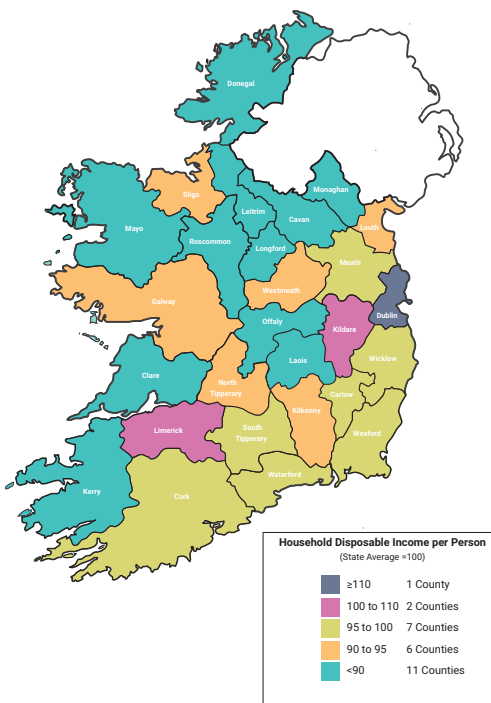




How are we doing? County Incomes in the Western Region

Household Disposable Income per Person 2015



In this *WDC Insights*, recently released CSO data on County Incomes¹ in 2015 are examined with a particular focus on the difference among Western Region counties and changes over time.

The map, produced by the CSO, gives an indication of the differences in Disposable Income across the state. Five Western Region counties had Household Disposable Income per Person (Disposable Income) of less than 90% of the state average, while Galway and Sligo were both 93%. Dublin had a significantly higher Disposable Income than elsewhere, with Kildare and Limerick the other counties above the state average.

As mentioned, Galway (€18,991) and Sligo (€19,001) had the highest Disposable Incomes in the Western Region in 2015 with Sligo higher than Galway for the first time, although the gap between them has been narrowing in recent years. In the preliminary 2016 figures Galway had a very slightly higher Disposable Income per person (Table 1).

Donegal continues to have a significantly lower Disposable Income than any other county in Ireland (€15,705 in 2015). This was just over 77% of the state average that year. Disposable Income in Roscommon was also significantly lower than the state average (81.5%) at €16,582 in 2015. This was the second lowest of any county in Ireland, while Mayo had the fourth lowest.

Source: CSO, 2018, *County Incomes and Regional GDP*

Income Statistic	Donegal	Leitrim	Sligo	Galway	Mayo	Roscommon	Clare	Western Region	State
Disposable income per person 2015 (€)	15,705	18,285	19,001	18,991	17,390	16,582	18,082	17,747	20,334
Disposable Income per person 2016* (€)	16,099	18,758	19,537	19,546	17,852	17,016	18,584	18,234	20,939
% Change 2014-2015	3.2%	4.2%	5.7%	5.6%	2.4%	2.0%	4.9%	4.2%	5.6%
% Change 2015-2016	2.5%	2.6%	2.8%	2.9%	2.7%	2.6%	2.8%	2.7%	3.0%
% State average 2015	77.2%	89.9%	93.4%	93.4%	85.5%	81.5%	88.9%	87.3%	100.0%
% State average 2000	79.1%	86.5%	90.6%	93.3%	90.6%	91.1%	96.4%	89.6%	100.0%

*Preliminary; **Western Region figures based on own calculations using inferred population estimates. Source: CSO, 2018, *County Incomes and Regional GDP*

1. <https://www.cso.ie/en/releasesandpublications/er/cirgdp/countyincomesandregionalgdp2015/>

