proportion of fully working households of any country or region in the UK. Though low, it is comparable to the level in Wales, London, the North East and the West Midlands.

The proportion of working-age households that are workless is 21 per cent in Northern Ireland. This is lower than the North West, North East and Yorkshire.

So the reason why the proportion of fully working households is low is because there are so many where one adult works and one does not. 31 per cent of all working-age households in Northern Ireland contain a mix of working and workless adults, higher than anywhere else in the UK.

It is always the case that a focus on workless households alone will not end poverty. Policy-makers need to also consider potential second earners, and this is truer in Northern Ireland than anywhere else. A key part of this is the availability of childcare, which is lower in Northern Ireland than elsewhere in the UK (*Policy and Economic Appraisal of the Options for the NI Childcare Strategy*, OFMDFM, 2010. Available at: www.ofmdfmi.gov.uk/policy_and_economic_appraisal_of_the_options_for_the_ni_childcare_strategy.pdf, accessed 23 March 2012).

Between 2002 and 2010, the number of playschool and childminder places fell by 20 per cent and 9 per cent respectively, although the latter has risen in recent years. Although there is currently no national childcare strategy, the Programme for Government refers to the need for one and there is now a Childcare Strategy Group working on a long-term economically sustainable childcare system.

Median (average) pay and low pay

The first graph looks at median (average) pay over the last decade. To make the figures comparable, they are adjusted for inflation and expressed in 2011 prices. In 2011, both male and female median full-time pay was around £11 per hour. For women, this represents a rise of 11 per cent since 2001, although the last two years have seen a decline. Male median full-time pay has fallen slightly since 2001, by 3 per cent. The gap between male and female full-time pay effectively closed around 2006.

Among part-time employees, the median hourly wage is around £8 for men and for women – essentially identical. Over the last decade, median part-time pay has risen by 5 per cent for men and 10 per cent for women.

The second graph looks at the number of people paid below a low-pay threshold of £7.50 per hour. Again, this figure is adjusted for inflation to make comparisons over time possible. The total number of low-paid jobs has risen from 170,000 to 195,000 in the decade to 2011. This increase, of 13 per cent, is broadly in line with the overall increase in jobs in Northern Ireland over that period of 15 per cent.

But the increase in low-paid jobs is entirely confined to male jobs. The number of part-time male jobs paid below the threshold rose from 15,000 to 30,000. For full-time jobs the rise was from 50,000 to 60,000. Barring a blip in 2009, this rise has been quite constant since around 2003.

The Northern Ireland child poverty strategy makes explicit mention of 'more parents in work that pays'. Clearly, increasing the hourly wages of part-time employees is key to ensuring that work pays.

Comment

A holding pattern?

The last Northern Ireland Monitoring Poverty and Social Exclusion report, published in 2009 in the depths of the recession, noted that worklessness had risen more quickly in Northern Ireland than in the rest of the UK. The outlook was bleak.

Three years later, what is noticeable is that, while the situation has not really improved, it is also no worse. The jobs lost in 2007 and 2008, a lot of which were in the construction industry, have not been replaced. But nor has there been a similar sized loss of jobs since.

In a sense this report comes out during a pause – after the crash, but before the public sector cuts take place. Around 30 per cent of jobs in Northern Ireland are in the public sector (compared with 20 per cent in Great Britain) and bodies such as Invest NI have substantial public funding to assist private sector job growth.

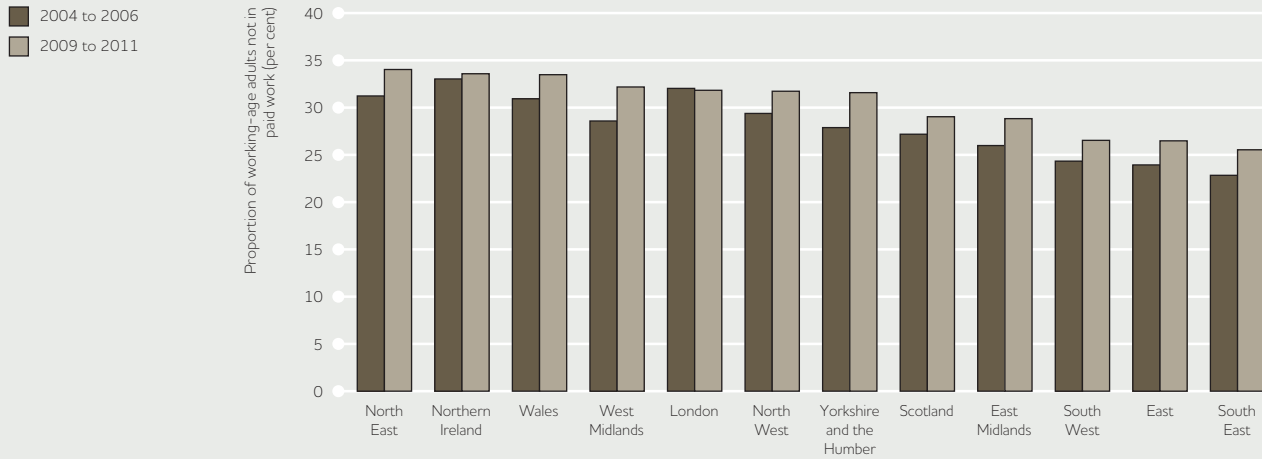
Before the recession there had been more than a decade of job growth in the private sector. From a poverty perspective, though, the issue is the low pay in private sector jobs in Northern Ireland. Whereas jobs in the public sector pay, on average, the same in Northern Ireland as Great Britain (the median hourly wage is around £13.50 in both), private sector pay in Northern Ireland is 16 per cent lower (median hourly wage of £8.40 compared with £10). Whereas less than 10 per cent of jobs in the public sector pay under £7.50 per hour, more than 25 per cent of jobs in the private sector do.

So if, as elsewhere in the UK, the expectation is that the Northern Ireland economy should 'rebalance' away from the public and towards the private sector, there are two main concerns. First, where will these private sector jobs actually come from; and second, will they pay enough to lift a family out of poverty?

Worklessness in Northern Ireland compared with Great Britain

Indicator: 5A

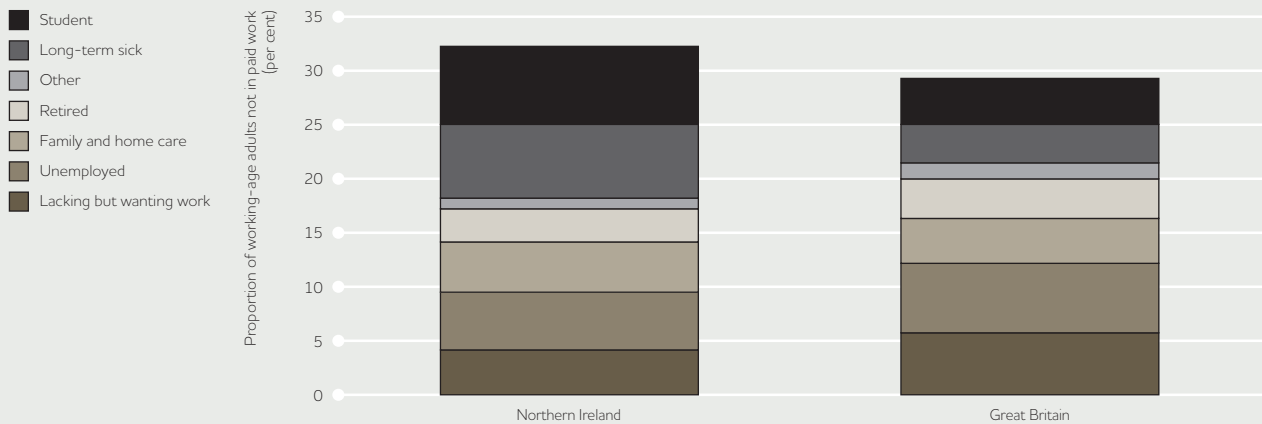
Worklessness is slightly higher in Northern Ireland than the UK average, but has risen less than in other parts of the UK in the last five years.



