Social Justice Ireland

National Social Monitor

Putting Fairness First: Delivering the Programme for Government

Contents

Introduction

The Programme for Government (PfG)- Securing Our Future, published in January 2025, outlines a series of commitments made by Government across a range of policy areas. *Social Justice Ireland* welcomed the PfG and believes that it contains several policies and proposals that, if resourced and implemented, would represent a significant step to creating a fairer and more just Ireland. These policies would make a positive difference to society, to our wellbeing and to our communities. However, the programme also contains several causes for concern with a lack of real ambition around poverty and income adequacy and a lack of policy coherence in other areas.

The focus now is on delivering the commitments made in the PfG, while highlighting the impact that these commitments have on the real challenges facing Ireland today, such as poverty, climate change, housing and health. Government must ensure that the common good and 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 as it delivers on PfG commitments. Government 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.

Despite ongoing global uncertainty, 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.

The purpose of economic development is to drive and support our social and environmental goals. Ireland's economy should be one which works for all, now and into the future. Over the next five years Government should strive to create a new economic model based on fairness. This would ensure that the benefits accruing from a vibrant economy would be distributed in a more equal manner. Among other things, this would mean that people with a job have sufficient income to live life with dignity, that social welfare payments are set at an adequate level and are indexed to average earnings, and that public services are funded sufficiently in order to close the gap between the living standards of the least well off in society and what is considered to be a minimum socially acceptable standard of living in a developed Western country.

This edition of *Social Justice Ireland's* National Social Monitor does not attempt to cover all the commitments made in the PfG. It is offered as a contribution to the ongoing public debate, specifically on the following issues:

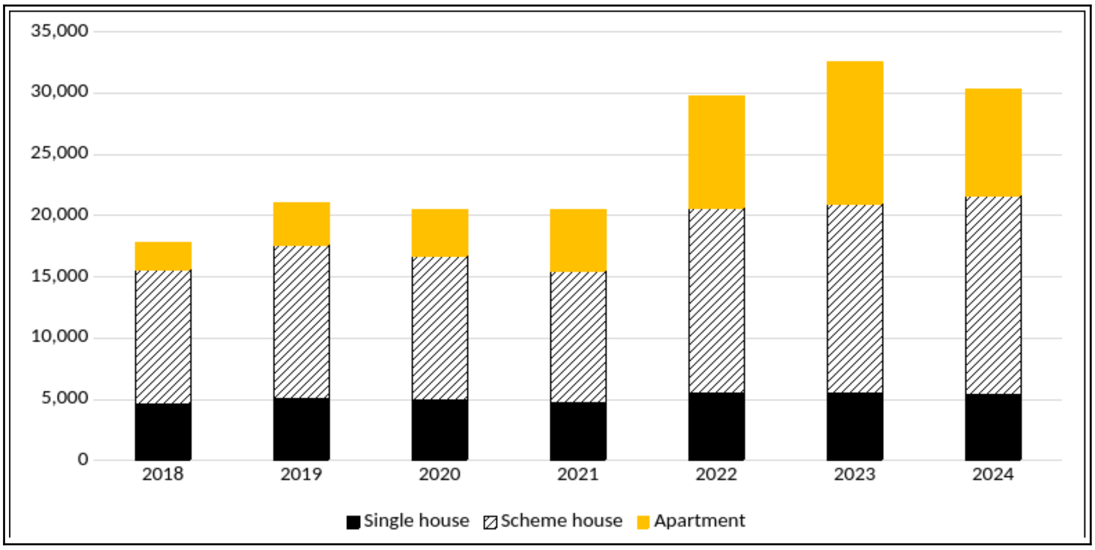
- Housing
- Health
- Education and Skills
- Rural Development
- Work
- Governance and Participation
- Income Distribution
- Taxation

- Environment and Sustainability
- Global Issues

The latest available data is used in our analysis, however some of this may pre-date the publication of the PfG itself. We use these data to highlight the importance of these commitments, and the various benchmarks and targets implemented.

Housing

Chart 1.1: New Dwelling Completions 2018 to 2024



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

Table 1.1: At risk of poverty rate (%) for different categories of renter, before and after rent payments, 2024

Category of Renter	At risk of poverty rate	At risk of poverty rate after rent and mortgage interest
Rented or Rent Free	19.7	42.1
Rent Free	36.0	36.0
Rented: from Local Authority	25.8	44.1
Rented: other forms of social housing support*	12.0	58.6
Rented: without housing supports	17.7	36.2

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

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

Housing

New Homes

While the Programme for Government acknowledges the urgency of the housing crisis, its commitment to delivering 50,000 housing units annually falls short of fully addressing both the existing deficit and future demand. This commitment "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 (OECD,2025).

Although new dwelling commencements have seen strong growth – rising to 60,000 in 2024, an 84 per cent increase from 2023 (DHLGH,2025) – the slow pace of completion rates highlight the need to prioritise actual delivery. 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 1.1). 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,2025).

The decline in apartment completions by 24.1 per cent last year is particularly concerning (Ibid). 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.

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 (PBO, 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 1.1 shows the at risk of poverty rates for different categories of renters, both before and after rent payments.

