

European Foundation for the Improvement of Living and Working Conditions

### Living and working in Ireland



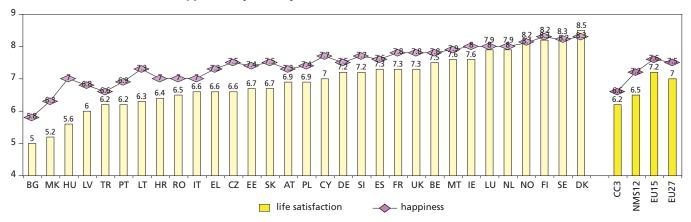
A SUPPLEMENT TO THE LIVING AND WORKING IN EUROPE OVERVIEW

## HOW HAPPY ARE WE?

According to the latest research findings, Ireland has much in common with the wealthier countries of the EU. Survey data from Eurofound give a detailed snapshot of how Irish people live, what their working conditions are like and whether they view their experiences positively or negatively.

The profound and rapid transformation of Irish society and economy over the last 15 years, propelling the country from a position at the bottom of the league to the ranks of the more affluent countries of the EU15, is reflected in these data. This leaflet outlines some key findings from recent Eurofound survey data with particular reference to Ireland.

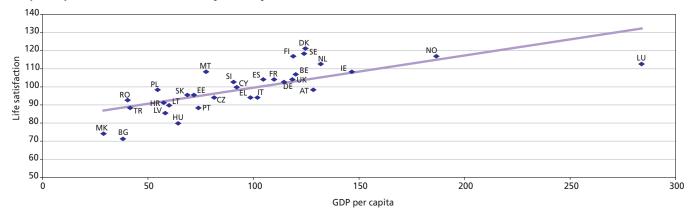
Europeans are generally quite content with their lives. When asked to rate their happiness on a scale of 1 to 10, they gave an average score of 7.5. Ireland – as the figure below demonstrates – is among the countries where people are happier, being outflanked only by Luxembourg, the Netherlands and the Scandinavian countries.



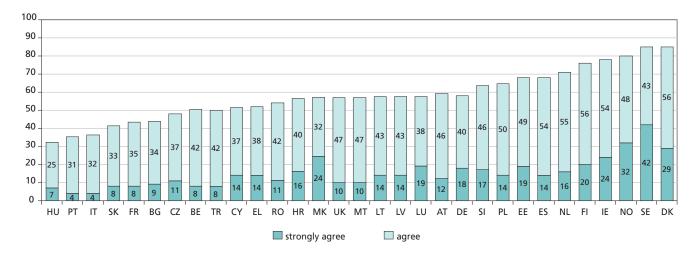
Levels of life satisfaction and happiness, by country

Does money make you happy? Broadly speaking, yes, it does. Research shows that in countries with a higher gross domestic product (GDP, the measure commonly used to indicate a country's wealth), people are both happier, and more satisfied with their circumstances. However, a high GDP doesn't automatically mean that a country's citizens are more content: as the figure opposite demonstrates, people in Luxembourg are only slightly more satisfied with their lives than are the Irish, despite having a per capita GDP that is nearly twice that of Ireland's.

#### GDP per capita and life satisfaction, by country



In 2007, the Irish were also among the most optimistic of EU members: 78% of people at that time said that they were optimistic about the future; in contrast, only 32% of people in Hungary felt this way.



#### Optimism about the future, by country (%)

An important element of life satisfaction is feeling healthy. An average of 8% of people in the EU feel that their health is 'bad' or 'very bad'. Strikingly, people in Ireland have the best self-rating of health in Europe: only 3% feel negative about their health. By contrast, in Lithuania, 20% of people feel themselves to be in poor health. Even in other wealthy western European countries, such as the UK, Sweden and Germany, between 7% and 9% of people feel their health is poor. However, only further research and analysis can tell us if this figure really reflects people's health, or if Irish people take a more optimistic view of themselves, one that does not necessarily reflect reality.

# CASH RICH, TIME POOR?



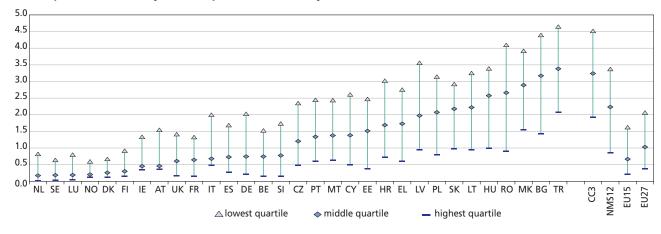
With the rise in incomes over the past 15 years, Irish people perceive themselves to be wealthier than the average European citizen. While around 40% of Europeans in 2007 expressed the opinion that they were well paid, 42% of Irish people felt this way. The highest rating regarding pay came from people in the Netherlands: 58% declared that they were well paid.