Source: NOMIS

Indicator: 5B

The reason worklessness in Northern Ireland is higher than the Great Britain average is due to the high proportion of students and people with long-term illnesses or disabilities.

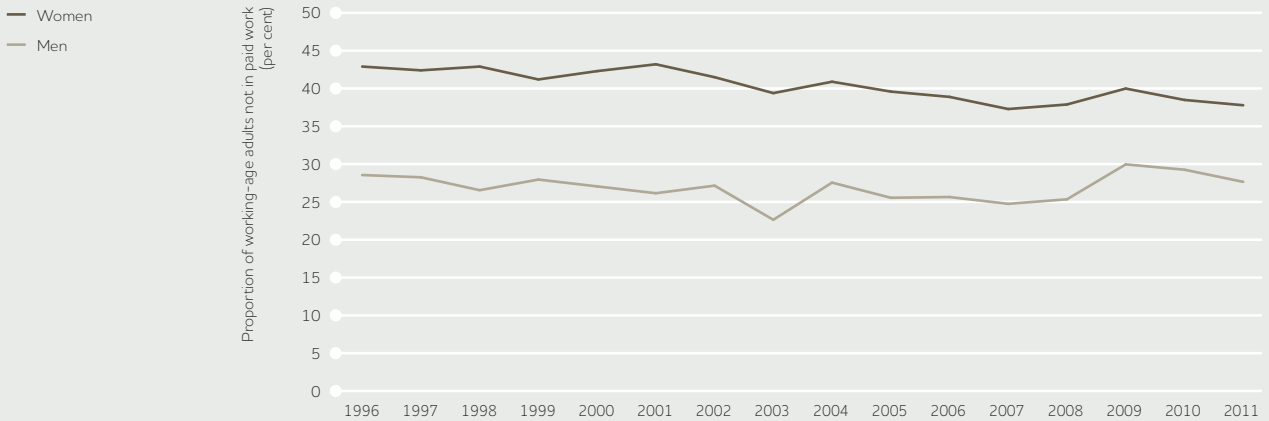


Source: Regional Labour Market Statistics, ONS, Labour Market Report, DETINI; data is the average for four quarters of 2011

Workless people and places

Indicator: 6A

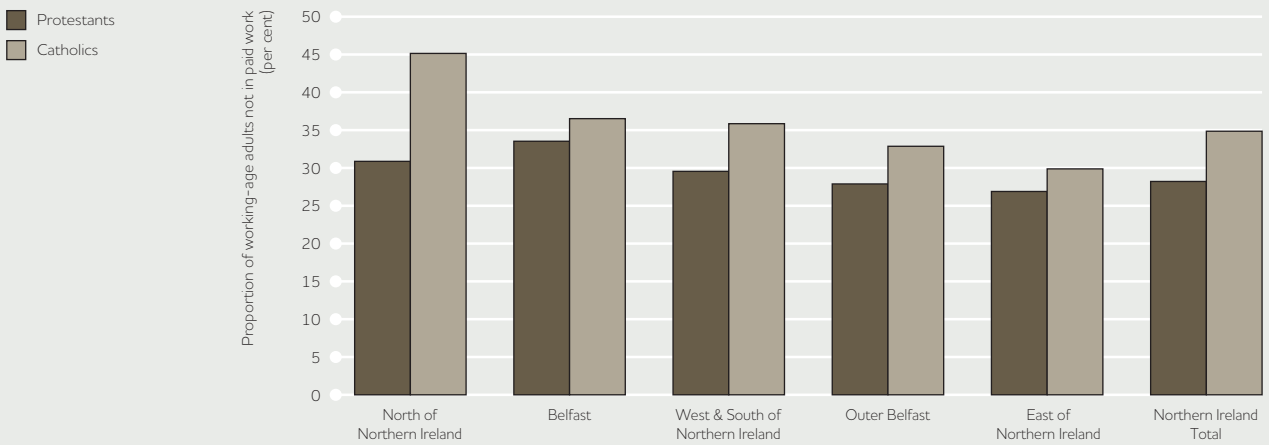
The proportion of working-age women not in paid work has fallen substantially over the last 15 years. The proportion of men not in paid work has fallen less markedly.



Source: Labour Force Survey via DETINI

Indicator: 6B

A higher proportion of Catholics lack paid work compared with Protestants across Northern Ireland, but the variation among Catholics is greater than between Catholics and Protestants.

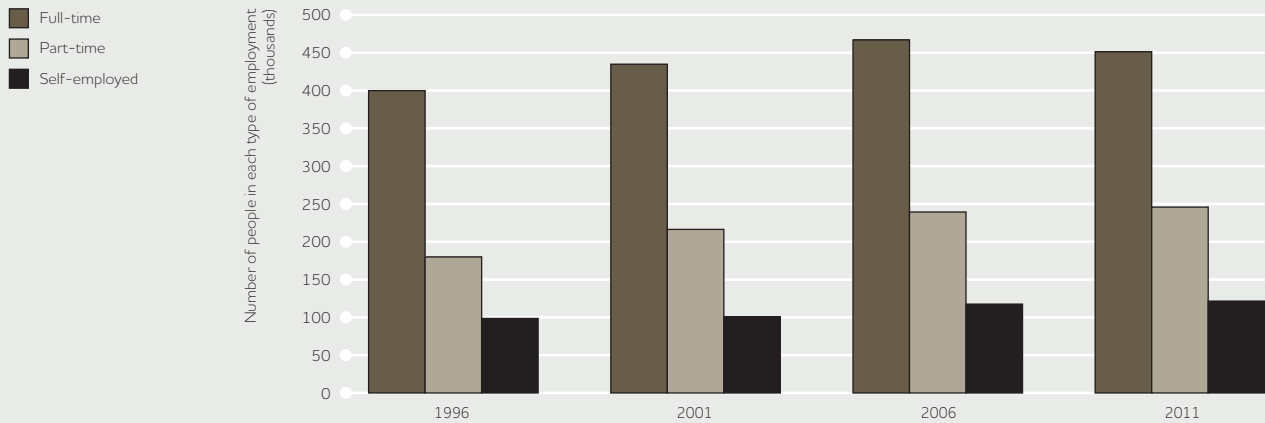


Source: Labour Force Survey Religion Report, OFMDFMNI; data is the average for 2008–10

Full-time work, part-time work and household status

Indicator: 7A

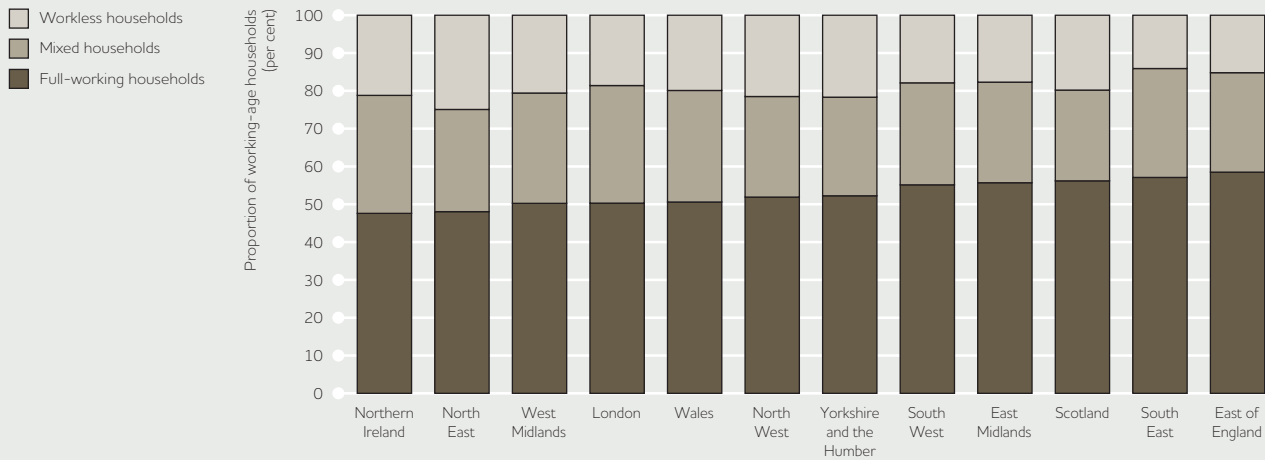
The number of full-time jobs has fallen slightly since 2006, but is still higher than a decade earlier. The numbers of part-time and self-employed posts are the same as five years ago.



