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SOCIO-ECONOMIC REVIEW **2025**

Social Justice Matters

2025 guide to a fairer Irish society

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Social Justice Ireland

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THE COMMON GOOD AND PUBLIC POLICY

Ireland is in a privileged position with strong GDP and employment figures, while the exchequer has seen unprecedented levels of corporate windfall revenue in recent years. The potential risk of external shocks to the economy has implications for our corporate tax-take in the longer term. This requires planning for a sustainable tax-take and wise investment of available funds into infrastructure and services to embed resilience. Notwithstanding potential risks, the Irish economy is in a strong and stable position. Yet, the social dividend from this economic success has not reached everyone. We have failed to adequately build on recent years of economic growth and windfall revenues to put a social floor of adequate income and services in place for everyone.

Following the general election at the end of 2024, and the establishment of a new Dáil and Government for the next five years (assuming political stability for the duration), now is the time to take radical action to lay the foundations for a sustainable, inclusive and socially just republic. The new Programme for Government, titled *Securing Ireland's Future* (Government of Ireland, 2025), will shape the policy landscape in Ireland for the next five years and beyond. While *Social Justice Ireland* acknowledges that the new programme contains several proposals that could make a positive difference to society, this will depend on whether those proposals are fully resourced and implemented. How we shape our taxation system to adequately resource the delivery of services and infrastructure over the coming years is therefore an essential question. Beyond services and infrastructure, it is a cause of serious concern that the Programme for Government lacks any real ambition around poverty and income adequacy. There are also questions around the balance of tax and spend given the real uncertainty facing the country in the years ahead.

It is incumbent upon the new Government to ensure that the common good and the protection of the most vulnerable in our society is at the heart of the design, implementation and delivery of policy over the next five years. We must grasp the opportunity to harness our economic success, success which is the result of investment in human capital, social infrastructure, our communities and our natural capital, to deliver transformative change for all.

Challenges and Transitions

Ireland is going through several major transitions, each of which is only going to deepen with time. The Department of Finance has highlighted four major transitions with which Government must contend over the medium and long term, known as the four Ds: decarbonisation, digitalisation, deglobalisation, and demographic change (Government of Ireland, 2023; Department of Finance, 2024; Department of Finance, 2024a). They represent transformations in how our society and economy function. Climate change is already taking its toll on both our natural environment and human society. The digital and deglobalisation transitions are gaining momentum and are already restructuring our economy and the way we work. Demographic change is already having a significant impact on the demand and delivery of social services and infrastructure, and this is set to expand in the years ahead.

Developments in the international environment have had a significant impact on national policy. In the aftermath of the Covid-19 pandemic and Russia's ongoing invasion of Ukraine, rising prices (particularly in energy, food and housing) eroded income gains, particularly for low- and middle-income households. Meanwhile, the unexpected influx of Ukrainian refugees who came here to escape war, and the unforeseen increase in the numbers seeking international protection, has brought the issue of immigration into sharp focus. Taken together, these developments have resulted in a widespread sense of frustration on the part of many, and alienation of some groups in particular. To these challenges we must now add the impact on global trade and geopolitics of the new regime in the USA.

At the same time, while much is changing, many of the problems facing our society are longstanding: inequality, poverty, and under-investment in our social infrastructure remain major challenges. Although the economy in Ireland has experienced record growth in recent years, infrastructure and services in areas such as housing, healthcare and public transport are far below the levels and standards that would be expected in a normally functioning society. Likewise, developments in areas such as taxation, participation and sustainability fall below the minimum standards. Austerity policies introduced in the decade after 2008 have left their mark. Those policies saw a dramatic reduction in capital allocation to housing, particularly social housing. Budget allocations to healthcare have consistently failed to factor in existing levels of service and demographic change. Cuts to community and voluntary sector funding have not been fully restored a decade and a half later.

Ireland is a wealthy country, however, despite having substantial resources at its disposal, Government seems to lack the ambition and political will to prioritise social wellbeing and investment in infrastructure and services. We would be naïve to believe that such inequality and under-investment do not have consequences for the social fabric. If these existing problems, many of which are already at crisis level, are left unresolved, they risk exacerbating the negative consequences of the social, economic, technological and environmental transitions underway. The impact of these longstanding challenges must also form part of future planning to address pent up demand, in addition to demographic change and increased immigration.

As well as addressing the material realities of change, Government must also address the felt impact. Anxiety about the negative consequences of change, experienced or perceived, is already affecting our politics and social cohesion. The presence of right-wing populism in popular political discourse has increased in recent years. Ultimately, the promises of such reactionary politics are empty because the solution offered is to tell people that we can go back to an imagined version of the way things were. Environmental, demographic, technological and economic transformation means it is impossible to do so. Rather than try to halt change, it is the role of genuine political leadership, and ultimately the responsibility of Government, to take advantage of the transitions underway to deliver change for the better.

Sustainable Development and Wellbeing

The 2025 edition of our *Sustainable Progress Index*, which assesses Ireland's progresses toward the UN Sustainable Development Goals (SDGs), ranked Ireland in ninth place overall out of 14 comparable EU countries (Clark, Kavanagh, & McGeady, 2025). The mid-table ranking indicates that there is much work to be done. Ireland ranks joint seventh on the economy (together with Belgium), sixth on society and eleventh on the environment. The low ranking on the environment highlights the major challenges we face in meeting our environmental goals. The moderate ranking on the economy indicates that Ireland's high GDP and near full employment do not tell the whole story: we underperform on resourcing R&D (crucial to a post-industrial open economy) and logistical capacity. Our ranking on society is something of a mixed bag; while we come in first place on SDG4 (education), we rank poorly on SDG2 (zero hunger). These mid-to-poor rankings reveal much about Ireland's investment in infrastructure, services and income adequacy.

Likewise, *Social Justice Ireland's* alternative wellbeing report, *Wellbeing: Measuring What Matters, 2024* (Social Justice Ireland, 2025), reveals considerable scope for improvement in terms of societal wellbeing. On a positive note, we identified improvements in digital skills and reductions in early school leaving, while trends in relation to community and participation reflect stronger community ties. Likewise, there are positive trends in work and job quality and income and wealth, notwithstanding persistent disparities. In relation to housing, indicators like mortgage debt burden and at-risk-of-poverty rates after housing costs reflect the all-too-familiar crisis of affordability. Similarly, we face ongoing challenges of biodiversity loss and the financial burden of energy costs on lower-income households. Overall, our wellbeing report reflects widening disparities in housing, income, healthcare, and access to public services. Vulnerable groups – including renters, single-parent households, those unable to work due to long-term health problems, and individuals with lower education levels – continue to experience disproportionate challenges, hindering inclusive wellbeing.

Inequality

The problem of inequality is not merely one of democratic principle, it is materially consequential as has been shown by Kate Pickett, Richard Wilkinson, Joseph Stiglitz and others.[1] Without social transfers, 31 per cent of the population would have been below the poverty line in 2024 (CSO, 2025c). Such an underlying poverty rate suggests a deeply unequal distribution of direct income. A report from Oxfam in 2023 found that the top 1 per cent of wealth-holders owns more than a quarter of the country's total wealth, at €232 billion (Oxfam, 2023). While a report from the Central Bank of Ireland shows that the wealthiest 10 per cent of Irish households are more than five times as rich as those in the poorer half of the distribution altogether (Moreno, 2024). Analysis presented at *Social Justice Ireland's* conference 'The Social Justice Movement – A Fifty-Year View' demonstrates that income inequality has remained stubbornly stable over the past fifty years. While the total value of income has increased, not much has changed about its distribution. The share of total household disposable income going to the top 20 percent of households between 1973 and 2022 has steadily remained between 40 and 45 per cent. While the share going to the bottom 20 per cent of households has remained around 5 per cent (Collins & Kavanagh, 2024).[2]

Each year, *Social Justice Ireland* calculates the rich-poor gap. In Budget 2025, the rich-poor gap widened by €23.27 per week as a result of Budgetary policy. This means that over the course of the year, Budget 2025 will have given €1,214 more to somebody earning €100,000 than to somebody on social welfare (Social Justice Ireland, 2024). The decision to allocate substantial resources to the wealthy rather than the poorest in our society is plainly unfair. The Programme for Government's commitment to run progressive budgets is most welcome. To do so, it will have to reduce the rich-poor gap; this will require progressive taxation policies and benchmarking core social welfare rates to average earnings.

Poverty

Using data from the CSO's 2024 Survey in Income and Living Conditions (SILC), *Social Justice Ireland* calculates that 629,495 people are living below the poverty line – more than one in ten people in Ireland (see chapter 3). Moreover, 262,700 children are living in households experiencing deprivation (Social Justice Ireland, 2025). Child poverty is essentially an issue of low-income families and cannot be

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1 See Pickett, K., & Wilkinson, R. (2010). *The spirit level*. London: Penguin; Stiglitz, J. (2012) *The Price of Inequality: How Today's Divided Society Endangers Our Future.* New York: W.W. Norton & Company.

2 This analysis was delivered at the *Social Justice Movement - A Fifty Year View* conference in Dublin on 31st January 2024, see https://www.socialjustice.ie/article/social-justice-movement-fifty-year-view

understood apart from household poverty. Therefore, solutions for child poverty hinge on adequate adult welfare rates, decent rates of pay for working parents, and adequate and available public services. While the Programme for Government commits to a new child poverty target, it is deeply disappointing that there is no focus on overall poverty levels in the state.

Cost-of-living pressures have clearly driven people into deprivation, with an increase in the deprivation rate from 13.7 per cent of the population in the 2021 to 15.7 per cent in 2024 (CSO, 2025c). While inflation fell throughout 2023 and 2024, it must be borne in mind that while the *rate* of inflation may have fallen, *prices* continue to rise: a fall in prices would require *de*flation. So, although there was only a 1.9 per cent increase in the consumer price index in the twelve months to January 2025, compared with a 4.1 per cent increase in the prior twelve months, this still represents an increase, rather than a decrease, on already high prices (CSO, 2025a). Those at the bottom need to be supported if they are to afford higher prices.

When it comes to tackling poverty, the impact of social welfare supports cannot be underestimated. For the bottom decile, welfare supports make up 62 per cent of equivalised disposable income (CSO, 2025c). The CSO estimates that without welfare transfers, nearly one third of the population would have been below the poverty line; social welfare payments more than halved the poverty rate in 2024, reducing it from 31 to 11.7 per cent (CSO, 2025c). Furthermore, without additional cost-of-living supports the at-risk-of-poverty rate would have risen to 14.1 per cent (CSO, 2025c). This illustrates the need for robust social welfare protections. Even with cost-of-living supports, the poverty rate among older people increased by 64 per cent compared to 2023; this brings the number of older people living below the poverty line to 106,385 in 2024 (Social Justice Ireland, 2025). Likewise, there was a spike in consistent poverty among the unemployed, doubling from 9.4 per cent in 2023 to 18.9 per cent in 2024 (CSO, 2025c). Clearly, greater support is required for those on fixed incomes. *Social Justice Ireland* has long advocated that Government should commit to benchmarking core social welfare rates to average earnings to protect vulnerable households.

Housing and Homelessness

Housing affordability continues to be a critical issue in Ireland. The on-going failure of Government policy in this area for more than a decade has produced a crisis of unprecedented proportions across much of Irish society. It has been six years since the number of people in state-funded emergency homeless accommodation first exceeded 10,000 people (in February 2019). Although there was a decline in homelessness amid the Covid-19 pandemic, since then the number has risen steadily. In November 2024, the homeless figure exceeded 15,000, and the latest figure (at time of writing) is the highest on record: 15,286 people in January 2025, of whom 4,603 were children (Department of Housing, Local Government and Heritage, 2025). This number does not include those sleeping on our streets which is also rising: according to data for winter 2024, those sleeping rough in Dublin increased by 13.6 per cent compared with winter 2023 (Department of Housing, Local Government and Heritage, 2025).

The level of homelessness in our society is a feature of our housing crisis compounded by continuing high levels of poverty and deprivation. In terms of cost, according to the Parliamentary Budget Office, in the ten year period from 2012 to 2022, there was a 75 per cent increase in residential property prices and a staggering 90 per cent increase in rents, while wages only increased by 27 per cent in the same period (Parliamentary Budget Office, 2023). In the past five years alone rental prices on the open market have increased by almost 40 per cent (Lyons, 2025). The possibility of changing policy on rent controls has been raised as a means of incentivising investment in the rental sector, however this brings with it the almost certain risk of pushing low-incomes renters into deprivation and, potentially, homelessness.

Price inflation driven by the chronic housing shortage has made housing costs an insurmountable struggle for all too many. According to the CSO, there were 30,330 new dwelling completions in 2024, representing a 6.7 per cent decrease compared with 2023. This decline was compounded by an enormous drop of 24 per cent in apartment completions between 2023 and 2024 (CSO, 2025b). In the context of inadequate supply, the Help to Buy and First Home schemes serve only to maintain high prices. The solution to these problems is investment in appropriate supply, rather than demand-side subsidies.

Additionally, the supply of social housing is far below requirement. The commitment to build 10,000 social homes this year, as set out in Budget 2025, fails to take into account the shortfall of 2,557 units in the 2022 and 2023 targets, and the likely shortfall in 2024 – only 2,119 of the planned 9,300 social homes had been built by the end of Q3 (Department of Housing, Local Government and Heritage, 2024) Moreover, while the Summary of Social Housing Assessment 2023 put the number of households on the social housing waiting lists at almost 59,000 (The Housing Agency, 2024), this figure is well below the real need: those in HAP and RAS tenancies and others are not included. The Programme for Government commitment to build approximately 12,000 new social homes annually is positive, but inadequate to address the ongoing need. To meet this need, Government should set a target of 20 per cent of all housing stock to be social housing and to achieve this through new builds. Such an increase in the social housing stock would remove many households from the private rental market. More units would thus become available in the private rental sector, increasing supply against demand and reducing, or at least slowing the rise in, market rents.

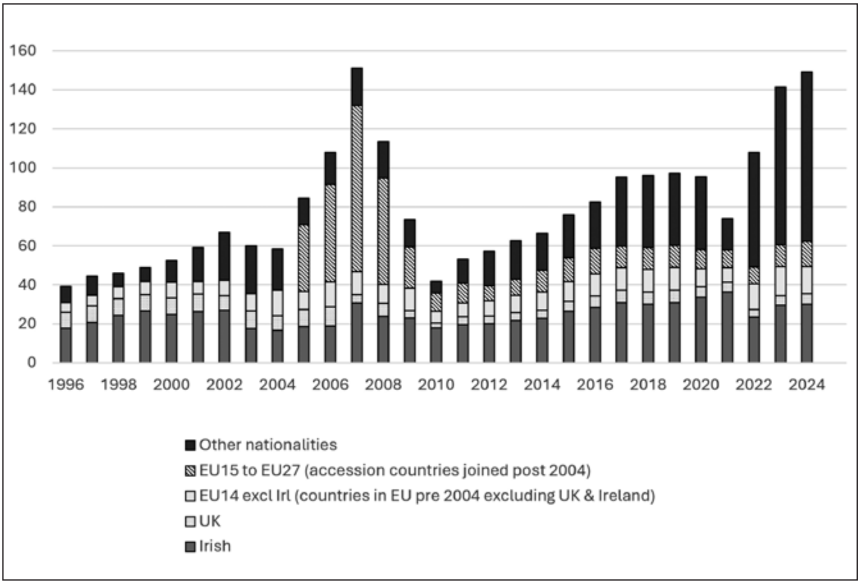
Immigration

Immigration is, and has always been, a fact of life in Ireland. Since February 2022, when Russia invaded Ukraine, there has been a sharp focus on immigration here. As of February 2025, there were 112,189 Beneficiaries of Temporary Protection from Ukraine in Ireland (CSO, 2025). Despite calls that Ireland is full, the number of people who moved to Ireland in 2024 was still fewer than in 2007 (CSO, 2024). In

2024, a total of 149,200 people came to Ireland, while 151,100 people immigrated to Ireland in 2007 (chart 1.1). In fact, net migration into Ireland (immigration minus emigration) in 2024 was 79,300 people; significantly less than the in 2007 when net migration was 104,800 (CSO, 2024).

The needs of immigrants coming to fill jobs in high-tech, high-paid industries will be different to those seeking refuge from wars and persecution. However, there are some areas of commonality: all will need accommodation, healthcare, public transport, and many will need childcare and education. The adequacy of our response to these needs is dependent in large part on the resources we are willing to allocate to it. Ireland is a wealthy country with enough resources to meet the needs of all its inhabitants. Instead, Ireland is failing to meet its human rights obligations to thousands of people living here. In the absence of appropriate accommodation, Government has resorted to using tents to accommodate people seeking international protection: there were 700 people in tented "accommodation" at the end of February 2025 (Department of Children, Equality, Disability, Integration and Youth, 2025). All of this speaks to a failure of policy. Nor did this failure to provide appropriate accommodation begin with the influx of refugees following Russia's invasion of Ukraine. Both the 2020 Day report and the 2015 McMahon report highlighted the issue of inadequate accommodation for people seeking international protection.

Chart 1.1: Estimated Immigration (000s), 1996-2024



Source: CSO Estimated Immigration (Persons in April), PxStat: PEA24

In the wake of Russia's war against Ukraine and the significant numbers of people seeking refuge in Ireland and across Europe, *Social Justice Ireland* raised concerns about the danger of anti-immigrant sentiment growing if Government did not address the problems of inadequate service-provision and housing. Our paper *Migrations in Our Common Home: Responding with Care – Ireland's Response to the Ukrainian Crisis* asked: 'How do we contend with the very real risk of putting different vulnerable groups, both local and migrant, in competition for scarce state resources?' (Roundtable on Migrations in Our Common Home, 2022). An increasing level of hostility towards migrants has resulted in anti-immigrant protests, and a string of arson attacks on properties proposed to accommodate people seeking international protection. In the face of a growing politics of resentment and scapegoating, oriented towards blame rather than solutions, considerable work must be done to understand and address this obvious disaffection. While these developments cannot be entirely attributed to inadequate social infrastructure and services, certainly these failings play a significant role in cultivating the conditions for such attitudes to thrive.

Climate Action and a Just Transition

Ireland and the wider world are moving steadily towards the 2030 deadline for the delivery of the Sustainable Development Goals. Ireland failed to meet its 2020 target of a 20 per cent reduction in greenhouse gas emissions under the EU Effort Sharing Decision. In order to meet our 2030 targets every measure in the Climate Action Plan will have to be fully implemented. Given challenges in implementing previous climate policies it is reasonable to question whether every measure in the plan will be implemented by 2030. While it is welcome that the Programme for Government commits to reducing carbon emissions and support the Just Transition Commission, policy coherence remains a concern. The commitment to data centre expansion could have serious implications for our water usage and emissions reductions from the energy sector.

On a positive note, SEAI's *Energy in Ireland 2024* report states that Ireland's national energy-related emissions in 2023 were 'at their lowest level in over 30 years' (SEAI, 2024). However, SEAI also warns that, while energy-related emissions have fallen in recent years, the pace of reduction is 'not sufficient to deliver on Ireland's legally binding carbon budgets, even under the most optimistic scenarios considered under SEAI's modelling' (SEAI, 2024). In terms of our energy security, the report also warns: 'Despite the meaningful development of renewables, fossil fuels still dominate Ireland's primary energy supply' (SEAI, 2024). A lack of adequate, sustainable energy sources for Ireland has resulted in our reliance on energy imports. In 2023, Ireland imported almost four fifths (78 per cent) of its total primary energy requirement, compared to an EU average of 63 per cent (SEAI, 2024). Ireland must generate momentum to accelerate the transition towards a low-carbon economy. This will require huge adjustments in all our lives. Investment in renewable energy and retrofitting on the scale required to meet our national climate ambition and maintain energy security requires large scale investment in infrastructure. An upgrade of the national grid must be a key element of infrastructure investment so that communities, cooperatives, farms and individuals can produce renewable energy and sell what they do not use back into the national grid, thus becoming self-sustaining and contributing to our national targets.

In all of this, we must ensure a Just Transition; to manage change so that no one is left behind and so that both the benefits and burdens of change are shared fairly. A reformed social protection system along with investment in appropriate services and infrastructure is needed to prevent poverty and social exclusion for those most affected. Incentives and tax structure must look at short- and long-term costs for different population segments; eliminating energy poverty should be a key pillar of any Just Transition platform. An ongoing dialogue on how to support transition and adaptation and a place-based approach is essential to ensure that vulnerable communities are protected and supported to meet future challenges. Rural communities will be particularly impacted by the transition to a carbon-neutral society and must be supported: a sustainable society requires balanced regional and rural development.

Delivering Change: Investing in the Common Good

The scale of change discussed above has been underestimated and so, poorly managed to date. At every turn, there are examples of failures of public policy to provide the infrastructure required to keep pace with population growth. This failure has been compounded by rising unplanned immigration, providing a convenient scapegoat for the systemic pressures being widely experienced. These infrastructure deficits are further compounded by difficulties in recruiting and retaining key personnel to deliver expanded and more specialised public services across health and education, policing and defence, caring and public administration. The outcomes of a failure to plan are clear:

a. Unprepared for rapid demographic growth,

b. Inadequate infrastructure to meet expectations and needs,

c. Inability to organise and deliver core public services, and

d. The pressure of costs and inadequate incomes on living standards

All of this produces a loss of confidence in public authorities that risks a loss of trust in our liberal democracy. Yet, amid these multiple challenges, policymakers have an opportunity to marry both prudence and ambition. While ambitious, it would also be prudent for Government to take the long-term view when it comes to investment in infrastructure, social services, income adequacy and environmental protections. Sustainable long-term policies will have enduring benefits for everyone, while a failure of ambition will only result in more pressure on an already creaking system, simply compounding problems. A robust and adequately resourced social and economic infrastructure is just as important as sound public finances for our nation’s long-term success. None of this is beyond our capacity.

Social Justice Ireland strongly believes in the importance of developing a rights-based approach to sustainable development and wellbeing (Healy, et al., 2015). We believe that seven basic social, economic and cultural rights should be recognised.[3] These are the rights to:

1. Sufficient income to live life with dignity;
2. Meaningful work;
3. Appropriate accommodation;
4. Relevant education;
5. Essential healthcare;
6. Cultural respect; and
7. Real participation in society.

Recognition of these rights is essential to ensure that each member of our society has a share in the common good. Without adequate future planning for the kinds of social infrastructure and services we need, it will not be possible to maintain – never mind improve – the current standards of living. For these seven rights to be vindicated, greater public expenditure to fund a broader provision of services is required. This in turn requires Government to ensure that future tax and spending policy is focused on building up Ireland's social infrastructure, prioritising areas such as healthcare, social housing, education, childcare and early education, and supports to age well at home. The commitment to fully resource these seven rights by means of a fair and adequate system of taxation would constitute a new social contract.

A New Social Contract is Needed

It is *Social Justice Ireland's* contention that a new social contract is required to address the challenges facing our society. Our proposals, as set out in this publication, would see public policy focused on simultaneously delivering five outcomes as part of that a new social contract: a vibrant economy; decent infrastructure and services; just taxation; good governance; and sustainability. This approach is not simply do-able; it is also desirable.

Given Ireland's current plethora of challenges, some might think this is not the time to focus on issues such as the future of the social contract. On the contrary, history says otherwise. Before World War II had concluded, plans were already being laid for a major re-structuring of societies. In 1941 President Franklin D. Roosevelt and Prime Minister Winston Churchill issued the Atlantic Charter, which led to

[3] These are not the only rights we support and advocate. However, they are critically important for the development of a balanced society and economy which delivers wellbeing for all.

the establishment of the United Nations. In 1942 the Beveridge Report, with its commitment to a universal welfare state, was published in the United Kingdom. In 1944 the Bretton Woods conference put together the post-war financial architecture. Now is the time for creative thinking about what society should look like. Business as usual is no longer tenable.

We have an opportunity to harness the major transitions taking place in our world, to transform our society and economy in service of the common good. A transformation in how we live is coming one way or the other: the question is whether public policy will be used to shape our future in a way that is humane, ecologically sound, and socially just? In the next chapter, we present a policy framework for a new social contract that proposes five policy outcomes that will contribute to the common good.

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Chapter two

Chapter 2

A POLICY FRAMEWORK FOR A NEW SOCIAL CONTRACT

As noted in the previous chapter, the Government has highlighted the four Ds – decarbonisation, digitalisation, deglobalisation and demographic change – as the primary strategic challenges facing Ireland in the years ahead (Government of Ireland, 2023; Department of Finance, 2024a; Department of Finance, 2024b). As in previous editions of this publication, *Social Justice Ireland* adds the challenges of inequality, poverty and under-investment to this list. These challenges are deeply intertwined and impact profoundly on each other. In particular, recent crises have highlighted:

- The importance of the welfare system in providing a safety net for all.
- The inadequacy of most rates of core welfare payments.
- The challenges faced by low paid workers and their families.
- The widening divide between those in stable and precarious employment.
- The impact of underinvestment in our energy and climate infrastructure; and
- The underfunding of our housing, health and social care systems.

Over the lifetime of the last Dáil, Government intervened considerably to support society; first in response to the Covid-19 pandemic and then the cost-of-living crisis that followed. Those state interventions, while imperfect, were sorely needed. Looking to the future, it is clear that the significant and rapid changes to our environment, society and economy, will require an expanded state with a clear sense of purpose. Interventions to mitigate the impact of crises is not enough, the state must actively shape the future in the interests of the common good.

Social Justice Ireland has called on successive Governments to reconceptualise the social contract; to move away from an approach that assumes that if we can deliver a strong economy everything else will fall into place, to one that integrates economic, social and environmental wellbeing.[1] This requires a level of support by the state – especially through the provision of adequate social protection, services and infrastructure – that prevents poverty and social exclusion and which safeguards our natural environment.

The Role of the State: Beyond Economic Growth

Historically, Ireland suffered from underdevelopment, weak economic growth, and a labour surplus. Since T.K. Whitaker's 1958 study *Economic Development*, Government's policy response has understandably focused on economic growth in order to create employment and end the hardship of emigration. Since the 1990s, Ireland has undergone an economic transformation and, notwithstanding the recession following the crash of 2008, we now have near full employment and net inward migration. However, while a thriving economy is essential to any success, it is not by itself the measure of success. This is all too clear in Ireland today. Enormous GDP and record exchequer returns (Department of Finance, 2024) are in stark contrast with the level of deprivation and homelessness experienced by many in our country. The homelessness figure in January 2025 was the highest on record, with 15,286 people in emergency homeless accommodation (Department of Housing, Local Government and Heritage, 2025). Inadequate delivery of housing, infrastructure and services demonstrates that leaving important aspects of our infrastructure to the market simply does not work.

Yet, as we face into a very uncertain future, with a changing global economic order driven by geopolitical disruption and a shift in the political consensus in the USA, there is a real danger that we will turn all our focus towards managing the economy. This would represent a failure of political leadership and vision. Instead, we need a comprehensive and integrated approach to policymaking that addresses the needs of our society, economy and environment in their totality, and which prioritises fairness and wellbeing.

Internationally, targeted interventions have proved more effective than simply prioritising economic growth. Indeed, the UN Sustainable Development Goals (SDGs) provide a policy framework that emphasises targeted policy outcomes. As the 2025 edition of our *Sustainable Progress Index* notes, the link between GDP per capita and social wellbeing is very weak for rich countries, therefore if wealthy countries like Ireland want to improve the wellbeing of their citizens, they should address problems directly (Clark, Kavanagh, & McGeady, 2025). Measuring outputs and outcomes drives progress because policymakers can respond to what is counted and strive to improve the performance of those indicators being measured. Therefore, a comprehensive and integrated framework of policy objectives can drive better outcomes. The 2030 Agenda for Sustainable Development calls for nations

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[1] See previous editions of our socio-economic review, *Social Justice Matters*, and our sustainable progress index, *Measuring Progress: The Sustainable Progress Index*.

to address a whole of range of issues *simultaneously*. As such, the SDGs represent a framework for greater policy coherence.[2]

Likewise, Ireland's Wellbeing Framework also provides a lens for policymaking that takes a comprehensive approach which set out to 'better measure Ireland's progress as a country and better align policy decisions with people's experiences' (Government of Ireland, 2021). Government published *Understanding Life in Ireland: The Well-being Dashboard* in 2022, followed by subsequent editions in 2023 and 2024. The reports assess progress using a total of 35 indicators across eleven dimensions covering personal, social, economic, political, cultural and environmental aspects of wellbeing. The full breakdown of indicators can be found at the CSO's Well-being Information Hub.[3] The 2023 edition of the report introduced an assessment of equality within each dimension (Government of Ireland, 2023a), a development commended by *Social Justice Ireland*. Unfortunately, while equality continues to be included in the narrative of 2024 iteration of the report, this factor is no longer part of the core progress measurement. Notwithstanding this backward step, the development of the wellbeing framework remains a positive step in Irish policymaking.

The role of Government within the economy and society is changing. The Covid-19 pandemic demonstrated that only the state can harness the nation's resources on the scale required at such a time of threat. The need for Government to play a more active role is cogently argued by Mazzucato in her book *Mission Economy* (Mazzucato, 2021). Her solution would see governments not limit themselves to growing the economy and "fixing" market failures, but instead, they would actively shape and co-create markets and economies to build a more inclusive and sustainable future.

Such a mission-oriented approach, needed to address the significant challenges facing our society, requires that the various components of policy be delivered simultaneously. It can no longer be argued that if we prioritise the economy, everything else will follow: this trickle-down approach has been discredited by hard experience. It is not possible to develop a sustainable thriving economy without simultaneously developing decent infrastructure and services, just taxation, good governance and sustainability at every level of policymaking. Securing these developments should be the priority of Government in the months and years ahead. If a sustainable, effective and fairer pathway is to be followed, then Government must play a larger role and must build its capacity to do so. The Covid-19 pandemic demonstrated that, far from a lean, so-called efficient state, resilience and capacity-building should be paramount. The need for expansive investment in the common good is clear.

2 For more details see Chapter 11. See also *Measuring Progress: Sustainable Progress Index 2025*: https://www.socialjustice.ie/publication/sustainable-progress-index-2025

3 https://www.cso.ie/en/releasesandpublications/hubs/p-wbhub/well-beinginformationhub/howwearedoing/

A Policy Framework for a New Social Contract

The concept of the social contract recognises the web of rights and duties present in the relationship between the person, the community and the state. The citizen contributes to the common good – whether economically, socially or culturally – on the assumption that the state will ensure a minimum standard of living, provision of essential social services and infrastructure, and the protection of each person's basic rights. The citizen's contribution to society will change throughout the life-cycle; this may be through being employed, through paying taxes, through engaging in caring and voluntary work.

A key aspect of the social contract is solidarity between generations. At different points in the life-cycle, all of us will (from a financial perspective) be either net beneficiaries from, or net contributors to, society. This differs, depending on whether we are children, adults of working age, or pensioners. It depends on whether we are in full-time or part-time education, engaged in caring work or in paid employment, or volunteering in the community. But, at almost all times, we are contributing to and benefiting from society in different ways. Recognising this reality, we must reconceptualise the interaction between employment, taxation, work and welfare, and give serious consideration to policies such as a universal basic income and universal basic services.

Social Justice Ireland has proposed a policy framework for a new social contract that identifies five overarching policy outcomes: a vibrant economy; decent services and infrastructure; just taxation; good governance; and sustainability and a just transition (Bennett, Healy, Murphy, & Murphy, 2020). We need investment in infrastructure and services to develop a thriving economy. We need just taxation to fund this. We need good governance to ensure people have a say in shaping the decisions that impact them. We also need to ensure that everything that is done is sustainable; environmentally, economically and socially. We set out key areas for action within each policy outcome in Table 2.1.

All this requires a new approach. It requires acknowledgment of the work done in our society that goes unpaid, under-recognised and undervalued. It will also require recognition that our tax and welfare systems are not fit for purpose to meet forthcoming digital and green transitions. The time has come to set a minimum floor of income and services below which no one should fall. The social welfare system and the income tax credits system should ultimately be replaced by a Universal Basic Income which would be far more appropriate during a time of transition and beyond. This should be accompanied by the development of Universal Basic Services to secure the wellbeing of all.

Table 2.1: A Policy Framework for a New Social Contract

Vibrant economy	Decent services and infrastructure	Just taxation	Good governance	Sustainability
Financial stability and sustainable economic growth	Ensure seven social, economic and cultural rights are achieved	Increased overall Tax-Take	Open, transparent, accountable structures	Increased environmental protection
Decent jobs	Quality services	Broader tax base	Social dialogue	Climate justice
Increased public investment	Minimum social floor	Reduced income inequality	Real participation and deliberative democracy	Balanced regional development
Service the national debt	Population based planning and investment	Good taxation governance	Reformed policy and budget evaluation	Sustainable progress index

Renewed Social Dialogue

The development of a new social contract requires that Government engage with all stakeholders to develop a series of ambitious policy responses to meet the challenges that we face. Ireland's economic growth in recent years has been spread very unevenly; we must ensure that this trend does not continue. In the absence of a national social dialogue, the strongest can fight their corner in the open market or the political realm, while the weakest will be left behind. In such a scenario, inequality will continue to grow and the integrated development that is required will not be achieved. In recent years we have also seen the spread of anti-immigrant sentiment and the growth of a politics of resentment and hostility. This not only speaks to challenges concerning inadequate levels of income and service-provision, but also forces us to confront the reality that some in our community are alienated from our politics.

These issues are too important, and too volatile, to be left to vested interests alone. *Social Justice Ireland* was honoured that President Michael D. Higgins delivered the opening address at our conference, 'The Social Justice Movement: A Fifty Year View,' on 31st January 2024. While hopeful, the President was also realistic about the challenges that Ireland faces:

> ‘It is not only that inequality is deepening, that its beneficiaries are ever more concentrated, it is that the discussion space for challenging this is now so much less available, accountable or accessible.’
>
> *(Higgins, 2024)*

A deliberative process of social dialogue can challenge assumptions about where and how value is created in our society, and can find pathways towards alternative policy options, and build consensus in support of more sustainable and equitable outcomes for all. *Social Justice Ireland* has long advocated for such a deliberative social dialogue, involving all sectors of Irish society, to strengthen the social fabric.

In this context, a new model of social dialogue is required. One that does not focus solely on cost competitiveness, but must also be about a broad-based enhancement of capabilities in the economy and society. Such a comprehensive social dialogue provides a mechanism for fostering trust and adopting a problem-solving approach. These outcomes do not emerge spontaneously, however; effective social dialogue requires time and investment to support communities to reflect on and to articulate their own needs, so that the loudest voices are not the only ones heard. The role of civil society – where the community and voluntary sector are particularly important in Ireland – is critical.

A renewed and deepened process of social dialogue allows different sectors to engage with Government and with one another to agree on the future we wish to achieve and set out a pathway towards it. Any national conversation should begin with those who have a responsibility to inform public policy discourse and their own constituencies in the first instance: the five Pillars of Social Dialogue. An effective social dialogue that engages all sectors of the economy, employers, organised labour, the community and voluntary sector, the farming and environmental sectors and Government, at both political and official levels, would be the logical place to begin.

Such a new structure for social dialogue can ensure that policy development and planning address the key challenges facing the country. These include infrastructure (e.g. social housing, public transport, rural development); services (e.g. healthcare, education, caring); climate change; just taxation; and good governance. These are all issues that impact on the economy and are impacted on by the economy. Ireland needs an approach that addresses these issues simultaneously, not one that gives priority to the economy and hopes the benefits will trickle down, which they never do. *Social Justice Ireland* has developed a range of alternatives to existing policies. We have reached a point where adoption of those policies is surely a necessity. In the following chapters, we examine key aspects of our framework for a new social contract and its five policy outcomes in much greater detail.

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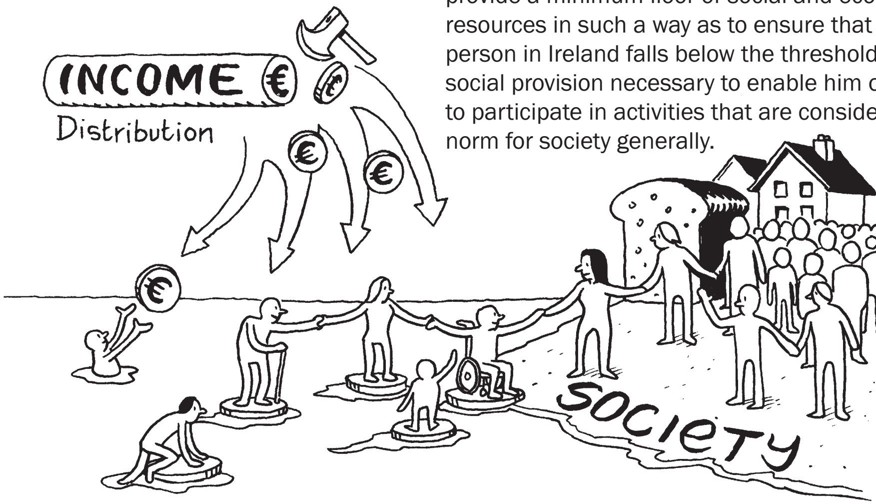
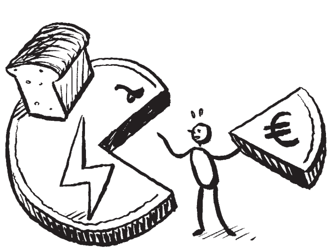
Chapter three

Chapter 3
Income and Income Distribution

Core Policy Objective:
To provide all with sufficient income to live life with dignity. This would require 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 in activities that are considered the norm for society generally.



Key Issues and Evidence



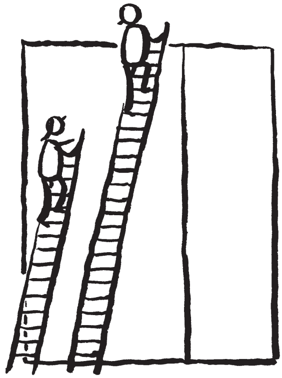
Lower income households spend more of their income on food and energy and are most impacted by rising prices.

5.4 per cent of all people with a job are living in poverty.

Data shows that welfare increases in previous years resulted in a welcome reduction in poverty rates.

Policy Solutions

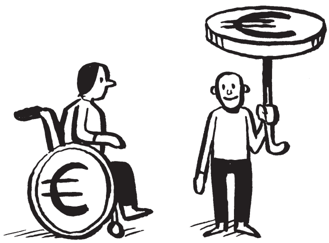
A universal state pension.



Equity of social welfare rates.

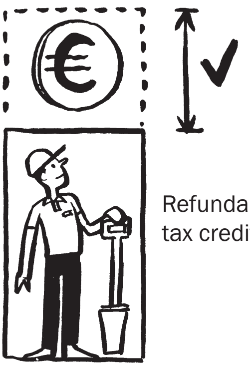
Increase in social welfare payments.

A Universal Basic Income



A cost of disability payment.

Decent rates of pay for low paid workers.



Refundable tax credits.

Adequate payments for children.

Chapter 3

INCOME AND INCOME DISTRIBUTION

Core Policy Objective:
INCOME AND INCOME DISTRIBUTION

To provide all with sufficient income to live life with dignity. This would require 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 in activities that are considered the norm for society generally.

High rates of poverty and income inequality have been the norm in Irish society for some time. They are problems that require greater attention than they currently receive, but tackling these problems effectively is a multifaceted task. It requires action on many fronts, ranging from healthcare and education to accommodation and employment. However, the most important requirement in tackling poverty is the provision of sufficient income to enable people to live life with dignity. No anti-poverty strategy can possibly be successful without an effective approach to addressing low incomes.[1]

This chapter addresses the issue of income in three parts. The first (section 3.1) examines key evidence relating to the extent and nature of poverty and income distribution in Ireland. Subsequently section 3.2 considers the key policy reforms that we believe should be pursued. The chapter concludes (section 3.3) by summarising our key policy priorities in this area.

If the challenges addressed in this chapter are to be effectively addressed in the years ahead, *Social Justice Ireland* believes that the following key initiatives are required:

- increase in social welfare payments;
- equity of social welfare rates;
- adequate payments for children;

[1] Annex 3, containing additional information relevant to this chapter, is available on the *Social Justice Ireland* website: https://www.socialjustice.ie/publication

- refundable tax credits;
- decent rates of pay for low paid workers;
- a universal state pension; and
- a cost of disability payment.

3.1 Key Evidence

Poverty

While there is still considerable poverty in Ireland, there has been much progress on this issue over the past two and a half decades. Driven by increases in social welfare payments, particularly payments to the unemployed, the elderly and people with disabilities, the rate of poverty notably declined between 2001 and 2009.[2] Subsequently, welfare rates were reduced and poverty increased during the economic crash. In recent years, driven once again by welfare increases, poverty has fallen. The cost-of-living supports of the past few years have further driven poverty rates downwards, although these are short-term measures which will be discontinued from 2025. The poverty rate now stands at 11.7 per cent of the population according to the latest data, which is for 2024; without the cost-of-living supports poverty would be 14.1 per cent.

Data on Ireland's income and poverty levels are provided by the annual *SILC*, or *Survey on Income and Living Conditions*. This survey replaced the *European Household Panel Survey* and the *Living in Ireland Survey* which had run throughout the 1990s. Since 2003 the *SILC / EU-SILC* survey has collected detailed information on income and living conditions from up to 100 households in Ireland each week; giving a sample of 4,000 to 5,000 annually.

Social Justice Ireland welcomes this survey and in particular the accessibility of the data produced. Because this survey is conducted simultaneously across all European Union (EU) states, the results are an important contribution to the ongoing discussions on income and poverty levels across the EU. It also provides the basis for informed analysis of the relative position of the citizens of member states. In particular, this analysis is informed by a set of agreed indicators of social exclusion covering four dimensions: financial poverty, employment, health, and education. They also form the basis of the EU Open Method of Co-ordination for social protection and social inclusion and associated poverty and social exclusion targets.

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2 Irish household income data has been collected since 1973 and all surveys up to the period 2008-2010 recorded poverty levels above 15 per cent.

What is poverty?

The National Anti-Poverty Strategy (NAPS) published by Government in 1997 adopted the following definition of poverty:

> *People are living in poverty if their income and resources (material, cultural and social) are so inadequate as to preclude them from having a standard of living that is regarded as acceptable by Irish society generally. As a result of inadequate income and resources people may be excluded and marginalised from participating in activities that are considered the norm for other people in society.*

This definition was reiterated in the subsequent *National Action Plan for Social Inclusion 2007-2016* (*NAPinclusion*) (Government of Ireland, 2007) and restated in the current *Roadmap for Social Inclusion 2020-2025*.

Where is the poverty line?

How many people are poor? On what basis are they classified as poor? These and related questions are constantly asked when poverty is discussed or analysed.

In trying to measure the extent of poverty, the most common approach has been to identify a poverty line (or lines) based on people's disposable income (earned income after taxes and including all benefits). The European Commission and the United Nations (UN), among others, use a poverty line located at 60 per cent of median income. The median disposable income is the income of the middle person in society. This poverty line is the one adopted in the *SILC* survey. While the 60 per cent median income line has been adopted as the primary poverty line, alternatives set at 50 per cent and 70 per cent of median income are also used to clarify and lend robustness to assessments of poverty.

The most up-to-date data available on poverty in Ireland comes from the 2024 *SILC* survey, conducted by the CSO and published in March 2025. In that year the CSO gathered data from a statistically representative sample of 4,885 households containing 12,066 individuals. The data gathered by the CSO is very detailed and incorporates income from work, welfare, pensions, rental income, dividends, capital gains and other regular transfers. Where possible, this data was subsequently verified anonymously using Personal Public Service Numbers (PPSNs).

When gathering income data, the SILC survey uses income from the year before the survey as the 'income reference period'. Therefore, the data published in the 2024 report refers to income levels in 2023. According to the CSO, the median disposable income per adult in Ireland during 2023 was €29,996 per annum or €574.86 per week. Consequently, the income poverty lines for a single adult derived from this are:

50% of median	€287.43 a week
60% of median	€344.91 a week
70% of median	€402.40 a week

Updating the 60 per cent median income poverty line to 2025 levels, using published CSO data on the growth in average hourly earnings in 2024 (+6.2 per cent), produces a value for the relative income poverty line at the start of that year (CSO, 2025). In 2025 that figure is €366.30 for a single person. Any adult below this weekly income level will be counted as being at risk of poverty.

Table 3.1: The Minimum Weekly Disposable Income Required to Avoid Poverty in 2025, by Household Types

Household containing:	Weekly poverty line	Annual poverty line
1 adult	€366.30	€19,113
1 adult + 1 child	€487.18	€25,421
1 adult + 2 children	€608.06	€31,728
1 adult + 3 children	€728.93	€38,036
2 adults	€608.06	€31,728
2 adults + 1 child	€728.93	€38,036
2 adults + 2 children	€849.81	€44,343
2 adults + 3 children	€970.69	€50,651
3 adults	€849.81	€44,343

Source: Social Justice Ireland calculation based on CSO income and earnings data.

Table 3.1 shows what income corresponds to this poverty line for a number of household types. The figure of €366.30 is an income per adult equivalent figure. It is the minimum weekly disposable income (after taxes and including all benefits) that one adult needs to be above the poverty line. For each additional adult in the household this minimum income figure is increased by €241.76 (66 per cent of the poverty line figure) and for each child in the household the minimum income figure is increased by €120.88 (33 per cent of the poverty line).[3] These adjustments reflect the fact that as households increase in size they require more income to meet the basic standard of living implied by the poverty line. In all cases a household

[3] For example, the poverty line for a household with 2 adults and 1 child would be calculated as €366.30 + €241.76 + €120.88 = €728.93.

below the corresponding weekly disposable income figure is classified as living at risk of poverty. For clarity, corresponding annual figures are also included.

One immediate implication of this analysis is that most weekly social assistance rates paid to single people are €122 below the poverty line.

How many have incomes below the poverty line?

Table 3.2 outlines the findings of various poverty studies since detailed national poverty assessments commenced in 1994. Using the EU poverty line set at 60 per cent of median income, the findings reveal that almost 12 out of every 100 people in Ireland were living in poverty in 2024. The table shows that over time poverty rates have fluctuated. In general, decreases have occurred in periods where national budgets have given greater attention to improving minimum welfare payments or prioritising welfare dependent households with the recent decline reflecting the targeting of cost-of-living supports on welfare dependent households, albeit many of these were temporary. Conversely, poverty has increased in periods where welfare payments were less of a policy priority and therefore gaps opened between those benefiting from tax and earnings changes and those households dependent on support from the social transfer system.[4]

Table 3.2: Percentage of Population Below Various Relative Income Poverty Lines, 1994-2024

	1994	1998	2001	2005	2010	2015	2020	2024
50% line	6.0	9.9	12.9	10.7	21.7	19.7	5.9	5.3
60% line	15.6	19.8	21.9	18.3	21.6	19.7	12.8	11.7
70% line	26.7	26.9	29.3	28.0	19.3	17.8	21.9	21.1

Source: CSO SILC reports (various years) and Whelan et al (2003:12).
Note: All poverty lines calculated as a percentage of median equivalised income.

Because it is sometimes easy to overlook the scale of Ireland's poverty problem, it is useful to translate these poverty percentages into numbers of people. Using the percentages for the 60 per cent median income poverty line and population statistics from CSO population estimates, we can calculate the numbers of people in Ireland who have been in poverty for a number of years between 1994 and 2024. These calculations are presented in table 3.3. The results give a better picture of just how significant this problem is.

[4] See tables 3.5 and 3.6 for further analysis of this point.

Table 3.3: The Numbers of People Below Relative Income Poverty Lines in Ireland, 1994-2024

	% of persons in poverty	Population of Ireland	Numbers in poverty
1994	15.6	3,585,900	559,400
1998	19.8	3,703,100	733,214
2001	21.9	3,847,200	842,537
2005	18.3	4,133,800	756,485
2010	14.7	4,554,800	669,556
2015	16.3	4,739,600	764,111
2020	12.8	5,029,900	643,827
2024	11.7	5,380,300	629,495

Source: See Table 3.2 and CSO online database of population estimates.
Notes: Population estimates are for April of each year. The CSO note that there are small differences between the population count and the number of people usually resident in a household. This may marginally skew downwards the estimated poverty count figure.

The table's figures are telling. Looking over the past 30 years, despite a reduction in the headline poverty rate (from 15.6 to 11.7 per cent) there are almost 70,000 more people in poverty (as the population has increased). Notably, over the period from 2004-2008, the period corresponding with consistent Budget increases in minimum social welfare payments, almost 145,000 people left poverty. This progress was reversed by the subsequent recession, and the rate and number in poverty began to fall from 2016 onwards driven by various budgetary policies that prioritised lower income households and welfare. The latest figure is among the lowest rates ever recorded for Ireland, and an outcome driven by short-term welfare related cost-of-living supports. The CSO have calculated that without these measures the poverty rate in 2024 would be 14.1 per cent (759,000 people); suggesting that the cost-of-living measures succeeded in keeping almost 130,000 people out of poverty during 2024. However, as these measures are not permanent, we can expect headline poverty rates to increase once again from 2025.

The fact that so many people in Ireland are living life on a level of income that is this low remains a major concern. As shown in table 3.1 these levels of income are low and those below them clearly face difficulties in achieving what the NAPS described as "*a standard of living that is regarded as acceptable by Irish society generally*".

The Annex that accompanies this chapter provides a more detailed profile of those groups in Ireland that are living in poverty including the working poor, children, older people, people with a disability and those living in regional and rural areas. It also explores the incidence of poverty (the proportion of all those in poverty that belong to particular groups in Irish society) and reveals how in 2024 almost one-third of Ireland's adults with an income below the poverty line were employed and that overall, 42 per cent of adults at risk of poverty in Ireland were associated with the labour market.

The scale of poverty – numbers of people

As the two tables in the last subsection principally deal in percentages it is useful to transform these proportions into numbers of people. Table 3.3 revealed that almost 630,000 people were living below the 60 per cent of median income poverty line in 2024. Using this figure, table 3.4 presents the number of people in poverty in that year within various categories. Comparable figures are also presented for selected years over since 2015.

Table 3.4: Poverty Levels Expressed in Numbers of People, 2015-2024

	2015	2020	2023
Overall	764,111	643,827	629,495
Adults			
Employed	104,683	138,423	140,377
Unemployed	108,504	61,807	44,065
Retired	55,780	53,438	91,277
LT Ill/Disabled	64,185	66,314	69,244
Student/pupil	117,673	80,478	47,842
Fulfilling domestic tasks	113,088	59,876	57,284
Other	14,518	14,808	11,331
Children			
Children (under 16 yrs)	185,679	168,683	168,075
Children (under 18 yrs)	226,177	197,655	190,108

Source: Calculated using CSO SILC reports (various years) and data from table 3.3.

The data in table 3.4 is particularly useful in the context of monitoring changes in the composition of poverty and framing anti-poverty policy. Recent changes in the headline poverty numbers – showing a decrease of 135,000 since 2015 – hide a variety of experiences for different parts of the populations. Since 2015 the number of people in poverty has fallen among students, the unemployed, those working in the home and children, but has risen for workers, those who are retired and people who have a long-term illness or disability.

Poverty and welfare supports

Social Justice Ireland believes in the very important role that social welfare plays in addressing poverty. As part of the *SILC* results the CSO has provided an interesting insight into the role that social welfare payments play in tackling Ireland's poverty levels. It has calculated the levels of poverty before and after the payment of social welfare benefits.

Table 3.5 shows that without the social welfare system almost one-third of the Irish population (31.4 per cent) would have been living in poverty in 2024. Such an underlying poverty rate suggests a deeply unequal distribution of direct income; an issue we address further in the income distribution section of this chapter. In 2024, the actual poverty figure was reduced to 14.1 per cent by social welfare transfers and further reduced by cost-of-living support payments to 11.7 per cent. Overall, these transfers targeted at the lowest income households reduced poverty by almost 20 percentage points.

These findings underscore the importance of social transfer payments in addressing poverty; a point that needs to be borne in mind as Government forms policy and priorities in the years to come.

Table 3.5: The Role of Social Welfare (SW) Payments in Addressing Poverty

	2005	2010	2015	2020	2024
Poverty pre-SW	40.0	50.2	46.2	35.3	31.4
Poverty post-SW	18.3	14.7	16.3	12.8	11.7
The role of SW	**-21.7**	**-35.5**	**-29.9**	**-22.5**	**-19.7**

Source: CSO SILC Reports (various years) using national equivalence scale.

The importance of welfare transfers was further highlighted by the CSO in their assessments of the impact that Covid-19 supports to workers and businesses had on poverty levels. The December 2021 *Poverty Insights* (CSO, 2021) report estimated that the collective impact of the pandemic unemployment payment (PUP) and the wage subsidy scheme (WSS) was to reduce poverty by 7.7 percentage points, meaning that these supports kept over 380,000 additional people out of poverty in 2020.

Analysis in the accompanying Annex to this chapter[5] (see table A3.1 and the subsequent text) shows that many of the groups in Irish society that experienced increases in poverty levels over the last decade have been dependent on social welfare payments. These include the unemployed, the retired, lone parents and those who are ill or have a disability. Table 3.6 presents the results of an analysis of five key welfare recipient groups performed by the ESRI using poverty data for five of the years between 1994 and 2001. These were the years that the Irish economy grew fastest and the core years of the 'Celtic Tiger' boom. Between 1994 and 2001 all categories experienced large growth in their poverty risk. For example, in 1994 only five out of every 100 old age pension recipients were in poverty. In 2001 this had increased ten-fold to almost 50 out of every 100. The experience of widow's pension recipients is similar.

Table 3.6: Percentage of Persons in Receipt of Welfare Benefits/Assistance Who Were Below the 60 Per Cent Median Income Poverty Line, 1994-2001

	1994	1997	1998	2000	2001
Old age pension	5.3	19.2	30.7	42.9	49.0
Unemployment benefit/assistance	23.9	30.6	44.8	40.5	43.1
Illness/disability	10.4	25.4	38.5	48.4	49.4
Lone Parents allowance	25.8	38.4	36.9	42.7	39.7
Widow's pension	5.5	38.0	49.4	42.4	42.1

Source: Whelan et al (2003: 31).

Table 3.6 highlights the importance of adequate social welfare payments to prevent people becoming at risk of poverty. Over the period covered by these studies, groups similar to *Social Justice Ireland* repeatedly pointed out that these payments had failed to rise in proportion to earnings and incomes elsewhere in society. The primary consequence of this was that recipients slipped further and further back and therefore more and more fell into poverty. In 2025, as we plan future budgetary priorities, it is important that adequate levels of social welfare be maintained to ensure that the mistakes of the past are not repeated. We outline our proposals to achieve this later in the chapter.

Poverty and living costs

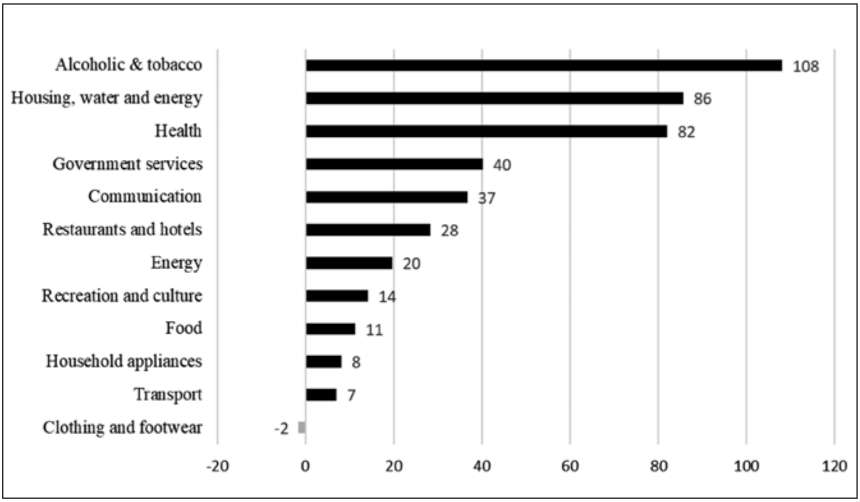
As outlined earlier, poverty rates are calculated using disposable income – the post income tax and welfare transfer amount individuals and households have to make

[5] Available online at www.socialjustice.ie

ends meet. The standard of living this income can provide is further influenced by the recurring day-to-day costs individuals face and their ability to afford these. As we highlight elsewhere in this publication, these effects can be pronounced for people with disabilities, those with recurring illness (and associated medical needs) and low-income families with children.

Overall, Eurostat (2024) has highlighted how Ireland's consumer price levels are notably out of line with those in other EU states – see Chart 3.1. Looking at prices for 2023 they found that the EU's highest price levels were recorded in Denmark (143 per cent of the EU average), Ireland (142 per cent) and Luxembourg (135 per cent) while the lowest were in Bulgaria and Romania (each 60 per cent) and Poland (66 per cent). When compared to European averages Eurostat found that Irish consumers paid more for most areas of day-to-day spending including health (+82 per cent), government services (+40 per cent), communications (+37 per cent), energy (+20 per cent), food (+11 per cent), appliances (+8 per cent) and transport (+7 per cent). Only clothing was cheaper than the EU average (-2 per cent). The analysis highlights the relevance of policy addressing many of the drivers of these higher prices and the potential to improve the living standards of many by adopting initiatives to reduce many of these differences. Given that these lower income households spend a greater proportion of their income, compared to better off households, they would be the group that would benefit most from successful attempts to address many of these price differences.

Chart 3.1: Percentage Difference between Irish Consumer Prices and Average EU levels, 2023



Source: Eurostat online database (prc_ppp_ind)
Note: Relatively high taxes on alcohol and tobacco explain much of the big difference for these commodities.

The Eurostat data also show how housing costs in Ireland, including costs for energy, are 82 per cent higher than the EU average. The effect of housing costs on the living standards of low income households is illustrated in more detail by data released by the CSO as part of their annual SILC report. The data provide an insight into the scale of housing costs (rent, mortgage interest) many households face and highlights how dramatically these living costs reduce disposable income. As a means of illustrating this, the CSO have calculated the proportion of the population with a disposable income below the standard national poverty line after they have paid their housing costs. These results can be compared to the standard poverty rates already outlined in this chapter.

Table 3.7 reports the results of this analysis by household tenure for 2024. It demonstrates how significantly housing costs impact on the living standards of renters and in particular low income families who live in accommodation provided by local authorities or receive social housing supports. After housing costs, just over 40 per cent of renters live on an income below the poverty line with this rate being 43 per cent for local authority tenants and almost 60 per cent for those on HAP, RAS and in receipt of rent supplement. These rates compare to an after-housing costs poverty rate of one in five for the whole population and less that one in ten for households who are owner occupiers. The CSO analysis also highlighted that after housing costs there are big increases in poverty for single parent households, people who are unemployed, the retired and those who live alone.

Table 3.7: Poverty Rates Before and After Housing Costs, by tenure type in 2024

	Before	After
All population	11.7	17.9
Owner occupiers - all	7.3	7.9
with mortgage	*4.3*	*5.5*
without mortgage	*10.3*	*10.3*
Renters or Rent Free - all	21.8	40.6
rent free	*14.4*	*14.4*
LA tenants	*29.5*	*43.4*
with HAP, RAS, rent supplement etc	*21.5*	*57.3*
with no housing supports	*18.7*	*35.5*

Source: CSO SILC Report 2025.
Note: Housing costs include rent and mortgage interest and do not include capital payments on mortgages.

Social Justice Ireland welcomes the publication of these poverty and housing costs figures. They further illustrate the challenges low income household face and provide an important insights into the effectiveness of current social housing supports and the impact of increases in private rental costs on the living standards of those in society with the lowest incomes.[6]

Poverty and deprivation

Income alone does not tell the whole story concerning living standards and command over resources. As we have seen in the NAPS definition of poverty, it is necessary to look more broadly at exclusion from society because of a lack of resources. This requires looking at other areas where 'as a result of inadequate income and resources people may be excluded and marginalised from participating in activities that are considered the norm for other people in society' (Government of Ireland, 1997). Although income is the principal indicator used to assess wellbeing and ability to participate in society, there are other measures. In particular, these measures assess the standards of living people achieve by assessing deprivation through use of different indicators.

Deprivation in the SILC survey

Since 2007 the CSO has presented 11 measures of deprivation in the *SILC* survey, compared to just eight before that. *Social Justice Ireland* and others have expressed serious reservations about the overall range of measures employed in this indicator. We believe that a whole new approach to measuring deprivation should be developed. Continuing to collect information on a limited number of static indicators is problematic in itself and does not present a true picture of the dynamic nature of modern Irish society. However, notwithstanding these reservations, the trends are informative and offer some insight into the changes in income over recent years on households and living standards across the state.

The results presented in table 3.8 shows that in 2024 the rates of deprivation recorded across the set of 11 items varied between 0.6 and 16.7 per cent of the Irish population. Overall, 72 per cent of the population were not deprived of any item, while 12.4 per cent were deprived of one item, 5.8 per cent were without two items and 9.9 per cent were without three or more items. Among those living on an income below the poverty line, 43 per cent experienced deprivation of two or more items.

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[6] See also Chapter 6.

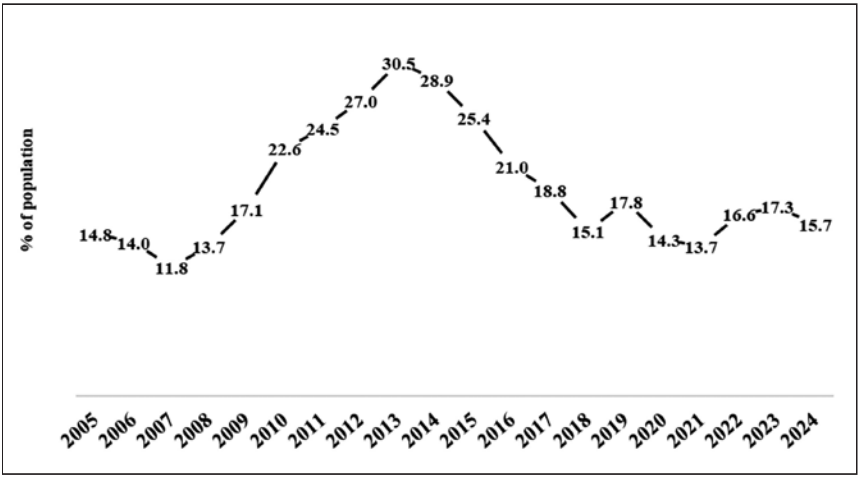
Table 3.8: Levels of Deprivation for Eleven Items Among the Population and Those in Poverty, 2024 (%)

Deprivation Item	Total Population	Those in Poverty
Without heating at some stage in the past year	8.2	16.2
Unable to afford a morning, afternoon or evening out in the last fortnight	10.1	27.4
Unable to afford two pairs of strong shoes	2.3	6.5
Unable to afford a roast once a week	3.7	9
Unable to afford a meal with meat, chicken or fish every second day	1.8	4.9
Unable to afford new (not second-hand) clothes	6.2	19.2
Unable to afford a warm waterproof coat	0.6	1.8
Unable to afford to keep the home adequately warm	4.9	15.3
Unable to replace any worn out furniture	16.7	38.2
Unable to afford to have family or friends for a drink or meal once a month	10.3	23.2
Unable to afford to buy presents for family or friends at least once a year	4.1	10.8

Source: CSO (2025).
Note: Poverty as measured using the 60 per cent median equivalised income poverty line.

It is of interest that from 2007 to 2013, as the economic crisis took hold, the proportion of the population that experienced no deprivation fell from 75.6 per cent in 2007 to 55.1 per cent in 2013. Since then this figure has improved. By 2024 the proportion of the population experiencing deprivation of two or more items (the deprivation rate) was equal to 15.7 per cent of the population, about 845,000 people – see Chart 3.2. The most common deprivation experiences include: being unable to afford to replace worn out furniture, being unable to afford to have family or friends for a drink or meal once a month and being unable to afford a morning, afternoon or evening out in the last fortnight. The recent increase in the deprivation rate, from rates around 14 per cent in 2020-2021, offers an insight into the impact of the cost-of-living crisis on many households who have been forced to cut back on some of the essentials despite the supports provided over 2022-2025.

Chart 3.2: Deprivation Rate, 2005-2024



Source: CSO SILC Reports (various years).

Deprivation and poverty combined: consistent poverty

'Consistent poverty' combines deprivation and poverty into a single indicator. It does this by calculating the proportion of the population simultaneously experiencing poverty and registering as deprived of two or more of the items in Table 3.8. As such, it captures a sub-group of those who are poor.

The *National Action Plan for Social Inclusion 2007-2016* (*NAPinclusion*) published in early 2007 set its overall poverty goal using this earlier consistent poverty measure. One of its aims was to reduce the number of people experiencing consistent poverty to between 2 per cent and 4 per cent of the total population by 2012, with a further aim of eliminating consistent poverty by 2016. A revision to this target was published as part of the Government's *National Reform Programme 2012 Update for Ireland* (Government of Ireland, 2012). The revised poverty target was to reduce the numbers experiencing consistent poverty to 4 per cent by 2016 and to 2 per cent or less by 2020. This target has been retained, and the time period extended to 2025, as part of Government's *Roadmap for Social Inclusion 2020-25* (Government of Ireland, 2020). *Social Justice Ireland* participated in the consultation process on the revision of this and other poverty targets. While we agree with the revised 2 per cent consistent poverty target (it is not possible to measure below this 2 per cent level using survey data) we proposed that this target should be accompanied by other targets focused on the overall population and vulnerable groups.

It should also be noted that, despite various Governments establishing and revising poverty targets on a number of occasions over the past decade, none of these targets have been achieved.

Using the combined poverty and deprivation measures, the 2024 *SILC* data indicates that 5 per cent of the population experience consistent poverty; an increase from 3.6 per cent in 2023 which was the lowest figure recorded for this indicator to date (CSO, 2025). Overall, the 2024 figures suggest that almost 270,000 people live in consistent poverty, despite the impact of short-term cost of living transfers, measures that will not persist across 2025 and beyond. Despite occasional improvements, the underlying position suggested that there is a limited sense of urgency to adequately address the issues pushing Ireland further away from these targets. Overall, the 2024 figures suggest that almost 270,000 people live in consistent poverty. Despite occasional improvements, the underlying position suggests that there is a limited sense of urgency to adequately address the issues pushing Ireland further away from these targets.

The Annex accompanying this chapter also examines the experience of people who are in food poverty and fuel poverty alongside an assessment of the research on minimum incomes standards in Ireland.

The Costs of Poverty

Two recent studies have highlighted the costs that poverty imposes on society and on individuals living in poverty.

A report commissioned by the Society of St Vincent DePaul, and authored by Collins, examined *The Hidden Cost of Poverty* by estimating the public service cost of poverty in Ireland (Collins, 2020). It identified the additional public service costs that Irish society carries as a result of current and past experiences of poverty. The main estimate presented by the report found that the annual public service cost of poverty to Ireland is almost €4.5bn. Expressed in per capita terms this finding implies that poverty imposes a public service cost equivalent to a sum of €913 per person in the state each year (€2,600 per household). The report also noted that this additional public sector expenditure is equivalent to 5.1 per cent of total General Government Revenue and 5 per cent of total General Government Expenditure. Put another way, €1 in every €20 collected by the state from taxes, social insurance and charges ends up being allocated by the state to make up for the way that poverty damages people's lives. *Social Justice Ireland* welcomes this report, it provides a heretofore absent benchmark for the recurring annual costs to the state of poverty, and highlights for all members of society, whether they are above or below the poverty line, the costs incurred by society as a result of poverty.

A CSO report published in November 2024 examined *The Impact of Childhood Poverty Experiences on Adult Life* using data from a module included in the SILC 2023 survey (CSO, 2024). Based on answers from people aged 25-59 about their life situation when they were around 14 years old, the report explored if a person's household circumstances as a teenager are associated with poverty indicators in later life. Among its findings, the report highlighted the intergenerational impacts of lower completed education levels as respondents whose parents had lower secondary education had a 13 per cent risk of poverty as adults compared with 7 per cent for those who had parents with third level education. The CSO report also found that financial disadvantage in childhood appears to persist to adulthood. People who described the financial situation of their teenage home as bad were most likely to be at risk of poverty (16 per cent) or living in enforced deprivation (34.9 per cent) as adults in 2023.

Poverty: a European perspective

It is helpful to compare Irish levels of poverty to those elsewhere in Europe. Eurostat, the European Statistics Agency, produces comparable 'at risk of poverty' figures (proportions of the population living below the poverty line) for each EU member state. The data is calculated using the 60 per cent of median income poverty line in each country. Comparable EU-wide definitions of income and equivalence scale are used.[7] The latest data available for all member states is for the year 2023.

As table 3.9 shows, Irish people experience a below average risk of poverty when compared to all other EU member states. Eurostat's 2008 figures marked the first time Ireland's poverty levels fell below average EU levels. This phenomenon was driven, as outlined earlier in this chapter, by sustained increases in welfare payments in the years prior to 2008. Ireland's poverty levels have remained below EU-average levels since then. In 2022, across the EU, the highest poverty levels were found in the most recent accession: Estonia, Latvia, Romania, Bulgaria and Lithuania. The lowest levels were in Czechia, Denmark and Ireland. The 2023 figure is the lowest rate of income poverty recorded for Ireland since Eurostat started compiling the data from 1995. As outlined earlier, this low rate has been driven by the welcome targeting of short-term cost of livings supports on low income households, those who live alone and children.

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7 Differences in definitions of income and equivalence scales result in slight differences in the poverty rates reported by Eurostat for Ireland when compared to those reported earlier which have been calculated by the CSO using national definitions of income and the Irish equivalence scale.

