

## **Submission**

**To: The Office for Social Inclusion  
Department of Social and Family Affairs**

**From: CORI Justice Commission**

**On: National Action Plan Against Poverty and  
Social Exclusion 2003-2005**

**Date: June 2003**

This submission has been prepared by CORI Justice Commission and is structured in accordance with the common outline proposed by the EU Social Protection Committee for each country's National Action Plan on Social Inclusion (NAPIncl).

CORI Justice Commission, among others, expressed disappointment at Ireland's initial NAPIncl (2002-2003). That plan:

- failed to give priority to tackling the widening rich/poor gap
- lacked proposals of a scale required to address the healthcare and housing waiting lists
- contained no new initiatives or commitments to achieve the objectives agreed at the Nice European Council
- did not contain any proposals to reduce the numbers living in relative income poverty
- ignored the issue of asylum seekers
- gave minimal attention to the issue of developing progress indicators

It is of critical importance that these deficiencies are avoided in the 2003-05 NAPIncl and to this end we strongly urge that the series of points below are considered and adopted as part of the new plan.

Overall, the new NAPIncl should contain clear objectives and priorities, set specific targets which it is possible to monitor, be integrated into playing a central role in national decision making and commit Government to providing the necessary resources to make a substantial impact on eliminating poverty and social exclusion. Furthermore, the strategies and measures it adopts should conform to the following five principles: human dignity; non-discrimination; social justice; human rights and applicability to the universal and structural dimensions social policy.

## Chapter 1 - Major Trends and Challenges

### (i) The economic and social context

- The report should recount the recent growth rates of GDP/GNP, the population, migration, employment and inflation. However, with the exception of employment, these sections do not require substantial analysis and discussion as allocated to them in the preliminary draft.
- The clear contrast between Ireland's economic success and its recent social record should be noted.
- The report should acknowledge Ireland's high and increasing rates of poverty and income inequality alongside its high rates of functional illiteracy and homelessness.

### (ii) Major Trends

- As the NAPincl process is intended to involve co-ordination across member states the decision to primarily use the consistent poverty measure to assess poverty trends is hard to justify. In the last round of plans only Ireland made use of such a measure while all other countries used relative income poverty measures.

The decision to continue to use the consistent poverty measure must also be questioned in the context of the recent ESRI *Monitoring Poverty Trends* publication. It states "on its own this (measure) does not tell the whole story nor does it represent the best way to frame a poverty target in current circumstances" and "poverty monitoring over the period to 2007 would more usefully take a broader focus than the consistent poverty measure as constructed to date" (Nolan et al, 2002: 52, 63). Given the low proportion of the population doing without the outdated set of items used to measure consistent poverty, the ESRI have questioned the statistical appropriateness of continuing with this measure and claim that "distinguishing real change from random variation in survey results is likely to be extremely difficult" (Nolan et al, 2002:54). Consequently, CORI Justice Commission believe that only data concerning trends in relative income poverty should be presented (such as in table 1).

	<b>1994</b>	<b>1997</b>	<b>1998</b>	<b>2000</b>
60 per cent line	15.6	18.2	20.0	22.1

**Source:** Nolan et al (2002: 21), equivalence scale A.

- The report should acknowledge that Ireland now possesses what Jérôme Vignon (Director, DG Employment and Social Affairs of the European Commission) recently described as "a risk of poverty rate that is significantly higher than the best performing Member States" (NESF, 2003:10).

- The report should include details on how Ireland's income distribution continues to grow unequal. The most up-to-date national data (as outlined in table 2) should be incorporated into the report.

	<b>1987</b>	<b>1994</b>	<b>2000</b>
Share Bottom 20%	6.02	5.72	5.09
Share Top 20%	40.96	41.34	42.68
<b>Ratio</b>	<b>6.80</b>	<b>7.22</b>	<b>8.38</b>

**Source:** Collins and Kavanagh (1998), Household Budget Survey (2002)

### ***(iii) Main groups at risk from poverty and social exclusion***

It is important that the report gives greater significance to various groups in Irish society that are at risk of poverty and social exclusion. In many cases data exists on these groups which gives an insight into the scale of poverty and social exclusion they experience. This data should be incorporated into the report. Simply listing these groups in one paragraph of chapter 1 is inadequate. The groups include:

- *The Working Poor:* The growth in jobs over recent years has been dramatic and many have benefited from the rapid rise in the number of jobs available. However, it is important to realise that having a job is not, of itself, a guarantee that one lives in a poverty-free household. The data in table 3 shows that 7.4% of households headed by an employee are at risk of poverty and that this risk figure has continued to increase.