Source: Northern Ireland Quarterly Economic Survey; Labour Force Survey for Self Employment; data is average for four quarters of each year

Indicator: 7B

Northern Ireland has a lower proportion of fully working households than any country or region in Great Britain.

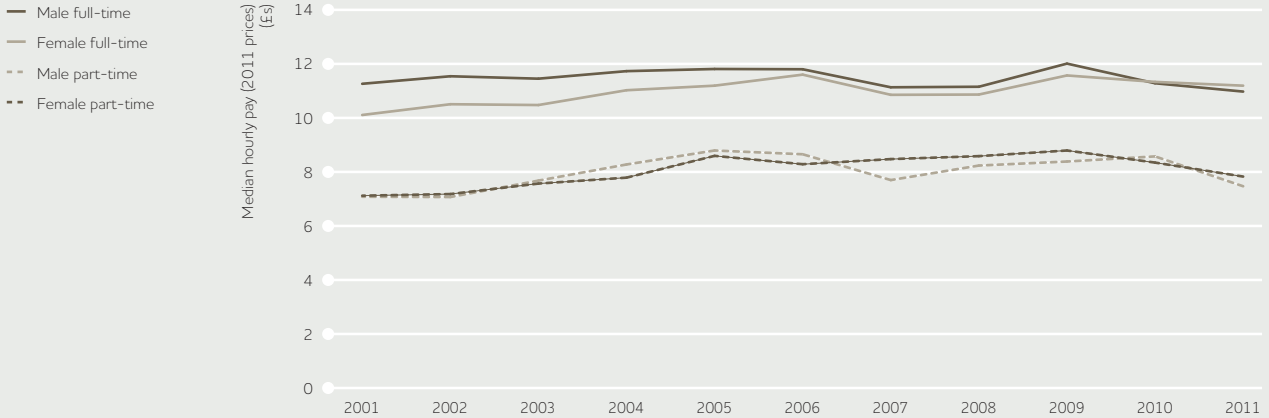


Source: Working and Workless Households, ONS, 2011

Median (average) pay and low pay

Indicator: 8A

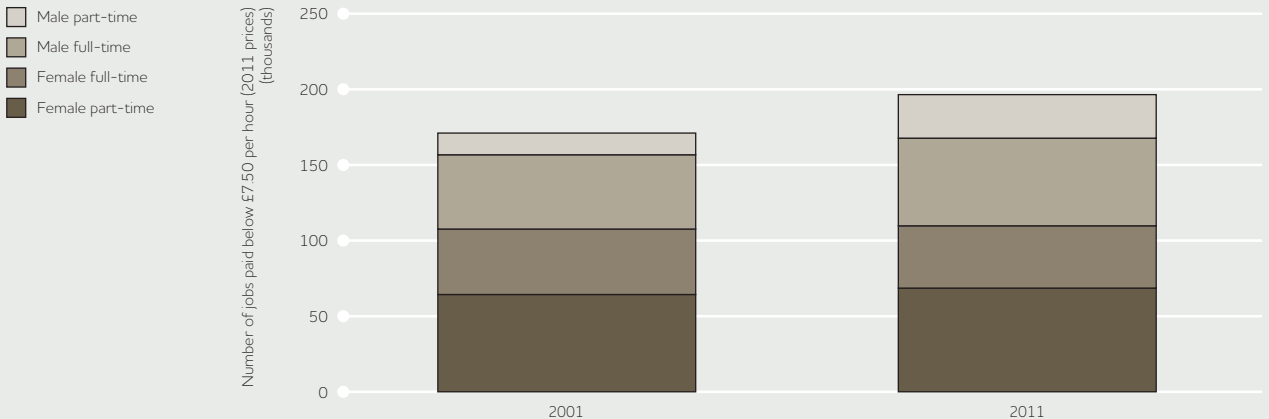
Female median full-time pay has risen in the last decade and is now as high as male full-time median pay. Part-time pay, for men and women, is lower and has not risen as much.



Source: Annual Survey of Hours and Earnings, ONS

Indicator: 8B

Most low-paid jobs are performed by women, but the increase in low-paid work since 2001 has been entirely among male jobs, both part-time and full-time.



Source: Annual Survey of Hours and Earnings, ONS

Chapter 3

Social security benefits

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About this chapter

Having looked at employment in the previous chapter, this chapter looks at benefits, the main source of income for out-of-work households. Historically, Northern Ireland has always had a high proportion of people claiming benefits relative to the rest of the UK. This means that changes to the benefits system, both those enacted in recent years and those currently proposed by the UK government, have the potential to impact on Northern Ireland far more than on Great Britain.

When we talk about 'key benefits' in this section we mean benefits paid to working-age people. Most of these are out-of-work benefits – Jobseeker's Allowance, Incapacity Benefit and its successor Employment Support Allowance, and Income Support. We also include other disability benefits, namely Disability Living Allowance, which can be paid to people in work. The reason for doing so is that the high levels of claims in Northern Ireland make it an important part of the picture.

We begin by looking at all benefits together, then look at the two major claimant groups in more detail – jobseekers and disabled claimants.

Working-age adults receiving key benefits

The first graph shows the proportion of working-age adults receiving a key benefit in Northern Ireland in 2005 and 2011. 2005 is the oldest available comparable data. It is also the data used in the first Northern Ireland Monitoring Poverty and Social Exclusion report.

By 2011, 22.7 per cent of the working-age population was receiving a key benefit, up from 21.9 per cent six years earlier. In total, some 265,000 people were claiming a key benefit in 2011, a rise of 20,000 in six years.

Just under half of these (10.6 per cent) were claiming either Incapacity Benefit (IB) or Employment Support Allowance (ESA), a slight fall since 2005 (11.5 per cent). There has been no change in the proportion of people claiming as carers (2.5 per cent) or in the residual 'other' group (1 per cent).

The proportion of lone parents claiming appears to have fallen from 2.7 per cent to 2 per cent, but this could be due to changes in eligibility rules. These changes now mean that lone parents whose youngest child is aged seven or over have been moved to Jobseeker's Allowance (JSA) and categorised accordingly. This will explain some of the rise in JSA claims (from 2.6 per cent to 5.1 per cent) but clearly not all. It is this rise in JSA claims that leads to the rise in the overall total, a rise that can obviously be linked to the rise in unemployment since the recession.

The comparison with Great Britain in the second graph shows how high these levels are in relative terms. In total, 14.6 per cent of Great Britain's working-age population claim a key benefit, compared with 22.7 per cent in Northern Ireland. The biggest difference is for Incapacity Benefit and Employment Support Allowance, claimed by 10.6 per cent of the working-age population in Northern Ireland but 6.6 per cent in Great Britain. This accounts for half, but only half, of the 'gap' in the overall rate.

For every benefit, the proportion claiming in Northern Ireland is higher than in Great Britain. For instance, 5.1 per cent claim Jobseeker's Allowance in Northern Ireland, compared with 3.6 per cent in Great Britain. It is also worth pointing out that 2 per cent of working-age people in Northern Ireland claim a disability benefit (DLA) but not IB/ESA. These are people likely to be in work but with a serious disability, and the fact that this level is double that of Great Britain (1 per cent) indicates the extent of disability across the Northern Ireland population.

Jobseeker's Allowance

The first graph shows the trend in Jobseeker's Allowance (JSA) claimants over the last ten years. The proportion of working-age people claiming in Northern Ireland is compared with Great Britain. This long-term trend shows that the level of claiming has always been somewhat higher in Northern Ireland than in Great Britain with the exception of one year (2007/08) just before the recession began.