Table 3.9: The Risk of Poverty in the European Union, 2023

Country	Poverty Risk	Country	Poverty Risk
Estonia	22.5	Austria	14.9
Latvia	22.5	Germany	14.4
Romania	21.1	Slovakia	14.3
Bulgaria	20.6	Poland	14.0
Lithuania	20.6	Cyprus	13.9
Spain	20.2	Hungary	13.1
Croatia	19.3	Netherlands	13.0
Greece	18.9	Slovenia	12.7
Italy	18.9	Belgium	12.3
Luxembourg	18.8	Finland	12.2
Portugal	17.0	**Ireland**	**12.0**
Malta	16.6	Denmark	11.8
Sweden	16.1	Czechia	9.8
France	15.4	**EU-27 average**	**16.2**

Source: Eurostat online database (ilc_li02).

The average risk of poverty in the EU-27 for 2023 was 16.2 per cent. Overall, while there have been some reductions in poverty in recent years across the EU, the data suggests that poverty remains a large and ongoing EU-wide problem. In 2023 the average EU-27 level implied that 71.7 million people live in poverty across the EU.[8]

Income Distribution

As previously outlined, despite improvements, poverty remains a significant problem in Irish society. The purpose of economic development should be to improve the living standards of all of the population. A further loss of social cohesion will mean that large numbers of people continue to experience deprivation and the gap between that cohort and the better-off will widen. This has implications for all of society, not just those who are poor; a reality that has begun to receive welcome attention recently.

[8] We discuss Europe 2030 poverty and social exclusion targets in the Annex to this chapter.

Analysis of the annual income and expenditure accounts yields information on trends in the distribution of national income. However, the limitations of this accounting system need to be acknowledged. Measures of income are far from perfect gauges of a society. They ignore many relevant non-market features, such as volunteerism, caring and environmental protection. Many environmental factors, such as the depletion of natural resources, are registered as income but not seen as a cost. Pollution is not registered as a cost but cleaning up after pollution is classed as income. Increased spending on prisons and security, which are a response to crime, are seen as increasing national income but not registered as reducing human wellbeing.

The point is that national accounts fail to include items that cannot easily be assigned a monetary value. But progress cannot be measured by economic growth alone. However, when judging economic performance and making judgements about how well Ireland is really doing, it is important to look at the distribution of resources as well as its absolute amount.

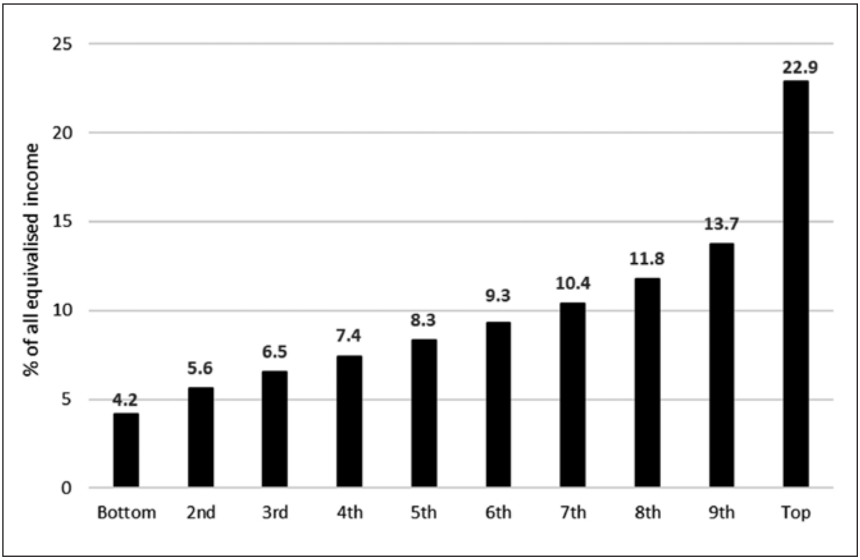
Ireland's income distribution: latest data

The most recent data on Ireland's income distribution, from the 2024 SILC survey (published in March 2025), is summarised in chart 3.3. It examines the income distribution by decile starting with the 10 per cent of individuals with the lowest income (the bottom decile) up to the 10 per cent with the highest income (the top decile).

The data presented is equivalised, meaning that it has been adjusted to reflect the number of adults and children in a household and to make it possible to compare individuals located in households of different sizes and compositions. It measures disposable income which captures the amount of money available to spend after receipt of any employment/pension income, payment of all income taxes, and receipt of any welfare entitlements.

In 2024, the top 10 per cent of the population received almost one quarter of the total income while the bottom decile received just 4.2 per cent. Collectively, the poorest 60 per cent of households received a very similar share (41.3 per cent) to the top 20 per cent (36.6 per cent). Overall, the share of the top 10 per cent is more than 5.5 times the share of the bottom 10 per cent.

Chart 3.3: Ireland's Income Distribution by decile (or 10% group) in 2024



Source: CSO SILC (2025).

Income distribution data for the last few decades suggested that the overall structure of that distribution has been largely unchanged. One overall inequality measure, the Gini coefficient of disposable income (which will be examined in further detail later in this chapter), ranges from 0 (no inequality) to 100 (maximum inequality) and has stood at approximately 30 for Ireland for some time. In 2024 it stood at 26.9; a value that is lower than that expected for future years given the pro-poor distributive effect of many recent cost-of-living measures.

A study by Collins (2017) provided a detailed insight into the nature of the underlying market or direct income distribution; that linked to earnings of all types. The research showed that the distribution of market income is concentrated on incomes of less than €50,000 per annum – representing 80 per cent of all earners. A conclusion of the study is that "the shape of that [earnings] distribution, and the prevalence of low income earners within it, points towards a need for greater consideration to be given to the underlying nature and distribution of market earnings" (Collins, 2017). Given this, we welcome how the SILC report from 2025 onwards has begun to publish figures on the inequality of market income. It shows that in 2024 the market (earnings) income Gini coefficient was 45 suggesting that earnings remain highly concentrated in Irish society. Aside from fair taxation and other redistribution measures, this also points towards the need for adequate pay for low income workers, a point we return to later.

Overall, if we as a society wish to address and close these income divides, future Government policy must prioritise those at the bottom of the income distribution. Otherwise, these divides will persist for further generations and perhaps widen.

Income distribution: a European perspective

A key indicator adopted by the EU at Laeken[9] assesses the income distribution of member states by comparing the ratio of equivalised disposable income received by the bottom quintile (20 per cent) to that of the top quintile. This indicator reveals how far away from each other the shares of these two groups are – the higher the ratio, the greater the income difference. Table 3.10 presents the most up-to-date results of this indicator for EU states. Ireland's ratio of 3.9 is below the EU average. Overall, the greatest differences in the shares of those at the top and bottom of income distribution are found in many of the newer and poorer member states. However, some EU-15 members, including Portugal, Spain, Greece and Italy also record large differences.

Table 3.10: Ratio of Disposable Income Received by Bottom Quintile to That of the Top Quintile in the EU-27, 2023

Country	Ratio	Country	Ratio
Bulgaria	6.6	Hungary	4.5
Lithuania	6.3	Germany	4.4
Latvia	6.2	Austria	4.3
Romania	5.8	Cyprus	4.3
Portugal	5.6	Denmark	4.2
Spain	5.5	Poland	4.1
Estonia	5.4	Netherlands	3.9
Malta	5.3	**Ireland**	**3.9**
Greece	5.3	Finland	3.8
Italy	5.3	Slovakia	3.6
Croatia	4.9	Czechia	3.4
Luxembourg	4.8	Belgium	3.4
Sweden	4.7	Slovenia	3.3
France	4.6	**EU-27 average**	**4.7**

Source: Eurostat online database (ilc_di11).

9 In December 2001 the European Council agreed on a list of social indicators to guide the fight against poverty.

A further measure of income inequality is the aforementioned Gini coefficient, which ranges from 0 to 100 and summarises the degree of inequality across the entire income distribution (rather than just at the top and bottom).[10] The higher the Gini coefficient score the greater the degree of income inequality in a society. As table 3.11 shows, over time income inequality has been reasonably static in the EU as a whole, although within the EU there are notable differences. Countries such as Ireland cluster around the average EU score and differ from some other high-income EU member states which record lower levels of inequality. As the table shows, over time the degree of inequality is generally at a lower scale in countries like Finland, Sweden and the Netherlands. For Ireland, the key point is that despite the aforementioned role of the social transfer system, and short-term effects from cost-of-living measures, the underlying degree of direct income inequality dictates that our income distribution remains much more unequal than in many of the EU countries we wish to emulate in terms of economic and social development.

Table 3.11: Gini Coefficient Measure of Income Inequality for Selected EU States, 2005-2023

	2005	2010	2015	2020	2023
EU-27	**30.6**	**30.2**	**30.8**	**30.0**	**29.6**
Ireland	**31.9**	**30.7**	**29.7**	**27.6**	**27.4**
Spain	32.2	33.5	34.6	32.1	31.5
France	27.7	29.8	29.2	29.2	29.7
Germany	26.1	29.3	30.1	30.5	29.4
Sweden	23.4	25.5	26.7	26.9	29.5
Finland	26.0	25.4	25.2	26.5	26.6
Netherlands	26.9	25.5	26.7	28.2	26.5

Source: Eurostat online database (ilc_di12).
Notes: The Gini coefficient is for equivalised disposable income. EU-27 data for 2005-2009 excludes Croatia, EU-27 data for 2010 onwards excludes UK.

Income Distribution and Recent Budgets

Budget 2025 marked the fifth and final Budget of the coalition Government that held office from 2020-2025. The first two of these were presented in the context of the challenging Covid-19 pandemic while the third and fourth were presented

[10] See Collins and Kavanagh (2006: 159-160) who provide a more detailed explanation of this measure.

during the cost-of-living crisis and the fifth at the end of that crisis period (Budget 2025 in October 2024).

Here, we track the cumulative impact of changes to income taxation and welfare over that Government's five Budgets – we do so by comparing the disposable income of households in 2025 with their disposable income when the Government took office in 2020. The analysis draws on the output of our income distribution model, our post-Budget 2025 analysis and our 2025 edition of *Tracking the Distributive Effects of Budget Policy* (Social Justice Ireland, 2024 and 2025).[11] As different policy priorities can be articulated for each Budget and policy initiative, it is useful to bring together the cumulative effect of all these policy changes on various household types.

Our analysis captures changes to the value of core welfare payments and changes to tax credits, tax bands and PRSI rates announced in those five Budgets; policy measures we have referred to earlier as 'permanent measures'. As the analysis is intended to highlight the underlying distributive picture of recent Government policy, we have not included the various temporary income support measures which were also part of these Budgets.

The households we examine are spread across all areas of society and capture those with a job, families with children, those unemployed and pensioner households. Within those households that have income from a job we include workers on incomes ranging from €30,000 to €200,000; €30,000 is almost equivalent to the living wage for a single worker. In the case of working households, the analysis is focused on PAYE earners only.

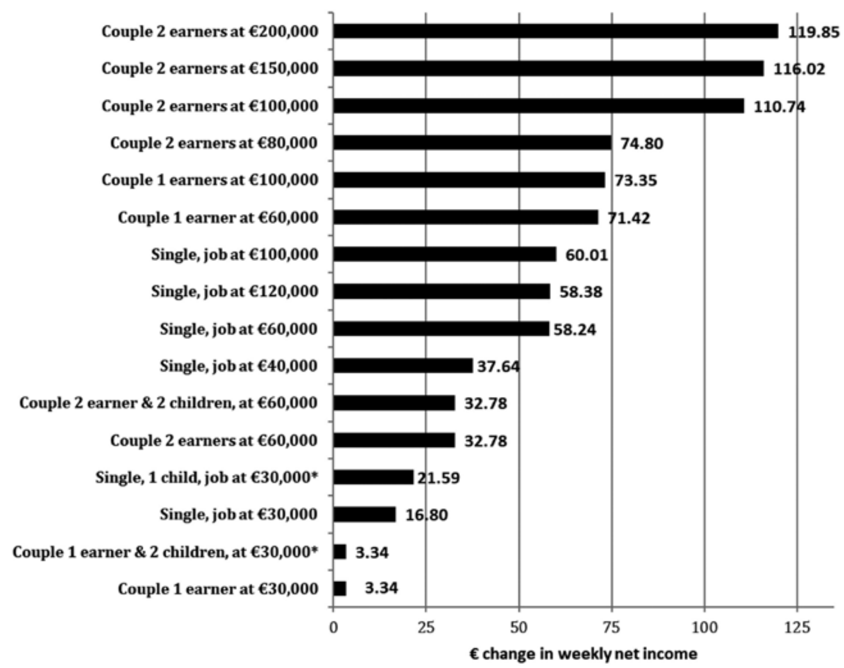
At the outset it is important to stress that our analysis does not take account of some other budgetary changes, most particularly to indirect taxes (VAT and excise), other charges (such as prescription charges and state exam fees) and property taxes. Similarly, it does not capture the impact of changes to the provision of public services or the many emergency measures that were introduced to respond to the Covid-19 emergency. As the impact of these measures differs between households it is impossible to quantify precise household impacts and include them here. Also, it does not include changes in earnings although CSO data indicate that these have been significant over the past three to four years reflecting shortages of labour, inflation pressures and public-sector pay agreements.

Comparing 2020 to 2025 for households with jobs (see Chart 3.4), the weekly income gains experienced range from €3.34 per week (for low-income couples on €30,000) to €110-120 per week for couples with incomes over €100,000. The analysis highlights the gaps that recent Budget policy has opened up among working households; divides visible in this analysis but missing in much of the Budgetary commentary which did not distinguish between the transitory temporary measures and the tax and welfare changes that will persist. For example, comparing a couple

11 This document is available on our website.

with two earners on €60,000 to a couple with two earners on €100,000, the five budgets have delivered €39.32 more per week to the higher income household; opening up a gap between these households of €2,050 per annum. The analysis also demonstrates how low-income working families, those with incomes below the standard rate income tax threshold, have gained least from the Government's measures over the past five years.

Chart 3.4: Cumulative Tax and Benefit Increase in Weekly Income for Households with Jobs, 2020-2025



Source: *Social Justice Ireland* Income Distribution Model.

Notes: *Depending on circumstances, these household may also be entitled to the Working Family Payment. Couple one earner is assumed to receive the Home Carer Tax Credit.

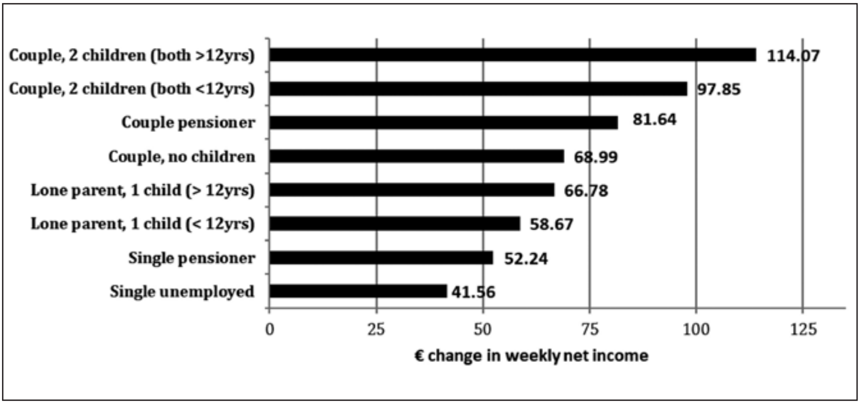
Among households dependent on welfare (see Chart 3.5), the gains have ranged from €42 per week for single unemployed individuals to €114 per week for unemployed couples with 2 children over 12 years of age. The gains are largest for welfare dependent household with children who benefited from a series of very welcome increases to the weekly qualified child allowance over the period;

for children under 12 this has increased from €36 in 2020 to €50 in 2025 and for children over 12 the increase was from €40 to €62.

By looking at permanent (rather than once-off temporary) changes to income taxation and welfare rates our analysis provides a clearer picture of the distributive record of budgetary policy over the period of office of the last Government (2020-2025). Despite welcome welfare increases, particularly for families with children, it is the highest earners who have gained most over the five budgets.

The deterioration in the relative standing of low and middle income households presents a troubling picture, one that will reveal itself further in the official income distribution data from the CSO for 2025 and 2026 onwards. *Social Justice Ireland* regrets that much of the recent progress on income distribution and inequality will have been reversed by these policy choices. Looking ahead, reversing these increased income gaps will pose important challenges for future budgetary policy.

Chart 3.5: Cumulative Tax and Benefit Increase in Weekly Income for Welfare Dependent Households, 2020-2025

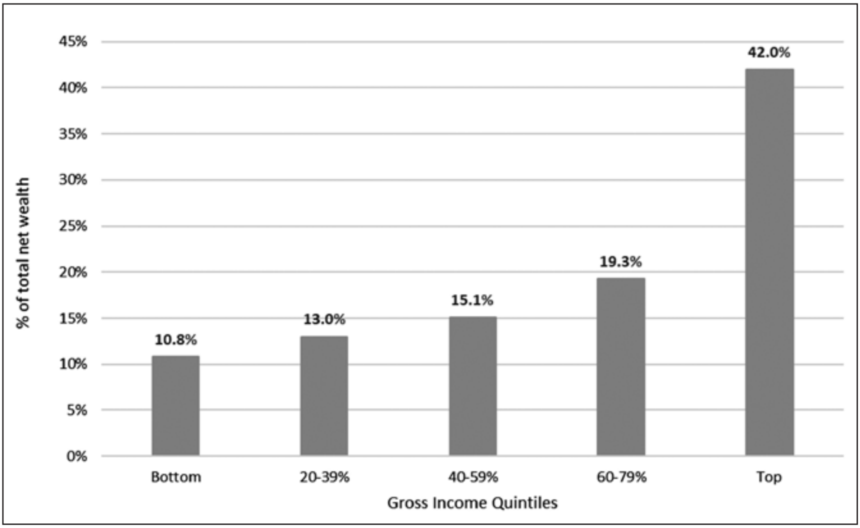


Source: *Social Justice Ireland* Income Distribution Model.

Ireland's Wealth Distribution

While data on income and poverty levels has improved dramatically over the past two decades, a persistent gap has been our knowledge of levels of wealth in Irish society.

Chart 3.6: Distribution of Net Wealth by Gross Income Quintile, 2020



Source: Compiled from CSO HFCS online database.

Data on wealth is important, as it provides a further insight into the distribution of resources and an insight into some of the underlying structural components of inequality. A welcome development was the publication by the CSO in early 2015 of the first Household Finance and Consumption Survey (HFCS). The HFCS is part of a European initiative to improve countries knowledge of the socio-economic and financial situations of households across the EU. For the first time, its results offer robust information on the types and levels of wealth that households in Ireland possess. To date there have been three rounds of the HFCS published, with the latest for 2020 published during 2022.

The CSO's net wealth measure includes the value of all assets (housing, land, investments, valuables, savings and private pensions) and removes any borrowings (mortgages, loans, credit card debt etc) to give the most informative picture of households' wealth. Table 3.12 and Chart 3.6 outline some of the key results from the 2020 data including that the median (middle) household net wealth in Ireland in 2020 was €193,100. The CSO data indicate that most Irish household wealth is concentrated in property and in particular, housing. As the chart demonstrates, wealth is dramatically concentrated in the top quintile (twenty per cent group) of the income distribution. The Gini coefficient for net wealth in 2020 was 65, more than twice the level recorded for income inequality.

Table 3.12: Household Net Wealth in Ireland by Income Quintile, 2020

Income Quintile	Median net wealth	Mean net wealth
Bottom	112,400	185,600
20-39%	137,400	230,300
40-59%	134,800	267,900
60-79%	208,000	342,300
Top	402,600	747,300
All Households	**193,100**	**353,600**

Source: Compiled from CSO HFCS online database.

The composition and distribution of wealth points towards policy issues to be considered, concerning inheritance taxes (capital acquisitions tax), gift taxes and capital gains taxes – some of which are addressed in the next chapter. The arrival of this new data also allows, for the first time, an opportunity for informed consideration of policy options around wealth, as well as income inequality. As further analysis of this data, and new editions emerge, *Social Justice Ireland* looks forward to contributing to that debate.

3.2 Key Policies and Reforms

Paying a Living Wage

Over the past decade *Social Justice Ireland* and a number of other organisations have come together to form a technical group which researched and developed a Living Wage for Ireland. In July 2014 the group launched a website (www.livingwage.ie) and a technical paper outlining how the concept is calculated. The latest update to the figure was published in September 2024 and reported a Living Wage rate of €14.75 per hour for 2024/25.

What is a Living Wage?

The establishment of a Living Wage Rate for Ireland adds to a growing international set of similar figures which reflect a belief across societies that individuals working full-time should be able to earn enough income to enjoy a decent standard of living. The Living Wage is a wage which makes possible a minimum acceptable standard of living. Its calculation is evidence based and built on budget standards research which is grounded in social consensus.

In principle, a living wage is intended to establish an hourly wage rate that should provide employees with sufficient income to achieve an agreed acceptable minimum standard of living. In that sense it is an income floor, representing a figure which allows employees to afford the essentials of life. Earnings below the living wage suggest employees are forced to do without certain essentials so they can make ends meet.

How is the Living Wage Calculated?

The Living Wage for Ireland is calculated on the basis of the Minimum Essential Standard of Living (MESL) research in Ireland, conducted by the Vincentian MESL Research Centre. This research establishes a consensus on what members of the public believe is a minimum standard that no individual or household should live below.

The Living Wage Technical Group decided to focus the calculation of a Living Wage for the Republic of Ireland on a single-adult household. In its examination of the methodological options for calculating a robust annual measure, the group concluded that a focus on a single-adult household was the most practical approach. However, in recognition of the fact that households with children experience additional costs which are relevant to any consideration of such households standards of living, the group has also published estimates of a Family Living Income each year.[12]

The calculations established a Living Wage for the country as a whole, with costs examined in four regions: Dublin, other Cities, Towns with a population above 5,000, and the rest of Ireland. The expenditure required varied across these regions and, reflecting this, so too did the annual gross income required to meet this expenditure. To produce a single national rate, the results of the gross income calculation for the four regions were averaged; with each regional rate being weighted in proportion to the population in the labour force in that region. The weighted annual gross income is then divided by the number of weeks in the year (52.14) and the number of working hours in the week (39) to give an hourly wage. Where necessary, this figure is rounded up or down to the nearest five cent.[13] The Technical Group plans to update this number on an annual basis.

Over the past few years Government have proposed an alternative Living Wage, calculated as a proportion of average hourly earnings. For 2025 this figure is estimated as €13.70 (Living Wage Technical Group, 2024a). However, we regret that the new Programme for Government (2025) does not make any commitment to implementing a Living Wage.

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12 See Living Wage Technical Group (2024a:4).

13 A more detailed account of the methodology used to calculate the Living Wage has been published by the Living Wage Technical Group (2024b) and is available at www.livingwage.ie

The Merits of a Living Wage

Social Justice Ireland believes that concepts such as the Living Wage have an important role to play in addressing the persistent income inequality and poverty levels outlined earlier in this chapter. As shown in table 3.4, there are many adults living in poverty despite having a job – the working poor. Improvements in the low pay rates received by many employees offers an important method by which levels of poverty and exclusion can be reduced. Paying low paid employees a Living Wage offers the prospect of significantly benefiting the living standards of these employees and we hope to see this new benchmark adopted across many sectors of society in the years to come.

Maintaining an Adequate Level of Social Welfare

A lesson from past experiences of economic recovery and growth is that the weakest in our society get left behind unless welfare increases keep track with increases elsewhere in the economy. Consequently, *Social Justice Ireland* believes that benchmarking minimum rates of social welfare payments to movements in average earnings is therefore an important policy priority.

Over 15 years ago, Budget 2007 benchmarked the minimum social welfare rate at 30 per cent of Gross Average Industrial Earnings (GAIE). This was a key achievement and one that we correctly predicted would lead to reductions in poverty rates, complementing those already achieved and detailed earlier.[14] Since then, the CSO discontinued its *Industrial Earnings and Hours Worked* dataset and replaced it with a more comprehensive set of income statistics for a broader set of Irish employment sectors. A subsequent report for *Social Justice Ireland* found that 30 per cent of GAIE is equivalent to 27.5 per cent of the new average earnings data being collected by the CSO (Collins, 2011). A figure of 27.5 per cent of average earnings is therefore the appropriate benchmark for minimum social welfare payments and reflects a continuation of the previous benchmark using the current CSO earnings dataset.

Table 3.13 applies this benchmark using the latest CSO Earnings and Labour Costs data. By the end of 2024 average weekly earnings equalled €968.25. Taking this as the starting point for earnings in 2025, we can determine that the updated value of 27.5 per cent of average weekly earnings equals €266.27 implying a shortfall of just over €22 between the minimum social welfare rates being paid in 2025 (€244) and this threshold.

Given the importance of this benchmark to the living standards of many in Irish society, and its relevance to anti-poverty commitments, the current deficit highlights a need for the Government, and Budget 2026, to further increase minimum social welfare rates and commit to converging on a benchmark equivalent to 27.5 per cent of average weekly earnings. We will further update the calculations as part of our pre-Budget submission, *Budget Choices*, in mid-2025.

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[14] Annex 3 outlines how this significant development occurred.

Table 3.13: Benchmarking Social Welfare Payments for 2025 (€)

Year	Average Weekly Earnings (AWE)	27.5% of AWE	Jobseekers Payment
2021	853.08	234.60	203.00
2022	883.59	242.99	208.00
2023	918.31	252.54	220.00
2024	968.25	266.27	232.00
start of 2025	968.25	266.27	244.00

Note: Earnings data from CSO Earnings and Labour Costs database.

Individualising social welfare payments

The issue of individualising payments so that all recipients receive their own social welfare payments has been on the policy agenda in Ireland and across the EU for several years.

At present the welfare system provides a basic payment for a claimant, whether that be, for example, for a pension, a disability payment or a jobseeker's payment. It then adds an additional payment of about two-thirds of the basic payment for a second person. For example, following Budget 2025, a couple on the lowest social welfare rate receives a payment of €406 per week. This amount is approximately 1.66 times the payment for a single person (€244). Were these two people living separately they would receive €244 each; giving a total of €488. Thus, by living as a household unit such a couple receive a lower income than they would were they to live apart.

Social Justice Ireland believes that this system is unfair and inequitable. We also believe that the system as currently structured is not compatible with the Equal Status Acts (2000-2018). People, more often than not women, are disadvantaged by living as part of a household unit because they receive a lower income. We believe that where a couple is in receipt of welfare payments, the payment to the second person should be increased to equal that of the first. An effective way of doing this would be to introduce a basic income system (see next subsection).

Introducing a Basic Income

Over the past two decades major progress has been achieved in building the case for the introduction of a Basic Income in Ireland. This includes the publication of a *Green Paper on Basic Income* by the Government in September 2002 (Department of An Taoiseach, 2002) and the publication of a book by Clark entitled *The Basic Income Guarantee* (Clark, 2002). More recently, *Social Justice Ireland* hosted a conference and published a book on Basic Income (*Basic Income: Radical Utopia or Practical Solution?)*, new European and Irish Basic Income networks have emerged, and the concept of a Basic Income has moved to become one commonly discussed and considered in public policy contexts.[15] *Social Justice Ireland* welcomed the commitment in the *Programme for Government - Our Shared Future* (Government of Ireland, 2020a) to the adoption of a Universal Basic Income pilot and we look forward to engaging with Government on the commitment in the current Programme for Government- Securing Ireland's Future to the evaluation of that initiative in the arts sector. We regret however there seems to be no further commitment by Government to the concept of a Basic Income. We note that the initial insights suggest that this initiative is working well and having broad benefits. We will also engage with any proposals that emerge from the Low Pay Commission's consideration of a Basic Income scheme. Recent results from the European Social Survey suggest that 58 per cent of the Irish population are in favour of the introduction of a Basic Income.

The case for a Basic Income

Social Justice Ireland has consistently argued that the present tax and social welfare systems should be integrated and reformed to make them more appropriate to the changing world of the 21st century. To this end we have sought the introduction of a Basic Income system. This proposal is especially relevant at the present moment of economic upheaval.

A Basic Income is an income that is unconditionally granted to every person on an individual basis, without any means test or work requirement. In a Basic Income system every person receives a weekly tax-free payment from the Exchequer while all other personal income is taxed, usually at a single rate. The basic-income payment would replace income from social welfare for a person who is unemployed and replace tax credits for a person who is employed.

Basic income is a form of minimum income guarantee that avoids many of the negative side-effects inherent in social welfare payments. A Basic Income differs from other forms of income support in that:

- It is paid to individuals rather than households;
- It is paid irrespective of any income from other sources;
- It is paid without conditions; it does not require the performance of any work or the willingness to accept a job if offered one; and
- It is tax free.

There is real danger that the plight of large numbers of people excluded from the benefits of the modern economy will be ignored. Images of rising tides lifting all boats are often offered as government's policy makers and commentators assure

[15] These networks are the European Citizens' Initiative for Unconditional Basic Income and Basic Income Ireland.

society that prosperity for all is just around the corner. Likewise, the claim is often made that a job is the best poverty fighter and consequently priority must be given to securing a paid job for everyone. These images and claims are no substitute for concrete policies to ensure that all members of society are included. Twenty-first century society needs a radical approach to ensure the inclusion of all people in the benefits of present economic growth and development. Basic Income is such an approach.

As we are proposing it, a Basic Income system would replace most social welfare payments and income tax credits. It could be set at a level that would guarantee an income above the poverty line for everyone. It would not be means-tested. There would be no ‘signing on’ and no restrictions or conditions. In practice, a Basic Income recognises the right of every person to a share of the resources of society.

The Basic Income system ensures that looking for a paid job and earning an income, or increasing one’s income while in employment, is always worth pursuing, because for every euro earned the person will retain a large part, while they retain their Basic Income payment. It thus removes poverty traps and unemployment traps in the present system. Furthermore, women and men would receive equal payments in a Basic Income system. Consequently, the Basic Income system promotes gender equality because it treats every person equally.

It is a system that is altogether more secure, rewarding, simple and transparent than the present tax and welfare systems. It is far more employment-friendly than the present system. It also respects other forms of work besides paid employment. This is crucial in a world where these benefits need to be recognised and respected. It is also very important in a world where paid employment cannot be permanently guaranteed for everyone seeking it. There is growing pressure and need in Irish society to ensure recognition and monetary reward for unpaid work. Basic income is a transparent, efficient and affordable mechanism for ensuring such recognition and reward.

Basic income also lifts people out of poverty and the dependency mode of survival. In doing this, it restores self-esteem and broadens horizons. Poor people, however, are not the only ones who should welcome a Basic Income system. Employers, for example, should welcome it because its introduction would mean they would not be in competition with the social welfare system. Since employees would not lose their Basic Income when taking a job, there would always be an incentive to take up employment. Healy and Reynolds (2016: 22-26) address and refute a number of other objections raised against the Basic Income proposal.

Costing a Basic Income

During 2016 Murphy and Ward presented an estimate for the cost of a Basic Income for Ireland. Using administrative data from the Census, social protection system and taxation system, the paper estimated a cost where payments were structured as follows: children = €31.05 per week; adults of working age = €150.00 per week;

older people aged 66-79 = €230.30 per week; and older people aged 80+ = €240.30 per week). The paper estimated a total cost of €31.3 billion per annum for a Basic Income and outlined a requirement to collect a total of €41.3 billion in revenue (tax and social insurance) to fund a Basic Income plus the retention of other existing targeted welfare supports. It was noted that the necessary revenue could be raised via a flat 40 per cent personal income tax[16] and a increase in employers PRSI contributions, from 10.75 per cent to 13.5 per cent. Under such a system, no individual would actually have an effective tax rate of 40 per cent, as they would always receive their full Basic Income and it would always be tax-free. For example, a single earner on €60,000 would face a net tax rate (after receiving their Basic Income payment) of 27 per cent (Murphy and Ward, 2016: 132).

Overall, the paper offers an affordable and sustainable structure for implementing a Basic Income system in Ireland.

Arguing for a Basic Income

For many decades, the European social model has been offering its citizens a future that it has obviously failed to deliver. Despite strong rhetoric to the contrary, economic issues, targets and outcomes are constantly prioritised over social issues. As a result, poverty, unemployment and social exclusion have been growing. It is time to recognise that current policy approaches are not working and that an alternative is required.

The introduction of a Basic Income system would be a radical step towards a desirable future where nobody would be excluded. It would also provide a practical solution to several of the major challenges faced by our societies today if they wish to ensure that every man, woman and child has sufficient income to live life with dignity, has access to meaningful work, and can genuinely participate in shaping the world around them and the decisions that impact on them.

It is regrettable that, during 2022, the Commission on Taxation and Welfare did not recommend the adoption of a Basic Income. Their limited assessment of the merit of this proposal underscores the need for organisations, including *Social Justice Ireland*, to build a clearer and more accessible argument for this long overdue policy reform. We look forward to doing so in the period ahead.

The following are ten reasons to introduce a Basic Income:

- It is work and employment friendly.
- It eliminates poverty traps and unemployment traps.

[16] This was for illustrative purposes. The authors believe the money could, and should, be raised in a more progressive manner.

- It promotes equity and ensures that everyone receives at least the poverty threshold level of income.
- It spreads the burden of taxation more equitably.
- It treats men and women equally.
- It is simple and transparent.
- It is efficient in labour-market terms.
- It rewards types of work in the social economy that the market economy often ignores, e.g. home duties, caring, etc.
- It facilitates further education and training in the labour force.
- It faces up to the changes in the global economy.

3.3 Key Policy Priorities

Social Justice Ireland believes that the following policy positions should be adopted in responding to the poverty, inequality and income distribution challenges highlighted throughout this chapter.

- If poverty rates are to fall in the years ahead, *Social Justice Ireland* believes that the following are required:
    - ♦ increase in social welfare payments.
    - ♦ equity of social welfare rates.
    - ♦ adequate payments for children.
    - ♦ refundable tax credits.
    - ♦ decent rates of pay for low paid workers.
    - ♦ a universal state pension.
    - ♦ a cost of disability payment.

Social Justice Ireland believes that in the period ahead Government and policy makers generally should:

- Acknowledge that Ireland has an on-going poverty problem.
- Adopt targets aimed at reducing poverty among particular vulnerable groups such as children, lone parents, jobless households, and those in social rented housing.
- Examine and support viable alternative policy options aimed at giving priority to protecting vulnerable sectors of society.

- Carry out in-depth social impact assessments prior to implementing proposed policy initiatives that impact on the income and public services that many low income households depend on. This should include the poverty-proofing of all public policy initiatives.
- Recognise the problem of the ‘working poor’. Make tax credits refundable to help address the situation of households in poverty which are headed by a person with a job.
- Support the widespread adoption of the Living Wage so that low paid workers receive an adequate income and can afford a minimum, but decent, standard of living.
- Introduce a cost of disability allowance to address the poverty and social exclusion of people with a disability.
- Recognise the reality of poverty among migrants and adopt policies to assist this group. In addressing this issue also replace direct provision with a fairer system that ensures adequate allowances are paid to asylum seekers.
- Accept that persistent poverty should be used as the primary indicator of poverty measurement and assist the CSO in allocating sufficient resources to collect this data.
- Move towards introducing a comprehensive Basic Income system.

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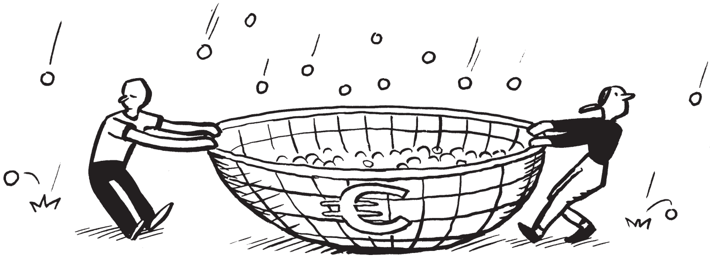
Eurostat online database, web address: http://ec.europa.eu/eurostat

Chapter four

Chapter 4
Taxation

Core Policy Objective:
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.

Key Issues/Evidence



Ireland needs to broaden its tax base and increase its overall tax take.

Decisions to raise or reduce overall taxation revenue should be linked to demands on resources now and into the future including:

paying for the health and pension needs of an ageing population

funding local government

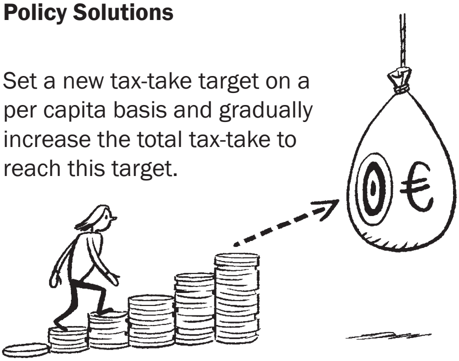
repairing and modernising our water infrastructure

paying EU contributions and funding any pollution reducing environmental initiatives

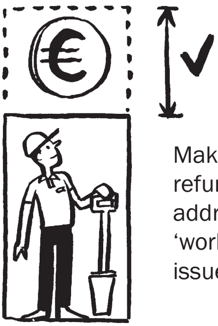
International research shows that higher levels of taxation do not damage competitiveness.

Policy Solutions

Set a new tax-take target on a per capita basis and gradually increase the total tax-take to reach this target.

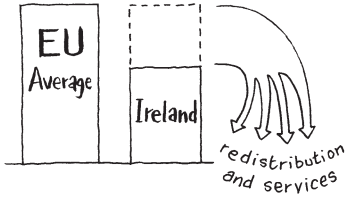


Poverty proof budget tax changes to ensure they do not widen rich poor gap.



Make tax credits refundable to address the 'working poor' issue.

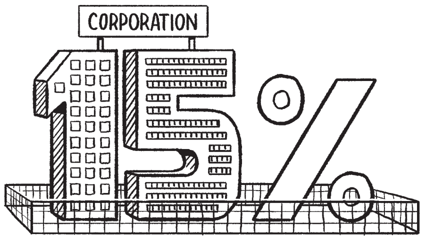
Reform tax expenditures and monitor the cost and benefits of all current and new tax expenditures.



Collect sufficient revenue to provide redistribution and public services at average-European levels.

Increase PRSI to strengthen the social insurance system.

Adopt policies which shift the burden of taxation from income tax to eco-taxes on the consumption of fuel and fertilisers, waste taxes and a site value tax.



Adopt policies to ensure that the 15 per cent minimum effective corporate tax rate for large firms is successfully implemented, and extend this to all corporate taxpayers by 2031.

Chapter 4

TAXATION

Core Policy Objective:
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.

The experience of the last two decades has highlighted the centrality of taxation in budget deliberations and to policy development at both macro and micro level. Taxation plays a key role in shaping Irish society through funding public services, supporting economic activity, and redistributing resources to enhance the fairness of society. Consequently, it is crucial that clarity exist with regard to both the objectives and instruments aimed at achieving these goals. To ensure the creation of a fairer and more equitable tax system, policy development in this area should adhere to our core policy objective outlined above. In that regard, *Social Justice Ireland* is committed to increasing the level of detailed analysis and debate addressing this area.[1]

This chapter addresses the issue of taxation in three parts. The first (section 4.1) examines key evidence relating to Ireland's present taxation position and outlines the anticipated future taxation needs of the country. Subsequently, section 4.2 considers the key policy reforms that we believe should be pursued, including approaches to reforming and broadening the tax base, and proposals for building a fairer tax system. The chapter concludes (section 4.3) by summarising our key policy priorities in this area.

If the challenges and needed reforms we address in this chapter are to be effectively addressed, *Social Justice Ireland* believes that Government's key policy priorities in this area should be to:

- increase the overall tax-take;

[1] We present our analysis in this chapter and in the accompanying Annex 4 available at https://www.socialjustice.ie/publication.

- adopt policies to broaden the tax base; and
- develop a fairer taxation system.

4.1 Key Evidence

Assessing the Adequacy of Ireland's Total Tax-Take

The need for a wider tax base is a lesson painfully learnt by Ireland during the 2008-2011 economic crisis. A disastrous combination of a naïve housing policy, a failed regulatory system, and foolish fiscal policy and economic planning caused a collapse in exchequer revenues. It is only through a strategic and determined effort to reform Ireland's taxation system that these mistakes can be avoided in the future. The narrowness of the Irish tax base resulted in almost 25 per cent of tax revenues disappearing, plunging the exchequer and the country into a series of fiscal policy crises. As shown in Table 4.1, tax revenues collapsed from over €63bn in 2007 to a low of €47.4bn in 2010; it has since increased exceeding 2007 levels in 2016 and reaching almost €77bn in 2020 and almost €115bn three years later. By 2023 total tax revenue was 82 per cent higher than the boom-time peak experienced in 2007. This recovery, while both significant and remarkable, has a number of aspects which suggest that current total taxation levels are fuelled by short-term revenue linked to full-employment, consumption linked to short-term cost of living supports, and windfall revenue from a small number of multi-national companies in the pharma and tech sector. The Department of Finance and the Irish Fiscal Advisory Council estimate that between €14bn-€19bn of annual corporation tax revenue in the period 2024-2030 can be considered 'excess'; plus in 2024 there is a further €15bn of tax revenue linked to the Apple tax case (IFAC, 2024: 4). Overall, and excluding the Apple tax settlement funds, between €20bn-€30bn of current total taxation revenue is vulnerable to disappear rapidly in the context of international taxation and trade reforms and from any sudden economic downturn. This vulnerability underscores the need for a broad based and sustainable taxation system, one Ireland is worryingly lacking.

Table 4.1: The Changing Nature of Ireland's Tax Revenue (€m)

	2007	2010	2015	2020	2023
Direct Taxes	26,087	19,569	27,863	37,294	59,709
Indirect Taxes	25,854	18,076	22,487	23,743	33,223
Capital Taxes	432	245	401	505	634
Social Contributions	10,723	9,511	12,221	15,410	21,281
Total Taxation	**63,096**	**47,401**	**62,971**	**76,951**	**114,847**
% GDP	32.0%	28.3%	23.1%	20.1%	22.5%
% GNP	37.4%	34.0%	29.9%	27.6%	29.6%
% GNI	37.0%	33.7%	29.7%	27.5%	29.6%
% GNI*	38.1%	36.7%	37.4%	38.8%	39.5%
% GNDI	37.6%	34.3%	30.2%	27.9%	30.0%

Source: CSO online database (GFA03, NA001 and NA009).

Notes: Total taxation expressed as a percentage of published CSO national income figures at current prices. GDNI is Gross National Disposable Income and represents the total income available to the nation for either consumption or saving. Latest full year tax data is for 2023 - published in October 2024.

Future taxation needs

Government decisions to raise or reduce overall taxation revenue need to be linked to the demands on its resources. These demands depend on what Government is required to address or decides to pursue. The effects of the 2008-2012 economic crisis, and the way it was handled, also carry significant implications for our future taxation needs. The rapid increase in our national debt, driven by the need to borrow both to replace disappearing taxation revenues and to fund emergency 'investments' in the failing commercial banks, has increased the on-going annual costs associated with servicing the national debt. Similarly, the need for the state to rescue or support so many aspects of our economy and society during the COVID-19 pandemic triggered large scale borrowing and future liabilities to both service and repay this debt.

Ireland's national debt increased from a level of 24 per cent of GDP in 2007 - low by international standards - to peak at 120 per cent of GDP in 2013. Documents from the Department of Finance, to accompany Budget 2022, moved to express debt levels as a percentage of GNI* given how misleading GDP has recently become. Those for Budget 2025 indicated that that debt levels reached 75.9 per cent of GNI* (€221 billion) in 2023 and anticipated these will fall to 63.8 per cent of GNI* (€211 billion) in 2025 driven by savings from the aforementioned windfall corporate taxes. Despite favourable lending rates and payback terms, there remains a recurring cost to service this debt – costs which have to be financed by current taxation revenues and which are vulnerable to sudden movements in international interest rates. The estimated debt servicing cost for 2025 is €3.4bn (Department of Finance, 2022a: 37, 52 and 2024a: 30, 43).

These new future taxation needs are in addition to those that already exist for funding local government, repairing and modernising our water infrastructure, paying for the health and pension needs of an ageing population, paying EU contributions, responding to the housing crisis, and funding any pollution reducing environmental initiatives that are required by European and International agreements. Collectively, they mean that Ireland's overall level of taxation will have to rise significantly in the years to come – a reality Irish society and the political system need to begin to seriously address and one *Social Justice Ireland* stressed in our 2022 submission to the Commission on Taxation and Welfare.[2] Given that, we welcome how clearly this was reflected in the first recommendation of the Commission which states that "…the overall level of revenues raised from tax and Pay Related Social Insurance as a share of national income must increase materially to meet these challenges" (2022: 55).

As an organisation that has highlighted the obvious implications of these long-terms trends for some time, *Social Justice Ireland* welcomes this development and the continued inclusion by Government of a section focused on the long-term sustainability of public finances in the annual *Stability Programme Update* (SPU).

Research by the Department of Finance, using the European Commission *2024 Ageing Report* as the basis for its assumptions from 2022-2050, provides some insights into future exchequer demands associated with health care and pensions in Ireland in the decades to come. These findings are summarised in table 4.2. Over the period, the report anticipates an increase in the older population (65 years +) from approximately 773,000 people in 2022 to 1.2m in 2040 and to 1.5m in 2050. Over the same period, the proportion of those of working age will decline as a percentage of the population, and the old-age dependency ratio will increase from almost four people of working age for every older person today to just over two for every older person by 2050 (Department of Finance, 2024b: 47-48). While these increases imply a range of necessary policy initiatives in the decades to come, there is an inevitability that an overall higher level of taxation will have to be collected.

2 See https://www.socialjustice.ie/publication/social-justice-irelands-submission-commission-taxation-and-welfare

Table 4.2: Projected Age-Related Expenditure as % GNI*, 2022-2050

Expenditure areas	2022	2030	2040	2050	change 2022-2050
Total Pension Expenditure	7.0	7.6	9.3	11.0	+4.0
of which:					
Social Welfare pensions	*5.4*	*6.0*	*7.4*	*9.2*	*+3.8*
Public sector pensions	*1.6*	*1.6*	*1.9*	*1.8*	*+0.2*
Health care	7.6	8.0	8.7	9.3	+1.7
Long-term care	2.3	2.5	3.0	3.6	+1.3
Education	5.2	4.5	4.0	4.2	-1.0
Total age-related spending	**22.0**	**22.7**	**24.9**	**28.0**	**+6.0**

Source: Department of Finance (2024b: 48)

These vulnerabilities highlight the necessity of proactive fiscal planning to ensure long-term sustainability. *Social Justice Ireland* welcomed the forward planning aspect of preparing for a downturn in the public finances in the Programme for Government 2025 and the commitment to maintaining a broad tax base and implement progressive changes in the taxation to prepare for future budgetary challenges, particularly those arising from an ageing population and increasing dependency ratio. Ensuring a sustainable and equitable taxation system is crucial to meeting these long-term demands.

How much should Ireland collect in taxation?

As detailed in Chapter 2, *Social Justice Ireland* believes that, over the period ahead, policy should focus on increasing Ireland's tax-take. Previous benchmarks, set relative to the overall proportion of national income collected in taxation, have become redundant following recent revisions to Ireland's GDP and GNP levels as a result of the tax-minimising operations of a small number of large multinational firms.[3] Consequently, an alternative benchmark is required.

We have proposed a new tax take target set on a per-capita basis; an approach which minimises some of the distortionary effects that have emerged in recent years. Our target is calculated using CSO population data, ESRI population projections, and CSO and Department of Finance data on recent and future nominal overall taxation levels. The target is as follows:

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[3] For many years *Social Justice Ireland* proposed that the overall level of taxation should reach 34.9 per cent of GDP.

Ireland's overall level of taxation should reach a level equivalent to €15,000 per capita in 2017 terms. This target should increase each year in line with growth in nominal GNI*.

Table 4.3 compares our target to the Budget 2025 expectations of the Department of Finance. We also calculate the overall tax gap for the economy; the difference between the level of taxation that is proposed to be collected and that which would be collected if the *Social Justice Ireland* target was achieved. As part of our calculations, we have adjusted the expected Department of Finance tax take to remove an estimate of the short-term excess corporate tax revenue the state is currently receiving; revenues which are likely to go elsewhere as the broader OECD and EU reforms of corporate taxation regimes advances. We use the figures calculated and projected by the Department of Finance and agreed with by IFAC (2024a: 26).

In 2025, the overall tax gap is €28 billion, equivalent to approximately €5,000 per capita. The average gap over the period 2023-2026 is €26 billion per annum. While these figures look large, they should be understood in the context of current windfall taxes from corporations, which are being mostly spent, dramatically reduced income taxes levels over recent years (see later), a narrow tax-base (see later), and persistent deficits in the provision of public services and infrastructure.

Table 4.3: Ireland's Tax Gap, 2023-2026

	2023	2024	2025	2026
Tax-take € per capita				
Budget 2025 projection#	19,857	20,649	21,701	22,631
Social Justice Ireland target	23,608	25,509	26,866	28,264
Difference	€3,751	€4,860	€5,165	€5,633
Overall Tax-take €m				
Budget 2025 projection#	104,879	111,097	117,692	124,020
Social Justice Ireland target	124,690	137,248	145,705	154,890
Tax Gap	**19,811**	**26,150**	**28,013**	**30,870**

Notes: Calculated from Department of Finance (2024a: 26, 41), CSO National Accounts data, and CSO population estimates and projections data (post Census 2022). The Tax Gap is calculated as the difference between the Department of Finance projected tax take and that which would be collected if total tax receipts were equal to the *Social Justice Ireland* target. # The tax take has been adjusted to remove the windfall corporation taxation revenues as identified by the Department of Finance (2024a: 26) and IFAC (2024: 4); targets are calculated post its removal.

Increasing the overall tax take to this level would require a number of changes to the tax base and the current structure of the Irish taxation system, reforms which we address in the next section of this chapter. Gradually increasing the overall taxation revenue to meet this new target would represent a small overall increase in per capita taxation levels and one that is unlikely to have any significant negative impact on the economy. However, reaching that level would provide a lot more recurring sustainable revenue for the state to invest in public services and improved living standards for all. As a policy objective, Ireland can remain a low-tax economy, but it should not be incapable of adequately supporting the economic, social, and infrastructural requirements necessary to support our society and complete our convergence with the rest of Europe.

Taxation and competitiveness

Suggesting that any country's tax-take should increase often produces negative responses. People think first of their incomes and increases in income tax, rather than more broadly of reforms to the tax base. Furthermore, proposals that taxation should increase are often rejected with suggestions that they would undermine economic growth. However, a review of the performance of a number of economies over recent years sheds a different light on this issue and shows limited or no relationship between overall taxation levels and economic growth.

One argument made against increases in Ireland's overall taxation levels is that it will undermine competitiveness. However, the suggestion that higher levels of taxation would damage our position relative to other countries is not supported by international studies of competitiveness. In the annex to this chapter, we compare taxation levels in Ireland to those in other leading competitive economies and find that almost all collect a greater proportion of national income in taxation.

4.2 Key Policies and Reforms

Reforming and broadening the tax base

Social Justice Ireland believes that there is merit in developing a tax package which places less emphasis on taxing people and organisations on what they earn by their own useful work and enterprise, or on the value they add, or on what they contribute to the common good. Rather, the tax that people and organisations should be required to pay should be based more on the value they subtract by their use of common resources. Whatever changes are made should also be guided by the need to build a fairer taxation system; one which adheres to our already stated core policy objective.

The following summarise the areas we consider a priority:

- Tax Expenditures / Tax Reliefs
- Minimum Effective Tax Rates for Higher Earners

- Increasing PRSI to Strengthen the Social Insurance System
- Corporation Taxes
- Site Value Tax
- Second Homes
- Empty Houses and Underdeveloped Land
- Taxing Windfall Gains
- Financial Transactions Tax
- Carbon Taxes

Tax Expenditures / Tax Reliefs

A significant outcome from the 2008/09 Commission on Taxation is contained in part eight of its Report which details all the tax breaks (or "tax expenditures" as they are referred to officially). Subsequently, two members of the Commission produced a detailed report for the Trinity College Policy Institute which offered further insight into this issue (Collins and Walsh, 2010). Since then, the annual reporting of the costs of tax expenditures has improved considerably with much more detail than in the past being published annually by the Revenue Commissioners and an annual report included as part of the Budget. In 2023, following a recommendation of the Commission on Taxation and Welfare and the Oireachtas Budgetary Oversight Committee, the Revenue Commissioners and Department of Finance agreed on a consistent way that both would report tax expenditure; although they each present a different list of tax expenditures. Having called for such a development, *Social Justice Ireland* warmly welcomes it as one which makes the assessment of tax expenditure much more approachable and will help drive further policy consideration in this area.

An examination of the comprehensive tax expenditure data published by the Revenue Commissioners in 2023 is informative. Looking at the 2020 tax year, the most recent year with comprehensive information available, they list 198 active tax breaks with 69 per cent of these, 136 measures, having available information on their annual cost. Within the overall list of measures, there are approximately 132 discretionary tax breaks involving revenue forgone of €17.2 billion per annum; these are tax relieving measures that could be phased out, restructured, or delivered more appropriately as direct expenditure. The Revenue's data contrasts with the Department of Finance Tax Expenditure report, which for Budget 2025 indicated that for 2023 there were 124 tax expenditures amounting to €8 billion in annual tax revenue forgone.

Some progress has been made in addressing and reforming these tax breaks since 2009, and we welcome this progress. However, despite this, recent Budgets and Finance Bills have introduced new tax breaks targeted at high earning multinational executives and research and development schemes, and extended tax breaks for film production and the refurbishment of older buildings in urban areas. For the most part, there has been no, or limited, accompanying documentation evaluating the cost, distributive impacts, or appropriateness of these proposals.

The Commission on Taxation (2009: 230), Collins and Walsh (2010:20-21), the Oireachtas Budgetary Oversight Committee (2019), and most recently the Commission on Taxation and Welfare (2022) have highlighted and detailed the need for new methods for evaluation/introducing tax reliefs. We strongly welcomed these proposals, which were similar to those made by *Social Justice Ireland* to the Commission on Taxation and Welfare. The proposals focused on prior evaluation of the costs and benefits of any proposed expenditure, the need to collect detailed information on each expenditure, the introduction of time limits for expenditures, the creation of an annual tax expenditures report as part of the Budget process, and the regular scrutiny of this area by an Oireachtas committee. Recently there has been some progress in this direction with a report for the Department of Finance, accompanying Budget 2025, proposing an updated process for considering and evaluating tax breaks. Documentation accompanying Budgets 2016-2025 also included an annual tax expenditure report. We welcome this development and believe it is important to further develop this work, to deepen the proposed analysis, and to further improve the ability of the Oireachtas to regularly review all of the tax expenditures in the Irish taxation system.

Social Justice Ireland believes that reforming the tax break system would make the tax system fairer. It would also provide substantial additional resources which would contribute to raising the overall tax-take towards the modest and realistic target we outlined earlier.[4]

Minimum Effective Tax Rates for Higher Earners

The suggestion that it is the better-off who principally gain from the provision of tax exemption schemes is reflected in a series of reports published by the Revenue Commissioners entitled *Analysis of High Income Individuals' Restriction*. These reports provided details of the Revenue's assessment of top earners in Ireland and the rates of effective taxation they incur.[5] The reports led to the introduction of a minimum 20 per cent effective tax rate as part of the 2006 and 2007 Finance Acts for all those with incomes in excess of €500,000. Subsequently, Budgets have revised up the minimum effective rate and revised down the income threshold from where it applies – reforms we have welcomed as necessary and long-overdue. Most recently, the 2010 Finance Bill introduced a requirement that all earners above €400,000 pay a minimum effective rate of tax of 30 per cent. It also reduced from €250,000 to €125,000 the income threshold where restrictions on the use of tax expenditures to decrease income tax liabilities commence.

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4 See section later in this chapter on the standard rating of tax expenditures.

5 The effective taxation rate is calculated as the percentage of the individual's total pre-tax income that is liable to income tax and that is paid in taxation.

The latest Revenue Commissioners' analysis of the operation of these new rules is for the tax year 2022 (Revenue Commissioners, 2024a). Table 4.4 gives the findings of that analysis for the 56 individuals with income in excess of €400,000 who were subject to the restriction. The report also includes information on the distribution of effective income tax rates among the 97 earners subject to the restriction and with incomes between €125,000 and €400,000.

Table 4.4: The Distribution of Effective Income Tax Rates Among Those Earning in Excess of €125,000 in 2022

Effective Tax Rate	No. of cases
Earners with income of €400,000 or more	
Less than or equal to 40%	30
More than 40%	26
Earners with income between €125,000 and €400,000	
Less than or equal to 20%	19
Between 20% and 25%	22
Between 25% and 35%	37
Above 35%	19

Source: Revenue Commissioners (2024a: 8, 10).
Notes: Effective rates are for income taxation and USC only. They do not include PRSI.

Social Justice Ireland welcomed the introduction of this scheme, which marked a major improvement in the fairness of the tax system. The published data indicate that it seems to be working well; however, there are still surprisingly low effective income taxation rates being reported.

The report states that the average effective tax rate faced by earners above €400,000 in 2022 was 40.1 per cent, equivalent to the amount of income tax and USC paid by a single PAYE worker with a gross income of €176,000 in that year. Similarly, the average income tax and USC effective tax rate faced by those subject to the restriction and earning between €125,000- €400,000 in 2022 (27.6 per cent) was equivalent to the amount of income tax paid by a single PAYE worker with a gross income of approximately €68,000 in that year. The contrast in these income levels for the same overall rate of income taxation brings into question the fairness of the taxation system as a whole. Such an outcome may be better than in the past, but it still has some way to go to reflect a situation where a fair contribution is being paid.

Social Justice Ireland believes that it is important that Government continues to raise the minimum effective tax rate so that it is in line with that faced by PAYE earners on equivalent high-income levels. Following Budget 2025, a single individual on an income of €125,000 gross will pay an income tax and USC effective tax rate of 34.6 per cent (down from 39.3 per cent in 2014); a figure which suggests that the minimum threshold for high earners has potential to adjust upwards over the next few years. We also believe that Government should reform the High-Income Individuals' Restriction so that all tax expenditures are included within it. The restriction currently does not apply to all the tax breaks individuals avail of, including pension contributions. This should change in Budget 2026.

Increasing PRSI to Strengthen the Social Insurance System

The pandemic and the cost-of-living crisis have highlighted the important role of the social safety net provided by state. During both periods the state stepped in to assist individuals, families and business cope with the unexpected challenges that came their way. Although the responses were not perfect, the ability of the Irish state to successfully respond and support so many when help was needed was a key public policy achievement.

Central to the ability of the state to respond to occasional and recurring challenges is the social insurance system. In European terms Ireland collects very low levels of social insurance (PRSI) from employers, employees and the self-employed. For most employers the contribution rate is 11.15 per cent of weekly earnings (increasing to 11.25 per cent in October 2025) compared to an EU average of around 21 per cent. Employees pay PRSI at a rate of 4.1 per cent (increasing to 4.2 per cent in October 2025) compared to an EU average of around 14.5 per cent (Department of Social Protection, 2023: 5-6). The self-employed only pay the same rate as employees but do not pay any of the employer component.

While we welcomed the increase of 0.1 per cent in the PRSI rate introduced in each of the last two budgets, these increases do not adequately address the anticipated future shortfalls in the social insurance fund, particularly in light of Ireland's ageing population (Department of Social Protection, 2023). Therefore, Ireland needs to adopt routes to increase PRSI contributions so that existing social insurance benefits can be maintained, future needs can be met, and there is a fund available to support future emergency policy provisions such as those adopted during COVID-19 and the cost-of-living crisis.

Social Justice Ireland believes that the best way to do this is to commence a process of increasing all PRSI rates by 0.5 per cent a year for the next five years (reaching 6.7 per cent and 13.75 per cent by late 2030). Government should design these changes so that the transition to higher, and more sustainable rates of PRSI, is gradual across each year, lessening the immediate impact for employers and employees. The inequity between contribution from employees and employers and the self-employed should also be addressed. These measures should generate an additional

€1 billion a year for every 0.5 per cent increase in social insurance once implemented and notably contribute to a more sustainable social insurance system.

Corporation Taxes

Over the past few years there has been a growing international focus on the way multi-national corporations (MNCs) manage their tax affairs. The OECD's Base Erosion and Profits Shifting (BEPS) examination has established the manner and methods by which MNCs exploit international tax structures to minimise the tax they pay.[6] Similarly, the European Commission has undertaken a series of investigations into the tax management and tax minimisation practices of a number of large MNCs operating within the EU, including Ireland.

Given the timeliness and comprehensiveness of this work, it is important that it leads to the emergence of a transparent international corporate finance and corporate taxation system where multinational firms pay a reasonable and credible effective corporate tax rate. We welcome progress towards this over the past few years, and the acceptance by the Irish Government that the system needs to change albeit that this will result in lower corporate tax revenues in the years to come. The current windfall corporate taxation revenues, estimated to be between €11bn-€19bn per annum by the Fiscal Advisory Council (2024: 4), clearly highlights the unsustainable nature of the current system. However, it is a concern that some of the recent developments in the US Trump administration threaten to undermine this international shift towards fairness.

The latest data from the Revenue Commissioners (2024b) on corporate taxes (published in 2024 with returns data for 2022) reports a total of 92,500 corporate taxpayers who paid €23.8 billion in corporation tax for 2022. The report highlights the skewed nature of this tax source: 84 per cent comes from foreign owned multinationals, 5 per cent from Irish owned multinationals and 11 per cent from other Irish firms. Corporate tax payments are concentrated among large corporates (85 per cent) and in particular within the top 10 companies (52 per cent of all payments). Across all firms the average effective tax rate in 2022 was 10.5 per cent; a figure that has remained relatively stable over the last decade (see Chart 4.1) although there are differences in the rates paid when firms are examined by trading income (see Table 4.5). The report also notes that firms are carrying forward €260 billion of losses which can be used in future years to offset profits and tax liabilities; these include a large amount of losses being carried forward by the commercial banks rescued by the state during the financial crisis.

The concentration of corporate tax income was also highlighted in a recent report from the Parliamentary Budget Office (PBO) which identified that, in 2022, 60 per cent of all corporation tax came from the top 10 corporate taxpayers, with over 40 per cent coming from the top three contributors (O'Connor, 2024). A 2017 report from the Comptroller and Auditor General also noted this concentration and

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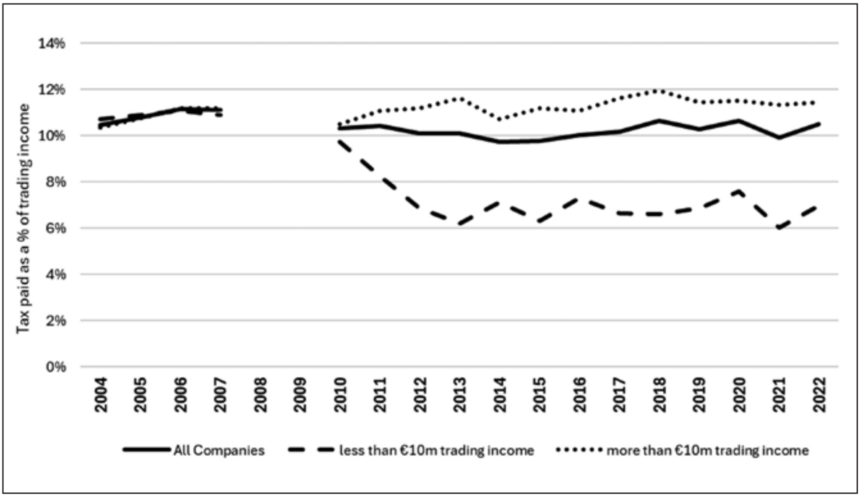
[6] See www.oecd.org/ctp/beps.htm

found that it was a small number of these multi-national firms who are aggressively minimising their tax liabilities and reporting rates well below those being paid by most companies operating in Ireland – see Table 4.6 (C&AG, September 2017).

Chart 4.1: Effective Corporation Tax Rates in Ireland, 2004-2022



Source: Calculated from Revenue Commissioners online Corporate Tax Statistics
Note: Comprehensive corporate tax data was not published for 2008 and 2009

Table 4.5: Effective Corporate Tax Rates in Ireland by trading income, 2019-2022

Trading Income range €	2019	2020	2021	2022
Negative or Nil	3.4%	3.6%	2.7%	3.4%
1-100,000	8.3%	7.9%	7.0%	7.5%
100,001-500,000	9.7%	9.6%	10.2%	9.8%
500,001-1,000,000	10.1%	10.2%	10.1%	10.9%
1,000,001-5,000,000	10.1%	11.1%	10.8%	11.0%
5,000,001-10,000,000	11.2%	11.3%	10.3%	10.2%
Over 10,000,000	11.4%	11.5%	11.3%	11.4%
All Companies	**10.3%**	**10.6%**	**9.9%**	**10.5%**

Source: Calculated from Revenue Commissioners online Corporate Tax Statistics

Note: Revenue data include tax paid on trading income (statutory rate of 12.5% or 15%) and tax paid on passive income (rate of 25%); this skews the effective rate upwards particularly for larger companies.

Table 4.6: Effective Corporate Tax Rates of the Top 100 Taxpayers, 2016

Effective Rate	Number of Companies
0% or less	8
Between 0% and 1%	5
Between 1% and 5%	1
Between 5% and 10%	7
Between 10% and 12%	14
More than 12%	65
Total	**100**

Source: C&AG (2017: 299).

Social Justice Ireland has long advocated for the adoption of an EU-wide agreement on a minimum effective rate of corporation tax. We welcome international developments over the past few years to achieve a minimum effective rate of 15 per cent for large firms, but this is still low and open to being undermined by use of tax breaks and tax write-offs, such that some large firms will continue to contribute small amounts of corporate taxation. We also welcome Ireland's adoption of this rate from 2024 which will apply to all firms with a global annual turnover of over €750m in at least two of the last four years. In the medium-term we believe that a minimum rate should be agreed within the EU and set below the 2021 EU-27 average headline rate of 21 per cent but above the existing low Irish level.[7] A headline rate of 17.5 per cent would seem appropriate.

Social Justice Ireland also believes that Government should extend the 15 per cent minimum to all corporate taxpayers over the next few years. We suggest this should be phased in, with a minimum effective rate of 10 per cent applying from 2026 and increasing by one percentage point a year after that until it reaches 15 per cent in 2031. The existing Revenue Commissioner data suggest most firms are already above this level (see Table 4.5), and so the initial additional revenue will be minimal. However, this will increase to provide an addition €1.3 billion per annum over 2027-2031.

Social Justice Ireland believes that the issue of corporate tax contributions is principally one of fairness. Profitable firms with substantial income should make a contribution to society rather than pursue various schemes and methods to avoid these contributions.

Site Value Tax

Taxes on wealth are minimal in Ireland. Revenue is negligible from capital acquisitions tax (CAT) because it has a very high threshold in respect of bequests and gifts within families, and the rates of tax on transfers of family farms and firms are very generous. Although the report of the Commission on Taxation and Wealth highlighted wealth, gift and inheritance taxes as an area where future revenue should be raised, Budget 2025 took the opposite direction and extended the Group A (parent to child) CAT threshold to €400,000 (from €375,000) and also increased the two other tax free thresholds for gifts and inheritances. Looking to the future, revenue from this area will remain limited given the taxes current structure.

The requirement, as part of the EU/IMF/ECB bailout agreement, to introduce a recurring property tax led Government in Budget 2012 to introduce an unfairly structured flat €100 per annum household charge and subsequently a value-based Local Property Tax in Budget 2013. While we welcomed the overdue need to extend the tax base to include a recurring revenue source from property, we believe that a Site Value Tax, also known as a Land Rent Tax, would be a more appropriate and fairer approach.

In previous editions of this publication, we have reviewed this proposal in greater detail.[8] There has also been a number of research papers published on this issue over

7 Data from European Commission (2022: 58).
8 See for example the 2013 edition of the Socio-Economic Review pages 132-134.

the past two decades.[9] Overall, they point towards a recurring site value tax that is fairer and more efficient than other alternatives. *Social Justice Ireland* believes that the introduction of a site value tax would be a better alternative than the current value based local property tax. A site value tax would lead to more efficient land use within the structure of social, environmental, and economic goals embodied in planning and other legislation. The report of the Commission on Taxation and Welfare suggests the adoption of a 'Land Value Tax' on all property not subject to the current Local Property Tax (2022: 373). We welcome this recommendation and encourage its implementation; it would replace an outdated commercial rates system, bring greater fairness and efficiency to land use, and represent an overdue step towards a full Site Value Tax.

Second Homes, Empty Houses and Underdeveloped Land

A feature of the housing boom of the early 2000s was the rapid increase in ownership of holiday homes and second homes. For the most part, these homes remain empty for at least nine months of the year. It is a paradox that many were built at the same time as the rapid increases in housing waiting lists.

In the context of a shortage of housing stock (see chapter 6), building new units is not the entire solution. Results from Census 2022 identified that there were 66,956 'unoccupied holiday homes' and a further 163,433 vacant houses/apartments in Ireland on Census night (April 2022), implying that 3.2 per cent of the national stock of housing units are holiday homes and 7.7 per cent are vacant units. Table 4.7 provides a breakdown of these vacant units and also highlights how many are long-term vacancies. Given that there is always some 'natural' turnover in the housing market, the true 'empty' figure is somewhat lower but still very significant and relevant given the current housing crisis.

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9 These include O'Siochru (2004:23-57), Dunne (2004:93-122), Chambers of Commerce of Ireland (2004), Collins and Larragy (2011), and O'Siochru (2012).

Table 4.7: Vacant Housing Stock and Reasons for Vacancy, Census 2022

Reason for Vacancy	Units	%
Rental Property	33,653	21%
Owner Deceased	27,213	17%
Under Renovation	23,205	14%
Unit For Sale	17,472	11%
Farmhouse unit	11,969	7%
Owner in Nursing Home / Hospital	10,902	7%
New Build unit	5,199	3%
Owner with Relatives	5,018	3%
Owner Emigrated	2,429	1%
Other reason / Not Stated	26,373	16%
Total vacancies	**163,433**	**100%**
of these also vacant for Census 2016	*47,923*	
of these vacant for Census 2011 & 2016	*23,072*	

Source: Compiled from CSO Census 2022 (indicators F2014 and F2096).