	<b>1994</b>	<b>1997</b>	<b>1998</b>	<b>2000</b>
Employee	3.2	4.7	3.0	7.4
Self-employed	16.0	14.4	17.2	20.8
Farmer	18.6	16.7	24.6	24.3
Unemployed	51.4	57.7	58.9	50.7
Ill / Disabled	29.5	52.5	54.5	54.4
Retired	8.2	13.5	19.0	33.8
Home Duties	20.9	32.6	44.6	47.6
<b>All</b>	<b>15.6</b>	<b>18.2</b>	<b>20.0</b>	<b>22.1</b>

**Source:** Nolan et al (2002: 29)

- *Children:* Of all the households in Ireland that were in poverty in 2000, 65.7% were households that contained children (Nolan et al 2002:27). The risk of a child being poor increased since 1994, from 24.5% to 24.9% in 2000 (see table 4). Simply this statistic implies that at the start

of the new millennium almost one in every four Irish children was living in poverty.

	<b>1994</b>	<b>1996</b>	<b>1998</b>	<b>2000</b>
Children (aged under 18)	24.5	23.5	22.9	24.9

Source: Nolan et al (2002: 31)

- *Older people:* When poverty is analysed across the age groups dramatic differences are visible. The 2000 figures show that 16.9% of all those aged between 18-64 live in relative income poverty while 43.3% of those aged 65 and over are in this situation. Concurrently the risk of being in poverty has increased sharply for a household headed by an elderly person. In 1994 this stood at 6.5%, by 1998 it had risen to 28.4% and in 2000 it reached 35.9%.
- *Women:* Consistently, the results of income surveys indicate that women in Ireland experience a greater risk of poverty than men. Table 5 presents the picture for 2000. Across all the age groups women are at a higher risk of poverty than men. The difference is particularly pronounced in the age group over 65. In that group, 49.2% of women are at risk of experiencing poverty, compared to 35.5% of men. Furthermore, table 3 (above) shows that the 2000 data record an increased risk of poverty for households headed by someone working full time in the home. The data also indicate that in 2000, 48.6% of all single-adult households were in poverty. Both these classifications are households primarily headed by women.

	<b>Men</b>	<b>Women</b>
<b>All Adults</b>	<b>18.7</b>	<b>23.2</b>
<b>Adults aged 18-64</b>	<b>16.0</b>	<b>17.8</b>
<b>Adults aged 65+</b>	<b>35.5</b>	<b>49.2</b>

Source: Nolan et al (2002: 32)

- *Local Authority tenants:* The results of the 1999-2000 *Household Budget Survey* revealed that when all the state's households are classified by tenure (ownership/rent status) those households who rented from local authorities had the lowest income. These households recorded an average disposable income of €306.85 per week. This income level is 44.4% below the national average of €551.60 (CSO, 2002: 93). In November 2002, Dublin City Council published a report profiling its tenants entitled *Profile of Households Accommodated by Dublin City Council*. It provided an insight into the socio-demographic, income and spatial patterns of 24,073 households and 67,960

individuals during 2001. The survey's findings are quite stark. Using an updated 50% of median income poverty line for 2001, the report found that 62.5% of all households accommodated by Dublin City Council were in poverty. This figure compares to a corresponding figure of 25.8% for the overall population in 2000. When income levels were assessed by person, the report concluded that 60.7% of all those living in Dublin City Council accommodation were in poverty. This figure is over three times the equivalent percentage of 20.9% in the national population for 2000. The poverty status of children living in City Council revealed that of the 25,050 children living in these households, 65.9% of them were living in households that were in poverty. This equates to approximately 16,500 children. Again when a comparison is made between this situation and the national picture the extent of the poverty recorded becomes more visible. In 1998 26% of Ireland's children lived in households with income at less than 50% of the average. Therefore child poverty among the population housed by Dublin City Council runs at 2.5 times the national level. While the poverty levels recorded were high for all types of local authority households, the report highlighted three household types that possessed the greatest risk of experiencing poverty. These are lone parent households (61.7% in poverty), single adult households (74.9% in poverty) and large families with two or more adults and four or more children (78.8% in poverty).