Workers in Ireland benefited more than the average worker in the EU15 in both 2007 and 2008 in terms of wage increases collectively agreed as part of the process of social dialogue: in both years, the pay increases were in the order of 4.8%. These nominal pay increases, however, were considerably less in reality, as high rates of inflation eroded the actual gains. The 4.8% nominal gain in 2007 translated into a 1.9% increase; in 2008, it translated into only a 1.7% increase. Still, Ireland fared better than many other EU Member States: in Austria, Belgium, Cyprus, the Czech Republic, Denmark, France, Malta, Slovenia and Spain, for example, the nominal pay increases in 2008 translated into actual pay losses – in Malta the loss was most acute at 2.9%. Of course, in 2009 pay cuts and levies have involved a nominal pay cut for many Irish workers; the situation is such a dynamic one at present that official statistics struggle to keep up with the reality on the ground.

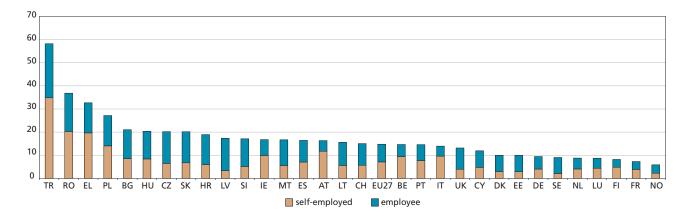
Figures regarding pay, however, often fail to give a concrete picture of people's actual material well-being. In a 2007 survey, European citizens were asked to indicate how many items from a list of six they had to do without because they did not have the means to pay for them.<sup>1</sup> The responses from different countries were used to draw up a picture of the extent of material deprivation across Europe. The figure on p.5 shows how the extent of deprivation varies between countries: the higher ratings, to the right of the graph, indicate greater hardship. Furthermore, the greater the distance between the two end points on the line indicates greater inequality within the country. In Turkey, for instance, those who are at the bottom of the income scale (at the top of the green line in this graph) do without much more than those at the top. In more equal (and wealthier) countries, such as Ireland and especially the Scandinavian countries, the level of inequality is considerably less.

<sup>1</sup> The six items were: adequate home heating; an annual holiday; new furniture to replace worn-out items; a meal with meat every second day; new clothes; and the means to entertain guests at home.

#### Mean deprivation index, by income quartile and country



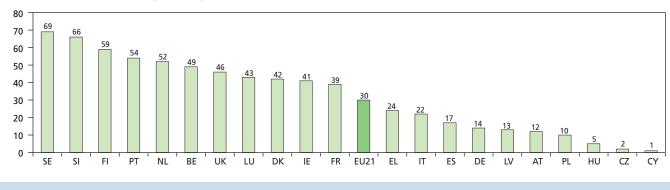
Has increased affluence in Ireland come at a price? Certainly this is true if long working hours is any indicator: Irish workers are more likely to work long hours – over 48 hours per week – than the average worker in the EU27. In the EU27, around 15% of workers on average work long hours; Ireland is just slightly above this average, at around 17%.<sup>2</sup>



#### Long working hours, by country

Irish people do not however feel themselves particularly 'time poor'. While 21% of Europeans on average in the EU reported that they didn't spend enough time with their family, just under 15% of Irish reported this. In contrast, over 31% of French citizens felt they did not have sufficient family time. Only in the Czech Republic, Cyprus and Greece did people appear to feel more 'time rich' than the Irish.

One means of addressing people's growing desire to balance working life with family and personal life has been the creation of parental leave schemes. In the majority of cases, it is women who avail of parental leave entitlements. However, when parental leave allowances come close to matching the level of the original salary, and where men can't transfer their leave entitlements to their partners, the uptake of parental leave by men is much higher. The uptake of parental leave in Ireland is above the EU average, at over 40%; however, it lags far behind that of Sweden (69%) and Slovenia (66%).



#### Uptake of parental leave, by country

<sup>&</sup>lt;sup>2</sup> Figures from 2005

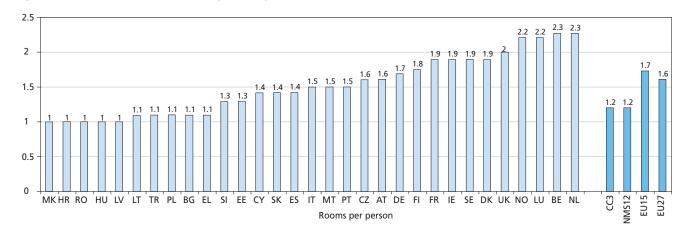
### STANDARD OF HOUSING

Households in Ireland are the largest in the EU15: in Ireland, the average household is home to 3.4 people, as against the EU15 average of 2.9 people. Denmark has the smallest households, at 2.5 people. Ireland's larger household size compares with Romania and Slovenia (3.4 people), Poland (3.5) and Spain and Greece (3.3). Two of the candidate countries for EU membership, the Former Yugoslav Republic of Macedonia, and Turkey, have the largest household sizes – 4.1 and 4.2 people, respectively.