What is often overlooked when the second home issue is being discussed is that the infrastructure to support these houses is substantially subsidised by the taxpayer. Roads, water, sewage, and electricity infrastructure are just part of this subsidy which goes, by definition, to those who are already better off as they can afford these second homes in the first place. We believe that people purchasing second houses should have to pay these full infrastructural costs. There is something perverse in the fact that the taxpayer subsidises the owners of these unoccupied houses while many people do not have basic, adequate accommodation.

Social Justice Ireland believes that policy should continue to be (re)designed to reduce the number of vacant units and penalise those who own units and leave them empty. While second homes are liable for the local property tax, as are all homes, *Social Justice Ireland* believes that second homes should be required to make a further annual contribution in respect of the additional benefits these investment properties receive. We welcomed the Budget 2024 initiative to impose a Vacant Homes Tax at five times the annual local property tax (LPT) rate on unit that are occupied for less than 30 days in the 12-month period and further welcomed the increase to seven times the annual rate in Budget 2025 (Social Justice Ireland, 2023 and 2024). However, we encourage Government to reduce this time period to six-months in Budget 2026 and to further increase the rate of ten time the annual LPT level.

Recent years have also seen welcome improvements in taxation policy related to address underdeveloped land suitable for housing. We welcomed the introduction of the Vacant Site Levy from 2019, with that levy set at 7 per cent per annum of the value of commercial value of the property and paid in arrears to local authorities. However, it was a concern that many local authorities struggled to implement a vacant sites register and face attempts by many land owners to avoid inclusion. The change, announced in Budget 2024, to a Residential Zoned Land Tax, set at 3 per cent of the lands value per annum and collected by the Revenue Commissioners, should assist in making the tax more effective at addressing inefficiencies associated with under utilised land in the context of a housing crisis. We welcome this development, but believe that the annual tax should be much higher, at 5 per cent of the annual value.

Taxing Windfall Gains

The vast profits made by property speculators on the rezoning of land by local authorities was a particularly undesirable feature of the early 2000s economic boom and one that has once again appeared in the context of the current housing crisis. For some time, *Social Justice Ireland* has called for a substantial tax to be imposed on the profits earned from such decisions. Re-zonings are made by elected representatives supposedly in the interest of society generally. It therefore seems appropriate that a sizeable proportion of the windfall gains they generate should be made available to local authorities and used to address the ongoing housing problems they face (see chapter 6). In this regard, *Social Justice Ireland* welcomed the decision to put such a tax in place in 2010 and strongly condemned its removal as part of Budget 2015. Its removal has been one of the most retrograde policy initiatives over the last decade. *Social Justice Ireland* believes that this tax should be re-introduced. Taxes are not just about revenue; they are also about fairness. A windfall tax level of 80 per cent is appropriate and, as Table 4.8 illustrates, this still leaves speculators and land owners with substantial profits from these rezoning decisions.

Table 4.8: Illustrative Examples of the Operation of an 80% Windfall Gain Tax on Rezoned Land

Agricultural Land Value	Rezoned Value	Profit	Tax @ 80%	Post-Tax Profit	Profit as % Original Value
€50,000	€400,000	€350,000	€280,000	€70,000	140%
€100,000	€800,000	€700,000	€560,000	€140,000	140%
€200,000	€1,600,000	€1,400,000	€1,120,000	€280,000	140%
€500,000	€4,000,000	€3,500,000	€2,800,000	€700,000	140%
€1,000,000	€8,000,000	€7,000,000	€5,600,000	€1,400,000	140%

Note: Calculations assume an eight-fold increase on the agricultural land value upon rezoning.

Financial Transactions Tax

Recurring periods of international economic chaos over the last two decades have shown that the world is now increasingly linked via millions of financial transactions. Similarly, global currency trading increased sharply throughout recent decades. It is estimated that a very high proportion of all financial transactions traded are speculative, with almost no economic/societal relevance, and occur completely free of taxation.

Occasional insights into the scale of this activity are provided by surveys, the most comprehensive of which is provided by the Bank for International Settlements (BIS) *Triennial Central Bank Survey of Foreign Exchange and Derivatives Market Activity*. The most recent of these was conducted in April 2022 and covered 52 countries and the activities of more than 1,200 banks and other dealers. It found that the average daily turnover in global foreign exchange markets was US$7.5 trillion; an increase from $6.6 trillion three years earlier. The survey estimated the global interest rate derivative markets as having a daily turnover of US$5.2 trillion; this is a decrease from US$6.4 trillion in 2022.[10]

The Central Bank of Ireland contributes to the BIS report providing specific data for the activities of reporting banks based in Ireland. To date it has not published a breakdown of the BIS 2022 for Ireland. A report on the 2019 survey found that:

- The estimated daily foreign exchange turnover for Ireland was US$7.2bn up from $2.2bn in 2016 (3.3 times higher).

[10] We provide a more comprehensive overview of the BIS 2022 data in the accompanying annex.

- The estimated daily turnover in interest rate derivative markets in Ireland was US$7.3bn up from US$1.1bn (6.8 times higher).
- The importance of Ireland in both these sectors increased between 2016 and 2019. In global terms, Ireland ranks 36th in terms of foreign-exchange contracts and 21st in terms of interest-rate derivatives.

Transactions in these markets represent a mixture of legitimate, speculative, and opportunistic financial transactions. Estimates continue to highlight that a very large proportion of these activities are speculative, implying that large and growing amounts of these transactions make no real or worthwhile contribution to economies and societies beyond increasing risk and instability.

Social Justice Ireland regrets that to date Government has not committed to supporting European moves to introduce a Financial Transactions Tax (FTT) or Tobin Tax. The Tobin tax, first proposed by the Nobel Prize winner James Tobin, is a progressive tax, designed to target only those profiting from speculation. It is levied at a very small rate on all transactions but given the scale of these transactions globally, it has the ability to raise significant funds. In September 2011 the EU Commission proposed an FTT and its proposal has evolved since then through a series of revisions and updates. We include specific details in the annex.

In our opinion, the tax offers the dual benefit of dampening needless and often reckless financial speculation and generating significant funds. For societies an FTT is a win-win; less needless financial speculation and more state revenue. A report from the Nevin Economic Research Institute estimated the likely revenue yield from the FTT's adoption by Ireland. Taking account of the need for Government to abolish stamp duty on shares, the report estimated a net revenue yield of between €320m and €350m per annum (Collins, 2016).

We believe that the revenue generated by this tax should be used for national economic and social development and international development co-operation purposes, in particular assisting Ireland and other developed countries to fund overseas aid and reach the UN ODA target (see chapter 13).

Social Justice Ireland believes that the time has come for Ireland to support the introduction of a Financial Transactions Tax.

Carbon Taxes

Budget 2010 announced the long-overdue introduction of a carbon tax. This had been promised in Budget 2003 and committed to in the *National Climate Change Strategy* (2007). The tax has been structured along the lines of the proposal from the Commission on Taxation (2009: 325-372) and is linked to the price of carbon credits which was set at an initial rate of €15 per tonne of CO_2 and subsequently increased in Budget 2012 to €20 per tonne. Budget 2013 extended the tax to cover solid fuels on a phased basis from May 2013 with the full tax applying from May 2014.

Budget 2020 further increased the tax (to €26 per tonne), and this was increased further, to €33.50 per tonne, in Budget 2021. The 2020 Finance Act included a schedule of annual carbon tax increases so that it reaches €100 per tonne in 2030; reflecting commitments in the 2020-2024 Programme for Government and the recommendations of the 2019 all-party report on climate change.

Social Justice Ireland welcomed the introduction of this tax, we regretted the initial lack of accompanying measures to protect those most affected by it, in particular low-income households and rural dwellers. While this has not been fully addressed, we welcome that all revenue from carbon tax increases since 2020 has been earmarked to fund environmental programmes, energy efficiency measures, and social protection measures targeting low-income households. Looking to the planned increases over the next decade as reaffirmed in the Programme for Government 2025, we believe that Government should be more specific in defining how it will assist these rural and low-income households. Furthermore, we are concerned that the effectiveness of the tax is being undermined as there is less focus on the original intention of encouraging behavioural change and greater emphasis on raising revenue.

Building a Fairer Taxation System

The need for fairness in the tax system was clearly recognised in the first report of the Commission on Taxation over four decades ago. It stated:

> "...in our recommendations the spirit of equity is the first and most important consideration. Departures from equity must be clearly justified by reference to the needs of economic development or to avoid imposing unreasonable compliance costs on individuals or high administrative costs on the Revenue Commissioners." (1982:29)

More than four decades later, the need for fairness is just as obvious today and *Social Justice Ireland* believes that this should be a central objective of the current reform of the taxation system. Below we outline a series of reforms that would greatly enhance the fairness of Ireland's taxation system. This subsection is structured in five parts:

- Standard rating discretionary tax expenditures
- Favouring fair changes to income taxes
- Introducing Refundable Tax Credits
- Reforming individualisation
- Making the taxation system simpler

Standard rating discretionary tax expenditures

Making all discretionary tax reliefs/expenditures only available at the standard 20 per cent rate would represent a crucial step towards achieving a fairer tax system. If there is a legitimate case for making a tax relief/expenditure available, then it should be made available in the same way to all. It is inequitable that people on higher incomes should be able to claim certain tax reliefs at their top marginal tax rates while people with less income are restricted to claim benefit for the same relief at the lower standard rate of 20 per cent. The standard rating of tax expenditures, otherwise known as reliefs, offers the potential to simultaneously make the tax system fairer and fund the necessary developments they are designed to stimulate without any significant macroeconomic implications.

Favouring fair changes to income taxes

Reducing taxes is not a priority for *Social Justice Ireland* either in the forthcoming Budget or any future plans for taxation policy reforms undertaken by new Government. Indeed, it runs counter to our aforementioned objectives and the first recommendation of the recent Commission on Taxation and Welfare. We believe that any available money should be used to improve Ireland's public services and infrastructure, reduce poverty and social exclusion, and to meet our national climate targets – policy priorities detailed throughout this publication. However, discussion and policy considerations often focus on income taxation reductions, and as a consequence, we have published a series of documents over the past few years that have examined, from the perspectives of fairness, various reform choices. The discussion on tax credits below, and our assessment of the effective tax rates and the nominal value of income taxation reductions delivered over the past decade (see both in the annex to this chapter), all contribute to these considerations. As a minimum, the analysis highlights the distributive impact taxation policy choices can have and the potential policy has to pursue both fair and unfair outcomes.

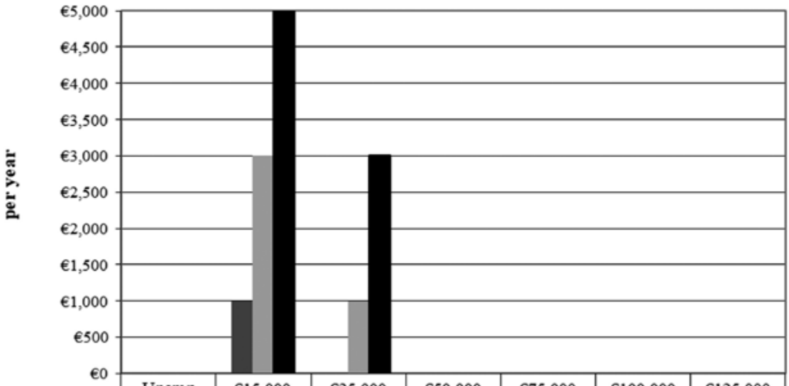
Introducing refundable tax credits

The move from tax allowances to tax credits was completed over two decades ago in Budget 2001. This was a very welcome change because it put in place a system that had been advocated for a long time by a range of groups. One problem persists, however. If a low income worker does not earn enough to use up their full tax credit then they will not benefit from any income tax reductions introduced by the Government in its annual budget. As we have demonstrated earlier in this publication (see Chapter 3), this has been the case for a large number of low income workers following recent Budgets.

Making tax credits refundable would be a simple solution to this problem. It would mean that the part of the tax credit that an employee did not benefit from would be 'refunded' to them by the state.

The major advantage of making tax credits refundable lies in addressing the disincentives currently associated with low-paid employment. The main beneficiaries of refundable tax credits would be low-paid employees (full-time and part-time). Chart 4.2 displays the impacts of the introduction of this policy across various gross income levels. It shows that all of the benefits from introducing this policy would go directly to those on the lowest incomes.

Chart 4.2: How Much Better Off Would People Be if Tax Credits Were Made Refundable?



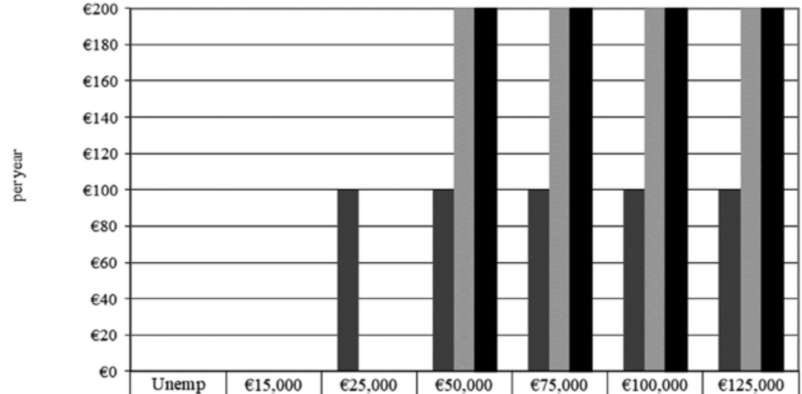
	Unemp	€15,000	€25,000	€50,000	€75,000	€100,000	€125,000
Single	-	1,000	-	-	-	-	-
Couple 1 Earner*	-	3,000	1,000	-	-	-	-
Couple 2 Earners*	-	5,000	3,000	-	-	-	-

Notes: *Except where unemployed as there is no earner. Refund of unused portion of personal and employee credit. Calculations are for tax year 2025.

With regard to administering this reform, the central idea recognises that most people with regular incomes and jobs would not receive a cash refund of their tax credit because their incomes are too high. They would simply continue to benefit from the tax credit as a reduction in their income tax liability. Therefore, as chart 4.2 shows, no change is proposed for these people and they would continue to pay tax via their employers, based on their net liability after deduction of tax credits by their employers on behalf of the Revenue Commissioners. For other people on low or irregular incomes, the refundable tax credit could be paid via a refund by the Revenue Commissioners using the PAYE anytime system. Following the introduction of refundable tax credits, all subsequent increases in the level of the tax credit would be of equal value to all employees. To illustrate the benefits of this approach, charts 4.3 and 4.4 compare the effects of a €100 increase in the personal tax credit before and after the introduction of refundable tax credits. Chart 4.3 shows the effect as the system is currently structured – an increase of €100 in credits, but these are not refundable. It shows that the gains are allocated equally to all categories of earners above €50,000. However, there is no benefit for those workers whose earnings are not in the income tax net.

Chart 4.4 shows how the benefits of a €100 a year increase in personal tax credits would be distributed under a system of refundable tax credits. This simulation demonstrates the equity attached to using the tax-credit instrument to distribute budgetary taxation changes. The benefit to all categories of income earners (single/ couple, one-earner/couple, dual-earners) is the same. Consequently, in relative terms, those earners at the bottom of the distribution do best.

Chart 4.3: How Much Better Off Would People Be if Tax Credits Were Increased by €100 Per Person?



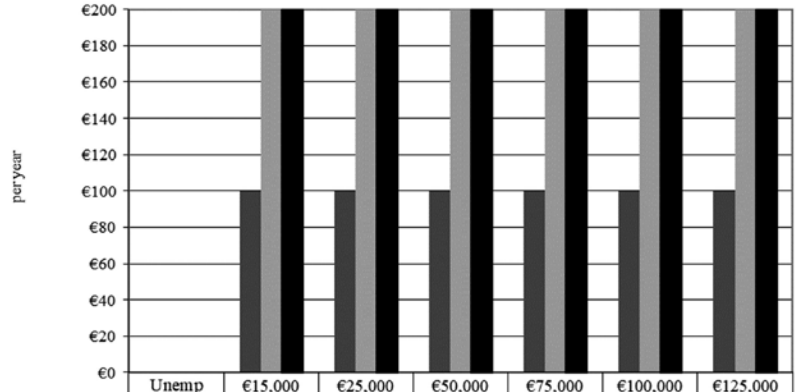
	Unemp	€15,000	€25,000	€50,000	€75,000	€100,000	€125,000
Single	-	-	100	100	100	100	100
Couple 1 Earner*	-	-	-	200	200	200	200
Couple 2 Earners*	-	-	-	200	200	200	200

Notes: *Except where unemployed as there is no earner. Refund of personal and employee credit.

The merits of adopting this approach are: that every beneficiary of tax credits would receive the full value of the tax credit; that the system would improve the net income of the workers whose incomes are lowest, at modest cost; and that there would be no additional administrative burden placed on employers.

During 2010, *Social Justice Ireland* published a detailed study on the subject of refundable tax credits. We outline the details of this proposal in the annex. Once adopted, a system of refundable tax credits as proposed in our study would result in all future changes in tax credits being experienced equally by all employees in Irish society. Such a reform would mark a significant step in the direction of building a fairer taxation system and represent a fairer way for Irish society to allocate its resources.

Chart 4.4: How Much Better Off Would People Be if Tax Credits Were Increased by €100 Per Person and This was Refundable?



	Unemp	€15,000	€25,000	€50,000	€75,000	€100,000	€125,000
Single	-	100	100	100	100	100	100
Couple 1 Earner*	-	200	200	200	200	200	200
Couple 2 Earners*	-	200	200	200	200	200	200

Notes: *Except where unemployed as there is no earner. Refund of personal and employee credit.

Reforming individualisation

Social Justice Ireland supports the individualisation of the tax system. However, the process of individualisation followed to date has been deeply flawed and unfair. The cost to the exchequer of this transition has been in excess of €0.75bn, and almost all of this money went to the highest income 30 per cent of the population. A significantly fairer process would have been to introduce a basic income system that would have treated all people fairly and ensured that a windfall of this nature did not accrue to the best off in this society (see Chapter 3).

Given the current form of individualisation, couples with one partner losing his/her job end up even worse off than they would have been had the current form of individualisation not been introduced. Before individualisation was introduced, the standard-rate income-tax band was €35,553 for all couples. Above that, they would start paying the higher rate of tax. Following Budget 2025, the standard-rate income-tax band for single-income couples is €53,000 while the band for dual-income couples covers a maximum of a further €35,000 (up to €88,000). If one spouse (of a couple previously earning two salaries) leaves a job voluntarily or through redundancy, the couple loses the value of the second tax band.

Making the taxation system simpler

Ireland’s tax system is not simple. Bristow (2004) argued that “some features of it, notably VAT, are among the most complex in the world”. The reasons given to justify this complexity vary but they are focused principally around the need to reward particular kinds of behaviour which are seen as desirable by legislators. This, in effect, is discrimination either in favour of one kind of activity or against another. There are many arguments against the present complexity and in favour of a simpler system.

Discriminatory tax concessions in favour of particular positions are often very inequitable, contributing far less to equity than might appear to be the case. In many circumstances they also fail to produce the economic or social outcomes which were being sought and sometimes they even generate very undesirable effects. At other times, they may be a complete waste of money, since the outcomes they seek would have occurred without the introduction of a tax incentive. Having a complex system has other down-sides. It can, for example, have high compliance costs both for taxpayers and for the Revenue Commissioners.

For the most part, society at large gains little or nothing from the discrimination contained in the tax system. Mortgage interest relief, for example, and the absence of any residential or land-rent tax contributed to the rise in house prices up to 2007. Complexity makes taxes easier to evade, invites consultants to devise avoidance schemes, and greatly increases the cost of collection. It is also inequitable because those who can afford professional advice are in a far better position to take advantage of that complexity than those who cannot. A simpler taxation system would better serve Irish society and all individuals within it, irrespective of means.

4.3 Key Policy Priorities

Social Justice Ireland believes that if the challenges and needed reforms we have highlighted throughout this chapter are to be effectively addressed, Government's key policy priorities in this area should be to:

- increase the overall tax-take;
- adopt policies to broaden the tax base; and
- develop a fairer taxation system.

Policy priorities under each of these headings are listed below.

Increase the overall tax-take

- Move towards increasing the total tax-take so that sufficient revenue is collected to provide redistribution and public services at average-European levels.

Broaden the tax base

- Continue to reform the area of tax expenditures and further enhance procedures within the Department of Finance and the Revenue

Commissioners to monitor on an on-going basis the cost and benefits of all current and new tax expenditures;

- Continue to increase the minimum effective tax rates on very high earners (those with incomes in excess of €125,000) so that these rates are consistent with the levels faced by PAYE workers;
- Commence a multi-year process to increase employee and employer PRSI so that the social insurance system is sustainable into the longer-term.
- Move to negotiate an EU wide agreement on minimum corporate taxation rates (a rate of 17.5 per cent would seem fair in this situation);
- Adopt policies to ensure that the 15 per cent minimum effective corporate tax rate for large firms is successfully implemented, and minimise the opportunities for firms to use tax expenditures to reduce this;
- Impose charges so that those who construct or purchase second homes pay the full infrastructural costs of these dwellings;
- Restore the 80 per cent windfall tax on the profits generated from all land re-zonings;
- Join with other EU member states to adopt a financial transactions tax (FTT) and discourage needless and unwelcome financial market speculation;
- Adopt policies which further shift the burden of taxation from income tax to eco-taxes on the consumption of fuel and fertilisers, waste taxes and a land rent tax. In doing this, government should minimise any negative impact on people with low incomes.

Develop a fairer taxation system

- Apply only the standard rate of tax to all discretionary tax expenditures;
- Make tax credits refundable;
- Accept that where reductions in income taxes are being implemented, they should favour fair options which do not skew the benefits towards higher earners;
- Ensure that individualisation in the income tax system is done in a fair and equitable manner;
- Integrate the taxation and social welfare systems;
- Begin to monitor and report tax levels (personal and corporate) in terms of effective tax rates;
- Develop policies which allow the taxation on wealth to be increased;
- Ensure that the distribution of all changes in indirect taxes discriminate positively in favour of those with lower incomes;

- Adopt policies to simplify the taxation system;
- Poverty-proof all budget tax packages to ensure that tax changes do not further widen the gap between those with low income and the better off.

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CSO online database, web address: http://www.cso.ie/en/databases/

Eurostat online database, web address: http://ec.europa.eu/eurostat

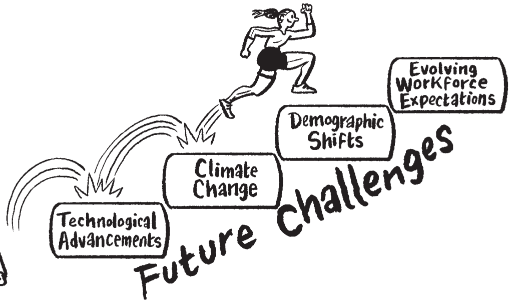
Revenue Commissioners online dataset, web address: https://www.revenue.ie/en/corporate/information-about-revenue/statistics/index.aspx

Chapter five

Chapter 5
Work, Unemployment and Job Creation

Core Policy Objective:
To ensure that all people have access to meaningful work.

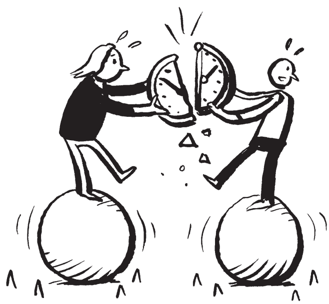
Key Issues/Evidence



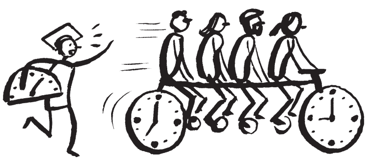
Ireland's labour market is in a very strong position after a decade and a half of challenges.

This presents a crucial opportunity for Ireland to strategically plan for the future, ensuring that the labour market adapts to emerging challenges such as technological advancements, climate change, demographic shifts and evolving workforce expectations.

One quarter of those who are unemployed are long-term unemployed, meaning they have been in that situation for more than one year. This is the lowest rate since 2019.

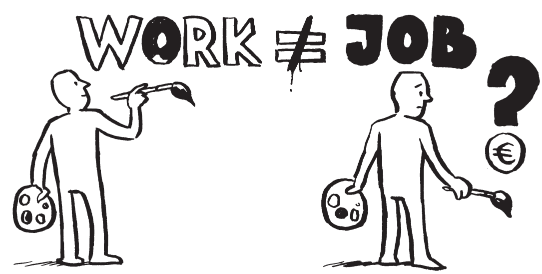


The high number of individuals who are underemployed (with less work hours than ideal) as well as those with persistent uncertainties concerning the number and times of hours required for work is a major labour market challenge.



While the number of people employed is higher now than at anytime, just over one in five workers are part-time workers and there are almost 126,000 of these who are underemployed.

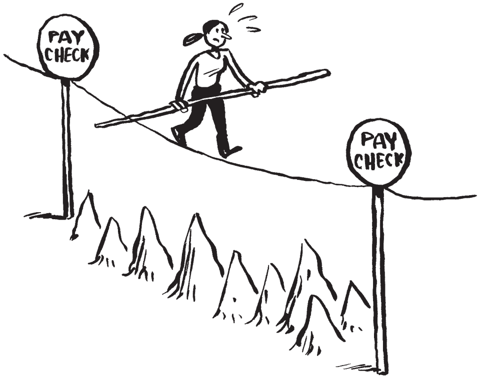
Policy Solutions



Recognise that the term "work" is not synonymous with the concept of "paid employment". Everybody has a right to work, i.e. to contribute to his or her own development and that of the community and the wider society. This, however, should not be confined to job creation. Work and a job are not the same thing.

Launch a major investment programme focused on prioritising initiatives that strengthen social infrastructure, including a comprehensive school building programme and a much larger social housing programme.

Adopt policies to address the worrying issue of youth unemployment. In particular, these should include education and literacy initiatives as well as retraining schemes.



Recognise the challenges of long-term unemployment and of precarious employment and adopt targeted policies to address these.

Resource the up-skilling of those who are unemployed and at risk of becoming unemployed through integrating training and labour market programmes.

Chapter 5

WORK, UNEMPLOYMENT AND JOB CREATION

Core Policy Objective:
WORK, UNEMPLOYMENT AND JOB CREATION

To ensure that all people have access to meaningful work.

The past decade and a half have seen Ireland navigate multiple economic and social downturns, from the banking and fiscal collapse resulting in high unemployment to the disruptions brought by the COVID-19 pandemic. Despite these challenges, Ireland has demonstrated remarkable resilience, with unemployment levels recovering significantly in recent years. At its peak in late 2011, the unemployment rate reached 16 per cent, placing immense strain on individuals, families, social cohesion, and public finances. At present, Ireland stands in a vastly different position. Forecasts for 2025 suggest that unemployment will average between 4.5 and 4.2 per cent (Department of Finance, 2024; ESRI, 2024), marking a return to near historically low levels. While risks remain—particularly due to global uncertainties such as the Ukraine crisis, interest rate fluctuations, and evolving geopolitical tensions—the current labour market operates at near full capacity. This period of stability presents a crucial opportunity for Ireland to strategically plan for the future, ensuring that the labour market adapts to emerging challenges such as technological advancements, climate change, demographic shifts and evolving workforce expectations.

Against this backdrop, recent policy developments reflect an awareness of the need for forward planning. The Programme for Government 2025 *Securing Ireland's Future*[1] recognises these challenges and outlines a commitment to safeguarding the future security of Ireland's economy by strengthening employment opportunities, enhancing public services, while leveraging the economic potential of digitalisation, artificial intelligence, and emerging clean technologies. While these policy initiatives provide a framework for progress, their implementation and

1 https://assets.gov.ie/318303/2cc6ac77-8487-45dd-9ffe-c08df9f54269.pdf

effectiveness will be key in addressing both current and emerging labour market challenges.

This chapter addresses the topic of Work, Unemployment and Job Creation in three parts. The first (section 5.1) reviews trends in Ireland's labour market. Subsequently, section 5.2 considers the key policy reforms that arise for various sectors of the working-age population and outlines a series of proposals for responding to current labour market challenges around employment, unemployment, and participation. Despite notable progress, *Social Justice Ireland* considers that the policy response in a number of areas remains weak. The section concludes with some thoughts on the narrowness of how we consider and measure the concept of 'work'. The chapter concludes (section 5.3) by summarising our key policy priorities in this area.[2]

If the challenges we address in this chapter are to be effectively addressed, *Social Justice Ireland* believes that the new Government should:

- Resource the up-skilling of those who are unemployed and at risk of becoming unemployed through integrating training and labour market programmes;
- Launch a major investment programme focused on prioritising initiatives that strengthen social infrastructure, including a comprehensive school building programme and a much larger social housing programme;
- Adopt policies to address the worrying issue of youth unemployment. In particular, these should include education and literacy initiatives as well as retraining schemes;
- Recognise the challenges of long-term unemployment and of precarious employment and adopt targeted policies to address these;
- Recognise that the term "work" is not synonymous with the concept of "paid employment". Everybody has a right to work, i.e. to contribute to his or her own development and that of the community and the wider society. This, however, should not be confined to job creation. Work and a job are not the same thing.

5.1 Key Evidence

Trends in Employment and Unemployment

The nature and scale of the recent transformation in Ireland's labour market is highlighted by the data in Table 5.1. It, and subsequent Tables, examine the situation fourteen years ago in the midst of the banking and property crash, in

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[2] The analysis complements information on the measurement of the labour market and long-term trends in employment and unemployment detailed in Annex 5 which is available online at: https://www.socialjustice.ie/publication

2019 just before the COVID-19 pandemic hit, and using the most recent Central Statistics Office (CSO) data for the end of 2024. Unsurprisingly, the labour market has transformed since 2011 with 666,000 additional people in the labour force, an extra 890,000 at work, higher participation rates, and 224,000 less people in unemployment. Compared to the pre-pandemic labour market, the situation in quarter four 2024 illustrates how strongly the labour market has recovered from the period of closures and lockdowns throughout much of 2020. Although the numbers unemployed are slightly increased in comparison to pre-pandemic figures, all other indicators report a strong improvement.

Table 5.1: Ireland's Labour Force Data, 2011 – 2024

	2011	2019	2024	Change 11-24
Labour Force	2,226,500	2,489,400	2,892,500	666,000
LFPR%	61.8	62.5	65.5	+3.7pp
Employment%	60.1	70.0	74.3	+14.2pp
Employment	1,886,400	2,377,800	2,776,400	890,000
Full-time	1,438,400	1,881,600	2,195,700	757,300
Part-time	447,900	496,200	580,700	132,800
Underemployed	147,200	109,600	125,900	-21,300
Unemployed%	15.3	4.5	4.0	-11.3pp
Unemployed	340,100	111,600	116,100	-224,000
LT Unemployed%	9.3	1.6	1.0	-8.3pp
LT Unemployed	206,500	38,800	28,200	-178,300
Potential Additional LF	*n/a*	100,700	113,700	*n/a*

Source: CSO, LFS on-line database.
Notes: All data is for Quarter 4 of the reference year.
LFPR = ILO labour force participation rate and measures the percentage of the adult population who are in the labour market.
Employment% is for those aged 15-64 years.
Underemployment measures part-time workers who indicate that they wish to work additional hours which are not currently available.
n/a = comparable data is not available. pp = percentage points
LT = Long Term (12 months or more). LF = Labour Force.

This transformation in the labour market has significantly altered the nature of employment in Ireland when compared to the depth of the recession in 2011. Overall, employment grew by 47 per cent (890,000 additional jobs) and Table 5.2

traces the impact of this change across various sectors, groups, and regions. Within the CSO's broadly defined employment sectors, all increased in size over the period. The service sector, once acutely impacted by the 2009-2013 economic crash, recorded the largest growth accounting for more than 700,000 of the additional jobs created since 2011. The service sector now accounts for 78 per cent of all employees. Over the period, the number of employees grew by 52 per cent, while the number of self-employed increased by 18 per cent. Compared to labour market in the late 2019, Table 5.2 shows that employment in agriculture declined by 1 per cent, while construction sector experienced a stronger recovery with a 19 per cent increase, and industry grew by 15 per cent.

The consequence of the 2009-2013 crisis period job losses was a sharp increase in unemployment and emigration, which took some time to dissipate. Dealing with unemployment, Table 5.3 shows how it has changed between 2011 and 2024, a period when the numbers unemployed decreased by 66 per cent. As the table shows, male unemployment fell by around 150,000 and female unemployment by around 73,000; changes that illustrate the depth of that economic crisis. Most of the 2024 unemployed are seeking to return to a full-time (FT) job, with just over 30 per cent indicating that they were seeking part-time (PT) employment.

The improvement in the number and rates of LT unemployment are also highlighted in Table 5.3. The number of LT unemployed exceed 200,000 in 2011 but had fallen to less than 40,000 by late 2019. The 2024 figure, of 28,200, is the lowest LT unemployment count since the pandemic and implies that just one-quarter of all those currently unemployed are in that situation for more than one year. While the improvements over the last decade are very welcome, the experience of the 1980s showed the dangers and long-lasting implications of large numbers of people trapped in long-term unemployment. While this remains a policy challenge, *Social Justice Ireland* regrets that it is a policy area which receives limited attention.

Addressing this ongoing issue remains an important challenge, and we outline our suggestions for targeted policy action later. However, it is clear that reskilling many of the unemployed, in particular those with low education levels, will be a key component of the response. Using data for the fourth quarter of 2024, 48 per cent of the unemployed had no more than second level education, with 14 per cent not having completed more than lower secondary (equivalent to the junior certificate).

Table 5.2: Employment in Ireland, 2011 – 2024

	2011	2019	2024	Change 11-24
Employment	1,886,400	2,377,800	2,776,400	+890,000
Sector				
Agriculture	103,700	108,500	107,700	+4,000
Construction	88,200	148,000	176,000	+87,800
Industry	244,900	288,300	332,300	+87,400
Services	1,445,100	1,826,700	2,153,800	+708,700
Gender				
Male	1,008,600	1,283,400	1,465,800	+457,200
Female	877,800	1,094,400	1,310,600	+432,800
Employment Status				
Employees*	1,575,500	2,031,500	2,399,700	+824,200
Self Employed	299,200	334,400	352,400	+53,200
Assisting relative	11,600	12,000	24,400	+12,800
Region				
Border	*n/a*	185,400	205,700	*n/a*
West	*n/a*	222,300	262,900	*n/a*
Mid-West	*n/a*	220,500	278,700	*n/a*
South-East	*n/a*	198,800	238,400	*n/a*
South-West	*n/a*	341,700	404,200	*n/a*
Dublin	*n/a*	722,700	822,600	*n/a*
Mid-East	*n/a*	349,800	408,700	*n/a*
Midland	*n/a*	136,500	155,200	*n/a*

Source: CSO, LFS on-line database.

Notes: *Numbers recorded as employed include those on various active labour market policy schemes. Regional data only available from 2012. See also notes to Table 5.1.

Table 5.3: Unemployment in Ireland, 2011 - 2024

	2011	2019	2024	Change 11-24
Unemployment	340,100	111,600	116,100	-224,000
Gender				
Male	215,800	62,900	65,000	-150,800
Female	124,300	48,800	51,100	-73,200
Employment sought				
Seeking FT work	289,100	80,000	75,300	-213,800
Seeking PT work	37,800	28,700	35,700	-2,100
Age group				
15-24 years	86,300	28,200	35,000	-51,300
25-44 years	174,500	50,100	47,900	-126,600
45-65 years	78,700	32,300	32,100	-46,600
Region				
Border	*n/a*	7,100	11,400	*n/a*
West	*n/a*	9,600	10,800	*n/a*
Mid-West	*n/a*	11,100	9,700	*n/a*
South-East	*n/a*	14,500	9,200	*n/a*
South-West	*n/a*	13,300	12,800	*n/a*
Dublin	*n/a*	33,700	39,800	*n/a*
Mid-East	*n/a*	15,800	14,400	*n/a*
Midland	*n/a*	6,600	8,000	*n/a*
Duration				
Unemp. less than 1 yr	129,200	67,400	84,400	-44,800
Unemp. more than 1 yr	206,500	38,800	28,200	-178,300
LT Unemp. as % Unemp	60.7%	34.8%	24.3%	

Source: CSO, LFS on-line database.
Note: See notes to Table 5.1.

Given the current strength of the labour market, *Social Justice Ireland* believes that major emphasis should be placed on those who are trapped in long term unemployment – particularly those with the lowest education levels. Previous experiences, in Ireland and elsewhere, have shown that many of those under 25 and many of those over 55 find it challenging to return to employment after a period of unemployment. This highlights the danger of long-term unemployment and the potential for the emergence of a structural unemployment problem. Given this, *Social Justice Ireland* believes that a major commitment to retraining and re-skilling will be required in the years ahead.

5.2 Key Policies and Reforms

Table 5.4: Persons on Live Register by Last Occupation – January 2025

Occupational group	Overall	Under 25 yrs	Over 25 yrs
Managers and administrators	6,533	167	6,366
Professional	7,860	347	7,513
Associate prof. and technical	3,233	155	3,078
Clerical and secretarial	9,771	571	9,200
Craft and related	16,819	1,269	15,550
Personal and protective service	13,287	1,131	12,156
Sales	9,610	1,381	8,229
Plant and machine operatives	16,352	1,565	14,787
Other occupation	16,740	1,689	15,051
No occupation	65,030	10,571	54,459
Total	**165,235**	**18,846**	**146,389**

Source: CSO Live Register on-line database.

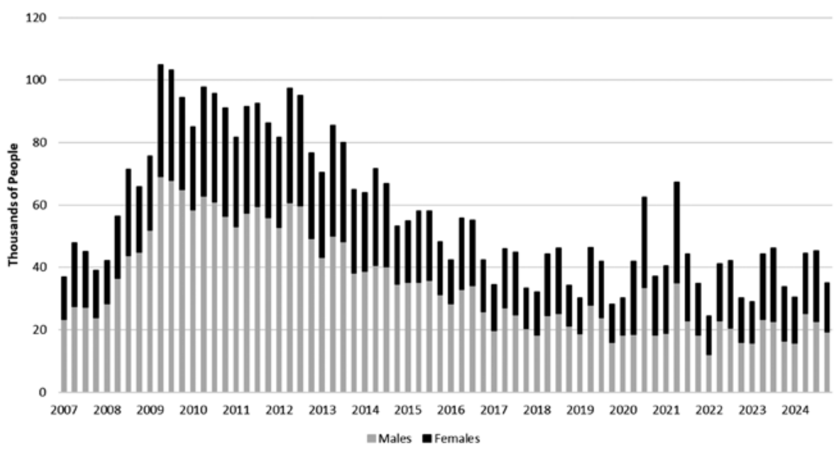
Upskilling and Retraining the Unemployed

Live register data offer a useful insight into the skills and experience of a large proportion of those who should be the target of further upskilling and retraining initiatives. Table 5.4 presents a breakdown of the January 2025 live register number by people's last occupation, and also examines the differences between those over and under 25 years. Among this group, the figures highlight the need for targeted retraining of people who hold skills having worked in sectors such as craft, sales, and plant/machinery work. As such, they frame several of the challenges for upskilling and retraining of many unemployed and underemployed individuals.

Tackling Youth Unemployment

As Chart 5.1 illustrates, youth unemployment remains a major labour market policy challenge, albeit that the picture is drastically better that a decade ago. The chart highlights the very rapid increase in the numbers unemployed aged 25 and under as the 2008-2013 economic crisis unfolded. The numbers in this group more than doubled between 2007 and 2009, peaking at almost 105,000 in Q2 2009. Since then, decreases have occurred, reaching 36,000 in 2019 before climbing during the 2020 and 2021 COVID-19 lockdowns.

Chart 5.1: Youth Unemployment by Gender, 2007- end 2024



Source: CSO, LFS on-line database.

By the end of 2024 (see Table 5.3), 35,000 people under the age of 25 were unemployed – 19,300 males and 15,700 females – meaning that youth unemployment accounted for almost three in every ten unemployed people in Ireland. Experiences of unemployment, and in particular long-term unemployment, alongside an inability to access any work, training, or education, tends to leave a 'scarring effect' on young people. It increases the challenges associated with getting them active in the labour market at any stage in the future. In the short-term, it makes sense for Government to invest in the 'youth unemployed' and *Social Justice Ireland* considers this to be a central and strategic priority.

Addressing Underemployment and Precarious Employment

The figures in Table 5.1 also point towards the growth of various forms of part-time work and a high number of underemployed workers over recent years. While the number of people employed is higher now than at any time, just over one in five workers are part-time workers, and there are almost 126,000 of these who are underemployed, that is working part-time but at less hours than they are willing to work.

Judged over time, the CSO labour force data suggest the emergence of a greater number of workers in precarious employment situations. The high number of individuals with less work hours than ideal, as well as those with persistent uncertainties concerning the number and times of hours required for work, is a major labour market challenge and one which may grow in the period ahead. Aside from the impact this has on the well-being of individuals and their families, it also impacts on their financial situation and adds to the working-poor challenges we outlined in Chapter 3. There are also impacts on the state, given that the Working Family Payment (formerly known as Family Income Supplement (FIS)) and the structure of jobseeker payments tend to lead to Government subsidising these families' incomes, and indirectly subsidising some employers who create persistent precarious employment patterns for their workers.

Social Justice Ireland addressed the Oireachtas Committee on Enterprise, Trade and Employment in February 2024 on one recent aspect of this issue, the emergence and growth of 'platform work'; that is work where individuals work freelance and are matched to jobs via online platforms and algorithms.[3] We believe that now is the time to adopt substantial measures to address and eliminate the problem of precarious work. Our commitment to the development and adoption of a Living Wage (see Section 3.2) reflects this. However, aside from pay rates, policy also needs to address issues of work quality and security more aggressively.

Boosting Labour Force Participation

Increasing labour force participation, in particular among women, represents a further policy challenge for labour market policy. As Table 5.5 illustrates, the proportion of individuals who are actively participating in the labour market has increased since 2011 and 2019. However, these rates are still lower than ideal, with female labour market participation, in particular, well below the levels it should be reaching. The gender gap, of ten percentage points, illustrates this outcome very clearly. Data from the CSO in February 2025 also highlighted the regional divides in labour market participation rates, with lower participation (61-63 per cent) in the Border, Midlands and South-East (CSO, 2025).

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3 Our submission to the Committee is available here: https://www.socialjustice.ie/article/platform-work

Policy responses to this challenge need to be broad-based, and include initiatives addressing childcare provision and affordability, retraining, family-friendly employment strategies, and enhanced employment quality. It is important that we remember these participation rates and the challenges they imply, as we review labour market priorities in the period ahead.

Table 5.5: Labour Force Participation Rates by Gender, 2011- end 2024

	2011	2019	2024	Change 11-24
Both sexes	61.8	62.5	65.5	+3.7pp
Males	69.2	68.9	70.6	+1.4pp
Females	54.7	56.4	60.6	+5.9pp
Gender Gap*	**14.5**	**12.5**	**10.0**	

Source: CSO, LFS on-line database.
Notes: *the gender gap is the difference in percentage points between male and female participation levels. pp = percentage points.

Job Creation, Skills Development, and the Changing Labour Market

With a rapidly evolving economy and shifting workforce demands, Ireland's approach to job creation and skills development will play a crucial role in shaping its future labour market. The Programme for Government (2025) sets a target of 300,000 new jobs by the end of the decade. Achieving this requires targeted investment in critical sectors such as construction, renewable energy, and advanced manufacturing. Skills shortages, particularly in construction industries, remain a major challenge and must be addressed through expanded apprenticeships and training programmes (Smith, 2024).

A recent *National Upskilling Roadmap 2030*, developed through the Build Up Skills Ireland 2030 (BUSI2030) initiative, highlights the urgent need for skills development in sustainable construction to meet Ireland's housing and climate targets. The research, led by Technological University of the Shannon, estimates that 120,000 additional skilled construction workers and re-skilling of 164,000 existing workers will be required by 2030 to support housing, retrofitting, and decarbonisation efforts. If Ireland is to deliver on housing commitments and infrastructure projects, ensuring a steady pipeline of skilled workers will be crucial. (Irish Green Building Council et al., 2024).

At the same time, digitisation and artificial intelligence (AI) are reshaping the labour market. While these technologies can enhance productivity and drive new job opportunities, they also present challenges in terms of automation, job security, and skills mismatches. According to European Centre for the Development of Vocational Training's (Cedefop) digital transition policy scenario, the rapid deployment of AI and automation could lead to a 5 per cent reduction in employment by 2035, particularly for those in routine jobs, compared to baseline projections. The impact will be particularly pronounced in market and non-market services, wholesale and retail trade, and basic manufacturing, where up to 7.5 million workers across Europe are at risk of displacement. Additionally, Cedefop's AI survey highlights that older workers, women, and those in precarious employment are among the most vulnerable to these shifts (Cedefop, 2025). However, the long-term effects remain uncertain.

Without strategic investment in upskilling and reskilling, there is a risk of deepening inequalities and increase job displacement. Policies must ensure that workers have access to adequate training opportunities, while also addressing concerns about precarious employment in platform and gig work.

To ensure sustainable workforce growth, Ireland must complement job creation with strategic investment in infrastructure—including housing, transport, and public services—so that economic expansion is matched by improvements in living conditions. Simultaneously, policies must balance the benefits of AI and digitalisation with protections against job displacement, precarious employment, and widening skills gaps.

This aligns with the Programme for Government (2025), which commits to enhancing productivity and competitiveness through embracing digital and AI advancements, while recognising the need to upskill the workforce so that both current and future employees are prepared for the technological transformations shaping the labour market.

Therefore, addressing skills development, apprenticeships, and the impact of AI will be increasingly important, but policy must go beyond simply creating jobs —it must ensure that work is secure, well-paid, and future-proofed. A balanced approach that prioritises job quality, fair wages, workforce resilience, and strong social protections will be key to preparing Ireland's workforce for the evolving labour market while ensuring that economic growth translates into improved living standards for all.

Work and People with Disabilities

Results from Census 2022 provide the most recent insight into the scale and nature of disability in Ireland. The *Census 2022 Profile 4 - Disability, Health and Carers* defined the term disability as referring to people who experienced long-lasting conditions or difficulties and found that a total of 1,109,557 people – or 22 per cent of the population - reported experiencing at least one long-lasting condition or difficulty to any extent. Of these 407,342 (8 per cent of the population) reported experiencing at least one long-lasting condition or difficulty to a great extent or a lot, while 702,215 (14 per cent of the population) reported experiencing at least one long-lasting condition or difficulty to some extent or a little (CSO 2023).

Of the 1.1 million people recorded with at least one long-lasting condition or difficulty, the four most common conditions were: pain, breathing, or any other chronic illness or condition which was experienced by 8.5 per cent of the population and 39.7 per cent of all people with a disability; difficulty with basic physical activities, experienced by 6.8 per cent of the population (31.5 per cent of those with a disability); blindness or vision impairment, experienced by 5.8 per cent of the population (26.7 per cent of those with a disability); and psychological or emotional condition or a mental health issue, experienced by 5.2 per cent of the population (24.3 per cent of those with a disability). The most common named difficulties were: difficulty working at a job or business or attending school or college (5.9 per cent of the population, 27.4 per cent of those with a disability); difficulty going outside the home (5 per cent of the population, 23.3 per cent of those with a disability); and difficulty dressing, bathing, or getting around inside the home (4.2 per cent of the population, 19.4 per cent of those with a disability).[4]

The Census 2022 data also revealed that among the 1,010,758 people aged 15 years and over who experienced at least one long-lasting condition or difficulty to any extent, 400,639 were in the labour force. This gives a labour force participation rate of 40 per cent and compares to a rate of 61 per cent recorded for the full population aged 15 years and over. Among those found to have a long-lasting condition or difficulty to a great extent, the participation rate was 22 per cent. These findings reflect earlier results[5] and ongoing challenges in workforce inclusion for people with disabilities. While earlier research, including a 2017 ESRI study found that most (82 per cent) of disabled people had worked at some stage in their life, yet many faced prolonged unemployment, with 35 per cent without work for more than four years (Watson et al, 2017). The same study also found that were Government policy to facilitate the employment of people with a disability who want to work, it could increase their workforce participation.

The low rate of labour market participation among disabled people is of concern. Apart from restricting their participation in society, it also ties them into state-dependent low-income situations. Therefore, it is not surprising that Ireland's poverty figures reveal that people who are ill or have a disability are part of a group at high risk of poverty (see Chapter 3).

The *Programme for Government 2025* has acknowledged these challenges and includes commitments to improve workforce participation for disabled people. We welcome the prioritisation and funding for a new Disability Strategy, as well as commitments to enhance social protection. However, while work activation supports for those who may have the capacity to work are important, this needs

[4] Note, some individuals will experience more than one disability and feature in more than one of these categories.

[5] Echo the results from Census 2011, the 2006 National Disability Survey (CSO, 2008 and 2010b), a QNHS special module on disability (CSO, 2004), and the 2016 Census (CSO, 2017)

to be balanced with access to other necessary supports. Further, a permanent cost of disability payment is to be welcomed, however, a more regular payment period than once a year might be preferable.

Social Justice Ireland believes that further efforts should be made to reduce the impediments faced by people with a disability to obtain employment. In particular, consideration should be given to reforming the current situation in which many such people face losing their benefits when they take up employment. This situation ignores the additional costs faced by disabled people in pursuing their day-to-day lives – see Annex 3 for our proposals on a cost of disability allowance. For many disabled people the opportunity to take up employment is denied to them, and they are trapped in unemployment, poverty, or both.

Asylum Seekers and Work

During February 2018, the Supreme Court formally declared the absolute ban preventing asylum seekers taking up work as unconstitutional. The declaration followed an initial decision in May 2017, with the court giving the Government time to adopt new legislation and procedures to accommodate the decision. In effect, the Government failed to do so, and the Supreme Court removed the ban.

Social Justice Ireland welcomed this long overdue recognition; we called for policy reform in this area for some time. However, we remain concerned by the Government's attempts to limit these rights and restrict the opportunities of Asylum Seekers. At the root of these problems are issues regarding the effectiveness of the current system of processing asylum applications. Along with others, we have consistently advocated that where the Government fails to meet its own stated objective of processing asylum applications in six months, the right to work should be automatically granted to asylum seekers. Recent reforms have made welcome progress in this direction. Detaining people for an unnecessarily prolonged period in such an excluded state is completely unacceptable. Recognising and facilitating asylum seekers' right to work would assist in alleviating poverty and social exclusion among one of Ireland's most vulnerable groups.[6]

Acknowledging the Work of Carers

Results from the 2022 Census offers an insight into the scale of these commitments, which save the state large costs that it would otherwise have to bear.

The *Census 2022 Profile 4 - Disability, Health and Carers* found that 5.8 per cent of the population provide regular unpaid care, where that caring role is defined as proving regular unpaid personal help or support to a family member, neighbour, or friend with a long-term illness, health issue, or an issue related to old age or disability. This figure equates to 299,128 people, an increase of over 50 per cent from the 195,263 people identified in Census 2016. The dominant caring role played by women

[6] We examine this issue in further detail in chapter 10.

was highlighted by the fact that 181,592 (61 per cent) of these care providers were female.[7] When assessed by length of time, the census found that 46 per cent of carers provided up to 14 hours per week of unpaid help, 14 per cent provided between 15-28 hours, 6 per cent provided between 29-42 hours, and 21 per cent provided 43 or more hours per week of unpaid care. Moreover, in the *Labour Force Survey Q4 2024*, among those who stated that they wanted to work but were not seeking work or available for work, 26 per cent cited care responsibilities / personal family reasons as the primary reason (CSO, 2025).

Social Justice Ireland welcomed the long overdue publication of a *National Carers Strategy* in 2012 (Department of Health, 2012). The document included a 'roadmap for implementation' involving a suite of actions and associated timelines, and identified the Government Department responsible for their implementation. However, these actions were confined to those that could be achieved on a cost neutral basis. While various progress reports of the strategy were published, and this monitoring process was discontinued from 2018, the overall level of progress in this area has been poor and contrasts with the growth of care needs and activities as revealed in the Census 2022 results.

Social Justice Ireland welcomes the recognition of the enormous contribution that carers make to Irish society in the *Programme for Government 2025*. We also welcome the commitment to enhancing the supports available to them, acknowledging their vital role, and the need for greater financial and social protections. *Social Justice Ireland* looks forward engaging with the new government to further policy reforms to reduce the financial and emotional pressures on carers. In particular, reforms should focus on addressing the poverty experienced by many carers and their families alongside increasing the provision of respite care for carers and for those for whom they care. In this context, the 24-hour responsibilities of carers contrast with the improvements over recent years in employment legislation setting limits on working-hours of people in paid employment.

Recognising All Work

A major question raised by the current labour-market situation concerns assumptions underpinning culture and policymaking in this area. The priority given to paid employment over other forms of work is one such assumption. Most people recognise that a person can be working very hard outside a conventionally accepted 'job'. Much of the work carried out in the community and in the voluntary sector comes under this heading. So too does work done in the home. *Social Justice Ireland*'s support for the introduction of a basic income system comes, in part, because it believes that all work should be recognised and supported (see Chapter 3).

[7] These proportions are similar to the findings of Census 2016 and 2011 and also echo those from a CSO QNHS special module on carers (CSO, 2010a) and a 2008 ESRI study entitled '*Gender Inequalities in Time Use*' (McGinnity and Russell, 2008: 36, 70).

During the 2008-2013 recession, Government funding for the Community and Voluntary sector reduced dramatically and this has not, as yet, been restored. It is essential that the Government appropriately resource this sector into the future and that it remains committed to the principle of providing multi-annual statutory funding. The introduction of the Charities Regulatory Authority, the Governance Code, and the Lobbying Register in recent years is intended to foster transparency and improve public trust. However, it is essential that the regulatory requirements are proportional to the size and scope of organisations, and do not create an unmanageable administrative burden which detracts from the core work and deters volunteers from getting involved.

The Community Services Programme works to tackle disadvantage by providing supports to community-based organisations which enables them to deliver social, economic, and environmental services, with a particular focus on areas that, by virtue of geographical isolation or social isolation, have too low a level of demand to satisfy market led providers. The groups in receipt of these services may not otherwise have any access and thus we recommend that the Community and Voluntary sector be adequately resourced (see Chapter 10).

Social Justice Ireland believes that the new government should recognise, in a more formal way, all forms of work. We believe that everyone has a right to work, to contribute to his or her own development and that of the community and wider society. We also believe that policymaking in this area should not be exclusively focused on job creation. Policy should recognise that *work* and a *job* are not always the same thing.

5.3 Key Policy Priorities

Social Justice Ireland believes that if the challenges and needed reforms we have highlighted throughout this chapter are to be effectively addressed, the new Government's key policy priorities in this area should be to:

- Resource the up-skilling of those who are unemployed and at risk of becoming unemployed through integrating training and labour market programmes;
- Launch a major investment programme focused on prioritising initiatives that strengthen social infrastructure, including a comprehensive school building programme and a much larger social housing programme;
- Adopt policies to address the worrying issue of youth unemployment. In particular, these should include education and literacy initiatives as well as retraining schemes;
- Recognise the challenges of long-term unemployment and of precarious employment and adopt targeted policies to address these;

- Recognise that the term "work" is not synonymous with the concept of "paid employment". Everybody has a right to work, i.e. to contribute to his or her own development and that of the community and the wider society. This, however, should not be confined to job creation. Work and a job are not the same thing.

Social Justice Ireland believes that in the period ahead the new Government and policymakers generally should:

- Expand funded programmes supporting the community to meet the growing pressures throughout our society.
- Establish a new programme aimed at supporting individuals who have been unemployed for an extended period (i.e. 5+ years).
- Ensure that policies consistently promote the creation of new jobs with reasonable pay rates and that adequate resources are allocated to the labour inspectorate.
- Adopt policies to address the issue of the working poor, including reforming the taxation system to make the two main income tax credits refundable.
- Develop employment-friendly income tax policies which ensure that no unemployment traps exist. Policies should also ease the transition from unemployment to employment.
- Adopt policies to address the obstacles facing women when they return to the labour force. These should focus on care initiatives, employment flexibility and the provision of information and training.
- Reduce the impediments faced by people with a disability in achieving employment. In particular, address the current situation in which many face losing their benefits when they take up employment.
- Facilitate the right to work of all asylum seekers and resource the improvement of the current system of processing asylum applications.
- Give greater recognition to the work carried out by carers in Ireland and introduce policy reforms to reduce the financial and emotional pressures on carers. In particular, these should focus on addressing the poverty experienced by many carers and their families, as well as on increasing the provision of respite opportunities to carers and to those for whom they care.
- Request the CSO to conduct an annual survey to discover the value of all unpaid work in the country (including community and voluntary work and work in the home). Publish the results of this survey as soon as they become available.
- Recognise that the term 'work' is not synonymous with the concept of 'paid employment'. Everybody has a right to work, i.e. to contribute to his or her own development and that of the community and the wider society. This, however, should not be confined to job creation. *Work* and a *job* are not the same thing.

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Chapter six

Chapter 6
Housing and Accommodation

Core Policy Objective:
To ensure that adequate and appropriate accommodation is available for all people and to develop an equitable system for allocating resources within the housing sector.

Key Issues/Evidence

Population expansion, need more homes

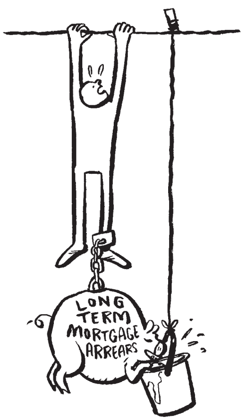
Lack of suitable housing for older people and people with disabilities

High level of vacancy and dereliction

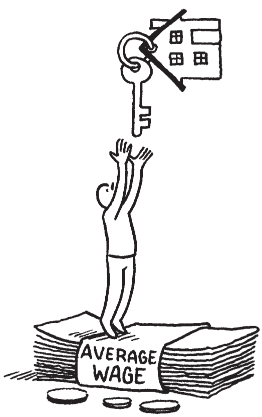
High number of homeless and not all being counted

Poverty problem among renters

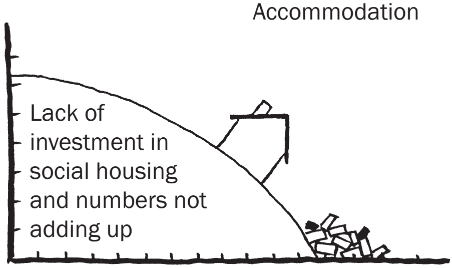
Lack of sustainable, appropriate Traveller Accommodation



Long Term Mortgage Arrears still unresolved



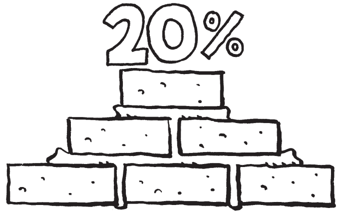
House purchase and Rent are unaffordable



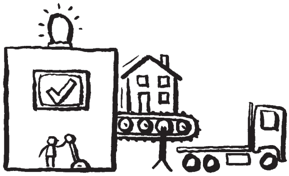
Lack of investment in social housing and numbers not adding up

Policy Solutions

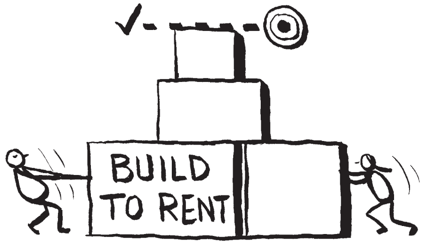
Housing First for Families.



Set a target of 20 per cent of all housing stock to be social housing.



Address affordability through supply-side cost reductions



Reduce reliance on the Build to Rent sector.

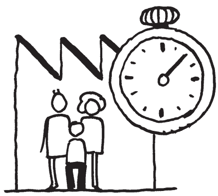
Life-cycle approach to housing development and town planning.

Encourage the right type of supply

Deal with vacancy and dereliction.

Invest in an equity scheme for borrowers in late state mortgage arrears of 10 years+.

Sanction Local Authorities who do not utilise their budget for Traveller accommodation.



Introduce legislation to limit the length of time families can spend in Family Hubs and other emergency accommodation.

Chapter 6

HOUSING AND ACCOMMODATION

Core Policy Objective:
HOUSING AND ACCOMMODATION

To ensure that adequate and appropriate accommodation is available for all people and to develop an equitable system for allocating resources within the housing sector.

Ireland is in the midst of an ongoing and protracted housing and homelessness crisis, with recent developments escalating at an alarming rate. While the Programme for Government 2025 acknowledges the urgency of the crisis, its commitment to delivering 50,000 housing units annually falls short of fully addressing both the existing deficit and future demand.

The replacement of social housing delivery with "social housing solutions" saw an exponential increase in the number of social housing households accommodated in the private rented sector. This, in part, led to increases in rent costs for tenant households and the development of a market in social housing investment, which drove up house prices generally. Added to that, the mortgage arrears crisis of the mid-2010s, the legacy of which is still being felt today, and we see the number of homeless continue to increase. And that's just the official data. There is currently no mechanism for counting the real number of homeless people, the number of households who need additional social housing supports, or the number of adults living with parents who would prefer to live independently. The year ahead is crucial for the new Government to implement effective housing policies that genuinely serve the best interests of the people. Addressing affordability, ensuring adequate and sustainable housing supply, and reducing dependency on the private rental market must be central to any housing strategy.

This chapter addresses the topic of Housing and Accommodation in three parts. Section 6.1 reviews recent housing trends in Ireland, followed by section 6.2, which considers the key policy reforms for various sectors of society with diverse accommodation needs and outlines a series of proposals for responding to the crisis. The chapter concludes (section 6.3) by summarising our key policy priorities in this area.

The provision of adequate, and appropriate accommodation is a key element of *Social Justice Ireland's* new Social Contract as outlined in Chapter 2. To achieve this objective in the years ahead, *Social Justice Ireland* believes that the new Government must:

- Encourage the right type of supply and reduce reliance on the Build to Rent sector;
- Address affordability issues by concentrating on supply-side cost reductions rather than demand-side income subsidies; invest in new methodologies and reconsider higher density developments;
- Set a target of 20 per cent of all housing stock to be social housing and achieve this through directly building more social housing and decentralising responsibility for social housing to Local Authorities;
- Increase the provision of 'Housing First' accommodation for families in emergency accommodation, with wraparound supports to include public health nurses, dieticians, speech and language therapists, physical therapists, and mental health workers;
- Introduce legislation to limit the length of time families can spend in Family Hubs and other emergency accommodation;
- Take a life-cycle approach to housing development and town planning;
- Invest in an equity scheme for borrowers in late state mortgage arrears of 10 years+;
- Introduce sanctions for local authorities who do not utilise funding available to provide safe, sustainable Traveller accommodation;
- Deal with vacancy and dereliction through the tax system and by introducing Compulsory Sale Orders.

6.1 Key Evidence

Population Expansion

Population projections indicate that Ireland's population could reach around 6.5 million by 2057 under a moderate scenario based on the 2022 census. Furthermore, demographic trends suggest a significant shift towards an ageing population. By 2057, the number of people aged 65 years and over is expected to grow to 1.9 million, making up 28 per cent of the total population under the same scenario (CSO, 2024a). This expanding population needs accommodation that is suitable to their needs and supports both family formation and ageing.

Between 2011-2022, Ireland's population grew by 560,887, while the housing stock increased by only 117,276 units. Meanwhile, the average household size saw a marginal change from 2.73 in 2011 to 2.74 in 2022 (Parliamentary Budget Office, 2023). Although variations in household sizes over time suggest that housing supply does not necessarily need to mirror population growth precisely, the data highlights a substantial gap between population growth and housing availability. On average, for each new housing unit, there were at least four additional individuals, indicating significant "supply-side issues, with annual output falling below population-driven demand creating price pressures in the housing market" (Parliamentary Budget Office, 2023, p. 6). The Housing Commission's report further emphasises this issue, stating that "the current household size is artificially elevated due to housing scarcity" and estimating a housing deficit of between 212,500 to 256,000 homes (Housing Commission, 2024). This deficit only represents an existing unmet need, without accounting for future population growth and inward migration.

Current Housing Supply

Construction

In the seven years leading up to 2024, a total of 172,588 dwellings were built, resulting in an average of just 24,655 per year (Chart 6.1). The latest data shows a concerning decline in Ireland's housing supply. In 2024, new dwelling completions decreased by 6.7 per cent compared to 2023, with 30,330 units built (CSO, 2025b). Not only does this fall short of the 33,450 Housing for All target, it also raises concerns about the gap between actual housing delivery and the government's commitments.

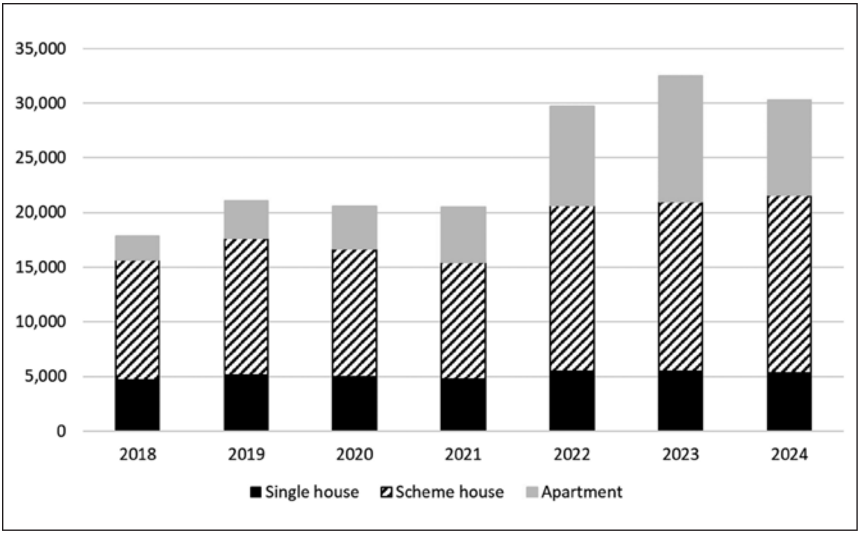
While the Government has increased its housing targets to 50,000 per annum till 2030 under the revised National Planning Framework[1], aligning with the Programme for Government commitments, it "does not fully reflect total housing needs arising from the legacy of past under-investment" and the capacity of the construction sector to meet these targets remains a challenge (see Chapter 5) (OECD, 2025). Although new dwelling commencements have seen strong growth – rising to 60,000 in 2024, an 84 per cent increase from 2023 (Department of Housing, Local Government and Heritage, 2025a) – the slow pace of completion rates highlight the need to prioritise actual delivery. Ultimately, it is completed homes that provide accommodation, not commencements. Moreover, the recent spike in commencements (18,575 units reported in April 2024 alone) may be partially driven by the changes in regulatory environment (expiry of waivers on development levies and rebates on water charges in April[2], which were later extended), rather than a sustained improvement in construction output, raising concerns about the long-term stability of housing supply.

1 https://www.gov.ie/en/press-release/bd039-government-agrees-to-progress-amendments-to-draft-revision-of-national-planning-framework-ambitious-new-housing-targets/#:~:text=Today%2C%20the%20government%20has%20approved,annually%20in%202030%20and%20thereafter.

2 https://www.irishtimes.com/business/2025/01/16/housing-commencements-surge-to-over-60000-in-2024/

Between 2018 and 2024, 53.7 per cent of new dwelling completions were scheme houses, 20.8 per cent were single houses, and 25.5 per cent were apartments (Chart 6.1). Over this period, apartments saw a steady increase from one out of every eight completions (12.5 per cent) in 2018 to reaching a peak of 35.6 per cent of total completions in 2023 to declining again to 28.9 per cent 2024 (CSO, 2025b). The decline in apartment completions by 24.1 per cent last year is particularly concerning. Given Ireland's demographic shift, apartments play a crucial role in increasing housing supply in urban areas, providing options for young professionals, small households, and those looking to right-size their homes. The slowdown in apartment construction could limit housing availability in high-demand areas, driving up rents and property prices, and making it even more challenging for the Government to meet its overall housing targets.

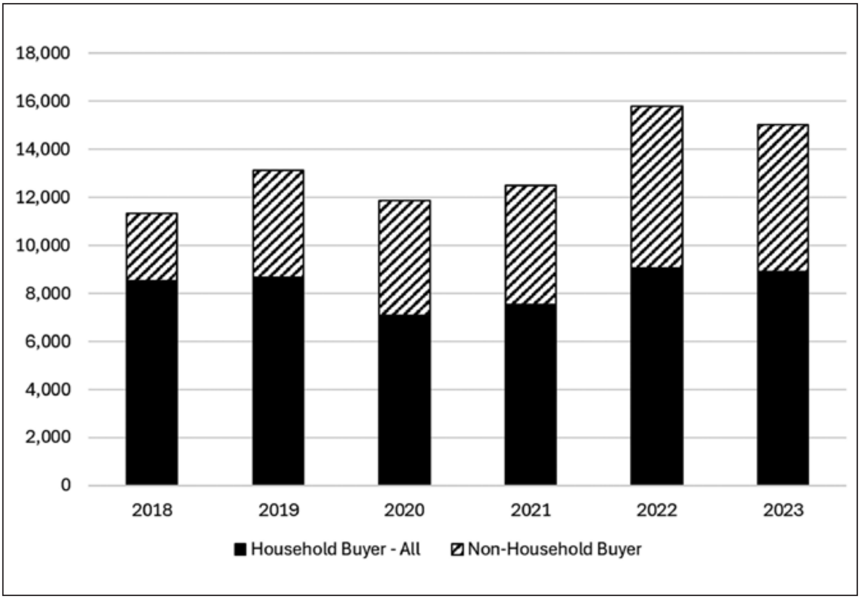
Chart 6.1: New Dwelling Completions 2018 to 2024



Source: Extracted from CSO, New Dwelling Constructions by Type of House and Year, PxStat [NDA02]

In addition, the proportion of new residential properties purchased by non-household purchasers increased by 16 percentage points, from 24.7 per cent in 2018 to 40.4 per cent in 2023 (Chart 6.2). Of all non-household market purchase transactions of residential properties in 2023, the Public/Education/Health sector accounted for 47.2 per cent of the residential dwellings purchased, while the Financial and Insurance sector accounted for 18.5 per cent (CSO, 2024c).

