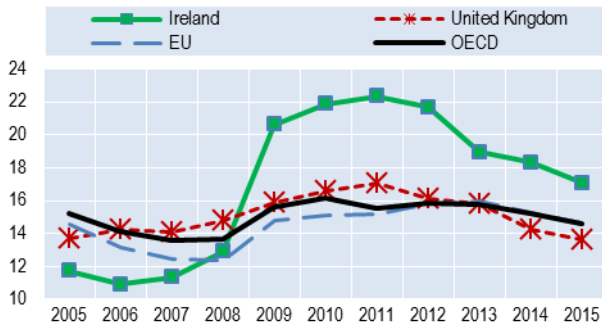


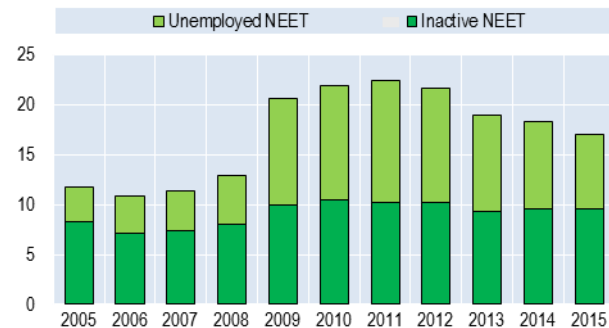


The 2016 edition of *Society at a Glance* examines social well-being and its trends across the OECD. The number of young people not in employment, education or training (NEETs) remains elevated in many countries since the crisis; the report therefore focusses on this group of young people examining the characteristics of those at risk of being NEET along with policies to help meet the challenge. This edition also includes many new youth-specific indicators on family formation, self-sufficiency, income and poverty, health and social cohesion.

The NEET rate increased sharply in Ireland during the crisis and has not fully recovered yet
NEET rate, 2003-2015



NEET rate by activity status, 2003-2015



Notes: The NEET rate is the proportion of 15-29 year olds who are not in employment, education or training. [Figure 1.5]

THE NEET SITUATION

The proportion of young people who are not in employment, education or training (the NEET) rose sharply in Ireland during the Great Recession. Up until 2007 the NEET rate in Ireland was below the OECD average averaging around 11%. Between 2006 and 2011 the **Irish NEET rate more than doubled from under 11% to over 22%**. This compares with a one-fifth increase across the OECD as a whole from its lowest point (2007) to its peak (2010). The NEET rate has been in decline since 2011 but still remains OECD. Breaking the NEET groups down into those looking for work (unemployed) and those not looking for work (inactive) it is clear that the sharp rise in the NEET rate in Ireland was **driven entirely by a rise in youth unemployment. In terms of foregone earnings this NEET rate costs around 1% of GDP.** The youth unemployment rate remains double that of the over 25 year-olds.

Those with low education levels fare particularly badly in Ireland – **65% of youth who dropped out of school before completing upper secondary school are NEET** compared to just 13% of those with a third

level degree, one of the largest gaps across the OECD [Figure 1.9]. These early school leavers account for one-third of all Irish NEETs.

Across the OECD NEET rates for women are 38% higher than for men – in Ireland this gap was only 12% in 2015 [Figure 1.11]. But this smaller gap is due to the fact that the recession had a stronger impact on male employment, driven by a collapse in the construction sector. **Prior to the recession female NEET rates were nearly 50% higher than males because of higher inactivity rates for women, below average employment rates of mothers** in Ireland [Figure 1.13] and some of the highest childcare costs in the OECD [Figure 1.14].

Ireland is one of the few countries in which **youth born outside the country do not have higher NEET rates than Irish born youth** while across the OECD NEET rates tend to nearly 50% higher for migrant youth [Figure 1.16]. This can, in part, be attributed to the fact that the bulk of recent migrant inflows into Ireland have been EU nationals moving to take up employment in the booming pre-recession Ireland.

In 2014, Ireland has the **highest rate of unemployment and disability benefit receipt among youth across the OECD** with over one quarter of young people receiving one of these benefits at some point during a 12-month period compared to less than 10% across the OECD [Figure 1.21]. This is mainly driven by high youth unemployment. But Ireland also has a **particularly high rate of disability benefit receipt** with 5% of youth receiving this payment at some point during a 12-month period. This is a particular worry as receipt of this type of benefit tends to be long-term. The **benefit system does an excellent job in lifting youth out of poverty**. Close to 70% of youth who would be below the poverty line before receiving benefits are lifted out of poverty by these benefits, the **best performance across the OECD**.

OVERVIEW OF OTHER SOCIAL INDICATORS

Incomes have not yet fully recovered from the crisis

During the recession the overall **unemployment rate** rose from a low of less than 5% in 2007 to **over 15% in 2012**. It has since fallen back to 9%, but remains well above its pre-crisis level [Figure 4.4]. Median income is slightly ahead of the OECD average but Ireland suffered the **second largest drop in household disposable income between 2007 and 2013** with a fall of nearly 4% [Figures 3.1 & 3.3]. Across the OECD earnings have grown more slowly for the 2009 cohort of labour market entrants in nearly all countries studied but Irish youth are the worst affected: **more recent labour market entrants experienced a drop of 26% in earnings** in their first 4 years of work compared to a 16% growth in earnings for those entering the labour market before the crisis [Figure 4.15].

The social safety net was severely tested

Between 2007 and 2012 Ireland experienced the **sharpest increase in the number of total recipients of unemployment and social assistance benefits** across the OECD, a rise of 7% [Figure 5.13b]. **Social spending rose from 16% to 23% of GDP** between 2007 and its recession peak, one of the sharpest increases in the OECD [Figure 5.9] but has since fallen back to its 2007 level. **Poverty rates are highest amongst youth** (16%) and lowest amongst the elderly (7%) but overall poverty rates remain lower than the OECD average largely thanks to the system of social benefits [Figures 5.4 & 5.6]

Health and life satisfaction are favourable

A **high proportion of Irish adults report good health** (83% compared to a 69% OECD average) [Figure 6.4] ranging from 76% of adults in the poorest fifth of the population to 92% amongst the richest fifth [Figure 6.5a]. Despite the negative impacts of the recession **life satisfaction** amongst those over 15 remains slightly ahead of the OECD average [Figure 7.1].

High rates of confidence in government but also strong political disinterest

Confidence in the government at 55% is ahead of the 44% OECD average [Figure 7.5]. **Voter turnout** in the last national election was 64%, in line with the OECD average but young people are around 20% less likely to vote [Figures 7.7 & 7.8]. **Disinterest in politics is high**, with around one quarter of the total population, and over one third of 15-29 year olds, expressing no interest at all in politics, around 40% higher than the OECD average. The sense of civic responsibility is high with over one third of those over 15 volunteering in the last month, one of the highest rates in the OECD.

Marriage rates have remained constant in recent decades, with low divorce and high fertility rates

At 1.95 children per woman of child-bearing age the **fertility rate in Ireland is well above the OECD average** (1.68) and close to the 2.1 rate required to keep the population constant. At 29.6 the average age of a first-time mother is higher than the OECD average and has risen by over 2 years since 1995 [Figures 3.4 & 3.6]. **Marriage rates** are in line with the OECD average and have **remained virtually unchanged since the nineties**, unlike most OECD countries where declines in marriage rates have occurred. Since its legalisation in the mid-nineties Ireland continues to have **one of the lowest divorce rates in the OECD** [Figure 3.12].

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