In January 2012, 5.4 per cent of working-age adults in Northern Ireland were claiming JSA compared with 4 per cent in Great Britain (this is slightly higher than the proportions in graph 7B, as the data is more up-to-date. Both Northern Ireland and Great Britain saw rises in JSA claims in the second half of 2011). Traditionally, the levels of JSA claims have always been higher in Northern Ireland. In 1996 8.4 per cent of working-age adults were claiming JSA in Northern Ireland compared with 6.2 per cent in Great Britain. By 2000, the figures were 4.2 per cent and 3.3 per cent respectively. The gap was zero as recently as 2008, but while the claimant count in Great Britain then dropped slightly before rising again, it never really stopped rising in Northern Ireland.

As discussed above, part of this increase will be due to changes in eligibility. The change in lone parent eligibility will impact on Northern Ireland more as Northern Ireland has comparatively more lone parents. Likewise, moving people off ESA and onto JSA will impact on Northern Ireland more as there are comparatively more people on ESA to start with.

This does not mean, though, that the trend is somehow distorted by changes to the rules. People on JSA are actively looking for work, and as such are a measure of job scarcity. It is important to measure how benefit reform increases the number of people looking for jobs and increases the pressure on the labour market.

The proportion of people claiming JSA is highest in the west of the province, in Derry and Limavady where more than 7 per cent of the working-age population are claiming. The level of claimants in Belfast is also higher than the Northern Ireland average. The pattern has remained broadly unchanged in recent years as the number of people claiming has increased.

Disability benefits

The first graph compares the proportions of people claiming incapacity benefit in Northern Ireland and Great Britain by their main diagnosis, some of which have been grouped.

7.5 per cent of Northern Ireland's working-age population is claiming Incapacity Benefit (IB), compared with 5 per cent in Great Britain. Of this, mental health accounts for 3.7 per cent in Northern Ireland and 2.2 per cent in Great Britain, so mental health accounts for around half the gap. There is substantial literature on the link between the conflict and mental ill-health that would help explain this difference. (See for example *The Economic Impact of Post Traumatic Stress in Northern Ireland*, available at: www.nicct.org accessed 12 March 2012.)

But all diagnoses are more common in Northern Ireland than in Great Britain.

1.3 per cent of the working-age population claim IB due to muscular skeletal disorders, compared with 0.8 per cent. The relevant figures for diseases of the circulatory, nervous and respiratory systems are 0.9 per cent and 0.7 per cent.

The second graph shows the levels of claims for Disability Living Allowance in Northern Ireland and Great Britain. The rates are broken down by age. For all age groups, the level of claims in Northern Ireland is higher than in Great Britain, but the gap is most pronounced among older age groups.

Older people are much more likely to claim DLA, and in Northern Ireland more than 20 per cent of over 55s do so. This is twice as high as the level in Great Britain. Among those aged 35–44, the figure is 8 per cent in Northern Ireland, rising to 14 per cent for those aged 45–54. The corresponding figures for Great Britain are half that – 4 per cent and 7 per cent.

But among younger people, the gap is smaller in both absolute and relative terms. Between 4 per cent and 5 per cent of people aged under 35 in Northern Ireland claim DLA. In Great Britain, this figure is around 3 per cent. While the Northern Ireland rate is higher, it is less than twice as high, so the differential is smaller than for older age groups.

This could indicate that the overall difference will shrink over time, and some of the recent figures bear this out. Since 2006, the number of people claiming DLA in Northern Ireland has risen by 10 per cent, compared with 15 per cent in Great Britain.

Incapacity Benefit is the only benefit for which data on diagnoses is available. The lack of such data for its replacement, Employment Support Allowance, means that this analysis can be only partial.

Comment

The impact of welfare reforms

The reform of the benefits system is the essential context for understanding these indicators. But the reform is an ongoing process, which actually began under the previous government in 2008. At least some of the rise in JSA claimants in recent years is due to this reform. ESA, with its attendant work capability assessments, was introduced by Labour, not the Coalition.

The Coalition's forthcoming changes share the same goals of getting people off inactive benefits (Incapacity Benefits, Income Support) and towards work. As yet there has been no comprehensive impact assessment of the potential effects on benefit claimants in Northern Ireland, as there has been in Great Britain. But there are factors that will have a disproportionate impact on Northern Ireland.

First, the far higher proportion of people claiming Incapacity Benefit implies a similarly high number of assessments and resource requirements for the work-related activity group and the ready-for-work group. Moreover, the Harrington Review raised concerns that people with mental health problems were being incorrectly assessed. Again, Northern Ireland's high proportion of people claiming IB for mental health reasons suggests this could be a bigger problem than elsewhere in the UK.

Similarly, the change from Disability Living Allowance to Personal Independence Payment will have an impact on Northern Ireland due to its high number of DLA claimants. The stated aim of the change is to reduce claims by 20 per cent, which would be around 37,000 people in Northern Ireland.

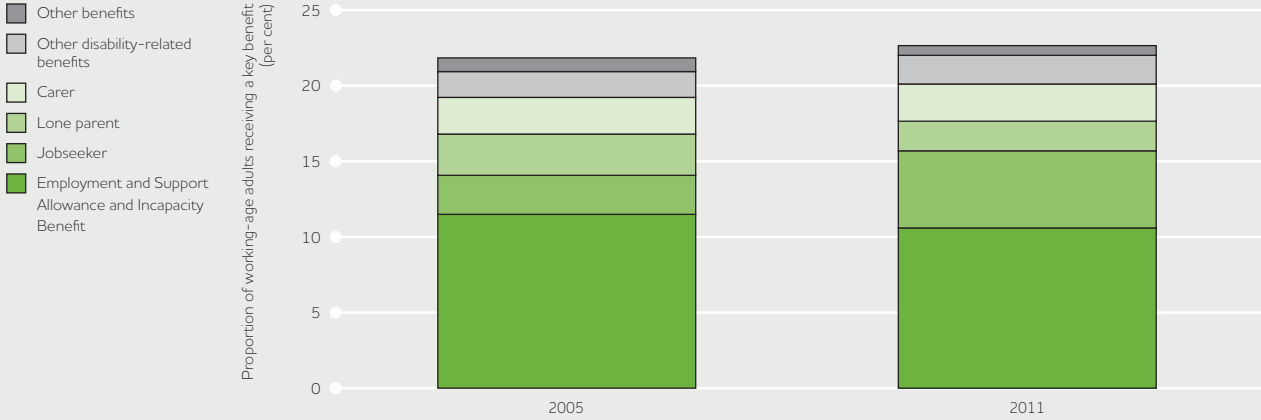
The other area where benefit reform could have an additional impact in Northern Ireland is the benefit cap. The proposed £500 per week limit on benefits to workless households will affect two types of households most – large families and those with high housing costs. Northern Ireland has few instances of the latter, but a high number of the former.

A workless family with four children currently receives £373.50 per week in benefits not including housing benefits. So any such household whose combined housing and rates bill was more than £126.50 would be above the cap. This is perfectly possible in Northern Ireland. For a family with five children, this figure for housing and rates falls to £64.

11,000 households in Northern Ireland have four or more children. This makes up 1.6 per cent of all households, compared with 1.1 per cent in Great Britain. The total includes working and workless households, but any family with a working adult who lost their job would be subject to the cap once they had been claiming out-of-work benefits for nine months. So despite the relatively low housing costs in Northern Ireland, substantial numbers of households could be affected by the benefit cap.