Chart 6.2: Residential Dwelling Property Transactions 2018-2023



Source: Extracted from CSO, Residential Dwelling Property Transactions, PxStat [HPA02]

Despite efforts to increase housing supply, the number of new dwelling completions being delivered is far below what is required to keep pace with demographic change and accounting for obsolescence. Moreover, simply increasing supply is not enough to address the current housing crisis. Greater emphasis is needed on the provision of social and (genuinely) affordable housing, and long-term private rental solutions. There are also questions to be asked as to who is buying these new dwellings and for what purpose.

Vacancy and Dereliction

According to the Census 2022, there were 163,433 vacant properties (excluding holiday homes) recorded on Census night. Of these, approximately 30 per cent had also been vacant in 2016 (48,000), and nearly half of those (23,072) had remained vacant on Census night 2011. While the overall figure represents a decrease in vacancy when compared to Census 2016, when compared with county-level data from *Summary of Social Housing Assessment 2023* there remains more vacant properties than households in need in every county, assuming the figures produced in the Summary of Housing Needs Assessment 2023 are correct, as discussed later in this Chapter. Reasons for vacancy are varied, however of the 163,433, more than 20 per cent (33,653) were rental properties, 27,213 were due to the death of the owner, and 23,205 were being renovated (CSO, 2023).

It should be noted that the *GeoDirectory Residential Buildings Report* puts the number of vacant units at 80,689 as of Q4 2024, with highest rates in Leitrim, Mayo and Roscommon (GeoDirectory, 2025). The same report indicates that there were 20,092 derelict properties across the country. The highest proportion was in Mayo, followed by Donegal and Galway. The lowest rates of dereliction are in Carlow and Wicklow.

So, there are anywhere from 101,000 to 164,000 vacant and derelict properties across the country that could be brought into use.

Introduced in 2017, the Repair and Leasing Scheme was designed to bring vacant properties back into use by offering owners up to €80,000 in funding to repair properties for leasing to local authorities as social housing for terms between five and 25 years. However, the scheme's target was drastically reduced from the 3,500 units set out in Rebuilding Ireland Strategy to 660 units under Housing for All. The latest data (Q3 2024) from the Department indicates that of the 3,309 applications submitted, just 306 leases were signed in respect of 609 properties, indicating low success rate (Department of Housing, Local Government and Heritage, 2025b). Similarly, the Vacant Property Refurbishment Grant, launched in 2022, offers grants of up to €50,000 for vacant properties and €70,000 for derelict properties. However, of the 11,327 applications received by December 2024, only 1,449 grants were issued (Department of Housing, Local Government and Heritage, 2025c). This low success rate raises concerns about administrative bottlenecks, delays, and policy effectiveness. Separately, a study by the Society of Chartered Surveyors Ireland (SCSI) revealed that renovating vacant and derelict properties can be unattractive to many aspiring owner-occupiers and investors due to financial viability (Society of Chartered Surveyors Ireland, 2023a).[3]

The *Vacant Homes Action Plan 2023-2026*, published in January 2023, largely restates the policies set out in the Housing for All Strategy, the Rebuilding Ireland Strategy, Our Rural Future, and Town Centre First (Department of Housing, Local Government and Heritage, 2023). As part of these efforts, Budget 2023 introduced a Vacant Homes Tax (VHT) on residential properties occupied for less than 30 days in a 12-month period, initially set at three times the Local Property Tax (LPT) rate. Budget 2024 increased this to five times, and Budget 2025 further raised it to seven times the LPT, which is welcomed.

However, challenges remain, particularly around identifying vacant properties and enforcing compliance. Data from the Revenue Commissioners reveals a stark gap between expectations and actual tax declarations. During the first chargeable period (November 2022 – October 2023), only 5,856 properties were declared vacant, with just 3,468 liable for the tax (Revenue Commissioners, 2024). Whereas, in the second chargeable period (November 2023 – October 2024), these figures

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3 The property's financial viability is calculated by determining whether the final market value is greater than the starting market value plus the renovation costs.

fell further to 3,049 properties declared vacant and only 2,142 liable to pay the tax (Revenue Commissioners, 2025a). These low numbers suggest that many vacant properties remain undeclared, as it relies on property owners to voluntarily self-assess their liability and submit returns. This reliance on self-assessment can make it difficult for authorities to ensure full compliance, presenting obstacles to effectively address vacant properties.

The introduction of the Residential Zoned Land Tax in late 2021 was a welcome step toward activating serviced, zoned land for residential use, and its implementation remains critical. We also welcomed the move to allow landowners flexibility in requesting rezoning to reflect their economic activity, introduced last year. Ensuring the effective implementation of these measures remains crucial, as past experiences indicate that translating policy into practice can be challenging. The introduction of a Site Value Tax, long recommended by *Social Justice Ireland* and the Commission on Taxation and Welfare, could effectively address this and encourage productive use of land (more in detail in Chapter 4).

Housing Affordability

Home Ownership

A number of initiatives have been introduced by this and previous Governments in an effort to make housing more affordable, including the emphasis on 'Starter Homes' in the Programme for Government 2025. However, affordability challenges persist.

The Help to Buy scheme, introduced nearly a decade ago, was aimed at first time buyers who bought or self-built a property by giving a maximum amount of €20,000, later increased to a maximum of €30,000. However, an analysis of the Help to Buy data published by the Revenue Commissioners and home purchases data from the Property Price Register suggests that the scheme is being used to support purchases in the higher end of the price range. Originally intended as a short-term measure, it has been repeatedly extended and is now set to remain in place until at least the end of 2029, with a commitment in the Programme for Government to extend it further to 2030. Based on provisional reports, as of November 2024, the total value of approved and pending claims had nearly reached €1.15 billion. One in three (33.7 per cent) of the Help to Buy supported homes were in the €301-375,000 price range, while around one in four (24.1 per cent) were priced between €376-450,000. An additional 12.6 per cent exceeded €450,000 (Revenue Commissioners, 2025b). For comparison, data from the Property Price Register indicates that 18.9 per cent of all home purchases were in €301-375,000 range, while 14.6 per cent were between €376-450,000 and 23.3 per cent of those were priced over €450,000. Among new home purchases, 30.8 per cent were in the €301-375,000 range, 25.9 per cent were in the €376-450,000 bracket, and 22.1 per cent exceeded €450,000 (Property Services Regulatory Authority, 2025).

In 2022, Department of Finance commissioned Mazars to review the Help to Buy scheme, which found that the "issues that were to be addressed, including the shortage of housing output and affordability in house purchase and rental markets, have intensified since it was introduced with increasing deficits and higher prices" (Mazars, 2022, p. 4). The report further recommended that a more appropriate policy mechanism be developed to address affordability in a targeted and effective manner.

In 2021, Government published the Affordable Housing Act 2021 and the introduced the 'First Home' Affordable Purchase Shared Equity Scheme. Under this scheme, first time buyers who have accumulated a deposit and are approved for a mortgage can access an equity loan from the State to make up the difference between what they can finance themselves (savings and mortgage) and the actual purchase price of the home, up to 30 per cent of the market value of the new property. By the end of December 2024, 6,047 buyers had been approved under the scheme, enabling them to buy or build their chosen home (First Home Scheme, 2025). However, rather than improving affordability, this artificially maintains high house prices by inflating the purchasers' income, while circumventing the Central Bank's macroprudential rules. Instead of one mortgage, the purchaser has two loans charged to the property, their mortgage and the equity loan. The average state equity loan per buyer stands at €65,997 (First Home Scheme, 2025). Programme for Government has committed to expanding the scheme to include second-hand homes, further increasing the risks of sustaining high prices across the market.

Despite these initiatives, housing is becoming less affordable with each passing year. The cost of new dwellings rose by 5.2 per cent in the year to the end of Q4 2024, while the cost of existing dwellings rose by 10.5 per cent in the same period. Median prices are highest in Dun Laoghaire-Rathdown at €660,000, and lowest in Longford at €182,250. Outside of Dublin, the commuter belt continues to demand the highest prices, with Wicklow commanding a median price of €455,000 and Kildare a median of €401,000 (CSO, 2025a).

Over the past decade, housing affordability has worsened, with the residential property prices increasing at a much faster rate than wages. Between the period 2012 – 2022, wages rose by only 27 per cent, compared to residential property prices that surged by 75 per cent (Parliamentary Budget Office, 2023).

Rental

The main initiatives to make rent more affordable have been the introduction of Rent Pressure Zones and Cost Rental housing. Rent Pressure Zones (RPZs) were introduced in December 2016 to place a cap of 4 per cent on rent increases in certain strategic areas. Additional adjustments to rental caps were made based on changes in the Harmonised Index of Consumer Prices (HICP).[4] However, with cost-of-living

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[4] In the euro area, the Harmonised Index of Consumer Prices (HICP) is used to measure consumer price inflation. That means the change over time in the prices of consumer goods and services purchased by euro area households.

increases exceeding 5 per cent in 2021, this was revised again to the lower of either the HICP or 2 per cent. However, rents have continued to rise consistently for over a decade. According to the *Residential Tenancies Board Rent Index Q3 2024*, rents increased nationally by 6.4 per cent in the year to Q3 2024 and by 5.4 per cent in Dublin in the year to Q3 2024 for new tenancies, while 4.7 per cent nationally and 4.2 per cent in Dublin for existing tenancies (Residential Tenancies Board, 2025b). This follows a trend of continuous growth. Meanwhile, asking rents for properties advertised on Daft.ie increased by 5.7 per cent in the year to Q4 2024 (Lyons, 2025).

There are now uncertainties surrounding the future of rent regulation, especially how rents will be calculated if the Government moves toward a rent reference system as part of broader rental market reforms. There are also concerns about whether adequate tenant protections would be in place under such a system. Additionally, the Housing Commission's Report (2024) suggests issues of non-compliance with RPZs regulations, raising broader concerns about the effectiveness of policy implementation—an issue not confined to rent regulation alone but evident across multiple areas of housing policy.

As the government contemplates the next steps in rental market reform, the priority must be ensuring that all individuals have access to safe, secure, and affordable housing. While RPZs has helped moderate rent increases as found in the jointly published report by the ESRI and RTB[5], they must be complemented by long-term solutions such as increasing social housing stock (discussed later in the chapter). Without policies that both regulate rents while simultaneously expanding housing stock, particularly social housing, affordability will continue to decline.

Cost Rental

Cost rental is a tenancy popular in other European countries, notably Austria and the Netherlands. The premise is that rents will be divorced from the market and based instead on the cost of providing the property – building, finance and maintenance. This type of tenure has gained popularity in Ireland; however, the scale of provision has been too low to have any real impact on market prices. As of Q3 2024, a total of 2,640 cost rental homes had been delivered by Approved Housing Bodies (AHBs), Local Authorities, the Land Development Agency (LDA), and the Cost Rental in Situ scheme (Department of Housing, Local Government and Heritage, 2024b).

One complaint about cost rental in Ireland is that rents continue to be out of reach of low-income households. Although cost rents are 25 to 33 per cent below the comparable market level (averaging between €1200-€1400 for two-bedroom apartment/duplex), they still exceed what many lower-income renters can afford. However, one of the core advantages of cost rental is that rents remain stable over time, rather than fluctuating with private sector inflation, making it a more cost-effective and sustainable option in the long term. The Affordable Housing Act 2021

5 See - An assessment of property level rental price growth in Ireland

put cost rental on a statutory footing. Section 34 of the Act provides that cost rental tenants will not be eligible for housing subsidies available to tenants in the private rented sector generally unless they have had a change of circumstances making them eligible after six months. In the absence of real social housing provision, discussed later in this Chapter, this creates the unusual situation whereby social housing tenants in the private rented sector could be paying more in rent and top-ups than their wealthier counterparts who can avail of cost rent.

There has been growing momentum towards increasing cost rental in recent years. The Programme for Government (2025) also commits to expanding cost rental through LDA projects, local authorities, and the Cost Rental Equity Loan funding to AHBs, embedding cost rental as a permanent tenure category. The Government plans to continue the Secure Tenancy Affordable Rental (STAR) investment scheme to support affordable rents, while reviewing its criteria to encourage greater participation from the private development sector. Recently, Minister for Housing, Local Government and Heritage, James Browne, announced over €156 million in funding to deliver 686 new cost rental homes across seven local authorities[6].

Homelessness

Each month brings a new record high in homelessness figures. The latest data indicate that 15,286 people, including 4,603 children, accessed emergency homeless accommodation in the week 20-26 January 2025.[7] Family homelessness has increased by 92 per cent (from 1,130 families in July 2016 to 2,164 in January 2025) since the beginning of the previous housing strategy, Rebuilding Ireland, and by 115 per cent since the introduction of Housing for All in September 2021. These are the 'official' data on homelessness. They do not include those staying with family and friends, they do not include rough sleepers, they do not include homeless families temporarily accommodated in housing owned by their Local Authority, they do not include the women and children in domestic violence refuges, and they do not include asylum seekers in transitional accommodation.

The number of people aged 65 and above who are homeless has almost tripled since the introduction of Rebuilding Ireland (from 83 in July 2016 to 238 in January 2025), and increased by 86 per cent since September 2021, although there were fluctuations during that period. While there is a relatively low instance of homelessness among adults aged 65+, the rate of increase since the inception of the previous housing strategy is concerning. Frailty is often a challenge that comes with ageing and is exacerbated by poor living conditions.

Homelessness is becoming normalised. According to *the Homeless Quarterly Progress Report (October to December 2024)*, 54.9 per cent of all single homeless households, and 66.3 per cent of all family households accessing emergency accommodation

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6 https://www.gov.ie/en/press-release/517c0-minister-browne-allocates-168m-funding-for-849-new-cost-rental-and-affordable-purchase-homes/

7 gov.ie - Homelessness data

had been doing so for more than six months, similar to the year before (Department of Housing, Local Government and Heritage, 2025d). Even more concerning, 16.3 per cent of all single households and 19.7 per cent of all family households had been in the emergency accommodation for over two years, signalling a deepening crisis where emergency measures are becoming a long-term reality for many. At the same time, rough sleeping continues to rise, with the latest rough sleeper count taken in November 2024 recording 134 persons sleeping rough in Dublin over the course of the week of the count, an increase of 16 persons on the same period of the previous year. This reflects the broader failure to provide sufficient pathways out of homelessness, as people remain trapped in emergency accommodation or unable to secure stable housing.

This is also evident in the breakdown of Specific Accommodation Requirements contained in the *Summary of Social Housing Assessments 2023*. The proportion of households citing homelessness as their basis of need increased from 11.6 per cent in 2022 to 13.5 per cent in 2023 (Housing Agency, 2024). There were 7,946 households in this situation in 2023, an increase of 67 per cent since 2017 when 4,765 households reported homelessness as their main need. The homelessness crisis is undeniable and must be addressed. The need for radical change in the approach to homelessness and housing policies has never been more urgent.

Financial Costs of Homelessness

The *A Decade of Homelessness Data: Significant Developments in Homelessness 2014–2023* report, published by Focus Ireland, provides an in-depth analysis of the extent of homelessness in Ireland and its financial costs drawing from Department of Housing, Local Government and Heritage data sources. The report highlights a sharp rise in homelessness expenditure, with Local Authorities expected to spend over €434.7 million in 2024, compared to an average annual expenditure of €73.5 million from 2009 to 2014. In total, €2.48 billion has been spent on homelessness services between 2009 and 2023, with €2.2 billion allocated between 2014 and 2023 alone—a period in which the number of households in emergency accommodation increased by 224 per cent (O'Sullivan, et al., 2024). Spending on homelessness services is heavily concentrated in Dublin, where just over three-quarters of total expenditure was made by the four Dublin Local Authorities, reflecting the geographical concentration of homelessness, as 72 per cent of all adults experiencing homelessness in December 2023 were in Dublin (O'Sullivan, et al., 2024).

A breakdown of 2023 *Local Authority Regional Financial Reports* spending patterns reveal an imbalance in resource allocation. Local Authorities spent 15 times more on emergency accommodation (approx. €287 million) than homelessness prevention, tenancy sustainment and resettlement supports (approx. €19 million). Additionally, 65 per cent of emergency accommodation expenditure were on private emergency accommodation including commercial hotels and B&Bs (approx. €188 million) (Department of Housing, Local Government and Heritage, 2024a). While another

€14.9 million was spent on long-term supported accommodation[8], the continued overreliance on emergency accommodation as opposed to prevention supports and long-term solutions raises concerns about the sustainability and effectiveness of current homelessness spending, emphasising the urgent need for a shift toward prevention-focused policies and housing-first approaches.

Social Housing

The number of homes owned by Local Authorities was 150,224 at the end of 2023 (National Oversight and Audit Commission, 2024). A further c.55,000 were rented by Approved Housing Bodies (AHBs) (Irish Council for Social Housing, 2023). In total, 9 per cent of all housing stock in Ireland is social housing. This is far lower than our European peers such as Austria (24 per cent), France (17 per cent), Sweden (16 per cent) and the Netherlands (29 per cent) (Housing Europe, 2023). Meanwhile, the commitment to build 10,000 social homes this year, as set out in Budget 2025, fails to take account of the 2,557 shortfall on the 2022 and 2023 targets, as well as the likely shortfall in 2024, given that only 2,119 of the planned 9,300 social homes had been built by the end of Q3 2024 (Department of Housing, Local Government and Heritage, 2024b).

Social Housing Needs Assessments and HAP

According to the *Summary of Social Housing Assessments 2023*, there were 58,824 households on the waiting list for social housing, a 1.7 per cent increase from previous year (Housing Agency, 2024). The housing crisis is worsening as Government continues to look to the private sector for solutions. The *Summary of Social Housing Assessments* does not include households in receipt of the Housing Assistance Payment (HAP) as these households are deemed to have their housing needs met. This means that households who would, pre-2014, have been given Rent Supplement and included in the social housing waiting list data, are no longer included, "meaning that the true scale of the unmet social housing need in the State is largely unknown" (Parliamentary Budget Office, 2024a, p. 2).

At the end of 2023, there were 56,848 households in receipt of HAP (Department of Housing, Local Government and Heritage, 2024c). When combined with the social housing waiting list, this means that, as of 2023, there were at least 115,672 households in need of social housing permanent, state-supported housing. This aligns with the PBO estimates that over 115,000 households had an 'ongoing need' for permanent social housing during the same period (Parliamentary Budget Office, 2024b).

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8 Long Term Supported Accommodation is the provision of quality accommodation and effective supports on a long-term basis for persons who have sought assistance from homeless services and who have specialised health, care and social support needs.

Mortgage Arrears

At the end of Q3 of 2024, there were 51,549 home mortgages (43,537 private dwelling house (PDH) and 8,012 buy-to-let (BTL)) in arrears, with two thirds of these (34,064) in arrears of more than 90 days (Central Bank of Ireland, 2025). This marks a 10 per cent decrease in the total mortgage accounts in arrears and an 8 per cent decrease of those in arrears for more than 90 days compared to the same period in the previous year.

Non-bank Entities

Non-bank entities are Retail Credit Firms and Credit Servicing Firms and do not, as the name suggests, provide banking facilities. As of Q3 2024, non-bank entities owned 17 per cent of all (principal dwelling house) PDH mortgage accounts and 62 per cent of all PDH mortgage accounts in arrears. This proportion increases with the length of time of the arrears, with non-bank entities owning 40 per cent of PDH mortgage accounts in arrears of less than 90 days, and 93 per cent of those in arrears of more than 10 years, a proportion that has increased by 2 percentage points on the previous year (Central Bank of Ireland, 2025).

Local Authorities

Of the 13,999 Local Authority mortgages active as of Q3 2024, 29 per cent were in arrears, representing 4,125 low-income households, 11 per cent of which are in arrears of more than 90 days (Department of Housing, Local Government and Heritage, 2024d).

Insolvency Supports

According to the Seventh Report of the Abhaile Scheme, for the year 2023, a total of 20,379 Personal Insolvency Practitioner (PIP) vouchers were issued between mid-2016, when the Scheme began, and December 2023 (p.29). However, it should be noted here that PIP vouchers are provided per borrower, not per mortgage, and so the number of mortgages involved is less. Of these, 14,714 have been presented for payment by the end of 2023 (Department of Justice and Department of Social Protection, 2024). Moreover, there are large caveats contained within the report about the quality of the data collection, making analysis of the outcomes unreliable. Outcomes data from the Insolvency Service of Ireland (ISI), for example, is projected. In addition, as of December 2023, 44.7 per cent of solutions or trial solutions put in place, almost three quarters (73.8 per cent) of the solutions in progress were informal arrangements not requiring the services of an insolvency practitioner (p33).

Given that the total expenditure on the scheme reached €46.3 million from 2017 to 2023, with an additional €7.73 million allocated for 2024, question arise as to why this project continues to receive additional funding, particularly when a money advice service, MABS, providing debt support and advocacy has been in place since 1992. The decision to extend the scheme until 2027 further raises concerns about its long-term value and effectiveness, particularly in light of its uncertain impact on debt resolution.

Mortgage to Rent

Since its introduction in 2012, the Mortgage to Rent scheme has provided a solution for only 2,583 households out of a total of 7,395 cases – a success rate of just 34.3 per cent in more than a decade since its introduction. An additional 429 cases are in progress, but even if all were successful, that is still only two in every five applicants. Moreover, Mortgage to Rent does not serve all counties equally with just 11 Local Authority areas having more than 100 completed cases since 2015 (Housing Agency, 2025).

The Mortgage to Rent scheme has undergone multiple updates, including in 2017[9], 2021[10] and 2022[11], introducing welcome improvements such as expanded eligibility criteria, including income limits, equity limits and size of the property. Further changes in the last quarter of 2024[12] included increases to the positive equity limit as well as the purchase price thresholds, which are positive steps. These improvements will no doubt help support some households, however barriers remain. Based on the last ineligible cases summary report from the Housing Agency[13], 341 of the 530 cases (64.4 per cent) were ineligible on the grounds that the household was either over or under-occupied (Housing Agency, 2025). The changes to this element announced in February 2022 apply only to borrowers aged 65+ or where there is a disability in the household, and many households in need continue to be rejected on the same grounds, indicating that these changes have not meaningfully expanded access to the scheme.

Both Personal Insolvency Arrangements and Mortgage to Rent will work for some households, but there are still many in long-term arrears for whom there is little support.

Private Rented Sector

Approximately 13 per cent of the population are living in private rented accommodation. According to the Central Statistics Office (CSO), there were 156,555 landlords registered in June 2021, and 276,945 tenancies (CSO, 2021). The report also refers to an increase in the number of landlords whose primary sector classification is 'Renting and operating of own or leased real estate', which has seen steady increases since 2016. Census data from 2022 indicates a 6.7 per cent

9 http://rebuildingireland.ie/news/changes-in-mortgage-to-rent-scheme/
10 2021 Review of the Mortgage to Rent Scheme for Borrowers of Commercial Private Lending Institutions
11 https://www.gov.ie/en/press-release/09acf-minister-obrien-announces-significant-improvements-to-mortgage-to-rent-scheme/
12 https://www.gov.ie/en/press-release/c2598-minister-obrien-announces-significant-improvements-to-mortgage-to-rent-scheme/
13 www.housingagency.ie/housing-information/mortgage-rent-scheme

increase in the total number of households living in private rental accommodation compared to Census 2016 (CSO, 2023).

Findings from the *RTB Profile of the Register - Private Registration Statistics Q2 2023 - Q4 2024* aligns with these trends, though limitations persist, as not all tenancies may be registered[14] with the RTB despite legal obligation to do so (unless they fall under exempt criteria). As discussed earlier, this raises concerns about non-compliance and enforcement gaps in the private rental sector. Moreover, the data suggests that between Q2 2023 and Q4 2024, there was 13 per cent increase in the tenancies, with 240,964 private tenancies registered by Q4 2024. Over the same period, landlords increased by 9.2 per cent (Residential Tenancy Board, 2025a).

Despite these increases, rental supply remains critically low. The latest *Daft.ie Rental Report* indicates that just under 2,300 homes were available to rent on their site in Ireland in February 2024 (Lyons, 2025). The same report highlights the severity of the rental market shortfall, estimating that Ireland faces a deficit of at least 150,000 rental homes, potentially rising to 200,000. With rents continuing to increase, as presented in earlier section, radical reforms are needed to address supply shortages.

Similarly, a Snapshot Report published by the Simon Communities of Ireland found that while the number of properties available to rent increased by 7 per cent from 1,149 in December 2023 to 1,233 available to rent at any price within the 16 areas studied in December 2024, just under 4 per cent were available to rent within the limits of the HAP payments, same as last year. This marks almost 4 percentage points decrease from 2022 and almost 24 percentage points decrease from 2021 (Simon Communities of Ireland, 2025). These findings raise concerns about the accessibility of rental properties for those relying on HAP payments.

Private Rent and Poverty

The period from 2012-2022 saw a nominal increase of 27 per cent in wages, contrasting sharply with the housing sector, where rents surged by over 90 per cent (Parliamentary Budget Office, 2023). In the light of these trends, the latest Survey on Income and Living Conditions (SILC), published by the CSO, highlights the disproportionate vulnerability of renters to poverty. The data reveals that renters face a higher risk of poverty than both non-renters and the general population. The overall at risk of poverty rate in 2024 stood at 11.7 per cent. For renters, the at risk of poverty rate was 21.8 per cent. Once rent payments were accounted for, just over two in five renters (40.6 per cent) were at risk of poverty. Furthermore, seven in ten persons experiencing consistent poverty lived in rented or rent-free accommodation. Table 6.1 shows the at risk of poverty rates for different categories of renters, both before and after rent payments.

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[14] https://www.independent.ie/business/personal-finance/massive-non-compliance-by-landlords-with-rules-to-register-tenancies-study-finds/a1201046152.html

Table 6.1: At risk of poverty rate (%) for different categories of renter, before and after rent payments, 2024

Category of Renter	At risk of poverty rate after rent and mortgage interest	At risk of poverty rate
Rented or Rent Free	40.6	21.8
Rent Free	14.4	14.4
Rented: from Local Authority	43.4	29.5
Rented: other forms of social housing support*	57.3	21.5
Rented: without housing supports	35.5	18.7

Source: CSO Ireland, Survey on Income and Living Conditions 2024

Note: *Such as Housing Assistance Payment (HAP), Rental Accommodation Scheme (RAS), Rent Supplement.

The SILC results also found that 14.2 per cent of tenants were in arrears with their rent at least once in 2024, with one in ten renters (10 per cent) in arrears twice or more in this period. Almost two-thirds of renters (63 per cent) reported having difficulty making ends meet, with just over one in ten (10.7 per cent) reporting experiencing great difficulty (CSO, 2025c).

Housing affordability challenges are further reflected in the Housing Cost Overburden (HCO) rate, which is a key indicator used in the Government's Wellbeing Framework to assess overall quality of life. This metric considers total housing costs—including rent, mortgage repayments, utilities, structural insurance, and maintenance expenses—as a percentage of disposable income. In 2023[15], the HCO rate in Ireland increased to 4.7 per cent, up from 3.4 per cent in 2018 and 3.7 per cent in 2022, indicating a worsening financial burden on households.

To alleviate some of these pressures, Rent Tax Credit was introduced in Budget 2023 to support tenants who do not receive other housing subsidies. However, while the Government has committed to increasing this credit further under the Programme for Government, its current structure disproportionately benefits higher-income earners. Data from the Revenue Commissioners shows regressive distribution, with low-income renters receiving negligible benefits (Revenue Commissioners, 2023). *Social Justice Ireland* proposes converting this credit into a grant or making it refundable to benefit low-income tenants

[15] Eurostat [ILC_LVHO07A]

Rent Inspections

Each Local Authority is required to inspect 25 per cent of rental properties in their area annually. However, in 2023, only nine out of 31 Local Authorities met this target, while nine recorded inspection rates of below 10 per cent. Galway City (2.9 per cent) and Mayo (3.4 per cent) had the lowest inspection rates (National Oversight and Audit Commission, 2024).

In 2023, a total of 50,463 private rented dwellings were inspected, marking a 25.2 per cent increase compared to 2022. Despite the rise in inspections, compliance with rental standards remains alarmingly low. 23 Local Authorities reported that over 90 per cent of inspected dwellings failed to meet regulatory standards. In Galway County and Louth, 100 per cent of inspected properties were found to be non-compliant. Even in areas with the lowest recorded non-compliance rates, such as Roscommon (69.91 per cent) and Dublin City (70.07 per cent), more than two-thirds of inspected properties failed to meet required standards (National Oversight and Audit Commission, 2024). One solution to this low standard is to make it mandatory for all landlords to have a certificate procured prior to letting, that states the rental property meets a minimum standard.

Accommodation for Persons with Disabilities

Access to suitable housing remains a critical challenge for disabled people in Ireland. According to the *Summary of Social Housing Assessments 2023*, 5,822 households cited a household member with an enduring physical, sensory, mental health, or intellectual disability, or a need for accommodation on medical or compassionate grounds as their main need for social housing support. This is an increase of 5.5 per cent (301 households) compared to the previous year (Housing Agency, 2024). Additionally, the number of households that referenced having specific accommodation requirements due to a physical, sensory, mental or intellectual impairment also increased slightly from 3,842 in 2022 to 3,946 in 2023.

A key mechanism to support independent living for persons with disabilities is the Housing Adaptation Grants, which is the collective term given to the three grants: Housing Aid for Older People, Housing Aid for People with a Disability and Mobility Aid Grant. These grants are provided to eligible people to modify their own homes, allowing them to live at home, within their communities, for longer. Given that people aged 55 and above account for 53 per cent of the total population experiencing disability to a great extent[16], and that many of them are homeowners, Housing Adaptation Grants play a crucial role in improving accessibility and quality of life.

Despite this, significant barriers persist including long waiting times for assessments by Occupational Therapists, which are required to certify the need for home modifications, further delaying access to these supports. The situation is even more

16 CSO's PxStat [F4002]

challenging for those in private rental accommodation, as there is little incentive for private landlords to modify their properties to meet the needs of tenants living with a disability or older tenants when they could attract equal or higher rents with new tenants.

Funding for housing adaptations has also failed to keep pace with rising construction costs or growing demand. In 2010, a total of €77.3 million was paid in respect of 13,588 grants, while in 2023, total of €75.3 million was paid in respect of 13,698 grants (Department of Housing, Local Government and Heritage, 2024e).

In 2024, following the *Report on the Review of the Housing Adaptation Grants for Older People and People with a Disability*, the Government introduced the Housing (Adaptation Grants for Older People and Disabled People) Regulations 2024, which took effect on 1st December 2024. The reforms included over 30 per cent increase in the grant limits and a 25 per cent increase in income thresholds for eligibility. The legislation also adjusted the burden sharing for local authorities by reducing the local authority funding contribution to 15 per cent (from the existing 20%) and further amendments were also made to the means test.[17]

While these changes are a positive step, they do not fully reflect inflation in construction costs, which have risen considerably since the grants were introduced in 2007. The 2024 review report also provides indicative costs of a bedroom/bathroom extension, excluding VAT, based on costs submitted to Local Authorities. In 2023, these costs ranged from €45,000 (Longford County Council) to €70,000 (Wicklow County Council) —well above what updated grants cover (Department of Housing, Local Government and Heritage, 2024f).

Lack of availability of adequate grants for home modifications coupled with low income, lower levels of educational attainment (13.7 per cent had completed no more than primary education, compared to 4.2 per cent of the general population) and a prevalence of poverty means that those with a disability are unlikely to be able to afford adequate accommodation to support independent or assisted living (CSO, 2023).

Social Justice Ireland believes that ensuring that people with a disability can live independently where possible should be a key policy priority. Providing the resources for this, including suitable housing and housing-related supports, must be one of the foundations of such a policy.

Traveller Accommodation

According to statistics compiled by the Department of Housing, Local Government and Heritage, the number of Traveller families in all accommodation increased by

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[17] https://www.gov.ie/en/press-release/c1356-ministers-obrien-and-dillon-announce-commencement-of-revised-housing-adaptation-grants-of-up-to-40000/

just 6 per cent between 2021 and 2023, reaching 12,367. Of these, almost two-thirds of Traveller families were accommodated by Local Authorities or Approved Housing Bodies, 12.2 per cent were accommodated in the Private Rented Sector, 7.1 per cent secured accommodation through their own resources, 7.9 per cent were in shared accommodation, and 4.7 per cent resided on unauthorised halting sites. While Local Authority/AHB accommodation and shared accommodation increased, the number of Traveller households in private rented accommodation declined by 19.5 per cent, with fluctuations observed in those living on unauthorised halting sites or those who secured accommodation through own resources (Department of Housing, Local Government and Heritage, 2024g).

The Traveller Accommodation Expert Review results, published in July 2019, identified the lack of a strong evidence base for policy making as a "fundamental problem" in addressing Traveller accommodation needs (Traveller Accommodation Expert Review Group, 2019). The direction of housing policy generally, whereby social housing is now provided by way of the private sector, also presents particular difficulties for Travellers as they face "strong barriers" in accessing private rented accommodation. The Report concludes with a series of recommendations on all aspects of Traveller accommodation provision, from delivery suitable to the need; to planning; capacity and resources; and governance.

In its Programme Board Update[18], published in October 2024, the Expert Group, as part of the ongoing work programmes, noted that more detailed data is needed on Travellers who are not included in the Social Housing Needs Assessment and also on future Traveller accommodation need in order that effective planning can take place for Traveller accommodation provision. Also of note, the update reports that more information on Travellers currently accommodated in RAS, HAP scheme and Rent Supplement funded dwellings is needed. To accomplish this, "the inclusion of an ethnic identifier in applications for these housing allowances and the collation of data currently recorded by the Department of Employment and Social Protection (in the case of Rent Supplement) and on each local authority's 'transfer list' (in the case of RAS and HAP)" will be required (Traveller Accommodation Expert Group, 2024).

The update recommends "research on good practice in the planning, design, management and maintenance of halting sites should be commissioned which takes account of changes in caravan design and size, and Travellers' needs and household size. On the basis of this research and also consultation with Travellers and social landlords, up-to date guidelines on the planning, design, management and maintenance of Traveller-specific accommodation be issued". These are all very welcome, however there are a significant number of actions that have yet to be progressed, with some reviewed as "Future Work Programme" within the Expert Group's review. One of the major ones is to "provide comprehensive planning guidelines for Regional Assemblies and local authorities to ensure consistency

18 https://assets.gov.ie/313648/c741fd8f-c82c-41d6-95c4-0bff22edff5c.pdf

and integration of the Traveller Accommodation Programme and the Housing Strategy section of Development Plan preparation and development management processes".

The reported conditions experienced by Traveller families, that of increased overcrowding, discrimination within the private rented sector, greater risk of homelessness, and associated health and mental health difficulties warrants that this issue be treated as an emergency and that local authorities be compelled to utilise the increased funding available to ensure that Traveller families and their children are supported to live with dignity.

Section D.3 of the Expert Review recommends establishing Traveller Accommodation Strategic Policy Committees (TASPC) in place of the Local Traveller Accommodation Consultative Committees (LTACCs). Unlike other Strategic Policy Committees (SPCs), this would have a decision-making role as well as an advisory role. They also recommend that this TASPC should be linked with the Housing SPC through a traveller representative who sits on both committees.

In July 2021, the IHREC published accounts of the first Council-by-Council equality review on Traveller Accommodation in the history of the State (IHREC, 2021). This review found that, between 2008 and 2018, of the €168.8 million allocated to local authorities for Traveller-specific accommodation, just two thirds (€110.6 million) was drawn down. In 2020, the Department of Housing, Local Government and Heritage ceased the practice of allocating specific budgets to individual Local Authorities and implemented a new allocation process following a review of arrangements for the disbursement of funding provision and related supports for Traveller specific accommodation. Since then, Local Authorities can apply for and draw down funds throughout the year (Burke, 2022). While the table of drawdowns provided in response to a Parliamentary Question raised by Deputy Róisín Shortall TD in September 2022 has the names of the Local Authorities concerned redacted, it would appear that while the full central allocation was drawn down in both 2020 and 2021, there funding was not drawn down by every Local Authority.

6.2 Key Policy Reforms

The housing system in Ireland has become characterised by profit and privatisation: private developers building on State land; private landlords receiving large subsidies to provide "social housing solutions"; private operators of emergency accommodation; and private investment in short-term, high-yield lettings. This is a policy failure.

While the Programme for Government 2025 commits to delivering 300,000 homes by 2030, it also references a 60,000 home annual target, with a broader objective of establishing a "stable and predictable policy to attract and retain private investment" of €24 billion per year. This heavy reliance on private investment raises concerns about long-term sustainability. Moreover, recent discussions have shifted toward ending rent cap measures to attract these investments. As discussed earlier, the removal of RPZs further risks exacerbating rental price inflation and increasing instability for renters, further straining affordability.

Social Justice Ireland welcomed many aspects of the Programme for Government, however there are still gaps through which the very marginalised may fall. To this end, we have a series of policy recommendations which we strongly urge Government to adopt.

Encourage the Right Supply

Increasing housing supply is an instinctive response to a housing crisis, but not all supply is equal. Changes to building regulations which allowed for lower standards in build to rent properties to make them viable for investors, has led to substandard accommodation not intended for long-term housing. Addressing the housing crisis requires not just more housing, but the right type of housing—affordable, high-quality, and sustainable homes that meet long-term needs.

The Programme for Government commits to delivering 50,000 homes per year, reaching 300,000 by 2030. While this is a welcome increase from previous targets and aligns broadly with the Housing Commission's recommendations, the *Report of the Housing Commission* (2024) highlights an existing housing deficit of 235,000 homes in the medium term. This significant shortfall stresses on the urgent need for emergency construction measures beyond what is currently outlined in the Programme for Government. Furthermore, if the Government is to successfully achieve its ambitious plan of creating 300,000 new jobs by 2030, it must ensure that housing supply and other infrastructure keeps pace with economic growth. The Housing Commission recommends that housing delivery must expand further, not only to meet future demand but also to incrementally reduce the deficit. This would require an average 50 per cent increase in annual housing output over the next decade (Housing Commission, 2024).

As highlighted in the Housing Commission's report, the housing crisis is not just a social issue—it is an economic constraint. The shortage of affordable housing harms social cohesion and weakens Ireland's competitiveness and attractiveness as a place to live and work. Without urgent action, the housing shortage will continue to act as a barrier to economic growth and long-term sustainability.

Increase Affordability

The Government's response to generations who cannot afford to buy or rent a home is to concentrate on demand-side subsidies. The Help to Buy and Affordable Home Equity Schemes artificially inflate the incomes of first-time buyers to enable them to reach a market price that would otherwise be unattainable. This is a tacit acknowledgment that housing is unaffordable, while also maintaining those unaffordable prices. This support should be tapered and withdrawn, with resources redirected toward structural supply-side reforms.

One critical supply-side issue is the shortage of skilled workers in the construction sector, which directly impacts the ability to increase housing supply at scale. The Programme for Government commits to 12,500 new apprenticeships annually, amounting to 75,000 apprenticeships by 2030. However, this is only one-fourth of what is required to meet housing demand and modern construction needs (see Chapter 5). We welcome the commitment to expand dedicated apprenticeship and internship options for Modern Methods of Construction (MMC) in housing, as has long been recommended by us. Driving change here will not only support a transition to these new methodologies but provide a cutting-edge construction workforce.

We also welcome the commitment to leverage state capital investment to promote MMC, with binding targets for at least 25 per cent of all State-backed housing to use these construction methods. To support this transition, responsibility for social housing construction should be decentralised to Local Authorities, enabling them to become anchor clients of MMCs. This would provide the scale and stability necessary to make modular and off-site construction financially viable, reducing costs and improving delivery efficiency. Additionally, increasing investment in Solas's Housing Modern Methods Demonstration Park and investing in new methodologies, such as modular homes; 3D printing technology; prefabricated prefinished volumetric construction; and greater use of timber frame houses, offer promising alternatives to traditional building techniques. These methods can significantly reduce construction time, costs, and environmental impact and align with the National Reform and Resilience Plan. These methodologies are also easier to scale as some or all of the units can be built off site and shipped to location. Ireland already has a strong regional distribution of Offsite Manufacturing (OSM) providers, with dedicated offsite fabrication facilities located in Cavan, Cork, Dublin, Galway, Kildare, Limerick, Meath, and Tipperary. These facilities are strategically positioned near the motorway network and can support the National Development Plan by promoting regional employment and meeting sustainability requirements (Construction Industry Federation, 2021).

There are a number of other supply-side initiatives that would help to reduce house prices and make them actually affordable:

- Open up procurement so that developers could come together to bid for materials and buy in bulk, thereby reducing unit costs. The LDA may have a role in coordinating and facilitating this procurement. The National Housing Procurement Strategy should be central to enabling this approach.
- Investigate the use of "delivery labs" such as those used in some parts of the United States and Saudi Arabia which bring together all stakeholders – industry experts, analysts, communities, builders and developers. To this end, we welcome Enterprise Ireland's €5 million Construct Innovate Technology Centre; TU Dublin's Build Digital initiative; and Enterprise Ireland's Build to Innovate Programme. To avoid duplication and waste, these should be centrally coordinated.

- Demand full transparency from developers through the development of a developer / builder register that requires them to publish costs.
- Reconsider density, not as up, but as out. It is possible to have high density, low-medium rise.
- Waive some or all construction levies for developers, conditional on the full waiver applying to house prices. This could begin in areas with greater increases in house prices – Dublin City, Fingal and the Border counties, or could be linked to Our Rural Future and incentivise building in towns and villages.

Build More Social Housing

Ireland's social housing supply is around 9 per cent of our housing stock. According to Housing Europe, this is at odds with many of our European counterparts (Housing Europe, 2023). *Social Justice Ireland* has long recommended that Government set a target to increase social housing stock to 20 per cent of total housing stock by 2040. This would align with the Housing Commission's report and provide a sustainable, long-term solution to Ireland's housing and affordability crisis.

The Programme for Government commits to delivering approximately 12,000 new social homes annually, which is a positive step but remains insufficient to address the ongoing needs of at least 115,425 households as of 2023, as estimated by the Parliamentary Budget Office, as well as significant shortfalls in meeting the social housing build targets in the past years as discussed earlier in the Chapter. This also does not account for households in RAS tenancies and households in receipt of Rent Supplement leaving Direct Provision; new households fleeing war; households in refuges for domestic abuse; the majority of the homeless as currently counted; or all of the homeless not currently counted within official data (as would be counted under an ETHOS typology proposed by FEANSTA[19]). To bridge this gap, the Government must increase State investment in social housing and decentralise responsibility to Local Authorities. This approach would support many households out of homelessness, ensure housing is built where it is most needed, and provide a permanent solution rather than continued reliance on the private rental sector.

Building homes where they are needed the most requires decentralising control to Local Authorities, allowing them to control the development in line with their county development plans, which have been subject to extensive consultation with their communities. Local Authorities can also develop at cheaper rates, with average construction cost of a 2-bed of €288,511 and a 3-bed of €315,534 in 2023 (Parliamentary Budget Office, 2024b). In the same period, SCSI estimated that the cost of delivering a new 3-bed home ranged from €354,000 in the Northwest region to over €461,000 in the Greater Dublin Area (Society of Chartered Surveyors Ireland, 2023b).

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19 https://www.feantsa.org/en/toolkit/2005/04/01/ethos-typology-on-homelessness-and-housing-exclusion

To achieve these lower costs, Government must make State land available for development, acting on the report of the Land Development Agency which suggests that at least 60,000 homes could be built on State lands, and restrict the sales of State land suitable for residential development to private developers.[20]

In their 2018 Report, Norris and Hayden (2018) recommended that local authorities freeze any tenant purchase schemes to maintain local authority housing stock and redesign the schemes so that former tenants can only sell their home back to the local authority. In the context of a national emergency, these are all areas which should be explored and implemented.

Prioritising Housing First and Prevention

As outlined earlier in this Chapter, the homelessness crisis is showing no sign of abating. Family homelessness has risen exponentially and, with private rent inflation, persistent mortgage arrears and lack of construction of social housing, it is likely that this crisis will continue to deepen. Urgent intervention is needed.

Social Justice Ireland welcomes the commitment in Programme for Government to end homelessness by 2030 and to prioritise social housing allocations for families experiencing long-term homelessness. However, given the current deficit in social housing, achieving this goal will be extremely challenging without a fundamental shift in strategy. This reiterates the urgent need to increase the social housing target to 20 per cent of total housing stock.

While expanding social housing is a long-term necessity, immediate action is required to bring families out of homelessness. To this end, we propose extending the Housing First model beyond vulnerable adults to include families experiencing homelessness. The Housing First model is internationally recognised as the most effective approach to tackling homelessness, providing secure housing first, followed by tailored supports. To address family homelessness immediately, Housing First approach must be applied without delay, ensuring that families are housed first and then supported in addressing their specific needs. This approach has long-term benefits for both parents and children, addressing the developmental, educational, health and overall wellbeing consequences of homelessness on children.

A stronger focus on prevention is equally critical. As discussed earlier, in 2023, Local Authorities spent 15 times more on emergency accommodations than homelessness prevention, tenancy sustainment and resettlement supports. This reactive approach is both expensive and ineffective in addressing the root causes of homelessness. Addressing the key drivers of homelessness—such as unaffordable housing, income insecurity—would reduce long-term reliance on emergency accommodation and break the cycle of homelessness before it begins.

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20 https://www.irishtimes.com/ireland/housing-planning/2023/03/28/government-has-potential-to-build-at-least-60000-affordable-homes-on-state-land/

A Lifecycle Approach to Housing Delivery

A holistic approach to housing delivery accounts for the entire lifecycle of individuals within communities, including older people and those with disabilities. This involves not only addressing immediate housing needs but also considering how those needs evolve over time. Housing type mix is just as important as volume, allowing people to stay within their communities as their housing needs expand and contract over time. For instance, one-bedroom apartments are ideal for young people starting out, while larger houses accommodate growing families. As individuals age and their household contracts, smaller sized houses become more suitable.

Older people and people living with disabilities have a range of needs, from the very minimal to the very complex in care. Housing design for older people and disabled people should incorporate a life-cycle approach to ensure that those with deteriorating conditions can continue to live a life with dignity and in their own home for as long as possible. This approach would see the adoption of Universal Design principles in the development of housing responses, as committed to in the Government's policy statement on housing for our older population (Government of Ireland, 2019). Universal design ensures that housing is accessible to all individuals, regardless of age or ability, by incorporating features that accommodate a wide range of needs and preferences. By embracing universal design, we can create more inclusive and adaptable communities that promote independence, dignity, and equal opportunity for all residents.

Having diverse housing options within the same community facilitates access to public services such as transportation (see chapter 9), and employment opportunities (see chapter 5), ensuring continuity of support.

Additionally, recognising the importance of upgrading older housing stock to meet contemporary standards is pivotal to a lifecycle approach. Many existing homes may require modernisation and improvement to ensure they remain safe, energy-efficient, and suitable for current and future residents. Prioritising the retrofitting of existing housing stock is essential to ensure sustainability and resilience in the face of changing needs and environmental challenges (see Chapter 11).

Introduce an Equity Scheme to Deal with Long-term Mortgage Arrears

As discussed earlier in this Chapter, while both Personal Insolvency Arrangements and Mortgage to Rent will support some households in arrears, viable solutions must be found for those still struggling with long term mortgage problems, many for well over 10 years or more. *Social Justice Ireland* proposes that Government develop a fund to take an equity stake in homes with mortgage arrears of 10 years+. Government is not averse to taking equity in private homes, as has been demonstrated by the Shared Equity provisions in the recently passed Affordable Housing Act, 2021. Our proposal would see the State use the Shared Equity model to support those who need it most to avoid homelessness.

Increase Access to Traveller Accommodation

The primary issue relating to the lack of suitable Traveller accommodation is not that funding is not being made available, as is the case in other areas of housing policy, but (apart from 2020) that this funding is not being utilised by the Local Authorities tasked with providing this accommodation. Stakeholder reviews have been undertaken to identify the type of accommodation most suitable and preferable for Travellers, however it is the 'implementation gap' identified in a 2018 Oireachtas Spotlight report (Visser, 2018) that is creating the barrier. This would involve expediting the many areas outlined by the Expert Group in its recent Progress Report and could extend to the development of a specific Traveller Accommodation Strategy, such as that published in Northern Ireland (Housing Executive, 2021).

As with other areas of housing policy, realistic targets should be developed for local authorities to provide Traveller families with safe, suitable accommodation. Discrimination and bias among elected representatives must be challenged and sanctions imposed on Local Authorities who do not access funding to meet developed targets.

Address Vacancy and Dereliction

There are between 101,000 to 164,000 vacant and derelict properties across Ireland. In order to tackle this issue, we must first be able to quantify it with some accuracy. We need new ways of mapping vacant dwellings, such as that piloted in Wallonia, using utility connections and activity. Vacancy and dereliction should be dealt with together as one can very quickly become the other (Department of Housing, Local Government and Heritage, 2024b).

Replacing the current vacancy taxes with a Site Value Tax (see Chapter 4) would offer a better solution as it is applicable immediately to all sites, zoned or otherwise, and could generate revenue straight away. This would also simplify the land tax system.

As mentioned earlier, while we welcome the initiative to increase the Vacant Homes Tax, we encourage the Government to reduce this time period to six-months in Budget 2026 and to further increase the rate to ten times the annual LPT level. Addressing challenges in implementation and ensuring full compliance is crucial.

Refining taxation policies concerning the underdeveloped land suited for housing is paramount. The introduction of the Vacant Site Levy in 2019, set at 7 per cent per annum of the commercial value of the property and paid in arrears to Local Authorities is welcomed. However, it was a concern that many local authorities struggled to implement vacant sites register, with landowners attempting to avoid inclusion. In addition, the change to a Residential Zoned Land Tax, announced in Budget 2024 at 3 per cent of the land's value per annum and collected by the Revenue Commissioners, aims to address inefficiencies related to underutilised land amidst the housing crisis. While we welcome this, we believe the tax should be higher, ideally at 5 per cent of the annual value. Additionally, to tackle hoarding, the Government should increase resources to Local Authorities for enforcing the Derelict Site Levy. Authorities should be allowed to apply for judgement mortgages to enforce unpaid sums, potentially leading to possession. The Derelict Site Levy must be clearly defined and set at a substantially higher rate than the current 7 per cent (see Chapter 4 for more details).

Finally, we propose the use of Compulsory Sale Orders (CSOs) alongside Compulsory Purchase Orders (CPOs) to compel the sale of vacant and derelict sites. CSOs were proposed by the Scottish Land Commission in their proposal to Government in 2018 and compel the owner of a property or site to sell it at open auction to the highest bidder. This is more cost effective for the Local Authority as it requires administration, rather than full purchase, costs.

6.3 Key Policy Priorities

Social Justice Ireland believes that the following policy positions should be adopted in addressing Ireland's housing and homelessness crisis:

- Encourage the right type of supply and reduce reliance on the Build to Rent sector;
- Address affordability issues by concentrating on supply-side cost reductions rather than demand-side income subsidies; invest in new methodologies and reconsider higher density developments;
- Set a target of 20 per cent of all housing stock to be social housing by 2040 and achieve this through directly building more social housing and decentralising responsibility for social housing to Local Authorities;
- Increase the provision of 'Housing First' accommodation for families in emergency accommodation, with wraparound supports to include public health nurses, dieticians, speech and language therapists, physical therapists, and mental health workers;
- Introduce legislation to limit the length of time families can spend in Family Hubs and other emergency accommodation;
- Take a life-cycle approach to housing development and town planning;
- Invest in an equity scheme for borrowers in late state mortgage arrears of 10 years+;
- Introduce sanctions for local authorities who do not utilise funding available to provide safe, sustainable Traveller accommodation;
- Deal with vacancy and dereliction through the tax system and by introducing Compulsory Sale Orders.

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Chapter seven

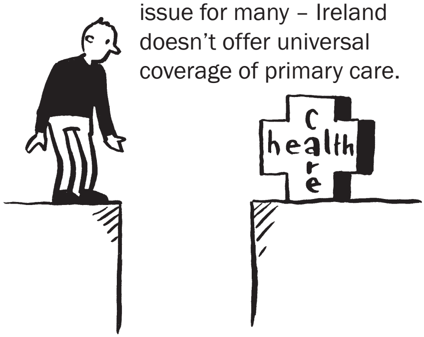
Chapter 7
Healthcare

Core Policy Objective:
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 wellbeing and not merely the absence of disease or infirmity.

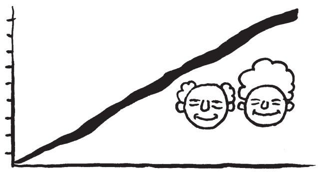
Key Issues/Evidence

Health = a state of complete physical, mental and social wellbeing and must be seen as so.

Access to healthcare is an issue for many – Ireland doesn't offer universal coverage of primary care.



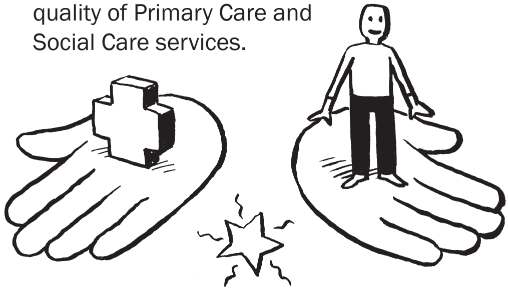
Ireland has one of the worst waiting list times in Europe.

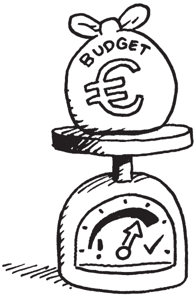


Our population is growing and it is ageing which means we need a different approach to healthcare – one we can access in our communities, close to home.

Policy Solutions

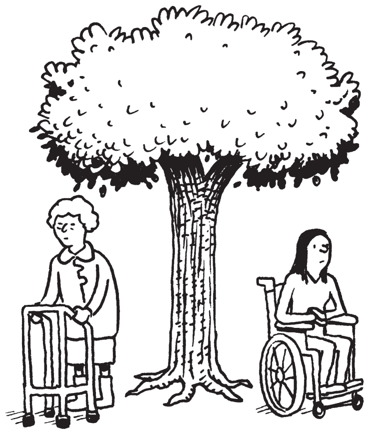
Increase the availability and quality of Primary Care and Social Care services.



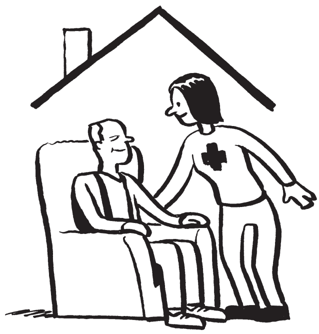


Ensure that additional resources committed required to implement Sláintecare are provided.

Ensure medical card coverage for all people who are vulnerable.

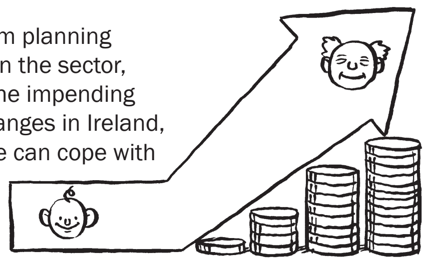


Create additional respite care and long-stay care facilities for older people and people with disabilities and provide capital investment to build additional community nursing facilities.



Create a statutory entitlement to Home Care Services.

Institute long-term planning and investment in the sector, acknowledging the impending demographic changes in Ireland, to ensure that we can cope with these changes.



Chapter 7

HEALTHCARE

Core Policy Objective:
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 wellbeing and not merely the absence of disease or infirmity*.

Healthcare services are important in themselves and to economic success in a range of ways.

People should be assured that they can access treatment and care in times of illness or vulnerability, a key element of our Social Contract outlined in Chapter 2. The standard of care significantly depends on the resources made available, which in turn depends on the expectations of society. In recent years, the COVID-19 pandemic has highlighted both the vital role of healthcare in society and the serious shortcomings of our healthcare system. As argued elsewhere, that experience must also be a starting point for major changes in our approach to healthcare.

This Chapter outlines some of the major considerations *Social Justice Ireland* believes Government should bring to bear on decision-making about the future of our health service.

In summary, if healthcare is to meet the standard set out here in the years ahead, *Social Justice Ireland* believes that Government needs to shift to a model that prioritises primary and social care that would:

- Increase the availability and quality of Primary Care and Social Care services.
- Retain additional healthcare funding allocated during the COVID-19 pandemic and redirect it towards the implementation of Sláintecare.
- Act to end the hospital waiting list crisis and ensure budgetary allocations are realistic and transparent.

- Ensure medical card-coverage for all people who are vulnerable.
- Create a statutory entitlement to Home Care Services, with proper regulation and funding.
- Provide additional respite care, rehabilitation, and long-stay care facilities for older people and people with disabilities, with capital investment in community nursing infrastructure.
- Properly resource mental health services and commit to addressing dementia and suicide prevention.
- Resource training around ICT to promote integration across the health service as a whole and improve access.
- Increase educational campaigns promoting preventative healthcare.
- Commit to long-term planning and investment to address population growth and aging.

7.1 Key Evidence

Before discussing how healthcare policies address specific groups and issues, we first outline some context for that discussion. Firstly, regarding the aging population and the consequent growing pressure on the healthcare system, and secondly regarding the high-level of systemic health inequality in Ireland. Both of these issues are connected to the current, hospital-centric model of care, which demands urgent revision.

Changing Demographics

The population of Ireland is aging rapidly, with significant growth amongst older age groups. According to results from the 2022 census, the highest increase in population since 2016 was seen in the over 70s (at 26 per cent), while there was a 4 per cent fall in the numbers of people aged 25 to 39 (CSO, 2023a). The average age of the population increased to 38.8 in 2022 (compared with 36.1 years in 2011) (CSO, 2023a). People aged 65+ are estimated to number some 806,000 in 2023, compared with 630,000 in 2016, an increase of approximately 28 per cent (CSO, 2023b). Furthermore, it is projected that almost 400,000 people will be aged 80+ in 2040, double today's figure (CSO, 2024; Social Justice Ireland and ALONE, 2024).

Ageing populations represent increased longevity, a success story that is to be welcomed. However, significant increases, particularly in the numbers of people who are amongst the oldest old, will result in increased numbers living with long-term illness or disability. Results from the 2022 Census (CSO, 2023c) demonstrate a strong link between disability and increased age with the proportion of people experiencing disability increasing notably from age 75 onwards. In 2022, amongst those aged 75 to 79, approximately 47 percent people experienced disability while almost 76 percent of people aged over 85 did so (with disability defined as experiencing at least one long-lasting condition or difficulty).

The number of people providing regular unpaid care has also increased accordingly, by over 50 per cent between 2016 (195,263 people) and 2022 (299,128 people) (CSO, 2023c). This represented 6 per cent of the population, the majority being women (CSO, 2023c). Consistent with these trends, reports from the ESRI project increased demand for health and social care across all sectors to 2030 (in home care, long-term and intermediate care, and in hospital beds/inpatient services). This anticipated growth in need must be planned for using an appropriate model of care, to support the aging population, as well as those responsible for their care (Wren *et al,* 2017; Keegan *et al*, 2018).

Government Health Expenditure and the Aging Population

Government's allocation for health for 2025, as approved by Dáil Eireann, was €25.8 billion representing 24.5 per cent of total government expenditure (Department of Public Expenditure, 2024). The Department of Health (2024) suggests that Ireland has the 14th highest spend per capita across selected OECD countries (figures for 2022). Using modified GNI*[1] for Ireland as a comparator with GDP from other countries, Ireland's total current health expenditure as a percentage of GDP/GNI* ranked 6th (behind France, Canada, the UK, Germany and USA). This position was 9th when looking at public expenditure only. Government financing accounted for 77.4 per cent of total health expenditure in 2022.

This high rank in international comparison is surprising, given Irelands population, while aging, is still relatively young. In 2021, Ireland had the youngest population in the EU (OECD/European Observatory on Health Systems and Policies, 2023), with a median age of 38.8 years, compared with an EU-27 average of 44.4 years, and with people aged 65+ in Ireland making up 15 per cent of the population compared with an EU average of 21.1 per cent (in 2022). However, Ireland demonstrated the largest relative increase in the population aged 65 and over (+27 per cent) between 2015 and 2022 among EU countries (OECD/European Observatory on Health Systems and Policies, 2023). Thus, Ireland's population is quickly aligning with broader trends of an aging population seen across Europe. Given healthcare costs tend to be higher in countries that have larger populations of older people, the Irish Fiscal Advisory Council (2021) estimated that just maintaining current health services in real terms could cost an additional €1.4 billion each year (2022 to 2025) due to price pressures and the ageing of the population.

While cross-country comparison of healthcare expenditure is challenging, analysis suggests that Ireland's apparent high ranking in an international context is driven by relatively high prices for healthcare delivery, particularly salaries, rather than

[1] Modified GNI is an indicator recommended by the Economic Statistics Review Group designed to exclude globalisation effects that are disproportionally impacting the measurement of the size of the Irish economy.

due to the volume of care delivered (Keegan et al., 2020). Comparison with other EU countries suggests that spending on inpatient and long-term care in Ireland is relatively high (surpassing the EU average in per capita terms (EURO) and as a share of its total health budget), while spending on prevention and outpatient care is below average (2021) (OECD/European Observatory on Health Systems and Policies 2023). Accordingly, an ESRI report suggests that certain care currently delivered in hospitals could, in line with Sláintecare proposals, be more appropriately delivered in the community if there were increased investment in community care (Keegan et al., 2020).

Waiting Times and the Hospital-Centric Model of Care

Ireland is the only EU country without universal primary care coverage, which leads to an overuse of more expensive hospital care, and strong inequalities in access (OECD and WHO, 2021; European Commission, 2023).

Irish hospitals are working at near full capacity. Pre-COVID-19, hospitals frequently ran at 95 per cent occupancy rates – above the capacity considered safe (OECD and WHO, 2021; OECD, 2023). As of 2019, Ireland also had the third lowest public hospital bed density in the EU, standing at over 40 per cent below the EU average (OECD/European Observatory on Health Systems and Policies, 2023). According to the Irish Nurses and Midwives Organisation, 122,186 patients, including 2043 children, were admitted to hospital without a bed in 2024 (INMO, 2024). In this situation outpatient appointments and surgeries can be cancelled and effects are felt throughout the system – not to mention the human suffering involved and the risks to safety. A study from the ESRI found that there may be a bed capacity deficit of approximately 1,000 inpatient beds in public acute hospitals in 2023; in addition, over 300 additional inpatient beds are required per annum to keep up with the ageing of the population (Walsh and Brick, 2023). Ireland also has persistently high hospitalisation rates for asthma and COPD in comparison with other EU countries (OECD/European Observatory on Health Systems and Policies, 2023). Overall, while high utilisation rate of hospital beds can be a sign of hospital efficiency, it can also mean that too many patients are treated at secondary care level (OECD/European Union, 2020). These findings indicate that community services are not fully meeting growing demands associated with population change, reflected in inappropriate levels of admission to, and delayed discharges from, acute hospitals.

This over-reliance on secondary healthcare facilities results in excessive wait-times that will predictably worsen as the population ages and demand increases. Currently, official statistics suggest that over 572,000 people were waiting for an outpatient appointment in November 2024 (a decrease on the November 2023 figures) while over 88, 296 people were waiting for treatment as an in-patient/day case (increased from the November 2023 figures), and 24,819 people were on an inpatient/day case GI Endoscopy list (another increase from 2023) (National Treatment Purchase Fund, 2024). See Table 7.1. Among people waiting for an outpatient appointment, those waiting 18+ months numbered over 45,880 people while some 6753 people were waiting 18+ months for an inpatient/day case appointment – although those figures were improved over the November 2023 figures. As Table 7.1. shows, there have been high numbers on waiting lists over many years.

Table 7.1: Waiting Lists for Treatment: Adults and Children, 2014-2023

	Nov 2016	Nov 2018	Nov 2020	Nov 2021	Nov 2022	Nov 2023	Nov 2024
Outpatients							
Total waiting	440,629	515,360	612,576	636,695	602,832	580,055	572,403
Waiting 18+ months	29,478	88,361	156,955	165,266	165,266	106,051	45,880
Inpatient/Day Case Active Waiting List*							
Total waiting	81,103	70,989	72,843	75,740	80,232	84,287	88,296
Waiting 18+ months	4,001	5,413	8,629	11,686	8,207	6,906	6,753
Other Lists:							

Numbers on other lists (Nov, 2024, adults and children) **include**:

Inpatient/Day Case – Active GI Endoscopy: 24,819.
Inpatient/Day Case - 'To come in': 32,901.
Inpatient/Day Case Planned procedures: 20,598.
Inpatient/Day Case GI Endoscopy Planned Procedure: 83,779.
Suspensions (temporarily unavailable or clinically unsuitable for their procedure - Inpatient/Day Case/Outpatients): 64,623.

Source: National Treatment Purchase Fund website.
*People waiting for an appointment date for their treatment are categorised as 'Active'.

Contributing to this problem is inability to discharge people, often older patients, due to lack of step-down facilities, in particular, access to rehabilitation and respite care beds as well as nursing homes and other forms of support in communities. A study suggests that formal care is available to only 24 per cent of those needing care and (amongst the different groups examined) 38 per cent of people aged 65+ have unmet needs for care, as do 34 per cent of disabled adults (Privalko *et al.*, 2019). With increases in the population, especially amongst older people, the acute hospital system will be unable to operate effectively without a shift towards primary and community services as a principal means of meeting patient needs.

Health, Poverty and Life Expectancy

Health is not just about healthcare. The link between poverty and ill-health is well established by research, with international reports underlining inequalities in life expectancy by socio-economic status, including education level, income or occupational group (OECD, 2019). For example, in older age, large disparities exist in the experience of disability by income level: on average across EU countries, about 18 per cent of people aged 65+ in the highest income quintile (top 20 per cent) report disability compared with 43 per cent among those in the lowest 20 per cent (OECD/European Union, 2020).

A range of studies provide concerning evidence relative to inequality and health in Ireland. Data from the 2022 Census suggest that among professional workers, 72 per cent reported very good health, compared with 41 percent of unskilled workers (CSO, 2023c). Amongst Irish people in the highest income quintile (top 20 per cent), 90 per cent reported feeling in good health in 2022 compared to 66 per cent of those in the lowest one, a gap that is slightly larger than the EU average (OECD/European Observatory on Health Systems and Policies, 2023). In 2019, smoking was higher among people in the lowest income quintile (18 per cent) than those in the highest (7 per cent); insufficient physical exercise (i.e. below the recommended 150 minutes per week), showed a similar pattern (OECD/European Observatory on Health Systems and Policies, 2023). The Irish Health Survey (CSO, 2020) suggests that the more disadvantaged a person is, not only is their self-reported health status poorer, but the more they engage with the health system. Thus, disadvantaged people report higher levels of having a long-lasting condition – 29 per cent of *Very disadvantaged* persons compared to 22 per cent of *Very affluent* people. This survey also highlights the poorer health status of unemployed people who report higher levels of mental ill-health than people in employment. Analysis at just nine-years old revealed differences in the health outcomes of children from more disadvantaged backgrounds, as well as having more socio-emotional difficulties compared to their peers from more advantaged backgrounds (Growing Up in Ireland, 2021).

Overall, life expectancy in Ireland has increased in past decades. Life expectancy at birth in Ireland stands at 82.4 years in 2021 (84.3 years for women; 80.5 years for men), surpassing the EU average by more than 2 years (OECD/European Observatory on Health Systems and Policies, 2023). However, and more generally, life expectancy in Ireland differs based on socio-economic background (CSO, 2019). For example, life expectancy at birth of males living in the most deprived areas was 79.4 in 2016/2017 compared with 84.4 for those living in the most affluent areas. The corresponding figures for females were 83.2 and 87.7 years, respectively.

The above shows how, in summary, poor people get sick more often and die younger than those in the higher socio-economic groups.

Access and Inequality in Irish Healthcare

Issues of access, relating to the overwhelm of secondary heath facilities, contribute to the poorer health outcomes of lower socio-economic groups. As discussed, Ireland's historically high levels of unmet medical needs (2.6% in 2022, compared to an EU average of 1.7%) are largely driven by long waiting times (OECD/European

Observatory on Health Systems and Policies, 2023). Additionally, individuals in the lowest income quintile were nearly three times more likely to report unmet needs due to waiting times than those in the top quintile (OECD/European Observatory on Health Systems and Policies, 2023).

Ireland's complex two-tier system for access to public hospital care means that private patients have speedier access to diagnostics and treatment, while those in the public system can spend lengthy periods waiting for first appointments with specialists and for treatment, as seen above. In 2021, outpatient care accounted for 40 per cent of total out-of-pocket spending – a share twice the EU average, which partly stems from the fact that the majority of the Irish population access GP services on a private basis (OECD/European Observatory on Health Systems and Policies, 2023). While 46.8 per cent of the population has private health insurance (Health Insurance Authority, 2024), about 20 per cent has neither private health insurance nor a medical card (OECD and WHO, 2021).

Thus, it is often people who are poorest, sickest and those with disabilities who find it hardest to pay charges, to negotiate access, and who must wait longer for care (Burke, 2016). Overall, Ireland's health system ranked 22nd out of 35 countries in 2018 but on the issue of accessibility, Ireland ranked *worst* (Health Consumer Powerhouse, 2019). The medical card system protects many households from financial hardship, but poorer households are still disproportionately likely to experience financial hardship (Johnston et al., 2020). Furthermore, the number of medical card-holders has reduced by 15.4 per cent between 2013 and 2022 (Department of Health, 2024).

