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2026

Social Justice Matters

2026 guide to a fairer Irish society



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Irish society

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Chapter one

Chapter 1

THE COMMON GOOD: A GUIDING PRINCIPLE IN IRELAND TODAY?

The Common Good

The right of the individual to freedom, wellbeing and personal development is both limited and supported by the rights of other people. This understanding recognises the fact that we live in community with our neighbours, and that the person develops their potential in the context of society where the needs and rights of all members and groups are respected. This understanding is at the core of *Social Justice Ireland's* vision of the 'common good'.¹

Put succinctly 'the common good is not about an accumulation of goods leading to a desirable state of affairs, but, rather, about creating the conditions in which the good of the individual and the collective may emerge.'² The common good, then, consists primarily of having the social systems, institutions and environments on which all depend, work in a manner that benefits all people simultaneously and in solidarity. Examples of particular common goods or parts of the common good include an accessible and affordable public health care system, an effective system of public safety and security, peace among the nations of the world, a just legal and political system, an unpolluted natural environment and a vibrant economic system.³

As each person's development and the flourishing of their talents contribute to the wellbeing of the whole community, therefore everyone in our society has a right to a share in the common good. It is the job of government to harness the benefits of our strong economic position to invest in policies that foster the common good and wellbeing of every member of our society. The common good then depends on a distribution of resources via incomes, social services and infrastructure so that each person's wellbeing is promoted. Fairness and social solidarity are central to

¹ For more detail and discussion on this concept see <https://www.socialjustice.ie/content/publications/common-good>

² Kirwan, J. (1983) in Francis McHugh, *Catholic Social Thought: Renovating the Tradition*. P72

³ Velasquez, M. et al, (1992) *The Common Good*, Issues in Ethics V5, N1

this. In 2025, the number of people living below the poverty line in Ireland rose by more than 58,000.⁴ Yet, during the same period Irish Gross Domestic Product (GDP) grew by €604.8 billion (CSO, 2026a). Clearly, ours is a society of prosperity on the one hand and poverty on the other. Such a disparity calls into question the commitment to the common good in public policy in Ireland.

At a time of global turmoil and conflict, Ireland faces the challenge of mitigating the impact of an energy price crisis for vulnerable households and preparing for the potential impact of a prolonged energy shock. At the same time, Government must address the ongoing problems of 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; and how to meet our climate targets and adapt to coming changes whilst protecting those most impacted. In this year's edition of our socio-economic review, *Social Justice Ireland* provides a clear-eyed social analysis across a range of policy areas and outlines a series of recommendations that endeavour to put the common good at the heart of public policy in Ireland.

The Global Context: A period of rupture?

As a member of the European Union and a small open economy, Ireland's public policy is shaped by global developments. The increase in violent conflicts around the world has been a devastating feature of global politics over recent years. Russia's war of attrition against Ukraine triggered a sudden spike in energy prices in 2022 which eroded income gains, particularly for low- and middle-income households. At the same time, the influx of Ukrainian refugees fleeing the war, followed by an unforeseen upsurge in applications for international protection, brought the issue of immigration into sharp focus. All of this has had a direct impact on political sentiment and public policy decisions over the last four years.

Meanwhile, growing conflict in the Middle East has caused devastation and instability. The attacks on Iran and their retaliation in February 2026 further escalated hostilities in the region, extending to the Gulf states and Lebanon. How this all unfolds is impossible to say at present. One likely outcome is that the attention dedicated to crafting our policy responses both nationally and at a European level will diminish the political attention needed to address other critical issues. Another outcome is economic, the impact on oil and other supplies from the Middle East has resulted in yet further price increases and raises the spectre of another cost-of-living crisis across society.

In addition to the human and economic cost, a troubling feature of the US and Israeli attack on Iran is the disregard for international law and diplomacy. The context for

⁴ Calculated by *Social Justice Ireland* using data from the CSO's Survey in Income and Living Conditions (SILC) 2025 (March 2026). See <https://www.cso.ie/en/releasesandpublications/ep/p-silc/surveyonincomeandlivingconditionssilc2025/> and <https://www.socialjustice.ie/article/rising-poverty-rates-shows-need-urgently-address-income-adequacy>

this conflict is decades-old, but more recently US rejection of multilateralism has been significant. The decision to suspend US foreign aid funding last year was an indicator of this move. The extraordinary rendition of Venezuelan President Nicolás Maduro at the beginning of 2026 and the airstrikes on Iran both came without any effort to build international consensus or legitimacy through the UN. Over two decades earlier, the Bush Administration at least made efforts at the United Nation to build a case for the invasion of Iraq. The Trump administration has not even bothered with the appearance of seeking UN approval or international consensus.

At an EU level, there has been a shift to a more militarised posture in recent years, in tandem with greater focus on economic competitiveness, both of which are priorities for the second Von der Leyen Commission (European Commission, 2024). This is unsurprising given Russia's ongoing war on Ukraine and the US administration's break with longstanding trade and security policy. The upshot of these priorities is limited attention for other policy goals; there are only so many actions that can be taken within a given timeframe. Escalating conflict only serves to further diminish the political focus needed to address long-term social and environmental challenges. We are only four years away from the 2030 deadline for the UN Sustainable Development Goals. The SDGs were set and agreed in 2015, yet much more needs to be achieved if we are to meet our targets.

Poverty, Deprivation and Affordability Pressures

While the status quo is being profoundly disrupted in many ways, another feature of the status quo remains stubbornly entrenched: inequality and poverty. There can be no common good where some people are left out. Yet, 687,784 people were living below the poverty line in Ireland in 2025, equivalent to 12.6 per cent of the population (Social Justice Ireland, 2026; CSO, 2026b). This represents an increase of 58,288 people at risk of poverty between 2024 and 2025. Behind this data from the Central Statistics Office is the lived reality for people and households across the country. For a more detailed breakdown see Chapter 3.

It should be noted that without the social protection transfers, the proportion of the population below the poverty line would have been 33.2 per cent in 2025 (CSO, 2026b). This illustrates the positive intervention the state can make to alleviate poverty. However, it also reveals the significant underlying inequality in direct incomes. In terms of inequality, 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). 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.⁵

⁵ 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.

Related to poverty rates are enforced deprivation rates, also recorded by the CSO. Drawing on the SILC 2025 enforced deprivation figures (CSO, 2025), *Social Justice Ireland* estimates that almost 808,000 people still struggle to achieve a basic standard of living, including almost 236,000 children (Social Justice Ireland, 2025a). For a more detailed breakdown see Chapter 3. While the reduction in the proportion of the population experiencing deprivation since 2024 is welcome, it is nonetheless worrying that this decrease occurred at a time when one off income supports were still in place for vulnerable households. Those supports have since been discontinued. At the time of writing, it is unclear what income supports, if any, will be provided in Budget 2027 to address the impact of higher energy prices on the cost of living.

The real value of an income is what it can buy. With inflation rates projected to rise again in 2026, the impact will be felt most by households on the lowest incomes. According to the Vincentian MESL Research Centre (2025), between 2020 and 2025 the cumulative change in the cost of a Minimum Essential Standard of Living (MESL) was 18.8 per cent. The MESL offers a publicly determined benchmark for household minimum needs and indicates the income required for individuals and households to live with dignity. In 2025, the Jobseeker's Allowance personal rate, €244 per week, only met 85 per cent of estimated MESL needs when in Rent Supplement accommodation. This falls to 70 per cent for those in accommodation supported by the Housing Assistance Payment (HAP). In other words, anybody reliant on social welfare payments is consigned to poverty and deprivation.

A social protection system that fails to lift people out of poverty has failed to fulfil its very policy function, namely, to provide protection against poverty and deprivation. An inadequate social protection system is not only materially detrimental, but also socially exclusionary as it undermines full participation in the ordinary social life of the community. Solidarity is essential to any true vision of the common good as support for one another, especially for those facing hardship, is necessary to promote full participation and prevent social exclusion. This requires a properly functioning social welfare system to provide a social floor below which no member of the community can fall.

Housing and Homelessness

Poverty and deprivation are compounded by housing affordability pressures. Renters are disproportionately vulnerable to poverty, 80 per cent of those in consistent poverty are living in rented accommodation (CSO, 2026b). Renters are four times more likely to experience deprivation than homeowners (CSO, 2025). Well over half of renters in receipt of housing supports (58 per cent) are living below the poverty line (CSO, 2026b). This includes those households in receipt of the Housing Assistance Payment (HAP), Rent Supplement and the Rental Accommodation Scheme. This is a cohort of renters who properly speaking ought to be living in dedicated local authority social housing, paying reasonable affordable rents and with security of tenure. Instead, they have been denied security and left with no choice but to hand over a significant proportion of their incomes

to pay unaffordable rents. Clearly this experience of housing for many reveals a deeply unequal society. These figures indicate that Government must prioritise social housing delivery.

The most intense form of deprivation in Ireland continues to worsen: homelessness. It has been seven years since the number of people in state-funded emergency homeless accommodation first exceeded 10,000 people in February 2019. The most recent homeless figure, the highest number on record, show that 17,308 people had to rely on Local Authority emergency homeless accommodation in the last week of February 2026 (Department of Housing, Local Government and Heritage, 2026). There were 1,930 more people in emergency accommodation in the most recent count than a year earlier in February 2025. With the exception of December 2025, the number of people in homeless emergency accommodation has risen each month of the past year.

The level of homelessness in Ireland today is a feature of the affordability crisis driven by housing shortages. Between 2020 and 2025 rental prices on the open market increased by almost 40 per cent (Lyons, 2025). The new regulations on the rental market will see further increases in the rent prices, as acknowledged by the Director of the Residential Tenancies Board.⁶ The Parliamentary Budget Office (2025) sets out the persistent demand for secure, long-term social homes across the country. According to the PBO's latest data, 113,512 households in Ireland had an ongoing need for permanent, suitable social housing at the end of 2024. This includes 59,941 households on the social housing waiting list as well as the 53,571 households in active HAP tenancies still needing secure homes. As aforementioned, these figures indicate that Government must prioritise social housing delivery if it is to provide security and affordability.

Added to this, Ireland's growing population is increasing structural demand for homes. Deliveries of new homes, both social and private, remain below the levels required to even stabilise overall housing shortages, let alone reduce existing demand. According to the CSO, there were 36,284 new dwelling completions in 2025 (CSO, 2026). This represents a welcome increase of 20 per cent compared with 2024, however it remains inadequate: Government's target is 50,000 per annum, rising to 60,000 by 2030. 9,089 new-build social housing units were completed in 2025 (Department of Housing, Local Government and Heritage, 2026a). Again, while the 16 per cent increase on 2024 is welcome, this remains below Government's target of 12,000 units, itself a figure well below the required number.

Ireland's housing system has become increasingly shaped by private profit and privatisation, with developers building on state land, private landlords receiving significant subsidies to compensate for the social housing deficit, private

⁶ Cianan Brennan, 'Residential Tenancies Board head admits rents will rise, "at least in the short term", under new legislation' in *Irish Examiner* on 25 February 2026. See: <https://www.irishexaminer.com/news/arid-41799920.html>

operators running emergency accommodation, and private investors dominating short-term, high-yield rental markets. Although the Government's new housing strategy, *Delivering Homes, Building Communities 2025–2030* (2025), acknowledges the role of public housing, it remains heavily dependent on market-led solutions and demand-side subsidies. In a supply-constrained market, these measures risk driving prices even higher rather than improving affordability. A housing policy guided by the common good requires a sustained strategic response that prioritises inclusive, affordable, public-led provision of housing.

Major Transitions facing Ireland: Demographics, deglobalisation and digitalisation

As well as tackling the challenges in poverty, deprivation, housing and homelessness, Ireland must address major structural transitions already mentioned. The Department of Finance has highlighted four critical transitions with which Government must contend over the medium and long term: decarbonisation, digitalisation, deglobalisation, and demographic change (Government of Ireland, 2023; Department of Finance, 2024; Department of Finance, 2024a). 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.

In terms of demographics, the Population and Labour Force Projections from the CSO foresee Ireland's population reaching between 5.7 and 7 million by 2057 (CSO, 2024). Moreover, the proportion of the population aged over 65 years also set to increase significantly, and this proportion is projected to rise to 1.9 million by 2057. The fact that we are living longer is great, but it also requires that we prepare for the future now. The Department of Finance report, *Future Forty: A Fiscal and Economic Outlook to 2065* (2025), details how the effects of demographic trends are already in motion. The report notes that Ireland's old age dependency ratio (the proportion of persons aged 64+, relative to the working age population) rose from 18.2 per cent in 1984 to 23.1 per cent in 2022. Over the same period, the fertility rate fell. A rising old-age dependency ratio increases pressure on public finances, by raising costs for age-related expenditure while the workforce will be smaller relative to the total population. Migration flows, both inward and outward, will be crucial to Ireland's long-run economic and fiscal outlook. Continuing to enhance the management of migration can help sustain a larger working-age population, alleviating some of the pressures from these demographic shifts.

These demographic changes will impact on demand for public services, infrastructure and housing. It would therefore make sense to link our investment in infrastructure and services to real need based on demographic change and pent-up demand. Robust and adequately resourced social and economic infrastructure and services are as important as sound public finances when it comes to building resilience across our society and economy. At a time of economic prosperity, we

ought to be dealing with longstanding challenges that require investment. *Social Justice Ireland* has long advocated that it is sensible to invest in addressing deficits in infrastructure and services and to prepare for the future, provided the underlying budgetary picture is in balance. This requires that our recurring revenue be sufficient to meet present and future spending needs. However, while the public finances are in surplus, this is largely due to high-risk corporation tax receipts. Excluding these receipts, the underlying fiscal position is in deficit, pointing towards the need for sustainable, recurring revenue (Social Justice Ireland, 2025). This concern has been echoed by the Central Bank (March 2026), noting that the underlying budget deficit is projected to double from 2.2 per cent of GNI* in 2025 to 4.4 per cent in 2028. An adequate tax-take sufficient to meet the demand on resources now and in the decades ahead is essential if we are to sustain the common good.