- *The Ill and people with disabilities:* As table 3 indicates, this group has experienced a significant increase in its risk of poverty during the 1990s. For this group the risk of being in poverty in 2000 was 54.4%. Furthermore, the ill and people with disabilities are more likely to experience difficulties in accessibility and participation thereby making them excluded.
- *The Homeless:* The most recent Government data, from 1999, show that the level of homelessness has risen from 2,501 in 1996 to 5,234 in 1999, an increase of 109 per cent. The 5,234 homeless persons comprise 2,593 adult men, 1,399 adult women and 1,242 children. These figures include those who have nowhere to sleep at night, along with those sleeping in hostels and other Health Board accommodation. Other estimates of the extent of homelessness put the numbers at a much higher level. Focus Ireland (2002) has suggested that in late 2001 the number of homeless had further risen to 6,000. They also noted that homeless people were now remaining homeless for longer than was the case previously and that this was due to the lack of suitable emergency accommodation. Another organisation working with the homeless, Simon, indicated that homelessness in cities had doubled between 2001 and 2002 and that each night in Dublin 300 people are forced to sleep rough.
- *Asylum-seekers:* The number of asylum-seekers continues to rise in Ireland. In 2003 almost 5,000 asylum-seekers were in receipt of "direct provision" incorporating accommodation and board and a welfare income of €19.10 per week per adult and €9.55 per child. The

equivalised 50% of mean income poverty line for 2003 has been calculated as €174.74 per adult (see CORI, 2003:17). Even taking into account the value of accommodation and board this leaves this group of people in severe poverty. Legislative restrictions on the labour market participation of these migrants further excludes them.

- *Travellers*: The Travelling community continues to be a group in Irish society that experiences significant exclusion. In spite of limited data on this group, they experience: high poverty rates, poor basic housing conditions, high illiteracy rates and difficulties in service accessibility.
- *Early School Leavers*: In spite of numerous education inclusion initiatives, the Department of Education is unable to provide basic figures on the numbers of children who leave the Irish education system without completing second level. However, we are aware that this figure continues to be high. It is of further concern that the OECD literacy surveys continue to identify a large number of young Irish people who have left education without achieving “functional literacy”.

It is also important that the NAPIncl does not use the lack of data about certain vulnerable groups as an excuse not to target measures towards them. A dual approach of data development and policy targeting should be adopted in these cases.

## **Chapter 2 – Review of Progress during the 2002/03 NAPIncl**

CORI Justice Commission believes that Ireland’s 2002/03 NAPIncl proved completely inadequate. The plan failed to allocate resources on a scale necessary to address the problems across all areas. Therefore, at the end of the plans’ period, no area has shown a significant improvement.

Just one example of the plans’ failure to provide adequate resources is reflected in the minimal progress achieved on the 2002 NAPS commitment:

*To achieve a rate of €150 per week in 2002 terms for the lowest rates of social welfare to be met by 2007 and the appropriate equivalence level of basic child income support (i.e. child Benefit and Child Dependent Allowances combined) to be set at 33%-35% of the minimum adult social welfare payment rate.*

Budget 2003 (presented in December 2002) was the first opportunity the Irish Government had to live up to this commitment. However, it granted a mere €6 a week increase in social welfare rates. Not only did this increase just about cover inflation (the real gain was 30c per week) it was also significantly lower than the increase that the government’s own tax strategy advisory group recommended.

## Chapter 3 – *Strategic Approach, Main Objectives and Key Targets*

### *(i) Long Term Objectives*

CORI Justice Commission sees poverty as a denial of people's rights. Therefore, we believe that the following long term objectives for the eradication of poverty and social exclusion should underpin the NAPIncl process and all policy pursued by the Irish Government. These are:

- ***Income:*** To provide all with sufficient income to live life with dignity. This would involve enough income to provide a minimum floor of social and economic resources in such a way as to ensure that no person in Ireland falls below the threshold of social provision necessary to enable him or her to participate.
- ***Work:*** To ensure that all people have access to meaningful work
- ***Public Services:*** To ensure the provision of, and access to, a level of public services regarded as acceptable by Irish society generally.
- ***Housing And Accommodation:*** To ensure that adequate accommodation is available for all people and to develop an equitable system for allocating resources within the housing sector.
- ***Healthcare:*** To provide an adequate healthcare service focused on enabling people to attain the World Health Organisation's definition of health as a "state of complete physical, mental and social well-being and not merely the absence of disease or infirmity".
- ***Education:*** To provide relevant education for all people throughout their lives, so that they can participate fully and meaningfully in developing themselves, their community and the wider society.
- ***Migration And Interculturalism:*** To ensure that all people can contribute to developing the underpinning values and meaning of society and can have their own cultures respected in this process, and to ensure that Ireland is open to welcoming people from different cultures and traditions in a way that is consistent with our history, our obligations as world citizens and with our current economic status.
- ***Participation:*** To ensure that all people have a genuine voice in shaping the decisions that affect them and to ensure that all people can contribute to the development of society.
- ***Taxation:*** To collect sufficient taxes to ensure full participation in society for all, through a fair tax system in which those who have more, pay more, while those who have less, pay less.

- **Rural Development:** To secure the existence of substantial numbers of viable communities in all parts of rural Ireland where every person would have meaningful work, adequate income and social services, and where infrastructures needed for sustainable development would be in place.
- **Sustainability:** To ensure that all development is socially, economically and environmentally sustainable.
- **A rights-based approach:** All of the above should be situated within a rights-based approach.

We believe that it is only by setting specific targets to address these objectives that the Barcelona commitment of “significantly reducing the number of people at risk of poverty and social exclusion by 2010” will be achieved.

### **(ii) Priorities for the two year period from July 2003**

The first three common objectives endorsed by the IGC at Copenhagen state that policies to address poverty and social exclusion should aim:

- (i) to facilitate participation in employment and access by all to resources, rights, goods and services
- (ii) to prevent the risks of exclusion
- (iii) to help the most vulnerable

CORI Justice Commission believes that these objectives can be comprehensively addressed if the NAPIncl adopts the following priorities and pursues policies during the next two years to implement them.

- **Income Adequacy 1:** During the period between 2003-2005 the NAPIncl plan should commit the Government to the staged implementation of the NAPS review key target of achieving “a rate of €150 per week in 2002 terms for the lowest rates of social welfare to be met by 2007 and the appropriate equivalence level of basic child income support (i.e. child Benefit and Child Dependent Allowances combined) to be set at 33%-35% of the minimum adult social welfare payment rate” (2002:10). To achieve this target CORI Justice Commission has calculated that the average increase in the minimum level of unemployment assistance across the next four budgets must be €18.70 a year (See 2003: 36-37). We propose that the minimum social welfare increases in the next two budgets should be €15 (Budget 2004) and €17 (Budget 2005).
- **Income Adequacy 2:** The NAPIncl should commit the Government to pursuing policies in the areas of employment, taxation, social welfare and pensions with the intention of assisting those who live in poverty to move out of it.

- **Income Inequality:** The NAPIncl should commit Ireland to seriously addressing its high and climbing levels of income inequality. Implementing the NAPS key target on social welfare (see Income Adequacy 1 above) would go a long way towards addressing this problem.
- **The Distribution of Poverty:** The NAPIncl should recognise that the distribution of poverty is such that 56.2% of those households in poverty are headed by a person outside the labour force (see table 6 Appendix 1 below). Less than 10% are headed by an unemployed person. Consequently, a strategy focused principally on the creation of jobs for these people will by definition be a failure. This needs to be emphasised as so much of Government policy on this issue is failing to appreciate the significance of the changes in the distribution of poverty over the past decade. In effect, by focusing so much on job-creation as the solution to poverty, Government is in fact trying to solve the problems of this decade with the solutions of the past decade. Therefore, an effective strategy to tackle poverty at this time must be multi-faceted and address the wide range of issues identified in this submission.
- **Housing and Accommodation:** The NAPIncl must commit Ireland to seriously reducing homelessness and to address its local authority waiting lists. The rate of tackling the latter remains hopelessly inadequate in spite of NAPS and National Development Plan (NDP) commitments. Focus Ireland et al have projected that at the current rate it will take thirty years to eliminate the housing waiting list. They anticipate that by 2005 these waiting lists will stand at 51,954 households (2002:11). During the period of this NAPIncl Ireland should commit to reducing the local authority housing waiting lists by 40%. This would be a minimal target, not enough to solve the problem, however it would be an important step forwards.
- **Healthcare:** The NAPIncl needs to commit the Government to addressing the major problems of health care availability and accessibility. These problems are particularly acute among poor and excluded groups.
- **Education:** The NAPIncl must prioritise the tackling of education disadvantage at all levels and among all age groups. A focus on literacy, education retention, education accessibility should be adopted and targets set.
- **Public Services:** The NAPIncl must prioritise the development of Ireland's public services. The provision of, and accessibility to, these services is of central importance to those in society who are experiencing poverty and social exclusion.
- **Social Care:** The NAPIncl should facilitate the development of a more comprehensive caring infrastructure in Ireland. This should span childcare, disability and older people.