COVID19 and The Future of Healthcare

According to the European Observatory on Health Systems and Policies, the pandemic exposed health system weaknesses in Ireland – in particular, shortage of health workers and low intensive-care unit capacity in public hospitals, and it also revealed some strengths in responding to crises, including ability to develop technological solutions and to mobilise additional funding rapidly for health reform, health workforce and hospital resources (OECD and WHO, 2021). Access to healthcare based on need, not income, should remain an important aim for Ireland's healthcare system. As we have argued previously, additional resources committed for the development of the healthcare system during the COVID pandemic should be retained and used to implement Sláintecare. Reform will require investment *before* savings can be made.

Social Justice Ireland is concerned that the ageing of the population is not being properly planned for with further policy reforms needed to reduce financial and emotional pressures on carers. Each year, in its response to government's budget, *Social Justice Ireland* highlights the lack of planning for existing levels of health service and demographic change. Investment in a reconfigured model of healthcare is overdue, one that emphasises primary and social care. The period ahead is one where there is an opportunity to implement significant reform. Not undertaking the required prior investment will mean that recurring problems illustrated above, and in the rest of this Chapter, will continue and will be exacerbated as our population ages.

7.3 Key Policies and Reforms

The comprehensive healthcare reform plan launched in 2017 (known as Sláintecare) emphasizes the importance of community-based health and social services in addressing population healthcare needs. Efforts have been made to transition towards this envisioned model of care, which is more accessible, affords primary care priority over acute care and recognizes the need to adequately resource the full continuum of care, from primary care and social care to specialist acute hospital services.

There are many areas requiring action and reform if this basic model of care that is to underpin the health services is not to be undermined. These areas include:

- Primary Care
- Older people's services
- Children and family services
- Disability,
- Obesity, and Chronic Illness
- Mental health.

We now address each of these in turn.

Primary Care

As mentioned, Ireland is the only EU country without universal primary care coverage. (OECD and WHO, 2021; European Commission, 2023). Countries with a strong primary care sector have better health outcomes, greater equity, lower mortality rates and lower overall costs of healthcare (Department of Health, 2016).

The Enhanced Community Care programme has seen to the development of Primary Care Teams, and primary care networks across the country, which were intended to replace over-reliance on acute hospital services with a more community-based model. Community Healthcare Networks (CHNs) were subsequently envisaged as the fundamental unit of organisation for the delivery of community healthcare, with 96 CHNs envisaged, each serving a population of 50,000, and consisting of between 4-6 primary care teams. The CHNs are to be supported with Community Specialist Teams for older people and in respect of chronic disease, of which 24 of the 30 planned were established in 2023 (HSE, 2024b). There are also 91 Children's Disability Networks (CDNs) established to align with the CHNs (HSE, 2023a).

Currently, there are significant delays in accessing these teams, with significant vacancy rates in network teams reported to an Oireachtas Committee (O'Brien, 2023). In addition, the HSE's performance report to March 2024 documents significant numbers waiting for assessment and treatment in primary care services such as psychology, physiotherapy, occupational therapy, speech and language therapy, ophthalmology, audiology, and dietetics, including many waiting more than a year (HSE, 2024b).

To effectively complete the roll-out of the E.C.C., a comprehensive implementation plan should be published, identifying how the CHNs will link with mental health and social care services and how collectively these community services will be integrated with acute hospital services as well as other important services at local government, education and wider community level. Such coordination of services will require strong communication between and within teams. Thus, proper funding and training around ICT should be prioritised to prevent duplication of work, such as repeating assessments or unnecessary referrals to multiple services, through an integrated digital filing system (IMO, 2020).

Social Justice Ireland has long been an advocate for primary care teams and networks and for a shift in focus towards community-based services, and current efforts in this direction are welcome. We welcomed measures in Budget 2024, such as the commitment to target reductions in waiting lists in acute and community services under the Enhanced Community Care programme, but regret that there was no subsequent allocation in Budget 2025 to complete this programme, which has been a key driver of integrated care delivery in Sláintecare. Additionally, the continued failure to invest in the infrastructure required to rollout Sláintecare undermines work in all areas of the health services. Furthermore, we highlight again the lack of transparency in information available, which makes it difficult to establish if funds provided to maintain existing services are sufficient within the overall allocation.

Social Justice Ireland believes that an investment of €200 million is needed to support the infrastructural development and rollout of Community Health Networks. This investment should be allocated towards the further expansion of the Enhanced Community Care Programme to alleviate pressure on acute services and ensure treatment is provided at the appropriate level of need and towards expanding numbers of GP and Practice Teams in line with the shift towards Primary Care & Community Based services envisaged in Sláintecare and in providing universal access to GP care.

Moving towards a more community-based model will require prioritisation of enhanced community care and greater transparency about planning and roll-out. Work done on existing centres and networks is welcome, but more is needed to ensure that they are properly operational, staffed and integrated within the entire system.

Older People's Services

According to the ESRI, good home care and long-term residential care services help reduce the lengths of stay in acute hospitals on the part of older people, and hospital stays are shorter in Irish counties that are better supplied with these services (Walsh *et al.*, 2019). The existing fragmentation in long-term care delivery, clearly evidenced during the pandemic, demands a more community focused approach as well as better linkages and oversight between public and private sectors. Long-term residential care in Ireland is predominantly funded by the State but supplied by private operators, with 83 per cent provided by the private and voluntary sectors, and with private for-profit operators accounting for 74 per cent (in 2022) (Walsh and Connolly, 2024). Many small, independently owned facilities closed during the pandemic which, in addition to bed reductions in public residential care homes, lead to a further decrease of 336 beds (Walsh and Connolly, 2024). Furthermore, ownership of this sector has changed - there has been a marked shift towards ownership by larger operator groups due to closures of, many of which are recent entrants to the Irish market financed by international private equity (Walsh and Connolly, 2024). As that report notes, it is important that long-term care focuses on fulfilling residents' health and social care needs within a more integrated care environment as the population ages (Walsh and Connolly, 2024).

An expert panel highlighted the evidence that highly dependent persons can live safely and more happily in domestic settings, provided their required homecare supports are in place (COVID-19 Nursing Homes Expert Panel., 2021). There is also evidence of unmet need for home care and consequent over-reliance on residential care. For example, Ireland provides relatively low levels of formal home care by comparison with several other countries, with research suggesting that 38 per cent of older people who need home care do not have their needs met, as mentioned (Privalko *et al.*, 2019). The HSE acknowledges that there can be delays between approval of funding and availability of carers to commence delivery of home support hours in some regions, with 5,671 people recorded as waiting on care staff in March 2023 (HSE, 2024b). Furthermore, the European Commission (2023) highlights challenges associated with Ireland's focus on institutional care over more accessible and cost-effective homecare, and how, relative to other countries, a high proportion of the population was not working because of caring responsibilities. Challenges of recruitment and retention in the care sector are also well recognised, in Ireland as well as in other countries, against a background of increasing need for care.

The HSE Annual Report for 2023 suggests that almost 22.1 million hours of home support (combining home care packages and home help but not intensive home care packages) delivered to some 56,000 people (HSE, 2024a). As Table 7.3 shows, this represents a marked improvement on the previous year, with 92 per cent of the home care support hours that had been targeted actually delivered. However, just 58 per cent of targeted intensive home care package hours were delivered (and to only 31 per cent of the number of people that had been targeted), representing a decrease from last year's performance (Department of Public Expenditure

NDP Delivery and Reform, 2024). People living in care settings supported by the NHSS (Fair Deal) scheme in 2023 numbered approximately 23,285, representing approximately 3 per cent of people aged 65+, a proportion that has been relatively static over recent years.

Table 7.3: Support to Older People in the Community and in Nursing Homes

	2018	2020	2021	2022	2023	2024* Projected*
Home Support						
People in Receipt	53,000	52,881	55,043	56,162	55,652	54,100*
Hours delivered	17.13m	17.5m	20.4m	20.79m	22.1m	22m*
Intensive Homecare Packages						
People in Receipt	250	149	115	80	74	235*
Hours Delivered	406,000		246,374	219,678	210,550	360,000*
NHSS (Fair Deal) funded places						
Numbers of People	23,305	22,755^	22,296	22,769	23,285	23.280*
% of 65+ population (approx.	3.5	3.3^	3.5^^	3.3^^	3.4^^	2.9*

Source: HSE Annual Report and Financial Statements (2018 – 2023).
* Projections for 2024, HSE National Service Plan 2024 (HSE, 2024)
^These figures come from HSE Management Data Report, Jan 2021.
^^ Figures from the Public Service Performance Report for 2023 (June 2024).

In response to the challenges of an aging population and increasing numbers of over 75s on hospital trolleys in all emergency departments, the Minister for Health has indicated his intention to fund 1,500 additional acute hospital beds on a modular basis. While *Social Justice Ireland* welcomes plans to increase our hospital bed capacity in line with population growth it is essential that these developments are matched by an equivalent increase in the full range of community support services if an integrated service model is to be delivered.

Linked to the issues just discussed is the fact that there is currently no statutory home care scheme, or, indeed, regulation of home support services, in Ireland, although results are awaited from a pilot scheme (commenced in 2021). A statutory basis for home care has been called for by *Social Justice Ireland* and initiatives taken in this direction are welcome, but publication of details and implementation are regrettably delayed. Supporting people to live at home requires an integrated approach that ensures access to a range of supports in the home as well as access to dedicated rehabilitation services, respite care places as well as new models of supported housing. To achieve this, deficits in infrastructure need to be addressed urgently with an emphasis on replacement and/or refurbishment of facilities. If this is not done, inappropriate admissions of older people to acute care facilities will continue with consequent negative effects on acute services and on people and their families.

Planning and investment are required to meet the challenges presented by population ageing, and also to address the infrastructural deficits created by underinvestment. *Social Justice Ireland* acknowledges the progress made in addressing deficits in replacement and/or refurbishment of existing facilities to bring them in line with HIQA standards over the period 2016-2025. However significant additional investment both revenue and capital is required to develop community-based rehabilitation and respite bed capacity across the system a minimum to meet population demand and population projections. *Social Justice Ireland* believes an investment of €500 million over five years (€100 million each year), is appropriate to meet growing need.

Children and Family Services

As previously discussed, Ireland has a young population relative to other EU countries. The median age of the population, at 39 years, makes it the second youngest country in the EU, and with the highest share of the population aged 19 years or younger (26%) (Department of Finance, 2024). The United Nations Committee on the Rights of the Child (2023) commended Ireland on the introduction of some laws and policies concerning children. However, the Committee voiced serious concerns about children's access to healthcare and about children's mental health services.

Children are not immune to the aforementioned waiting list crisis. As of November 2023, 89,448 children were on hospital waiting lists, 18,001 (20 per cent) of whom were waiting longer than a year (Ombudsman for Children's Office, 2024). Furthermore, children above 8 years old are still not included in the free general practitioner scheme. Thus, there is an urgent need to focus on health and social care provision for children and families in tandem with the development of community services (such as CHNs) and a universal approach to access to healthcare. While previous Budgets have expanded access to primary health care for some children, budget 2025 failed to provide sufficient resources to support the provision of universal access to GP care (Social Justice Ireland, 2024). The current government's commitment to expand free GP services to children up to at least 12 years is a welcome step in extending the free general practitioner scheme to all children and addressing barriers faced due to the two-tier health system.

There have been many ongoing issues over the long-term for children with disabilities and their families. These include delays in obtaining assessments of need,[2] as children can spend years on lists waiting for an initial assessment (Joint Committee on Children, Equality, Disability, Integration and Youth, 2023). In the first quarter of 2024, only 11 per cent of assessments were completed within the timeframes set out in the Disability Act 2005 (and accompanying Regulations) while there was a further increase in the number of applications for assessment of need received (HSE, 2024b). Indicating challenges in recruitment/retention of staff in children's disability services, The Ombudsman for Children's office (2022), emphasised adverse effects that delays in obtaining assessments and corresponding services are having on children's health and development. There are also ongoing deficits in supports to children with disabilities to grow up at home with their families (Ombudsman for Children's office, 2023).

Regarding mental health, waiting lists for the specialist Children and Adolescent Mental Health Servies (CAMHS) can be significant. Those on the waiting list numbered 3,830 in November 2024, 500 of whom were waiting a year or more (Children's Rights Alliance, 2025). There is also a lack of staff capacity to carry out many therapeutic interventions and large variation in different geographical areas in the number of children on waiting lists and the length of those waiting lists (Mental Health Commission, 2023).

A Mental Health Commission Independent Review (2023) is amongst the reports highlighting a series of problems with CAMHS. These include children 'lost' within the system (that is, children and young people with open cases who had been lost to follow-up), as well as long waiting lists and unacceptable variations in care. On one team, 140 children who had open cases had been lost to follow-up. In addition, the vast majority of teams were significantly below recommended staffing levels, some below 50 per cent of recommended staffing, and a lack of governance in some areas was found to contribute to inefficient and unsafe CAMHS. As a result of service deficits, certain children and young people have been admitted to adult units, which has been roundly criticised by the Mental Health Commission and by the UN Committee on the Rights of the Child. The Children's Rights Alliance (2025) graded the government an 'E' for their efforts to end the admission of children to adult psychiatric units, since the 2020 government commitments (Children's Rights Alliance, 2025).

The Ombudsman for Children's office (2024) welcomed the establishment in September 2023 of a dedicated National Youth Mental Health Office and the launch of the new Model of Care for CAMHS Hubs, also suggesting that the recommendations of the Mental Health Commission Independent Review need to be implemented without delay.

[2] An assessment of needs is arranged by the HSE to determine the health or educational services required by a person with disabilities.

Disability

According to the 2022 Census, over 1.1 million people (approx. 22 per cent of the population) reported experiencing disability (defined as experiencing at least one long-lasting condition or difficulty) (CSO, 2023c), with 8 per cent of the population experiencing these 'to a great extent' and 14 per cent doing so 'to some extent'. Public policies on disability have been set out in many documents, including the 2004 *National Disability Strategy* (and its 2013 implementation plan) and the *National Disability Inclusion Strategy*, 2017-2022. The HSE developed the *Transforming Lives* programme intended to build better services. Following recommendations from a Taskforce on Personalised Budgets, demonstration projects were established to examine a model for the roll-out of these payment models. As mentioned already, work is also ongoing relative to establishing a statutory homecare scheme. However, there were notable improvements in achieving Home Support targets according to the Public Services Performance Report for 2024. Personal assistance (PA) hours provided to persons with physical and/or sensory disability were 1.69m (in 2023), which achieved 95 per cent of those targeted (a significant increase from just 69 per cent in 2022). Furthermore, 96 per cent of the targeted movements from congregated to community settings were achieved (an increase from 24.5 per cent in 2022) (Department of Public Expenditure NDP Delivery and Reform, 2024).

A series of issues have already been highlighted, above, that are relevant to healthcare experiences of people with disabilities. These include waiting lists for therapies in the community, delays in delivery of assessments of need and for community mental health services for children and young people. A report from the Department of Health (2021) suggests, for example, that there are significant shortfalls in access to specialist disability therapy services for adults and children, and that access to mainstream therapies via primary care is 'sporadic'. In a study from the CSO, approximately a quarter of disabled people reported unmet healthcare needs due to waiting times, compared to a State average of 14 per cent (CSO, 2020).

In addition, 1,200 people with disabilities aged less than 65 were found to be residing in nursing homes in Ireland in July 2024, in part because community supports are inadequate (HSE, 2024c). A review of capacity (to 2032) identified significant levels of unmet need for disability services and suggested that changes in the size and age profile of the disability population will add to unmet need over coming decades (Department of Health, 2021). The *Action Plan 2024-2026*, outlines a plan to respond to these findings. While the 11.5 per cent increase in funding for disability services in the National Service Plan 2025 is a welcome step, they fall short of the report's conclusion that spending on disability services would need to rise by between a quarter and a half to deliver the capacity required (Department of Health, 2021).

A report commissioned by government estimates that people with disabilities face average annual costs of disability ranging from €9,482 to €11,734, and some face considerably higher costs (Indecon, 2021). Additional expenses relate, amongst other things, to health needs – for equipment, aids and appliances, medicines and care and assistance. In light of this, the government's commitment to introduce an annual cost of disability support payment is welcome, and it is further suggested to develop this into a weekly payment over time. If people with disabilities are to be equal participants in society, the extra costs generated by disability should not be borne by them alone.

However, considering the range of policy documents over years proposing major changes in disability services, *Social Justice Ireland* is concerned that this pace of change is too slow. *Social Justice Ireland* calls for a dedicated reform fund to support the transition to a new model of service, given the scale of infrastructural development required to move away from communal settings towards a community based, person-centred model of service. We are concerned that current allocations are insufficient to meet the current unmet needs for services as well as the significant waiting lists for services, including children's services. It goes without saying that people need to be supported, not only by the health service, but also across the range of government and local authority areas of work.[3]

Obesity and Chronic Illness

Based on self-reported body mass index data, prevalence of obesity in Ireland stood at 21 per cent in 2022[4], which was above the EU average, but which had declined from 2019 (when it was 26 per cent) (OECD/European Observatory on Health Systems and Policies, 2023). However, high rates of obesity amongst children and adults have remained consistent over several years in Ireland (2015-2019) (Department of Health, 2019) even if there are also signs of positive trends in dietary habits and physical activity levels, which may signal improvements in obesity levels in the future (OECD/European Observatory on Health Systems and Policies, 2023).

Obesity is linked to increased risk for many non-communicable diseases and is a leading risk factor for disability (Department of Health, 2022b). Obesity in Ireland is the highest among the EU14, according to the latest available data. Over 25 per cent of the population are categorized as obese (SJI, 2024; Eurostat, 2023). People living in deprived areas are more likely than those living in affluent areas to be overweight or obese (65 per cent and 55 per cent, respectively) (Department of Health, 2019). Among people aged under 35, 50 per cent of people living in deprived areas were overweight or obese, compared to 37 per cent of those living in affluent areas (Department of Health, 2019). *Social Justice Ireland* called for a Sugar Sweetened Drinks Tax and welcomed its introduction in 2018 and we have also called for an investment financed by this tax to develop effective obesity prevention programmes and meet the targets in the Obesity Policy and Action Plan 2016-2025.

3 Other disability related issues are addressed in various parts of this review.

4 Although some caution is advised in relation to these findings due to anomalies in the data, suggesting low reliability (OECD/European Observatory on Health Systems and Policies, 2023).

In the final stages, it will be important to monitor progress in light of the mid-term assessment's findings of high levels of implementation in some respects, while also highlighting areas of limited action (Department of Health, 2022b).

Mental Health

The area of mental health is one requiring urgent attention, as outlined in respect of children's mental health services above. The Inspector of Mental Health Services suggests that Ireland has chronically underfunded mental health services and an inclination to drift towards providing institutional care for vulnerable groups (Finnerty, 2023). Nonetheless, Budget 2025 maintained this vicious cycle by allocating only 5.8 per cent of the total Healthcare budget to mental health services, in contrast with international recommendations (United GMH, 2023), and the mental healthcare funding proposed in *Sláintecare*, which recommend an allocation of 10% of the healthcare budget. In general, funding allocated to mental health has been between 5–6 per cent of Ireland's total health budget in recent years, which is not sufficient to implement the changes proposed in *Sharing the Vision.*

Cross-country comparisons are challenging, as people living in countries with less stigma and ready access to services may be diagnosed more easily. That being said, the estimated prevalence of mental health disorders is relatively high in Ireland - over one million individuals (about 21 per cent of the population) had a mental health disorder in 2019, which had increased from 2016 (when it had been 18.5 per cent) and was a higher share than the EU average (of 16.7 per cent) (OECD/European Observatory on Health Systems and Policies, 2023, drawing on estimates from the Institute for Health Metrics and Evaluation). Among the various mental disorders, anxiety disorders were the most prevalent, followed by depressive disorders, and alcohol and drug-use disorders (OECD/European Observatory on Health Systems and Policies, 2023). A clear link is evident between income and depression prevalence - people in the lowest income quintile (lowest 20 per cent) in Ireland were nearly three times more likely to report depression than those in the highest quintile (OECD/European Observatory on Health Systems and Policies, 2023).

Amongst the issues faced by people trying to access mental health services are waiting lists, with over 20,800 people (children and adults) waiting for treatment from a psychologist in March 2023, and over 8,700 waiting for over a year (representing an increase of 3,300 and 2,400 respectively since 2024) (HSE, 2024b). According to the Mental Health Commission, the type and maintenance of the premises of inpatient mental health centres varies greatly with some not considered fit to provide a modern mental health service (Finnerty, 2023). The Mental Health Commission (2022) notes that, while there have been some new centres built in recent years, this issue requires a targeted national capital plan. Another issue is continued lack of development of community mental health rehabilitation services, with many areas of the country having no access to rehabilitation services (rehabilitation meaning an approach that maximizes quality of life and social inclusion) (Mental Health Commission, 2022). Overall, there is considerable work to be done with regard to integration of mental health, general medical health, primary care, and social care (Finnerty, 2023).

Providing good mental health services is a necessary investment in the future wellbeing of the country. A mental health strategy *Sharing the Vision* was published in 2020 as a successor to *A Vision for Change.* However, progress in implementing national strategies continues to be slow related partly to recruitment difficulties. There also needs to be a focus on people who may be particularly vulnerable, including people with intellectual disability, homeless people, prisoners, Travellers, asylum seekers, refugees and other minority groups.

Older people and Mental Health

Approximately 15 per cent of people aged 60+ experience mental illness (including depression, dementia, anxiety, alcohol dependence and schizophrenia) (Mental Health Commission, 2021). Despite population ageing, Ireland lacks a comprehensive, nationwide mental health service for older people; with only 66 percent of the recommended number of specialist teams in place, and with them staffed only at 54 per cent (Mental Health Commission, 2021). The Inspector of Mental Health Services has noted that lack of community support (including Day hospitals) increases the probability of dependence on residential care (Mental Health Commission, 2021). The Inspector characterises the situation as involving serious under-resourcing of community mental health services for older people, involving difficulty in providing a community-based service in outpatients, day hospitals, home assessments and treatment with lack of access to essential multi-disciplinary services, and also an 'alarming' under-provision of acute mental health beds for older people (Finnerty, 2020). As she states, resources need to be redistributed to address increasing demands of an ageing population and older people's mental health needs should be central to expenditure planning.

Older people with dementia are a particularly vulnerable group and they are also a diverse group. It is estimated that there are approximately 64,000 people living with dementia in Ireland and this is projected to increase to 150,000 people by 2045 (National Dementia Office, 2020). Specialist care units are required to care for people with dementia, but their provision is very limited, and there are significant inequities regarding access to them and their geographic location (HSE, 2023d)A National Dementia Strategy published in 2014 committed to prioritise areas that include intensive home care supports, GP education, and training and dementia awareness. An external evaluation of the strategy (IPSOS MORI/UCC, 2019) found that further implementation is complicated due a lack of commitment to further funding, with consequent potential for dementia care to be de-prioritised. This situation is totally inadequate to meet the needs of a rapidly ageing population where so many areas that already require investment, including day centres, respite services and other supports for carers, quality long-term care (at home and in care settings) and specialist care units, as well as evaluation and monitoring of all services.

Suicide – a Mental Health Issue

Suicide is significant public health problem in Ireland, as it is in other EU countries, with a higher incidence among men, although, over the past decade, Ireland's suicide rate declined in line with the trend observed across the EU (OECD/European Observatory on Health Systems and Policies, 2023). Statistics from the CSO for 2022 (which are still provisional) suggest that the overall rate was 8.1 per 100,000 people in 2022 and this was similar to the rate for 2021 (8 per 100,000 people) (CSO, 2023). The numbers affected were 412 people – 331 males, 81 females (again, based on provisional figures for 2022). The Implementation Plan for *Connecting for Life* (Ireland's National Suicide Prevention Strategy 2015-2020) is now drawing to a close, and must be evaluated to inform future strategies. The issue of suicide is a significant healthcare and societal problem and the rates amongst some groups raise particular concerns. Of course, the statistics only tell one part of the story. Behind each of these statistics are families and communities devastated by these tragedies as well as a unique personal story which leads to people taking their own lives. *Social Justice Ireland* believes that further attention and resources need to be devoted to researching and addressing Ireland's suicide problem.

7.4 Key Policy Priorities

Factors highlighted throughout this review will have implications for the future of our healthcare system, including projected ageing of our population. As an ESRI report concluded, two decades of rapid population growth, a decade of cutbacks in public provision of care and a consequent build-up of unmet need and demand for care, will require additional expenditure, capital investment and expanded staffing and will have major implications for capacity planning, workforce planning and training (Wren *et al.*, 2017). The recognition within Sláintecare that Ireland's health system should be built on foundations of primary and social care is welcome. However, as *Social Justice Ireland* recently stated in its response to Budget 2025, until there is proper investment in the infrastructure required to implement Sláintecare, repercussions in all areas of the health service will continue to undermine the population health and wellbeing.

The pandemic re-instilled the importance of an integrated public healthcare system, and demonstrated both an urgent need and ability to shift towards healthcare access based on need, not income. The resourcefulness and commitment shown during this period should not wane. In the context of past mistakes, it is important that Ireland begins to plan for this additional demand and begins to train staff and construct the needed facilities. Government is urged to recognise that against the backdrop of an aging population, the time to invest in radical reform is now, to transition to a more effective and inclusive healthcare model by emphasising primary care.

The following is a summary of key policy priorities and actions that *Social Justice Ireland* recommends:

- Retain additional COVID-era healthcare funding and redirect it towards Sláintecare implementation.
- Ensure that announced budgetary allocations are valid, realistic and transparent and that they take existing commitments and maintaining existing levels of service into account.
- Increase GP and Practice Teams across the State to strengthen Primary Care, Enhanced Community Care and Community-Based Services.
- Complete the roll-out of the Community Health Networks (and their staffing) across the country and thus increase the availability and quality of Primary Care and Social Care services.
- Integrate Community Health Networks, mental health services, social care and acute hospital services under the Enhanced Community Care program.
- Ensure medical card-coverage for all people who are vulnerable.
- Create a statutory entitlement to Home Care Services, with proper regulation and funding, supporting older people and people with disabilities to remain at home and in their communities.
- Increase the availability of rehabilitation and respite care beds for older people and those with disabilities or long-term illnesses.
- Commit to the implementation of a comprehensive approach to addressing dementia.
- Increase educational campaigns promoting health, targeting particularly people who are economically disadvantaged.
- Properly resource and develop mental health services and facilitate campaigns giving attention to the issue of suicide.
- Work towards full universal healthcare for all. Ensure new system structures are fit for purpose and publish detailed evidence of how new decisions taken will meet healthcare goals.
- Resource training around ICT to promote integration across the health service as a whole and improve access.
- Enhance the process of planning and investment so that the healthcare system can cope with the increase and diversity in population and the ageing of the population projected for coming decades.
- Ensure that structural and systematic reform of the health system reflects key principles aimed at achieving high performance, person-centred quality of care and value for money in the health service.

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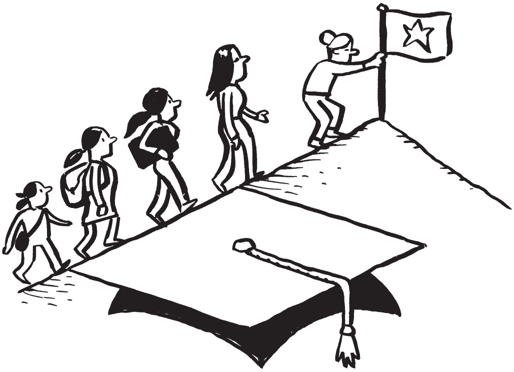
Chapter eight

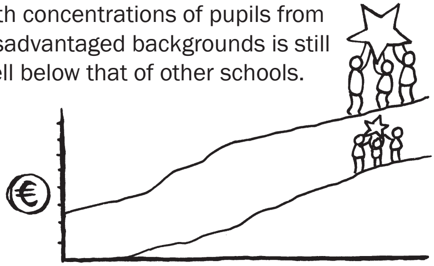
Chapter 8
Education and Educational Disadvantage



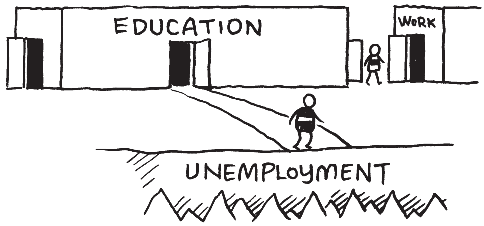
Core Policy Objective:
To provide relevant education for all people throughout their lives, so that they can participate fully and meaningfully in developing themselves, their community and the wider society.

Key Issues/Evidence

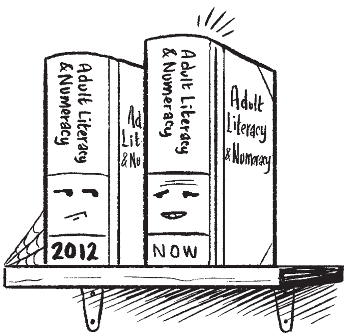
Despite some progress, the achievement of pupils in schools with concentrations of pupils from disadvantaged backgrounds is still well below that of other schools.



The longer a person stays in education the more likely they are to be in employment. The risk of unemployment increases considerably the lower the level of education.

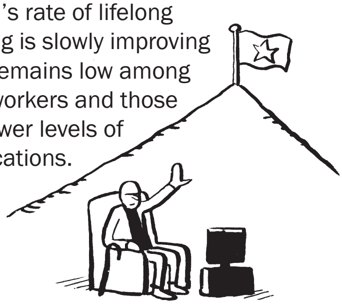


Ireland has the third lowest expenditure on ECCE for 3 to 5 year olds in the OECD.



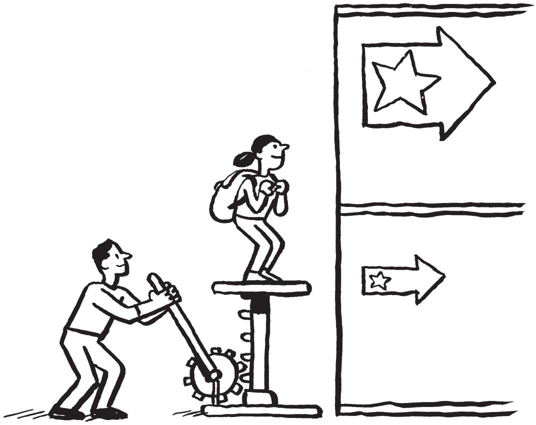
Adult literacy and numeracy levels have only improved slightly since 2012.

Ireland's rate of lifelong learning is slowly improving but it remains low among older workers and those with lower levels of qualifications.

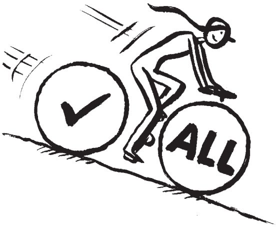


Policy Solutions

Commit to reducing class sizes and pupil teacher ratios at primary and post primary level by at least 1 point per annum to 2030.

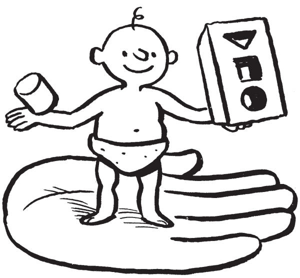


Make improved educational outcomes for pupils from disadvantaged backgrounds and disadvantaged communities a policy priority.

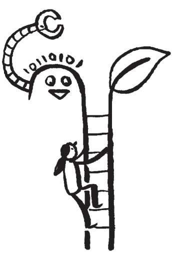


Fully resource ‘Adult Literacy for Life’.

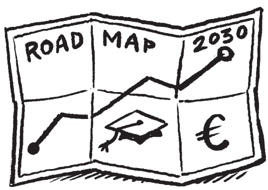
Revise our lifelong learning target to reach 25 per cent by 2030.



Commit to increasing investment in Early Childhood Care and Education by 0.1 per cent of GNI* annually to reach 1 per cent of GNI* by 2030.



To meet the digital and green transitions develop an integrated skills development, vocational training, apprenticeship and reskilling strategy.



Publish a funding roadmap for the higher education sector to 2030.

Chapter 8

EDUCATION AND EDUCATIONAL DISADVANTAGE

Core Policy Objective:
EDUCATION & EDUCATIONAL DISADVANTAGE

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.

The impact of education, particularly to improve the lives of the most disadvantaged, cannot be overstated. It is a Constitutionally protected right for all and contributes to the common good and the well-being of our citizens.

Access to appropriate education and skills development from early years to adulthood is one of the key public services that enables participation in society, public life and the labour market. The potential impact of a digital transition on the labour market makes access to education and training throughout adulthood a priority. It forms a key element of our Framework for a new Social Contract outlined in chapter 2.

The focus of our education system must be to ensure people are engaged and active citizens and have the necessary critical and creative skills to navigate an ever-changing employment environment, can adapt to transitions as they occur and participate fully in society.

To achieve this core policy objective in the years ahead, *Social Justice Ireland* believes that policy should:

- Make the improvement of educational outcomes for pupils from disadvantaged backgrounds and disadvantaged communities a policy priority, with additional resources focused on addressing the persistence of educational disadvantage;

- Set out a roadmap outlining how school places and associated services such as school transport will be provided for all children with special educational needs by 2028;
- Commit to increasing investment in Early Childhood Care and Education by 0.1 per cent of GNI* annually to reach 1 per cent of GNI* by 2030;
- Commit to reducing class sizes and pupil teacher ratios at primary and post primary level by a minimum of 1.5 points per annum to 2030;
- Update our lifelong learning target to reach 25 per cent by 2030, ensuring sufficient resources are made available;
- To meet the digital and green transition challenges, develop an integrated, multi-generational skills development strategy;
- Fully resource 'Adult Literacy for Life' by increasing the adult literacy budget to €100 million by 2030, including €25 million to improve ancillary and support services;
- Publish a funding roadmap for the higher education sector to 2030.

8.1 Key Evidence

Education in Ireland – enrolments

According to the Department of Education there were just over 1,233,755 full-time students in the formal Irish education system for the academic year 2024/2025. At primary level there are 542,417 students, at second level there are 425,433 students and 198,970 students are at third level (Department of Education, 2023). In terms of employment, there are 74,073 teachers working at primary and second level (Department of Education, 2024). At third level, the number of students is expected to increase annually up to 2030 (Department of Education, 2022).[1]

Department forecasts project a reduction in student numbers at primary and post-primary level post 2040, with fluctuations from 2030, but this does not necessarily mean a corresponding reduction in expenditure. While expenditure on education has increased in recent Budgets, it is worth noting that this increase in expenditure has been necessary to simply keep pace with existing demand. There are still areas within our education system which require reform and further resourcing. The publication of a technical paper on developing a teacher demand and supply model is a useful first step in planning to meet current and future demands (Department of Education, 2021). A surplus of teachers at primary and post primary level is projected in 2036 if no actions are taken now. Potentially, we can implement policy instruments now to reduce our class sizes (particularly at primary level), reduce pupil teacher ratios, and ensure that demand and supply

1 This is the projected enrolment from the S0 low scenario – one of four models used to project enrolments.

are managed appropriately. This is particularly relevant in light of the programme for government commitment to reduce the pupil teacher ratio to 19:1 at primary level in the lifetime of the current government. As student intake changes, existing resources should be used to address persistent challenges within the education system such as pupil teacher ratios and addressing persistent educational disadvantage among some cohorts. In addition, mitigating the impacts of Covid induced school closures, especially for students already experiencing disadvantage requires a long-term response. The impacts of interrupted learning will follow young people through their time in the education system (Social Justice Ireland, 2021).

Expenditure on Education

Expenditure on education in Ireland is not keeping pace with the increased number of students. Between 2015 and 2021 investment in education from primary to tertiary (including R&D) fell from 3.6 per cent of GDP to 2.9 per cent of GDP, well below the OECD average of 4.9 per cent of GDP. This fall in overall investment when student numbers have been rising at all levels is very concerning and follows a trend since 2010 of decreasing expenditure per student (OECD, 2018:4). Increased funding capital and current expenditure on education announced in recent Budgets, while welcome, is insufficient to both meet current and future demands and address the previous shortfall. Ireland ranks in last place out of 36 developed countries for investment in education as a measure of our gross domestic product (GDP), according to latest OECD data. Across levels of education, Ireland devoted a lower share of GDP than the OECD average at both non-tertiary and tertiary levels. (OECD, 2024). Notwithstanding the challenges associated with GDP, it is clear that the adequate resourcing of education across all levels remains a concern.

Early Childhood Care and Education

The most striking feature of investment in education in Ireland relative to other OECD countries is its under-investment in early childhood education. In consecutive studies, Ireland has one of the lowest levels of expenditure in pre-primary education in the OECD.

Looking at expenditure on education on early childhood education and care for three to five olds in the OECD, Ireland had the third lowest amount of expenditure at 0.3 per cent of GDP despite a trebling of public investment in childcare programmes between 2011 and 2016. In comparison, Iceland, Norway and Sweden spent between 1.4 and 1.7 per cent of GDP (OECD, 2023).

Early childhood is the stage where education can most effectively influence the development of children and help reverse disadvantage, with pupils who had access to quality early childhood education performing better on standardised testing even allowing for socio-economic difference (OECD, 2016).

International evidence indicates that in countries where there is primarily public provision of early childhood care and education it tends to be more affordable, accessible, and of higher quality than in private provision countries (Oireachtas L&RS, 2020). One of the key challenges identified towards the provision of universal early childcare in Ireland is the market driven approach to provision at present. High staff turnover and poor pay and conditions are also a feature of the sector (Early Childhood Ireland, 2020). 'First 5: A Whole of Government Strategy for Babies, Young Children and their Families' (Government of Ireland, 2018) contains welcome high-level policy commitments and strategic actions to improve the lives of babies and children and their families. The Programme for Government (2025) also contains commitments on childcare and early years education. In order to deliver on these commitments for all children having access to safe, high-quality, developmentally appropriate early childhood education, long-term planning and sufficient resourcing are required.

Primary Level

Ireland has a pupil teacher ratio (PTR) at primary level of 23:1 (the EU average is 13.4) and an average class size of 22.5 (the EU average is 20). As smaller class sizes make the biggest difference to the youngest classes, Government policy must ensure that the PTR in the youngest classes in primary school is at a level which allows teachers to provide early interventions without disruption. The Programme for Government commits to reducing the pupil teacher ratio at primary level to 19:1 over the next five years. Government should take an ambitious approach with a view to reaching a PTR of 16:1 by 2030 at the very minimum. This is essential to ensure the best educational outcomes for all children and a smooth transition from early years settings to the formal education system. Reduced class sizes and PTR are also necessary for the success of policies to mitigate the impact of interrupted learning in 2020 and 2021 due to the Covid-19 pandemic and those designed to support the integration of Ukrainian students fleeing war into Irish schools. There are 17,383 Ukrainian pupils enrolled in schools across Ireland, 10,459 at primary level and 6,924 at post-primary (Department of Education, 2024). Resources must be available on an ongoing basis to for schools to continue to support and integrate this cohort of students.

The number of children with special needs at primary level in Ireland increased by 56 per cent between 2017 and 2021 (Department of Education 2023a). The School Inclusion Model Pilot is designed to provide the particular supports these children require, although families still face significant challenges finding school places for their children. Notwithstanding the increases in investment in Special Needs Education in recent Budgets, clearly much more remains to be done in order to meet demand through increased provision of student places in special schools, and increased provision of special classes in mainstream schools. In addition to school places, relevant staffing and school transportation needs must also be addressed. In terms of planning and resourcing, it is vital that all departmental projections consider the needs of this cohort as they move from primary level to post primary and beyond. A detailed roadmap outlining when and where school places will be available for all children with additional needs from primary to post-primary, with associated services such as school transport should be a priority for Government, and set out how much muti-annual funding is required to ensure that all children have access to education.

An area of concern that has emerged in recent years is the number of children with special educational needs on reduced school days. Figures show that in the school year 2023/2024 more than 1,200 pupils were on reduced school days. At primary level, eighty per cent of students who were on a reduced school day had special educational needs. The figure was 41 per cent at post primary level. This has a detrimental impact on children with additional needs, their education and on their families (Brennan & Browne, 2019).

Ireland performed well in the 2023 TIMSS (an assessment of mathematics and science in Fourth class and in Second year) continuing the trend observed in 2015 and 2019 with Fourth class and Second year students in Ireland scoring above the international average. While there were no significant differences in the achievement of boys and girls at Fourth Class, boys significantly outperformed girls in mathematics and science at Second Year. Of concern is a continuation of the trend of students in DEIS school scoring significantly below pupils in non-DEIS schools in mathematics and science at primary and post-primary level.

In terms of reading skills, the most recent assessment took place in 2021 and Ireland performed extremely well in the PIRLS[2] assessment of reading skills, scoring significantly higher than most other participant countries, albeit with the caveat that pupils in Ireland were tested later than would have been expected due to the impact of the pandemic, and as such would be expected to perform more strongly.

Unfortunately, PIRLS 2021 sees a continuation of the trend of poorer outcomes for disadvantaged students. The achievement in DEIS (Delivering Equality of Opportunity In Schools) schools was substantially lower than that in non-DEIS schools (Delaney et al., 2023) with particular challenges in relation to equity in reading development. Analysis of Ireland's PIRLS and NAMER (National Assessments of Mathematics and English Reading) scores show that Ireland still has not met three of the four 2020 targets set for reading and numeracy in DEIS band 1 and band 2 schools. Ireland has met the target to increase the number of 'high achievers' in second-class reading from 18 to 25 per cent, but it has failed to meet the targets of reducing the percentage of second-class students reading at lower levels, from 44 to 40 per cent; reducing the percentage of sixth-class students performing at the lower levels in maths from 50 to 42 per cent; and increasing the percentage of 'high achievers' in sixth class maths from 19 to 27 per cent.

[2] PIRLS (Progress in International Reading Literacy Study) is an international assessment of reading achievement of fourth class pupils.

The gap between the performance of students in disadvantaged areas and their peers is also evident in results on education and cognitive development from the Growing up in Ireland survey. The survey found significant differences in reading test scores by socio-economic background and that this socio-economic gap in reading test scores widened in primary school, with children from disadvantaged backgrounds who were early high performers being outperformed by children from more advantaged backgrounds by 9 years of age (Government of Ireland, 2021).

The new literacy, numeracy and digital literacy strategy for children and young people with its focus from early years to post-primary is welcome as are the recommendations on improving performance in literacy and mathematics in DEIS schools. However more detailed targets, and a strategy focused on closing the substantial gap between DEIS and non-DEIS schools across the education system must be a priority for the new Government.

In terms of policy, the focus must be on keeping average class sizes below 20 (as per Education Research Centre (ERC) findings discussed in this chapter), significantly reducing the pupil teacher ratio further, particularly at primary level and ensuring all DEIS Band 1 and 2 schools have sufficient resources to implement strategies to improve literacy and numeracy outcomes for pupils.

Second-level Education

Irish second-level students performed well in the 2022 PISA (Programme for International Student Assessment) tests in reading, literacy, mathematics and science, scoring above the OECD average in all three domains.

- In reading literacy, 11.4 per cent of students in Ireland perform below Proficiency Level 2 (the OECD considers Level 2 to be the baseline proficiency for all three domains) implying they have insufficient reading skills to deal with future needs in real-life or further education. This is some distance from the revised Literacy and Numeracy Strategy target of 8.5 per cent of students performing below Level 2 in PISA.
- In Science, 15.6 per cent of students performed below Level 2 – higher than the target of 10 per cent set out in the Action Plan for Education 2016-2019, to be achieved by 2025. These students can recognise basic scientific phenomena or simple patterns in data but lack the scientific skills and knowledge they may require in their future lives.
- In mathematics, 19 per cent of students in Ireland performed below Level 2, indicating that they lacked the mathematical knowledge and skills required for future education and work. This is well above the 10.5 per cent set out in the revised targets of the Literacy and Numeracy Strategy.

Across the three domains, Ireland has below average proportions of low-performing students. Nevertheless, many students have insufficient skills to deal with future needs in real life, to participate in further education or employment. We are still some distance away from achieving the targets set out in the Action Plan for Education and a substantial gap remains between students in DEIS and non-DEIS schools. An analysis of trends in PISA achievement indicates that in reading, mathematics and science, students in DEIS schools have consistently achieved significantly lower average achievement than students in non-DEIS schools across all PISA cycles examined (Donohoe et al, 2023). Indeed, the gap between DEIS and non-DEIS schools is likely to be an underestimate as Ireland's student response fell in 2022. While the size of the gap has narrowed significantly in reading, it has not changed significantly in mathematics or science.

Despite steady progress, significant variations in proficiency remain in Ireland between students in DEIS and non-DEIS schools. The main gains made by DEIS schools were between 2009 and 2012, where the percentage of low achievers in reading dropped from 35.4 per cent to 21.8 per cent, but progress has stalled since then. Students attending DEIS schools continue to score much lower on all three domains, pointing to the need to continue to focus resources on addressing educational disadvantage. Conversely students from fee paying schools continue to significantly out-perform those from non-fee paying schools, scoring considerably higher on all three domains (McKeown et al, 2019). Despite the gains made between 2009 and 2012, there has been limited progress towards meeting the literacy and numeracy sub targets for DEIS schools set out in the Action Plan for Education (Gilleece, 2020).

- The targets for high achievers (at or above Level 5 by 2020) is 12 per cent for reading and 13 per cent for mathematics. The target for reading was met in 2018, but the percentage of students performing at this level fell in 2022. The target for mathematics has not been met.
- While there has been a positive and significant reduction in the percentage of students in DEIS schools at the lowest levels of proficiency in reading and mathematics, but the proportion of students performing at the lowest levels is still substantially above the targets of 8.5 per cent and 10.5 per cent respectively.

Students from DEIS schools also score lower on wellbeing indicators (ERC, 2021). They score significantly lower in terms of home possessions, home educational resources, cultural possessions and family wealth than their peers in non-DEIS schools. As outlined earlier, a more detailed strategy for closing the gap between DEIS and non-DEIS schools across literacy and numeracy is essential. A key policy to support closing this gap is to extend the JCSP Demonstration School Library Project to all 232 post-primary DEIS schools with accompanying staffing and resourcing over a five-year period.

Social Justice Ireland welcomed the reform of the Junior Cycle, with its emphasis on learners thinking for themselves, being creative in solving problems and applying their learning to new challenges and situations. It is important that the proposed reform of the senior cycle and leaving certificate deliver a truly student-centred approach in the second-level education system and address the issues of inequities of access, participation and achievement ((NCCA, 2021).[3] We also welcome the establishment of the National Tertiary Office as a positive and long-overdue step towards expanding access pathways to further and higher education.

The impact of the pandemic on the leaving certificate and the Central Applications Office (CAO) system highlighted to the need for substantial action and reform. Any reform of the system must address the gap between DEIS and non-DEIS schools in terms of students taking higher level courses and the sustained failure to meet literacy and numeracy targets. This reform must also take a broader view of access to further and higher education and explore pathways beyond the leaving certificate. *Social Justice Ireland* supports the provision of extra resources to DEIS schools to ensure that all students, but particularly those in disadvantaged areas, have equality of opportunity once they complete their second level education.

There has been an increase in retention rates in junior and senior cycle in DEIS post primary schools and an increase in the proportion of students in DEIS schools taking Higher Level papers in English and Mathematics. The fact that the achievement and attainment gaps between DEIS and non-DEIS post primary schools is closing is very positive. However significant gaps still exist. This is a cause for concern. An evaluation of DEIS at primary level concluded that many of the achievement gaps that still exist have their basis in income inequality (Weir and Kavanagh, 2019). Addressing educational disadvantage requires more than just equality of opportunity, it requires that policy address both income adequacy and access to services to break the cycle of educational disadvantage.

Early School Leaving

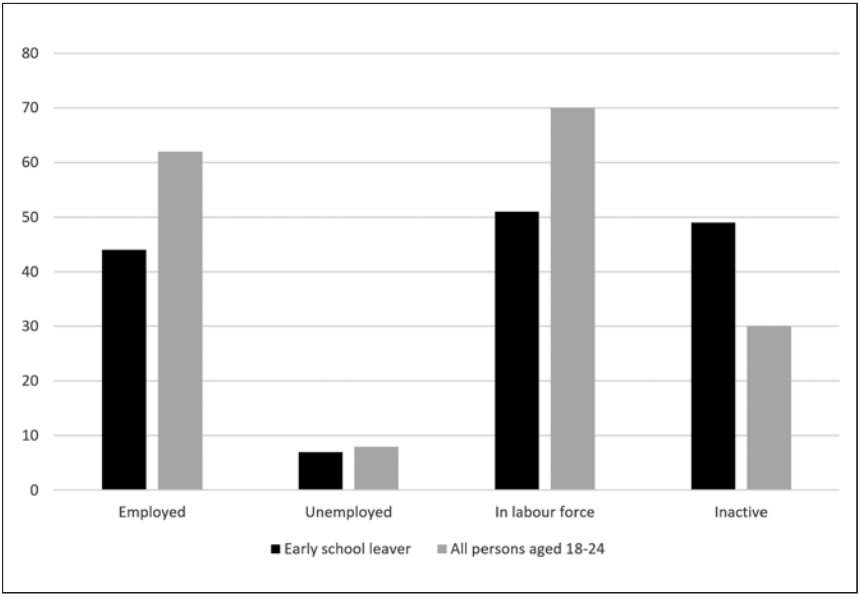
Early school leavers are persons aged 18 to 24 whose highest level of educational attainment is lower secondary or below and are not currently in education. Ireland had the joint second lowest early school leaving rate in the European Union in 2023 at four per cent, compared to the EU average of 9.6 per cent. This downward trend of early school leaving is a welcome development and Ireland surpassed the national target set under the Europe 2020 Strategy. Females are less likely than males to be classified as early school leavers, and in 2023 just under half of early school leavers aged 18-24 were not economically active (CSO, 2023).

CSO data shows that (see Chart 8.1) an early school leaver is three times as likely to be unemployed than the general population aged 18-24. Only one in four of them are in employment compared to the general population for that age group and just under half (47 per cent) are not economically active. A previous report by the CSO (2019b) analysed the outcomes for students who started second level education in 2011 – 2013. When comparing early school leavers to those who completed the Leaving Certificate, the report found that just 43.8 per cent of early school

[3] https://www.gov.ie/en/press-release/f7bf7-minister-foley-announces-plan-for-reform-of-senior-cycle-education-equity-and-excellence-for-all/

leavers were in employment compared to 74 per cent of their peers who finished school, and that the median earnings for early school leavers were €65 less than their peers (€345 per week compared to €410 per week). These figures are a cause of concern. The poor labour market status of early school leavers points to the need for a continued focus on this cohort and on addressing educational disadvantage. As we move towards a future where digital transformation will disrupt the labour market, having the greatest impact on people with lower levels of education and skills (OECD, 2019b), it is important that this cohort are not left behind. A wide range of access options to education and training is pertinent when it comes to dealing with the issue of early school leaving.

Chart 8.1: Labour Market Status for Early School Leavers and total population 18-24 year olds Q2 2023



Source: (CSO, 2023).

Ireland also faces challenges in the area of young people not engaged in employment, education or training (NEETs) in disadvantaged areas. The NEET rate in Ireland in 2022 was 9.3 per cent, below the EU average of 12.7 per cent (CSO, 2024). The long-term impact of Covid-19 in terms of disruption to education and employment opportunities for young people is likely to be significant. Providing support and opportunities for young people not engaged in employment, education or training must be a priority for Government or we risk creating a generational divide. The gap between retention rates in DEIS and non-DEIS schools has halved since 2001, but it still stands at 7.6 per cent (Department of Education 2023a). Government must work to ensure that schools in disadvantaged areas are supported to bring the rate of early school leavers to below 8 per cent towards the national rate of 4 per cent by 2026. Overall, we believe that the situation calls for a long-term policy response, which would encompass alternative approaches aimed at ensuring that people who leave school early have alternative means to acquire the skills required to progress in employment and to participate in society. The Action Plan for Increasing Traveller Participation in Higher Education, the establishment of the National Tertiary Office and the broadening of apprenticeships are welcome, recognising the need to broaden access and support traditional and non-traditional routes to higher education. A wide range of access options to education and training is pertinent when it comes to dealing with the issue of early school leaving.

The longer a person stays in education the more likely they are to be in employment. Participation in high quality education has benefits not only for young people themselves but also for the economy and society more generally. These benefits typically last over the course of an individual's lifetime. Adults with a tertiary degree in Ireland earn on average 81 per cent more than adults with upper secondary education and are more likely to be employed, (OCED, 2022). Socio-economic disadvantage also follows a student throughout the education system with younger graduates from more affluent areas earning around more on average than their peers from disadvantaged areas. Across all degree levels, disadvantaged graduates tend to earn less than affluent graduates – 85 per cent of disadvantaged graduates earn less than €40,000, compared to 72 per cent of affluent graduates. Likewise, 27 per cent of disadvantaged graduates earn less than €25,000, compared to 18 per cent of affluent graduates. This salary gap grows as level of attainment increases, an issue which must be of concern to policymakers (HEA, 2023).

The challenge posed by intergenerational transmission of disadvantage in education outcomes and earnings outcomes are clear. A report from the CSO (2020b) on the intergenerational transmission of disadvantages found that those who had experienced educational disadvantage in their teens were more likely to be at risk of poverty or experiencing enforced deprivation than their wealthier peers in adulthood. In line with OECD findings on educational attainment the report found that three in ten (30.6 per cent) of those whose parents finished their education at lower secondary level also left school at the same point. Of those whose parents ceased their education at lower secondary level, 16.2 per cent were at risk of poverty as adults compared with 6.2 per cent of adults whose parents completed third level. Educational level attained is linked to earnings and earning potential as well as being one of the most important individual factors in reducing the risk of poverty for adults and, as this educational level seems to be linked across generations, it is important for reducing child and household poverty. The benefits of investing in education, both to the individual, to the economy and to society, far outweigh any initial outlay of resources. This is something that should be at the forefront of decisions regarding the investment and resourcing of our education system as a whole.

Higher Education

Full-time enrolment in higher education has increased by almost 33 per cent in the last decade to 198,970 students (DES, 2023) and numbers are projected to reach 239,148 by 2030. An increasing population of school-leavers demands that considerable investment is required to ensure that the higher education sector in Ireland can continue to cope. However public funding for higher education in Ireland has been decreasing since 2009 despite steadily increasing enrolments both full- and part-time. The Parliamentary Budget Office, in a report on tertiary Education Funding in Ireland (PBO, 2019), estimated that funding per undergraduate student (full-time, part-time, remote and FETAC) enrolled in 2019 was 50 per cent lower than in 2008. The report presents a clear and detailed outline of the challenges facing the sector, recommending that funding be sourced from sustainable revenues and accompanied by administrative reforms to prevent a repetition of the cuts to funding seen during the last economic and fiscal crisis.

The final report of the Expert Group on Future Funding of Higher Education in Ireland (2016) concluded that an additional €1 billion in annual funding would be needed by 2030 to sustain and improve provision of higher education in Ireland, with €600m of this required by 2021. Despite increases in funding in recent Budgets an additional €600m has yet to be delivered. An estimation of the value of the higher education sector to the economy found that every €1 invested generates a return of approximately €9.[4] Without certainty regarding funding, the necessary reforms and innovations required in further and higher education will not succeed. Following an economic evaluation of these funding options by the European Commission, Government published the long-awaited 'Funding the Future' a funding and reform framework for higher education in 2022. The strategy commits to a multi-funded model of additional Exchequer investment and employer contributions through the National Training Fund to fund the higher education system. Student loans will not form part of the future funding model and the strategy also commits to gradually reducing student contributions. The strategy identified an immediate core funding gap of €307 million in the sector (Department of Further and Higher Education, Research, Innovation and Science, 2022).

This gap is the increase in funding which the Departments of Further and Higher Education, Research, Innovation and Science and Public Expenditure and Reform determined is required to deliver enhanced performance, strategic reforms and improved quality of outcomes. This means that the sector will continue to experience a shortfall in required funding over a number of years at least. The €307m gap does not take account of funding that will be required for:

- future demographic increases;
- pension costs;
- implementation of future pay and industrial relations agreements;

[4] https://www.iua.ie/publications/iua-budget-submission-2020/

- implementation of certain reform measures for the higher education sector including those related to the Technological University transformation agenda.

Further Education and Training

Further Education and Training and Lifelong Learning should play an integral role in the lives of people in the labour force to prepare people for the impact of digitalisation and to enable them to take full advantage of potential opportunities. The Expert Group on Future Skills Needs (2018) examined the potential impacts of digitalisation on the workforce in Ireland. One in three jobs in Ireland has a high risk of being disrupted by digital technologies, although the report points out that this is more likely to mean changes to job roles and tasks rather than job losses. The sectors most at risk are retail, transport, hospitality, agriculture and manufacturing.

The most significant finding for policy is that the jobs at highest risk are elementary, low-skilled occupations and the impact is most likely to be felt by people with lower levels of educational attainment. These findings are reinforced by the SOLAS Quarterly Skills Bulletin on Older Workers Q2 2019 which found that technological change will have the greatest impact on people employed in elementary, administrative, sales and operative roles and that approximately one third (146,300) of workers aged 50-59 are employed in these occupations.

A further report on automation risk and the labour market (SOLAS, 2020), identified six occupational groups in particular which have large numbers of employees whose roles were at risk of automation. These groups are operatives & elementary, sales & customer service, administrative & secretarial, hospitality, agriculture & animal care and transport & logistics. The report concludes that the future world of work will require significant upskilling/ reskilling opportunities across all areas of the labour market to meet the challenges and opportunities posed by automation in the workplace. A report from the Department of Finance (2024) on Artificial Intelligence found that there is a risk that AI could substitute for labour in 30 per cent of employment in Ireland, with women more exposed than men. A strong focus on lifelong learning and upskilling, including on the job learning are vital to ensure the labour force has the skills required to adapt to changes that digitalisation will bring to employment.

Apprenticeships and Traineeships are an essential part of the Further Education and Training System in Ireland. One of the five high level objective of the Action Plan for Apprenticeship 2021-2025 (Government of Ireland, 2021) is that the profile of the apprenticeship population will more closely reflect the profile of the general population. The focus on increased participation of students from disadvantaged backgrounds and other specific target groups is very welcome. The age profile of apprentices in Ireland is young compared to other countries and is predominantly taken up by those of an age when second level education is completed. In 2018, 45 per cent were under 19 and 40 per cent aged 20 to 24 years. Just 10 per cent were aged 25-29 and only 5 per cent aged 30 or over. By comparison in England 21 per cent of the apprenticeship population is over 35. The age profile of those engaging in apprenticeships and traineeships requires closer scrutiny as this is an area that has the potential to address many of the challenges a digital transformation will bring. *Social Justice Ireland* looks forward to the work of the National Apprenticeship Office in expanding the age profile, in addition to continuing the work of embedding apprenticeships fully within the education system.

Lifelong Learning

Lifelong learning has an important contribution to make to people's wellbeing, to creating a more inclusive society and to supporting a vibrant and sustainable economy (Department of Education and Skills, 2017). The non-vocational element of lifelong learning and community education also brings major social and health benefits to participants outside the labour force.

Access to lifelong learning should be an integral part of the education system in order to address the income and labour market challenges that some members of society face. It also must be accessible and flexible to address the challenges which were identified in the Adult Skills Survey, those of unmet demand and being difficult to access.[5] Various agencies (European Commission, Expert Group on Future Skills Needs, 2018) identify generic skills and key competences as a core element of the lifelong learning framework. These include basic skills such as literacy, numeracy, digital competence, language skills, people-related and conceptual skills, critical thinking, problem solving, creativity, risk assessment and decision making.

Ireland's lifelong learning participation rate is slowly improving, increasing from almost 12 per cent in 2022 to 14 per cent in 2023 (SOLAS, 2024) meaning Ireland is on track to reach the national target of 15 per cent in 2025. Lifelong learning rates vary greatly by age and educational attainment, with 19 per cent of those aged 25-34 engaged in lifelong learning compared with 9 per cent of those aged 55-64 (SOLAS, 2024). As progress is being made, Government should consider revising this target substantially upwards to reach 25 per cent by 2030 with sub targets for older workers and those with lower levels of qualifications. With more people working for longer, and in the context of current unprecedented labour and skill shortages, there is a pressing need to ensure that the talents and skills of a multigenerational workforce are resourced and developed, particularly those of older workers (OECD, 2023). Issues relating to costs, and age discrimination in accessing training must be addressed. Those engaged in lifelong learning are more likely to be professionals than low-skilled operatives and employed in public administration, professional services and finance. These sectors are more likely to provide in-house training, continuous professional development and have policies for subsidising education, than the retail or construction sectors. Employers must be encouraged and incentivised to participate in the development of any lifelong learning strategies. This not only supports the development of the employee but

[5] https://www.cso.ie/en/releasesandpublications/er/aes/adulteducationsurvey2017/

contributes to the retention rate and effectiveness of the business, which in turn reduces the costs associated with hiring and developing new staff.

Adult Literacy

Literacy is defined as the capacity to understand, use and reflect critically on written information, the capacity to reason mathematically and use mathematical concepts, procedures and tools to explain and predict situations, and the capacity to think scientifically and to draw evidence-based conclusions (OCED, 2023). The OECD PIAAC Study (2024a) contains the most recent data on adult literacy in Ireland. It shows that there has been slight improvements in adult literacy and numeracy over the past twelve years, but not to the extent that might have been expected. The average scores for literacy and numeracy proficiency are practically unchanged for Irish adults compared with 2012, and there has been no improvement in the proportion of adults with the lowest levels of literacy and numeracy skills.

According to the evidence we have from the 2023 PIACC study, Ireland is placed 13th out of 31 countries in terms of literacy, with 21 per cent of Irish adults having a literacy level at or below Level 1. People at this level of literacy can understand and follow only basic written instructions and read only very short texts (OECD, 2023). On numeracy, Ireland is placed 18th out of 31 countries with 25 per cent of Irish adults scoring at or below Level 1. In the final category, adaptive problem solving 29 per cent of Irish adults scored at or below Level 1. In other words, a very significant proportion of Ireland's adult population possesses only very basic literacy, numeracy and information-processing skills, insufficient to compete in a market where the skillsets of even highly skilled workers are likely to be obsolete in a matter of years.

There is a cost to the state for unmet literacy and numeracy needs. But there is a positive and rapid return on investing in adult literacy and numeracy. These benefits are across the board both for the participants, the Exchequer and the economy. It is estimated that the annual income gain per person per level increase on the National Qualifications Framework (NQF) was €3,810 and the gain to the Exchequer, in terms of reduced social welfare transfers and increased tax payments, being €1,531 per annum (NALA, 2020: 15). Investing in adult skills, particularly the literacy, numeracy and digital literacy needs of those who have the lowest skills is an important investment in our human capital.

'Adult Literacy for Life: A ten-year strategy for adult literacy, numeracy and digital literacy' was published in 2021 (Department of Further and Higher Education, Research, Innovation and Science, 2021). The strategy contains three high level targets: decrease the share of adults in Ireland with unmet literacy needs, that is PIAAC Level 1 or below, from 18 per cent to 7 per cent; decrease the share of adults in Ireland with unmet numeracy needs, that is PIAAC Level 1 or below, from 25 per cent to 12 per cent; decrease the share of adults in Ireland without basic digital skills from 47 per cent to 20 per cent. Although the strategy makes commitments for funding to mitigate educational disadvantage, support community education and target vulnerable cohorts, there is no amount allocated for the lifetime of the strategy. We recommend that Government resource the strategy by implementing the recommendation of the 2006 Adult Literacy report which proposed a quadrupling of the adult literacy tuition budget from €25 million to about €100 million over seven years with an additional €25 million for improving ancillary and support services.[6]

Skills Development

While Ireland performs relatively well in terms of skills development among young people, a comparatively small share of the adult population perform well on all levels of the PIAAC. Managing digital transformation in the labour market and the shift to a green economy requires investment in human capital and a well-trained and skilled general workforce at all levels (Cedefop, 2020). Educational success is now about creative and critical approaches to problem solving, decision making and persuasion, applying the knowledge that we have to different situations. It is about the capacity to live in a multifaceted world as an active and engaged citizen.[7] Continuous investment in skills development, adult learning and lifelong learning are the best policy tools available, allowing investment in human capital and ensuring we can manage these transitions.

Over 72 per cent of the population have basic digital skills (European Commission 2024) and Ireland is on track to meet a target of 80 per cent of the adult population with at least basic digital skills by 2030.

This is important, as there is potential for digital transformation to compound existing socio-economic inequalities, with the benefits in terms of earnings and opportunities accruing to a few, and the risks falling more heavily on people with lower levels of education and skills (OECD, 2019b). With most jobs made up of skills and abilities that are easily automatable and those that are not, the risk of automation depends on the skills and abilities that a job consists of, a risk that the Department of Finance report on AI acknowledges. On average across OECD countries, occupations at highest risk of automation account for about 28 per cent of employment, with about 9 per cent of occupations at risk of becoming obsolete (OECD, 2023). Many jobs will alter significantly in the coming decade and a skill strategy that targets older workers and supports them to upgrade and expand their skills is required to support them to remain in employment. When it comes to the green transition, local skills strategies, vocational training and apprenticeships have been identified as key enablers of a 'just transition' (OECD, 2023a).

The pandemic provided a powerful test of the potential of online learning, and it also revealed its key limitations, including the prerequisite of adequate digital skills, computer equipment and internet connection to undertake training online,

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6 http://archive.oireachtas.ie/2006/REPORT_20060531_1.html
7 http://oecd.org/general/thecasefor21st-centurylearning.htm

the difficulty of delivering traditional work-based learning online, and the struggle of teachers used to classroom instruction (OECD, 2020). Our training and skills development policy must be adapted to meet this challenge.

8.2 Key Policies and Reforms

Addressing educational disadvantage

Welcome progress has been made at primary and post primary level in terms of closing the achievement and attainment gaps between DEIS and non-DEIS schools. However significant gaps still exist – many of which have their basis in income inequality, and this is a cause for concern. Further resourcing is clearly needed to address educational disadvantage and to close the gap between students in DEIS schools and non DEIS schools. Continued support for DEIS schools must be a policy priority and the positive policy measures which are seeing reductions in the achievement gap must be used as a stepping stone to further improvements. The expansion of the DEIS programme, to incorporate an additional 310 schools supported by additional funding is very welcome. It is important that building on the progress that has been made, closing the attainment gap and mitigating the impact of interrupted learning are supported by this expansion. While advances have been made to address inequality in our education system, and the DEIS programme is proving to have a positive effect, children from lower socio-economic backgrounds continue to underperform in literacy, numeracy and science. Literacy and numeracy trends in DEIS schools have not been resolved and the targets for 2020 were not met. It is important sufficient resourcing is available to support the targets in the current DEIS plan. Decisions regarding numeracy and literacy policy, investment, and the allocation of resources within the education system must be focused on reversing this negative trend.

However, not all children experiencing disadvantage attend DEIS schools and many students who would benefit from the extra supports available in DEIS schools cannot do so. *Social Justice Ireland* recommends that adequate resources are allocated to non-DEIS schools to enable them to fully support disadvantaged pupils.

Funding

Education is widely recognised as crucial to the achievement of our national objectives of economic competitiveness, social inclusion, and active citizenship. It benefits not just the individual, but society as a whole and the returns to the economy and society are a multiple of the levels of investment. However, the levels of public funding for education in Ireland are out of step with these aspirations. Under-funding is particularly severe in the areas of early childhood education, lifelong learning and second chance and community education – the very areas that are most vital in terms of the promotion of greater equity and fairness.

The projected increased demand outlined earlier in all areas of our education system must be matched by a policy of investment at all levels that is focused on protecting and promoting quality services for those in the education system.

Government must develop and commit to a long-term sustainable funding strategy for education at all stages, recognising the importance of a life-cycle approach to educational support. This funding strategy should incorporate capital and current expenditure and be coherent with present strategies and funding already allocated as part of Ireland 2040. The overall priority must be to deliver multiannual funding linked to long-term strategies at all levels with the Joint Oireachtas Committee on Education, Further and Higher Education, Research, Innovation and Science playing a key role.

Early Childhood Care and Education

High quality educational experiences in early childhood contribute significantly to life-long learning success (DES, 2018c). This sector needs to be supported by Government, financially and through policy, to ensure that all children have equal access to this success and all of the benefits of quality education. This is even more pertinent in light of the detrimental impact of Covid-19 on the delivery of early childhood education.

The Educational Research Centre (ERC, 2017) found that tackling inequality at pre-school level before a child attends primary school was found to have a significant impact on educational disadvantage if certain conditions are met. These conditions are that the pre-school is of a high quality, is adequately funded, have low adult-child ratios, highly qualified staff with quality continued professional development, positive adult-child interactions, effective collaboration with parents, appropriate curricula, adequate oversight, monitoring and evaluation, and inclusivity and diversity. Government must ensure that all early years settings meet these conditions by 2022.

An appropriate and ambitious approach would be to set a target of investing 1 per cent of GNI* by 2030 in early childhood care and education (the expenditure of the top performing countries in the OECD is 1 per cent of GDP). Investment should increase by a minimum of 0.1 per cent of GNI* annually to meet the to reach this new target by 2030 with annual updates on progress to the Oireachtas.

Higher Education

Higher education is facing a significant funding shortfall and future resourcing of this sector is a key challenge currently facing Government. For Higher Education, the *Final Report of the Independent Expert Panel* (HEA, 2018) points out that funding requirements for higher education should be benchmarked against the funding in those countries we aspire to emulate and compete with. This is critical if we are to maintain our skills base while fostering innovation and upskilling the labour force. *Social Justice Ireland* welcomes innovation in funding allocation and a move towards a more demand-based system to support students in their chosen careers.

Investment in higher education will have to increase significantly over the next decade, regardless of which option or funding model Government decides to implement. Government, as part of 'Funding for the Future' should publish a roadmap outlining when the €307m funding gap will be bridged, and the anticipated additional resources required each year to fund additional programmes and activities, meet demographic increases, pension costs, reforms in the higher education sector including the Technological University transformation agenda among others.

If higher education is to integrate into lifelong learning and to play the leading role it can play in climate transition, and as the future of work and employment changes, a broadening of access routes is imperative (OECD, 2024).

