

Poverty in Ireland

How Many People are in Poverty?

Information on poverty in Ireland is collected in the Survey on Income and Living Conditions (SILC) collected by the Central Statistics Office. Three indicators are used to measure poverty - *at-risk-of-poverty (AROP)*, *material deprivation* and *consistent poverty* - see below for an explanation of these terms. The most recent data on poverty in Ireland is from the preliminary results of the 2010 SILC survey which were published in November 2011. Complete statistics for 2010 are due for publication early 2012.

Poverty in Ireland 2010		
At-risk-of-poverty	15.8%	706,500 people*
Material Deprivation	22.5%	1,006,000 people*
Consistent Poverty	6.2%	277,000 people*
At-risk-of-poverty or Social Exclusion**	32.1%	1,435,000 people*
At-risk-of-poverty Threshold (60% of median income)	€10,831 per adult per annum or €207.57 per adult per week	

*this figure is rounded up and based on a CSO population estimate of 4,470,667 in 2010

**this is the combined rates of AROP only, material deprivation only and consistent poverty

At-risk-of-poverty

This measure is also known as **relative poverty** or **income poverty**. It measures individuals who have an income that is below 60 per cent of the *median* income (the median is the mid-point on the scale of incomes in Ireland). In 2010, that was an income of below **€207.57** a week for an adult.

The 2010 **at-risk-of-poverty rate** is 15.8 per cent. This is an increase from the 2009 figure of 14.1 per cent. The 2010 rate is a return to that in 2007. Numerically, there were 706,500 people at-risk-of-poverty in 2010. (Note that the 2010 poverty threshold income level of €10,831 was 10 per cent lower compared to 2009, €12,064).

However, some social groups have higher *at-risk-of-poverty* rates than the rest of the population: children, the unemployed, single adults aged under 65 years, those in lone parent households, and those not at work due to illness or disability. Older people have a lower *at-risk-of-poverty* rate.

Material Deprivation

This measures when people are deprived, through lack of income, of basic items or activities taken to be the norm in Irish society. People are considered **materially deprived** when they are unable to afford two or more basic necessities from an 11 item list, which includes two pairs of strong shoes; a warm waterproof overcoat; buy new not second-hand clothes; eat meal with meal, chicken or fish (vegetarian equivalent) every second day; have a roast joint or its equivalent once a week; had to go without heating during the last year through lack of money; keep the home adequately warm; presents for family or friends at least once a year; replace any worn out furniture; have family or friends for a drink or meal once a month; and have a morning, afternoon or evening out in the last fortnight, for entertainment. Material deprivation is *enforced deprivation* as distinct from *elected deprivation* i.e. the situation where a personal choice is made not to have the items.

The percentage of the population reporting **material deprivation** in 2010 is 22.5 per cent. This compares with 17.1 per cent in 2009. The 2010 rate is by far the highest recorded since SILC began. Numerically, there were 1,006,000 people experiencing deprivation of two or more items in 2010.

However, some social groups have higher *material deprivation* rates than the rest of the population: children, the unemployed, those ill or disabled, single adults aged under 65 years and those in lone parent households. Older people have a lower *material deprivation* rate.

Consistent Poverty

People experience *consistent poverty* when they have an income below 60 per cent of the median and also experience *enforced deprivation*. This means being on a low income and not being able to afford basic necessities such as new clothes, not having the money to buy food such as meat or fish, not being able to heat your home, or having to go into debt to pay ordinary household bills.

The 2010 **consistent poverty rate** is 6.2 per cent, which the CSO state ‘represents no statistically significant change on the 2009 figure of 5.5 per cent’. In numerical terms, 277,000 people were in consistent poverty in 2010.

However, some social groups have higher *consistent poverty* rates than the rest of the population: children, the unemployed, single adult working age household, and those in lone parent households, and those not at work due to illness or disability. Older people have a lower *consistent poverty* rate.

At-risk-of-poverty or social exclusion

This measure is the combination of at-risk-of-poverty only (9.6 per cent), material deprivation only (16.3 per cent) and consistent poverty (6.2 per cent). Combining the three indicators is in line with the approach adopted for the EU poverty target which identifies ‘those at-risk-of-poverty or social exclusion’.