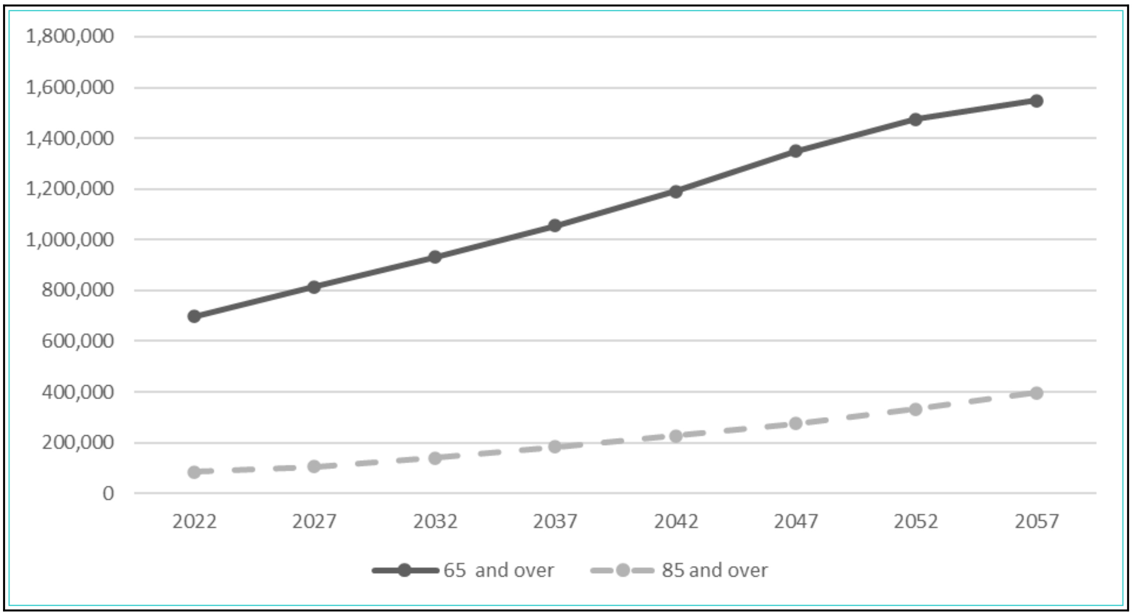
As the government contemplates the next steps in private rental market reform, the priority must be ensuring that all individuals have access to safe, secure, and affordable housing. While RPZs has helped moderate rent increases, they must be complemented by long-term solutions such as increasing social housing stock ((ESRI & RTB, 2024). Without policies that both regulate rents while simultaneously expanding housing stock, particularly social housing, affordability will continue to decline.

Policy Priorities

- Encourage the right type of supply and reduce reliance on the Build to Rent Sector.
- 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.
- Convert the Rent Tax Credit into a grant or make it refundable to benefit low-income tenants.
- Increase investment to promote Modern Methods of Construction with binding targets for at least 25 per cent of all State-backed housing to use these construction methods.

Health

Chart 2.1: Ireland Population Projections - Over 65s and Over 85s (000s), 2022 – 2057



Source: CSO

Table 2.1: 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).
Notes: * 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).

Health

Ageing

As we live longer, ensuring that we have as many healthy years as possible must be a policy priority. Planning for that change in demography will require a different approach to healthcare. We therefore welcome the commitment to develop a 'multi-annual funding approach for our health service'.

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. 15 per cent of the population are aged 65 or older, an increase of 22 per cent from Census in 2016. Those aged 65+ are projected to number 1.9 million by 2057, including a 371 per cent increase in those aged 85+, from 84,000 to 396,000 (see Chart 2.1).

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 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).

Census figures also show that 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). This represented 6 per cent of the population, the majority being women. 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) (ESRI,2017, 2018).

Older People's Services

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. 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.

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,2024). As Table 2.1 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.

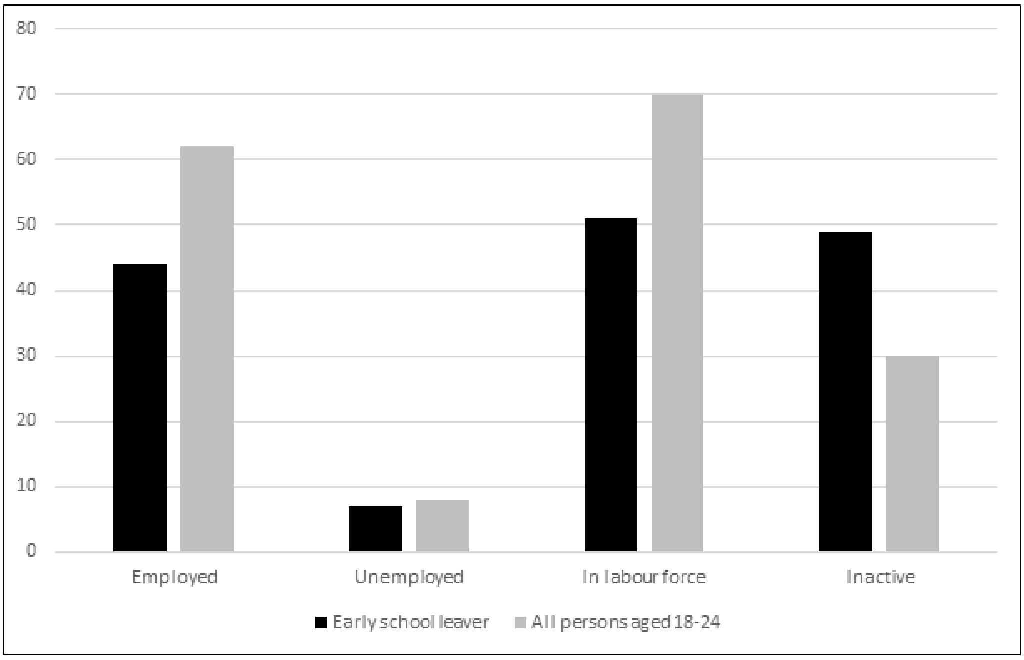
However, just 58 per cent of targeted intensive home care package hours were delivered (and to only 31 per cent of the number of people that had been targeted), representing a decrease from last year's performance.

Policy Priority

- Create a statutory entitlement to Home Care, with proper regulation and funding, supporting older people and disabled people to remain at home and in their communities.
- Enhance the process of planning and investment so that the healthcare system can cope with the increase and diversity in population.