Indicator: 9A

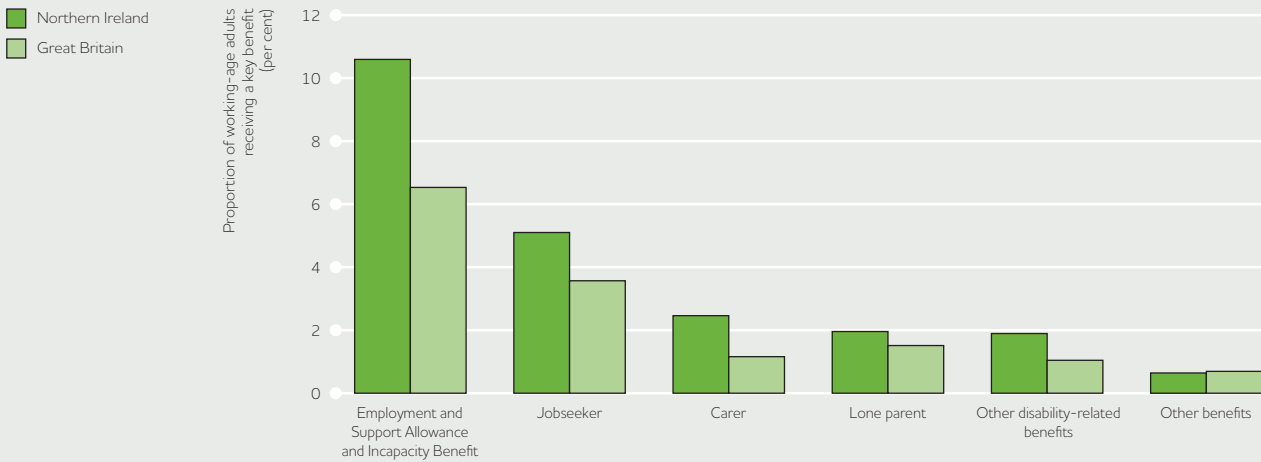
The proportion of people claiming a key benefit rose between 2005 and 2011, entirely due to the rise in jobseekers.



Source: DSDNI client group analysis

Indicator: 9B

For all benefits, the proportion of working-age adults claiming is higher in Northern Ireland. The largest difference is for Incapacity Benefit and Employment and Support Allowance.

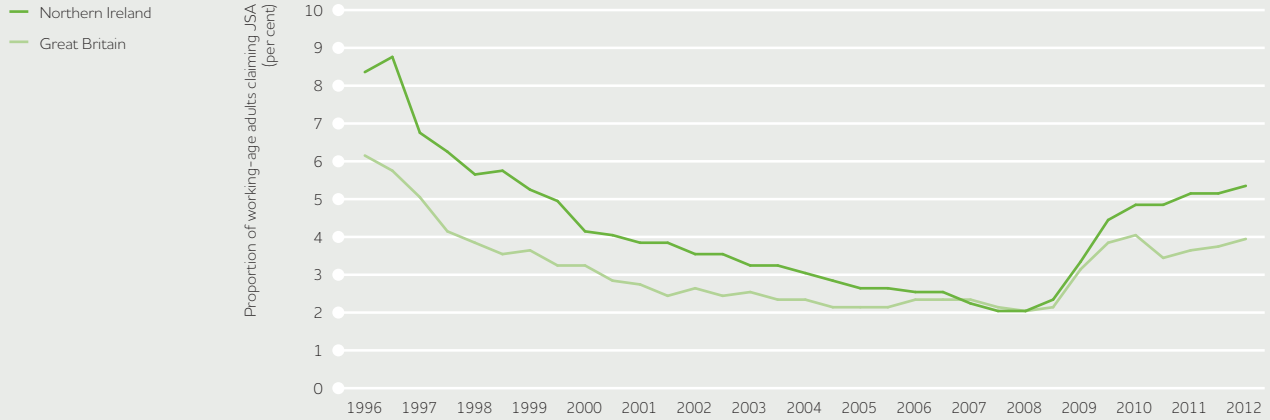


Source: DSDNI client group analysis; data is for August 2011

Jobseeker's Allowance

Indicator: 10A

Both the proportion of people claiming JSA and the gap with the Great Britain rate are back to levels last seen in the late 1990s.

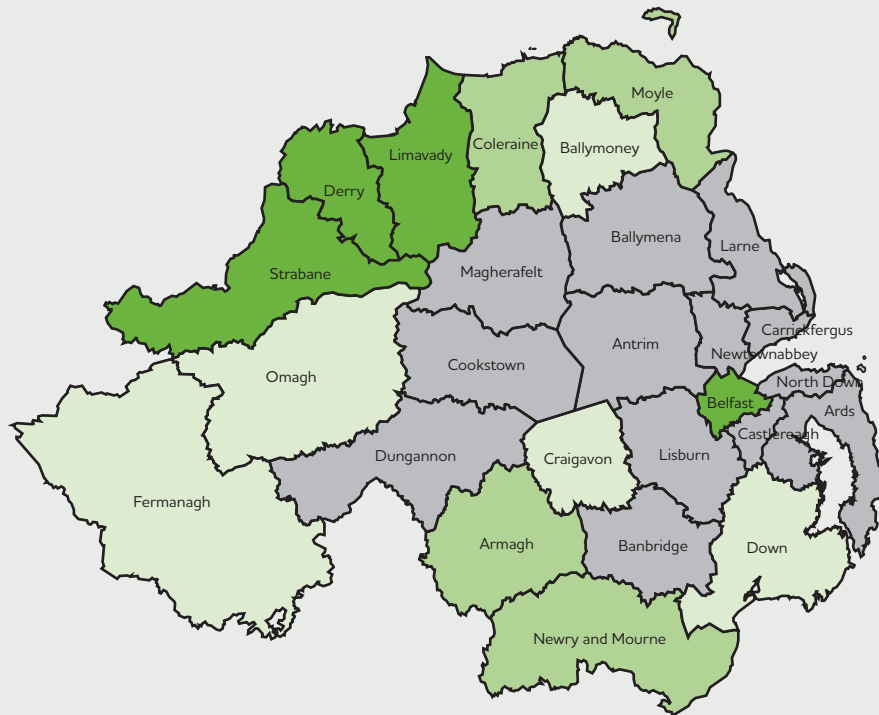
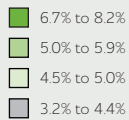


Source: NOMIS Labour Market Statistics

Indicator: 10B

High levels of JSA claims can be found throughout Northern Ireland.