The standard of housing varies widely across Europe. Unsurprisingly, the best quality housing is found in wealthier countries. Dutch people have the most living space – 2.3 rooms per person – while Romanians have the least living space: on average just one room each. Ireland ranks on a par with Denmark, Finland, France and Sweden, where citizens have 1.9 rooms each.

Households in Latvia appear to have the worst quality of housing: 33% of households have problems with rot, 32% have to contend with dampness and leaks, while 19% lack an indoor flushing toilet. Households in Austria, by contrast, have the best housing: only 3% of households have problems with rot, 8% problems with dampness, and every household has a toilet. Irish households compare favourably with Austria in terms of rot and dampness (just 4% and 8% have these problems respectively), but 3% of households have no indoor toilet.

In the EU as a whole, 23% of households possess some form of mortgage (the low average is on account of the high rate of outright ownership of housing in the new Member States, especially the eastern European states). Ireland is well above the EU average in this respect: 36% of households owe a mortgage on their dwelling; slightly more – 37% – are paying a mortgage in the UK. In Denmark, the Netherlands and Sweden, however, the proportions of households with a mortgage are dramatically higher, ranging from 53% to 61%.



#### Average number of rooms per person, by country

### WORKING LIFE

Irish people appear to be broadly happy with their work. Most are happy with their working conditions, feel 'at home' in their jobs and have colleagues who they also consider to be good friends. Ireland is one of the countries in Europe where levels of work intensity (working at high speed or to tight deadlines) have fallen somewhat in recent years. Moreover, people feel generally confident about their job security. Gender equality appears to be somewhat more advanced in Irish workplaces: workers here are somewhat more likely than the average European to be reporting to a female manager.

On average, 82% of Europeans say they are satisfied, or very satisfied, with their working conditions.<sup>3</sup> Bulgarians are the least satisfied (67%) while Ireland has above average satisfaction levels (87%). However, citizens in some other countries of the EU15 are even happier with their working conditions: in Austria, Denmark, Germany and the UK, between 87% and 93% of workers are satisfied with their working conditions.

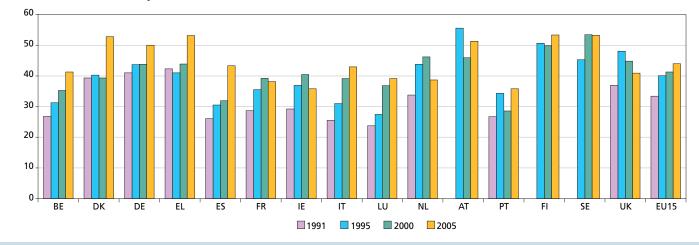
Over 70% of Europeans declare that they have good friends at work. A substantially greater proportion of Irish workers feel this – 85%. Only the UK and Sweden rank higher than this, at 86% and 87% respectively. Czech citizens appear to feel the most isolated on the job, with only 63% saying they have good friends at work.

On average, 64% of Europeans report that they feel 'at home' in their workplace. Again, Irish citizens appear to fare better than the EU average in this respect – at 79%. However, citizens in Denmark are the most likely to feel at home, as many as 87% feeling this way. Citizens in Lithuania are the least likely to feel this way (only 42%), followed by the French (46%).

Prior to the current economic downturn at least, around 74% of Europeans felt reasonably confident about their job security. The Irish were among the most optimistic, 85% feeling confident, surpassed only by citizens in the UK (86%). Citizens in Poland were the least optimistic: only 60% said thay felt confident about their job security.

Work intensity has risen sharply in the EU15 over the last 15 years, especially in Belgium, Denmark, Greece, Italy and Spain. However, in a number of other countries, work intensity in 2005 was actually less than in preceding years. In Ireland, France and the Netherlands, for example, work intensity was on the increase up until 2000, and then fell between 2000 and 2005.

In 2005, 25% of European workers in the EU reported directly to a female boss. Both Ireland and the UK were above the EU average in this respect, with 30% of Irish workers and 34% of workers in the UK reporting to a female manger. Workers in Estonia and Finland were the most likely to be reporting to a woman at work: 40%. Workers in Cyprus (15%), Germany and Italy (both 18%) were the least likely. In this respect, it should be noted, however, that these figures are averages: the majority of workers reporting to a female manager are themselves women.



#### Evolution in work intensity, EU15, 1991–2005 (%)

<sup>3</sup> Figures from 2005



European Foundation for the Improvement of Living and Working Conditions

### EUROFOUND SURVEYS

The data outlined in this leaflet date largely from 2005 and 2007. They should be read in light of the rapid change in economic circumstances experienced both in Ireland and globally. Eurofound surveys – addressing quality of life issues, working conditions, and company practices – are run every five years to ensure that data is as up to date as possible. Such issues as pay, working time and company restructuring are investigated on an ongoing basis.

More information about Eurofound's surveys may be found at: www.eurofound.europa.eu/surveys/index.htm.





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