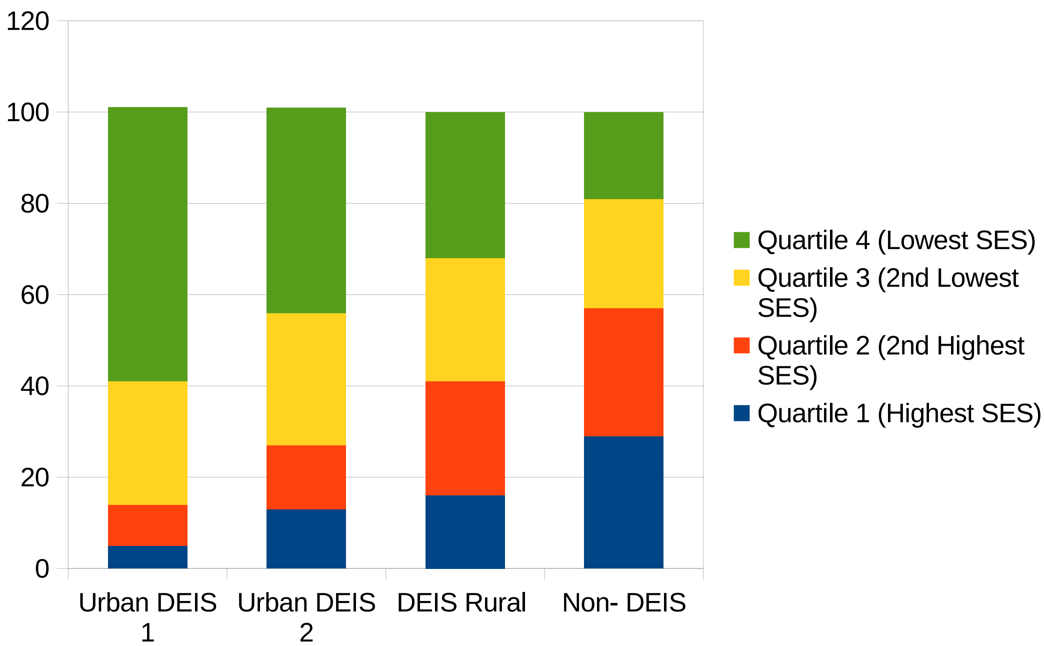
Education

Chart 3.1: Labour Market Status for Early School Leavers and total population 18-24 year olds Q2 2023, % in employment.



Source: (CSO, 2023)

Chart 3.2: Percentage breakdown by SES* quartile within each DEIS-related school category (2021)



Source: PIRLS 2021: Reading results for Ireland
Note: SES – Socioeconomic Status

Education

Early School Leaving

The PfG commits to tacking 'all forms of disadvantage in education'. Those exiting the system early need to be supported to remain in or return to education. 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, 2024).

CSO data shows that (see Chart 3.1) 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 analysed the outcomes for students who started second level education in 2011 – 2013 (CSO,2019). When comparing early school leavers to those who completed the Leaving Certificate, the report found that just 43.8 per cent of early school 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, 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.

Educational Disadvantage

We welcome the continued commitment to DEIS, and proposed enhancement of the programme. The improvement of educational outcomes for pupils from disadvantaged backgrounds and disadvantaged communities must remain a policy priority, with additional resources focused on addressing the persistence of educational disadvantage. Chart 3.2 highlights that socio-economic disadvantage plays a key role in children's educational access. Government must continue to tackle core issues of child poverty and inequality.

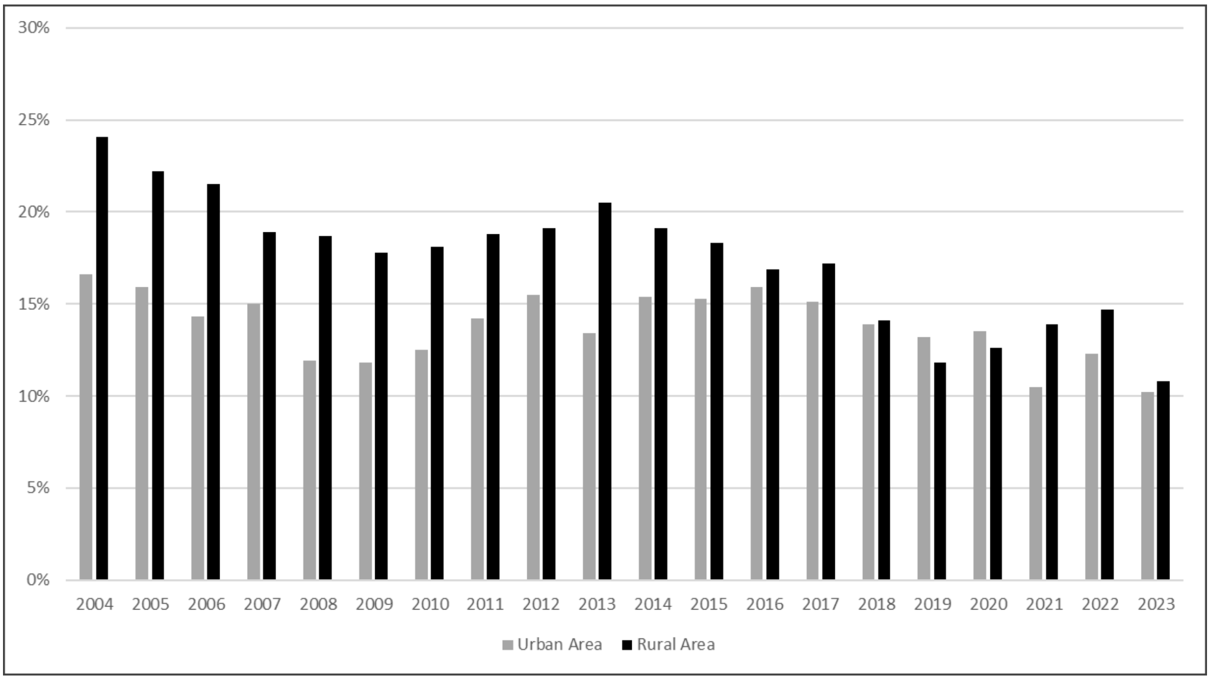
One way is to reduce the pupil teacher ratio at primary level and we welcome Government commitment so deliver this during the next five years. *Social Justice Ireland* has consistently advocated for progress in this regard and looks forward to working with Government to look at specific policies and the necessary budgetary allocations required annually over the lifetime of the Government to ensure that this goal is achieved.