Working-age adults claiming JSA

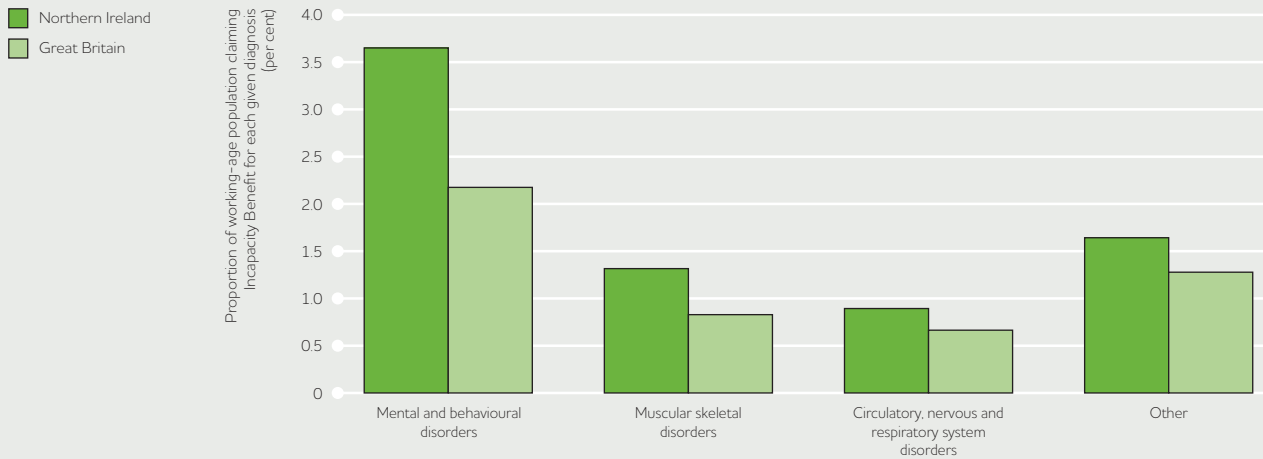


Source: DSDNI, 2011

Disability benefits

Indicator: 11A

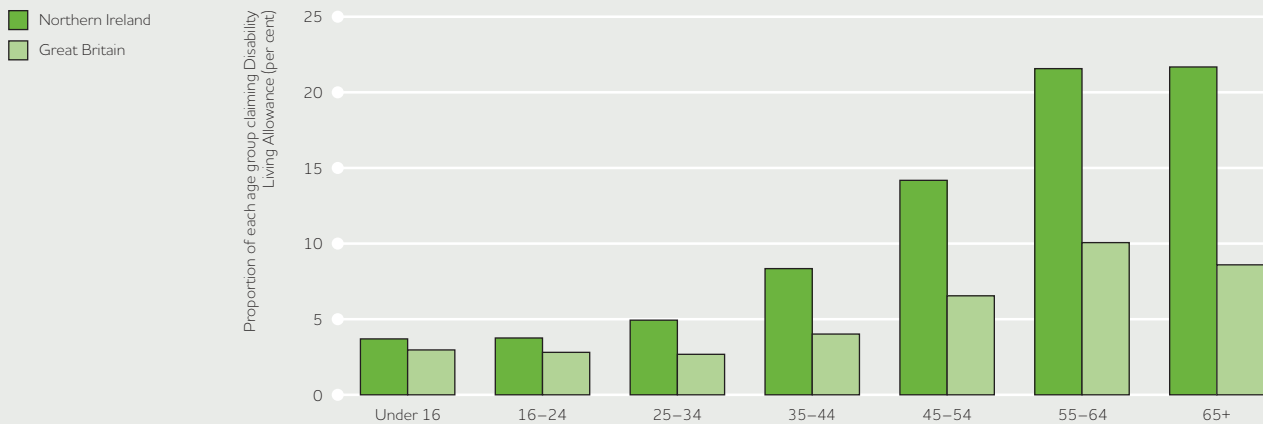
The proportion of people claiming Incapacity Benefit is a little higher in Northern Ireland for all types of diagnosis but much higher for mental and behavioural disorders.



Source: DWP longitudinal series and DSDNI benefit statistics, May 2011

Indicator: 11B

The proportion of people claiming Disability Living Allowance in Northern Ireland is higher than Great Britain for all age groups but the gap is largest among those aged over 50.



Source: DSDNI and DWP longitudinal series; data is for February 2011

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About this chapter

The final chapter in this report looks at education and qualifications. This topic is of interest for two reasons. First, improving educational attainment, as measured by qualifications received, is often seen as key to reducing poverty in the longer term. Second, the gap in attainment between disadvantaged children and other children is significant and persistent.

When looking at the gap between poor children and other children, we use receipt of free school meals (FSM) as a proxy. Children whose parents are claiming out-of-work benefits are eligible for free school meals. As such, it is a far from perfect proxy for poverty, as it excludes children in poor, working families.

This chapter begins by looking at educational attainment of school pupils, then looks at the skill mix across the population as a whole, and then the links between qualifications and work status.

Lacking GCSEs

The first graph looks at the proportion of pupils leaving school with 5 GCSEs at A*–C including maths and English. This threshold is now the expected standard in Northern Ireland and England. In 2010, 69 per cent of pupils receiving free school meals did not meet this threshold, compared with 36 per cent of pupils not receiving free school meals. This means that the FSM gap was 33 percentage points.

This gap was 32 percentage points in 2006. So while the proportion of pupils receiving free school meals not attaining the threshold has fallen in this period, from 74 per cent to 69 per cent, the gap has not changed.

The second graph analyses the most recent figures by religion and gender. Protestant boys receiving free school meals have the highest risk of not attaining the threshold. In 2010, 80 per cent did not get 5 GCSEs including maths and English at A*–C. The figure for Catholic boys receiving free school meals was 72 per cent. The figure for Protestant girls receiving free school meals was 73 per cent.

The FSM gap is greatest among Protestant girls. 73 per cent of those on free school meals fail to attain the threshold, compared with 30 per cent not on free school meals, a gap of 43 percentage points. In fact, the gap is so great that Protestant girls receiving free school meals actually do worse not only than Catholic girls receiving free school meals, but no better than Catholic boys.

Catholic girls, meanwhile, have the lowest proportion not attaining the standard both for those receiving free school meals (58 per cent) and those not receiving (30 per cent).

School leavers

The first graph shows the destinations of school leavers in Northern Ireland over time. In 2009/10, most school leavers – around 17,000 or 75 per cent – went on to some other form of education. 10,000 went on to higher education courses, and around 7,000 to further education courses. The total number of school leavers declined by more than 10 per cent over five years, from 26,000 in 2005/06 to 23,000 in 2009/10. The proportion of school leavers staying in education rose from 65 per cent in 2005/06 to 75 per cent in 2009/10, though the overall numbers were similar.

Over the same period, there has been a fall in the number of school leavers going into work or training. In 2005/06, 7,400 or 29 per cent went into employment or training, compared with 4,300 or just 19 per cent in 2009/10. The number of school leavers who are unemployed, or whose destination is unknown, has remained fairly static, between 1,300 and 1,400.

The second graph breaks down this data by gender and free school meal status. 69 per cent of girls receiving free school meals leaving school stay in education, compared with 51 per cent of boys. This difference is entirely made up by the difference in the proportion going into work or training (39 per cent of boys compared with 22 per cent of girls). The proportion who are unemployed or whose destination is unknown is the same for boys and girls on free school meals – around 10 per cent.

Among those not receiving free school meals, the gender difference is less pronounced. There is still a difference in the proportion of boys going into work or training compared with girls – 23 per cent compared with 11 per cent. The difference is again matched by the proportion staying in education (72 per cent compared with 84 per cent).

But the real differences are between those receiving free school meals and those not receiving free school meals. Most notably, 10 per cent of those receiving free school meals are unemployed on leaving school, compared with 5 per cent of other children. They are also around twice as likely to go into work or training (39 per cent compared with 23 per cent for boys, 22 per cent compared with 11 per cent for girls). If training and employment opportunities for school leavers are declining, it is poorer children who will lose out most.

Working-age qualifications

The first graph looks at the proportion of working-age adults lacking Level 2 qualifications (equivalent to 5 GCSEs at A*–C). The data is shown broken down by age and gender.

People aged under 35 are much less likely to lack this level of qualification than older people. Around one-quarter of men and one-fifth of women aged under 35 lack this level of qualification. Among those aged 35–49, 35 per cent of men and 32 per cent of women lack it, as do 55 per cent of women and 40 per cent of men aged 50 to retirement. This older age group is the only one in which women are more likely to lack a Level 2 qualification than men.

The second graph shows the link between qualification levels and worklessness. 55 per cent of those aged 20 to retirement who have no qualifications are workless (6 per cent are unemployed, 49 per cent inactive). This drops to 33 per cent for those with some qualifications below Level 2 (again, 6 per cent are unemployed).

But the differences between levels 1, 2 and 3 are much less marked. 27 per cent of those with Level 2 and 27 per cent of those with Level 3 are workless. The proportion only drops again at Level 4 (degree level or equivalent), where 14 per cent are workless. So while getting some qualifications reduces the risk of worklessness, the risk is still quite high. Only gaining a degree-level qualification lowers the risk significantly below average.

Comment

How does Northern Ireland compare with Great Britain?

It is difficult to make comparisons between education systems in different countries, so it is hard to draw many solid conclusions about the performance of Northern Ireland relative to Great Britain, but what data there is available suggests educational outcomes are better in Northern Ireland than England and Wales (comparable data is not available for Scotland).

Looking at overall GCSE attainment in 2011, 75 per cent of all GCSE grades were between A* and C, compared with 67 per cent in England and Wales (see www.deni.gov.uk/index/80-curriculum-and-assessment/115-curriculum-and-assessment-qualifications-pg/gcse_headline_statistics_2011-2.htm, accessed 23 February 2012). At A Level, 84 per cent of grades were between A* and C in Northern Ireland compared with 76 per cent in England and Wales (see www.deni.gov.uk/index/80-curriculum-and-assessment/115-curriculum-and-assessment-qualifications-pg/a_and_as_level_headline_statistics_2011.htm, accessed 23 February 2012).

Moreover, if we look at university applications, levels in Northern Ireland are far in excess of England, Scotland or Wales. Statistics for January 2012 showed that 45 per cent of 18-year-olds in Northern Ireland had applied through the Universities and Colleges Admissions Service (UCAS) for a place in the next academic year, compared with 35 per cent in England and 30 per cent in Scotland and Wales. The figure rises to 55 per cent for women in Northern Ireland. (Analysis of UCAS January deadline application rates by country, available at www.ucas.com/about_us/media_enquiries/media_releases/2012/300112b, accessed 23 February 2012.)