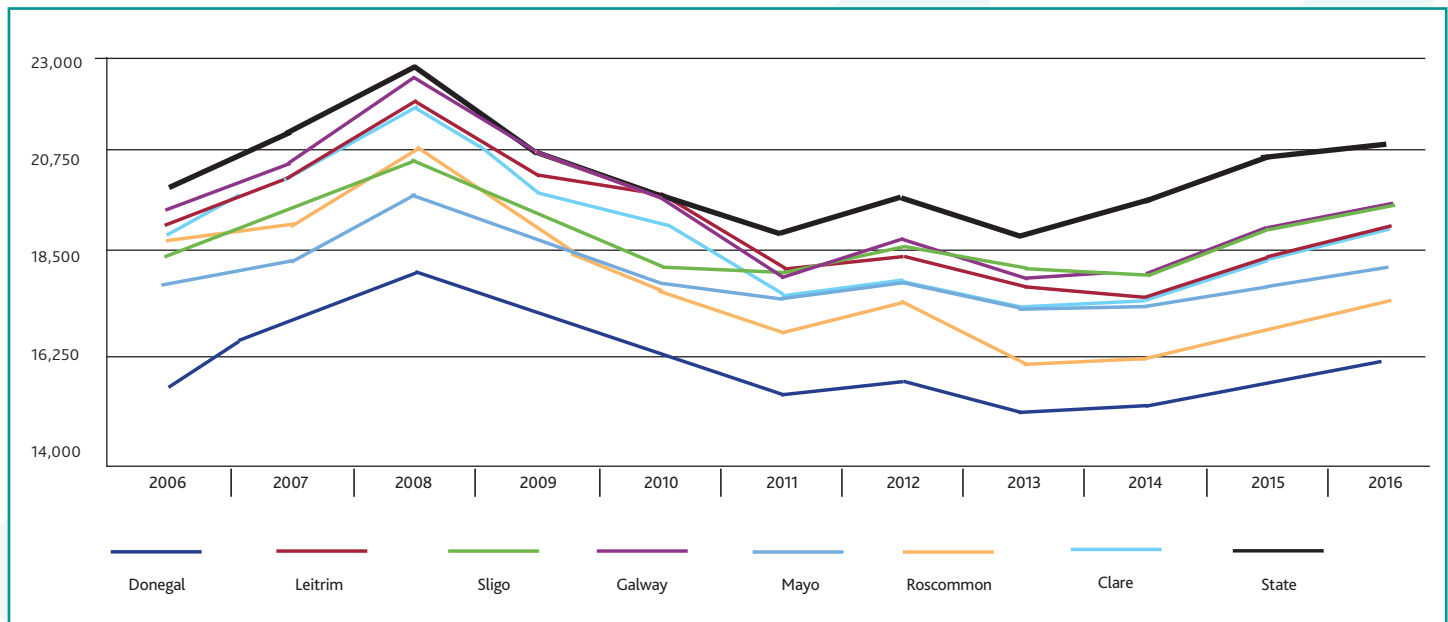


Changes in the Last Decade

Trends in Disposable Incomes over the last decade are shown in Figure 1. The 2008 peak and following rapid income decline is very clear but the recovery of income levels from 2014 onwards is also evident. No county in Ireland has yet returned to the income levels of 2008. Indeed, in the Western Region, only Sligo was estimated to have very slightly higher Household Disposable Income per Person in 2016 than it did in 2007 (along with only four other counties: Dublin, Wicklow, Limerick and Kerry).

Between 2014 and 2015 (see Table 1) Sligo had an increase of 5.7% in Disposable Income while Roscommon, at 2.0%, had the lowest increase among Western Region counties. The state average increase for that period was 5.6% with Disposable Income in Dublin growing by 6.3%. These differing growth rates among counties are giving rise to increasing regional imbalance.

Figure 1: Household Disposable Income per Person 2006-2016 for Western Region counties (€)



*Preliminary Source: CSO, 2018, *County Incomes and Regional GDP*

Preliminary figures for 2016 show that all counties had small increases in Disposable Income on 2015, the largest increase in the Western Region in that period (2015-2016) was in Galway (2.9%) while the smallest was in Donegal (2.5%).

Regional Divergence

The gap between Disposable Income in most counties in the Western Region and the state was at its widest in 2001 and narrowed during the boom period and into the slowdown. In fact, regional divergence was at its least in 2010 (see Figure 1) when all parts of the country were significantly affected by recession. Since then, incomes in some counties have begun to grow faster and divergence has again increased, particularly since 2012.

The pattern has not been uniform among counties. Disposable Income in Clare was 96.4% of the state average in 2000 (see Table 1) but by 2016 was just 88.8%. In Roscommon it was 91.1% of the state average in 2000 but only 81.3% in 2016. In contrast, in Sligo, Disposable Income was 88.1% of the state average in 2000 and increased to 93.3% in 2016.

Counties with the highest Primary Incomes² tend to have relatively lower social transfer receipts (having fewer people in older and younger age categories or otherwise not working) and higher tax (with more people earning and often higher incomes) evening out the effect of higher incomes and greater proportion of the population at work. The divergence in income levels among counties would be much greater without the redistributive effects of social transfers and taxes.

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2. See [County incomes – components of change](#) for more discussion of the components of change.