Policy Priority

- Ensure better access to higher education for students from areas of socio-economic disadvantage, more diverse access routes for under-represented groups and improving lifelong and flexible learning.
- Invest in reducing class sizes and pupil teacher ratios at primary and post primary level.

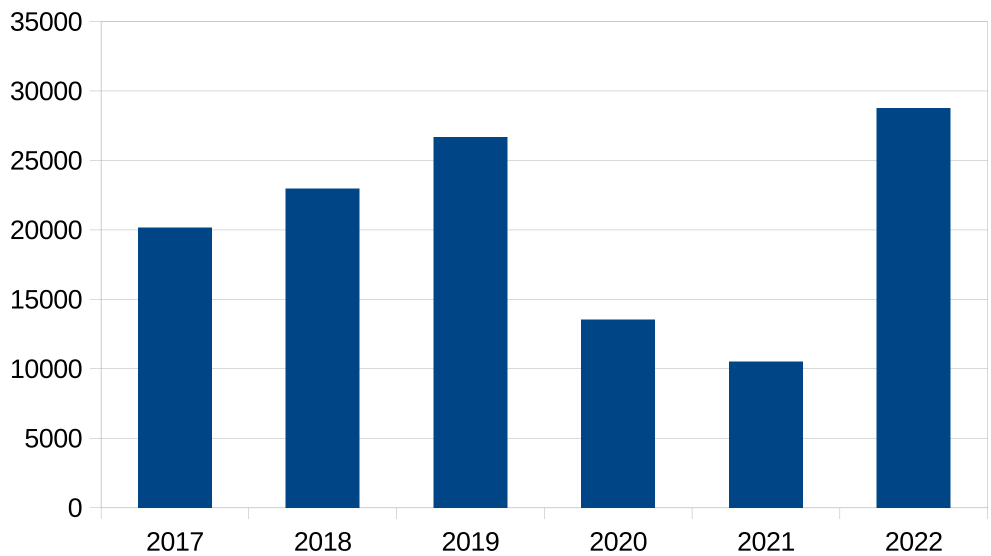
Rural Development

Chart 4.1: At Risk of Poverty by Area Type, 2004 – 2023



Source: CSO PxStat 2024

Chart 4.2: Summary of Provincial city and town scheduled bus passenger services, number of passengers (000), 2017-2022



Source: CSO Table TOA16

Rural Development

We warmly welcome the commitment in the PfG to balanced regional development. Access to services and infrastructure is one of the key challenges facing rural communities. Policy must be rural proofed and delivery of public services in rural communities must be in accordance with the equivalence principle.

Rural Poverty

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, 2019). Chart 4.1 gives 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.

The amount of money required to achieve the Minimum Essential Standard of Living (MESL) is higher for rural families than for their urban counterparts according to the latest MESL figures. It ranges from an estimated €51 per week higher for working rural couples with younger children (pre-school and primary age), to €99 per week higher for rural couples with children of primary and second-level school age (Vincentian MESL Research Centre, 2024). 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. 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.

Rural Transport

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. A recent study found that access to public transport is a significant challenge in rural areas, with forty-seven percent of respondents not having access to public transport including local link (Irish Rural Link and Social Justice Ireland, forthcoming).

Infrastructure must be in place to support thinly populated areas to grow and thrive, while those living in Dublin and surrounding areas, with access to an extensive public transport network, should be encouraged and incentivised to use it. 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 with 82 per cent of journeys in more sparely populated rural areas made in private cars (NTA, 2024). Chart 4.2 shows that when rural services are made available, they are used by millions.

Policy Priorities

- Ensure that investment is balanced between and within regions.
- Continue to prioritise rolling out high speed broadband to rural areas.
- We must ensure a Just Transition that leaves no one is behind and that both the benefits and burdens of change are shared fairly.
- Invest in an integrated, accessible and flexible rural transport network.

Work

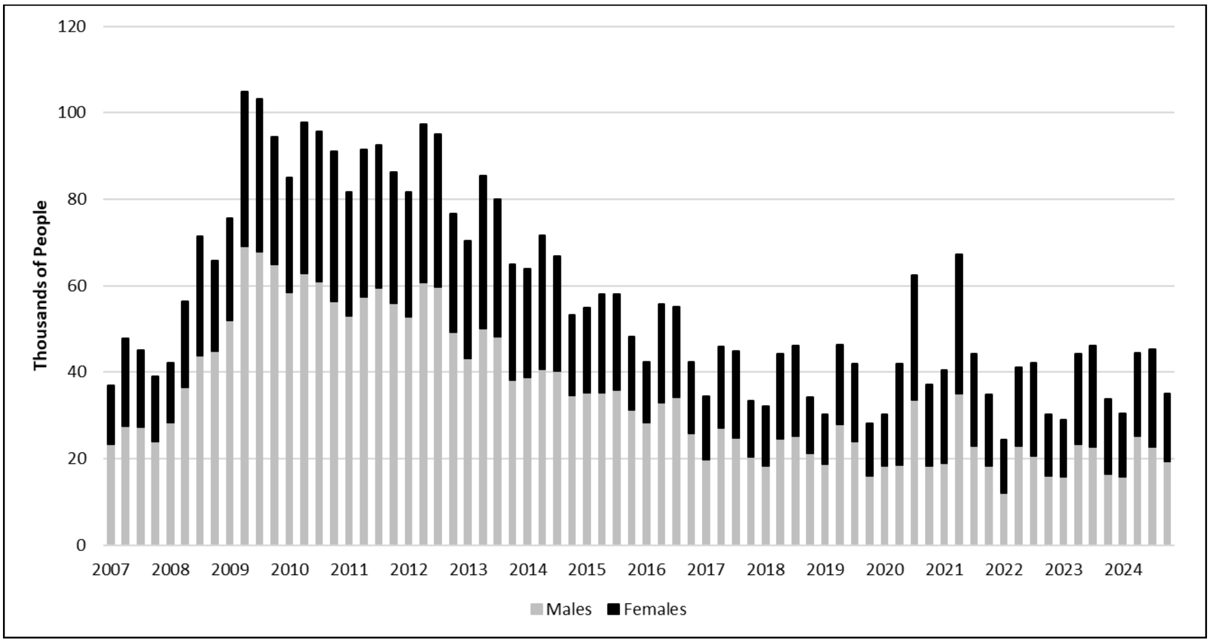
Table 5.1: Unemployment in Ireland, 2011 - 2024