It is, though, particularly hard to compare attainment of pupils from deprived backgrounds in Northern Ireland with similar children in Great Britain as the data is recorded differently. Data for individual pupils on free school meals is not collected at age 16 (Year 12), although it is collected in the School Leavers Survey. The fact is, though, that the attainment gap between pupils on free school meals and other pupils is not closing.

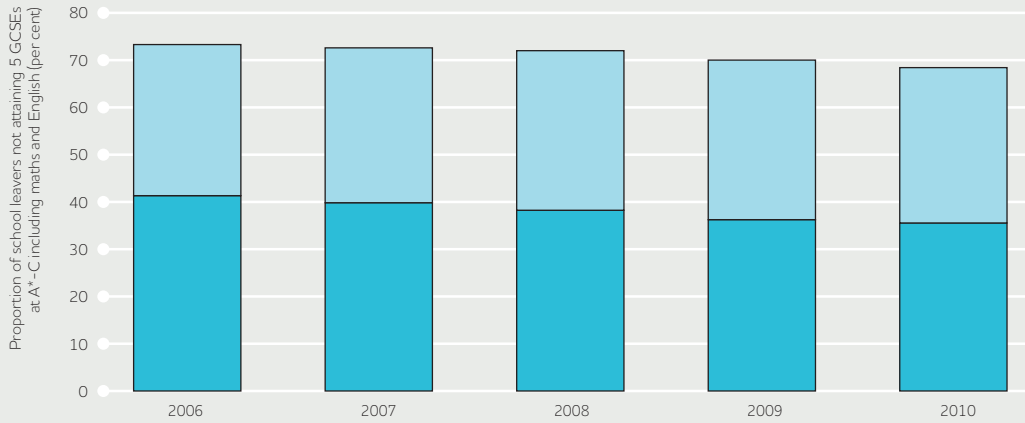
The Programme for Government talks of 'literacy and numeracy levels among all school leavers, with additional support targeted at underachieving pupils'. In terms of tackling low attainment among poorer pupils, this is obviously far weaker than the position in England, where the Pupil Premium is explicitly intended to reduce gaps in attainment. There is a danger, then, that education in Northern Ireland becomes a story of high attainment for some and low attainment for too many.

Lacking GCSEs

Indicator: 12A

The proportion of pupils lacking good GCSEs has fallen, but the gap in attainment between pupils receiving free school meals and other pupils has not.

- Free school meal 'gap'
- Pupils not receiving free school meals

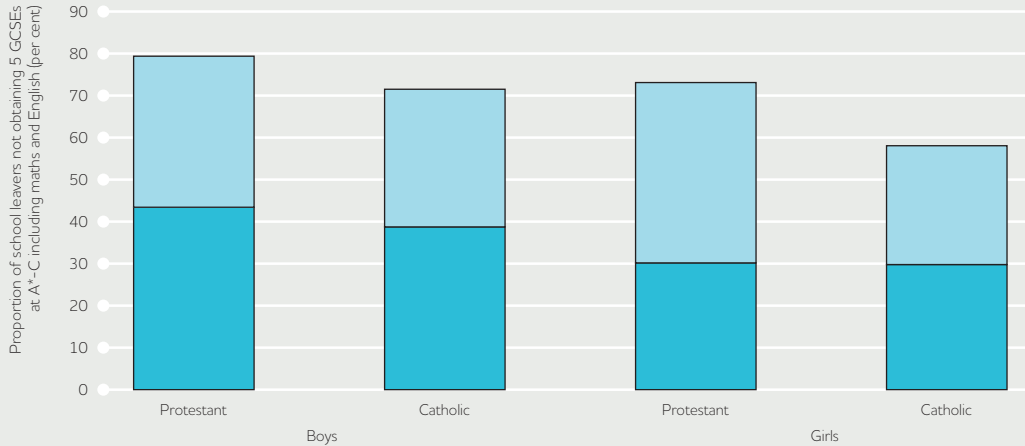


Source: DENI

Indicator: 12B

The gap in attainment between pupils on free school meals and other pupils is bigger among Protestant than Catholic pupils.

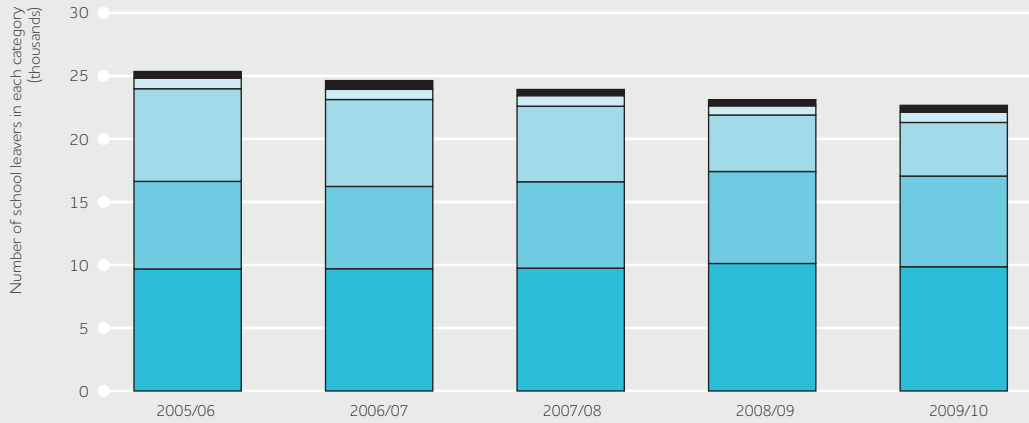
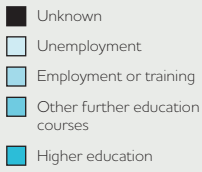
- Free school meal 'gap'
- Pupils not receiving free school meals



Source: DENI, 2010

Indicator: 13A

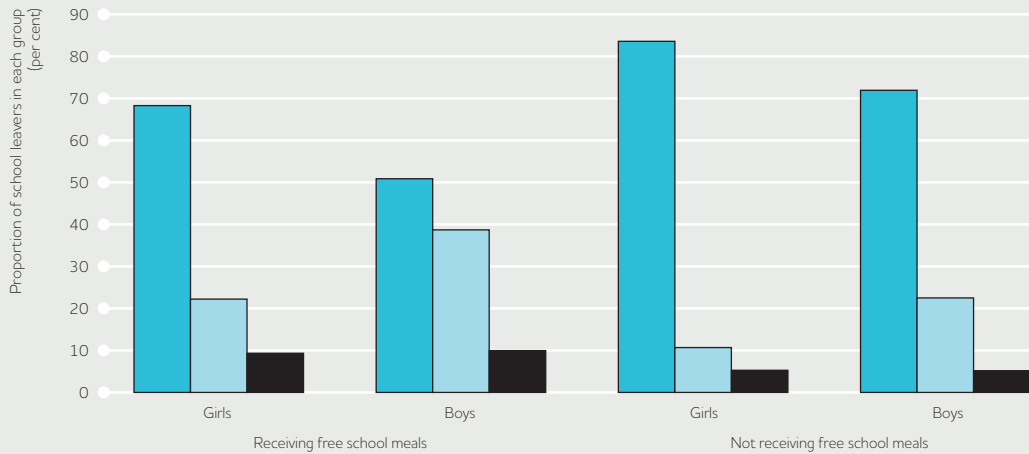
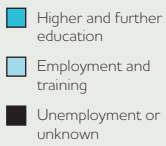
The number of school leavers going into employment or training has fallen, while the number of those in further or higher education has remained steady.



Source: DENI, Destination of School Leavers

Indicator: 13B

Pupils receiving free school meals are more likely than other pupils to go into work or training on leaving school. They are also more likely to be unemployed.