The long-term trend towards deglobalisation is already having an impact on our economic story. In its mid-year quarterly bulletin (June 2025), the Central Bank noted that, as a small, open economy with significant trading and investment relationships with the US and EU, Ireland is experiencing, and can be expected to further experience, the fallout from changing geo-economic relationships and unpredictable US trade policy (March 2026). Digitalisation also continues to reshape our economy and society. A recent paper from the Department of Finance found that AI ‘at risk’ sectors have recorded significantly weaker employment growth since 2023 with the impacts particularly pronounced for younger workers in highly digitised sectors (Department of Finance, 2026). The Central Bank (March 2026) also notes that as Artificial Intelligence (AI) becomes increasingly available, it will change the nature of the job market over time in ways not yet understood, further adding to uncertainty to the longer-term economic outlook.

Notwithstanding potential risks, the Irish economy is in a relatively stable position. According to the CSO *Quarterly National Accounts: Quarter 4 2025* (2026a), GDP grew by 12.3 per cent and Modified Domestic Demand (MDD) grew by 4.9 per cent in 2025. The number of people in employment in Q4 2025 stood at a new peak of 2.83 million (Central Bank of Ireland, March 2026). While the Central Bank forecasts an increase in unemployment to 4.9 per cent in 2026, it remains below 5 per cent. Although imperfect, the Irish economy is characterised by continued, if muted, growth, near full employment and largescale exchequer revenues.

Major Transitions facing Ireland: Sustainable development and climate change

The global picture on climate action is not good. The *Climate Inequality Report 2025* notes that the world’s remaining carbon budget for limiting warming (e.g., to 1.5°C) is nearly exhausted (Chancel, Mohren, Bothe, Muti, & Villaverde, 2025). As part of its long-term analysis outlined in the *Future Forty* report (2025), the Department of Finance also examines the potential impact of climate change and the energy transition on Ireland’s economy in the decades ahead. The report acknowledges that the future economic impact of a changing climate is extremely difficult to predict. Nonetheless, a range of negative consequences of climate change can be expected, and indeed we are already seeing these trends emerge. Flooding and

rising sea levels, with areas already prone to flooding at most risk. Ireland's national infrastructure is at risk of increased damage and decay due to extreme weather events. Broader shifts in the country's climate, compounded by extreme weather events, will also inflict pressure on agriculture. Adaptation costs can be expected for many sectors of the economy, as well as for the exchequer.

Beyond the direct impacts of global climate change, there will also be indirect impacts arising from the reduction of fossil-fuel usage and the transition towards a more sustainable economic model. Ireland is committed to a 51 per cent reduction in greenhouse gas emissions (from 2018 levels) by 2030, and to reach net-zero emissions by 2050. However, the EPA forecasts that Ireland's Climate Action Plan will deliver 29 per cent emission reductions by 2030, well-below the national target of 51 per cent (EPA, May 2024). If this gap-to-target is not addressed in the coming years, it will require considerably greater effort in the 2030s and 2040s to reach net-zero. Ireland will need to accelerate the energy transition in order to achieve these targets, requiring publicly funded investments.

In terms of our sustainable development more broadly, while there is clear evidence of progress in Ireland, challenges remain. Ireland ranks 7 out of 14 comparable EU countries in the 2026 edition of the *Sustainable Progress Index* (2026), tracking Ireland's progress towards the UN Sustainable Development Goals (SDGs). Sweden, Denmark and the Netherlands top the rankings. The index comprises three dimensions: economy, society and environment. Ireland ranks sixth on the economy index and fifth on the social index, but performs poorly on the environment index, coming second last in 13th place. Ireland continues to underperform in areas such as clean water and sanitation, life on land, and responsible consumption and production. We should never forget that our social and economic wellbeing depends on our natural environment. Government must take serious action to address the climate and biodiversity crises facing our country. A healthy environment is one of the essential conditions that constitute the common good and facilitate wellbeing. Likewise, a just transition which prioritises fairness as we shift to a low carbon future, contributes to the sum of conditions that sustain the common good.

Prioritising the Common Good: A New Social Contract

Social Justice Ireland is firmly committed to putting the common good at the heart of public policy in Ireland. 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 shape our future in a way that is humane, ecologically sound, and socially just?

Before World War II had concluded, plans were already being laid for a major restructuring of societies. In 1941 President Franklin D. Roosevelt and Prime Minister Winston Churchill issued the Atlantic Charter, which led to 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. It is *Social Justice Ireland's* contention that now is the time for a new social contract.

A new social contract underpinned by a commitment to the common good would enable Ireland to respond to the challenges we face 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 year's edition of our socio-economic review 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?

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Chapter two

Chapter 2

A POLICY FRAMEWORK FOR A NEW SOCIAL CONTRACT

Since 2020, Government has intervened in society in an unprecedented manner, 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 again require a state with the capacity to intervene. More than this, however, what is required is a state with a clear sense of purpose that actively shapes the future in the interests of the common good.

The need for Government to play a more active role is cogently argued by Mazzucato in her book *Mission Economy* (2021). Her solution would see governments not limit themselves to growing the economy and “fixing” market failures, but instead, they would actively shape our economy and society. Such a mission-oriented approach requires that the various components of policy be delivered simultaneously. 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.

Beyond the Economy

Historically, Ireland suffered from underdevelopment, weak economic growth, and a labour surplus. Since T.K. Whitaker’s 1958 study *Economic Development*, Government policy 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 metric of success. This is all too clear in Ireland today. Enormous GDP and exchequer returns (Department of Finance, 2026) are in stark contrast with

the level of poverty, deprivation and homelessness experienced by many in our country (CSO, 2026; CSO, 2025; Department of Housing, Local Government and Heritage, 2026). Successive Governments have focused on the size of the economy but have not adequately gotten to grips with how that wealth is distributed across society, either in terms of incomes or in our shared services and infrastructure.

Major long-term challenges facing Ireland and indeed the world, require a policy response that looks beyond the logic of economic growth. Demographic change, the digital revolution, poverty and deprivation, structural housing shortage, and the climate and ecological breakdown, require a vision for the future and a strategy for achieving that vision that draws upon all the levers of policy. While economic policy must form part of the effort to shape the future, by itself it is not enough. 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 US, there is a real danger that we will turn all our focus towards managing the economy. This would represent a failure of political leadership. Instead, we need a comprehensive and integrated approach to policymaking that addresses the needs of our society, economy and environment in their totality, guided by the principle of the common good.

From Programme for Government to the Common Good

Published in January 2025, the Programme for Government (2025) outlines a series of commitments across a range of policy areas for the lifetime of this Government. *Social Justice Ireland* welcomed several policies and proposals contained on the basis that, if adequately resourced and rigorously implemented, they could make a positive difference to our communities and collective wellbeing. At the same time, however, we raised very serious concerns about the lack any real ambition around poverty and income adequacy.

As aforementioned in Chapter 1, the common good consists primarily in the social systems, institutions and environment on which we all depend working in a manner that benefits all people. This then raises the question of fairness and the relationship between the people and the state. We believe that Government must ensure that the common good and protection of the most vulnerable is at the heart of the design, implementation and delivery of policy. After all, the purpose of economic development is to support our social and environmental goals. Achieving this requires that the benefits accruing from a vibrant economy be distributed in a more equal manner. Government has the opportunity to harness our economic success to deliver transformative change for all.

The scale of changes facing Ireland have 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. In contrast, 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.

The Common Good and a New Social contract

The concept of the social contract describes the unwritten agreement between individuals and their governments. It embodies mutual expectations, that governments provide stability, rights, protection and opportunities and in return, citizens participate in civic life and trust institutions. At its heart is a commitment to equality and a fair share for everyone. As such, poverty in particular represents a profound challenge to the social contract. Poverty is not just about the struggle to get by on a low income, it includes material deprivation, social exclusion, having limited access to services and unequal opportunities.

As noted in *Unfulfilled Promises? The State of the Social Contract in the 21st Century* (Abdallah, Mas, & Saujot, 2026), in contemporary societies around the world, especially within Europe, the social contract is under strain as people face rising insecurity in work and consumption levels, and democratic institutions and governments are seen to be failing to deliver. In a similar vein, the 2026 edition of the *World Inequality Report* (Chancel, Gómez-Carrera, Moshrif, & Piketty, 2026) identifies harmful global trends in relation to inequality and the erosion of the social contract. The report points to the erosion of progressive taxation, a key tool to reduce inequality, as a regressive pattern that undermines governments' capacity to fund public goods such as education, healthcare, and climate adaptation. These are trends that must be reversed and speak to the need for a renewal of the social contract that places the common good at the centre.

In an Irish context, *Social Justice Ireland* believes that it should be a national priority to provide all with sufficient income and access to services and infrastructure 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. This also requires that we pursue a model that integrates economic, social and environmental wellbeing.¹

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.² These are the rights to:

1. Sufficient income to live life with dignity;
2. Meaningful work;

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

² 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.

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 Policy Framework for a New Social Contract

The concept of the social contract recognises the web of rights and responsibilities that exist 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 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.

What might this look like in practice? *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 is sustainable: environmentally, economically and socially. We set out key areas for action within each policy outcome in Table 2.1.

Table 2.1: A Policy Framework for a New Social Contract

A Vibrant Economy	Decent Services & Infrastructure	Just Taxation	Good Governance	Sustainability & Just Transition
Financial stability & sustainable economic growth	Quality accessible services & social infrastructure	Adequate overall tax-take closer to the EU average	Open, transparent & accountable structures	Increased environmental protection
Secure employment with good conditions & decent wages	Adequate public investment & population-based planning	Increased equity in taxation & reduced income inequality	Social dialogue with all sectors in deliberative process	New indicators of progress & new Natural Capital Accounts
A more just economic structure	Minimum social floor	Broader tax base	Real participation & deliberative democracy	Climate action & a just transition
Harness the digital revolution	Realise seven social, economic & cultural rights	Good taxation governance	Reformed policy & budget evaluation	Balanced regional development

Renewed Social Dialogue

The practical development and implementation of a new social contract across all of society 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 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 arena, while the weakest will be left behind. In such a scenario, inequality will continue to grow, the social fabric will fray, 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 deeply alienated from our politics.

These issues are too important, and too volatile, to be left to vested interests alone, it requires the broad sweep of societal stakeholders to be involved. A deliberative 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.

Such a model of social dialogue should not be focused on compromise between competing interests; it must look to a broad-based enhancement of capabilities in our economy and society. Such a comprehensive social dialogue provides the mechanism to foster trust and to adopt a problem-solving approach. These outcomes do not emerge spontaneously, however; effective social dialogue requires investment of time and resources to support communities to reflect on and to articulate their own needs. The role of civil society – where the community and voluntary sector are particularly important in Ireland – is critical.

Social Justice Ireland recommends that 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.

In the chapters that follows, we explore the range of policy issues that would need to be addressed in any comprehensive dialogue to renew the social contract. These include income distribution and social protection, investment in services and infrastructure, climate change and a just transition, fair taxation, and good governance. Ireland needs an approach that addresses these issues simultaneously, in a strategic, sustainable and inclusive manner. *Social Justice Ireland* has developed a range of alternative policy solutions that meet the demands of this critical juncture, and which prioritise solidarity and the common good.

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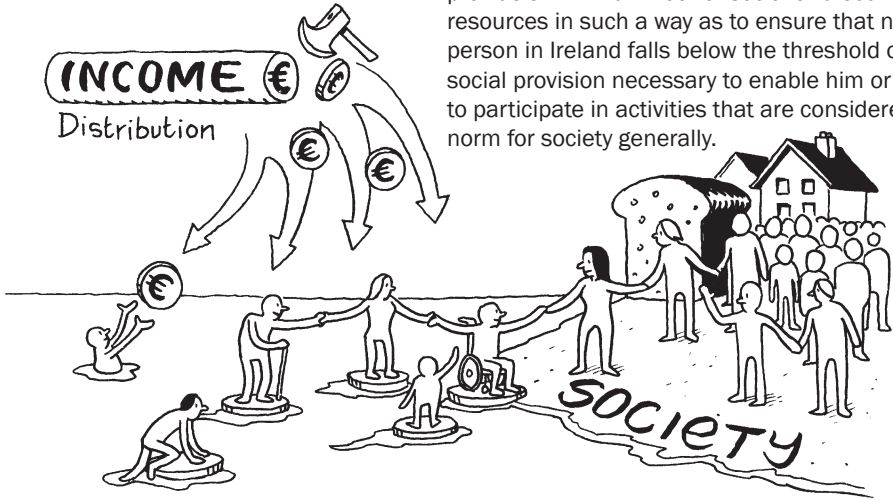
Chapter three

Chapter 3

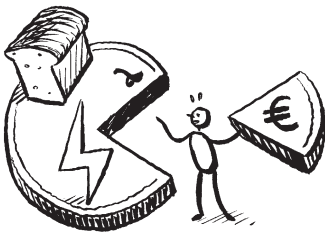
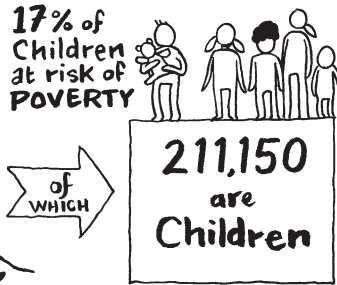
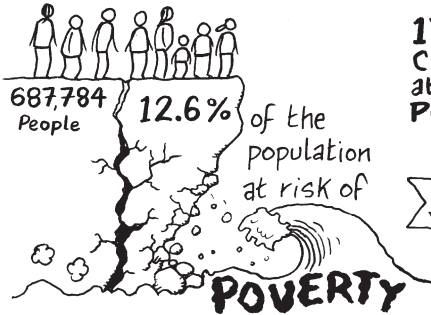
Income and Income Distribution

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.

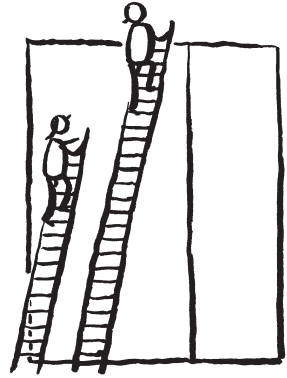


Data shows that welfare increases in previous years resulted in a welcome reduction in poverty rates.

Policy Solutions



A universal state pension.



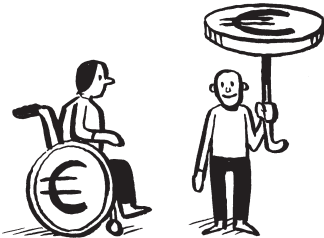
Equity of social welfare rates.



Increase in social welfare payments.