	2011	2019	2024	Change 11-24
Unemployment	340,100	111,600	116,100	-224,000
Male	215,800	62,900	65,000	-150,800
Female	124,300	48,800	51,100	-73,200
Seeking FT work	289,100	80,000	75,300	-213,800
Seeking PT work	37,800	28,700	35,700	-2,100
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
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
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: 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.

Chart 5.1 Youth Unemployment by Gender, 2007- end 2024



Source: CSO, LFS on-line database.

Work

The commitment in PfG to create 300,000 new jobs by 2030 is ambitious. However, this must be complemented by policies to ensure workers have access to adequate and quality infrastructure, public services and housing to support these jobs. Job creation must prioritise high-quality employment with fair pay and conditions.

Long Term Unemployment

The improvement in the number and rates of Long Term (LT) unemployment are highlighted in Table 5.1. The number of LT unemployed exceeded 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, it is a policy area which receives limited attention.

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).

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.

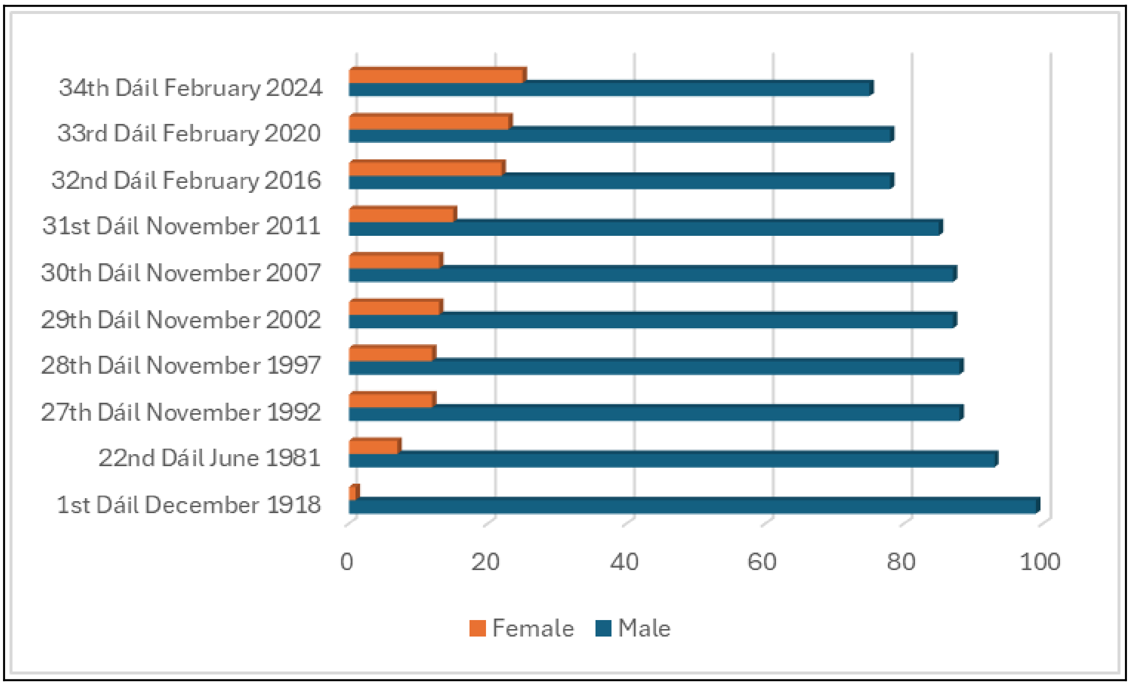
By the end of 2024, 35,000 people under the age of 25 were unemployed – 19,300 males and 15,700 females – meaning that youth unemployment accounted for almost three in every ten unemployed people in Ireland. Experiences of unemployment, and in particular long-term unemployment, alongside an inability to access any work, training, or education, tends to leave a ‘scarring effect’ on young people (European Commission, 2014). 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.

Policy Priorities

- Adopt policies to address the worrying issue of youth unemployment. In particular, these should include education and literacy initiatives as well as retraining schemes.
- Resource the up-skilling of those who are unemployed and at risk of becoming unemployed through integrating training and labour market programmes.
- Develop a bespoke policy approach for older workers facing the pre-retirement years in unemployment.

Governance and Participation

Chart 6.1: Women and men elected to Dáil Éireann , 1918-2024



Source: CS0, Table G0502

Table 6.1: Composition of PPN membership 2022* and 2023*

College	2022	2023	Change in No.	% Total 2023
Community and Voluntary	14,386	15,242	+856	80%
Environmental	673	730	+57	3.8%
Social Inclusion	2,972	3,081	+109	16.2%
Total	18,053	19,063	+1,010	

Source: Dept. of Rural and Community Development, PPN Annual Report 2023.

Note: Includes Associate Members. Please note with regards to the 2023 total figure - there are 10 groups registered to a PPN unassigned to any college.

Governance and Participation

Democracy and maintaining democratic systems are vital if we are to deliver a society which ensures 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, and that every person has a genuine voice in shaping the decisions that affect them. That democratic systems are under threat across the world means there is no place for complacency.