Further Education and Training

The lifelong opportunities of those who are educationally disadvantaged are in sharp contrast to the opportunities for meaningful participation of those who have completed a second or third-level education. If the Constitutionally enshrined right to education is to be meaningful, there needs to be recognition of the barriers to learning that some children of school-going age experience, particularly in disadvantaged areas, which result in premature exit from education. In this context, second chance education and continuing education are vitally important and require on-going support and resourcing.

Although the funding available for education increased in Budgets since 2016, the deficits that exist within the system, particularly as a result of the impact of austerity budgeting, require significant additional resources. This requires the development of a long-term education policy strategy across the whole educational spectrum to ensure that education and continuous upskilling and development of the workforce is prioritised if Ireland is to remain competitive in an increasingly global marketplace and ensure the availability of sustainable employment.

A key policy component must be a review of the age profile of apprenticeships and how this can be expanded (as outlined earlier in this chapter), the development of a multigenerational skills strategy targeted at older workers and the integration of the latest OECD recommendations on training and skills into the National Skills Strategy. Further Education has a key role to play to ensure we meet our lifelong learning targets and it must be supported and resourced to ensure we meet our targets.

8.3 Key Policy Priorities

Social Justice Ireland believes that the following policy positions should be adopted in responding to educational disadvantage:

- Make the improvement of educational outcomes for pupils from disadvantaged backgrounds and disadvantaged communities a policy priority, with additional resources focused on addressing the persistence of educational disadvantage;
- Set out a roadmap outlining how school places and associated services such as school transport will be provided for all children with special educational needs by 2028;
- Commit to increasing investment in Early Childhood Care and Education by 0.1 per cent of GNI* annually to reach 1 per cent of GNI* by 2030;
- Commit to reducing class sizes and pupil teacher ratios at primary and post primary level by a minimum of 1.5 points per annum to 2030;
- Update our lifelong learning target to reach 25 per cent by 2030, ensuring sufficient resources are made available;
- To meet the digital and green transition challenges, develop an integrated, multi-generational skills development strategy;
- Fully resource 'Adult Literacy for Life' by increasing the adult literacy budget to €100 million by 2030, including €25 million to improve ancillary and support services;
- Publish a funding roadmap for the higher education sector to 2030.

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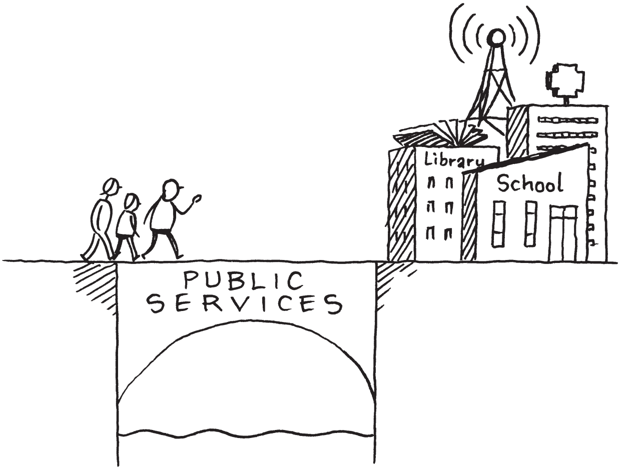
Chapter nine

Chapter 9

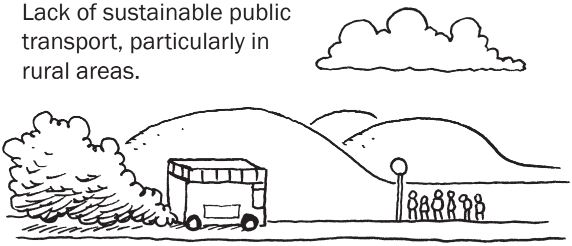
Public Services

Core Policy Objective:
To ensure the provision of, and access to, a level of public services regarded as acceptable by Irish society generally.

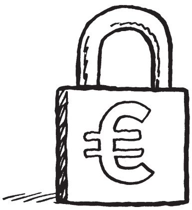


Key Issues/Evidence

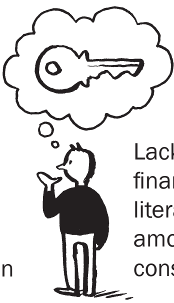
Lack of sustainable public transport, particularly in rural areas.



Lack of highspeed broadband access, particularly in rural areas – still no National Broadband roll-out.

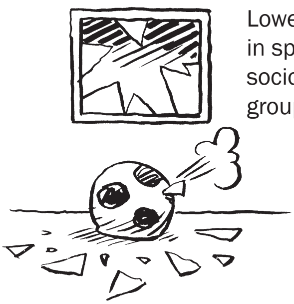


Lack of robust data on financial exclusion.

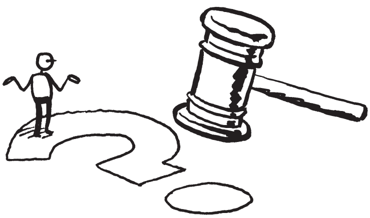


Lack of financial literacy among consumers.

Unaffordable childcare and precarious work in the sector (insurance also a big issue here).

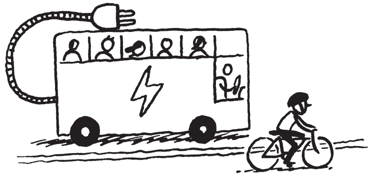


Lower participation in sports in lower socio-economic groups.



Underfunding of Civil Legal Aid – restricts access to justice.

Policy Solutions



Increase investment in sustainable public transport and introduce active travel and cycling infrastructure.

Invest in early years education and childcare and tackle the issue of insurance costs in the sector.

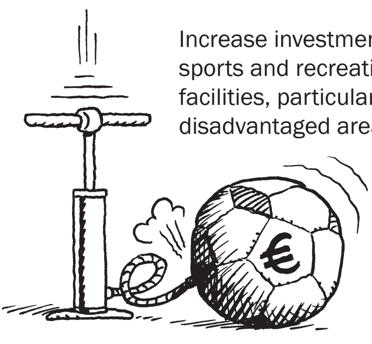
Develop a research programme to gather robust data on financial exclusion.

Introduce financial literacy education programmes at primary and secondary level

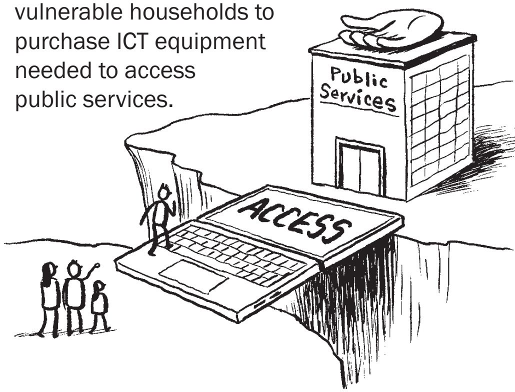
Roll out broadband, particularly in rural areas.

Increase investment in civil legal aid.

Increase investment in sports and recreation facilities, particularly in disadvantaged areas.



Introduce a grants scheme to support low income and vulnerable households to purchase ICT equipment needed to access public services.



Chapter 9

PUBLIC SERVICES

Core Policy Objective:
PUBLIC SERVICES

To ensure the provision of, and access to, a level of public services regarded as acceptable by Irish society generally.

The ongoing turbulence across the globe since early 2020 has highlighted just how very important and varied the provision of the essential services that we rely on for well-being is. With almost every aspect of daily life impacted, the importance of these essential services has been highlighted.

This chapter looks at public services in a range of areas not addressed elsewhere in the Review. These include Public Transport; Childcare; Digitalisation; Financial Services; Legal Aid; Regulation; Library Services and Sports and Recreation Facilities.

In the context of the objective of providing 'Decent Services and Infrastructure' – a core pillar of *Social Justice Ireland*'s Social Contract, in addition to proposals contained in earlier chapters, our new Government must also:

- Increase the provision of public transport in rural areas and provide greater investment in sustainable transport and biofuels;
- Invest in active travel and cycle lane infrastructure;
- Ensure connectivity to affordable high speed broadband access across the country;
- Develop programmes to enable all internet users to critically analyse information and to stay safe online;
- Introduce a a grants scheme to support low income and vulnerable households to purchase ICT equipment needed to access public services on implementation of the National Digital Strategy;

- Increase investment in early childhood education and care and after-school care by 0.1 per cent of GNI* each year with a view to reaching 1 per cent of GNI* by 2030;
- Implement the new Financial Literacy strategy and support financial literacy education across the school curricula;
- Track levels of financial exclusion and build and monitor policies and practices aimed at eliminating it in its entirety;
- Ensure that the Legal Aid Board is adequately funded so that people in the court system are guaranteed equality of access to justice;
- Include, in the Commission for Regulating Lobbying's Annual Reports, policy areas with the greatest lobbying activity, the lobbying organisations and the designated public officials engaged so as to highlight to the general public those influencing the political decision-making process;
- Invest in the continuous professional development and wellbeing of library staff to ensure the success of the Libraries Strategy and ensure access and ongoing support for print and electronic content;
- Increase funding to encourage sports participation and active lifestyle programmes;
- Ring-fence revenue gained through the sweetened drinks tax to fund sport and recreational facilities and services.

9.1 Key Evidence

Public Transport

According to the National Household Travel Survey 2023, (National Transport Authority, 2024) 71 per cent of all journeys taken in 2023 were by private car but this varied by region. Those living in more densely populated areas were less likely to use a car (54 per cent of all journeys in Dublin City and Suburbs were in private cars), compared to those in more sparely populated rural areas (82 per cent of all journeys were in private cars). The second most popular mode of transport was walking, accounting for 18 per cent of all journeys. Unsurprisingly, it was more common in Dublin City and suburbs (30 per cent) and Greater Dublin (26 per cent) than in rural areas (7 per cent). Across the country, the two main reasons for travel are work or business and social, both accounting for 20 per cent, followed by education (18 per cent) and shopping (16 per cent). Interestingly, those residing in Urban Towns are least likely to travel for work/business (18 per cent). If active travel and walking for health and pleasure are to be advanced, future housing and commercial development must take into account transport links from the earliest planning stage.

Millions of bus, Luas, DART and Dublin suburban rail passengers use these services every year. In light of moves to reduce emissions as well as growth in population numbers, Government needs to ensure that sufficient resources are given to public transport systems.

The bicycle sharing scheme, is an excellent initiative and supports environmentally sustainable commuting in urban centres. However, without hard infrastructure for cycle lanes, our continued reliance on private cars for urban commutes makes city-cycling hazardous. *Social Justice Ireland* therefore calls on Government to expedite the introduction of infrastructure to support active travel and safe cycling in our cities.

The lack of reliable public transport in rural areas means that rural households are more reliant on their car to access basic services and commute to and from work and school. This reliance is contributing to our carbon footprint, with transport being one of the three main contributing industries. Transport shows the greatest overall increase of GHG emissions at 129.2 per cent between 1990 and 2023, with road transport increasing by 133.6 per cent. At the end of 2023, 'there were 110,000 battery electric (BEVs) and plug-in hybrid electric (PHEVs) vehicles in Ireland, approximately 56 per cent of the 2025 policy target of 195,400'.[1]

Government expenditure on public transport as a percentage of total land transport expenditure has fluctuated since 2002, reaching a low of 30 per cent in 2006. The proportion of the spending allocation for Carbon Reduction and Public Transport in 2021 was 43 per cent. (Irish Government Economic and Evaluation Service, 2022).

Infrastructure must be in place to support thinly populated areas to grow and thrive, while those living in Dublin and surrounds, with access to an extensive public transport network, should be encouraged and incentivised to use it. We must improve active travel infrastructure such as walking tracks and cycling lanes, and work towards making these a permanent transport feature in both rural and urban areas.

Childcare

Across the EU, 47.9 per cent of children aged 1 to 2 in 2023, received formal childcare or education, while for children aged between 3 and the minimum compulsory school age, the rate was 89.1 per cent. 98.4 per cent of children aged one year older than the compulsory school age up to 12 years of age received formal childcare or education. Of note is the fact that the percentage of children aged between 3 years and the minimum compulsory school age, who were not in formal childcare or education, was higher for those at risk of poverty or social exclusion (16.8 per cent) compared with those not at risk (9 per cent) in 2023.[2]

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1 https://www.epa.ie/our-services/monitoring--assessment/climate-change/ghg/transport/

2 https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Living_conditions_in_Europe_-_childcare_arrangements

Affordability

Affordable childcare and child-friendly employment arrangements are key requirements for greater labour participation among young mothers (OECD, 2016:17). Cost is also key in keeping women in the workplace with many working women citing childcare costs as a reason to consider leaving the workplace.[3] The average fee for full-time childcare provision is now €186.84 per week, with the highest being in the Dun Laoghaire-Rathdown area (€244.08 per week on average) and the lowest in Carlow (an average of €152.08 per week) (Pobal, 2022).

High childcare costs present a barrier to employment, particularly among young women with children. An increase in the cost of childcare led to a decrease in the number of paid working hours for mothers. An increase in the cost of provision of just 10 per cent could lead to a 30 minute reduction in a mother's working hours (Russell, McGinnity, Fahey, & Kenny, 2018).

However, high childcare costs do not translate to high wages for childcare workers. The average hourly wage earned by all staff working directly with children in 2020/21 was €13.20. The Report notes that one out of every two childcare workers earned below the Living Wage rate for 2021 which was €12.30. In addition, there are increasing demands on childcare workers to improve their skills and qualifications, leading to a realistic expectation of better pay and conditions and slow down the reported staff turnover rate of 19 per cent in the sector (Pobal, 2022).

Budget 2025 allocated €1.37 billion, a €266 million (24 per cent) increase on the previous year to the National Childcare Scheme.[4] As of September 2024 all families accessing registered early learning and childcare receive a minimum hourly National Childcare Scheme (NCS) subsidy of €2.14 (an increase from €1.40) towards the cost of early learning and childcare. *Social Justice Ireland* believes that childcare staff should earn a decent wage and that Government should ensure that any subsidies aimed at improving the conditions of childcare staff are not used to increase costs to parents. This could be facilitated to some extent by legislating to reduce ancillary costs such as insurances which are having a detrimental effect on the sector.

Early Years Strategy – First 5

In November 2018, the Department of Children and Youth Affairs published the first Early Years Strategy. *First 5, a Whole of Government Strategy for Babies, Young Children and their Families 2019-2028* recognises the importance of family care in the first twelve months of a child's life and outlines the objective to allow a mother or father access to paid parental leave during this time, with a further action point of encouraging greater work-life balance practices in employment, as outlined in

3 https://www.irishtimes.com/news/social-affairs/half-of-working-mothers-consider-giving-up-work-over-childcare-costs-1.4189580

4 https://assets.gov.ie/307081/6dab6180-d796-4a0a-b31c-0782300a8730.pdf

the EU Directive on Work-Life Balance (Department of Children and Youth Affairs, 2018). A further objective set out under Goal C – Positive play-based early learning, is to increase safe, high-quality, developmentally appropriate, integrated childcare, which reflects diversity of need, which will be met through making childcare more affordable, extend the provision of subsidised childcare and the integration of additional supports for children with increased needs.

Social Justice Ireland welcomed the publication of the Early Years Strategy, with its child-centred focus and inter-Departmental governance and implementation plan and proposes a target of investing 1 per cent of GNI* by 2030 in early childhood care and education (in line with the top performing countries in the OECD (see Chapter 8 for more)). This level of investment is crucial to ensuring that all children have access to quality childcare and after-school care which supports their development and facilitates parents to participate in the labour market.

Digitalisation

With each passing year, more and more of our lives are moved online, shopping, information, banking and many government services. With many still working from home for all or part of their working week, good quality, affordable, reliable internet connection is a necessity, not a luxury. It is an essential economic, social and educational inclusion tool that enables people to fully participate in society and remain connected and informed. It will be important to ensure ease and equality of access so that already disadvantaged or marginalised groups do not fall further behind. That there are still areas in (particularly rural) Ireland who continue to be disadvantaged by way of limited or poor access, the digital divide will further exacerbate educational disadvantage in areas with poor connectivity.

Internet connectivity in 2024 stood at 94 per cent. Fixed broadband connection is the most commonly used, accounting for 86 per cent of households. Households in Dublin continue to outpace the rest of the country for access to fixed broadband (with 90 per cent connectivity), while the Border area fares the worst (at 78 per cent) (CSO, 2024).

Among households who did not have internet access, the main reasons for not having it were that it was not needed (56 per cent). Of those households, five per cent said that broadband internet was not available in their area.

At European level, Ireland ranks 3rd in the EU for the percentage of individuals with above basic digital skills (43.82 per cent) in 2023.[5] Ireland performs above the EU average in advanced digital skills (for example, for the indicators on ICT specialists, female ICT specialists and ICT graduates) and the basic digital skills of the population has increased to 70 per cent against the EU average of 54 per cent.

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5 https://digital-decade-desi.digital-strategy.ec.europa.eu/datasets/desi/charts

A new Digital Strategy for Schools to 2027 was published in April 2022.[6] It builds upon the 2015-2020 Digital Strategy for Schools with a stronger focus on further embedding the use of digital technologies in all teaching, learning and assessment activities, the further development of digital skills and building awareness and knowledge around ensuring safe and ethical uses of the internet.

Ireland's use of the internet is broadly in line with the European average. Our use of the internet points to a society that is moving away from personal social interaction, towards virtual engagement with others. Ireland performs well in digital public services. However, its performance regarding pre-filled forms is below the EU average. The internet is now more important than ever for all aspects of daily life and whilst the basic digital skills of the population are improving, those who fall into this skills gap are at risk of being marginalised. Their needs must be addressed and supported to ensure that the increasing number of services who operate primarily or exclusively online are available to all.

Coimisiún na Meán is the agency responsible for the regulation of broadcasting and video-on-demand services as well as introducing the new regulatory framework for online safety. A new Online Safety Commissioner was appointed in January 2023 and the'*Online Safety Code'* was launched in 2024.

National Broadband Plan

Broadband, particularly for rural areas, is essential if Ireland is to keep pace with globalisation while also ensuring balanced rural development. As hybrid or full working from home options remain in place for many, location will no longer be an issue allowing many to relocate from expensive urban centres to more rural locations. *Social Justice Ireland* urges Government to expedite the full roll-out on the National Broadband Plan.

Financial Services

Financial services are becoming increasingly digital, with more and more daily, everyday transactions moving on-line or becoming cashless. This can be difficult for those that do not have the ability to make payments for goods with cards, either in store or on-line. Access to financial services, is increasingly key to inclusion in society.

Financial exclusion is not just about access to bank accounts but access to reasonable, affordable credit that takes account of the financial position of the consumer while cognisant of the need for people on low incomes to meet contingency expenditures without resorting to high cost credit. Illegal moneylenders are also in operation. Credit unions have traditionally provided low cost credit to members within their 'common bond' area charged at 1 per cent interest per month, or 12 per cent per

6 https://www.gov.ie/pdf/?file=https://assets.gov.ie/221285/6fc98405-d345-41a3-a770-c97e1a4479d3.pdf#page=null

annum. These loans are provided as an alternative to high cost credit from legal and illegal moneylenders for families having difficulties saving for life events such as a family milestone, home improvements or the unexpected breakdown of an essential appliance.

A 2022 study by the Economic and Social Research Institute (ESRI) found that 6 in 10 people face unexpected expenses each year.[7] Considering then that in 2023, almost four in ten people (39 per cent of the population) reported being unable to meet an unexpected financial expense of €1,000, access to affordable short term credit or the ability to accrue savings in vital.[8]

The Organisation for Economic Co-operation and Development (OECD) Adult Skills Survey 2023[9] reports that 21 per cent of Irish adults are either at or below level 1 on a five-level literacy scale and that 25 per cent score at or below level 1 for numeracy. This base low level of understanding has a direct impact on financial literacy skills, particularly as so much moves online.

In light of the severity of its impact, *Social Justice Ireland* welcomes the new National Financial Literacy Strategy (Department of Finance, 2025). It is incumbent on Government to track levels of financial exclusion and to build and monitor policies and practices aimed at eliminating it in its entirety.

Legal Supports and Access to Justice

Access to justice is a basic human right, however in order to achieve equality of access, there must be a balance of power on both sides. In a legal context, the balance of power almost always rests with those who can afford counsel. Redressing this balance requires the availability of free and low-cost legal services to those who need the advice of a qualified solicitor or barrister but who cannot afford the costs associated with it.

The Legal Aid Board provides advice and representation on criminal and civil matters for those on low income. Criminal legal aid, through the Garda Station Legal Advice Revised Scheme, the Legal Aid – Custody Issues Scheme and the Criminal Assets Bureau Ad-hoc Legal Aid Scheme, is free of charge to the qualifying user, subsidised by the State. Civil legal aid is also subsidised but is not free. Applicants are means tested and pay a minimum advice contribution fee of €30 and a minimum aid contribution of €130 for this service. Their case is also subject to a principles test and a merits test, to ascertain if the case has a chance of success. Their civil services range from family law matters (including separation, divorce and custody and a free family mediation service), debt, wills and inheritance. There

7 https://ccpc.inventise.ie/business/wp-content/uploads/sites/3/2022/04/2022.04.25-ESRI-WP-Design.pdf
8 https://banda.ie/b-pre-budget-zeitgeist-2023/
9 https://www.oecd.org/en/about/programmes/piaac.html

is a review of the Civil Legal Aid scheme under way since 2022, which according to a Parliamentary Question in October 2024 was still ongoing.[10]

In 2022, there were 20,705 (up from 15,291 in 2021) applications for legal aid made, of which 9,339 related to general family law, 2,540 were in relation to separation/divorce/nullity, 6,889 were about International Protection or Human Trafficking (an increase of 368 per cent on 2021), 719 were about the possible State care of children and 1,218 referred to all other civil matters. As of the 31st December 2022, the average waiting time for legal services with a solicitor at a law centre was 14.5 weeks (down from 18 in 2021). 301 legal advice vouchers were issued for the Abhaile Scheme (for borrowers in late-stage mortgage arrears, (see Chapter 6 for more information). Also as part of the Abhaile scheme, 254 legal aid certificates were granted for first instance Personal Insolvency Arrangement (PIA) reviews with a further 70 legal aid certificates granted for PIA appeals to the High Court. (Legal Aid Board, 2023).

Consumers who need legal advice, but do not require legal representation, can access the Free Legal Advice Centres (FLAC). FLAC provide a network of volunteers through clinics held primarily in Citizens Information Centres nationwide. FLAC volunteers provide advice on a range of legal issues, including family law, debt, probate, employment and property.

FLAC reported 3,273 consultations held across 1,000 clinics in 2023. FLAC's information and referral telephone service responded to 12,472 calls. However, this represented only 21 per cent of the 52,632 calls received during opening hours in 2023, demonstrating unmet need. Family and employment queries dominated (FLAC, 2024).

The Legal Aid Board and FLAC, alongside Community Law and Mediation and The Mercy Law Resource Centre provide valuable services. However *Social Justice Ireland* believes that access to justice is such a fundamental human right that it should not be dependent on well-intentioned volunteers dealing with a range of legal topics in twenty minute increments and calls on Government to ensure that people's rights are protected and dignity respected in this most fundamental way, by adequate access to justice through the court system.

Regulation

How accountability is translated into practice can be closely related to the independence of the regulator and its functions and powers (OECD, 2016:17). The areas most associated with 'light touch' regulatory policy in Ireland are the financial and property sectors. Thousands of households continue to feel the effects of the economic crash, while lack of robust regulation of the planning processes

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[10] https://www.oireachtas.ie/en/debates/question/2024-10-08/351/#:~:text=In%20June%202022%2C%20the%20Minister,by%20a%20former%20Chief%20Justice.

have left Ireland with urban sprawl across towns and cities, and inaccessible one-off properties in remote areas, widening the 'urban/rural' divide by making essential services inaccessible and ineffective.

Ireland's Regulatory Position

The Register of Lobbying was introduced in 2015 to increase transparency and accountability, making information available to the public on the identity of those lobbying designated public officials and the nature of those lobbying activities.[11] According to its Annual Report for 2023, there were 2,538 registered lobbyists, 2,403 of which are located on the island of Ireland. More than 12,000 returns had been received. (Standards in Public Office Commission, 2024). Health remains the number one topic with Economic Development and Industry coming in second. While this increased transparency is to be welcome, the question of what, if any, effect it is having on a cultural shift from vested to public interest remains. Greater attention must be drawn to the information, albeit limited, available on the Lobbying Register.

Social Justice Ireland continues to call for the inclusion in the Commission's Annual Reports of policy areas with the greatest lobbying activity, the lobbying organisations and the designated public officials engaged so as to highlight to the general public those influencing the political decision-making process.

Creating Regulatory Policy

Reactionary regulation, introduced after a crisis, can also serve to further exclude those who it should serve to protect, by placing barriers to goods and services in the way of those without the resources to engage with increasing bureaucracy. *Social Justice Ireland* believes that regulation has a place in protecting the rights of the vulnerable by addressing the balance of power when engaging with corporations and political structures, but not be so involved as to create a barrier rather than a safety net.

The OECD recommends that the governance of regulators follow seven principles to ensure the implementation of proper policy:

1. Role Clarity
2. Preventing Undue Influence and Maintaining Trust
3. Decision Making and Governing Body Structure
4. Accountability and Transparency
5. Engagement

[11] https://www.lobbying.ie/

6. Funding
7. Performance Evaluation

These principles work together as a continuum with clarity from the start and performance evaluation informing governance policy, thereby creating levels of clarity as learning from the evaluation is utilised. If these principles were ingrained in the process for development of regulation and governance of regulators, consumer protection and independence would naturally follow from regulation in line with these central tenets.

Social Justice Ireland believes that regulation should have consumer protection at its centre rather than the aim of increasing market participation. Before engaging in any new regulatory processes, the Government should ensure that the rights of its citizens are protected, including the right to a reasonable standard of living with access to basic services at a reasonable cost.

Library Services

Libraries provide an important social and educational role in Ireland, with over 53.6 million visits between 2018 and mid 2023 by 765,000 registered members, 76 million items issued across 330 branch libraries and 23 mobile libraries (including one cross border service) (Department of Rural and Community Development, the City and County Management Association and the Local Government Management Agency, 2023). Operated by Local Authorities, they play an increasingly vital role in ensuring equality of access to information, reading and learning material. In recent years, libraries have greatly expanded their offering and continue to adapt to the changing needs of their communities, with a roll-out of digital services including e-books, and access to journals and catalogues online and, in between 2012 and 2017 added 45 new or extended library branches. They also provide affordable internet access and support for people who may not own a computer, an important service, particularly in areas with low connectivity and/or high numbers of older people. Of concern however is the 'electronic content crisis facing libraries'.[12] One example given by the Library Association of Ireland calls for 'increased transparency and sustainability in ebook costs and licensing. In public libraries, the average cost of an ebook is three times the cost of a print book, with far greater restrictions on how it can be used. In academic libraries the situation is even worse – academic ebook costs can often be ten times as much as for the same paper book. Price rises are common, sudden and appear arbitrary. The CIAEM cites examples of well-known publishers increasing costs for a single-user ebook by 200% or more with no warning in 2020'.[13] Access to information is vital for education, culture and democracy.

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[12] https://www.libraryassociation.ie/irish-librarians-call-for-action-on-the-electronic-content-crisis-facing-libraries-and-library-users/

[13] Ibid

As part of their commitment towards equity of access, library membership is now free for core services. *Social Justice Ireland* welcomes the broadening of the scope of the library service, the removal of late fees, the introduction of Libraries Ireland, the availability of e-learning and electronic resources etc. However, it is important that these developments do not result in a closing or downgrading of smaller branch libraries, which play a significant role in supporting communities.

A new strategy for the public library service, The Library is the Place: *Information, Recreation, Inspiration National Public Library Strategy 2023-2027* sets out three strategic themes for the delivery of the library service, People, Spaces and Connections. *Social Justice Ireland* welcomes the inclusion in the strategy of how the targets and objectives relate to the UN Sustainable Development Goals.

The Libraries Strategy will only succeed with the commitment of library teams, particularly in the areas of community engagement and education. *Social Justice Ireland* recommends that their central role to this success should be well supported through resources allocated to their continued professional development and wellbeing. We recommend a particular focus on encouraging new and disadvantaged communities to avail of the benefits of the library for broad education and recreation purposes. Libraries have an opportunity to collaborate with local stakeholders, become vibrant information hubs and centres of culture, learning and enterprise fit for the 21st century.

Sports and Recreation Facilities

Adult Participation

Forty-seven per cent of adults (approx. 1.97 million) participated in sports in 2023, an increase of four percentage points from 2022 and the first time a return to pre Covid levels (46 per cent in 2019). Personal exercise ranked as the most popular activity followed by swimming and running (Sport Ireland, 2024). Based on current population projections, an additional one million people will need to participate in sport on a regular basis in order to achieve the 2027 target set by the National Sports Policy 2018-2027 (Department of Tourism, Culture, Arts, Gaeltacht, Sport and Media , 2018).

In general, men are more likely than women to play a sport on a regular basis. The gender gap has been closing, from 15.7 per cent in 2007 to just under 3 percentage points in 2023. In 2023, the 19 percentage point socio-economic gap in sport participation was lower than at any point since the pandemic, and indeed considerably lower than the 34 percentage point gap recorded in 2017.

Inactivity was higher among disabled people (21 per cent) and has increased by 2 percentage points since 2019. Overall, only 39 per cent of the adult population meet the national physical activity guidelines through participating in at least 30 minutes of moderate or greater intensity exercise or physical activity at least five times per week (Sport Ireland, 2024).

Child Participation and Outdoor Play

Child participation in sport deceases with age. Eighty per cent of primary school children in the Republic of Ireland participate in a community sport at least once a week, compared to 58 per cent of post primary school children (Woods, et al., 2018). The gap for school sport is narrower (70 per cent of primary school children play a school sport at least once a week compared to 63 per cent of post primary school children), however with just 17 per cent of primary school children and 10 per cent of post-primary school children meeting the physical activity guidelines, more work is needed outside of the school environment to support child physical activity.

Organised sport does not appeal to every child, and physical activity through outdoor play is especially important to ensure that children are encouraged to get active. Outdoor play is also important for socio-emotional and cognitive development. A recent study on the importance of outdoor play, based on the Growing Up in Ireland data, found that although the majority of Irish children engage in some form of outdoor play, neighbourhood safety was a concern among some parents who limited their children's outdoor play time due to heavy traffic, adequate/appropriate outdoor play facilities in their area, poor condition of footpaths, roads and lighting, or littering (Egan & Pope, 2018). This study does not look at the socio-economic profile of the children involved; however, it provides a clear indication that investment in neighbourhood safety and outdoor play facilities would increase the likelihood of outdoor play among young children.

Child Obesity

Child obesity is increasing across many developed countries and is a cause for concern for the future health and wellbeing of the population and has been identified by the World Health Organisation European Region as a serious public health problem.[14] The Department of Health, in 2016, launched the Obesity Action Plan 2016 – 2025, 'A Healthy Weight for Ireland' as part of the overall Healthy Ireland initiative with a target to decrease by 0.5 per cent a year the level of excess weight in children.[15] However, as of 2020,15.8 per cent of children (0-17) and in 2022, 30 per cent of young people (18-24) were classed as overweight or obese (Department of Children, Equality, Disability, Integration and Youth, 2023).

As noted in the 2021 update to the indicator set for 'Better Outcomes, Brighter Futures - The national policy framework for children & young people 2014–2020', only 22 .1 per cent of children aged between 11 and 17 and just 61 per cent of young people aged between 15-24 were engaged in an optimum level of physical activity

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14 Europe WHO-ROf. The challenge of obesity in the WHO European Region and the strategies for response.; 2007

15 https://www.gov.ie/en/publication/c778a9-a-healthy-weight-for-ireland-obesity-policy-and-action-plan-2016-202/

in 2018.[16] Young Ireland: The National Policy Framework for Children and Young People 2023-2028 states that "far more children and young people should achieve an optimum level of physical activity, especially those who are under 18. The wider findings from the Health Behaviour in School-aged Children (HBSC) survey show girls are less likely to exercise than boys, older children are less likely to exercise than younger children, and children from a higher social class were more likely to exercise more. These disparities should also be addressed" (Department of Children, Equality, Disability, Integration and Youth, 2023).

National Physical Activity Plan

The low rate of participation in physical activity among Ireland's children and adults, high rates of use of private transport for even short journeys, including the school run which sees approximately only one quarter of primary school children walking, cycling or skating and the increasing prevalence of online shopping means that Ireland is becoming a more sedentary country. The National Physical Action Plan, published in 2016 as part of the Healthy Ireland framework, contains ambitious targets for eight key action areas including children and young people, work places, public awareness and sport and physical activity in the community.

The Report of the Youth Stakeholder Forum on Sport asked how to achieve increased levels of sports participation by young people and found that there is a need to provide more facilities to address current gaps; to share existing facilities more, especially between schools and local communities; to prioritise the development of multi-sport facilities to improve range and variety; develop coaching standards and capability; have a physical activity friendly school uniforms policy; provide better access for young people to sports facilities during peak hours after school; have more active travel to and from sports facilities and improve public transport availability, especially in rural areas; have more time dedicated to a more diverse physical education (PE) curriculum and recognise the need for Gender equality (Department of Tourism, Culture, Arts, Gaeltacht, Sport and Media, 2022).

Social Justice Ireland commends Government on the initiatives undertaken in furtherance of this plan, such as 'Park Runs' and the site 'getirelandactive.ie' that recommends physical activities for a range of ages and lifestyles and calls on Government to encourage children and adults, particularly those from a low socio-economic backgrounds to increase their participation in sports through the further development of playgrounds and subsidised sports centres.

Sports and Recreation Funding

The largest and most well-known sports organisation in Ireland is the GAA, whose clubs not only provide a physical outlet for those playing the games, but also as a social and recreational space for people to volunteer. However, maintaining

[16] https://www.gov.ie/pdf/?file=https://assets.gov.ie/213523/1ce0be37-11c1-4aac-9e3a-9f9c49368cf0.pdf#page=null

facilities to a high standard, ensuring insurance cover and encouraging wide participation is expensive and there is a need to offer support-funding to clubs in this regard. This is particularly important for sports which do not have access to large gate receipts. Government should be cognisant of the health, societal and economic benefits of sports and social outlets, and provide sufficient ring-fenced funding to complement this voluntary effort.

A source of revenue that could be ring-fenced for sports participation and recreational activities is the Sugar-Sweetened Drinks Tax which was introduced in May 2018 and generated €32 million in 2022.[17] If appropriately allocated, this revenue could move Ireland further towards attaining the targets of the *National Plan for Physical Activity.*

The Privatisation of Public Services

Government continues to look to the market and engage private enterprise to provide the public services that should be part of a basic floor that everyone in the State should expect. They do this notwithstanding continuous evidence that it is more expensive and less effective. The rationale given is that the private sector can provide more, faster and cheaper, but again and again, this is not borne out in the evidence.[18]

Affording a basic floor of services that everyone in the State should expect is a move towards what is termed "Universal Basic Services", a concept developed by the Institute for Global Prosperity in 2017 and expanded on by Professor Ian Gough of the London School of Economics in his article in The Political Quarterly (Gough, 2019). Universal Basic Services are those which are "collectively generated activities that serve the public interest" (Gough, 2019, p. 1), that are basic and available to everyone who needs them.

It is important to note that Gough presents the concept of Universal Basic Services as an alternative to Universal Basic Income, however *Social Justice Ireland* does not. We view them rather as complementary concepts based on the principles of social justice and equity. Universal Basic Services provide basic healthcare, education, childcare, transport and so on. The "universality" refers not only to the availability but to the need (the vast majority of us will require these services at some point during our lifetime), and so a common, or universal, basket of services can be determined with some degree of consensus. Universal Basic Income, on the other hand, provides a sufficient floor of income to purchase necessities (such as food, heating, clothes and so on) which are, to a degree, discretionary (we do not all eat

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17 https://www.oireachtas.ie/en/debates/question/2023-03-28/238/

18 See Standing, G, 2019, Plunder of the Commons: A Manifesto for Sharing Public Wealth; Madden and Marcuse, D and P. 2016, In Defense of Housing; Toynbee, P, 2003, Hard Work: Life in Low-pay Britain; Lewis, E, 2019, Social Housing Policy In Ireland; New Directions; Eubanks, V. 2015, Automating Inequality; Healy,T, 2019, An Ireland worth Working For.

the same food, use the same heating provider, wear the same clothes and so on). We propose a minimum social floor of universal basic services and universal basic income below which no-one in society should fall.

9.2 Key Policy Priorities

Social Justice Ireland believes that the following policy positions should be adopted in addressing Ireland's many public services deficiencies:

- Increase the provision of public transport in rural areas and provide greater investment in sustainable transport and biofuels;
- Invest in active travel and cycle lane infrastructure;
- Ensure connectivity to affordable high speed broadband access right across the country;
- Develop programmes to enable all internet users to critically analyse information and to stay safe online;
- Introduce a a grants scheme to support low income and vulnerable households to purchase ICT equipment needed to access public services on implementation of the National Digital Strategy;
- Increase investment in early childhood education and care and after-school care by 0.1 per cent of GNI* each year with a view to reaching 1 per cent of GNI* by 2030;
- Implement the new Financial Literacy strategy and support financial literacy education across the school curricula;
- Track levels of financial exclusion and build and monitor policies and practices aimed at eliminating it in its entirety;
- Ensure that the Legal Aid Board is adequately funded so that people in the court system are guaranteed equality of access to justice;
- Include, in the Commission for Regulating Lobbying's Annual Reports, policy areas with the greatest lobbying activity, the lobbying organisations and the designated public officials engaged so as to highlight to the general public those influencing the political decision-making process;
- Invest in the continuous professional development and wellbeing of library staff to ensure the success of the Libraries Strategy and ensure access and ongoing support for print and electronic content;
- Increase funding to encourage sports participation and active lifestyle programmes;
- Ring-fence revenue gained through the sweetened drinks tax to fund sport and recreational facilities and services.

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Chapter ten

Chapter 10
People and Participation

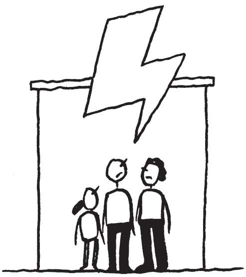
Core Policy Objective:
To ensure that all people from different cultures are welcomed in a way that is consistent with our history, our obligations as world citizens and with our economic status.

To ensure that every person has a genuine voice in shaping the decisions that affect them and that every person can contribute to the development of society.

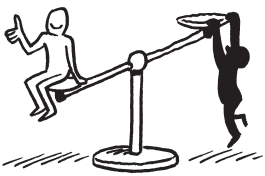
Key Issues/Evidence

Lack of supports for skills transfer programmes for immigrants to Ireland.

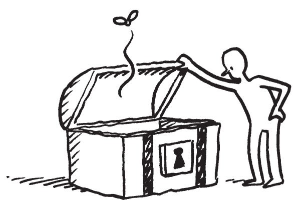
Lack of planning for a changing and ageing population.



Human Rights violations in Direct Provision centres.



Racism, particularly in political discourse.

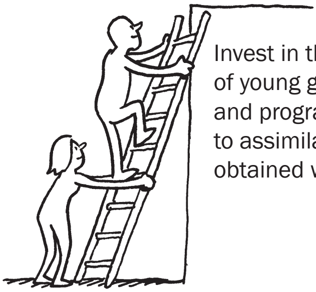


Funding for the Community and Voluntary sector still not restored to pre-crisis levels.

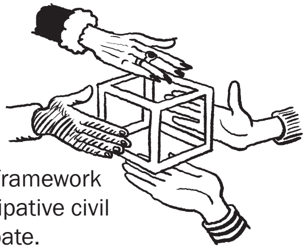
Ireland not meeting our UN obligations.

Lack of sustained social dialogue at local and national level.

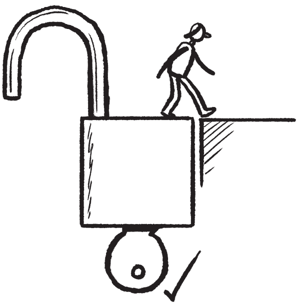
Policy Solutions



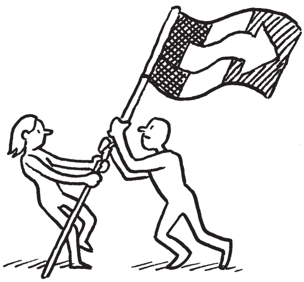
Invest in the retention of young graduates and programmes to assimilate skills obtained while abroad.



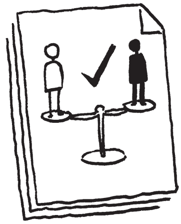
Develop a framework for a participative civil society debate.



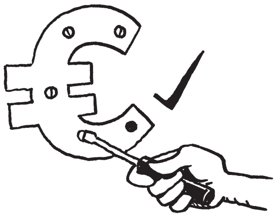
Fully implement the recommendations of the 2023 Trafficking in Persons Report



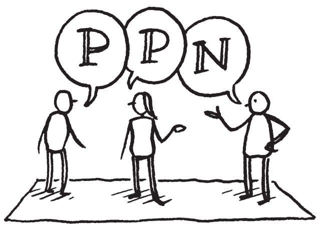
Implement the national strategies concerning the Community and Voluntary sector.



Fully implement and resource the recommendations of the National Action Plan Against Racism.



Reinstate funding for Traveller specific initiatives and implement the recommendations of the Seanad Public Consultation Committee.



Adequately resource Public Participation Networks and promote social dialogue at local level.

Promote social dialogue at national level

Chapter 10

PEOPLE AND PARTICIPATION

Core Policy Objective:
PEOPLE AND PARTICIPATION

To ensure that all people from different cultures are welcomed in a way that is consistent with our history, our obligations as world citizens and with our economic status.

To ensure that every person has a genuine voice in shaping the decisions that affect them and that every person can contribute to the development of society.

The infrastructure, services, and policies that a country develops, and implements are determined in large part by the make-up of its population. Every single person should have a right to have a say in how and where infrastructure and services are delivered, and what policies are implemented to shape their communities. Local and national Government policies affect every one of us, and every one of us should have our say. Part of the 'Good Governance' pillar in *Social Justice Ireland's* Policy Framework for a new Social Contract, requires the promotion of deliberative democracy, as well as new criteria in policy evaluation and the continued development of a social dialogue process involving all sectors of society. This is a core tenet of living in a democracy. At a time when the very fabric of democracy is increasingly under threat right across the globe, this is something we must strive to protect.

In this Chapter, we explore the changing demographics within Ireland, set out some of the challenges of these changes, and discuss how the new Government might meet them in the Ireland of 2025.

If the objectives set out above are to be achieved *Social Justice Ireland* believes that the new Government should:

- Invest in the retention of young graduates and programmes to assimilate skills obtained while abroad;
- Ensure that international protection applicants are supported;

- Fully implement and resource the recommendations of the National Action Plan Against Racism within a reasonable timeframe;
- Develop a national action plan aimed at tackling loneliness and isolation;
- Fully implement the recommendations of the 2023 Trafficking in Persons Report;
- Reinstate funding for Traveller-specific initiatives and implement the recommendations of the Seanad Public Consultation Committee;
- Adequately resource the Public Participation Network (PPN) structures for participation at Local Authority level and ensure capacity building is an integral part of the process;
- Promote deliberative democracy and a process of inclusive social dialogue to ensure there is real and effective monitoring and impact assessment of policy development and implementation using an evidence-based approach at local and national level;
- Resource an initiative to identify how a real participative civil society debate could be developed and maintained.

10.1 Key Evidence

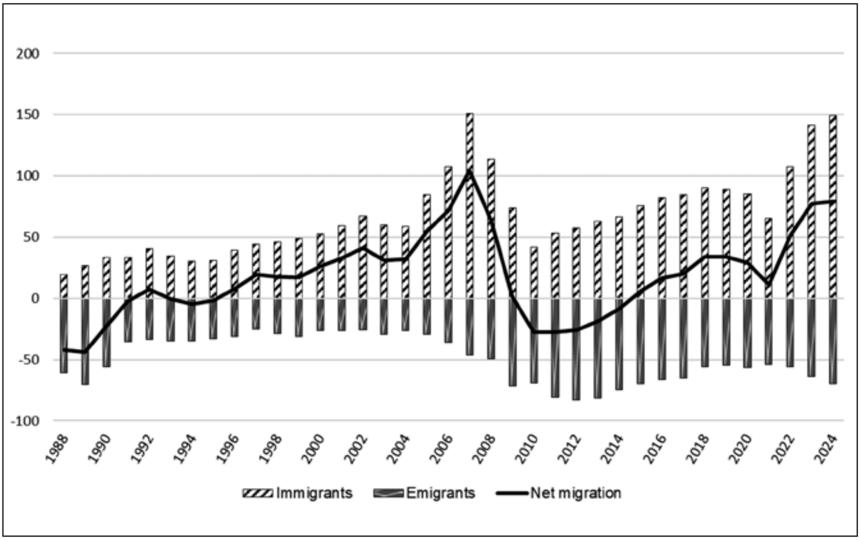
People

As of April 2024, Ireland's population was estimated to be 5.38 million, approximately 13 per cent higher than at Census 2016 and 4 per cent up on Census 2022 (CSO 2024). 2024 also saw the largest 12-month population increase (98,700 people) in 16 years, the last being in 2008 when the population grew by 109,200 people. Natural increase accounted for 19,400 of this change (CSO, 2024). This growing population, whilst becoming more and more diverse, is also more urbanised and increasingly well educated, particularly women. Additionally, fertility rates are declining, and the age at which women have their first child has increased from 26 in 1985 to 31 in 2017 (CSO, 2024a). Life expectancy, on the other hand, has increased with male life expectancy reaching 80.2 years in 2022, forecast to rise to 86.2 years in 2057, and female life expectancy reaching 83.9 years in 2022, forecast to rise to 89.1 years in 2057 (CSO, 2024a). This reduction in fertility levels and increased life expectancy means that Ireland's population, while still relatively young, is getting older which will need careful planning.

Emigration and Immigration

Net migration into Ireland was positive in April 2024, continuing a pattern which has been in place since 2015. This means that more people have entered the country than have left it. There were 149,200 immigrants, marking the third consecutive year with over 100,000 people immigrating to Ireland. Of these immigrants, 30,000 were returning Irish citizens, 27,000 were other EU citizens, and 5,400 were UK citizens. The remaining 86,800 immigrants were citizens of other countries, including Ukrainians. Analysing migration trends over the past 30 years, we see a relatively high rate of emigration in 1988 and 1989, during a recession, which gradually decreased over the next 10 years peaking again in 2012, whereas immigration figures rose slowly from 1990, peaking in 2007. (Chart 10.1)

Chart 10.1: Immigration, Emigration and Net Migration, ,000 people, 1988-2024



Source: CSO, Population and Migration Estimates April various years, Table 1.
Note: Figures for 2016 taken from Census 2016; Figures for 2017 - 2022 are preliminary.

The high levels of immigration in recent years call into clear focus the decades long lack of school spaces providing suitable language and learning supports, the shortage of G.P.s, the severe shortage of affordable, stable accommodation, and the importance of providing supports to communities. They also highlight the stark differences in the response to refugees from Ukraine compared to elsewhere. For further insights on the topic of migration, see Chapter 13.

Ireland as a multicultural society

Integration is defined in current Irish policy as the ‘ability to participate to the extent that a person needs and wishes in all of the major components of society without having to relinquish his or her own cultural identity’ (Department of Justice and Equality, 2017a). For the approximately 22 per cent of the population who were born elsewhere (Eurostat, 2025), achieving real integration requires concerted policy responses aimed at supporting education, job activation, tackling hate speech and racism.

Non-Irish nationals have a very different age profile to the rest of the population with half aged between 25 and 42 compared with a quarter of the Irish population. Census 2022 also asked people to identify their ethnicity and cultural background. A total of 1,191,823 people identify themselves as other than "White Irish", of whom 327,558 identify as Black, Asian or other people of colour.

As of start of February 2025, 112,189 Personal Public Service Numbers (PPSNs)[1] have been allocated to those arriving from Ukraine under the Temporary Protection Directive (CSO, 2025). This "temporary protection" status means they can live, settle, and work in the EU for a period of time. As we enter the fourth year of the war in Ukraine, Governments across Europe will have to revisit these "temporary" supports. Of note is the stark contrast of the treatment of refugees fleeing other war-torn territories. Our approach needs to be consistent, placing human rights at the centre of International Protection policies.

Racism in Ireland

The National Action Plan Against Racism was launched in March 2023. This is a 'national level, State-led, co-ordinated approach to eliminating racism in all its forms in Ireland' (Department of Children, Equality, Disability, Integration and Youth, 2023).

Following the publication of its fifth report on Ireland, the European Commission against Racism and Intolerance (ECRI) published its 'Conclusions on the Implementation of the Recommendations in Respect of Ireland in March 2022' (European Commission against Racism and Intolerance, 2019). The Commission "takes positive note of .... the further initiatives taken by the Irish authorities...... such as the training of the police force - An Garda Síochána - on hate crime in the framework of the Diversity and Integration Strategy 2019-2021." Unfortunately, recent years have been noteworthy due to the number of demonstrations and protests against migration, some of which turned violent, as well as increasing number of arson attacks on properties, both correctly and incorrectly earmarked for emergency accommodation. It is also important to note the increased levels of mis- and dis-information surrounding incidents involving speculation about migrant involvement.

In 2022 (the most recent data available), there were 600 reported racist incidents (compared with 404 in 2021). The percentage of crimes going unreported has increased again, jumping with only 20 per cent of crimes reported to Gardai in 2022, which is a decrease from 25 per cent in 2021. Worryingly, the annual *Irish Network Against Racism (INAR)* report on the iReport.ie racist incident reporting system noted that "racist assaults are also a consistently present feature of encounters with strangers in Ireland. The violence of such events often deters witnesses from attempting to intervene. In 2022, the perpetrators of assault were strangers in 82%

1 https://www.revenue.ie/en/jobs-and-pensions/personal-public-service-number/index.aspx

of cases." Businesses and service providers were the most common perpetrators of discrimination in 2022 (INAR, 2023).

The Criminal Justice (Hate Offences) Act 2024 was signed into place in December 2024 with the aim of protecting anyone targeted because of 'certain identity characteristics such as race; colour; nationality; religion; national or ethnic origin; descent; disability; gender; sex characteristics and sexual orientation'. As Ireland continues to experience profound societal changes, safeguarding everyone that decides to call Ireland home is vital.

Travellers

In 2022, there were 32,949 Irish Travellers, an increase of 6 per cent from 2016, only 5 percent of whom where aged 65 and over, compared to 15 per cent for the general population (CSO, 2023a). Despite the recognition of Travellers as an ethnic minority, they continue to face discrimination in education, employment, and accommodation, with a discernible gap in health over the life course (Watson, et al., 2017).

Educational disparities persist with almost two-thirds (68 per cent) of young Travellers aged between 20 and 24 not remaining in school to complete the Leaving Certificate, compared to 11 per cent of the overall population (Smyth et al, 2024). Smyth also notes that "there is a much higher representation of Traveller students in schools designated disadvantaged (DEIS), schools that are more likely to have greater numbers of disadvantaged students, those with disabilities and those from migrant background." These students must be provided with all the necessary supports.

Traveller health is also poor, with 26 per cent categorised as having a disability (categorised by Census 2022 as experiencing at least one long-lasting condition or difficulty to any extent), compared to 22 per cent of the general population (CSO, 2023d). Suicide accounts for approximately 11 per cent of all deaths within the Traveller community, which is 6 times the national rate, indicating serious mental health issues in the Traveller Community (Department of Health, 2022). There is a large gap in life expectancy between Travellers and the general population of up to 13 years. For men, the gap has widened from 10 years in 1987 to 15.1 years in 2008, and women have closed the gap slightly from 12 years in 1980 to 11.5 years in 2008 (ibid). An Ireland of equal opportunities must begin with the basics.

Migrant Workers

Census 2022 reports that 420,465 people in the work force were non-Irish nationals, with the three leading countries of origin being Croatia, Poland and Romania (CSO, 2023b).

In terms of socio-economic groupings, nearly half (47 per cent) were classified in non-manual, manual skilled, semi-skilled, or unskilled occupations, compared with 39 per cent of Irish nationals. This is at variance with the high educational qualifications of immigrants, indicating that many are employed below their skill level.[2] There is a need to accelerate the appropriate recognition of qualifications gained in other countries so that migrants can work in their fields of expertise. On the other hand, non-EEA nationals require a work permit to take up employment in Ireland in sectors where there is a skills shortage. In 2024, 39,390 permits were issued, 2,456 were refused and a further 1,064 were withdrawn (Department of Enterprise, Trade and Employment, 2024). Just under third of these (12,501) were for jobs in Health and Social Work.

Human Trafficking

Ireland's response to the recommendations of the Group of Experts on Action against Trafficking in Human Beings (GRETA) in the *Third Report on Ireland's implementation of the Convention against Human Trafficking* (Department of Justice, 2024) sets out the concrete steps being taken to meet our international obligations, such as, 'ensuring that legal assistance is provided systematically as soon as there are reasonable grounds for believing that a person is a victim of trafficking….ensuring that human trafficking offences for different forms of exploitation are proactively and promptly investigated and…ensuring that prosecutions of human trafficking cases lead to effective, proportionate and dissuasive sanctions for those convicted'.

The second national report from the Irish Human Rights and Equality Commission (IHREC), *Trafficking in Human Beings in Ireland: Second Evaluation of the Implementation of the EU Anti-Trafficking Directive*,[3] notes that "trafficking for sexual exploitation (55 per cent) is the most common form of exploitation that we encounter followed by trafficking for labour exploitation (38 per cent) and to a lesser extent by trafficking for criminal activities (6 per cent)." Also of note, "In 2022, trafficking for criminal activities ceased its declining trend and re-emerged with two new cases, both cases pertaining to exploitation in grow houses. In 2022, for the first time a suspected trafficking for organ removal was recorded, which mirrors the trends in the European Union where novel forms of exploitation are picking up."

Asylum Seekers and Direct Provision

Asylum Seekers

Asylum seekers are defined as those who come to Ireland seeking permission to live in Ireland because there are substantial grounds for believing that they would face a real risk of suffering serious harm if returned to their country of origin. In contrast to programme refugees, asylum seekers must have their immigration status defined when they arrive. Chart 10.2 shows the number of applications for International Protection made to Ireland between 2003 and 2024.

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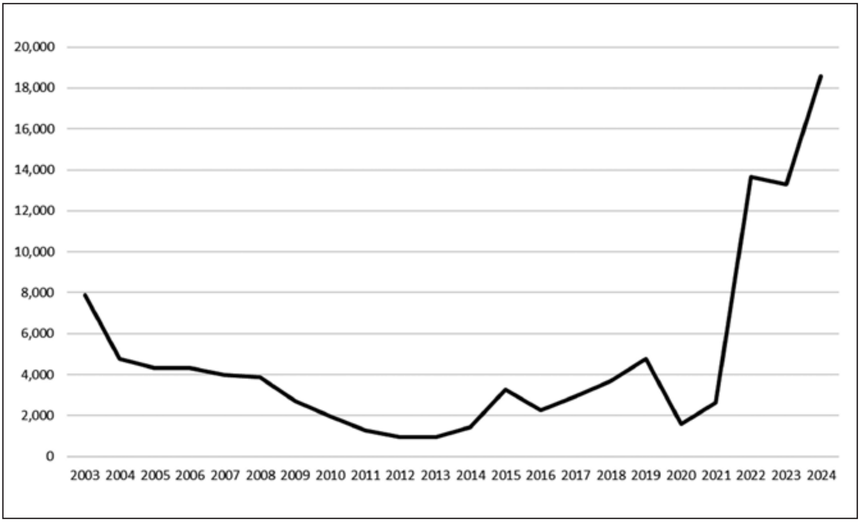
2 https://ec.europa.eu/eurostat/en/web/products-eurostat-news/w/ddn-20230309-3

3 https://www.ihrec.ie/app/uploads/2023/09/Trafficking-in-Human-Beings-in-Ireland-2023_FA_web-Final.pdf

Chart 10.2: Applications for International Protection, 2003 to 2024



Source: International Protection Office, Monthly Statistical Report, various years.

Between January and December 2024, Ireland's International Protection Office received 18,561 applications for International Protection (International Protection Office, 2025). This is a significant increase compared to previous years, with the number of asylum seekers in 2024 being almost twelve times that of 2020, reflecting worldwide geopolitical events, leading to an increase in many more individuals seeking safety and security in Ireland. This needs to be properly planned for.

Direct Provision

In February 2025, there were 33,007 people (compared with 27,106 for the same period last year) living in 322 (270 in 2024) International Protection Accommodation Service (IPAS) centres located across the 31 local authorities. Looking in detail at where these people are being accommodated, 6,438 individuals, including 2,056 children, are housed across 49 IPAS accommodation centres, while a further 25,007 people (up from 18,702 in 2024), including 7,101 children (compared with 3,924 in 2024), are housed across 265 (up from 216 in 2024) Emergency Accommodation Centres. In addition, there are 403 people, including 98 children, housed in 1 National Reception Centre, 437 adults in Citywest Transit Hub, and 722 adults (compared with 475 in 2024) are living in 6 (3 in 2024) temporary tented accommodation centres (Department of Children, Equality, Disability, Integration and Youth, 2025). The large numbers of people living in emergency and tented accommodation is a poor reflection on both the international protection system and the supply of public housing.

Under Direct Provision as operated in almost all of these centres, asylum-seekers receive accommodation and board, together with a weekly allowance, currently €38.80 for adults and €29.80 for children. Increasingly, those seeking asylum are not even getting the basics. In April 2023, the High Court ruled that the States failure to provide adequate reception conditions to an international protection applicant was a breach of Article 1 of the EU Charter of Fundamental Rights, which is the right to human dignity. The current system has been in place for well over 20 years and comes in for continued criticism from a number of Oireachtas Committees and independent reports, from the people directly living in the system, and by both international and national human rights organisations.

Whilst there was an explicit commitment in Programme for Government 2020 to end the system of Direct Provision, it is not mentioned in Programme for Government 2025. What we see instead is a move away from migration coming under the purview of the Department of Integration and instead, resting with the Department of Justice and a commitment to 'introduce a new International Protection Act to implement the EU Migration and Asylum Pact, which will strengthen and integrate key EU policies on migration, asylum, border management and integration'.

The Report of the Advisory Group on the provision of support, including Accommodation to persons in the International Protection Process (The Day Report) (Department of Justice, 2020) and the corresponding White Paper, published in 2021, which had set out a new integrated system appears to have completely stalled (Department of Children, Equality, Disability, Integration and Youth , 2021). Rather than a move towards integrating new arrivals quicker into communities, Programme for Government 2025 states that in future, 'applicants are provided with accommodation with restrictions on their movement to ensure the integrity of the process'.

Loneliness and Isolation

The *Roadmap for Social Inclusion 2020-2025* (Government of Ireland, 2020) committed to 'developing the necessary actions to tackle loneliness and isolation, particularly among older people'. Data from *Healthy Ireland Survey 2023*[4] finds that across all ages and sexes, 3.9 per cent of the population report often or always feeling lonely, 9.9 per cent report feeling lonely some of the time and 12.1 per cent report feeling lonely occasionally. The current and growing body of evidence points to the detrimental effect of loneliness on health (Casabianca & Kovacic, 2022) as well links to lower interpersonal trust, leading to lower societal cohesion (Cuccu and Stepanova (2021).

4 https://data.cso.ie/table/HIS31

Participation

Ensuring that people are involved in making the decisions that affect them and their communities is a key element of real democracy. True involvement requires participation that goes beyond voting (representative democracy). By definition, such a deliberative democracy approach requires setting aside power differentials and making a specific effort to ensure that the voices and views of people who are seldom heard and taken into account (Coote, 2011; Healy & Reynolds, 2011; Elster, 1998).

People want to be more involved in a meaningful manner and to participate in open and respectful debates concerning policies, particularly those that directly affect them. The extensive use of social media as a forum for discussion and debate indicates a capacity to question the best use of State resources to develop a just and fair society. It is crucially important for our democracy that people feel engaged in this process and all voices are heard in a constructive way. It is imperative that groups with power recognise the need to engage with and develop partnerships with people to co-create services and policies. Otherwise, mis and dis-information will overwhelm the discourse.

A forum for dialogue on civil society issues

The need for a new forum and structure for discussion of issues on which people disagree is becoming more obvious as political and mass communication systems develop. A civil society forum and the formulation of a new social contract against exclusion has the potential to re-engage people with the democratic process. Our highly centralised government, both in terms of decision-making and financially, means that citizens are represented more by professional politicians than by their local constituency representatives. Communities become frustrated when they feel they have no voice or input into the decisions that affect their community. While there have been some structural improvements, such as an enhanced committee structure, the introduction of Public Participation Networks (discussed below), better success rates for Bills led by the opposition, and a budgetary oversight process, much remains to be done before Ireland has a genuinely participative decision-making structure.

Participation in Local Government - Public Participation Networks

In 2014, the Local Government Act was amended to introduce Public Participation Networks (PPNs) in every local authority in the country. The PPN recognises the contribution of volunteer-led organisations to local economic, social, and environmental capital. It facilitates input from these organisations into local government policy (Department of Housing, Planning and Local Government, 2017). By the end of 2023, over 19,063 community and voluntary, social inclusion, and environmental organisations were members of a PPN. More than 926 PPN representatives were elected to over 343 committees on issues such as strategic policy, local community development, joint policing, and so on (Department of Rural and Community Development, 2024).

Local authorities and PPNs work together collaboratively to support communities and build the capacity of member organisations to engage meaningfully on issues of policy that concern them. PPNs have a significant role in the development and education of their member groups on policy, sharing information, promoting best practice and facilitating networking. Local authorities also have a vital role to play in facilitating participation through open consultative processes and active engagement. Building real engagement at local level is a developmental process that requires intensive work, patience and investment.

Supporting the Community & Voluntary Sector

Community and Voluntary organisations have a long history of providing services and infrastructure at local and national level and are engaged in most, if not all, areas of Irish society. They provide huge resources in energy, personnel, finance and commitment that, if it were to be sourced from the open market, would come at considerable cost to the State. There are an estimated 281,250 employees (that's almost one in every eight workers) and 648,000 volunteers working in registered charitable organisations in Ireland. It is estimated that the value of this volunteering work, using the minimum wage, is €1 billion per year (this increases to €2.5 billion when using the average income) (Charities Regulator, 2023).

During the recession Government funding for the Community and Voluntary sector reduced dramatically and this still has not, as yet, been fully restored. It is essential that Government appropriately resource this sector into the future and that it remains committed to the principle of providing multi-annual statutory funding, considering the reliance on the sector to deliver vital services. The introduction of the Charities Regulatory Authority, the Governance Code and the Lobbying Register in recent years is intended to foster transparency and improve public trust. However, it is essential that the regulatory requirements are proportional to the size and scope of organisations, and do not create an unmanageable administrative burden, which detracts from the core work and deters volunteers from getting involved.

The Community Services Programme works to tackle disadvantage by providing supports to community-based organisations that enables them to deliver social, economic, and environmental services, with a particular focus on areas that, by virtue for geographical isolation or social isolation, have too low a level of demand to satisfy market led providers. The groups in receipt of these services may not otherwise have any access.

Social Justice Ireland recommends the sector to be resourced in a way that recognises the important role of the Community and Voluntary Sector, the local role of the PPNs, and the challenges of community development, and seeks to generate real partnerships between communities and agencies.

National Social Dialogue

A robust social dialogue process is urgently required to deal with the many multi-faceted and integrated challenges that Ireland faces. These challenges will not be resolved overnight, but real progress can be made through a social dialogue process where current and future challenges can be addressed in a positive manner, and where all stakeholders are included in the decision-making process.

The Community and Voluntary Pillar provides a mechanism for social dialogue that should be engaged with by Government across the range of policy issues in which the Pillar's members are deeply involved. All aspects of governance should be characterised by transparency and accountability. Social dialogue contributes to this. We believe governance along these lines can and should be developed in Ireland.

If Government is serious about our long-term wellbeing, about securing our public finances in a changed world, de-carbonising the economy, transforming our energy sector, and preparing for digital and technological transformation, then it needs a structure that would engage all sectors at a national level. Reforming governance and widening participation must remain a key goal. An increased recognition of the need to include all stakeholders in the decision-making process is needed. A deliberative decision-making process, involving all stakeholders and founded on reasoned, evidence-based debate, is required. One component of real participation is recognition that everyone should have the right to participate in shaping the society in which they live and the decisions that impact on them. In the 21st century, this involves more than voting in elections and referenda. Ireland needs real, regular, and structured deliberative democracy to ensure that all interest groups and all sectors of society can contribute to the discussion and the decision-making on the kind of society Ireland wishes to build.

10.2 Key Policies and Reforms

Implement Skills Transfer Programmes

The numbers of migrants with a third level education continued to rise in 2022. Of those immigrating to Ireland, the number has increased (from 46,200 in 2021 to 70,300 in 2022) whilst the proportion has decreased (from 70 per cent in 2021 to 58.2 per cent of all immigrants with third level education in 2022). Note that a comparable dataset is unavailable for 2023 as the CSO notes that "there is now a significant number of immigrants living in communal establishments and therefore outside the scope of the Labour Force Survey (LFS) sampling frame which samples private households.... accurate estimation of educational attainment and principal economic status is difficult for this cohort and the methodologies are currently being investigated to allow the publication of these tables to continue".

Migrants tend to be younger than the general population, with about half of both immigrants (52 per cent) and emigrants (48 per cent) in 2024 aged between 25 and 44. People aged over 65 continued to be the least likely to migrate (CSO, 2024).

The proportion of emigrants who are unemployed has been in decline since 2012, reflecting the decrease in unemployment generally since then. The lack of affordable housing, affordable childcare, and other services is likely a contributing factor to the increase in employed and highly educated emigrants from this country. If we are to retain our skilled workforce, we need to take a broader approach to retention that takes a whole of life-cycle approach.

In light of higher educational attainment levels of immigrants into Ireland, there is a need for a skills transfer programme for returning migrants in order to ensure the skills that they have acquired whilst working abroad are recognised in Ireland. This is something that *Social Justice Ireland* has advocated for previously. Given the investment made in the education of young graduates, it is essential that steps are taken to retain them and their expertise within Ireland, and to attract back those who have emigrated in recent years. Of course, this is coupled with the need to provide both decent work and infrastructure to support increasing numbers of immigrants who will need to be housed and whose healthcare and childcare needs must be accommodated.

For many migrants, immigration is not temporary. They will remain in Ireland and make it their home. In turn, Irish people are experiencing life in different cultural contexts around the world. Ireland is now a multi-racial and multi-cultural country, and Government policies should promote and encourage the development of an inclusive and integrated society with respect for, and recognition of, diverse cultures.

Fully Implement the recommendations of the National Action Plan against Racism

The consequences of racism are very serious, increasing fear and insecurity. The European Network Against Racism (European Network against Racism (Ireland), 2018) noted that "Racism has a demonstrable impact on the lives of those targeted.... there is psychological impact, ... impact on their social connectedness, and economic impacts through for example increased costs or lost income." This is unacceptable in a society that prides itself on its open and accepting character. But racism is not only socially damaging, it is also harmful to the economy. As Ireland seeks to attract overseas companies to open offices and invest here and is sourcing workers from all over the world to meet skills shortages, in light of the increase in reported racist incidents, it is imperative that racism in all areas is definitively addressed.

As social imbalances increase across society, as the lack of access to educational supports, the inability for many to secure affordable housing, the long waits for healthcare interventions are laid bare by the large increases in population seen again in 2024, misplaced anti-migrant sentiment has and continues to grow.

Investing in our core infrastructure and working on social cohesion is therefore a necessity if we are to impede and reverse this disturbing trend.

The Government launched the *National Action Plan Against Racism (the Plan)* in March 2023 (Department for Children, Equality, Disability, Integration and Youth, 2023). In the Plan, "racism" is defined as "a form of domination which manifests through those power dynamics present in structural and institutional arrangements, practices, policies and cultural norms, which have the effect of excluding or discriminating against individuals or groups, based on race, colour, descent, or national or ethnic origin."

The Plan is underpinned by a vision of a "fair, equal and inclusive society, where minority ethnic groups share full parity of esteem and respect, where everyone is able to enjoy their fundamental rights and freedoms and has equal opportunities in all aspects of life, irrespective of their racial background; a society in which the existence and impacts of racism are acknowledged and all sectors work to eliminate racial discrimination in all its forms," which is supported by five objectives. Those objectives are supporting people who experience racism and protecting people from racist incidents and crimes; addressing ethnic inequalities; enabling minority participation; measuring the impacts of racism; and a shared journey to racial equality. Each objective then has a series of actions outlined in the plan, with responsibility for achieving these actions resting with certain Government Departments, State Agencies, An Garda Síochána, and community representatives.

Social Justice Ireland welcomed the recommendations of the UNCERD and the commitments made in the Programme for Government (Government of Ireland, 2025) and the *National Action Plan* and we now urge Government to continue to fulfil these commitments.

Develop a national action plan aimed at tackling loneliness and isolation

Given the links between loneliness, poor physical and mental health outcomes, social cohesion and trust in systems, Government must deliver on the commitment contained in the *Roadmap for Social Inclusion 2020-2025* which was echoed in the Programme for Government 2020 (although absent from Programme for Government 2025).

Reinstate funding for Traveller specific initiatives

Although much has been accomplished in recognising the ethnicity and uniqueness of the nomadic nature of the Travelling community, policy must be better shaped to recognise and support this. Housing legislation provides for the provision of social housing in the form of fixed dwellings. However, Traveller specific provision is limited to the Caravan loan scheme, halting sites, and group housing schemes. There is no equal mechanism for local authorities to support Travellers to preserve their identity and culture by renting a caravan to a Traveller household on the same basis that a council house is rented to a settled family.