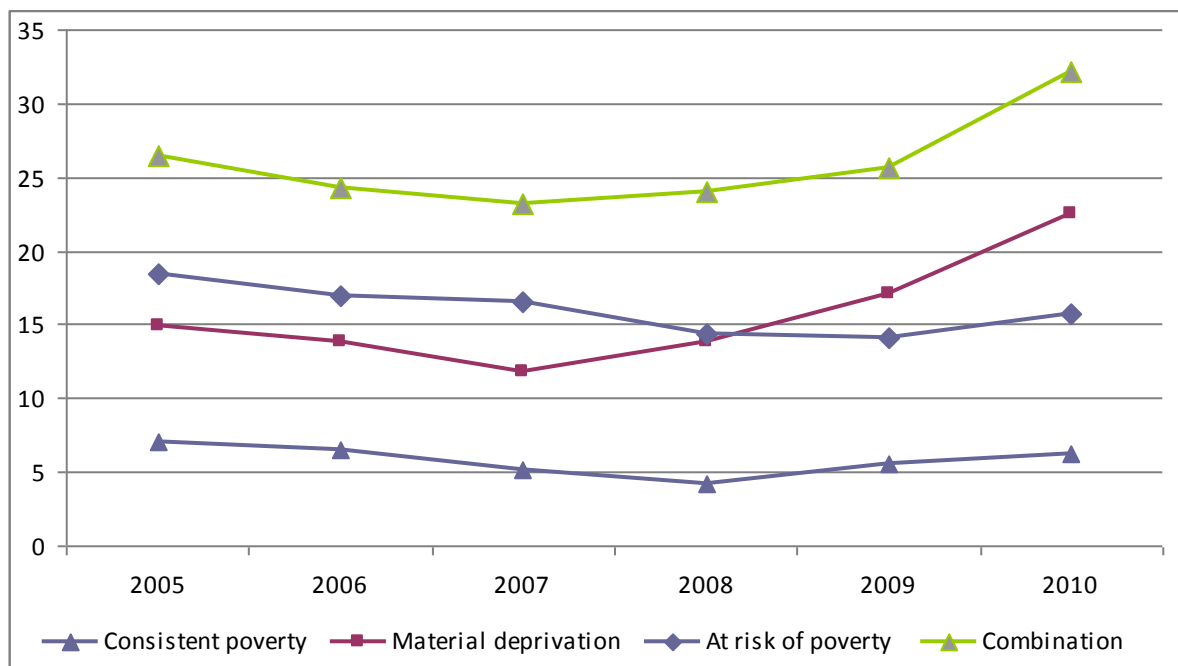
The 2010 **at-risk-of-poverty or social exclusion rate** is 32.1 per cent. This is an increase from the 2009 figure of 25.7 per cent. Again, this exceeds previous SILC records. Numerically, there were 1,435,000 people experiencing a combination of the three indicators in 2010.

Poverty trends 2005-2010

Diagram 1 provides an overview of trends in poverty rates using the three indicators from 2005 to 2010. This shows that the consistent poverty rate fell from a baseline rate of 7 per cent in 2005 to 4.2 per cent by 2008, and then climbed to 6.2 per cent in 2010. The at-risk-of-poverty rate decreased on a continuous basis from 18.5 per cent in 2005 to 14.1 per cent in 2009, before increasing to 15.8 per cent in 2010.

From a baseline of 15 per cent, material deprivation reached its lowest point in 2007 (12 per cent), before rising in successive years to 22.5 per cent in 2010. Significantly, the rate of material deprivation is now greater than that of at-risk-of-poverty. This is a major turnaround in recent years. Also shown is the composite total of the three indicators, which in 2010 was 32.1 per cent, which is higher than the 2005 figure of 26.4 per cent.

Diagram 1: Poverty trends 2005 – 2010



Source: CSO SILC

More Information

Detailed information on the SILC survey is available on the [CSO - Central Statistics Office Ireland](http://www.cso.ie).

The preliminary report on the 2010 Survey on Income and Living Conditions (SILC):
http://www.cso.ie/en/media/csoie/releasespublications/documents/silc/2010/prelimsilc_2010.pdf

See the note on the *Profile of Population in Poverty in Ireland* to see how different social groups are affected by poverty.

See the note on *Measuring Poverty* which explains the different ways of calculating poverty rates.