We welcome the commitments to countering mis and dis-information and support for independent journalism. We welcome political reform and the increased support for greater diversity and inclusion in our political representation. Local democracy must be supported as this is where the majority of people will engage with politics and policy through interaction with their local councillors, Public Participation Networks (PPN) and others.

Women in Politics

Women are significantly out-numbered by men in politics in Ireland. Gender quota legislation introduced prior to the 2016 General Election has resulted in general increases but women still only hold 25 per cent of seats (Chart 6.1). Research from the National Council of Women in Ireland reports that care is not an issue for only 40.24 per cent of female respondents (local councillors and key stakeholders) compared to 54.17 per cent of the male respondents (NCWI,2019). That same report notes that, "three times the proportion of women than men reported bringing their children on canvassing duty. 16% of women and 9% of men reported being reliant on unpaid childcare and 9% of women and 4% of men indicated a reliance on paid care. Women are more likely to bring their children with them on the campaign and are more reliant on care than their male counterparts. Lone parents would seem to be specifically disadvantaged by these dynamics". A balanced representation by both women and men is seen as important in strengthening democracy and "is a necessary condition for women's interests and concerns to be taken into account" (EPRS,2021). It is time to start investing in this area and move Ireland's childcare infrastructure in the direction of the European norm.

Public Participation Networks

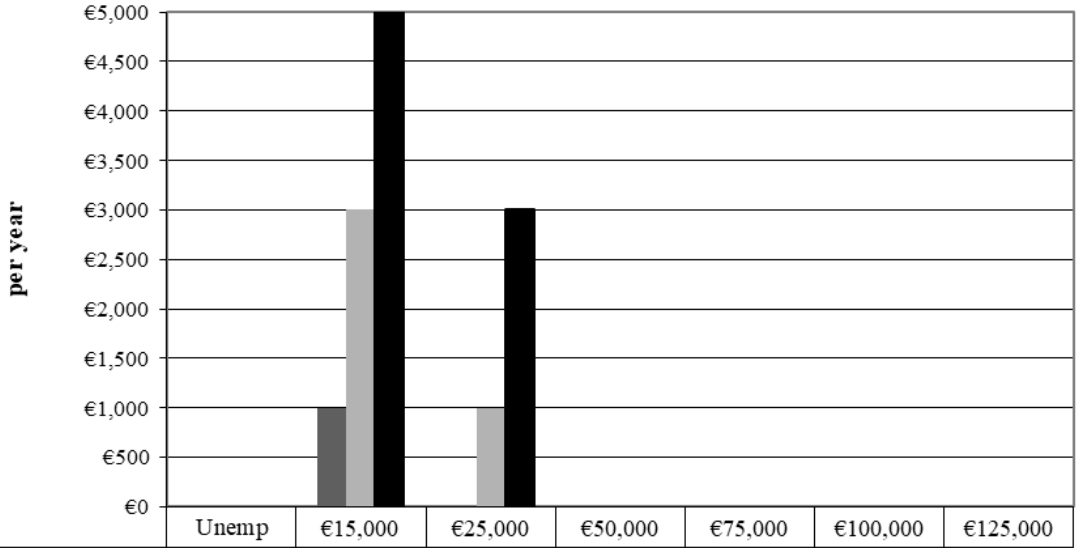
As the PPNs go from strength to strength, (Table 6.1) adequately resourcing the PPN structures for participation at Local Authority (LA) level, establishing a Dialogue Forum in every Local Authority involving the LA and the PPN and establishing a social dialogue process are all essential to protecting and strengthening our democracy at local and national level.

Policy Priority

- Increase investment in early childhood education and care and after-school care.
- 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.

Income Distribution

Chart 7.1: 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.

Table 7.1: 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
2025*	968.25	266.27	244.00

Note: Earnings data from CSO Earnings and Labour Costs database. *These figures relate to beginning of 2025.

Income Distribution

The failure to reference or address income adequacy in the Programme for Government is a cause for substantial concern. While poverty is multi-faceted, it cannot be addressed without policies that address income adequacy which should be combined with the provision of properly resourced services and infrastructure. We also regret that the issue of low pay was not addressed in the programme. The introduction of Refundable Tax Credits would support low paid workers. This absence from the programme for government is extremely concerning. As our population grows and ages, Government should establish an expert forum to examine what a minimum social floor of services and income for all demographic cohorts out to 2057 might look like.

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. 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 7.1 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.

Benchmarking Social Welfare

Benchmarking minimum rates of social welfare payments to movements in average earnings is an important policy priority.

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. 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 7.1 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.

Policy Priorities

- Index social welfare rates to 27.5% of average earnings.
- Introduce Refundable Tax Credits.