Housing continues to be problematic for Travellers (see Chapter 6). In 2021, the Irish Human Rights and Equality Commission (IHREC), published the *First Council-by-Council Equality Review on Traveller Accommodation*.[5] The main issues that emerged from the review were consistent underspends of Local Authority accommodation funds, a lack of real data to inform decision-making and no discussion of Travellers' actual accommodation preferences. Programme for Government *(2025*) commits to the 'full draw down of Traveller accommodation funds'.

The *National Traveller and Roma Inclusion Strategy II 2024-2028* (Department of Children, Equality, Disability, Integration and Youth, 2024) lists nine themes across Government under the headings of children and youth, gender equality, cultural identity, education, employment, health, accommodation, combatting racism and discrimination, and participation. Again, Programme for Government (2025) makes specific commitments to deliver education and health supports to traveller and Roma communities and to implement the *Traveller and Roma Inclusion Strategy*, the *Traveller and Roma Education Strategy* and the *National Traveller Health Action Plan*. We welcome the emphasis on tailored supports to 'advance financial literacy and financial services inclusion for Irish Traveller and Roma communities'. In light of the levels of discrimination faced by members of the Traveller community, more urgent action is needed to protect and support Traveller people. *Social Justice Ireland* calls for the full implementation of all relevant strategies and action plans, particularly in the critical areas of education and accommodation.

Fully Implement the recommendations of the 2024 Trafficking in Persons Report

The Programme for Government (2025) makes a commitment to "implement the Human Trafficking Action Plan[6] to identify and safeguard victims of human trafficking effectively through the introduction of a new National Referral Mechanism". The understanding of trafficking also needs to be expanded to include its role in the exploitation of young people in the domestic drugs trade. The *2024 Trafficking in Persons Report* focused on "Exploring the Role and Impacts of Digital Technology on Human Trafficking". Ireland achieved a Tier 2 rating in 2024. This is for 'countries whose governments do not fully meet the Trafficking Victims Protection Act of 2000's (TVPA's) minimum standards but are making significant efforts to bring themselves into compliance with those standards' (US Department of State, 2024). The Human Trafficking investigation and Coordination Unit has been established within An Garda Síochána as part of Ireland's efforts to tackle the problem.

Promote Deliberative Democracy

There is a renewed appreciation of the importance of participation. The OECD Framework for Measuring Well-Being and Progress[7] as well as the Well-Being

[5] https://www.ihrec.ie/our-work/equality-review/
[6] https://assets.gov.ie/275645/a08d95b1-9701-41a3-87f6-5424625ad325.pdf
[7] https://www.oecd.org/en/topics/measuring-well-being-and-progress.html

Framework for Ireland both consider civil engagement as a key indicator.[8] In the OECD measure, Stakeholder Engagement "reflects how different stakeholders can participate in the development of new laws and regulatory standards.... 17 countries have listed examples of their policies and Ireland is not one of them" so much more work needs to be done (Clark, et al., 2022).

The publication of *A Guide for Inclusive Community Engagement in Local Planning and Decision Making* aims to "enhance the capacity of Local Community Development Committees (LCDCs) to engage marginalised groups in Local Economic and Community Planning (LECP) processes" will hopefully see those seldom heard having a say in local decision making (Dept. of Rural and Community Development at al, 2023). A review of the local authority Strategic Policy Committees was published in 2024 which made numerous recommendations across the administrative, operational and strategic functions of the SPCs (Department of Housing, Local Government and Heritage and The Institute of Public Administration, 2024). These recommendations, if enacted are expected to lead to improvements in SPC engagement.

To further strengthen the democratic process, there is a need for development of a new social contract against exclusion and in favour of a just society, including a forum for dialogue on civil society issues. While short-term initiatives such as the Presidents Ethics Initiative,[9] the Constitutional Convention[10] and Citizens Assembly[11] are welcome, they need to be mainstreamed and reach all sections of Irish society, especially those that feel most disconnected. The annual National Economic Dialogue serves as a useful model for sharing the perspectives of civil society, Government, and the various sectors of society on key budgetary issues. However, a single event is inadequate and does not allow for a broader discussion on the interplay between economic and social issues.

Social Justice Ireland recommends that such a National Dialogue takes place more frequently, and that the focus is broadened from the economic to include social and environmental issues.

2024 saw the third National Civic Forum take place which *Social Justice Ireland* has long called for.[12] The key will be ensuring its relevance and that it connects to the ongoing and growing debate at European level about issues that impact civil society. There are many issues such a forum could address including the meaning of citizenship in the 21st Century, the shape of the social model Ireland wishes to develop, particularly in light of the ageing demographic; how to move towards a

8 https://www.gov.ie/en/campaigns/1fb9b-a-well-being-framework-for-ireland-join-the-conversation/?referrer=http://www.gov.ie/wellbeing-framework/
9 For more information see https://president.ie/en/special-initiatives/ethics
10 For more information see https://www.constitution.ie/Convention.aspx
11 For more information see https://www.citizensassembly.ie/en/
12 For a further discussion of this issue see Healy and Reynolds (2003:191-197).

low carbon sustainable future and so on. To that end, *Social Justice Ireland* calls for the PPNs to be adequately resourced and supported.

10.3 Key Policy Priorities

Social Justice Ireland believes that the following policy positions should be adopted to improve the lives of all those living in Ireland today:

- Invest in the retention of young graduates and programmes to assimilate skills obtained while abroad;
- Ensure that international protection applicants are supported;
- Fully implement and resource the recommendations of the National Action Plan Against Racism within a reasonable timeframe;
- Develop a national action plan aimed at tackling loneliness and isolation;
- Fully implement the recommendations of the 2023 Trafficking in Persons Report;
- Reinstate funding for Traveller-specific initiatives and implement the recommendations of the Seanad Public Consultation Committee;
- Adequately resource the Public Participation Network (PPN) structures for participation at Local Authority level and ensure capacity building is an integral part of the process;
- Promote deliberative democracy and a process of inclusive social dialogue to ensure there is real and effective monitoring and impact assessment of policy development and implementation using an evidence-based approach at local and national level;
- Resource an initiative to identify how a real participative civil society debate could be developed and maintained.

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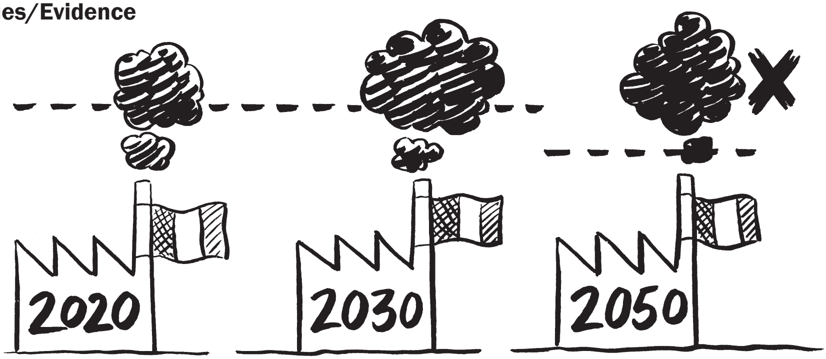
Chapter eleven

Chapter 11
Sustainability

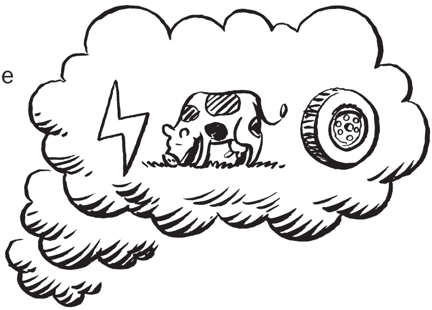
Core Policy Objective:
To ensure that all development is socially, economically and environmentally sustainable.

Key Issues/Evidence



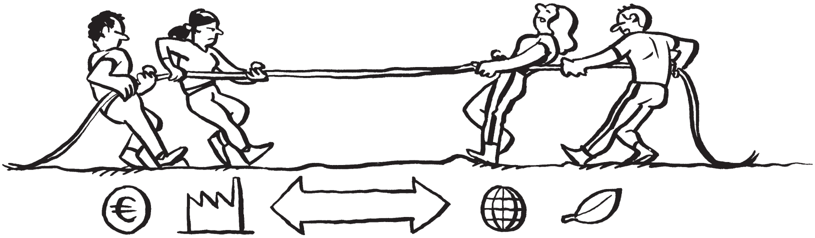
Ireland is on track to overshoot 2030 emissions targets and headed in the wrong direction to meet national 2050 climate goal.

Ireland's greenhouse gas emissions continue to increase in line with economic and employment growth.



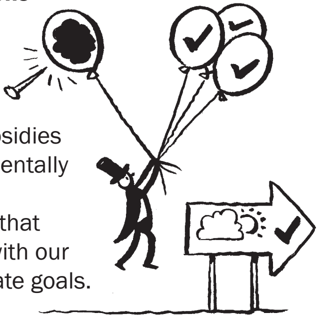
Our emissions are dominated by agriculture, transport and energy.

The window of opportunity to implement climate mitigation strategies is rapidly closing.

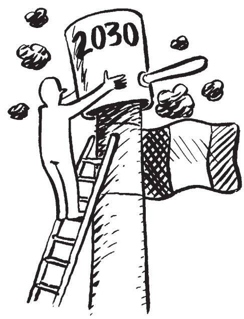


Pursuing expansionary economic and agricultural policies is at odds with our national climate and biodiversity goals.

Policy Solutions

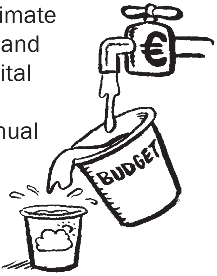


Remove fossil fuel subsidies and environmentally harmful tax expenditures that do not align with our national climate goals.

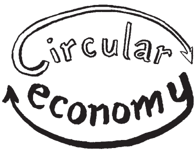


Fully resource the polices required to implement our 2030 climate targets.

Integrate climate adaptation and natural capital accounting into the annual budgetary process

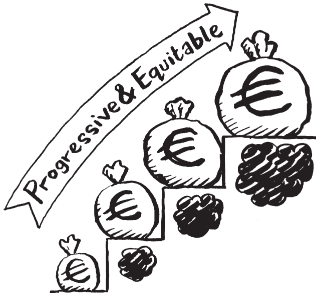


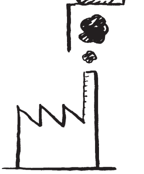
Pilot a Farm Sustainability Passport scheme to recognise and support farmers who engage in environmentally friendly and sustainable agricultural methods.



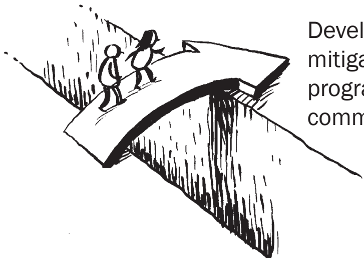
Fully resource the circular economy strategy.

Develop a National Retrofitting Plan incorporating a Building Renovation Passport Scheme.

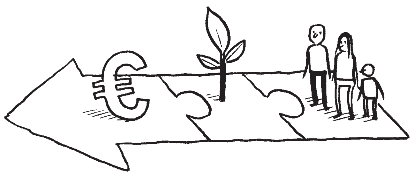




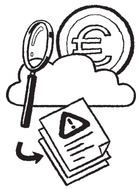
Develop a progressive and equitable environmental taxation system.



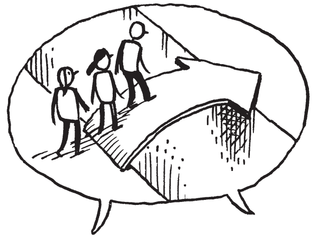
Develop a comprehensive mitigation and transition programme to support communities and people in the transition to a low carbon society.



Develop a new National Index of Progress encompassing environmental, economic and social indicators of progress



Measure and report on climate related spending annually.



Develop a Just Transition Dialogue structure at regional and national level.

Chapter 11

SUSTAINABILITY

Core Policy Objective:
SUSTAINABILITY

To ensure that all development is socially, economically and environmentally sustainable.

Sustainable development is defined as 'development which meets the needs of the present, without compromising the ability of future generations to meet their needs' (World Commission on Environment and Development, 1987). It encompasses three pillars; environment, society and economy. A sustainable development framework integrates these three pillars in a balanced manner with consideration for the needs of future generations. Maintaining this balance is crucial to the long-term development of a sustainable resource-efficient future for Ireland. Our climate, ecosystems and biodiversity, and human societies are interdependent (IPCC, 2023).

Ireland is committed to legally binding climate-based goals in 2020 and 2030 and a national commitment to be carbon neutral by 2050. Ensuring development is sustainable socially, economically and environmentally will be key to achieving these targets. It is also crucial to delivering the new Social Contract outlined in Chapter 2.

To achieve this sustainable development in the years ahead, *Social Justice Ireland* believes that policy should:

- Fully resource the policies required to implement our 2030 climate targets;
- Integrate climate adaptation into the annual budgetary process;
- Assign value to natural capital and ecosystems in our national accounting systems;
- Fully resource the CSO to implement the System for Environmental-Economic Accounts (SEEA) and the future compilation of natural capital accounts;

- Develop a comprehensive mitigation and transition programme to support communities and people in the transition to a low carbon society;
- Develop a National Retrofitting Plan incorporating a Building Renovation Passport Scheme;
- Pilot a Farm Sustainability Passport scheme to recognise and support farmers who engage in environmentally friendly and sustainable agricultural methods.
- Commit to reviewing all fossil fuel subsidies in 2025 and set out a roadmap to remove fossil fuel subsidies by 2030;
- Accept as a general principle, investment rather than tax subsidies should be the preferred policy tool to support and develop climate infrastructure;
- Develop a series of performance metrics against which climate related spending can be measured across Government Departments;
- Develop a progressive and equitable environmental taxation system;
- Develop a new National Index of Progress encompassing environmental and social indicators of progress as well as economic ones;
- Develop a Just Transition Dialogue structure at regional and national level.

11.1 Key Evidence

Global Context

The international evidence regarding climate change and the impact of human activity is irrefutable. Extreme weather events have been made up to nine times more likely by global warming due to human activity. The Assessment Reports of the Intergovernmental Panel on Climate Change paints an ominous picture with scientists observing changes in the Earth's climate in every region and across the whole climate system. Carbon dioxide (CO2) is the main driver of climate change and without immediate, rapid and large-scale reductions in greenhouse gas emissions, limiting warming to close to 1.5°C or even 2°C will be beyond reach (IPCC, 2021). Lack of sustained action to date means there is more than a sixty per cent chance that global warming will reach 3°C this century (WMO, 2024). In order to stay within the boundaries of the Paris Agreement the world needs to cut global GHG emissions by half by 2030, which is rapidly approaching (IPCC, 2023). Emissions need to be cut quickly and sharply, requiring a large scaling up of practices and infrastructure, high up-front investment and the introduction of potentially disruptive changes in the very short-term. The disruption can be lessened by implementing supportive policies to protect those most vulnerable.

Increased levels of greenhouse gases, such as CO2, increase the amount of energy trapped in the atmosphere which leads to global effects such as increased temperatures, melting of snow and ice, and raised global average sea level. Food production and ecosystems are particularly vulnerable. The latest research from the World Meteorological Organisation finds that four key climate change indicators – greenhouse gas concentrations, sea level rise, ocean heat and ocean acidification – set new records in 2023 (WMO, 2024). It also shows that 2023 was the warmest year on record, with the trend of widespread extreme weather continuing into 2024. The impact of climate change is clear, with the last decade being the warmest on record, and a persistent, long-term climate change trend characterised by sea level rise, ice loss and extreme weather impacting globally.

The latest United Nations Environment Programme Annual Emissions Gap Report (UNEP, 2024) concludes that to avoid a temperature increase far beyond 2°C over the course of this century, nations must use COP30 in 2025, as a launchpad to increase ambition and ensure the new Nationally Determined Contributions (NDCs) collectively promise to almost halve greenhouse gas emissions by 2030. These must be backed by a whole-of-government approach, reform of global financing for climate, and a minimum six-fold increase in mitigation investment in the coming years. The world is on track for a global temperature rise of 2.6°C by the end of the century, well above the goals of the Paris climate agreement. This would lead to catastrophic changes in the Earth's climate. The world needs to reduce annual greenhouse gas emissions by 42 per cent compared to emissions projections under policies currently in place in just five years to keep global warming below 1.5°C this century, the aspirational goal of the Paris Agreement (UNEP, 2024). Despite the pledges made at COP 29, progress has been slow, with Nationally Determined Contributions still far below what is required to meet the goal of 1.5°C. G20 member states minus the African Union accounted for 77 per cent of emissions in 2023. Including the African Union (more than doubling G20 countries) brings emissions up to just 82 per cent, which shows the stark and uneven impact of emissions from the developed world. Largest emitting G20 members need to dramatically increase action and ambition now to ensure mitigation goals can be realised in a fair way, as the impact of climate change is felt by those who contribute the least to global emissions (UNEP, 2024). Financing is key to supporting adaptation and mitigation measures, and to supporting the 'Loss and Damage Fund', with six times the current level of climate investment globally required to rapidly reduce emissions. According to most recent figures, despite increases in international adaptation finance flows to developing countries over US$387 billion per year in adaptation finance is required by 2030 (UNEP, 2024a).

National climate policy

The Programme for Government commits to radically reducing reliance on fossil fuels and to achieving a 51% reduction in emissions from 2018 to 2030, and net-zero emissions by 2050. Ireland failed to meet its 2020 target of a 20 per cent reduction in greenhouse gas emissions under the EU Effort Sharing Decision and will have to purchase emissions allowances from other Member States to meet the shortfall. In order to meet our 2030 targets every measure in the Climate Action Plan will have to be fully implemented. Given challenges in implementing previous climate policies it is reasonable to question whether every measure in the plan will be implemented by 2030.

The Climate Action and Low Carbon Development (Amendment) Act 2021 established a legally binding framework with clear targets and commitments set in law, embedding the necessary structures and processes to ensure Ireland achieves national, EU and international climate goals and obligations in the near and long term on a statutory basis. The Climate Change Advisory Council (2021a) submitted its proposal for Ireland's first carbon budget programme on the 25th of October 2021. The programme is broken down into three five-year carbon budgets. Carbon budgets prescribe the maximum amount of greenhouse gases that may be emitted over a specific period of time in the State.

The first two carbon budgets in the programme provide for the 51 per cent reduction in greenhouse gas emissions from the State by 2030 relative to 2018 as set out in the Climate Action and Low-Carbon Development (Amendment) Act. The annual Average Percentage Change in Emissions from the first carbon budget 2021-2025 is a reduction of 4.8 per cent, the second carbon budget 2026-2030 sees a reduction of 8.3 per cent, and the third budget 2031-2035 sees a reduction of 3.5 per cent. Government agreed Sectoral Emissions Ceilings for Ireland in 2022 following the approval of the Carbon Budgets. These Ceilings are agreed both by the 5-year carbon budget cycle and with a final cap for the year 2030 (Climate Action Plan, 2023).

The Climate Action Plan sets out indicative ranges of emissions reductions for each sector of the economy. It also sets out the specific actions needed to deliver on our climate targets for each sector. Current projections suggest that Ireland will exceed the 2030 carbon budgets (Climate Change Advisory Council, 2024). As a result, emission reductions of 67 per cent are required to remain within carbon budget ceilings to 2035 and 2040. This translates to an annual reduction in emissions of at least 6.3 per cent to 2040 (Climate Change Advisory Council, 2024a).

Ireland is significantly off-track from paths that deliver long-term transition to climate neutrality and our 2050 national policy goals.

Emissions

Emissions in Ireland are cyclical, and even though emissions fell during the recession, they immediately increased as economic activity increased. Even with the impact of the pandemic taken into account, Ireland missed both energy and climate targets for 2020. In April 2023, the EU Effort Sharing Regulation, which establishes national greenhouse gas reduction targets for EU member states was amended. Where previously Ireland's national target was set at a 30 per cent reduction by 2030 compared to 2005 levels, the target was updated to a 42 per cent reduction of emissions by 2030 (EU2018/842).[1] Ireland's current national greenhouse gas emissions target is 4.8 per cent annually for the years 2021 to 2025 inclusive. In 2022 Ireland's net greenhouse gas emissions reduction was 1.9 per cent, and in 2023 there was a 6.8 per cent reduction, a sign that implementing policies to reduce emission does work (EPA, 2023 and 2024). While the 2023 figures are encouraging, Ireland still has substantial work to do to meet our climate goals and sustained action is required.

Ireland complied with its EU Effort Sharing Regulation (ESR) commitments for 2021-2023, with the use of allowed flexibilities. However, these latest data show that 2023 greenhouse gas emissions were still only 10.1 per cent below 2005 levels, well short of Ireland's EU Effort Sharing reduction commitment of 42 per cent by 2030. Ireland still needs to achieve a reduction of 8.3 per cent annually in 2024 and 2025 if it is to stay within the first carbon budget (EPA, 2024).

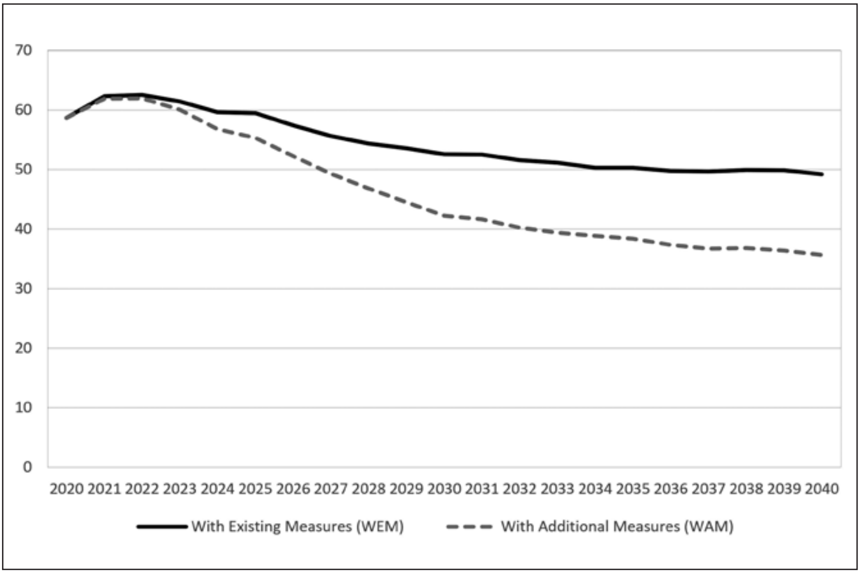
In total in 2023, it is estimated that 55 million tonnes of carbon dioxide equivalent (Mt CO2eq) were emitted, with emissions 6.8 per cent lower than in 2022. It should be noted that the largest decrease in emissions in 2023 compared to 2022 was seen in the energy sector, with an emissions reduction of 21.6 per cent. Residential emissions decreased by just over 7 per cent, emissions in agriculture decreased by 4.6 per cent, and emissions in transport decreased by just 0.3 per cent. The impact of climate policies is evident through the reduced sectoral emissions as a result of renewables in powering electricity, the reduction in use of fossil fuels for home heating and the reduction in fertiliser nitrogen use.

Current provisional greenhouse gas emission estimates for Ireland indicate that 64 per cent of the Carbon Budget for the 5-year period 2021-2025 had already been used by 2023 (EPA, 2024). According to the Environmental Protection Agency staying within the current carbon budget now requires emission cuts of over 8 per cent per annum over the period 2024 to 2025 (EPA, 2024). The Climate Change Advisory Council (2023) notes that failure to take action early has negatively impacted the prospects for meeting the cumulative target to 2030 and that this will have serious consequences for future carbon budgets.

Damaging environmental activity also affects health. According to the EPA (2023) about 1,300 premature deaths annually in Ireland can be attributed to air pollution. Those most impacted include older adults, people with chronic illnesses, children and those living in deprived communities. The World Health Organisation has described air pollution as the 'single biggest environmental health risk'.[2] EPA figures show that air pollutants were above the WHO's updated guideline values for health at 75 monitoring stations across Ireland in 2022 which is a cause for considerable concern.

1 https://eur-lex.europa.eu/eli/reg/2018/842/oj/eng
2 https://www.who.int/news-room/fact-sheets/detail/ambient-(outdoor)-air-quality-and-health

Chart 11.1: Ireland GHG Emissions Projections 2020-2040 (kt CO2 eq)



Source: EPA, 2023.

Chart 11.1 outlines Ireland's projected level of emissions based on the latest data available from the EPA. It is clear from these projections that the existing measures contained in the Climate Action Plan will not be enough, and additional measures will be required.

Agriculture

Agriculture accounts for the largest proportion of Ireland's emissions (more than one third). The trend of persistently high levels of emission from agriculture (one of the highest in the EU) is a challenge that has not yet been adequately addressed. 2023 saw the sector reduce emissions by 4.6 per cent, primarily as a result of reduced nitrogen fertiliser and lime use and a reduction in livestock numbers. However, the continued expansion of the dairy sector and increases in the dairy herd has the potential to undermine gains from more efficient and sustainable farming practices and reductions in livestock overall. According to Teagasc (2019) Irish dairy farms produce up to three times more greenhouse gas and ammonia emissions than other farming sectors. This type of policy incoherence makes it challenging for the sector to meet climate targets. Immediate action is required to meet the carbon budget target of a 22-30 per cent reduction in emissions from this sector by 2030.

Emissions from agriculture decreased by 4.6 per cent in 2023 compared to 2022, driven by decreased nitrogen fertiliser use (down 18 per cent), decreased lime use (down 26 per cent) with a 0.6 per cent increase in dairy cows and a 4.7 per cent decrease in milk production. 2023 is the 13th consecutive year that dairy cow numbers rose. It is worth noting that agricultural emissions in 2023, although down on 2022 were still 1.2 per cent higher than the 1990 levels (EPA, 2024).

Challenges relating to diverse objectives for the agriculture sector may be hard to resolve. This is evident in the 'Ag Climatise' strategy published by the Department of Agriculture, Food and the Marine (2020). The strategy commits to an absolute reduction in the agricultural greenhouse gas inventory by 2030 but it sets no annual targets, nor does it make reference to the size of the national herd, which is a fundamental driver of agricultural emissions. 'Food Vision 2030', the ten-year strategy for the agri-food sector also fails to deal with the challenge posed by the expansion of the dairy herd and increasing emissions. This expansion in production in some farming sectors (dairy in particular) has negated the impact of efficiency gains and reduced activity in other farming sectors leading to increased emissions. This makes the targets set out for agriculture in the carbon budgets very challenging.

Improvements in production efficiency will not be enough to meet the carbon budget target and the long-term trajectory for fertiliser, lime use and the livestock sector must be considered. Continued support for the beef sector must be contingent on much stronger conditionality and essential income support for low-income farm households via CAP (Common Agricultural Policy) should be consistent with the green transition and emissions reduction ambitions (CCAC, 2020). We must move away from the existing approach whereby the targets in our agricultural and food strategies serve to undermine the targets in our environmental policies. The recommendations of the 'Just Transition in Agriculture and Land Use' (NESC, 2023) must be built upon, with the necessary policy changes implemented, and adequate investment to support farmers in the transition to a greener economy and society.

Transport

The transport sector is the second largest contributor to greenhouse gas emissions. Emissions from transport decreased marginally by 0.3 per cent in 2023 compared to 2022, with emissions now 4.3 per cent below 2019 levels (EPA, 2024). While electric vehicles and biofuels partially offset ongoing increases in the vehicle fleet, overall transport trends present challenges, driving congestion and a host of sustainability problems and costs (CCAC, 2021b). Long-term integrated spatial and mobility planning supporting public transport and active travel in Ireland must be given urgent priority. Significant investment is needed to develop a public transport network powered by electricity and renewable energy. At the end of 2023, there were 110,000 battery electric (BEVs) and plug-in hybrid electric (PHEVs) vehicles in Ireland, approximately 56 per cent of the Climate Action Plan target for 2025 of 195,400 and just over 11 per cent of the 2030 target (EPA,2024). To encourage electric car usage the national charging infrastructure will require a substantial upgrade and the tax on electric vehicles should be reduced to make them a more affordable option.

The initial investment in public transport will be substantial if it is to have the necessary effect, but the long-term social, environmental and economic benefits of such a change would greatly outweigh the cost. It is vital that the upgrade to the public transport network has a strong focus on connectivity to ensure that people travelling from rural or regional areas to urban centres are encouraged to do so by public transport.

Road transport is just one element of transport emissions. Emissions from aviation are not taxed directly. Jet kerosene use increased by 12.7 per cent in 2023 compared to 2022, and is now greater than petrol use, and air travel is now second only to private cars as a share of transport energy (SEAI, 2024). As we begin to look at what measures are required to deliver on the policies in the Climate Action Plan, we must look at the aviation sector and the policy levers that are available to ensure that it makes a contribution to our climate targets. *Social Justice Ireland* has consistently argued that the aviation sector should make a contribution to Ireland's emissions targets[3] and outlined proposals as to how this could be achieved. Government must implement the key recommendations of 'The Impacts of Aviation Taxation in Ireland' (ESRI, 2021), in particular the recommendation to target the taxation of CO_2 directly by abolishing the Jet Kerosene exemption. Government should actively pursue this issue at EU level and introduce an interim aviation tax in 2025 that would enable the aviation sector to begin to make a contribution to our climate goals.

Energy

Emissions from the Energy Industries sector decreased by 21.6 per cent in 2023 compared to 2022. The decline was driven increases in imported energy, reductions in coal, oil and peat used in electricity generation and an increase in the share of renewable energy. In addition, the residential sector saw a substantial decrease in emissions of 7 per cent, driven largely by reduced fossil fuel use as a result of high fuel prices and a mild winter.

Energy-efficient homes help reduce our carbon footprint as they require less fuel to heat. One of the most cost-effective measures to promote sustainable development is to increase building energy efficiency through retrofitting, for example. The SEAI estimate that €35 billion would be needed over the coming 35 years to make Ireland's existing housing stock 'low-carbon' by 2050. More than 50,000 homes will have to be retrofitted every year to meet the targets set out in the Programme for Government. Investment in renewable energy and retrofitting on the scale required to meet our national climate ambition requires large scale investment in infrastructure. However, barriers persist to accessing grants for low income households and the upfront costs associated with accessing sustainable energy grants. Whilst there have been positive developments including the National Retrofitting Programme (Government of Ireland, 2022), and in particular the Free

[3] For further details see our proposal on aviation taxation in Budget Choices 2020, 2021 and 2022.

Energy Upgrade for households in receipt of certain social welfare payments, there is a concern that the upfront cost associated with the One Stop Shop Service and Individual Energy Upgrade Grants Schemes remains a barrier to many low income households. These are households who are most likely to use solid fuels such as coal and peat. With an estimated 115,055 homes having the lowest BER ratings of F or G, it is imperative that Government support these households by redesigning these schemes to make them more accessible. If subsidies are only taken up by those who can afford to make the necessary investments, they are functioning as wealth transfers to those households on higher incomes while the costs (for example, carbon taxes) are regressively socialised among all users. Incentives and tax structures must look at short and long term costs of different population segments and eliminating energy poverty and protecting people from energy poverty should be a key pillar of any Just Transition platform.

As the number of renters increases in Ireland, the government must ensure that non-home owners are not left out of cost-saving retrofitting schemes. Policy must consider how to motivate landlords who will not directly benefit from energy cost savings in retrofitting schemes. This would increase energy efficiency, reduce bills, improve health outcomes, and assist us in meeting our climate-related targets.

Cost of climate change

As a member of the EU, Ireland has committed to legally binding emissions reduction targets; a 51 per cent reduction on emissions compared to 2018 levels by 2030. Ireland failed to meet the 2020 target and we are certainly not on a trajectory to make our 2030 targets. While the environmental implications of not meeting our emissions targets are obvious, there are also significant economic implications as a result of not meeting our EU 2020 targets with Ireland forced to avail of existing flexibilities and purchase credits and statistical transfers to ensure compliance. Missing our 2020 targets means Government must spend an additional €8m to purchase 4.15 million international credits for 2020 in order to be in compliance with our EU targets (Walker et al, 2023). The total cost of compliance up to 2020 for GHG emissions is €99.7m and is liable to rise considerably as the cost of purchasing credits increases, and the trend of missing targets continues.[4] In addition, Ireland also faced compliance costs for failing to meet its 2020 obligation under the renewable Energy Directive at a cost of €50m.[5]

Future compliance costs remain uncertain, but it would be reasonable to expect them to increase substantially. According to Walker et al (2023) the price of allowances or credits in the EU Emissions Trading System is expected to grow. Prices

4 Ireland spent €91.7m purchasing credits up to 2021. https://assets.gov.ie/246850/5982d0ec-1590-4caf-8c40-ce8bf178f5fc.pdf

5 Ireland had to negotiate the purchase of 'statistical transfers' from two Member States in under to comply with our 2020 obligations consisting of the purchase of statistical transfer of 1,000 GWh from Denmark costing €12.5 million; and the purchase of statistical transfer of 2,500 GWh from Estonia costing €37.5 million.

averaged around €20 between 2005 and 2019, rose to €51 in 2020 and peaked at €98 in August 2022. Current projections estimate the cost of credits in December 2030 at €112. A report by the Irish Fiscal Advisory Council and the Climate Change Advisory Council (2025) estimate a cost of between €3 billion and €12 billion to meet the costs of missing our EU targets if it implements all plans and policies to 2030. If it does not, Ireland faces potential costs of between €8 billion and €26 billion. The further Ireland is from binding EU targets, the greater the cost. Immediate action and policy implementation is required.

The Climate Change Advisory Council found that the use of public funds to buy emissions allowances in order to comply with our 2020 EU targets provides no domestic benefit, imposes a current cost on the Exchequer, and leaves the country with an even bigger task to meet our future targets to 2030 and beyond (CCAC, 2019:iv). In the longer term, relying on purchasing credits can deepen carbon lock-in, and imposes a cost on the exchequer, and thereby ultimately on all citizens. Notwithstanding the high levels of uncertainty built into these scenarios, it is clear that our compliance costs are going to increase substantially if we do not begin to invest significantly in mitigation and adaptation measures. This is a cost that could be avoided by actual emissions reductions. The potential cost of climate change adaptation remains substantially unquantified at national scale, with it being left to individual sectors to address such issues. This approach is a barrier to effective decision making and opens the door to fragmentation and a conflict for resources (CCAC, 2021b). The potential costs of up to €26 billion for missing our EU targets should be enough to focus political minds and ensure there is sufficient ambition, resourcing and implementation of adaptation and mitigation measures between now and 2030.

Climate adaptation should be integrated into social protection systems to support those who will be most impacted by the changes to come, and to enable them to avail of alternatives. The IPCC point to climate resilient development as a framework for climate change measures and to ensure they provide wider benefits of improved health and livelihoods, reduced poverty and hunger and clean energy, air and water. This type of development would improve societal wellbeing and support the delivery of a new social contract during this transition. Five key enablers are required for climate resilient development to be successful. These are political commitment, inclusive governance, international cooperation, effective ecosystem stewardship and the sharing of diverse knowledge. Each of these enablers already sit within the policy framework for a new social contract outlined in chapter 2.

Ireland must escalate the implementation climate adaptation policies across all sectors and also allocate the upfront investment required to ensure alternatives are in place to support people, communities and business who will be most impacted in the near term with the significant changes required.

Ireland's environment and natural capital

Climate change is also having an impact on biodiversity in Ireland. Estimates of the economic value of our ecosystem services and biodiversity are approximately €2.6 billion annually (EPA, 2017:24). The decline of nature, biodiversity and insects, and the impacts, are starkly outlined in a series of international reports from the Intergovernmental Panel on Climate Change.[6] The impact on Ireland is clear from reports from the EPA on water quality, air quality, biodiversity and emissions. Government must treat these reports as an impetus to implement a complete shift in policy away from business as usual and towards transition and adaptation. Although initially costly, the returns and dividend we will reap from the investment is significant. It will put Ireland on the pathway to meet 2030 and 2050 targets. Without action now the challenge becomes almost insurmountable.

Ireland needs to improve its data collection methods when it comes to biodiversity and to monitor the impact of climate change in this context to protect both our natural resources and our economy. Our natural capital and ecosystems should also be assigned value in our national accounting systems. A report from the National Economic and Social Council (2024) sets out how to go about considering and valuing these often-invisible ecosystem services. The report highlights how understanding what nature contributes can help all of us, and crucially, people within the policy-making system, to become more aware of what needs to be done to measure nature's contribution to society and the economy so it can be better protected. The report recommends that natural capital accounting, the integration of environmental data into the system of national accounts for economic activity, be used as a key tool to inform decision-making. The Irish Government needs to take on board these recommendations and at a practical level the CSO should be fully resourced to implement the System for Environmental-Economic Accounts (SEEA) and the future compilation of natural capital accounts.

11.2 Key Policies and Reforms

Ireland has made some progress through the carbon budgets and Climate Action Plan. There is a limited window of opportunity to fully resource and implement these policies, which will require significant upfront investment and a strong and determined implementation effort. We must learn to live, produce and consume within the physical and biological limits of the planet and rethink and redesign what we mean by social and economic progress. To achieve this will require integrated and enduring governance, including brave social and economic measures.

6 https://www.ipcc.ch/srccl/
https://www.ipcc.ch/srocc/home/
https://www.un.org/sustainabledevelopment/blog/2019/05/nature-decline-unprecedented-report/

A continued focus on cost-neutral or cost-effective actions to mitigate the impacts of climate change is misguided. While addressing the impact of climate change and implementing adaptation policies comes at a cost and requires strong collective effort, the cost of inaction and the associated social fallout would be much higher (European Commission, 2019c).

Reducing our emissions

Reducing emissions requires the implementation of policy decisions made in the interest of a sustainable future rather than short-term sectoral interests. Ireland's carbon budgets set out the emissions reductions required from each sector to 2030. Meeting these targets will be challenging for all sectors. Ambitious and substantive policies requiring sufficient resourcing and an all-of-Government approach are required to ensure that we meet our environmental targets. We are not limited in what we can do, but are limited by our political ambition and leadership, and by the fact that because we have left these decisions for so long, the effort required to achieve adaptation and transition will now be far greater than if we had acted years ago.

Agriculture

Progress towards changing farm practices has been limited and incentives to reduce on-farm greenhouse emissions have not been delivered on a wide scale. The agriculture and food sector must build on its scientific and technical knowledge base to meet the emissions challenge. The recommendations of the 'Just Transition in Agriculture and Land Use' (NESC, 2023) must be built upon, with the necessary policy changes implemented, and adequate investment to support farmers in the transition to a greener economy and society. Government should publish Land Management and Farm to Fork strategies for Ireland in 2025 in order to progress us towards sustainable agricultural practices. A Farm Sustainability Passport scheme to recognise and assist farmers in applying environmentally friendly and sustainable agricultural methods with accompanying financial and other supports should also be piloted.

Transport

Transport is another area which faces challenging targets. Despite impact of Covid-19 restrictions in emissions from this sector in 2020, since 2021 emissions from this sector have continued on an upwards trend. Transport continues to dominate Ireland's energy use, and transport energy use has increased by 25 per cent since 2012. Heavy goods vehicles (HGV) showed the strongest growth in energy use in transport in 2019, and although impacted by COVID-19 travel restriction, the HGV sector returned to growth in 2021 (SEAI, 2022). There is strong growth in the electric vehicle purchase, albeit from a very low base, and it will be well into the next decade before there is a significant phasing out of cars with internal combustion engines (SEAI, 2022).

Significant investment is needed to develop a public transport network powered by electricity and renewable energy. It is vital that the upgrade to the public transport network has a strong focus on connectivity to ensure that people travelling from rural or regional areas to urban centres are encouraged to do so by public transport. Government policy must also examine how to discourage private car use, particularly in urban areas, in conjunction with the provision of accessible and quality public transport and an improved cycling network all forming part of a transition to a low-carbon transport system.

Fossil fuels and renewable energies

Despite progress in generating renewable energy, Ireland is highly dependent on imported fossil fuels for energy, and our import dependency was 73 per cent in 2023. This runs contrary to our targets of reducing emissions, increasing renewable energy, and eliminating our dependence on fossil fuels. In 2023, renewables made up 15.3 per cent of final energy consumption, an increase on previous years, but still below our targets of 45 per cent by 2030 as set out in the National Energy and Climate Plan (NECP). In light of the current energy crisis, its impact on the cost of living, increasing our share of renewable energy must be an immediate policy and investment priority and we welcome the commitments on renewables in the Programme for Government. An OECD Environmental Review of Ireland (OECD, 2021) recommends that Ireland gradually remove remaining tax exemptions and rebates that encourage wasteful fuel use in agriculture, fishery, heating and transport. A review of fossil fuel subsidies is a vital first step.

The value of fossil fuel subsidies in Ireland is substantial (€4.7bn in 2022). By ending environmentally damaging tax breaks and investing this money in renewables, renewable energy infrastructure, people, communities and regions that will be most affected by climate adaptation.

The European Commission assessment of Ireland draft NECP[7] includes a number of concerning observations. The assessment notes the lack of a clearly identified contribution to the 2030 renewable energy target among the four scenarios presented in the NECP and this makes it difficult to assess the level of Ireland's ambition. The assessment also notes that the draft NECP contains a limited set of objectives and targets and policies and measures in the energy security dimension. Finally, the assessment notes that the issue of a socially just transition could be better integrated throughout the NECP by considering social and employment impacts of proposed policies. Government has much work to do to ensure our energy targets and policies and measures to support implementation of same.

Fossil fuel subsidies were $7 trillion or 7.2 percent of global GDP in 2022 and are expected to increase to $8.2 trillion by 2030 (UNEP, 2024). The vast majority of these subsidies (92 per cent) reflect an undercharging for environmental costs and foregone consumption taxes (Parry et al, 2021). Eliminating these subsidies and

7 https://energy.ec.europa.eu/system/files/2019-06/necp_factsheet_ie_final_0.pdf

raising fuel prices to their fully efficient levels would reduce projected global fossil fuel CO2 emissions to 43 percent below baseline levels in 2030 in line with the 25-50 percent reduction in global GHGs below 2018 levels needed by 2030 to be on track with containing global warming to the Paris goal of 1.5-2C (Parry et al, 2021). It would also generate approximately $4.4 trillion, which would go a long way towards closing the SDG investment gap (IMF, 2023).

Nationally, the subsidising of fossil fuels by the Exchequer is another example of policy incoherence. In 2022, €4.7 billion was not collected by the Exchequer due to direct subsidies and preferential tax treatment of fossil fuel activities in Ireland, this compares to €2.8 billion of revenue foregone in 2021(CSO, 2024). While this increase is substantial, €1.1 billion can be attributed to temporary household and business energy supports introduced by the Government in 2022, leaving an increase of €800m in subsidies from other activity. Direct fossil fuel subsidies accounted for 22 per cent of total fossil fuel subsidies in 2022 compared to 10 per cent in 2021 as a result of temporary energy supports for households and businesses. while indirect subsidies arising from revenue foregone due to tax abatements accounted for 78 per cent, compared to 90 per cent in 2021. The excise exemption for jet kerosene accounted for €552 million in 2022. Government must act on the recommendations of the report on the impact of aviation taxation in Ireland and abolish the Jet Kerosene exemption. In 2022, Government raised €2.8 billion in energy taxes, of this just €0.7 billion was spent on environmental subsidies related to energy and emissions, while fossil fuel subsidies were €4.7 billion. Taxation policy must be aligned with our national climate targets.

A study by the ESRI (2019) found that budgetary cost of these subsidies was over six times higher than the entire carbon tax revenue of the Government in 2017. The value of these subsidies was substantially higher than the allocation to Just Transition and biodiversity in Budget 2022. Eliminating these subsidies means that government has a wider fiscal space available in terms of climate policy. Government can alleviate adverse climate change impacts by removing these subsidies rather than levying new environmental taxes or increasing the existing environmental tax rates/levels.

Taxation

Any programme for sustainable development has implications for public spending. In addressing this issue, it must be understood that public expenditure programmes and taxes provide a framework which help to shape market prices, reward certain activities and penalise others. A key aspect of this could be to broaden the tax base through environmental taxation. Eco-taxes, which put a price on the full costs of resource extraction and pollution, would help with the transition towards a resource efficient, low carbon, green economy. The taxation system should reflect the environmental costs of goods and services. Carbon tax plays a key part in this regard.

An appropriate carbon price floor would remove the need for ongoing support of renewables via the Public Service Obligation levy (CCAC, 2020). *Social Justice Ireland* has consistently proposed that revenues from carbon taxes are used to support households in energy poverty to improve energy efficiency and in low carbon technologies to improve the energy efficiency of the housing stock.

When considering environmental taxation measures to support sustainable development and the environment, and to broaden the tax base, the Government should ensure that such taxes are structured in ways that are equitable and effective and do not place a disproportionate burden on rural communities or lower socio-economic groups. The European Commission has recommended the use of economic instruments such as taxation to ensure that product prices better reflect environmental costs.

In terms of overall public expenditure, systematic reviews should be carried out and published on the sustainability impacts and implications of all public subsidies and other relevant public expenditure and tax differentials. Subsidies which encourage activity that is damaging to natural, environmental and social resources should be abolished.

Environmental taxation, enforcing the polluter pays principle, and encouraging waste prevention can help to decouple growth from the use of resources and support the shift towards a low carbon economy. Incorporating social and environmental costs in regulating and pricing both goods and services, combined with promoting those goods and services which are sustainable, should become part of sustainable development policy.

Circular Economy

'Living More, Using Less' is Ireland's first circular economy strategy, which has a welcome focus on policy coherence in order to deliver on our national ambitions. Among the objectives of the strategy are a national policy framework for Ireland's transition to a circular economy; a commitment to reduce Ireland's circularity gap, so that Ireland's rate is above the EU average by 2030; and promoting increased investment in the circular economy in Ireland, with a view to delivering sustainable, regionally balanced economic growth and employment.

The Circular Economy Bill, which puts 'Living More, Using Less' on a legislative footing is welcome progress. The commitment in the bill to eliminate the use of disposable coffee cups and phasing out of single use disposable products is particularly welcome. A reduction in waste and consumption will help prevent waste of our finite natural resources and aid Ireland in meeting environmental targets. It will also positively impact our economy by eliminating harmful subsidies and enhancing adherence to the principle of 'the Polluter Pays'.

Embedding the circular economy principles into our economic framework is a key step towards decoupling economic growth from resource consumption and meeting the targets set out in the Climate Action Plan and the carbon budgets. Finland sees the transformation of its economy to a circular economy by 2035 as a key step towards its target of carbon neutrality by 2035. Key elements of the Finnish circular economy programme that can be applied to Ireland are the mainstreaming of the sharing economy and sustainable products and services; choices that strengthen a fair welfare society and the sustainable use of natural resources ensuring materials remain in circulation longer.

Planning for and managing the green transition

Government must begin to plan for and manage the green transition now, ensuring that the correct policies are pursued so that social divides and inequalities are not exacerbated. The green transition will drive a transformation of local labour markets, with new skills needed, and others becoming redundant. The green transition is policy driven (OECD, 2023) allowing Government and policy makers to develop and implement proactive plans to protect those who will be most impacted, and to ensure optimal outcomes for all, especially those who are vulnerable. Regional dialogue and engagement to support place-based strategies are key to supporting communities during the transition, as risks and impact will vary across regions within the same country (OCED, 2023). To date, green-task jobs (defined as those with at least 10 per cent green tasks[8]) are predominantly found in large companies (firms with 250+ employees) and require more education than polluting jobs (OECD, 2023). In Ireland, the majority of green-task jobs are located in the Eastern and Midlands region, with the lowest levels found in the Northern and Western region. There is a risk of polarisation and inequality in the labour force if effective upskilling and reskilling systems are not put in place in a timely fashion. A place-based strategy, aligned with Our Rural Future should be developed, with a particular focus on supporting micro, small and medium enterprises and resourcing and developing local skills systems. Learnings from past transitions both in Ireland (Bord na Móna closure in the Midlands) and further afield regarding what policies work best must be applied to the green transition. An OECD analysis of past transitions found that the drivers of successful local policies were a clear and long-term vision for local economic transition, significant investment in upskilling and reskilling programmes, coalitions focussed on social inclusion through social dialogue, assisting affected workers before their jobs became redundant and using regional assets to build resilient communities. Government must set out a clear, long-term vision and forward-looking strategy for green transition, aligning environmental policy with regional development, and employment and skills policy with targeted supports for vulnerable groups.

Mitigation and Transition - supporting communities and people

One of the fundamental principles of a Just Transition is to leave no people, communities, economic sectors or regions behind as we transition to a low

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8 https://www.oecd-ilibrary.org/sites/21db61c1-en/1/3/2/index.html?itemId=/content/publication/21db61c1-en&_csp_=f2842cfcbf9633a0ce68042bae4d00dd&itemIGO=oecd&itemContentType=book#boxsection-d1e4297-7136afa36f

carbon future (Social Justice Ireland 2024). For *Social Justice Ireland,* transition is not just about reducing emissions. It is also about transforming our society and our economy and investing in effective and integrated social protection systems. It is about delivering quality services and a robust social infrastructure through investment in education, training and lifelong learning, childcare, out of school care, health care, long term care and public transport.

A comprehensive mitigation and transition strategy is required to ensure there is public support for our domestic and international environmental and Sustainable Development Goals. This strategy must pre-empt some of the challenges we face as we move to a more sustainable form of development. *Social Justice Ireland* proposes that the strategy should contain, as a minimum:

- Retraining and support for those communities who will be most impacted by the loss of employment related to the move away from fossil fuels;
- Support and investment in the circular economy with regional strategies and targets;
- Investment in the deep retrofitting of homes and community facilities;
- The provision of community energy advisors and community energy programmes;
- Investment in renewable energy schemes;
- Policies to eliminate energy poverty;
- Investment in a quality, accessible and well-connected public transport network.

Stakeholder engagement for a Just Transition

In order to ensure the move to a sustainable future for all is successful, stakeholders from all arenas must be involved in the process. Social dialogue is an effective mechanism for fostering trust and adopting a problem-solving approach to transition (NESC, 2020).

Sustainable local development should be a key policy issue on the local government agenda, and the Public Participation Networks are a forum where sustainable development issues at a local level can become part of local policy making. Indeed, there is a requirement for Local Authorities to integrate sustainable development principles in the Local Economic and Community Plan and for such plans to contain a statement which may include objectives for the sustainable development of the area concerned.

There is an increased responsibility on local and national government to engage with communities on this issue and build local capacity (CCAC,2020). This dialogue should also focus on what is required to transition Ireland to a low-carbon future, and how such services and infrastructure can be delivered and managed in a sustainable way. This requires input from all stakeholders. An on-going social dialogue structure at regional and national level would support this engagement and maintain public support while developing a pathway for appropriate services and infrastructure to be delivered during the transition.

In order to develop a sustainable society, services and infrastructure must be well-planned and capable of adapting to the changing needs of the population over time. This means that policy planning and design should, from the very beginning, include potential future changes, and as far as possible should be designed with these in mind.

New measurements of progress

Moving towards an economy and society built on sustainable development principles requires that we develop new metrics to measure what is happening in society, to our natural resources, to the environment and in the economy. We should be moving towards the OECD metrics of wellbeing as a driver of policies. We cannot tackle climate change and continue to pursue a growth model based on consumption.

The European Commission has published guidelines on integrating ecosystems and natural capital into decision-making (European Commission, 2019b). Government should ensure that our natural capital and eco-systems are included, not only in the decisions making and policy making process, but also in our national accounts. The Commission guidelines state that the integration of ecosystems and natural capital should take place within existing frameworks, and that ex ante assessments on the environmental impacts of plans, policies or programmes should be carried out.

Ireland must develop a new National Index of Progress encompassing environmental and social indicators of progress as well as economic ones. By measuring and differentiating between economic activities that diminish natural and social capital and those activities that enhance them, we can better track our progress and ensure that our economic welfare is sustainable. Such an Index would also allow us to move beyond a purely financial approach and look at the value added to or subtracted from our natural and social resources as a whole by the policies that we pursue. The use of such indicators would help ensure that issues such as climate justice and balanced regional development, among other key indicators of wellbeing, are given the priority they deserve by policymakers.

Green Budgeting

Green budgeting is a process whereby the environmental contributions of budgetary items and policies are identified and assessed with respect to specific performance indicators, with the objective of better aligning budgetary policies with environmental goals. Ireland's approach to and definition of green budgeting is set out by the Department of Public Expenditure and Reform which outlines that green budgeting is the use of the budgetary system to promote and achieve improved environmental outcomes.[9] It is an explicit recognition that the budgetary process is not a neutral process but reflects long standing societal choices about how resources are deployed.

Since 2018, as part of Ireland's green budgeting process, and as a means of tracking Government expenditure on climate related issues, the Revised Estimates for Public Services Volume includes a table which seeks to identify Exchequer climate-related expenditure through the sub-heads under which individual Departments classify their expenditure. This allows Government to identify and track climate related expenditure, however it is not linked explicitly to environmental targets or outcomes. An assessment by the Parliamentary Budget Office on Climate Related Spending (PBO, 2023) should be used to revise and reform green budgeting policy in Ireland. The report found that climate related expenditures are disproportionately significant within the capital carryover, amounting to 15.6 per cent of all capital carryover in 2023, exceeding €107m and any continuation of this concerning trend would suggest ongoing difficulties in spending on climate related matters, and therefore difficulties in delivering climate objectives.

The report also finds that the current means of reporting climate related spending as current in the Revised Estimates only demonstrates the allocation of spending deemed to be explicitly climate related. It does not track actual spending versus allocation, nor does it detail performance related metrics to climate allocations. The PBO recommends that performance metrics measuring the outputs produced by climate spending for each department be developed. It also recommends the reporting and measurement of energy use and emissions by Government Departments as a means of measuring the environmental impact of public services and of the measures implemented to reduce or offset that impact.

Ireland faces some critical decisions on climate mitigation and investment in the next five years. The significant investments and policy change required to meet out national and international climate commitments will need to be frontloaded in the next two years to support emissions reductions later in the decade if we are to have any chance to meet our 2030 targets. In order to make sure we make the right investments in the right policies now, Government must embed green budgeting across all Government policies and within the budgetary and economic policy making framework. This should include climate related expenditure (both allocated and actual spend), outcomes from climate related expenditure, compliance costs relating to current and future climate targets, and a system of climate metrics so that resources allocated to climate related spending are measured against a particular set of outcomes such as emissions reductions. The Department of Public Expenditure and Reform, in consultation with all Government Departments should, as part of

[9] https://igees.gov.ie/wp-content/uploads/2019/01/The-Implementation-of-Green-Budgeting-in-Ireland.pdf

the green budgeting process, develop a series of performance metrics against which climate related spending can be measured. These metrics can be updated over time as more data becomes available and policies are rolled out. Such metrics are vital to ensure that we can track the long-term impact of up-front investments in climate mitigation and emission reduction policies.

Policy Coherence

Strong policies with clear adaptation goals, defined responsibilities and commitments that are coordinated across Government and across sectors can deliver progress on mitigating the worst impacts of climate change. This requires mainstreaming climate adaptation into our annual budgetary cycle, regular monitoring and evaluation and an inclusive governance that prioritises policies that address specific inequities based on gender, ethnicity, disability, age, location and income (IPCC, 2022). If Government is to deliver our 2030 targets, strong policy coherence; the mainstreaming of climate adaptation into fiscal policy; and governance focused on addressing inequalities is required.

11.3 Key Policy Priorities

A successful transition to sustainability requires a vision of a viable future societal model and the ability to overcome obstacles such as vested economic interests, political power struggles and the lack of open social dialogue (Hämäläinen, 2013). Ireland is at the cusp of this transition. To achieve it in the years ahead, *Social Justice Ireland* believes that policy should:

- Fully resource the policies required to implement our 2030 climate targets;
- Integrate climate adaptation into the annual budgetary process;
- Assign value to natural capital and ecosystems in our national accounting systems;
- Fully resource the CSO to implement the System for Environmental-Economic Accounts (SEEA) and the future compilation of natural capital accounts;
- Develop a comprehensive mitigation and transition programme to support communities and people in the transition to a low carbon society;
- Develop a National Retrofitting Plan incorporating a Building Renovation Passport Scheme;
- Pilot a Farm Sustainability Passport scheme to recognise and support farmers who engage in environmentally friendly and sustainable agricultural methods.
- Commit to reviewing all fossil fuel subsidies in 2025 and set out a roadmap to remove fossil fuel subsidies by 2030;

- Accept as a general principle, investment rather than tax subsidies should be the preferred policy tool to support and develop climate infrastructure;
- Develop a series of performance metrics against which climate related spending can be measured across Government Departments;
- Develop a progressive and equitable environmental taxation system;
- Develop a new National Index of Progress encompassing environmental and social indicators of progress as well as economic ones;
- Develop a Just Transition Dialogue structure at regional and national level.

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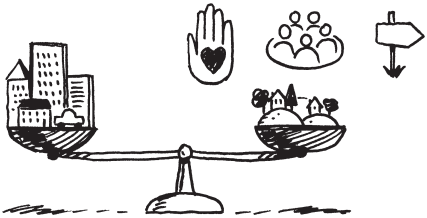
Chapter twelve

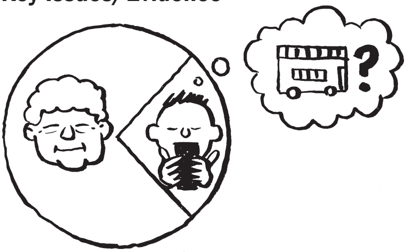
Chapter 12
Rural Development

Core Policy Objective:
To achieve balanced regional development, with a particular emphasis on providing sustainable public services and employment opportunities.



To secure the existence of viable, vibrant and sustainable communities in all parts of rural Ireland.

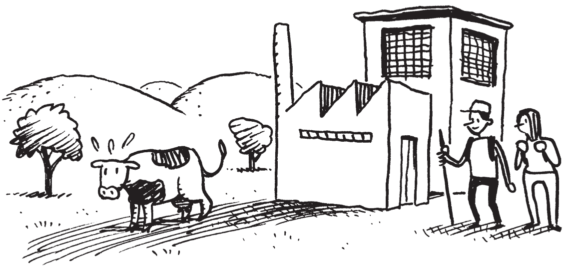
Key Issues/Evidence



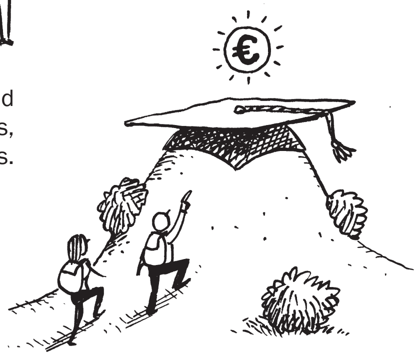
The average distance to most everyday services for people in rural areas is at least three times longer than for people in urban areas.

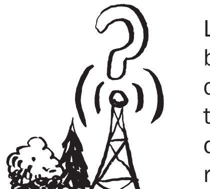
Rural areas generally have an older population, higher rates of part-time employment and lower median incomes than the national average.

Supporting rural households to ensure that they have sufficient incomes will be crucial to the future of rural Ireland.



The driver of the rural economy in Ireland is diverse – involving agriculture, services, manufacturing, tourism and others.

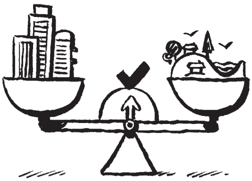




Lack of quality broadband is a considerable barrier to the sustainable development of rural Ireland.

Investment in education and training for people in low skilled jobs or unemployed in rural areas would deliver a major social and economic return.

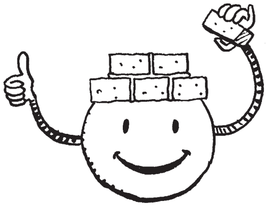
Policy Solutions



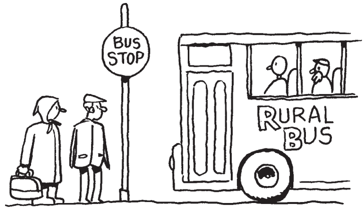
Ensure that investment is balanced between the regions.

Support sustainable agriculture policy and sustainable land management.

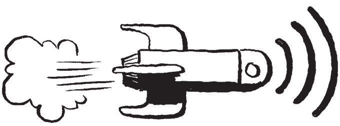
Prepare for the digital transition by investing in the regions and in social, infrastructural and human capital supports.



Ensure rural development policy is underpinned by social, economic and environmental wellbeing.

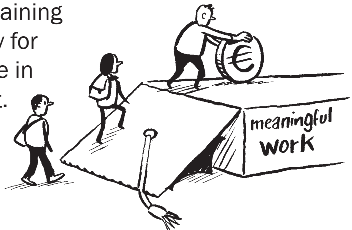


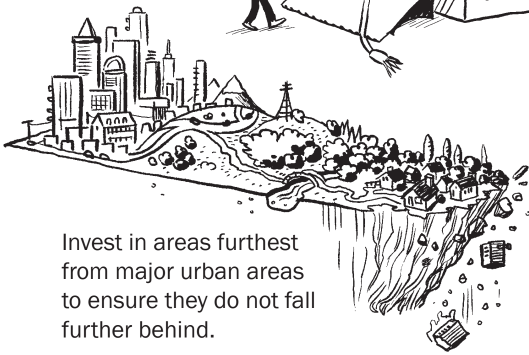
Invest in an integrated, accessible and flexible rural transport network.



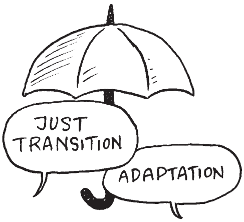
Prioritise continued roll out of high speed broadband to rural areas.

Invest in targeted, place-based education and training programmes, especially for older workers and those in vulnerable employment.

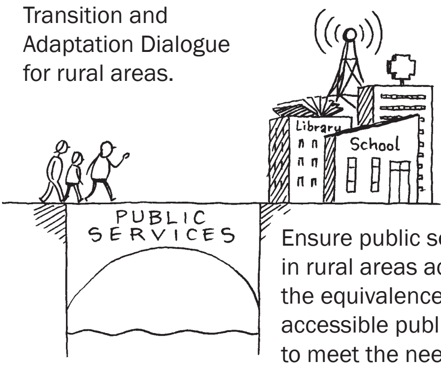




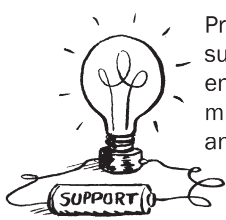
Invest in areas furthest from major urban areas to ensure they do not fall further behind.



Establish a Just Transition and Adaptation Dialogue for rural areas.



Ensure public service delivery in rural areas according to the equivalence principle with accessible public services to meet the needs of all generations.



Provide integrated supports for rural entrepreneurs, micro-enterprises and SMEs.

Chapter 12

RURAL AND REGIONAL DEVELOPMENT

Core Policy Objective:
RURAL AND REGIONAL DEVELOPMENT

To achieve balanced regional development, with a particular emphasis on providing the sustainable public services and employment opportunities required.

To secure the existence of substantial numbers of viable communities in all parts of rural Ireland where every person would have access to meaningful work, adequate income and social services, and where infrastructure needed for sustainable development would be in place.

How we transition to a more sustainable society and how we ensure rural areas and regions are supported to adapt to the green and digital transitions will determine what kind of rural communities we will have in Ireland by 2040. Rural Ireland is a valuable resource with much to contribute to Ireland's future social, environmental, and economic development. While remote working presents an opportunity to reinvigorate rural communities, significant challenges remain, particularly in the areas of job creation, service provision for an ageing population, protecting the natural capital and biodiversity of rural areas, and in encouraging young people who have left to return and settle in rural areas.

Balanced regional development is a key element of *Social Justice Ireland's* policy framework for a new Social Contract. In order to achieve viable, vibrant, and sustainable communities in all parts of Ireland in the years ahead, *Social Justice Ireland* believes that policy should:

- Ensure that investment is balanced between and within the regions;
- Ensure rural development policy is underpinned by social, economic, and environmental wellbeing;
- Prioritise the continued roll out of high-speed broadband to rural areas;
- Invest in an integrated, accessible and flexible rural transport network;

- Support sustainable agriculture policy and sustainable land management;
- Invest in areas furthest from major urban areas to ensure they do not fall further behind;
- Invest in human capital through targeted, place-based education, and training programmes, especially for older workers and those in vulnerable employment;
- Establish a Just Transition and Adaptation Dialogue to ensure rural areas are not disproportionately impacted by green and digital transitions;
- Provide integrated supports for rural entrepreneurs, micro-enterprises, and SMEs;
- Ensure public service delivery in rural areas according to the equivalence principle.

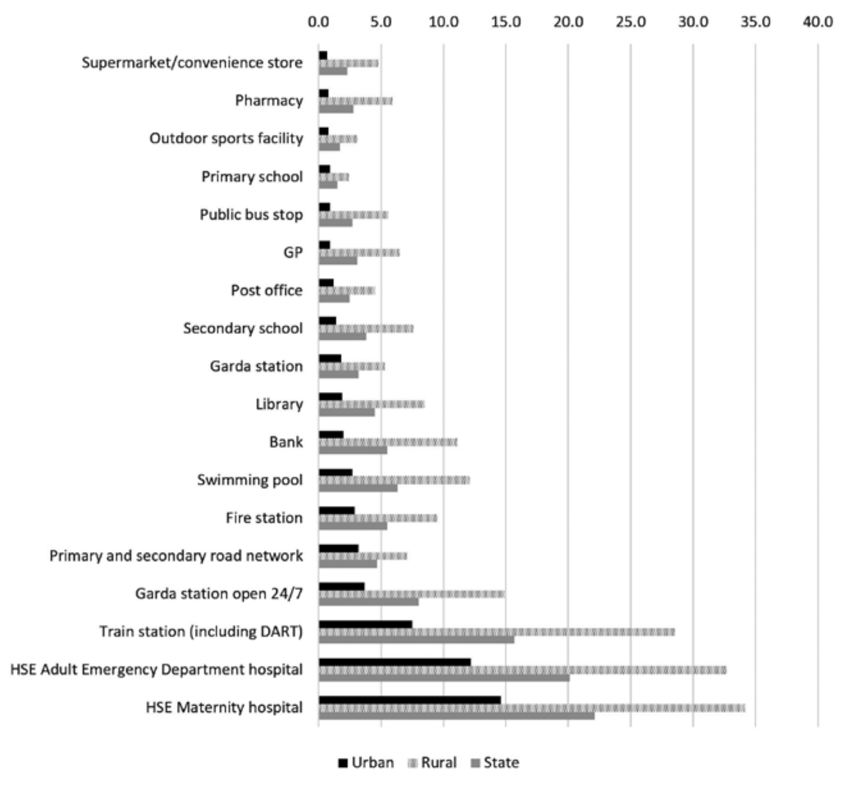
12.1 Key Evidence

Population and demographics

Just over three in ten people in Ireland (36 per cent) live in a rural area, above the European average (CSO, 2022). Countryside areas and settlements of less than 1,500 people are characterised by a lower proportion of young adults, and a higher proportion of older people compared with areas with populations over 50,000. This combination of outmigration of young adults for Third Level education and/or work and an ageing population poses a significant challenge for the delivery of services and the sustainability of rural economies in the long-term.

Reports from the Central Statistics Office (CSO) show that the average distance to most everyday services for rural dwellings was at least three times longer than for urban dwellings. For supermarkets/convenience stores, GPs, and pharmacies, the average travel distance was seven times longer for rural dwellings (CSO, 2019b). Chart 12.1 gives an overview of the average distance to everyday services.

Chart 12.1: Average distance (km) of residential dwellings to everyday services, by State, urban and rural area



Source: CSO Statbank 2019

Rural and regional policy has to grasp with issues such as higher poverty rates, lower median incomes, higher dependency ratios, distance from everyday services, and a higher rate of part-time employment – issues which have persisted over time. Rural areas are very diverse; not all face the same challenges. Revising the classification of rural areas and rural typologies would make for more informed policy development and give better indicators of the challenges and opportunities in rural areas (NESC, 2021).

Employment and Unemployment

The employment rate in every county increased between 2016 and 2022 according to the latest Census figures (CSO, 2023). Rural areas continue to face challenges around seasonal employment, higher rates of part-time employment, and lower median incomes. Generally, the employment rate is correlated with settlement size. Those living in villages of less than 1,500 inhabitants experience the highest rates of unemployment and the lowest participation in the labour market. In addition, the labour force participation rate is lower in rural areas. In open countryside, the participation rate is the lowest, but the employment rate is higher reflecting farming, fishing, and forestry. The prevalence of low-paid, part-time and seasonal work is a continual feature of rural employment. Whilst there has been a welcome increase in employment nationally in recent years, this has taken longer to spread into the regions and more rural areas. The increase in remote working is a positive move and can revitalise rural economies. However, the ongoing challenges outlined (including the implementation of an effective rural proofing model) still have to be addressed. Despite this, there are opportunities for rural areas, as changes in consumption and production patterns and remote working habits present new opportunities for sustainable growth in rural regions. To this end, it is vital that the progress achieved to date in 'Our Rural Future' continues, and that its successor and 'Making Remote Work' are fully implemented and resourced.

One of the clearest lessons from the pandemic is that a good quality internet connection is not a luxury but is in fact essential to allow people to fully participate in society. This applies not just to economic inclusion, but to educational and social inclusion as well. A quality internet connection is an equality issue, one that has both regional and financial dimensions and covers a broad range of policy areas. While the increased pace of the roll-out of quality rural broadband is welcome, the continued lack of connectivity in some areas poses a challenge for the regional economic and social development and to the generation of sustainable regional and rural employment. Remote working has the potential to transform rural areas in terms of employment flexibility and living standards generally once quality rural broadband is in place. Policies such as increased investment in healthcare and other public services and ensuring affordable and accessible quality public services to all regardless of urban or rural location must be part of the response. Improved and expanded public services (including public transport, broadband, healthcare, childcare) could contribute to regional attractiveness in remote and rural areas, while also supporting the transition to a low carbon economy.