- **Gender:** The NAPIncl should recognise that gender is a critical important issue in the process of tackling poverty and social exclusion. In particular it is important to address the higher risk of women experiencing poverty (see table 5 above) and central to this are the aforementioned issues of income adequacy. Over the period of the plan progress should be made towards ensuring that the qualifying adult social welfare allowance should move closer to becoming 100% of the single rate. For the unemployed this currently stands at 66.35% (€82.80) of the single rate (€124.80).
- **Ethnic Minorities:** Under this heading a number of issues should be addressed by the NAPIncl. These include the implementation of the Report of the Task Force on the Travelling Community (1995) and the compilation and implementation of a comprehensive policy on immigrant workers, asylum-seekers and their families.
- **Data:** The NAPIncl should prioritise the development of data sets and methodologies to address those data gaps currently existing. In particular, this should include data on ethnic minorities, Travellers, homelessness and on issues such as service accessibility and societal participation.
- **Resources:** The value and contribution of the NAPIncl will be fundamentally undermined unless the plan is supplied with the scale of finances required to implement it. The plan requires designated resources to facilitate its implementation and should be provided with an adequate number of personnel to co-ordinate its implementation and its monitoring.

**Rights-based Approach:** The CORI Justice Commission believes that Ireland and the EU need to acknowledge that human rights go beyond civil and political rights and also incorporate social, economic and cultural rights. Social, economic and cultural rights should be acknowledged and recognised just as the civil and political rights have been. Among others, the Justice Commission believes seven basic rights that are of fundamental concern to people who are socially excluded and/or living in poverty should be acknowledged, recognised and promoted within the NAPIncl process. These are the rights to:

- Sufficient income to live life with dignity.
- Meaningful work.
- Appropriate accommodation.
- Relevant education.
- Essential healthcare.
- Cultural respect
- Real participation.

Until these rights are recognised and acted upon, both the EU and Ireland will continue to have a major credibility problem, as they will be failing to

match commitment to civil and political rights with an equal commitment to social, economic and cultural rights.

#### **Chapter 4 – Policy Measures**

Our proposals on policy measures are outlined under our comments on chapter 3 section (ii) above.

#### **Chapter 5 – Institutional Arrangements**

The fourth objective endorsed by the IGC at Copenhagen states that the process of addressing poverty and social exclusion should aim:

- (iv) to mobilise all relevant bodies.

To achieve this, CORI Justice Commission believes that the NAPincl process should involve the following:

- **Mainstreaming:** As mentioned above, the transition from promises and targets that form part of NAPS and NAPincl to actual policy implementation that delivers on these promises and targets has been slow. This is particularly the case with regard to the main fiscal decision making mechanisms of the state. Therefore, it is important that throughout the period of the plan the Government provides the resources to implement the plan in each budget.
- **Ongoing Consultation and Monitoring:** Consultation with the public, NGO's and the excluded should continue beyond the process of drawing up the NAPincl. Mechanisms should be established and resources to allow ongoing consultation and monitoring during the period of the plan.

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## Appendix 1

<b>Table 6: Incidence of persons below 60% of median income by labour force status, 1994-2000</b>				
	<b>1994</b>	<b>1997</b>	<b>1998</b>	<b>2000</b>
Employee	8.3	11.7	6.9	16.7
Self-employed	10.1	8.0	8.6	8.9
Farmer	10.6	8.0	10.5	8.2
Unemployed	41.1	29.6	22.6	9.8
Ill / Disabled	6.2	10.4	9.0	9.9
Retired	6.0	9.1	12.2	17.6
Home Duties	17.8	23.3	30.2	28.7
<b>Total All</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

**Source:** Nolan et al (2002: 29)