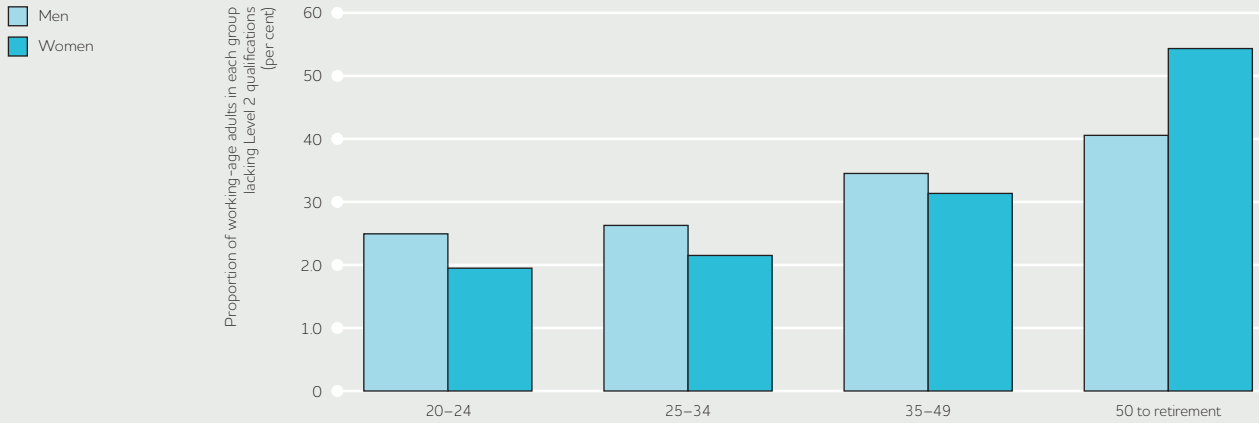


Source: DENI School Leavers' Survey, 2010

Working-age qualifications

Indicator: 14A

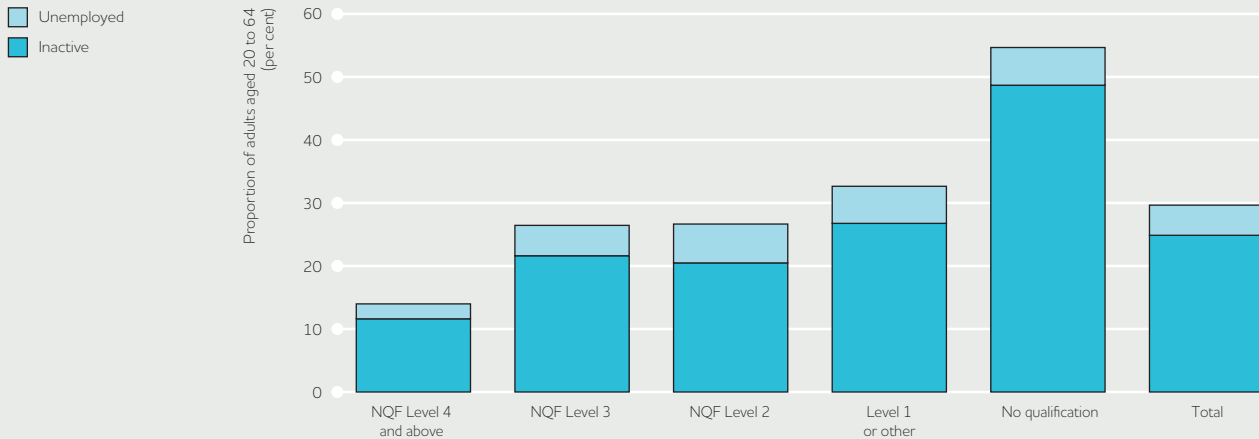
The proportion of under-35s lacking a Level 2 qualification is much lower than among over-35s. For all age groups under 50, women are less likely than men to lack this level of qualification.



Source: Labour Force Survey, ONS; data is the average for 12 quarters from 2009 to 2011

Indicator: 14B

Around half of those with no qualifications are workless, compared with a third of those with qualifications up to Level 1.



Source: Labour Force Survey, ONS; data is the average for 12 quarters from 2009 to 2011

Glossary

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Benefit unit

A single adult or a couple (either married or cohabiting) and all their dependent children. In this report we tend to use the word family instead.

Economically active and economically inactive

An economically active person is either in paid work or unemployed. An economically inactive person is not in paid work and not actively seeking work in the last four weeks and/or not available to start work in the next two weeks. Economically inactive people can be further divided into those who want to work and those who don't.

Economic status of the family

The economic status of an individual in the Households Below Average Income (HBAI) survey is self-reported. In order to arrive at the family work status, individuals are allocated to the first category which applies in a hierarchical order; so, for example, a couple with one partner unemployed and the other working part-time would be allocated to the 'one or more in part-time work' group. The different categories of work status, in their hierarchical order are:

1. One or more full-time self-employed
2. Single or couple, all in full-time work
3. Couple, one in full-time work, one in part-time work
4. Couple, one in full-time work, one not working
5. No-one in full-time work, one or more in part-time work
6. Workless, one or more aged 60 or over
7. Workless, one or more unemployed
8. Workless, other inactive

Household

Poverty is calculated at the household level, from the net total household income. A household is defined as a single person or group of people living at the same address as their only or main residence, who either share one meal a day together or share the living accommodation (i.e. living room). A household will consist of one or more benefit units or families (i.e. a single adult or a couple living as married, civil partners, cohabittees or same sex partners and any dependent children).

Income After Housing Costs (AHC)

This is derived by deducting a measure of housing costs from the BHC income measure. Housing costs include:

- rent (gross of housing benefit)
- water rates (if applicable), community water charges and council water charges
- mortgage interest payments
- structural insurance premiums (for owner-occupiers)
- ground rent and service charges.

Income Before Housing Costs (BHC)

Poverty measured on the BHC basis uses income that includes, in addition to the usual net earnings from employment or profit or loss from self-employment, all social security benefits (including housing benefits) and Tax Credits and other income (for example income from occupational and private pensions and investment income). This is the government's official poverty measure, used in the 2010 Child Poverty Act.

Key benefits

In this report key benefits mean benefits paid to working-age people. Most of these are out-of-work benefits.

The Department for Work and Pensions records benefit claimants in a hierarchical form. A person in more than one category appears in the topmost one they fit into. The hierarchical order of the categories is:

1. Jobseeker
2. Person claiming ESA and incapacity benefits
3. Lone parent
4. Carer
5. Others on income-related benefit
6. Disabled
7. Person claiming bereavement benefits
8. Unknown

So a person claiming Disability Living Allowance and Jobseeker's Allowance would appear in 'jobseeker', not in 'disabled'. The lone parent group is comprised of claimants on Income Support (IS) with children under 16 and no partner. The Incapacity Benefits group includes Employment and Support Allowance (ESA) from November 2008. ESA replaced Incapacity Benefit and Income Support paid on the grounds of incapacity for new claims from 27 October 2008. Before this the incapacity benefits group referred to claimants of Incapacity Benefit (including credits only) or Severe Disablement Allowance including people claiming IS on the grounds of incapacity.

Low-income households

A household has a low income (or is in poverty) if its net income is less than 60 per cent of the average (median) household income for that year. Income is net of income tax payments, National Insurance contributions, Council Tax, contributions to occupational pension schemes, all maintenance and child support payments that are deducted from the income of the person making the payment and student loan repayments.

Qualifications

The qualification levels contained in this report refer to the National Qualifications Framework or Qualifications and Credit Framework (for vocational or work-related qualifications) or equivalent Scottish qualifications. Level 1 or below or other qualifications include qualifications such as Key Skills at Level 1, Skills for Life, GCSE grades D to G, Foundation Welsh Baccalaureate, GNVQ/GSVQ foundation level and other entry-level qualifications. Level 2 generally refers to GCSEs grades A*–C or equivalent and Level 3 refers to A Level or equivalent. Level 4 or above includes Higher National Diplomas, teaching qualifications and higher education and degree-level qualifications.

Unemployment

Comprises 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 unemployment rate is the percentage of the economically active population who are unemployed (that is, the number unemployed divided by the total employed and unemployed). People in full-time education are unemployed if they are looking for part-time employment.