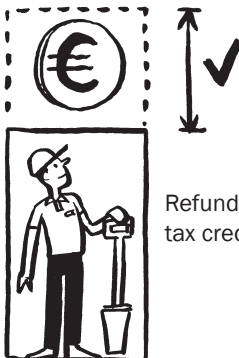
A Universal Basic Income



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 disabled people, 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 are being discontinued (Hick and Collins, 2024). The poverty rate now stands at 12.6 per cent of the population according to the latest data, which is for 2025; without the cost-of-living supports poverty would be 14.9 per cent.³

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 as part of the European Pillar of Social Rights Action Plan. These cover three dimensions: employment, education/skills, and poverty reduction. 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.

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.

³ See also our most recent policy brief on this issue: *Poverty Focus 2025* (Social Justice Ireland, 2025a).

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 has been reiterated in all subsequent national poverty and social inclusion strategies including the most recent *Roadmap for Social Inclusion 2020-2025*.⁴

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 2025 *SILC* survey, conducted by the CSO and published in March 2026. In that year the CSO gathered data from a statistically representative sample of 4,705 households containing 11,617 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 2025 report refers to income levels in 2024. According to the CSO, the median disposable income per adult in Ireland during 2024 was €31,767 per annum or €608.80 per week. Consequently, the income poverty lines for a single adult derived from this are:

⁴ A new *Roadmap for Social Inclusion 2026-2030* is due to be published in May 2026.

50% of median	€304.40 a week
60% of median	€365.28 a week
70% of median	€426.16 a week

Updating the 60 per cent median income poverty line to 2026 levels, using published CSO data on the growth in average hourly earnings in 2025 (+3.4 per cent), produces a value for the relative income poverty line at the start of that year (CSO, 2026). In 2026 that figure is €377.70 for a single person. Any adult below this weekly income level will be counted as being at risk of poverty.

Table 3.1 shows what income corresponds to this poverty line for a number of household types. The figure of €377.70 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 €249.28 (66 per cent of the poverty line figure) and for each child in the household the minimum income figure is increased by €124.64 (33 per cent of the poverty line).⁵ 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 below the corresponding weekly disposable income figure is classified as living at risk of poverty. For clarity, corresponding annual figures are also included.

⁵ For example, the poverty line for a household with 2 adults and 1 child would be calculated as €377.70 + €249.28 + €124.64 = €751.62.

Table 3.1: The Minimum Weekly Disposable Income Required to Avoid Poverty in 2026, by Household Types

Household containing:	Weekly poverty line	Annual poverty line
1 adult	€377.70	€19,708
1 adult + 1 child	€502.34	€26,212
1 adult + 2 children	€626.98	€32,716
1 adult + 3 children	€751.62	€39,219
2 adults	€626.98	€32,716
2 adults + 1 child	€751.62	€39,219
2 adults + 2 children	€876.26	€45,723
2 adults + 3 children	€1,000.90	€52,227
3 adults	€876.26	€45,723

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

One immediate implication of this analysis is that most weekly social assistance rates paid to single people are €123 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 12 out of every 100 people in Ireland were living in poverty in 2025. 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. 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.⁶

⁶ See tables 3.5 and 3.6 for further analysis of this point.

Table 3.2: Percentage of Population Below Various Relative Income Poverty Lines, 1994-2025

	1994	1998	2001	2005	2010	2015	2020	2025
50% line	6.0	9.9	12.9	10.7	21.7	19.7	5.9	6.1
60% line	15.6	19.8	21.9	18.3	21.6	19.7	12.8	12.6
70% line	26.7	26.9	29.3	28.0	19.3	17.8	21.9	21.7

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 2025. These calculations are presented in table 3.3. The results give a better picture of just how significant this problem is.

Table 3.3: The Numbers of People Below Relative Income Poverty Lines in Ireland, 1994-2025

	% 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
2025	12.6	5,458,600	687,784

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 three decades, despite a reduction in the headline poverty rate (from 15.6 to 12.6 per cent) there are almost 130,000 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 2025 would be 14.9 per cent (813,000 people); suggesting that the cost-of-living measures succeeded in keeping 125,000 people out of poverty during 2025. However, as these measures are not permanent, we can expect headline poverty rates to increase once again from 2026.

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 2025 almost one-third of Ireland's adults with an income below the poverty line were employed and that overall, 41.8 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 690,000 people were living below the 60 per cent of median income poverty line in 2025. 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 five and ten years ago.

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 76,000 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, people who have a long-term illness or disability and children, but has risen for workers and the retired.

Table 3.4: Poverty Levels Expressed in Numbers of People, 2015-2025

	2015	2020	2025
Overall	764,111	643,827	687,784
Adults			
Employed	104,683	138,423	148,561
Unemployed	108,504	61,807	50,896
Retired	55,780	53,438	108,670
LT Ill/Disabled	64,185	66,314	62,588
Student/pupil	117,673	80,478	68,091
Fulfilling domestic tasks	113,088	59,876	60,525
Other	14,518	14,808	13,068
Children			
Children (under 16 yrs)	185,679	168,683	175,385
Children (under 18 yrs)	226,177	197,655	211,150

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

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 one-third of the Irish population (33.2 per cent) would have been living in poverty in 2025. 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 2025, the actual poverty figure was reduced to 14.9 per cent by social welfare transfers and further reduced by cost-of-living support payments to 12.6 per cent. Overall, these transfers targeted at the lowest income households reduced poverty by just over 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	2025
Poverty pre-SW	40.0	50.2	46.2	35.3	33.2
Poverty post-SW	18.3	14.7	16.3	12.8	12.6
The role of SW	-21.7	-35.5	-29.9	-22.5	-20.6

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.

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 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,

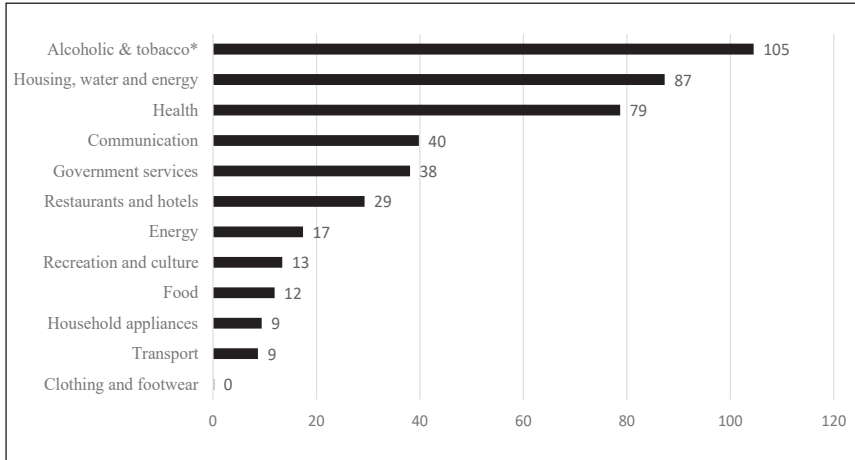
groups similar to *Social Justice Ireland* repeatedly pointed out that these payments had failed to rise in proportion to earnings and incomes elsewhere in society. The primary consequence of this was that recipients slipped further and further back and therefore more and more fell into poverty. In 2026, 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 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 (2025) 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 2024 they found that the EU’s highest price levels were recorded in Denmark (143 per cent of the EU average), Ireland (138 per cent) and Luxembourg (133 per cent) while the lowest were in Bulgaria (60 per cent) and Romania (64 per cent) and Poland (72 per cent). When compared to European averages Eurostat found that Irish consumers paid more for most areas of day-to-day spending including health (+79 per cent), communications (+40 per cent), government services (+38 per cent), energy (+17 per cent), food (+12 per cent), appliances (+9 per cent) and transport (+9 per cent). Only clothing and footwear was near the EU average (+0.2 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 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, 2024



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 87 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 2025. 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 45 per cent of renters live on an income below the poverty line with this rate being 40 per cent for local authority tenants and 58 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 than one in ten for households who are owner occupiers. The CSO analysis also highlights that after housing costs there are big increases in poverty for single parent households, people who are unemployed, those who are long-term ill and disabled, and those who live alone.

Table 3.7: Poverty Rates Before and After Housing Costs, by tenure type in 2025

	Before	After
All population	12.6	19.7
Owner occupiers - all	7.4	8.3
<i>with mortgage</i>	4.4	6.3
<i>without mortgage</i>	10.4	10.5
Renters or Rent Free - all	24.2	45.2
<i>rent free</i>	34.4	34.4
<i>LA tenants</i>	29.0	40.6
<i>with HAP, RAS, rent supplement etc</i>	20.5	58.0
<i>with no housing supports</i>	22.6	42.6

Source: CSO SILC Report 2026.

Note: Housing costs include rent and mortgage interest and do not include capital payments on mortgages.

Social Justice Ireland welcomes the ongoing publication of these poverty and housing costs figures. They further illustrate the challenges low-income household face and provide an important insight 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.⁷

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.

⁷ See also Chapter 6.

Deprivation in the SILC survey

Since 2007 the CSO has presented 11 measures of enforced 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 2025 the rates of deprivation recorded across the set of 11 items varied between 1.2 and 16 per cent of the Irish population. Overall, 75 per cent of the population were not deprived of any item, while 9.6 per cent were deprived of one item, 4.3 per cent were without two items and 10.7 per cent were without three or more items. Among those living on an income below the poverty line, 37 per cent experienced deprivation of two or more items.

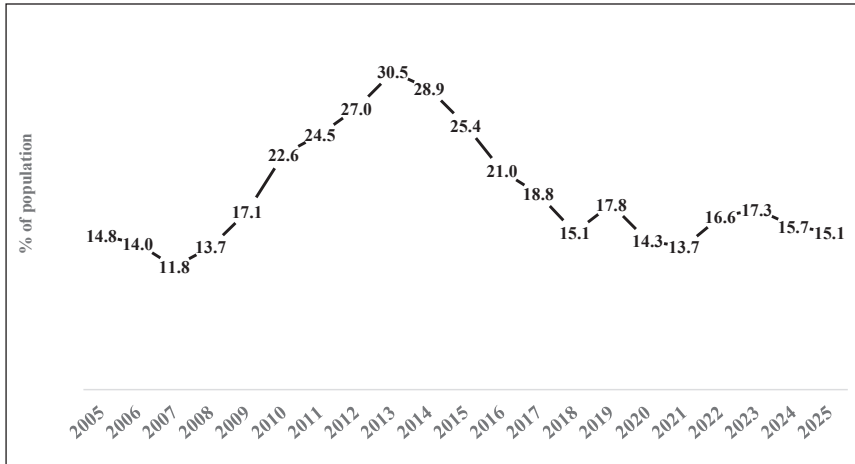
Table 3.8: Levels of Deprivation for Eleven Items Among the Population and Those in Poverty, 2025 (%)

Deprivation Item	Total Population	Those in Poverty
Without heating at some stage in the past year	7.5	22.5
Unable to afford a morning, afternoon or evening out in the last fortnight	10.4	28.1
Unable to afford two pairs of strong shoes	2.3	7.6
Unable to afford a roast once a week	4.8	12.9
Unable to afford a meal with meat, chicken or fish every second day	1.7	4.6
Unable to afford new (not second-hand) clothes	7.5	21.0
Unable to afford a warm waterproof coat	1.2	2.8
Unable to afford to keep the home adequately warm	4.5	11.3
Unable to replace any worn out furniture	16.0	31.5
Unable to afford to have family or friends for a drink or meal once a month	10.0	25.3
Unable to afford to buy presents for family or friends at least once a year	3.6	10.7

Source: CSO (2026).

Note: Poverty as measured using the 60 per cent median equivalised income poverty line.

Chart 3.2: Deprivation Rate, 2005-2025



Source: CSO SILC Reports (various years).

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 2025 the proportion of the population experiencing deprivation of two or more items (the deprivation rate) was equal to 15.1 per cent of the population, about 825,000 people – see Chart 3.2 The most common deprivation experiences include: being unable to afford to replace worn out furniture, being unable to afford a morning, afternoon or evening out in the last fortnight, and being unable to afford to have family or friends for a drink or meal once a month. Recent increases in the deprivation rate, from 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.

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 was retained, and the time period extended to 2025, as part of Government's *Roadmap for Social Inclusion 2020-25* (Government of Ireland, 2020b). *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. However, it should 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 including this most recent one.

Using the combined poverty and deprivation measures, the 2025 *SILC* data indicates that 4.7 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, 2026). However, these results, while welcome, are dependent on the effect of short-term cost-of-living transfers on the income of low-income households, assistance that was withdrawn in 2025 – the impact of this will appear in the 2027 *SILC* publication. Overall, the 2025 figures suggest that almost 255,000 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 and 2025a). 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 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.

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.⁸ The latest data available for all member states is for the year 2024.

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 2024, across the EU, the highest poverty levels were found in the most recent accession: Bulgaria, Latvia, Lithuania, Croatia, and Estonia. The lowest levels were in Czechia, Belgium, Denmark and the Netherlands. The 2023 figure (12 per cent) was the lowest rate of income poverty recorded for Ireland since Eurostat started compiling the data from 1995; the 2024 figure is the second lowest. As outlined earlier, these low rates have been driven by the welcome targeting of short-term cost of living supports on low-income households, those who live alone and children.

⁸ 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, 2024

Country	Poverty Risk	Country	Poverty Risk
Bulgaria	21.7	Sweden	14.8
Latvia	21.6	Cyprus	14.6
Lithuania	21.5	Slovakia	14.5
Croatia	20.3	Hungary	14.3
Estonia	20.2	Austria	14.3
Spain	19.7	Poland	13.8
Greece	19.6	Slovenia	13.2
Romania	19.0	Ireland	12.7
Italy	18.9	Finland	12.6
Luxembourg	18.1	Netherlands	12.1
Malta	16.8	Denmark	11.6
Portugal	16.6	Belgium	11.4
France	15.9	Czechia	9.5
Germany	15.5	EU-27 average	16.2

Source: Eurostat online database (ilc_li02).

The average risk of poverty in the EU-27 for 2024 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 2024 the average EU-27 level implied that 72 million people live in poverty across the EU.⁹

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.

⁹ 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.