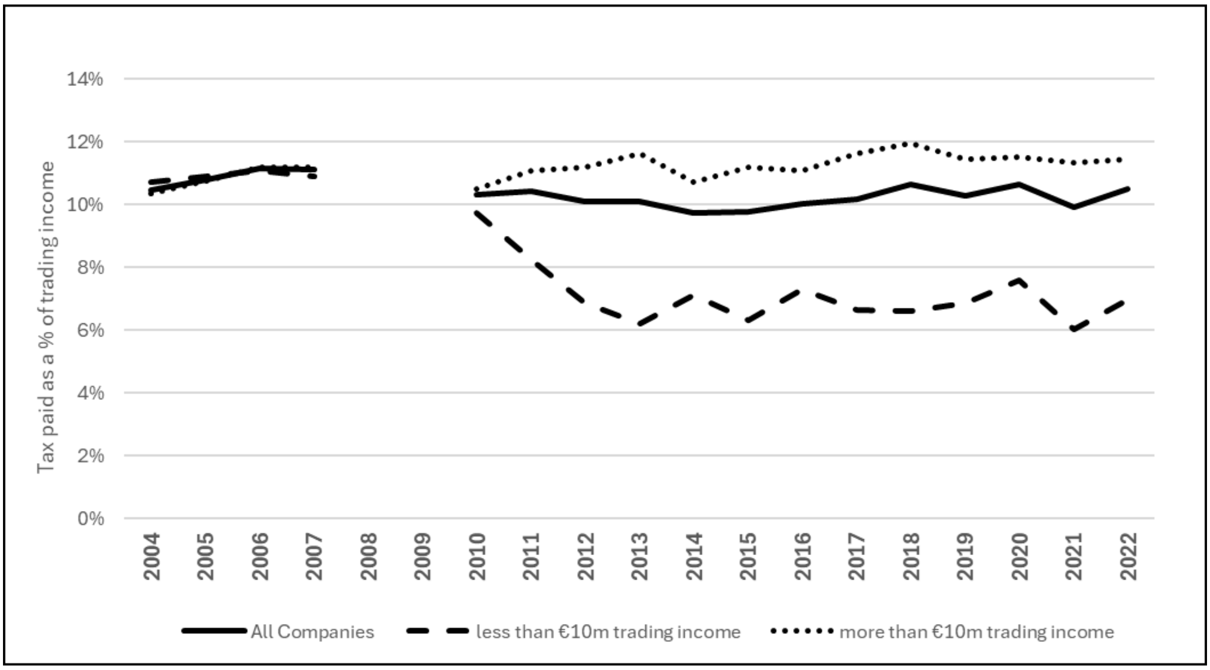
Taxation

Table 8.1: 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: See Social Justice Matters: 2025 guide to a fairer Irish society - Page 77

Chart 8.1: 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

Taxation

Tax Base

We welcome the commitment to maintain a broad tax base in the PfG. The first step on this path should be a revised tax-take target on a per capita basis.

We propose a new tax-take target of €15,000 per capita in 2017 terms, increasing annually in line with nominal GNI*. This translates to approximately €26,800 per capita in 2025, requiring an additional €28 billion per annum in stable, recurring tax revenue to be raised excluding windfall gains. 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.

Table 8.1 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 our 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. 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, a narrow tax-base, and persistent deficits in the provision of public services and infrastructure.

Corporation Taxes

The issue of corporate tax contributions is principally one of fairness. We welcome the OECD BEPS Pillar 2 proposals being adopted for large firms and suggest that next government should adopt policies to ensure that the 15 per cent minimum effective corporate tax rate for large firms is successfully implemented. Government should extend this measure to all corporate taxpayers over the next few years.

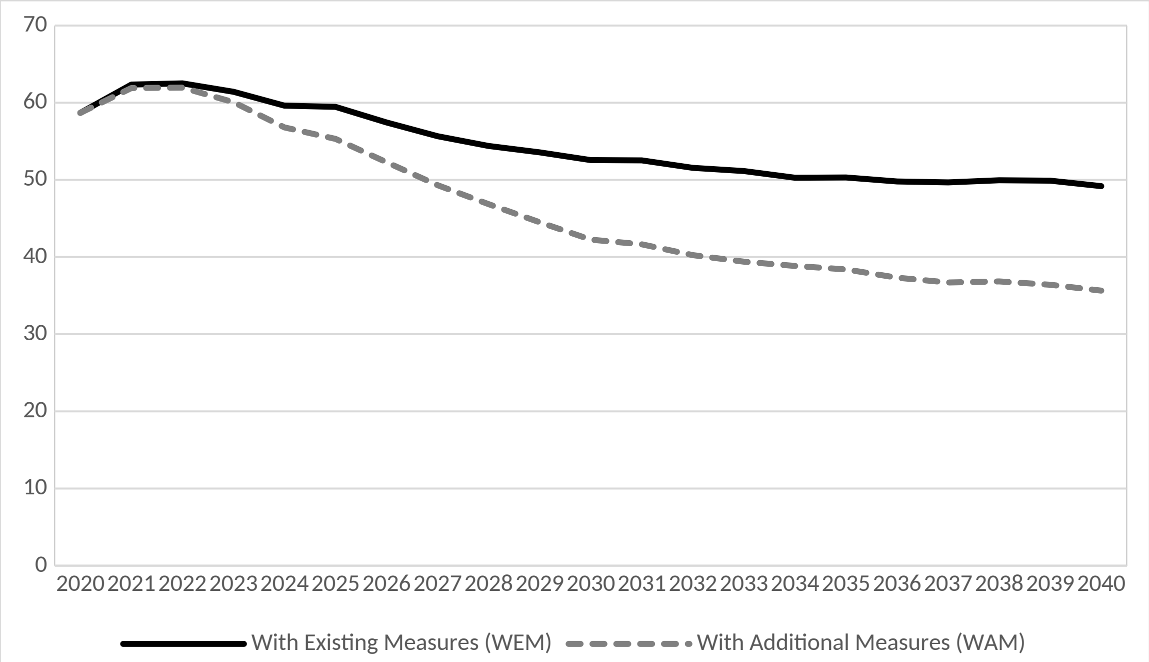
The latest data from the Revenue Commissioners on corporate taxes (published in 2024 with returns data for 2022) reports a total of 92,500 corporate taxpayers who paid €23.8 billion in corporation tax for 2022 (Revenue, 2024). The report highlights the skewed nature of this tax source: 84 per cent comes 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 8.1) although there are differences in the rates paid when firms are examined by trading income. 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.

Policy Priorities

- Set a new tax-take target and increase the overall tax-take to reach this target.
- Adopt policies to ensure the 15 per cent minimum effective corporate tax rate is implemented.

Environment and Sustainability

Chart 9.1: Ireland GHG Emissions Projections 2020-2040 (kt CO2 eq)



Source: EPA, 2023.