Rural Economies

One of the strengths of rural communities are their local networks and co-operative structures, which are well placed to adapt to structural changes with the right support (OCED, 2020). Six opportunities for rural regions emerging from the crisis have been identified, the most relevant to the Irish context are enhancing the quality and use of digital tools and broadband in rural regions; momentum to accelerate a just transition towards a low-carbon economy for rural communities and the shift in consuming habits to favour local products and destinations (OECD, 2020). *Social Justice Ireland* welcomed the focus on supporting digital infrastructure and the green economy as part of 'Our Rural Future'.

The main driver of Ireland's rural economy has moved from the primarily agricultural to a more diverse base involving services, manufacturing, tourism, and other industries. Areas of job creation identified for rural areas include social enterprise and social services (e.g., childcare and elder care), tourism, 'green' products and services, and cultural and creative industries. For rural areas to become sustainable in the long-term, these sectors must form an integral part of regional employment strategies. Rural areas with an ageing population can face labour shortages and higher service provision costs. However, demand for labour in health and social care is high in rural areas, pointing to the growth potential of secondary and tertiary economies to boost the employment potential of rural areas (OECD, 2018).

Access to concentrated labour markets has had a strong impact on the recovery of rural areas and towns. Proximity to major urban centres is a key influence on rural areas, as those communities and villages within a 60-minute drive of an urban centre have better access to services and can retain and attract a younger population due to employment opportunities (OECD, 2018, O'Donoghue et al, 2017).

The latest data on county and regional incomes points to significant gaps in regional productivity, household incomes, and employment opportunities across Ireland. Dublin continues to have the highest disposable incomes, employment opportunities and GDP growth compared to other regions. More than one third of employed persons in the State are working in Dublin, followed by Cork at twelve per cent. Dublin also recorded the highest GDP in the State, and the Northern and Western region the lowest. The European Commission's decision to downgrade the Northern and Western region from a "More Developed Region" to a "Transition Region" in 2019 and subsequently to a 'Lagging Region' in 2022 indicates that this gap has been growing over time. The Northern and Western Region has lower disposable incomes, fewer viable farms, less commercial activity, and generates less high valued jobs than the other regions (Northern and Western Regional Assembly, 2019). Even removing the distorting effect of Multinational Company activities on the GDP of the Southern and Eastern Regions, shows that despite faring better than the Northern and Western Region, they still face challenges. Infrastructure deficits impact on the competitiveness of Ireland's NUTS2 regions. Both the Northern and Western and the Southern Regions score below the EU-27 average on infrastructure, with the Northern and Western Region also scoring below the EU-27 average on competitiveness (European Commission, 2022). We welcome the Programme for Government recognition of the distinct needs and opportunities of rural Ireland and the need for additional support for the North-West to deliver balanced regional development. The policy solutions to address these deficits are those which will improve infrastructure and support regional growth centres, invest in human capital, enhance regional infrastructure, and support SMEs in rural communities.

Rural areas can compensate for lower wages as a high quality of life is often more important in attracting and retaining workers and their families. For these reasons, high quality and connected public transport links and sustainable regional employment opportunities are vital to the future of rural economies. Identifying the needs of communities in terms of services is important to ensure a vibrant rural community is sustained in rural areas (NESC, 2021). Investment in improved public services is essential to the success of 'Our Rural Future' and 'Making Remote Work', and it also makes rural areas more viable and attractive areas for investment. Rural economic policies must focus on sustaining, developing, and diversifying existing small enterprises as much as developing new ones. Local Enterprise Offices (LEOs) have a key role to play here. Social and physical infrastructure must be in place to enable rural economies to diversify. Public policy can play a key role here by ensuring flexible education, training, and labour market policies for rural areas; it can also ensure that transport policy is focussed on those areas not already well served by links and on incentivising the use of rail transport, particularly for freight transport. This would decrease traffic congestion on the road network and reduce transport emissions.

Structural shifts in employment and manufacturing and other industries combined with ageing and population loss has left many rural communities struggling. A withdrawal of public services (school, health services, post offices) can contribute to a community's decline and make a community a less attractive place to live. Government policy must recognise that low density rural economies are fundamentally different to urban economies and require different polices to meet a different set of opportunities and challenges (OCED, 2018). Ireland has the opportunity to be at the forefront of developing renewable energy, sustainable farming, the circular economy, and protecting and enhancing natural resources.

Income

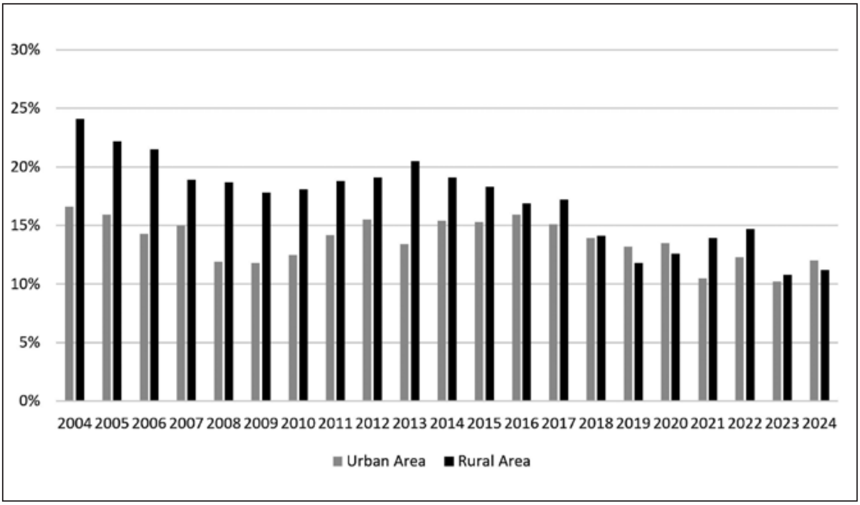
Supporting rural households to ensure that they have sufficient incomes will be crucial to the future of rural Ireland. This requires both social and economic supports, and broader skills and economic development strategies. Low-paid, part-time and seasonal work, and long-term underemployment are significant factors in rural poverty and exclusion.

Looking at incomes on a county and regional level in 2023, the Midlands region and the Border region had the lowest disposable income per person, with persons in the Border, West, and Midlands regions consistently reporting a disposable income below the state average since 2004 (CSO, 2025). When broken down by county (acknowledging the uncertainty involved in these figures), Dublin had the highest disposable income per capita, followed by Cork and Limerick. Laois, Donegal, and Longford earned significantly less than the state average. The Border and Midlands counties consistently remain significantly below the state average for household disposable income and are largely dependent on the Public Administration sector to generate wealth and employment in their respective regions (CSO, 2025). Looking at income distribution from a geographical perspective over time, two key factors influence county and regional disparities: firstly, the spatial structure of the economy and the related employment patterns, and secondly, the role of state transfers via income supports along with the distribution of predominantly public sector employment (Walsh, 2023). High earning sectors (ICT and professional services) and above average earning sectors (sub-sectors of manufacturing) are predominantly concentrated in Dublin, Cork, Limerick, and Waterford. Agriculture, retail, hospitality, and construction are associated with the lowest incomes, and account for large shares of the total incomes in many small towns in rural areas, especially in the Northern and Western Region (Walsh, 2023). Employment in public services (education, health, security, public administration) goes some way towards mitigating low-wage market sector income, as does the role of State transfers. Place-based development strategies are key to supporting regions and communities to address social and environmental challenges and transitions (Walsh, 2023 & OECD, 2023).

The amount of money required to achieve the Minimum Essential Standard of Living (MESL) ranges from an estimated amount of €51 per week higher for working rural couples with younger children (pre-school and primary age), to €99 per week for rural couples with children of primary and second-level school age, than for their urban counterparts according to the latest MESL figures from the Vincentian MESL Research Centre.[1] Higher costs in 2024 related to household energy, transport, fuel, and food (as has been the case since 2020), however, these costs increased significantly between 2022 and 2024. A consistent trend over the past decade is the increased at-risk-of-poverty rate in rural areas (see chart 12.2). Figures on poverty and deprivation for 2024 from the Central Statistics Office show a welcome reduction in the poverty and deprivation rates for rural areas. This progress is welcome and it is important that it is maintained. In the long-term, policy must focus on reversing the persistent trend of poverty and deprivation in rural areas if the high level outcome of reducing regional income disparities in 'Our Rural Future' is to be achieved.

1 https://www.budgeting.ie/download/pdf/mesl_2024_-_update_report.pdf

Chart 12.2: At Risk of Poverty by Area Type, 2004 – 2024



Source: CSO PxStat 2025

Data shows that remote rural areas have the highest total dependency ratio in the State. These areas also have the highest average age in the State, the highest rate of part-time workers in the State (23.8 per cent), and at 19.3 per cent, the highest poverty rate (CSO, 2019a).

The data in charts 12.1 and 12.2 give an insight into the challenges that face rural and regional communities. Our success in implementing policy to address these challenges will determine how well-placed rural Ireland will be to respond to other challenges such as the transition to a sustainable society and the future of work.

Farm Incomes

In 2023, the average family farm income was €19,925 (Teagasc, 2024), a fifty seven per cent decrease on the 2022 figure, primarily driven by falling incomes across all farm types, (particularly dairy and tillage income drops of approximately 70 per cent on 2022). This data highlights one of the challenges of the sector in terms of fluctuation in farm incomes annually. As ever, there was a wide variation in farm incomes, with 49 per cent of farms earning an income of less than €10,000 in 2023, 17 per cent earning between €10,000 and €20,000 per annum, and 12 per cent earning between €30,000 and €50,000 per annum. Two-thirds of Irish farms earned an income of less than €30,000 in 2023, which points to the ongoing precarious nature of farm incomes, and the viability challenges in the sector. Average farm income is highest on dairy farms and in the South East region. The Northern and Western region is the most disadvantaged region with the lowest farm income and the highest reliance on subsidies. Some key farm statistics (Teagasc, 2024) include:

- Average family farm income was €19,925 in 2023.
- 68 per cent of farms earned a farm income of less than €30,000 per annum in 2023.
- Dairy farms represent just 18 per cent of the total farm population but account for more than forty per cent total farm income in 2023.
- The average direct payment in 2023 was €19,628.
- Direct payments accounted for 231 per cent of all income on cattle rearing farms, 161 per cent of all income on sheep farms, 154 per cent of all income on tillage farms, and 44 per cent of all income on dairy farms.
- 28 per cent of farms are considered economically viable with 31 per cent considered financially vulnerable.
- 36 per cent of in the Northern and Western Region are economically vulnerable compared with 26 per cent of farms in the South.
- 38 per cent of farms have debt, the highest proportions on dairy and tillage farms.
- 60 per cent of farm households have off-farm employment.

These statistics mask the huge variation in farm income in Ireland as a whole. Only a minority of farmers are, at present, generating an adequate income from farm activity, and even on these farms, incomes lag behind the national average. Farm incomes are also inconsistent, as the prices of commodities fluctuate, and gains are predicated on expanding dairy production which runs contrary to our climate commitments (c.f. Chapter 11). The agriculture sector faces an uncertain outlook for 2025, with many potential gains being offset by rising fuel and fertiliser prices (Teagasc, 2023).

It is clear that farming itself is not enough to provide an adequate income for many families as evidenced by the over reliance on direct payments and the rising number of farmers engaged in off-farm employment. Of further concern is the age profile of those engaged in farming. In 2020, almost one third of farm holders in Ireland were aged 65 years and over, and just 7 per cent were aged less than 35 years (CSO 2021).

Welfare payments also support farmers. In 2023, there were 8,563 beneficiaries comprising 5,599 adults and 2,964 children receiving the Farm Assist Payment (Department of Social Protection, 2024). The Rural Social Scheme (RSS) had 4,902 beneficiaries, comprising of 1,330 children and 3,572 adults.

The Department of Agriculture (Department of Agriculture, Food and the Marine, 2018) acknowledged the need to break the link between emissions intensity and food production in 2018; a reflection of the fact that agriculture is the highest contributor to Ireland's Greenhouse Gas (GHG) emissions. Progress in this area has been incredibly slow and, as already noted, continuing to pursue an expansionist agricultural policy is at odds with reducing our GHG emissions.

An analysis of Irish agriculture found that beef and sheep farms (around 7 out of every 10 farms) face significant viability challenges, are heavily reliant on direct payments with the West, Mid-West, and Midland regions are more exposed to negative shocks (Conefrey, 2019). The report concluded that low profitability and a high reliance of farm incomes on direct payments represent an important weakness in the sector.

Rural Development

With just over one-third of Ireland's population classified as 'rural' (CSO, 2022), it is important that our national development policy reflects this and addresses the particular challenges rural communities face. The current strategy for rural development in Ireland is contained in 'Our Rural Future: Rural Development Policy 2021-2025'. *Social Justice Ireland* welcomed the publication of the strategy, and in particular the commitments to:

- develop an integrated, place-based approach to rural development to maximise investment and meet the long-term needs of individual parishes, villages, and towns.
- develop an effective rural proofing model to ensure the needs of rural communities are considered in the development of Government policies.
- maximise our resources and strengths in the Green Economy to support employment opportunities for rural communities in areas such as renewable energy, sustainable tourism, energy retrofitting, the Bioeconomy, and the Circular Economy.
- increase the capacity for remote and blended learning to enable young people, in particular, in rural areas to access further and higher education courses through online learning while living in their local communities.

Social Justice Ireland has consistently advocated for policy to focus on building sustainable and viable rural communities, including farming and other activities. In order to achieve this, significant investment in sustainable forms of agriculture is required, as well as rural anti-poverty and social inclusion programmes, in order to protect vulnerable farm households in the transition to a rural development agenda.

As we look to the successor of 'Our Rural Future', *Social Justice Ireland* recommends that Government focus on the following priority areas as it continues to implement the strategy and begins preparing its successor to 2030:

Public services

- Progress and implement the rural proofing model currently being developed by Government to ensure public service delivery in rural areas according to the equivalence principle i.e., public services in rural areas should be of an equivalent quality to those in urban areas.
- Develop place-based skills strategies and prioritise innovation and the sustainable use of natural resources and natural capital. Local Authorities should be supported to develop a set of local natural capital accounts to support this goal.
- Prioritise improved and expanded public services and infrastructure (including public transport, school places, active transport, broadband, healthcare, childcare) in remote and rural areas to support local social and economic infrastructure.

Investment

- Continue to rollout high quality broadband.
- Expedite investment in infrastructure in the regions and rural areas to ensure rural economies can diversify and adapt to climate and digital challenges, whilst supporting thriving rural communities.
- Ensure adequate levels of investment and infrastructure for the target of 400 remote working hubs and 400 IDA investments to be fully realised.

Sustainable rural communities

- Implement rural policies at different scales that match with, for example, local services, labour supply, and food chains, and adapt them based on current and future needs.
- Embed the concept of wellbeing, economic, environmental, and social into rural development policy. Developing policy via this framework means that household income, access to a broad set of services, and a cohesive community in a pleasant local environment are all key considerations of rural development policy. Support for the community and voluntary sector and social enterprise is recognised as an important way to enhance wellbeing in rural communities and should continue to be resourced.

Capacity building

- Local authorities in conjunction with key local stakeholders can play a major role in more balanced regional development if they are given the requisite powers and functions including greater control over funding and the ability to adapt policy to meet regional needs. Local Authorities, civil society, Government Departments, enterprise and industry, Public Participation Networks (PPNs), the community and voluntary sector, and others must be involved in delivering place-based rural development policy.

- Capacity building for all stakeholders at local level is required to ensure that this form of policy development is successful. Investment in capacity building will make rural communities more resilient to external shocks and help to underpin the implementation of rural development policy.

Human capital and skills

- Almost half of the labour force will be impacted by changes to their jobs as a result of automation by 2040. Our training and skills development policy must be adapted to meet this challenge to ensure that our regions and communities have the necessary supports in place to ensure that they can adapt to meet this challenge.
- As with many other aspects of rural development, decent broadband and transport systems are required to enable rural dwellers, particularly those on low incomes, to access education and skills development opportunities.

Just transition

- Rural areas are among those that will be most impacted by the transition to a carbon-neutral society. An ongoing place-based dialogue with a diversity of stakeholders could ensure that rural areas and regions are well placed to meet the challenges of adapting to green and digital challenges including the changing world of work.
- The refocusing of the Common Agricultural Policy (CAP) budget to climate action presents an opportunity for farmers to invest in sustainable forms of agriculture and the Farm-to-Fork Strategy has the potential to deliver on short supply chains for farmers, and address some of the issues of product pricing for Irish farmers.
- Develop and introduce a farm sustainability passport for farmers to assist and support them in making the necessary changes during the green transition, and to recognise and acknowledge the work they are already doing to enhance biodiversity and reduce emissions.

A sustainable society requires balanced regional and rural development. The proportion of the population living in and around Ireland's capital city is already very high by international standards, and this is projected to continue growing. We have continued to model our growth path, and design our public services, in a way that encourages, rather than discourages, such concentration. By continuing to locate a disproportionate amount of our best health, education, and cultural institutions in Dublin, we have driven a model of development that precludes the kind of regional balance required for Ireland to thrive. Project Ireland 2040 recognises that this imbalance must be addressed and commits to a more balanced approach with parity of future development across the regions. It aims to enhance regional accessibility and strengthen rural economies and communities, promoting sustainable resource management and a transition to a low carbon society. Outside the main cities and their hinterlands, the plan is to develop towns with populations of greater than 10,000 (20-25 per cent growth). It further seeks to limit urban and rural sprawl by concentrating development on underused spaces within current town and village boundaries.

By contrast, growth in small towns and rural areas is targeted to an average of 15 per cent. Overall, this will result in increased urbanisation and suburbanisation, and a reduction in the rural population. This may be a sensible approach from a planning perspective, given the cost of service delivery to areas of low population density. However, from a social perspective, it risks the atrophy of many rural communities, and the further isolation of their inhabitants, unless coherent plans are both put in place and implemented to support rural dwellers. As outlined earlier, the distance that many people in rural areas must travel to access everyday services has the potential to further increase rural isolation.

A fund of €1 billion has been allocated to rural regeneration over the next 10 years, covering areas such as infrastructure deficits, development of town and village centres, creating enterprise spaces and digital hubs, and promoting tourism and heritage. However, it is apparent that this is not all new funding and the aim is to incorporate many existing funds (e.g. RAPID, CLAR, REDZ) under this umbrella.

Rural Development Programme

The next iteration of the Irish Rural Development Programme (RDP) will be determined by the final allocations in the European Commission Common Agricultural Policy (CAP) budget. The previous programme was predominantly focussed on agriculture and supporting the agri-food sector. In order to fulfil the objectives of Pillar II of CAP on rural development and environmental protection, a greater proportion of the budget must be given to these measures. LEADER is the programme that promotes social inclusion, economic development, and environmental measures in rural areas and it must get a greater allocation of funds in the next round. There must also be a more coherent policy focus from Government on addressing areas of market failure in terms of services. In order for the LEADER programme to fully support the achievement of ambitions stated in the Programme for Government to move to a more sustainable economic model, balanced regional development and carbon neutrality it should be fully aligned with the rural development plan 2021-2025.

The Government has a key role to encourage and stimulate projects which have the capacity to address core issues including rural poverty and a just transition to a low carbon future in rural areas. A reduction in the complexity and bureaucracy of the LEADER programme would also facilitate disadvantaged and less-well resourced groups to apply for funding. Arresting rural decline requires urgent action and resources. Government will have to increase investment in the development of rural areas through an increased contribution of national income. Given the scale of the challenge, a far more substantial Government response is required to support communities to create real bottom-up solutions.

Infrastructure and services

The removal of services such as schools, GP's, post offices and associated resources from rural areas makes it increasingly difficult to maintain viable communities. Government must develop policies to deal with the new challenges an ageing population brings to rural areas in relation to health services, social services, and accessibility for older and less mobile people. The most effective way of delivering appropriate services is to work in real partnership with local communities. The PPNs are a formal way for Local Authorities to engage with communities and develop such a collaborative approach (c.f. Chapter 10).

The inadequate provision of public services in rural areas in the context of a falling and ageing population is a cause for concern. Decisions need to be made regarding the provision and level of public services in rural areas, including the level of investment needed in areas such as childcare, care for adult dependents and older people, and public transport. This level of investment is essential to provide the services required to make remote work a success. If rural areas cannot offer people and families adequate social infrastructure, the policy will fail.

Some European countries adopt the equivalence principle for the provision of services in rural areas, which decrees that public services in rural areas should be of an equivalent quality to those in urban areas. This would be a useful guide for investment in an Irish context.

Transport

The lack of an accessible, reliable, and integrated rural transport system and that lack of investment in active travel infrastructure is one of the key challenges facing people living in rural areas. Car dependency and the reliance of rural dwellers on private car access in order to avail of public services, employment opportunities, healthcare, and recreational activities is a key challenge for policy makers (For a more detailed discussion of public transport, see Chapter 9).

As outlined earlier in this chapter, the average distance to most everyday services for rural dwellings was at least three times longer than for urban dwellings (CSO, 2019b). A further breakdown of this analysis shows that the average distance to a public bus stop in 'highly rural/remote areas' is, at 7.1 km, 17 times longer than the average distance of 0.4 km in cities. The average distance to a train station in 'highly rural/remote areas' is 47.3 km, 14 times longer than in 'cities', where it is 3.3 km. These figures must inform investment in a connected and accessible public transport system.

The lack of an integrated public transport system connecting more remote areas to major urban centres has a significant impact on quality of life and the ability to generate sustainable employment outside of urban centres. It particularly impacts people on low incomes, those with a disability, or the elderly, who may not have access to a car and therefore depend on public transport. The recent increase in carbon tax will have a significant impact on rural dwellers if transport alternatives are not put in place. The carbon budgets set in a level of fuel inflation for the medium term, with prices projected to increase. Many of the policy changes necessary to meet climate change targets would likely increase fuel inflation on the long term (Parliamentary Budget Office, 2022). Alongside this, analysis from the Central Bank (2022) finds that rural dwellers are among those most impacted by the rising cost of energy. Supports must be put in place for rural dwellers. At present, the majority of people living outside of urban areas have no choice but to use a car to commute.

Offering real connectivity to rural dwellers will require innovative and local approaches, some of which are presently hampered by licencing and insurance issues which could be resolved by the Government. The reconfiguration of rural transport and investment in the Local Link service is welcome, however, sustained and increased investment is required.

Broadband

The lack of quality broadband is a considerable barrier to the sustainable development of rural Ireland. Fast, reliable broadband is required for economic and social functions. Whether for farmers to make returns, for businesses to operate and develop, or for people to access information and services, quality broadband is a necessity.

The employment commitments in 'Our Rural Future' are heavily reliant on the provision of reliable, quality, high-speed broadband. Retaining the best qualified young people within rural Ireland is also dependent on the availability of high-speed broadband for both quality local employment and social activity. The commitment of Government to roll out the fibre infrastructure to provide broadband to areas which will not be served by commercial operators is welcome. However, the commitment to between 30mbps and 40mbps broadband speed in rural areas, as contained in the National Broadband Plan for Ireland, is insufficient to encourage diversification and economic growth.

While recent progress in the rollout of rural broadband is welcome, Government must proactively address the issue of universal quality broadband provision in a sustainable way which is not dependent on the commercial priorities of multinational companies.

12. 2 Key Policies and Reforms

Rural development

Low density rural economies are fundamentally different to urban economies and as such require different polices to meet a different set of challenges and opportunities (OECD, 2018). Rural areas and small villages are connected and networked to the local regions, and these local regional economies are dependent on interaction with the rural areas they connect with for sustainability. Given this interconnection, it is important that rural and regional development is integrated to support sustainable local economies and to ensure that local services are utilised most effectively to address the specific needs of a particular region and the rural communities within it. Rural development that is appropriate for the challenges faced requires a step change in how we develop policy in Ireland.

There is an urgent need to deliver more balanced regional development, and local authorities in conjunction with key local stakeholders can play a major role if they are given the requisite powers and functions. They must have greater control over funding and the ability to adapt policy to meet regional needs. The OECD (2023) have identified the importance of place-based strategies in supporting rural areas in meeting the challenges of the green transitions. Local Authorities, civil society, Government Departments, enterprise and industry, PPNs, the community and voluntary sector, and others must be involved in delivering place-based rural development policy. Capacity building for all stakeholders at local level is required to ensure that this form of policy development is successful. Investment in capacity building will make rural communities more resilient to external shocks and help to underpin the implementation of rural development policy.

Capacity building will also be vital to implementing appropriate mitigation and transition programmes to support rural communities in the transition to a low carbon society. Rural development policy is place-based, reflecting the strengths, assets, and challenges a region faces, and should have multi-stakeholder input.

Public investment is one of the main instruments for rural development, particularly to mitigate the market failures in the provision of certain goods and services (OECD, 2018). The Government must invest to ensure wellbeing in rural areas is improved and address market failure in the delivery of infrastructure and services, especially broadband and transport. Public policy should facilitate connections between remote communities in rural regions to prevent isolation and improve service delivery.

Agriculture

The European Commission's proposals for the CAP for 2021 to 2027 stipulate that at least 40 per cent of the CAP's overall budget and at least 30 per cent of the Maritime Fisheries Fund would contribute to climate action. This will have implications for Irish agriculture and fisheries, as the new system will incentivise more sustainable practices. However, the new CAP will also have a reduced budget meaning, there are less funds to be allocated within Ireland. The Green New Deal and the Farm to Fork Strategy will inform the priorities for the next iteration of the CAP. The Commission's Farm to Fork Strategy is focused on the transition to a sustainable food system based on circular economy principles. Key priorities are reversing biodiversity loss, mitigating climate change, ensuring access to nutritious food and generating fair economic returns, reducing food waste, and introducing sustainable food processing and short supply chains[2]. Irish agriculture policy should be at the forefront of developing short supply chains in order to progress the 'Farm to Fork' proposal. This would assist farmers in negotiating a fair price for their produce, and ensure consumers have access to locally produced food which is more sustainable in the long term. In addition, the Government should consider developing and implementing a farm sustainability passport to support farmers as they adapt and implement more sustainable forms of working, and it would recognise and acknowledge work already being done to protect biodiversity and reduce emissions.

Sustainable land management is crucial to Ireland moving to more sustainable agricultural practices. The Intergovernmental Panel on Climate Change (IPCC) defines sustainable land management as the use of land resources to meet changing human needs while ensuring the long-term productive potential of these resources and the maintenance of their environmental functions. The adoption of sustainable land management would reward sustainable forms of agriculture and acknowledge the role of farmers as custodians of this vital national asset. Ireland will have to adapt to this new reality with sustainable agricultural policies, sustainable land management, protecting biodiversity, and rural social and economic development guiding policy. The work of the Land Use Review Taskforce should inform future developments in land management and how we adapt to meet our climate goals.

Retraining and skills development

In order to access employment, workers require the right skills. 'Our Rural Future' recognises the importance of ongoing skills development and lifelong learning to rural development. Investing in up-skilling lower skilled workers in rural regions has a greater impact on regional economic development than investing in increasing the number of highly skilled workers there (OECD, 2014). Focussed investment on education and training for people in low skilled jobs or those unemployed in rural areas as part of an overall regional employment strategy aimed at generating sustainable jobs should be an integral part of rural development policy.

Digital transformation will have a significant impact on the employment landscape. A report on Wellbeing in the Digital Age (OECD, 2019b) found that 14 per cent of all jobs are at high risk of being lost due to automation, with another 32 per cent at risk of significant change over the next 10 to 20 years. This means that nearly half of the labour force will be impacted by changes to their jobs as a result of automation by 2040. Our training and skills development policy must be adapted to meet this challenge to ensure that our regions and communities have the necessary supports in place to ensure that they can adapt to meet this challenge.

2 https://ec.europa.eu/food/farm2fork_en

The future of work

A report by the Spatial and Regional Economics Research Centre at University College Cork, *Automation and Irish Towns: Who's Most at Risk*, found that two out of every five jobs in Ireland are at high risk of automation (Crowley and Doran, 2019). The report also found that the level of exposure to automation across Ireland is wide-ranging, spanning towns across all four provinces. Towns where employment is dominated by agriculture and manufacturing are most at risk to the impact of automation on current employment. Further research (Rjinks et al, 2022) found that agricultural, rural, and less densely populated regions contain more jobs at risk of automation. Farmers, forestry workers, agriculture and machinery drivers, and fishing are considered to be high risk occupations in terms of automation. This is particularly problematic for rural areas as there are few alternative employment opportunities for displaced workers.

Research (SOLAS,2020) found that 373,500 people in Ireland are employed in occupations which were considered at high risk of automation. The six groups with the largest number of persons employed whose jobs were at high risk of automation were operatives & elementary, sales & customer service, administrative & secretarial, hospitality, agriculture & animal care, and transport & logistics. Monaghan had the highest share employed in these occupations, followed by Cavan, Longford, Tipperary, and Wexford. Overall, the report found that Dublin and bordering counties had the lowest exposure to automation risk in these groups, while counties facing higher levels of exposure were located throughout each province.

There have been a number of international studies on the impact of automation and robotics globally. Generally, these studies find that new jobs will be created, many in yet-to-exist industries, and many existing jobs will be lost. The challenge we face is that the jobs created will not necessarily be in the same regions where job losses will be felt. This is an issue that has not received as much attention as it deserves.

Low skilled workers and struggling local economies will bear the brunt of automation and will feel the impact of unemployment and income inequality the most. In order to prepare for this, the Government must invest in the regions, particularly infrastructure and social and human capital, to ensure that we can meet the upheaval and adapt to the changes that are coming our way.

Rural Ireland and transition

Supporting rural communities through the transition to meet our climate challenges requires a suite of policy supports. Forthcoming (2025) research from Irish Rural Link and Social Justice Ireland offers insight into concerns of rural communities in terms of income adequacy, employment, access to public services, and the impact of climate change. It also outlines the opportunities identified by rural communities, as well as the hope and ambition that people living in rural communities have for the future. Key concerns emerging from the research include the issue of income adequacy, security of employment, access to training and skills development, and the quality of public services. Respondents did feel that there are opportunities for rural areas from transition, but an absence of consultation, engagement, and dialogue has resulted in rural communities feeling their voice is not heard in the policy discussions.

As noted in the Cavan-OECD Roadmap for Strengthening Rural Resilience (2022), rural policies have an important role to play in reaching net-zero GHG emission targets, but too often their role is not sufficiently recognised in national policy approaches. The importance of meaningful engagement with rural communities to ensure a just transition, and a place-based approach to climate mitigation, is emphasised in the roadmap. An on-going just transition dialogue process to ensure the voice of rural communities is heard and reflected in national policy approaches is essential to a successful and just transition for rural areas.

Dialogue supporting transition and adaptation

In order to develop a sustainable society, services and infrastructure must be well-planned and capable of adapting to the changing needs of the population over time. This means that policy planning and design should, from the very beginning, include potential future changes, and as far as possible should be designed with these in mind. Rural areas are among those that will be most impacted by the transition to a carbon-neutral society. They will also be impacted by the potential changes of technology and automation on employment and the future of work. An ongoing dialogue on how to support transition and adaptation is essential to ensure that vulnerable rural communities are protected, supported to meet future challenges, and not disproportionately impacted. The work of the Just Transition Commission should inform this dialogue.

12.3 Key Policy Priorities

Social Justice Ireland believes that the following policy positions should be adopted to promote balanced rural and regional development:

- Ensure that investment is balanced between and within the regions;
- Ensure rural development policy is underpinned by social, economic, and environmental wellbeing;
- Prioritise the continued roll out of high-speed broadband to rural areas;
- Invest in an integrated, accessible and flexible rural transport network;
- Support sustainable agriculture policy and sustainable land management;
- Invest in areas furthest from major urban areas to ensure they do not fall further behind;

- Invest in human capital through targeted, place-based education, and training programmes, especially for older workers and those in vulnerable employment;
- Establish a Just Transition and Adaptation Dialogue to ensure rural areas are not disproportionately impacted by green and digital transitions;
- Provide integrated supports for rural entrepreneurs, micro-enterprises, and SMEs;
- Ensure public service delivery in rural areas according to the equivalence principle.

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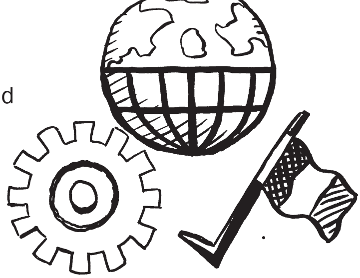
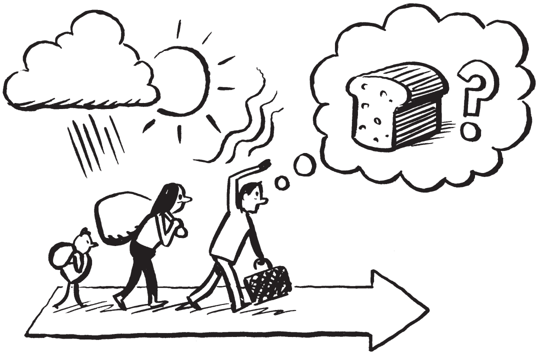
Chapter thirteen

Chapter 13
Global South

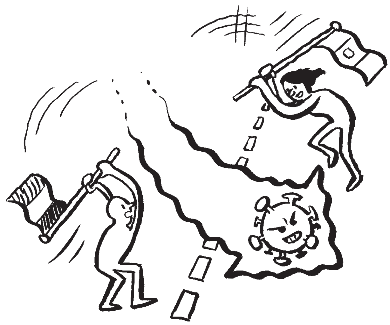
Core Policy Objective:
To ensure that Ireland plays an active and effective part in promoting sustainable development in the Global South and to ensure that all of Ireland's policies are consistent with such development.



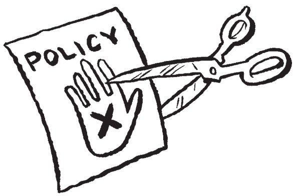
Key Issues/Evidence



Climate change = forced migration.

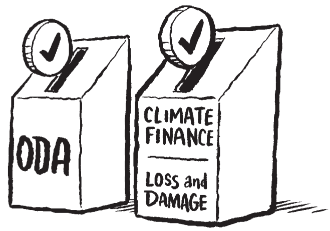


Disease does not respect borders.



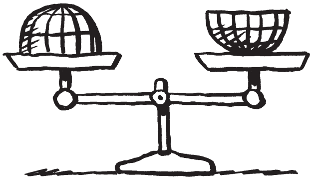
Need to combat racism in policies

Just taxation in the Global South.



ODA target should not include cost of Climate Finance and Loss and Damage.

Renew Government's commitment to meet the United Nations target of contributing 0.7 per cent of national income to ODA by 2030 and set a clear pathway to achieve this.



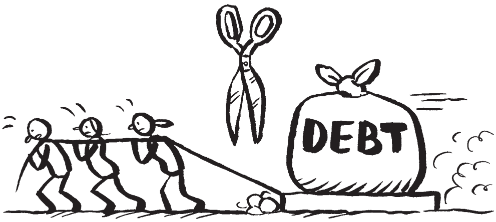
Ensure that Irish and EU policies towards countries in the Global South are just.

Use Ireland's Presidency of the Council of the European Union in 2026 to develop coordinated human rights-based responses to armed conflict and displacement.

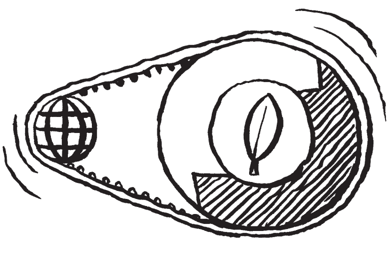
Proper scrutiny for Irish Aid partners in Global South.

Support implementation of SDGs in Global South.

Disaggregate our commitments to Climate Finance and Loss and Damage from our ODA target.



Debt forgiveness for poorest nations.



Work for changes in the existing international trading regimes to encourage fairer and sustainable forms of trade.

Take a person-centred approach to the AIDS/HIV crisis in Global South.

Chapter 13

THE GLOBAL SOUTH

Core Policy Objective:
THE GLOBAL SOUTH

To ensure that Ireland plays an active and effective part in promoting sustainable development in the Global South and to ensure that all of Ireland's policies are consistent with such development.

In his remarks to the UN Peace Building Commission in January, António Guterres (2025), Secretary-General of the United Nations (UN) stated

> Our world is in trouble.
> We see spreading conflicts and widening geopolitical divisions.
> We face a deepening climate crisis and widening inequalities.

Guterres made a plea for global cooperation to achieve lasting peace and prosperity. He drew attention to the danger caused by weapons proliferation and the spread of disinformation.

These concerns are echoed in previous editions of this publication. There are solutions to these challenges, solutions that could achieve the ambitions of the Sustainable Development Goals, but political will is required to implement them. *Social Justice Ireland* believes that the policy of the new Irish Government should:

- Uphold the value of solidarity and take a human-rights first approach;
- Use Ireland's Presidency of the Council of the European Union in 2026 as an opportunity to foster cooperation among member states to develop coordinated human rights-based responses to armed conflict and displacement;
- Renew its commitment to meeting the UN target of contributing 0.7 per cent of national income to ODA by 2030 and set a clear pathway to achieve this;

- Disaggregate our commitments to Climate Finance and Loss and Damage from our ODA target, and accelerate progress towards fulfilling these commitments;
- Take a far more proactive stance at government level on ensuring that Irish and EU policies towards countries in the Global South are just and in line with human rights obligations;
- Leverage our diplomatic ties to advocate for tighter regulation of the global arms trade;
- Champion a human rights-based approach to migration and challenge any breaches of humanitarian obligations by EU member states and agencies;
- Play a prominent role in the support and implementation of the Sustainable Development Goals (SDGs);
- Continue to support the international campaign for the liberation of the poorest nations from the burden of unpayable debt and take steps to further progress;
- Work for changes in the existing international trading regimes to encourage fairer and sustainable forms of trade;
- Take a leadership position within European and broader international arenas to encourage other states to fund programmes and research aimed at taking a person-centred approach to the HIV/AIDS crisis.

13.1 Key Evidence

Violent Conflict

Thirty-six armed conflicts were reported in 2023, the highest number since 2014. The majority are taking place in Africa (18) and Asia (9), followed by the Middle East (6), Europe (2) and the Americas (1). In Africa, four new armed conflicts commenced – in Ethiopia, Somalia, Democratic Republic of Congo (DRC) and Sudan. From October 2023 there was a significant escalation in the Israel-Palestine conflict (Escola de Cultura de Pau, 2024).

In 2023, 33,443 civilians were killed in conflict, a 72 per cent increase. The use of explosive weapons in urban areas is a significant contributor to civilian casualties in warfare, with 90 per cent of those killed or injured by explosive weapons being civilians. Further impacts on civilians arising from armed conflict include sexual violence, hunger, and forced displacement. Damage to vital infrastructure disrupts access to healthcare, water, and sanitation, further compounding the humanitarian crisis (United Nations, 2024a). Over 40 per cent of the UN-verified instances of conflict-related sexual violence occurred in two countries – Ethiopia and DRC, with women and girls accounting for 95 per cent of cases (United Nations, 2024b). In Sudan 9 million people are experiencing emergency levels of food insecurity (UNICEF, 2024), with over 11 million people internally displaced (IOM, 2025).

There was a 35 per cent increase in the number of children being killed or injured due to armed conflict in 2023 (United Nations, 2024). This is largely attributable to the Israel-Palestine conflict, with at least 13,319 children in Gaza, 33 in Israel (UNOCHA, 2025), and 198 in the Occupied West Bank and East Jerusalem (UNICEF, 2025) killed since October 2023.

Humanitarian response is often impeded by violence, bureaucratic obstacles, and the spread of disinformation (United Nations, 2024a). Major donors, including Ireland, have repeatedly criticised difficulties faced in supplying aid in Sudan (European Civil Protection and Humanitarian Aid Operations, 2024). The Irish Government's call for UNRWA to be protected is welcome (Government of Ireland, 2025a). A further challenge to humanitarian response is the recent move by the United States to suspend foreign aid funding. This is likely to have far-reaching consequences for humanitarian response in conflict zones, with 47 per cent of the funding for UNOCHA's work coming from the US (UNOCHA, 2025a).

Most conflicts globally are intra-state and fought with small arms. Production and trade of these arms is the least transparent of all weapons systems. African states have struggled to effectively regulate the trade of small arms. The demand for such weapons, most of which originate from outside the continent helps to sustain high levels of recurring armed conflict (Wood & Danssaert, 2021). Volker Türk, UN High Commissioner for Human Rights has expressed particular concern about the flow of arms to Myanmar, Haiti and Sudan, calling for action from the international community (Türk, 2024).

Ireland, as a neutral country, is uniquely placed to champion human rights in international fora. This should include challenging growing militarisation and advocating for tight controls in the production and sales of weapons. Ireland should seek to ensure that all trade agreements, both national and at European Union (EU) level, require strict human rights standards. The Government should also safeguard access to justice for victims of violent conflict – Ireland's intervention in support of the International Court of Justice (ICJ) case taken by South Africa against Israel (ICJ, 2025) and its ongoing support of the International Criminal Court (ICC) is welcome (Government of Ireland, 2024a). Ireland will hold the Presidency of the Council of the European Union during 2026 – the government should use this opportunity to foster cooperation among member states to develop coordinated human rights-based responses to armed conflict. During the Presidency, Ireland can act as an 'honest broker' (Council of the European Union, 2025) and should seek to play a diplomatic role in peacebuilding.

There are violent conflicts occurring in several Irish Aid partner countries and in neighbouring states. Ireland should ensure that its consular network is supporting mediation efforts where possible. Lessons learned from the Department of Foreign Affairs (DFA) Reconciliation Fund projects - fostering peace and community interaction on the island of Ireland, would allow DFA to offer positive insights on reconciliation and cross-border co-operation in other settings.

Migration

Wars, conflicts, and climate change result in the mass movement of peoples. In 2023, 117.3 million people were forcibly displaced due to violence, conflict, human rights violations, or other events seriously disturbing public order, an 8.8 million increase from 2022. 73 per cent of all refugees came from five countries – Afghanistan, Syria, Venezuela, Ukraine, and Sudan. 3 out of 4 refugees and other people in need of international protection are hosted in low and middle-income countries, with Iran now hosting the largest number, followed by Turkey. 21 per cent are in the least developed states, with a significant increase experienced in the low-income countries neighbouring Sudan (UNHCR, 2024a). The UN High Commissioner for Refugees (2024a) reports that 68.3 million people are internally displaced, but those figures have continued to increase since that report was published in June 2024. Over 11 million people are internally displaced in Sudan (IOM, 2025). Over 75 per cent, of people in Gaza are now internally displaced; for most this is a secondary displacement as Palestinians in Gaza are already recognised as displaced people (UNHCR, 2024a).

There were 1,049,020 first time asylum applicants made in the EU in 2023 – with 13,220 made in Ireland. Asylum applications increased by 16 per cent in the EU and surpassed 1 million for the first time since 2016 (European Migration Network, 2024). In addition, 1,056,110 people from Ukraine were granted temporary protection orders, including 33,035 in Ireland (European Migration Network, 2024a).

The European Migration Network report (2024) points to an EU response guided by security concerns, rather than by solidarity and the protection of human rights. Steps taken by member states include development of new border infrastructure, the implementation of internal border checks, and streamlining forced and voluntary returns. The EU Pact on Migration and Asylum (European Commission, 2024) raises further serious concerns about respect for human rights. While a common system for managing migration is sensible, the Pact threatens to entrench deterrence measures at the expense of human rights. It is essential that this be underpinned by a human-rights first approach. *Social Justice Ireland* is disappointed to note that the lengthy section on migration in the Programme for Government (2025) includes no reference to human rights.

Alongside legal mechanisms, another response to migration has been the use of illegal 'pushbacks', described by Morales (2021) as various measures taken by states, sometimes involving third countries or non-state actors, to force migrants, including asylum seekers, back beyond the international border that they are attempting to cross. These 'pushbacks' are in breach of international humanitarian law as they violate the right to individualised assessment and due process, and amount to collective expulsion (Morales, 2021). An estimated 120,457 pushbacks occurred on Europe's external land and sea borders in 2024, with UN and international human rights groups implicating several EU member states in this illegal practice.

The EU also collaborates with Libya on border security. 21,762 people were intercepted and forcibly returned by the Libyan coastguard in 2024 (11.11.11., 2024). Human Rights Watch (2022) has implicated Frontex, the EU Border Agency in illegal pushbacks, alleging practices of information sharing with the Libyan authorities, which result in migrant boats being intercepted and forcibly returned to Libya. This is despite the UN warning that migrants in Libya are subjected a 'wide range of human right violations by both State and non-State actors' (Human Rights Watch, 2022).

Russia's invasion of Ukraine has displaced millions of Ukrainians across Europe. As of January 2025, 111,909 people had arrived in Ireland from Ukraine under the Temporary Protective Directive, with 51,264 living in accommodation provided by the state (CSO, 2025).[1] This directive had welcome aspects regarding service provision and accessibility, but essentially created a two-tier system for those seeking protection, based on country of origin. The additional accommodation needs of Ukrainian refugees have illustrated the failure to address the ongoing housing crisis (see chapter 6).

This is policy failure on several fronts: a failure to meet the basic needs of everyone living in Ireland, a failure to adequately plan for incoming migrants in advance of their arrival, and a failure to provide sufficient support in line with legal obligations once they arrive. There are also signs of a persistent moral failure, at both a European and national level. Security concerns have been used as a basis for hardening borders – human rights obligations cannot be disregarded in the process. As this chapter has shown, people around the world are suffering due to violent conflict and displacement. There is a moral imperative to respond to the needs of all forcibly displaced people in an equal, fair, and consistent manner, irrespective of their pathway to protection. This approach should be guided by a human-rights first approach and also by a commitment to long-term planning, through the development of a migration forecasting methodology, as explored in *Migration in Our Common Home – Forecasting for Change* (2023).

Ireland should use its position in international fora to highlight the causes of displacement of peoples. We should also use Ireland's Presidency of the Council of the European Union in 2026 as an opportunity to take a leadership position within the EU promoting a human rights approach to migration and challenge any breaches of humanitarian obligations by member states and EU agencies. Ireland should take a leadership role in assisting the Least Developed Countries in mitigation programmes to address climate change. Everyone has a right to access appropriate accommodation; decent services and infrastructure; the right to participate in society and to maintain an adequate income; and the right to feel safe.

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1 This number is based on the number of PPS Numbers issued to people arriving to Ireland from Ukraine under the Temporary Protection Directive.

Table 13.1: United Nations development indicators by region and worldwide

Region	GNI per capita (US$ PPP)*	Life Expectancy at Birth (years)	Expected Years Schooling	Maternal Mortality Ratio**
Least Developed Countries	3,006	64.9	10.1	354
Arab States	14,391	71.3	11.9	128
East Asia and Pacific	16,138	76.2	14.5	78
Europe and Central Asia	19,763	73.6	15.5	21
L. America and Caribbean	15,109	73.7	14.8	85
South Asia	6,972	68.4	11.9	132
Sub-Saharan Africa	3,666	60.6	10.3	516
OECD	46,318	80.1	16.6	21
Worldwide total	**17,254**	**72.0**	**13.0**	**215**

Source: UNHD Report Human Development Index 2023/24, Tables 1 and 5, pp.277, 296

Notes: *Gross National Income (GNI) Data adjusted for differences in purchasing power parity
**ratio of the number of maternal deaths to the number of live births expressed per 100,000 live births. The comparable rates for Ireland are: GNI per capita: $87,468; Life Expectancy: 82.7; Expected Years Schooling: 19.1; Maternal Mortality 5.

Inequalities

Our world is becoming increasingly unequal. The wealthiest 1 per cent of people own almost half of all global wealth, while 3.6 billion people are living below the World Bank poverty line. Economic power continues to be centred in the Global North - an estimated US$1 trillion is extracted annually from the South through the global financial system and flows North. US$47 billion is lost to lower-income countries through tax abuse, with up-to 99.4 per cent going to wealthy countries. An annual 2 per cent decrease in inequality would be sufficient to end extreme poverty within 20 years (Oxfam, 2025).

The UN Human Development Report (2024) points to some of these inequalities between various regions of the world, as shown in Table 13.1. Today, average life expectancy is 20 years higher for people in the richest countries compared to those in Sub-Saharan Africa.

Health Threats

Pandemics

Studies indicate that future pandemics are not only inevitable, but may become more extreme, with Marani et al. (2021) contending that the risk of extreme pandemics such as Covid-19 could double in the coming decades. It is important to build the capacity of countries to respond to future pandemics, particularly the most vulnerable countries in the Global South. The World Health Organisation has identified three overarching pillars of pandemic preparedness – trust, solidarity and equity, and sustainable development (WHO, 2022). Ireland should use the lessons learned from Covid-19 to support cooperation with countries in the Global South.

HIV/AIDS

According to UNAIDS (2024) there were 1.3 million new HIV infections in 2023, while AIDS-related deaths have reached their lowest level since the peak in 2004. 77 per cent of the 39.9 million people living with HIV have access to antiretroviral treatment.

Donor support is vital for the global response, with 72 per cent of all government funding coming from the US. The United States President's Emergency Plan for AIDS Relief (PEPFAR) has saved 25 million lives since 2003 and is described by UNAIDS (2024) as 'essential to advancing global progress to end AIDS as a public health threat by 2030'. In January 2025 funding for PEPFAR was frozen by the US Government as part of a wider retrenchment of its foreign aid commitments. While a limited waiver has allowed for some lifesaving services to continue temporarily, others have been curtailed, including targeted interventions for women and girls, and provision of pre-exposure prophylaxis (PrEP) for vulnerable groups (Medecins Sans Frontieres, 2025).

A permanent cessation in PEPFAR funding would be detrimental for the global HIV/AIDS response. The targeting of vulnerable groups for cuts is also at odds with the UNAIDS (2024) human-rights based approach, which recognises the societal factors that put people at increased risk, including criminalising laws, stigma and discrimination, and gender and other inequalities. These cuts add to the increased challenges faced by vulnerable groups in many countries when accessing life-saving care. In 2023, Uganda passed new laws, providing for serious punishment for LGBTQI+ people and organisations, with UNAIDS warning about the potential public health implications of this, beyond the clear violation of human rights. Girls and young women in many parts of sub-Saharan Africa still face a heightened risk from HIV, with 156,000 new infections in 2023. Girls and young women had three times the incidence rate compared to boys and young men (UNAIDS, 2024).

Ireland should use its influence to advocate for human rights and a public health led response to HIV/AIDS. This should include meeting our commitments and collaborating with European and Global South partners to increase funding and to play a role in mitigating the impact of US funding cuts. We should use diplomatic channels to urge the US government to reverse the PEPFAR freeze. Additionally, the government should be engaging with Irish Aid partner countries, such as Uganda, to promote a human rights-led response.

Climate Change and Sustainable Development

The international evidence regarding climate change and the impact of human activity is irrefutable (see chapter 11), with significant ramifications for the Global South. UNHCR (2024) points to growing links between displacement and climate vulnerability, with 84 per cent of refugees and asylum seekers fleeing from highly climate-vulnerable countries. Climate change also reduces the potential for refugees to return to their country of origin, with only 1 per cent returning in 2020 (UNHCR, 2024).

Social Justice Ireland has explored how climate change impacts migration, displacement, and food security through our roundtables with stakeholders from across civil society. Our paper, *Migrations in Our Common Home: Planning for Change – Climate Change and Migration* (2022), recommends steps to address the imbalance in how climate change, particularly as a driver of forced migration and displacement, is impacting countries in the Global South. These include the provision of adequate climate finance; the establishment of a Loss and Damage Fund, including a comprehensive plan for reparations to the poorest nations who contribute the least to climate change from the wealthiest nations who contribute the most; and calling on the Irish Government to campaign within the EU for climate change action and funding to ensure that all countries pay their fair share.

The Sustainable Development Goals (SDGs)[2] are intended to embody a common global vision of progress towards a safe, just and sustainable space for all to thrive on our planet. They reflect the moral principles that no-one and no country should be left behind, and that everyone and every country should be regarded as having a common responsibility for playing their part in delivering the global vision. As reported in the 2025 edition of our Sustainable Progress Index (Clarke, Kavanagh, & McGeady, 2025) Ireland is ranked 9th out of 14 comparable EU countries in terms of progress towards implementing the SDGs. *Social Justice Ireland* urges the Irish Government to give leadership in the various international fora in which it operates to ensure appropriate indicators and reliable statistics are available to monitor and evaluate progress on the SDGs. Ireland should provide funding and support to developing countries to help them achieve the SDGs. We also urge Government to prioritise policy coherence for development so that no policy developed by Ireland will be detrimental in any way to work being done in developing countries to move towards achieving the SDGs in full and on schedule.

[2] The Sustainable Development Goals are also discussed in Chapter 11. We return to the issue briefly to highlight the particular need and urgency for their implementation, to support people in the Global South.

Ireland's commitments to Official Development Assistance (ODA), Climate Finance, and Loss and Damage

At the 2009 UN Climate Change Conference, Global North countries pledged $100 billion per year in climate finance to meet the needs of developing countries most impacted by climate change. As part of the Climate Finance Roadmap (Government of Ireland, 2022), the Irish government set out to reach a target of €225 million per year in climate finance by 2025. We welcome this important focus on adaptation and building resilience in poorer countries. Irish climate finance is rightly provided on a grant-basis, rather than through loans. This approach is to be commended, as contributions in the form of repayable loans serve only to add to unsustainable debt burdens ultimately to be shouldered by the world's poorest. Ireland can lead as an example in this regard. The obligation to provide climate finance should be recognised by all Global North countries as a responsibility derived from the polluter pays principle.

An additional €45 million in climate finance was allocated in Budget 2025, bringing Ireland's contribution up to the target of €225 million (Department of Public Expenditure, NDP Delivery and Reform, 2024). Despite this progress, we are concerned that the connection drawn between climate finance and ODA distort our commitments. Budget allocations continue to combine the two commitments, which has the effect of counting the same contribution twice, once as a contribution to ODA and then again as a contribution to climate finance. This leaves us further behind in fulfilling our obligations than at first glance. Ireland should decouple these goals and make a concerted effort to recover lost ground in relation to our ODA targets.

Ireland has committed to reaching targets for ODA, Climate Finance, and Loss and Damage. It is critical that Government recognise that these are three separate obligations under three different agreements, as explored by *Migrations in Our Common Home: Planning for Change – Climate Change and Migration* (2022), and contributions to each should be disaggregated from one another.

Reaching the UN goal of 0.7 per cent of income in ODA requires increased effort in the years ahead. As Table 13.2 shows, over time Ireland had achieved sizeable increases in our ODA allocation. Progress during the early 2000s meant that by 2008 our ODA contribution had reached €920.7m: 0.59 per cent of GNP. However, between 2008 and 2014 the ODA budget was a focus of government cuts, and by 2014 Ireland's ODA had been reduced by over 33 per cent compared with 2008. Since then, the monetary value of Ireland's ODA has increased. The allocation to ODA in Budget 2022 exceeded €1 billion (Government of Ireland, 2023), over 0.5 per cent of GNI*. However, according to *Social Justice Ireland* estimates, Ireland's ODA contribution as a proportion of GNI* again fell below 0.5 per cent in Budget 2024 (see Table 13.2). It is therefore welcome that ODA once again exceeded 0.5 per cent of GNI* in Budget 2025, reaching 0.54 per cent. While still short of the target of 0.7 per cent, this is going in the right direction.

Table 13.2: Ireland's net overseas development assistance, 2010-2025

Year	€m's	% of GNI*
2010	675.8	0.52
2011	657.0	0.52
2012	628.9	0.50
2013	637.1	0.47
2014	614.9	0.41
2015	647.5	0.40
2016	725.8	0.42
2017	743.4	0.40
2018	791.6	0.40
2019	869.9	0.43
2020	867.5	0.42
2021	976.1	0.42
2022	1,411.1	0.52
2023	1,467.2	0.50
2024	1,480**	0.47
2025	1,780**	0.54
2024	1,480**	0.47
2025	1,780**	0.54

Sources: Government of Ireland (2024; 2025), various Budget documents (2024; 2024) & author's calculations.
Estimates based on GNI*, which *Social Justice Ireland* considers to be a better measurement of Ireland's national income (GNI* data from CSO National Income and Expenditure Annual Results, various years). Modified GNI (GNI*) is an indicator designed specifically to measure the size of the Irish economy by excluding distortionary globalisation effects.
** Projections from Budget documentation and Estimates.

Social Justice Ireland recognises and welcomes the increased contributions in recent Budgets to ODA[3]. Ireland still lacks a strategy for reaching the UN-agreed 0.7 per cent target and we call on the Government to develop such a strategy with a view to reaching this target by 2030. We must continue to recover lost ground in relation to our ODA commitments. Given Ireland's current and projected economic growth, *Social Justice Ireland* believes that Government should commit to reaching the UN target of 0.7 per cent of GNI* to be allocated within the next five years. In Table 13.3, *Social Justice Ireland* proposes a possible pathway to reaching the UN target. This pathway sees Ireland achieve the UN target of 0.7 per cent over the next five years. Here again we use GNI* as a more realistic measurement of Ireland's national income, making the target all the more achievable.

Table 13.3: Possible pathways to ODA targets 2025-2030

Year	ODA €m	% of GNI*	Increase required €m
2025	1,780.0	0.54	
2026	1,985.7	0.57	205.7
2027	2,204.0	0.60	218.2
2028	2,436.1	0.64	232.1
2029	2,676.6	0.67	240.5
2030	2,934.4	0.70	257.8

Calculations: *Social Justice Ireland* – based on estimates of Ireland's macroeconomic prospects contained in Budget 2025: Economic & Fiscal Outlook (2024) and author's calculations.

Social Justice Ireland believes that these allocations should not include the increase in expenditure in respect of the Ukrainian crisis, which should be ring-fenced and warehoused. They should also not include our commitments to Climate Finance or Loss and Damage.

Rebuilding our commitment to ODA and honouring the UN target should be an important policy goal for Ireland to pursue in the coming years. Not only would its achievement be a major success for Government and an important element in the delivery of promises made, but it would also be of significance internationally. *Social Justice Ireland* welcomes the Government's approach to allocating aid to the poorest countries in the world and for its capacity to work in partnership with civil

[3] Data for 2019-2023 refers to the actual amounts spent as per the Government of Ireland's Official Development Assistance Annual Reports, figures provided for 2024 onwards are based on the Budgetary estimates from the Department of Finance and Department of Foreign Affairs.

society in these countries. We urge Government not to lose sight of the continuing and pressing need for this support.

13.2 Key Policy Priorities

Social Justice Ireland believes that the following policy positions should be adopted in responding to the current challenges being experienced by the Global South. The Irish Government should:

- Uphold the value of solidarity and take a human-rights first approach;
- Use Ireland's Presidency of the Council of the European Union in 2026 as an opportunity to foster cooperation among member states to develop coordinated human rights-based responses to armed conflict and displacement;
- Renew its commitment to meeting the UN target of contributing 0.7 per cent of national income to ODA by 2030 and set a clear pathway to achieve this;
- Disaggregate our commitments to Climate Finance and Loss and Damage from our ODA target, and accelerate progress towards fulfilling these commitments;
- Take a far more proactive stance at government level on ensuring that Irish and EU policies towards countries in the Global South are just and in line with human rights obligations;
- Leverage our diplomatic ties to advocate for tighter regulation of the global arms trade;
- Champion a human rights-based approach to migration and challenge any breaches of humanitarian obligations by EU member states and agencies;
- Play a prominent role in the support and implementation of the Sustainable Development Goals (SDGs);
- Continue to support the international campaign for the liberation of the poorest nations from the burden of unpayable debt and take steps to further progress;
- Work for changes in the existing international trading regimes to encourage fairer and sustainable forms of trade;
- Take a leadership position within European and broader international arenas to encourage other states to fund programmes and research aimed at taking a person-centred approach to the HIV/AIDS crisis.

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Chapter fourteen

Chapter 14

VALUES

We are where we are today as a society because of the choices we made in the past. This means that the choices we make today will shape the future. If we want to see real change, this will only come about as a result of different decisions being made by a variety of policy-makers and institutions. The proposals made in this Socio-Economic Review could be implemented if those with the competent authority took the decisions required. All decisions are based on values. Everyone can contribute to societal change by raising questions and encouraging debate around vision, values and ethics.

The people who bear the cost of any economic downturn are obvious, the unemployed; the poor, the sick, those who come here seeking refuge, our most vulnerable people who have had their income and social services cut. The last few years have been tumultuous, a global pandemic followed by a war in Europe with climate change becoming ever more apparent and urgent. This uncertainty is the cause of fear, anxiety and anger in our communities. The critical question now is how do we prevent a recurrence of the type of austerity responses we saw after the last economic crash? Indeed, how do we prevent a recurrence of another economic crash? While some people advocate good regulation as the solution, others are sceptical and search for more radical approaches.

These observations, reflections and questions bring to the fore the issue of values. Our fears are easier to admit than our values. Do we as a people accept a two-tier society in fact, while deriding it in principle? It is obvious that we are becoming an even more unequal world. The dualism in our national values allows us to continue with the status quo, which, in reality, means that it is okay to exclude almost one sixth of the population from society, while substantial resources and opportunities are channelled towards other groups and institutions.

To change this reality requires a fundamental change of values. We need a rational debate on the kind of society in which we want to live. If it is to be realistic, this debate should challenge our values and support us in articulating our goals and formulating the way forward.

Human dignity, human rights and the common good

Social Justice Ireland wishes to contribute to this debate and believes that the focus for this debate should be human dignity, human rights and the common good. Discussion and reflection on human dignity can be traced back to the writings of ancient philosophers and religious traditions. The history of this discourse is long and complex. However, it was not until 1948 that it was clearly articulated in the Universal Declaration of Human Rights. *Social Justice Ireland* believes that every person should have seven basic socio-economic and cultural rights, that is, the right to:

- sufficient income to live life with dignity
- meaningful work
- appropriate accommodation
- participate in shaping the decisions that affect their lives
- appropriate education
- essential healthcare
- an environment which respects their culture.

These rights can only be vindicated when society structures itself to provide the resources necessary in the interest of the common good. Hollenbach (1989) reminds us that rights are not simply claims to pursue private interests or to be left alone. Rather, they are claims to share in the common good of civil society.

Related to the discourse on human dignity is the discourse on the common good. This discourse can be traced to Plato, Aristotle and Cicero. More recently, the philosopher John Rawls defined the common good as 'certain general conditions that are...equally to everyone's advantage' (Rawls, 1971 p.246). François Flahault notes 'that the human state of nature is the social state, that there has never been a human being who was not embedded, as it were, in a multiplicity. This necessarily means that relational well-being is the primary form of the common good........The common good is the sum of all that which supports coexistence, and consequently the very existence of individuals.' (Flahault, 2011 p.68)

This understanding was also reflected at an international gathering of Catholic leaders. They saw the common good as 'the sum of those conditions of social life by which individuals, families and groups can achieve their own fulfilment in a relatively thorough and ready way' (Gaudium et Spes no.74). This understanding recognises the fact that the person develops their potential in the context of society where the needs and rights of all members and groups are respected. The common good, then, consists primarily of having the social systems, institutions and environments on which we all depend work in a manner that benefits all people simultaneously and in solidarity

Human rights are the rights of all persons so that each person is not only a right-holder but also has duties to all other persons to respect and promote their rights. There is a sharing of the benefits of rights and the burden of duties. Alan Gewirth (1993) notes that human rights have important implications for social policy. On the one hand the State must protect equally the freedom and basic well-being of all persons and on the other hand it must give assistance to persons who cannot maintain their well-being by their own efforts. Government has committed to multiple codes, charters, goals and targets across the spectrum and must remain committed to achieving them. Ultimately, rights must be realisable.

Understanding of Justice

Christianity subscribes to the values of both human dignity and the centrality of the community. The person is seen as growing and developing in a context that includes other people and the environment. Justice is understood in terms of relationships. The Christian scriptures understand justice as a harmony that comes from fidelity to right relationships with God, people and the environment. A just society is one that is structured in such a way as to promote these right relationships so that human rights are respected, human dignity is protected, human development is facilitated, and the environment is respected and protected (Healy and Reynolds, 2003:188).

Appropriate structures

As our societies have grown in sophistication, the need for appropriate structures has become more urgent. The aspiration that everyone should enjoy the good life, and the goodwill to make it available to all, are essential ingredients in a just society. But this good life will not happen without the deliberate establishment of structures to facilitate its development. In the past charity, in the sense of alms-giving by some individuals, organisations and Churches on an arbitrary and ad hoc basis, was seen as sufficient to ensure that everyone could cross the threshold of human dignity. Calling on the work of social historians it could be argued that charity in this sense was never an appropriate method for dealing with poverty. Certainly, it is not a suitable methodology for dealing with the problems of today. As demonstrated by the pandemic, charity and the heroic efforts of voluntary agencies cannot solve these problems on a long-term basis. Appropriate structures should be established to ensure that every person has access to the resources needed to live life with dignity.

Future Generations

Few people would disagree that the resources of the planet are for the use of the people - not just the present generation, but also the many generations still to come. In Old Testament times these resources were closely tied to land and water. A complex system of laws about the Sabbatical and Jubilee years (Lev 25: 1-22, Deut 15: 1-18) was devised to ensure, on the one hand, that no person could be disinherited, and, on the other, that land and debts could not be accumulated. This system also ensured that the land was protected and allowed to renew itself.

Today, modern society needs to espouse this principle to ensure the protection and security of existing resources for the use of future generations. Our understanding must shift from that of dominion to one of stewardship.

Ownership and property

These reflections raise questions about ownership. Obviously, there was an acceptance of private property, but it was not an exclusive ownership. It carried social responsibilities. We find similar thinking among the leaders of the early Christian community. St John Chrysostom, (4th century) speaking to those who could manipulate the law so as to accumulate wealth to the detriment of others, taught that ‘the rich are in the possession of the goods of the poor even if they have acquired them honestly or inherited them legally’ (Homily on Lazarus). These early leaders also established that a person in extreme necessity has the right to take from the riches of others what s/he needs, since private property has a social quality deriving from the law of the communal purpose of earthly goods (Gaudium et Spes 69-71).

Pope John Paul II has further developed the understanding of ownership, especially in regard to the ownership of the means of production. Recently this position has been reiterated by Pope Francis (2015): “the Church does indeed defend the legitimate right to private property, but she also teaches no less clearly that there is always a social mortgage on all private property, in order that goods may serve the general purpose that God gave them.” (No 93)

Technology

One of the major contributors to the generation of wealth is technology. The technology we have today is the product of the work of many people through many generations. Through the laws of patenting and exploration a very small group of people has claimed legal rights to a large portion of the world’s wealth. Pope John Paul II questioned the morality of these structures. He said ‘if it is true that capital as the whole of the means of production is at the same time the product of the work of generations, it is equally true that capital is being unceasingly created through the work done with the help of all these means of production’. Therefore, no one can claim exclusive rights over the means of production. Rather, that right ‘is subordinated to the right to common use, to the fact that goods are meant for everyone’. (Laborem Exercens No.14). Since everyone has a right to a proportion of the goods of the country, society is faced with two responsibilities regarding economic resources: firstly, each person should have sufficient resources to access the good life; and secondly, since the earth’s resources are finite, and since “more” is not necessarily “better”, it is time that society faced the question of putting a limit on the wealth that any person or corporation can accumulate. Espousing the value of environmental sustainability requires a commitment to establish systems that ensure the protection of our planet.

Interdependence, mutuality, solidarity and connectedness are words that are used loosely today to express a consciousness which resonates with Christian values.

All of creation is seen as a unit that is dynamic and interrelated. When we focus on the human family, this means that each person depends on others initially for life itself, and subsequently for the resources and relationships needed to grow and develop. To ensure that the connectedness of the web of life is maintained, each person depending on their age and ability is expected to reach out to support others in ways that are appropriate for their growth and in harmony with the rest of creation. This thinking respects the integrity of the person, while recognising that the person can achieve his or her potential only in right relationships with others and with the environment.

As a democratic society we elect our leaders regularly. We expect them to lead the way in developing the society we want for ourselves and our children. Election and budget times give an opportunity to scrutinise the vision politicians have for our society. Because this vision is based on values, it is worth evaluating the values being articulated. It is important that we check if the plans proposed are compatible with the values articulated and likely to deliver the society we desire.

Most people in Irish society would subscribe to the values articulated here. However, these values will only be operative in our society when appropriate structures and infrastructures are put in place. These are the values that *Social Justice Ireland* wishes to promote. We wish to work with others to develop and support appropriate systems, structures and infrastructures which will give practical expression to these values in Irish society.

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Social justice matters. That is why *Social Justice Ireland* publishes this book at this time. In a time of transitions, Ireland faces major challenges: how to address the long-term impact of the cost-of-living crisis; how to deliver housing, healthcare and other vital services to everyone including those fleeing war; how to address persistently high levels of poverty and social exclusion; how to meet our climate targets whilst protecting those most impacted. A new Social Contract underpinned by a commitment to the common good would enable Ireland to respond to these challenges whilst managing change successfully, with the ambition to achieve a fairer, more just society. There are alternative and better ways of managing and organising economic activity to deliver a better standard of living and wellbeing for everyone in society. This publication addresses the challenges we face, outlines ideas and proposals for a new Social Contract, and seeks answers to the questions: where do we want to go, and what do we need to do to get there?

In this, its Socio-Economic Review for 2025, *Social Justice Ireland* presents:

- a detailed analysis of a range of key matters which are central to social justice.
- a vision of Ireland's future as a just and sustainable society, and
- a policy framework to manage change and to move consistently and coherently towards becoming a just society.
- a set of detailed policy proposals needed to move in this direction.

Among the topics addressed in **Social Justice Matters** are:

- A New Social Contract
- Income Distribution
- Taxation
- Work, Unemployment and Job Creation
- Housing and Accommodation
- Healthcare
- Education and Educational Disadvantage
- Public Services
- People and Participation
- Sustainability
- Rural Development
- The Global South
- Values

Social Justice Matters provides a key reference point for anybody working on Irish social justice issues in 2025.

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