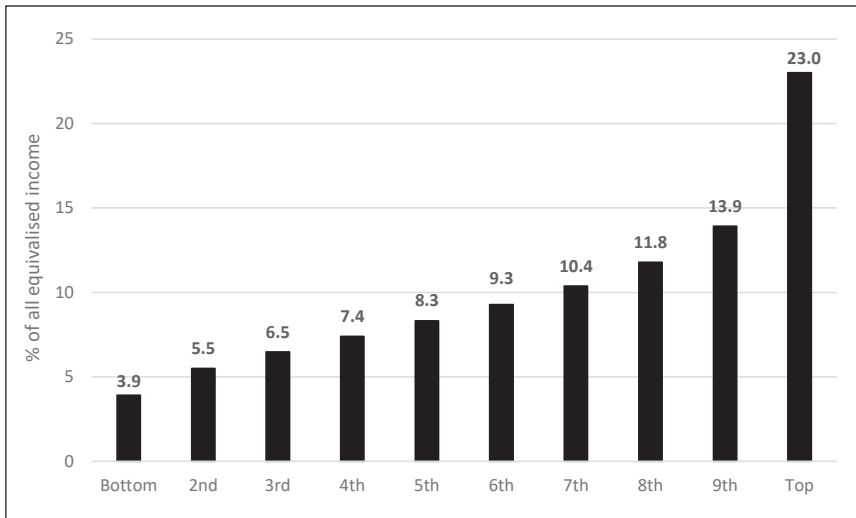
Ireland's income distribution: latest data

The most recent data on Ireland's income distribution, from the 2025 SILC survey (published in March 2026), 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 2025, the top 10 per cent of the population received almost one quarter of the total income while the bottom decile received just 3.9 per cent. Collectively, the poorest 60 per cent of households received a similar share (40.9 per cent) to the top 20 per cent (36.9 per cent). Overall, the share of the top 10 per cent is almost 6 times the share of the bottom 10 per cent.

Chart 3.3: Ireland's Income Distribution by decile (or 10% group) in 2025



Source: CSO SILC (2026).

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 (Collins, 2025b). 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 2025 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 Laeken¹⁰ assesses the income distribution of member states by comparing the ratio of equalised 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 3.7 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 Italy, Spain, Greece and Portugal 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, 2024

Country	Ratio	Country	Ratio
Bulgaria	7.0	Cyprus	4.4
Lithuania	6.5	Hungary	4.4
Latvia	6.3	Austria	4.3
Italy	5.5	Sweden	4.3
Spain	5.4	Denmark	4.2
Greece	5.3	Poland	3.9
Portugal	5.2	Ireland	3.7
Estonia	5.0	Finland	3.7
Croatia	5.0	Netherlands	3.7
Malta	4.9	Belgium	3.5
Luxembourg	4.7	Slovenia	3.4
France	4.7	Czechia	3.3
Romania	4.6	Slovakia	3.3
Germany	4.5	EU-27 average	4.7

Source: Eurostat online database (ilc_di11).

¹⁰ 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).¹¹ 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 consistently 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, Belgium 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, 2005-2024

	2005	2010	2015	2020	2024
EU-27	30.6	30.2	30.8	30.0	29.4
Ireland	31.9	30.7	29.7	27.6	26.4
Spain	32.2	33.5	34.6	32.1	31.2
France	27.7	29.8	29.2	29.2	30.0
Germany	26.1	29.3	30.1	30.5	29.5
Sweden	23.4	25.5	26.7	26.9	27.6
Finland	26.0	25.4	25.2	26.5	26.1
Netherlands	26.9	25.5	26.7	28.2	25.9
Belgium	28.0	26.6	26.2	25.3	24.6

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.

¹¹ See Collins and Kavanagh (2006: 159-160) who provide a more detailed explanation of this measure.

Income Distribution and Recent Budgets

Budget 2026 (October 2025) marked the first Budget of the new coalition Government that took office in January 2025. Here, we track the distributive impact of the policy choices it made in its first Budget and set this out alongside the changes made over the term of office of the previous Government (2020-2025). The analysis draws on the output of our income distribution model, our post-Budget 2026 analysis and the forthcoming 2026 edition of our *Tracking the Distributive Effects of Budget Policy* document (Social Justice Ireland, 2025b and 2026).¹² 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 any changes to tax credits, tax bands, the USC and PRSI rates. We focus on these 'permanent measures' as a means of assessing the underlying distributive picture of policy choices. Similarly, we include the cumulative value of these permanent policy changes over the past five years from 2020-2025 (the term of the previous coalition Government). Temporary and once-off measures introduced during the cost of living crisis are not included.

At the outset it is important to stress that our analysis does not take account of other budgetary changes, most particularly to indirect taxes (VAT and excise), other charges (such as prescription charges and state exam fees), rent credits, mortgage interest tax relief, and property taxes. Similarly, it does not capture the impact of changes to the provision of public services. As the impact of these measures differs between households it is impossible to quantify precise household impacts and include them here. Also, for related reasons, we do 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.

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.

Following Budget 2026, the overall picture is one with a welcome progressive profile. For households with jobs weekly income will marginally decrease in 2026, mainly driven by the planned increase in employee PRSI from October 1st. These income decreases range from 39c per week (for low-income earners on €30,000) to €3.81 per week a high-income couple with joint earnings of €200,000 (see Table

¹² The 2026 edition of *Tracking the Distributive Effects of Budget Policy* will be published on our website before Summer 2026.

3.12). The Budget 2026 increases in welfare payments, including those targeted at children, have led to all households dependent on welfare experiencing weekly gains. These range from €10 per week for single unemployed individuals to €48 per week for couples with 2 children aged over 12 years (see Table 3.13).

Table 3.12: Weekly Income Changes following Recent Budgets – Households with Jobs 2020-2026

	All Permanent Measures 2020-2025	Budget 2026
Single, job at €30,000	+16.80	-0.39
Couple 1 earner at €30,000	+3.34	-0.39
Couple 1 earner and 2 children, at €30,000*	+3.34	-0.39
Single, 1 child, job at €30,000*	+21.59	-0.39
Single, job at €40,000	+37.64	-0.61
Couple 2 earners at €60,000	+32.28	-1.04
Couple 2 earner and 2 children, at €60,000	+32.28	-1.04
Single, job at €60,000	+58.24	-1.04
Couple 1 earner at €60,000	+71.42	-1.04
Couple 2 earners at €80,000	+74.80	-1.22
Couple 2 earners at €100,000	+110.74	-1.65
Single, job at €100,000	+60.01	-1.90
Couple 1 earners at €100,000	+73.35	-1.90
Single, job at €120,000	+58.38	-2.33
Couple 2 earners at €150,000	+116.02	-2.73
Couple 2 earners at €200,000	+119.85	-3.81

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.

The Budget 2026 outcome contrasts with the choices made over the period from 2020-2025. As the table show, during those years, despite welcome welfare

increases in particularly for families with children, it was the highest earners who gained most. The analysis also demonstrates how low-income working families, those with incomes below the standard rate income tax threshold, gained least from budgetary choices over the 2020-2025 period.

Table 3.13: Weekly Income Changes following Recent Budgets – Welfare Dependent Households 2020-2026

	All Permanent Measures 2020-2025	Budget 2026
Couple, 2 children (both >12yrs), no job	+114.07	+48.60
Couple, 2 children (both <12yrs), no job	+97.85	+32.60
Lone parent, 1 child (> 12yrs), no job	+66.78	+28.68
Couple pensioner	+81.64	+21.68
Lone parent, 1 child (< 12yrs), no job	+58.67	+20.68
Couple, no children, no job	+68.99	+16.60
Single pensioner	+52.24	+12.68
Single no job	+41.56	+10.00

Source: *Social Justice Ireland* Income Distribution Model.

The deterioration in the relative standing of low and middle income households presents a troubling picture, one that is likely to reveal itself further in the official income distribution data from the CSO. *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. Budget 2026 has made some welcome, if small, steps in that direction.

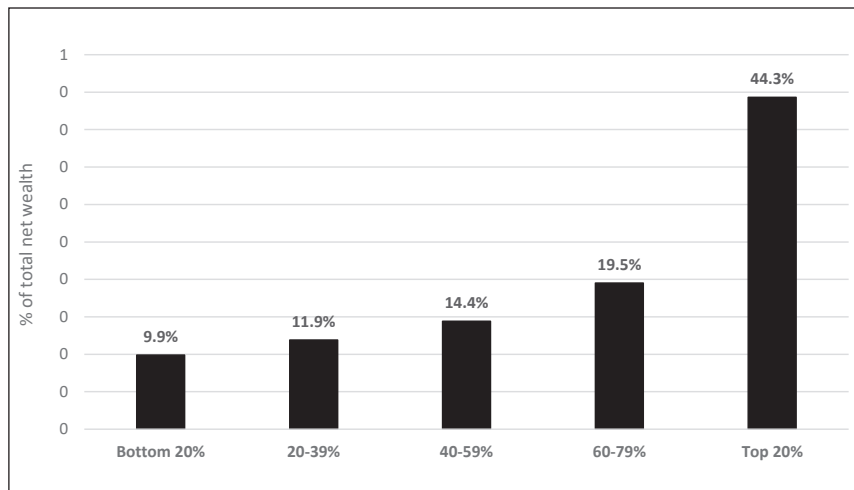
Ireland’s Wealth Distribution

While data on income and poverty levels have improved dramatically over the past two decades, a persistent gap has been our knowledge of levels of wealth in Irish society. 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 (McDonnell and Collins, 2025).

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 four rounds of the HFCS published, with the latest for 2023 published in June 2025.

Chart 3.4: Distribution of Net Wealth by Gross Income Quintile, 2023



Source: Compiled from CSO HFCS online database.

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 3.14 and Chart 3.4 outline some of the key results from the latest data including that the median (middle) household net wealth in Ireland in 2023 was €256,900. The CSO data indicate that most Irish household wealth is concentrated in property and in particular, housing. Since 2018 net-wealth has increased, predominantly driven by increases in property values. As the chart demonstrates, wealth is dramatically concentrated in the top quintile (twenty per cent group) of the income distribution and the CSO data indicate that this concentration has increased since 2018. The Gini coefficient for net wealth in 2023 was 66, more than twice the level recorded for income inequality.

Table 3.14: Household Net Wealth in Ireland by Income Quintile, 2018-2023
(median values)

Income Quintile	2018	2020	2023
Bottom 20%	88,100	112,200	167,200
20-39%	104,100	143,600	168,600
40-59%	119,400	127,100	205,800
60-79%	176,100	218,000	309,700
Top 20%	343,200	410,100	485,500
All Households	159,700	198,400	256,900

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 2025 and reported a Living Wage rate of €15.40 per hour for 2025/26.

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.¹³

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.¹⁴ The Technical Group plans to update this number on an annual basis.

Over the past few years Government proposed an alternative Living Wage, calculated as 60 per cent of the median hourly wage. Policy initially committed to the minimum wage rising to this level by 2026; however, this was delayed by the new Government until 2029. *Social Justice Ireland* regrets this delay; it would have been an important step toward addressing the persistent challenges of low paid workers and the many working poor families that depend on this income. We also regret that the new Programme for Government (2025) does not make any commitment to implementing a Living Wage.

¹³ See Living Wage Technical Group (2025a:4).

¹⁴ A more detailed account of the methodology used to calculate the Living Wage has been published by the Living Wage Technical Group (2025b) 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 an important policy priority.

Almost two decades 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.¹⁵ 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 3.15 applies this benchmark using the latest CSO Earnings and Labour Costs data. By the end of 2025 average weekly earnings equalled €1,011.34. Taking this as the starting point for earnings in 2026, we can determine that the updated value of 27.5 per cent of average weekly earnings equals €278.12 implying a shortfall of just over €24 between the minimum social welfare rates being paid in 2026 (€254) 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 2027, to further increase minimum social welfare rates and commit to converging on a benchmark equivalent to 27.5 per

¹⁵ Annex 3 outlines how this significant development occurred.

cent of average weekly earnings. We will revisit these calculations as part of our pre-Budget submission, *Budget Choices*, in mid-2026.

Table 3.15: Benchmarking Social Welfare Payments for 2026 (€)

Year	Average Weekly Earnings (AWE)	27.5% of AWE	Jobseekers Payment
2022	883.59	242.99	208.00
2023	918.31	252.54	220.00
2024	968.69	266.39	232.00
2025	1011.34	278.12	244.00
start of 2026	1011.34	278.12	254.00

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 2026, a couple on the lowest social welfare rate receives a payment of €422.60 per week. This amount is approximately 1.66 times the payment for a single person (€254). Were these two people living separately they would receive €254 each; giving a total of €508. 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 three 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.¹⁶ *Social Justice Ireland* welcomed the commitment in the 2020-2025 *Programme for Government - Our Shared Future* (Government of Ireland, 2020a) to the adoption of a Universal Basic Income pilot during the lifetime of that Government and we welcomed the adoption of a pilot initiative in the arts sector. We note that the initial insights suggest that this initiative is working well and having broad benefits. We warmly welcome the extension of the Basic Income for Artists (BIA) announced in early 2026 and running for another three-year cycle until mid-2029. We believe that the success of this initiative underscores the need to adopt a society-wide basic income and we will continue to campaign for its achievement. 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.

¹⁶ These networks are the European Citizens' Initiative for Unconditional Basic Income and Basic Income Ireland.

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 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 tax¹⁷ 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.

¹⁷ This was for illustrative purposes. The authors believe the money could, and should, be raised in a more progressive manner.

The following are ten reasons to introduce a Basic Income:

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

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

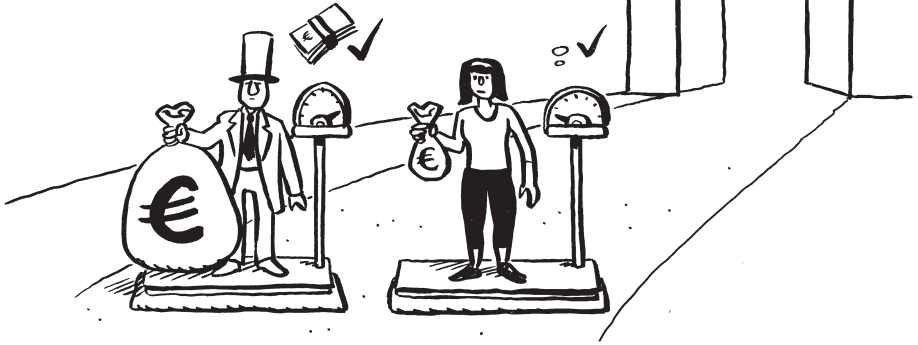
Eurostat online database, web address: <http://ec.europa.eu/eurostat>

Chapter four

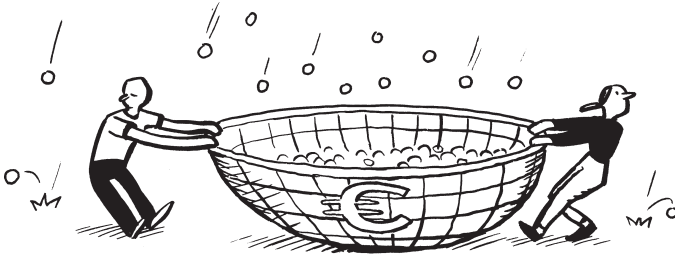
Chapter 4 Taxation

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



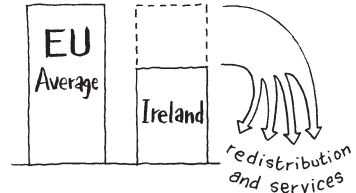
paying EU contributions and funding any pollution reducing environmental initiatives



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.