Table 9.2: Sustainable Progress Index 2025

Country	Index Score	Country Rank
Sweden	0.6708	1
Finland	0.6159	2
Netherlands	0.6003	3
Denmark	0.5938	4
Austria	0.5062	5
Luxembourg	0.5011	6
Belgium	0.4985	7
Germany	0.4952	8
Ireland	**0.4943**	**9**
France	0.4308	10
Portugal	0.4232	11
Spain	0.4099	12
Italy	0.3959	13
Greece	0.3568	14

Source: *Social Justice Ireland* Sustainable Progress Index 2025

Environment and Sustainability

Protecting Our Environment

Climate change is one of the most pressing challenges we face; how we adapt, mitigate and manage this transition now will, in large part, determine the type of world in which future generations live. When adapting to meet this challenge, we must also grasp the opportunity to address social and economic challenges that already exist, making sure that the actions we take begin to address these problems rather than exacerbate them. We welcome the continued commitment to the 2030 and 2050 legally binding targets, and the commitment to set new ambitious 2040 targets for the reduction of greenhouse gas emissions. We also welcome the commitment to support the Just Transition Commission in its work, commitments to empower communities to take advantage of renewable energy opportunities, commitments regarding reducing emissions from our built environment and continuation of planned carbon tax increases.

Chart 9.1 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.

There will be challenges in meeting our emissions targets in all sectors. In terms of agriculture, improvements in production efficiency will not be enough to meet targets and the long-term trajectory for 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, 2022). 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.

Sustainable Progress Index

Social Justice Ireland monitors Ireland's performance towards achieving the SDGs through our Sustainable Progress Index (Social Justice Ireland, 2025). Ireland's first Sustainable Progress Index, published in 2017, argued against GDP as the main barometer of a country's wellbeing and success and compared Ireland's performance across all 17 SDGs with those of the remaining EU-15 countries. Using these criteria, Ireland ranked 11th out of the EU-15 countries in 2017 and now ranks 9th in 2025 (Table 9.2).

Ireland faces significant challenges in meeting the development objectives enshrined in the SDGs. Focusing exclusively on GDP will divert the attention of policymakers from the action that must be taken to achieve the SDGs. With only five years remaining until 2030, time is running out to achieve the 17 SDGs by the deadline set in 2015. We welcome the PfG commitment to 'Implement a Whole-of-Government Strategy to fully integrate the SDGs into national policies and initiatives, ensuring that each goal is actively pursued across all levels of government.'

Policy Priorities

- Set ambitious emissions reduction targets for 2030 and ensure sufficient resources to support implementation of these targets.
- Pilot a Farm Sustainability Passport scheme.
- Adopt targets and a reporting system for each of the Sustainable Development Goals.

Global Issues

Table 10.1: 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.

Table 10.2 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.

Global Issues

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 2023-24 points to some of these inequalities between various regions of the world, as shown in Table 10.1 (UNDP,2024). Today, average life expectancy is 20 years higher for people in the richest countries compared to those in Sub-Saharan Africa.

Official Development Assistance (ODA)

It is concerning that PfG only makes one reference to Overseas Aid and that is to be found in the Protecting our Environment section. There is a commitment to ensuring 'continued support for climate finance delivered through Ireland's Overseas Development Aid programme, particularly in areas where communities are vulnerable to climate impacts'.

Whilst 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 (Social Justice Ireland,2022) and contributions to each should be disaggregated from one another.

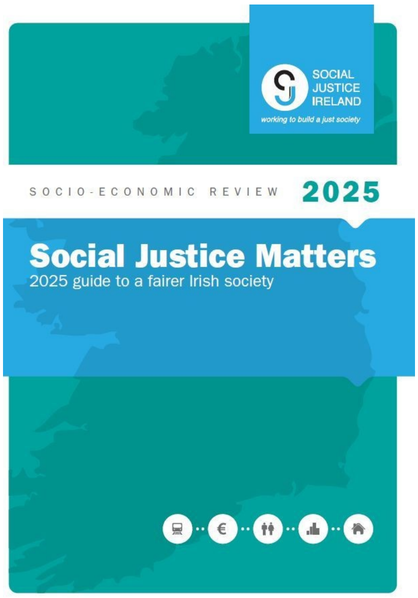
Ireland still lacks a strategy for reaching the UN-agreed ODA target of 0.7 per cent of national income and we call on the Government to develop such a strategy with a view to reaching this target by 2030. We must continue to recover lost ground in relation to our ODA commitments. Given Ireland's current and projected economic growth, we believe 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 10.2, we propose a possible pathway to reaching the UN target.

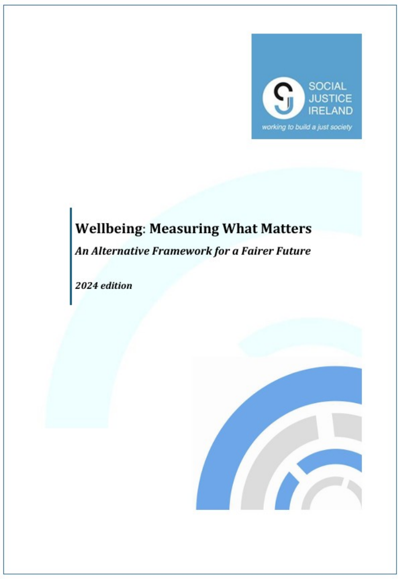
This pathway sees Ireland achieve the UN target of 0.7 per cent over the next five years. Here again we use GNI* as a more realistic measurement of Ireland's national income, making the target all the more achievable. These allocations should not include the increase in expenditure in respect of the Ukrainian crisis, which should be ring-fenced and warehoused. They should also not include our commitments to Climate Finance or Loss and Damage.

Policy Priorities

- Uphold the value of solidarity and take a human-rights first approach to foreign, migration and international development policy.
- Renew the 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.

Other Publications by *Social Justice Ireland* (see www.socialjustice.ie):





Social Justice Ireland is an independent think-tank and justice advocacy organisation of that advances the lives of people and communities through providing independent social analysis and effective policy development to create a sustainable future for every member of society and for societies as a whole.

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