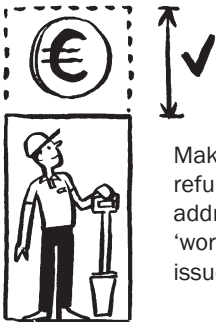
Collect sufficient revenue to provide redistribution and public services at average-European levels.



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



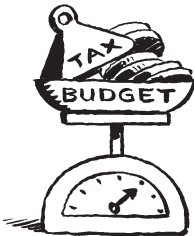
Increase PRSI to strengthen the social insurance system.



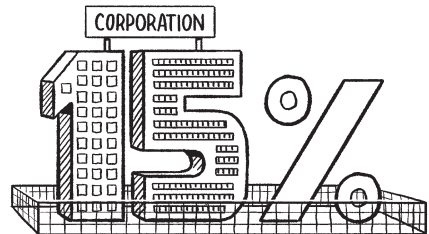
Make tax credits refundable to address the 'working poor' issue.



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.



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



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 just over €125bn four years later. By 2024, total tax revenue was 99 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 low income taxes, and windfall revenue from a small number of multi-national companies in the pharma and tech sector. The Irish Fiscal Advisory Council estimate that between €17bn-€24bn of annual corporation tax revenue in the period 2025-2030 can be considered 'excess'. Plus in 2024, there was a combined €28.6bn in windfall corporation tax revenues when the once-off €14.2bn of tax revenue linked to the Apple tax case is included (IFAC, 2025a: 21). 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.²

² Our pre-Budget document *Budget Choices*, and our post-Budget *Analysis and Critique of Budget 2026* document examine the current Government's fiscal stance and the worrying underlying and large budget deficit (Social Justice Ireland, 2025a and 2025b).

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

	2007	2010	2015	2020	2024
Direct Taxes	26,087	19,569	27,863	37,294	66,226
Indirect Taxes	25,854	18,076	22,487	23,743	35,649
Capital Taxes	432	245	401	505	854
Social Contributions	10,723	9,511	12,221	15,410	22,967
Total Taxation	63,096	47,401	62,971	76,951	125,696
% GDP	32.0%	28.3%	23.1%	20.2%	22.3%
% GNP	37.4%	34.0%	29.9%	27.7%	29.8%
% GNI	37.0%	33.7%	29.8%	27.6%	29.7%
% GNI*	38.1%	36.7%	37.5%	38.8%	39.1%
% GNDI	37.6%	34.4%	30.2%	28.0%	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 2024 - published in October 2025.

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 2026 indicated that that debt levels reached 67.1 per cent of GNI*

(€215 billion) in 2024 and anticipated these will fall to 58.6 per cent of GNI* (€211 billion) in 2026 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 2026 is €3.7bn (Department of Finance, 2022: 37, 52 and 2025a: 30, 32).

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.³ 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-term trends for some time, *Social Justice Ireland* welcomes this key recommendation.

A November 2025 publication from the Department of Finance made a welcome attempt to consider the scale and challenges associated with many of these issues over the next four decades. Entitled *Future Forty: A Fiscal and Economic Outlook to 2065*, the report provided a long overdue engagement with issues ranging from climate change to population projections and the implications these have for future Government expenditure in areas such as health, housing, long-term care, and pensions in the decades ahead (Department of Finance, 2025b). *Social Justice Ireland* welcomes this publication; it is the type of data and analysis required to inform Government policy to build a better Ireland. Similarly, we welcome the focus that IFAC has brought to this issue in chapter 3 of their November 2025 *Fiscal Assessment Report* (IFAC, 2025a: 31-32). We hope these assessments will trigger further engagement on how we can build strong and sustainable public finances now, and plan for these revenue and expenditure needs into the future.

While the Future Forty document represents a step-forward, we regret that Government decided to discontinue publishing an assessment of the long-term sustainability of public finances in its *Annual Progress Report*, the document replacing the previous *Stability Programme Update* (SPU) (Department of Finance, 2025c). We encourage Government to reverse this removal; it provides an important recurring

³ See <https://www.socialjustice.ie/publication/social-justice-irelands-submission-commission-taxation-and-welfare>

engagement with fiscal challenges that lie ahead and links to a collective EU-wide initiative to prepare for them.

The most recent publication outlining these expected future public expenditure needs was included in the 2024 edition of the SPU. Based on research by the Department of Finance, using the European Commission *2024 Ageing Report* as the basis for its assumptions from 2022-2050, it 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, 2024: 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.

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
<i>of which:</i>					
<i>Social Welfare pensions</i>	5.4	6.0	7.4	9.2	+3.8
<i>Public sector pensions</i>	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 (2024: 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.⁴ 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 and CSO population projections, and CSO and Department of Finance data on recent and future nominal overall taxation levels. The target is as follows:

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 taxation revenue expectations of the Department of Finance as outlined in the January 2026 *Medium Term Fiscal and Structural Plan* (MTFSP) (Department of Finance, 2026). 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. To make this adjustment, we use the figures calculated and projected by the Department of Finance and IFAC (2025a: 30 and 2025a: 21).

In 2026, the overall tax gap is €35 billion, equivalent to approximately €6,500 per capita. The average gap over the period 2025-2028 is €38 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. The gap reflects points recently highlighted by IFAC, who noted in their June 2025 *Fiscal Assessment Report* that "when excess corporation tax receipts are excluded,

⁴ For many years *Social Justice Ireland* proposed that the overall level of taxation should reach 34.9 per cent of GDP.

[tax] revenue is now at its lowest level relative to national income since 1980” (IFAC, 2025b: 23).

Table 4.3: Ireland’s Tax Gap, 2025-2028

	2025	2026	2027	2028
Tax-take € per capita				
MTFSP 2026 projection#	21,906	22,709	23,353	24,425
<i>Social Justice Ireland target*</i>	27,541	29,247	30,791	32,416
Difference	5,636	6,539	7,438	7,991
Overall Tax-take €m				
MTFSP 2026 projection#	119,575	124,445	129,155	136,285
<i>Social Justice Ireland target*</i>	150,337	160,278	170,291	180,871
Tax Gap	30,762	35,833	41,136	44,586

Notes: Calculated from Department of Finance (2026: 58-59 and 2025a: 8), 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 updated *Social Justice Ireland* target. # The tax take has been adjusted to remove the windfall corporation taxation revenues as identified by the Department of Finance (2025a: 30) and IFAC (2025a: 21); 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 if it is phased in, it 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, improve living standards for all, and prepare for the unavoidable future public spending in areas such as climate, health and pensions. 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 and subsequently they have determined an agreed 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 most recent Department of Finance Tax Expenditure report is informative. Looking at the 2024 tax year, the most recent year with comprehensive information available, they list 117 active tax breaks with 79 per cent of these, 92 measures, having available information on their annual cost (Department of Finance, 2025d). These tax breaks have been identified as being not structural to the taxation system but rather have been put in place to incentivise certain activities or as a means of pursuing certain policy objectives. The department estimates that these discretionary tax expenditure measures have a cost of €8 billion in annual revenue forgone. Judged against 2024 voted expenditure commitments, the annual cost of these tax expenditures is greater than the expenditure by each of thirteen Government Departments, much the same as that of the Department of Children, Disability and Equality, and only Housing, Education, Health and Social Protection spend more each year (Collins, 2026).

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/introduction of 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 2016-2026 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 sustainable and realistic target we outlined earlier.⁵

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.⁶ 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 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.

The latest Revenue Commissioners' analysis of the operation of these new rules is for the tax year 2023 (Revenue Commissioners, 2026). Table 4.4 gives the findings of that analysis for the 46 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 81 earners subject to the restriction and with incomes between €125,000 and €400,000.

⁵ See section later in this chapter on the standard rating of tax expenditures.

⁶ 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.

Table 4.4: The Distribution of Effective Income Tax Rates Among Those Earning in Excess of €125,000 in 2023

Effective Tax Rate	No. of cases
<i>Earners with income of €400,000 or more</i>	
Less than or equal to 40%	31
More than 40%	15
<i>Earners with income between €125,000 and €400,000</i>	
Less than or equal to 20%	25
Between 20% and 25%	14
Between 25% and 35%	26
Above 35%	16

Source: Revenue Commissioners (2026: 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 2023 was 39.1 per cent, equivalent to the amount of income tax and USC paid by a single PAYE worker with a gross income of €166,000 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 2023 (25.6 per cent) was equivalent to the amount of income tax paid by a single PAYE worker with a gross income of approximately €65,000 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 2026, 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 2027.

Increasing PRSI to Strengthen the Social Insurance System

The pandemic, cost-of-living crisis and the recent oil price shock have highlighted the important role of the social safety net provided by state. During these 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 11.25 per cent of weekly earnings (increasing to 11.4 per cent in October 2026) compared to an EU average of around 21 per cent. Employees pay PRSI at a rate of 4.2 per cent (increasing to 4.35 per cent in October 2026) 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 6.85 per cent and 13.9 per cent by late 2031). 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 contributions from employees and employers and the self-employed should also be addressed. These measures should generate almost €1 billion in additional PRSI revenue a year for every 0.5 per cent increase 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.⁷ 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.

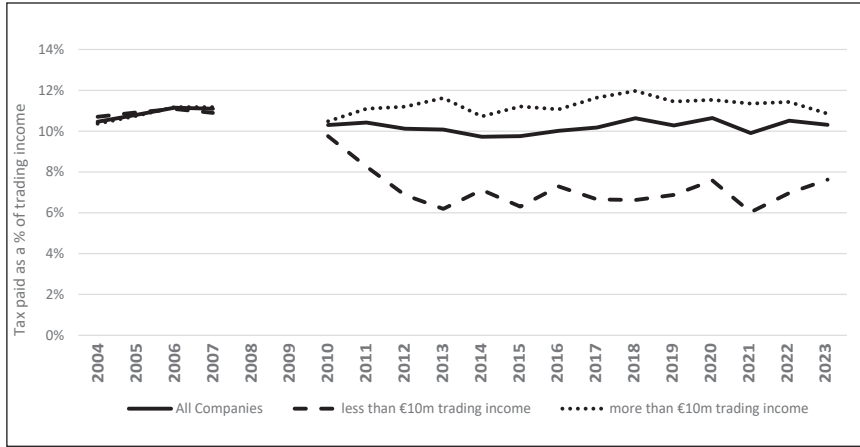
Given the timeliness and comprehensiveness of this work, it is important that it leads to the emergence of a transparent international corporate finance and corporate taxation system where multinational firms pay a reasonable and credible effective corporate tax rate. We welcome progress towards this 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 €17bn-€24bn per annum by the Fiscal Advisory Council (2025a: 21), 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 (2025) on corporate taxes (published in 2025 with returns data for 2023) reports a total of almost 96,300 corporate taxpayers who paid €22.8 billion in corporation tax for 2023. The report highlights the skewed nature of this tax source: 88 per cent comes from foreign owned multinationals, 4 per cent from Irish owned multinationals and 8 per cent from other Irish firms. Corporate tax payments are concentrated among large corporates and in particular within the top 10 companies (57 per cent of all payments). Across all firms the average effective tax rate in 2023 was 10.3 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 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).

⁷ See www.oecd.org/ctp/beps.htm

Chart 4.1: Effective Corporation Tax Rates in Ireland, 2004-2023



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, 2019-2023

Trading Income range €	2019	2020	2021	2022	2023
Negative or Nil	3.4%	3.6%	2.7%	3.4%	4.5%
1-100,000	8.3%	7.9%	7.0%	7.5%	7.4%
100,001-500,000	9.7%	9.6%	10.2%	9.8%	9.7%
500,001-1,000,000	10.1%	10.2%	10.1%	10.9%	10.7%
1,000,001-5,000,000	10.1%	11.1%	10.8%	11.0%	10.3%
5,000,001-10,000,000	11.2%	11.3%	10.3%	10.2%	9.2%
Over 10,000,000	11.4%	11.5%	11.3%	11.4%	10.9%
All Companies	10.3%	10.6%	9.9%	10.5%	10.3%

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.⁸ 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 2027 and increasing by one percentage point a year after that until it reaches 15 per cent in 2032. 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.

⁸ Data from European Commission (2022: 58).

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 Welfare 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.⁹ There has also been a number of research papers published on this issue over the past two decades.¹⁰ 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

⁹ See for example the 2013 edition of the Socio-Economic Review pages 132-134.

¹⁰ 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).

‘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 better captured by the numbers vacant for at least two or three census, about 71,000 units. This total is similar to that identified by the CSO using electricity consumption data in March 2026 (70,149 units); with the vacancy rate being 5.4 per cent in rural areas and 2.2 per cent in urban areas. Given the current housing crisis the scale of these numbers cannot be overlooked.

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%
<i>of these also vacant for Census 2016</i>	<i>47,923</i>	
<i>of these vacant for Census 2011 & 2016</i>	<i>23,072</i>	

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 2027 and to further increase the rate of ten times 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 Derelict Sites 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, the failure of many local authorities to administer this levy was a disappointment and led to the Budget 2026 announcement of its replacement by a Derelict Property Tax which will be administered by the Revenue Commissioners from 2027. We encourage the speedy implementation of this new tax and encourage Government to retain the rate to at least 7 per cent of the commercial value of the vacant site. 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 underutilised 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 two decades. *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 landowners 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 2025 and covered 52 countries and the activities of more than 1,100 banks and other dealers. It found that the average daily turnover in global foreign exchange markets was US\$9.6 trillion; an increase from \$7.5 trillion three years earlier and from \$6.6 trillion in 2019. The survey estimated the global interest rate derivative markets as having a daily turnover of US\$7.9 trillion; a 59 per cent increase from a value of \$5.2 trillion in 2022.¹¹

The Central Bank of Ireland contributes to the BIS report providing specific data for the activities of reporting banks based in Ireland. However, to date it has not published an Ireland focused breakdown of the BIS for 2025 or the earlier 2022 survey. A report on the 2019 survey found that:

¹¹ We provide a more comprehensive overview of recent BIS data in the accompanying annex.

- The estimated daily foreign exchange turnover for Ireland was US\$7.2bn up from \$2.2bn in 2016 (3.3 times higher).
- 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 CO₂ 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

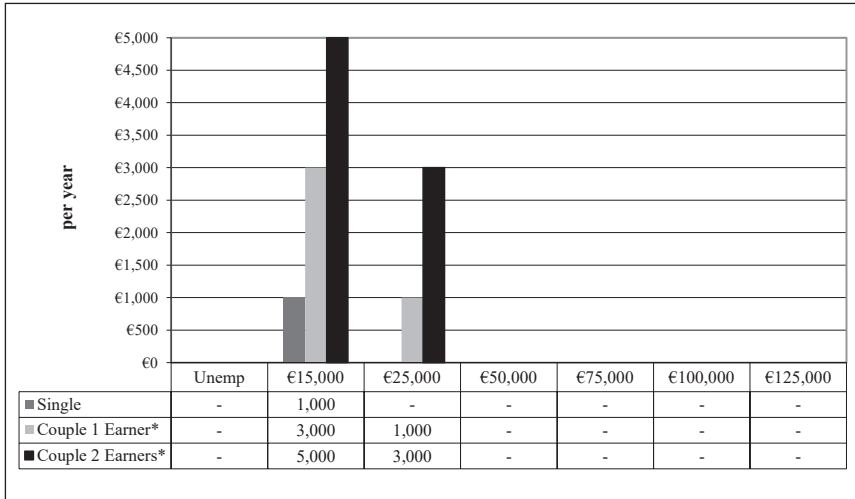
The move from tax allowances to tax credits was completed over two decades ago in Budget 2001. This was a very welcome change because it put in place a system that had been advocated for a long time by a range of groups. One problem persists, however. If a low income worker does not earn enough to use 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?

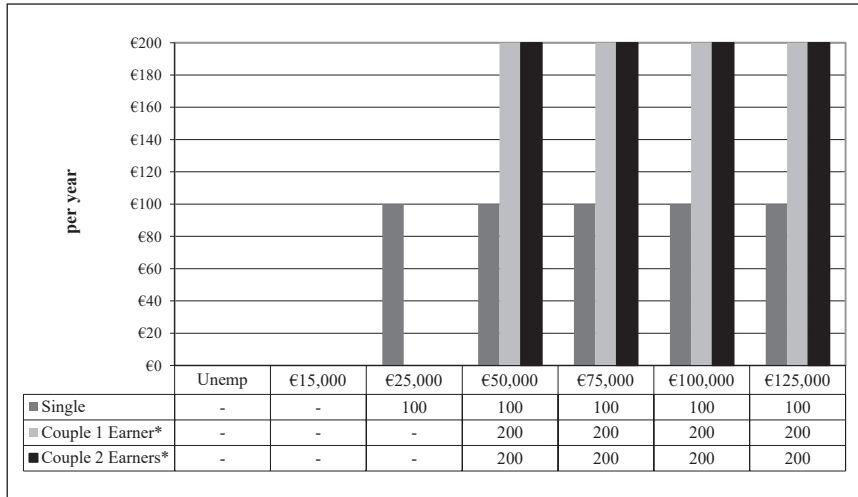


Notes: *Except where unemployed as there is no earner. Refund of unused portion of personal and employee credit. Calculations are for tax year 2026.

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?

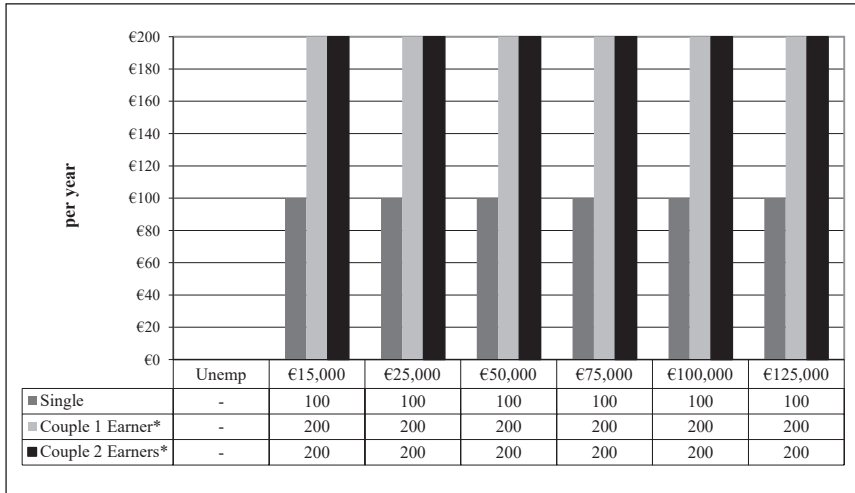


Notes: *Except where unemployed as there is no earner. Refund of personal and employee credit.

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. At that time, we estimated an annual cost of €140m. Since then, the labour force has grown and the rate of low-income workers has remained at a similar high proportion of the labour force. Similarly, the value of tax credits has increased. Taken together, this is likely to mean the cost of the proposal has increased by approximately 50 per cent, to around €210m in today terms. 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?



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 2026, 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 on 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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Online databases

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

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.

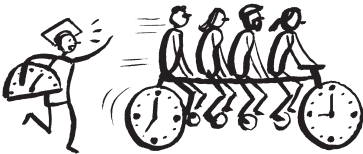


One quarter of those who are unemployed are long-term unemployed, meaning they have been in that situation for more than one year.

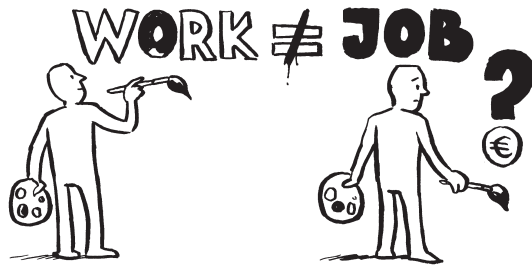


While the number of people employed is higher now than at anytime, just over one in five workers are part-time workers and there are almost 121,000 of these who are underemployed.

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.



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 2026 suggest that unemployment will be around 4.8 per cent (Department of Finance, 2025; ESRI, 2026) marking a return to near historically low levels. While risks remain—particularly due to global uncertainties 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 effectiveness will be key in addressing both current and emerging labour market challenges.

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

This chapter reviews the topic of Work, Unemployment and Job Creation in three parts. The first (section 5.1) examines the 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 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. This table, along with subsequent tables, examines the situation 14 years ago during the banking and property crash, in 2019 just before the Covid-19 pandemic, and at the end of 2025 using the most recent Central Statistics Office (CSO) data. Unsurprisingly, the labour market

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>

has significantly transformed since 2011. Compared to the pre-pandemic labour market, the situation in Q4 2025 also illustrates how strongly the labour market has recovered from the period of closures and lockdowns throughout much of 2020, with 471,900 additional people in the labour force and an extra 455,300 at work, indicating high participation rates. While long-term unemployment has decreased in comparison to both 2011 and 2019, the number of unemployed people have increased slightly between 2019 and 2025. Overall, most indicators point to a strong improvement in the labour market.

Table 5.1: Ireland’s Labour Force Data, 2011 – 2025

	2011	2019	2025	Change 19-25
Labour Force	2,226,500	2,489,400	2,961,300	+471,900
LFPR%	61.8	62.5	65.8	+3.3pp
Employment%	60.1	70.0	74.5	+4.5pp
Employment	1,886,400	2,377,800	2,833,100	+455,300
<i>Full-time</i>	1,438,400	1,881,600	2,250,500	+368,900
<i>Part-time</i>	447,900	496,200	582,600	+86,400
<i>Underemployed</i>	147,200	109,600	121,300	+11,700
Unemployed%	15.3	4.5	4.4	-0.1pp
Unemployed	340,100	111,600	128,200	16,600
LT Unemployed%	9.3	1.6	1.2	-0.4pp
LT Unemployed	206,500	38,800	36,200	-2,600
Potential Additional LF	<i>n/a</i>	100,700	111,400	+10,700

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 compared to the depth of the recession in 2011. Overall, employment grew by 50 per cent (an additional 946,700 jobs), and Table 5.2 traces the impact of this change across various sectors, groups, and regions. The labour market has also recovered from the disruptions of the pandemic, with employment now exceeding pre-pandemic levels in 2019.

Within the CSO's broadly defined employment sectors, all have increased in size over the period, with the construction and industry sectors experiencing particularly strong growth, increasing by 30 per cent and 23 per cent, respectively. The service sector, once acutely impacted by the 2009-2013 economic crash and then the pandemic, recorded the largest growth accounting for more than 700,000 additional compared to 2011 and over 300,000 compared to 2019. This sector now accounts for 89 per cent of all employees. Over the period, the number of employees grew by 20 per cent, while the number of self-employed increased by 13 per cent.

Table 5.2: Employment in Ireland, 2011 – 2025

	2011	2019	2025	Change 19-25
Employment	1,886,400	2,377,800	2,833,100	+455,300
Sector				
Agriculture	103,700	108,500	109,300	+800
Construction	88,200	148,000	191,900	+43,900
Industry	244,900	288,300	354,300	+66,000
Services	1,445,100	1,826,700	2,166,400	+339,700
Gender				
Male	1,008,600	1,283,400	1,504,200	+220,800
Female	877,800	1,094,400	1,328,900	+234,500
Employment Status				
Employees*	1,575,500	2,031,500	2,435,600	+404,100
Self Employed	299,200	334,400	378,500	+44,100
Assisting relative	11,600	12,000	19,000	+7,000
Region				
Border	<i>n/a</i>	185,400	211,500	+26,100
West	<i>n/a</i>	222,300	276,400	+54,100
Mid-West	<i>n/a</i>	220,500	274,400	+53,900
South-East	<i>n/a</i>	198,800	236,100	+37,300
South-West	<i>n/a</i>	341,700	414,400	+72,700
Dublin	<i>n/a</i>	722,700	841,900	+119,200
Mid-East	<i>n/a</i>	349,800	407,000	+57,200
Midland	<i>n/a</i>	136,500	171,300	+34,800

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 – 2025

	2011	2019	2025	Change 19-25
Unemployment	340,100	111,600	128,200	+16,600
Gender				
Male	215,800	62,900	69,100	+6,200
Female	124,300	48,800	59,100	+10,300
Employment sought				
Seeking FT work	289,100	80,000	85,000	+5,000
Seeking PT work	37,800	28,700	36,000	+7,300
Age group				
15-24 years	86,300	28,200	35,000	+6,800
25-44 years	174,500	50,100	56,100	+6,000
45-65 years	78,700	32,300	37,100	+4,800
Region				
Border	<i>n/a</i>	7,100	11,200	+4,100
West	<i>n/a</i>	9,600	11,300	+1,700
Mid-West	<i>n/a</i>	11,100	13,800	+2,700
South-East	<i>n/a</i>	14,500	10,900	-3,600
South-West	<i>n/a</i>	13,300	13,300	0
Dublin	<i>n/a</i>	33,700	41,200	+7,500
Mid-East	<i>n/a</i>	15,800	18,600	+2,800
Midland	<i>n/a</i>	6,600	7,900	+1,300
Duration				
Unemp. less than 1 yr	129,200	67,400	88,500	+21,100
Unemp. more than 1 yr	206,500	38,800	36,200	-2,600
LT Unemp. as % Unemp	60.7%	34.8%	28.2%	-6.6pp

Source: CSO, LFS on-line database.

Note: See notes to Table 5.1.

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 2025, a period when the numbers unemployed decreased by 62 per cent. However, looking at the pre-pandemic levels, unemployment has increased by 15 per cent. Most of the 2025 unemployed are seeking to return to a full-time (FT) job, with around 28 per cent indicating that they were seeking part-time (PT) employment.

The improvement in long-term unemployment is also evident. The number of long-term unemployed exceeded 200,000 in 2011 but fell to less than 40,000 by late 2019. The 2025 figure of 36,200 is lower than pre-pandemic levels, although it has increased slightly compared to 2024. While these improvements over the last decade are welcome, the experience of the 1980s highlights the dangers and long-lasting effects of large numbers of people remaining 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. Data from Q4 2025 shows that 41 per cent of the unemployed had no more than second-level education, with 13 per cent not having completed beyond lower secondary level.

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

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 February 2026 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.

Table 5.4: Persons on Live Register by Last Occupation – February 2026

Occupational group	Overall	Under 25 yrs	Over 25 yrs
Managers and administrators	4,125	97	4,028
Professional	6,001	222	5,779
Associate prof. and technical	2,675	140	2,535
Clerical and secretarial	8,229	432	7,797
Craft and related	13,913	1,045	12,868
Personal and protective service	11,297	946	10,351
Sales	8,040	1,083	6,957
Plant and machine operatives	14,596	1,396	13,200
Other occupation	16,662	1,823	14,839
No occupation	83,969	13,587	70,382
Total	169,507	20,771	148,736

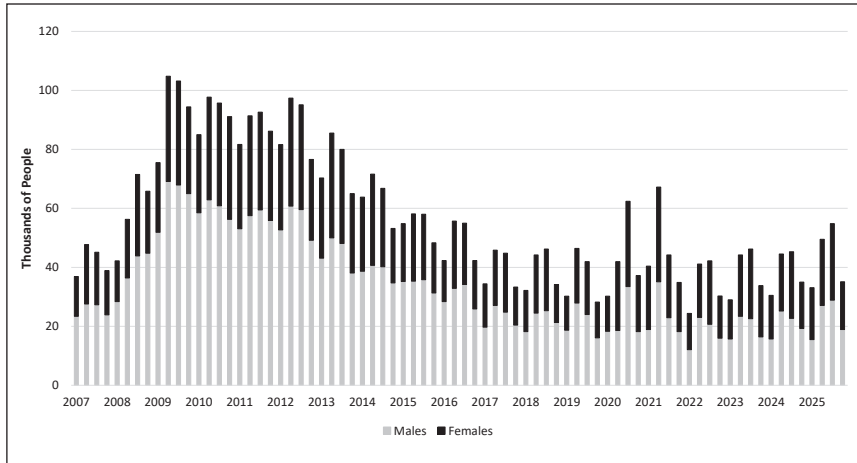
Source: CSO Live Register on-line database.

Tackling Youth Unemployment

As Chart 5.1 illustrates, youth unemployment remains a major labour market policy challenge, albeit that the picture is drastically better than 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 2025 (see Table 5.3), 35,000 people under the age of 25 were unemployed – 18,900 males and 16,200 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.

Chart 5.1: Youth Unemployment by Gender, 2007- end 2025



Source: CSO, LFS on-line database.

Policy should focus on expanding targeted active labour market programmes, strengthening Youth Guarantee commitments, and introducing early intervention measures to prevent long-term unemployment. This should be complemented by improved access to training and education, alongside measures addressing structural barriers such as transport, childcare, and digital exclusion, ensuring that young people are not only employed but supported into sustainable and meaningful work. The housing crisis also represents a significant structural barrier, limiting young people’s ability to live independently or relocate for work, thereby restricting access to employment opportunities and weakening the effectiveness of labour market activation policies.

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 121,300 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 Ireland is required to transpose the EU Directive on Platform Work (2025/2026) by the end of 2026.⁴ This Directive seeks to improve working conditions by facilitating the correct classification of employment status, while also enhancing protections around personal data through greater transparency, fairness, human oversight, and accountability in algorithmic management.

While these developments are welcome, they also highlight the need for more comprehensive policy action to address the wider issue of precarious work. In this context, the adoption of a Living Wage (see Section 3.2) represents an important step forward. Recent ESRI research finds that increases in the minimum wage in Ireland have not led to job losses among low-paid workers, challenging a key concern in minimum wage policy debates (Redmond, Kelly, & Creaton, 2026). This evidence strengthens the case for improving pay standards. However, beyond pay, policy must also address issues of job quality, security, and worker protections in an increasingly fragmented labour market.

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 also highlighted the regional divides in labour market participation rates, with lower participation (62-65 per cent) in the Border, Midlands and South-East (CSO, 2026).

Since May 2025, all firms with 50 or more employees have been required to report their gender pay gap, highlighting structural inequalities that may act as a barrier to higher female labour market participation. While this is a positive development,

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

⁴ [Directive - EU - 2024/2831 - EN - EUR-Lex](#)

policy responses to these challenges also need to be broad-based, and include initiatives addressing childcare provision and affordability, retraining, family-friendly employment strategies, and improved job 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 2025

	2011	2019	2025	Change 11-25
Both sexes	61.8	62.5	65.8	+4pp
Males	69.2	68.9	71.0	+1.8pp
Females	54.7	56.4	60.8	+6.1pp
Gender Gap*	14.5	12.5	10.2	

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 the 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). In this context, the forthcoming *Action Plan for Apprenticeship 2026-2030* will play a central role in addressing these labour shortages by expanding training pathways, aligning skills provision with industry demand, and ensuring a sustainable pipeline of workers to support housing delivery and climate transition objectives.

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 increased job displacement. The Action Plan on Competitiveness and Productivity (2025) addresses this through 85 distinct actions designed to enhance workforce resilience and innovation. This is further supported by the National Digital and AI Strategy (2026), which established the National Skills Observatory to provide real-time data on emerging talent needs, and the establishment of National Artificial Intelligence Office. However, the Government should complement this with a Commission on the Impact of Digitalisation and AI with a focus on vulnerable groups.

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. 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).⁵

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 results⁶ 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* acknowledges these challenges, including commitments to improve workforce participation for disabled people and to enhance social protection. While work activation supports for those who may have the capacity to work are important, this needs to be balanced with access to other necessary supports. The publication of a new *National Human Rights Strategy for Disabled People 2025-2030* and the consultation on a cost of disability payment represent positive steps.

⁵ Note, some individuals will experience more than one disability and feature in more than one of these categories.

⁶ 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)

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

In 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. This marked a significant and overdue recognition of the right to work, long advocated for by *Social Justice Ireland*.

Labour market access was subsequently introduced in July 2018, allowing international protection applicants to apply for permission to work where no first-instance decision has been issued within five months of their application. However, we remain concerned by the Government's attempts to limit these rights and restrict the opportunities for 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.

While recent reforms aim to create a faster and more efficient international protection system, there is a risk that, without careful implementation, they may exacerbate existing inequalities. Under the new framework, access to the labour market will only be permitted after six months, and only where a first-instance decision has not been made. Furthermore, eligibility is restricted to applicants in the standard procedure, excluding those in accelerated or border procedures. This risks reinforcing a two-tier system and further marginalising applicants from countries with lower EU-wide recognition rates.⁷ Additional proposals, including movement restrictions, may further limit access to employment, raising both practical and human rights concerns. Prolonged exclusion from the labour market is both economically inefficient and socially damaging. Enabling timely access to

⁷ The international protection system is examined in more detail in a policy brief produced by the Roundtable on Migrations in Our Common Home. Available here: <https://www.socialjustice.ie/publication/migrations-our-common-home-inside-system-review-irelands-international-protection>

work is essential to reducing poverty and social exclusion among asylum seekers, while also supporting their integration into Irish society.⁸

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 providing 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 was highlighted by the fact that 181,592 (61 per cent) of these care providers were female.⁹ 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 2025*, among those who stated that they wanted to work but were not seeking work or available for work, 25.9 per cent cited care responsibilities / personal family reasons as the primary reason (CSO, 2026).

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, this monitoring process was discontinued from 2018 and the overall level of progress in this area has been poor. The absence of an updated strategy means that current policy is based on a framework that is now over a decade old 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. However, more substantial policy action is required that focuses 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

⁸ We examine this issue in further detail in chapter 10.

⁹ 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).

in employment legislation setting limits on working-hours of people in paid employment.

Recent policy developments, including the increase in the Carer's Allowance income disregard in Budget 2026, represent a positive step, expanding eligibility and providing tangible financial benefits. However, further reforms are necessary to adequately support carers.

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).

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 targeting those who are very long-term unemployed (i.e. 5+ years).
- Ensure that at all times policy seeks to ensure that new jobs have reasonable pay rates, and adequate resource are provided for the labour inspectorate.
- Adopt policies to address the working poor issue including a reform 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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Online database

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

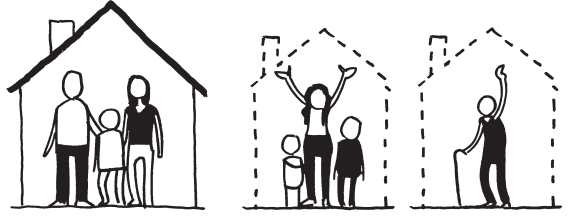
Chapter six

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



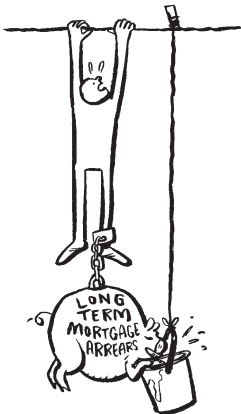
High level of vacancy and dereliction



High number of homeless and not all being counted



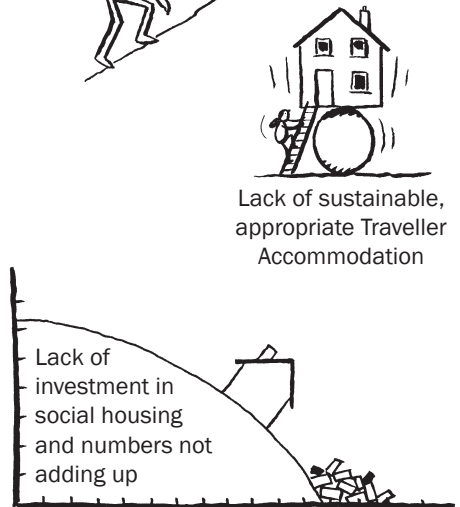
Poverty problem among renters



Long Term Mortgage Arrears still unresolved



House purchase and Rent are unaffordable



Lack of sustainable, appropriate Traveller Accommodation

Lack of investment in social housing and numbers not adding up

Policy Solutions



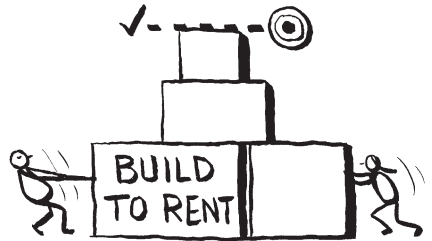
Housing First for Families.



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.



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



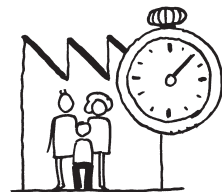
Encourage the right type of supply



Deal with vacancy and dereliction.



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 has been in a sustained housing crisis for over a decade. Affordability pressures, inadequate supply, and rising homelessness continue to intensify despite successive policy interventions, with significant consequences for quality of life and social cohesion.

Over the past year, the Government has introduced a range of measures under its Programme for Government commitments, including revised housing targets, increased funding, planning and design changes, rental sector reforms, and tax measures. Central to this is the publication of *Delivering Homes, Building Communities 2025–2030*, positioned as a whole-of-government response to ongoing system pressures. The plan commits to delivering 300,000 homes by 2030, including 72,000 social homes, across a mix of tenures. However, key questions remain regarding scale, delivery capacity, and the extent to which the strategy addresses the structural drivers of the crisis. While recognising the role of public provision, the approach still remains heavily reliant on market-led mechanisms, including investor incentives and demand-side supports.

This reflects a longer-term policy shift, intensified from the mid-2010s, away from direct social housing delivery towards subsidised provision through the private rented sector. This, in part, has 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, the legacy of which is still being felt today.

Against this backdrop, this chapter examines 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; and expand investment in new methodologies;
- 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;
- Scale up housing first model and expand 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 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, 2024). 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

Since 2021, a total of 149,159 dwellings have been completed, averaging 29,832 units per year (Chart 6.1). In 2025, new dwelling completions increased by 20.4 per cent compared to 2024, reaching 36,284 units, the highest level recorded since the financial crash (CSO, 2026a). Planning permissions also rose modestly, increasing by 3.9 per cent year-on-year, indicating some positive momentum in the pipeline (CSO, 2026b). However, current output remains below what is required.

The Government has revised its housing targets to 50,000 per annum till 2030 under the National Planning Framework¹ and the *Delivering Homes, Building Communities 2025–2030*² plan. Yet, as noted by the OECD (2025) these targets do not fully account for accumulated unmet need arising from prolonged under-investment. The plan also does not set annual targets or provide a full breakdown of tenure beyond social housing, reducing transparency and makes it more difficult to determine whether the Government is meeting its own targets. A problem that was evident in the previous housing plan, where existing targets were routinely missed. Furthermore, significant questions remain regarding the capacity of the construction sector to deliver at scale (see Chapter 5).

Recent trends in commencements highlight this uncertainty. Following a sharp increase in 2024, when commencements rose to almost 70,000, likely driven

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.>

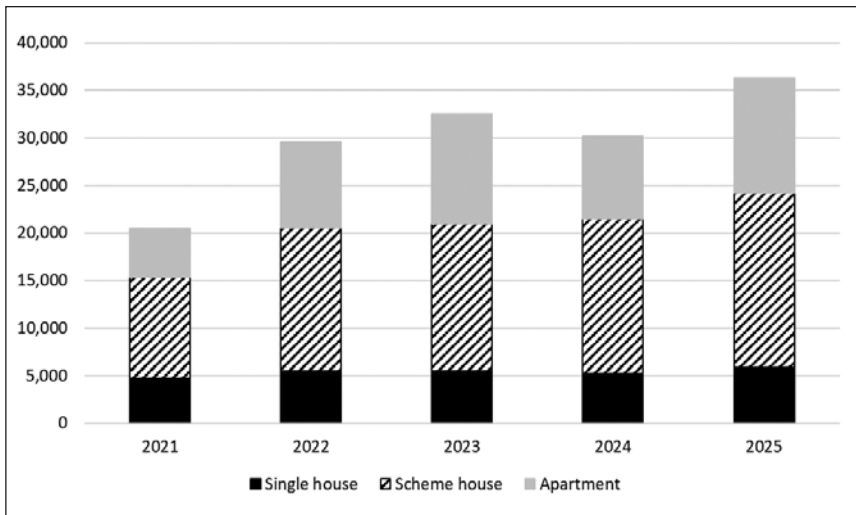
² <https://www.gov.ie/en/department-of-housing-local-government-and-heritage/campaigns/delivering-homes-building-communities-2025-2030-an-action-plan-on-housing-supply-and-targeting-homelessness/>

by changes in regulatory environment (expiry of waivers on development levies and rebates on water charges in April), activity declined significantly in 2025. Commencements fell to 16,412, below levels recorded as far back as 2017 (Department of Housing, Local Government and Heritage, 2026a). This volatility raises concerns about the stability and sustainability of housing supply.

Since May 2024, the Department has begun recording the primary method of construction and materials used at the point of commencement. This development allows tracking of the adoption of Modern Methods of Construction (MMC) and strengthens transparency, supporting more effective monitoring of delivery capacity. While this is a positive step, data on annual targets and tenure mix remain essential to ensure accountability and assess progress.

Between 2021 and 2024, 50.8 per cent of new dwelling completions were scheme houses, 18 per cent were single houses, and 31.1 per cent were apartments (Chart 6.1). Over this period, apartments saw a steady increase from one out of every four completions (24.7 per cent) in 2021 to 33.2 per cent of total completions in 2025 (CSO, 2026a). 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.

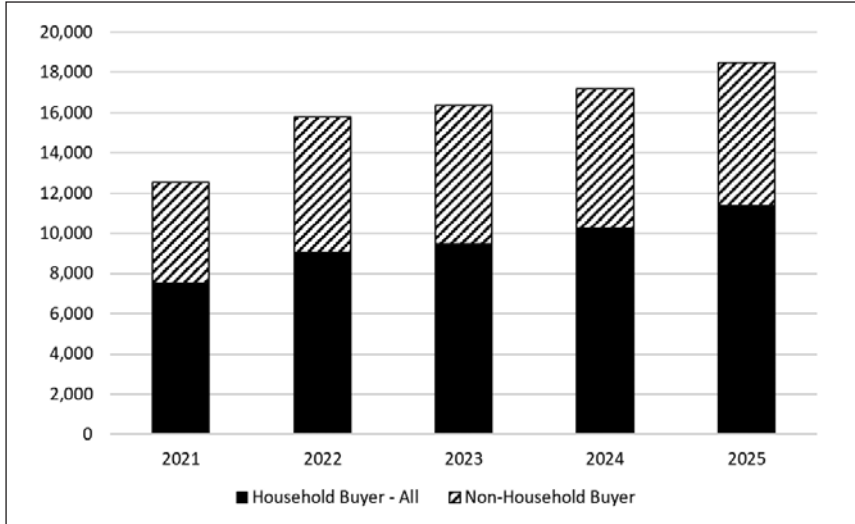
Chart 6.1: New Dwelling Completions 2021 to 2025



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 rose to over 40 per cent between 2021 and 2024, before declining slightly to 38.4 per cent in 2025, however, this still remains 13.7 percentage points higher than 2018 levels (Chart 6.2). Between 2018 and 2024, the majority of these non-household purchases were accounted for by the Public/Education/Health sector, which represented over 50 per cent of transactions and increased its share from 59.7 per cent in 2018 to 68.6 per cent in 2024 (CSO, 2026c).

Chart 6.2: Residential Dwelling Property Transactions 2021-2025



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 both demographic change and 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 compared to Census 2016, when compared with county-level data from

Summary of Social Housing Assessment 2024, there remains more vacant properties than households in need in every county, assuming the figures produced in the *Summary of Housing Needs Assessment 2024* 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).

Recent data from the CSO's *Residential Vacancy Based on Metered Electricity Consumption 2024* estimates 70,149 dwellings as vacant, based on low levels of electricity use over the 12 months leading up to Q4 2024, indicating a national vacancy rate of 3.2 per cent (CSO, 2026d). Meanwhile, the *GeoDirectory Residential Buildings Report* puts the number of vacant units at 79,703 as of Q4 2025, with highest rates in Leitrim, Mayo and Roscommon (GeoDirectory, 2026). The same report indicates that there were 19,438 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. Taken together, these estimates suggest that between approximately 99,000 and 164,000 properties may be vacant and derelict across the country that could be brought into use.

Despite this, policy responses have delivered limited results. Introduced in 2017, the Repair and Leasing Scheme aimed to bring vacant properties back into use by offering owners up to €80,000 per unit in interest-free loans 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 3,500 units set out in *Rebuilding Ireland Strategy* to 660 units under *Housing for All*, with no fixed targets set under the new plan. The latest data from the Department indicates that, so far, of the 3,529 applications submitted, just 324 leases were signed in respect of 699 properties, indicating low success rate (Department of Housing, Local Government and Heritage, 2026b). In 2025 (to Q3), only 186 applications were received, with just 11 leases signed in respect of 59 properties. Similarly, the Vacant Property Refurbishment Grant, introduced in 2022, provides grants of up to €50,000 for vacant properties and €70,000 for derelict properties, with the aim to bring back a total of 20,000 homes using this grant under the new housing plan - *Delivering Homes, Building Communities*. However, as of December 2025, 16,067 applications were received, with only 4,514 grants issued (Department of Housing, Local Government and Heritage, 2026c). The low success rate raises concerns about administrative bottlenecks, delays, and policy effectiveness. Separately, a study by the Society of Chartered Surveyors Ireland 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

Taxation measures have also been introduced to incentivise the use of vacant stock. The Vacant Homes Tax (VHT), introduced in Budget 2023 and increased to seven

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.

times the LPT in Budget 2025, was a welcome step. However, challenges remain, particularly around identifying vacant properties and enforcing compliance. Revenue data highlights a substantial gap, while 5,856 properties were declared vacant in the first chargeable period (November 2022 – October 2023), in the most recent chargeable period (November 2024 - October 2025), just 1,998 properties were declared vacant, of which 544 were exempt, suggesting significant underreporting and limited enforcement (Revenue Commissioners, 2024; 2026a).

The Residential Zoned Land Tax (RZLT) introduced late 2021 and operational from 2025, is another important measure aimed at activating serviced, zoned land for residential use. As of 5 March 2026, there were 2,741 registrations and 2,201 RZLT returns filed. Of these filed returns, 171 have claimed an exemption and a further 590 have requested a deferral. As with other measures, the effectiveness will depend on robust implementation and enforcement.

Progress is also being made in improving data and oversight. The planned introduction of a national, standardised Derelict Sites Register, including mapped and regularly updated data, is a positive development. However, similar to the VHT, reliance on self-reporting and administrative capacity constraints may limit its effectiveness unless accompanied by stronger enforcement mechanisms.

Overall, while a range of policies have been introduced to address vacancy and dereliction, their impact to date has been limited. The introduction of a Site Value Tax, long recommended by *Social Justice Ireland* and the Commission on Taxation and Welfare, could effectively address these challenges and encourage productive use of land (more in detail in Chapter 4).

Housing Affordability

Home Ownership

A number of initiatives have been introduced by successive Governments to improve housing affordability, including the emphasis on ‘Starter Homes’ in the Programme for Government 2025. The new housing plan sets a broad target of 15,000 “Starter Homes” per year. However, this largely represents a repackaging of existing schemes, including the Help to Buy scheme, the First Home Scheme, the Vacant Property Refurbishment Grant and cost-rental housing. There is limited clarity on how delivery will be distributed across these mechanisms. This lack of detail weakens accountability and makes it difficult to assess whether the strategy will deliver meaningful progress, particularly in relation to affordability.

The Help to Buy (HTB) scheme, introduced in mid-2016 as a short-term measure (now extended till 2029), was aimed at first time buyers who bought or self-built a property by giving a maximum amount of €20,000, later increased to €30,000. However, analysis of the Revenue data and the Property Price Register suggests that the scheme is being used to support purchases in the higher end of the price range. Based on provisional reports, as of February 2026, the total value of approved claims

stood at €1.45 billion (Revenue Commissioners, 2026b). Around one in three (31.9 per cent) of the HTB supported homes were in the €301-375,000 price range, while 26.9 per cent were priced between €376-450,000. An additional 16.6 per cent exceeded €450,000. For comparison, data from the Property Price Register indicates that 19.3 per cent of all home purchases were in €301-375,000 range, while 17.1 per cent were between €376-450,000 and 27.3 per cent of those were priced over €450,000. Among new home purchases, 32.3 per cent were in the €301-375,000 range, 30.3 per cent were in the €376-450,000 bracket, and 22.6 per cent exceeded €450,000 (Property Services Regulatory Authority, 2026).

A 2022 HTB review commission by the Department of Finance 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 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 2025, 9,008 buyers had been approved under the scheme, enabling them to buy or build their chosen home (First Home Scheme, 2026). 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 €66,324 (First Home Scheme, 2026).

Despite these initiatives, housing is becoming less affordable with each passing year. The cost of new dwellings rose by 7 per cent in the year to the end of Q4 2025, 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 €679,999, and lowest in Donegal at €195,000. Outside of Dublin, the commuter belt continues to demand the highest prices, with Wicklow commanding a median price of €454,000 and Kildare a median of €440,000 (CSO, 2026c).

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 (RPZs) and Cost Rental housing. RPZs were first introduced in December 2016 in designated high pressure areas. In 2025, as an interim measure pending broader reforms, RPZ designation was extended nationwide. Despite these interventions, rents have continued to rise. According to the *Residential Tenancies Board Rent Index Q3 2025*, rents for new tenancies increased by 5.4 per cent nationally in the year to Q3 2025, including 4.4 per cent in Dublin and 7 per cent outside Dublin. Existing tenancies also saw increases of 4.6 per cent nationally, 4.1 per cent in Dublin, and 5.1 per cent outside Dublin (Residential Tenancies Board, 2026a). This reflects a sustained pattern of rent growth. Data from Daft.ie shows that asking rents increased by a further 4.4 per cent in the year to Q4 2025, with rents rising in every year since 2011, with the exception of 2020, while availability has continued to decline (Lyons, 2026).

Earlier this year, the Residential Tenancies (Miscellaneous Provisions) Act 2026⁴ introduced a national system of rent regulation, extending the 2 per cent or rate of inflation (CPI) linked cap (whichever is lower) to all tenancies, except for new private apartment where the 2 per cent cap does not apply. New tenancies created from 1st March 2026 are subject to Tenancies of Minimum Duration, providing rolling 6-year tenancies and greater security for tenants. Under the revised framework, landlords may reset rents to market levels at the end of each six-year tenancy cycle where the existing rent is below market rates or at the beginning of new tenancy, except after no-fault termination. However, student specific accommodation are allowed to reset rents every 3 years.

While these reforms strengthen tenant protections, they also introduce additional complexity. The coexistence of tenancies established before and after March 2026 creates a more fragmented, tiered rental system. Furthermore, the ability to reset rents to market levels at the end of tenancy cycles may limit the long-term effectiveness of rent controls in moderating rent inflation, as evidenced by continued rent increases over the past decade despite the introduction of RPZs. This risk may be greater in student accommodation, where shorter tenancy periods allow rents to be reset more often, reducing the impact of rent controls.

Ultimately, rent regulation alone is unlikely to address affordability pressures. These measures must be complemented by sustained increases in housing supply, particularly through the expansion of social and cost-rental housing (as discussed later in this chapter). Without policies that both regulate rents while simultaneously expanding housing stock, particularly social housing, affordability will continue to decline.

⁴ <https://rtb.ie/renting/rental-law-changes-from-1-march-2/>

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 2025, a total of 4,764 cost rental homes had been delivered by Approved Housing Bodies (AHBs), Local Authorities, the Land Development Agency (LDA), and the Cost Rental Tenant in Situ scheme (Department of Housing, Local Government and Heritage, 2026b).

To expand supply, the Government has introduced the Secure Tenancy Affordable Rental (STAR) scheme, which provides equity support and sustainability incentives to private developers in return for delivering cost rental homes for a minimum of 50 years. While this approach may increase supply, it raises important questions about long-term affordability and public value. Participating developers retain ownership, and although rents must be at least 25 per cent below market levels, they may still be unaffordable for lower-income households. To ensure such schemes contribute effectively to the delivery of genuinely affordable housing, it is important that their design includes appropriate safeguards on rent levels, supports a strong role for not-for-profit providers, and delivers long-term value for public investment.

A key challenge with cost rental in Ireland is affordability for lower-income households. While rents are typically 25 to 33 per cent below market levels (often in the range of €1,200 to €1,400 for a two-bedroom unit), they still exceed what many lower-income renters can afford. However, a key strength of the model is that rents are stable over time, rather than fluctuating with private sector inflation, making it a more cost-effective and sustainable option in the long term. In some cases, low-income tenants in the private rental sector who rely on supports such as the Housing Assistance Payment (HAP) face higher overall housing costs than those in cost rental housing, due to high market rents and the need for additional “top-up” payments. In the absence of real social housing provision, discussed later in this Chapter, this may create an unusual situation whereby social housing tenants in the private rented sector may face higher housing costs than those who can avail of cost rental.

There has been growing policy emphasis on expanding cost rental in recent years. The Programme for Government and the new housing plan both commit to increasing delivery through the LDA, local authorities, and equity supports for AHBs, positioning cost rental as a core tenure within the housing system. Recent changes to corporation tax treatment in this area are also a welcome step in supporting further development.

Homelessness

Homelessness in Ireland continues to reach record levels. The latest data indicate that 17,308 people, including 5,457 children, accessed emergency homeless

accommodation in the week 16-22 February 2026.⁵ Family homelessness has increased by 130.9 per cent (from 1,130 families in July 2016 to 2,609 in February 2026) over the decade, and by 159.6 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 more than tripled since the introduction of Rebuilding Ireland (from 83 in July 2016 to 280 in February 2026), and increased by 118.8 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 is concerning, particularly given the additional health and care needs associated with ageing.

A key feature of the current crisis is the growing duration of homelessness. According to *the Homeless Quarterly Progress Report (October to December 2025)*, 63.7 per cent of all single homeless households, and 72.9 per cent of all family households accessing emergency accommodation had been doing so for more than six months, a slight increase from the year before (Department of Housing, Local Government and Heritage, 2026d). Even more concerning, 19 per cent of all single households and 21.6 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 October 2025 recording 145 persons sleeping rough in Dublin over the course of the week of the count, an increase of 11 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 2024*. The proportion of households citing homelessness as their basis of need increased from 11.6 per cent in 2022 to 14.7 per cent in 2024 (Housing Agency, 2025). There were 8,787 in 2024 and 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.

⁵ <https://www.gov.ie/en/department-of-housing-local-government-and-heritage/collections/homelessness-data/>

Financial Costs of Homelessness

The *A Decade of Homelessness Data: Significant Developments in Homelessness 2014–2023* report, published by Focus Ireland, provides a detailed analysis of the scale and cost of homelessness in Ireland. Drawing on data from the Department of Housing, Local Government and Heritage, the report highlights a substantial increase in expenditure over the past decade. In total, €2.48 billion was spent on homelessness services between 2009 and 2023, with €2.2 billion of this occurring between 2014 and 2023—a period during which the number of households in emergency accommodation increased by 224 per cent (O’Sullivan, et al., 2024). Spending is also 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 2024 *Local Authority Regional Financial Reports* spending patterns reveal an imbalance in resource allocation. Local Authorities spent 18 times more on emergency accommodation (approx. €360 million) than homelessness prevention, tenancy sustainment and resettlement supports (approx. €20 million). Additionally, 70 per cent of emergency accommodation expenditure was on private emergency accommodation including commercial hotels and B&Bs (approx. €250 million) (Department of Housing, Local Government and Heritage, 2025a). While another €16.3 million was spent on long-term supported accommodation⁶, the overall pattern points to a system heavily reliant on short-term responses. This raises serious concerns about both the sustainability and effectiveness of current expenditure, particularly given the limited investment in prevention and long-term housing solutions.

Government policy, as reflected in Budget 2026 documents, places increased emphasis on investing in State-owned emergency accommodation as a “value for money” response. However, evidence suggests that emergency accommodation remains a high-cost and short-term solution. According to Focus Ireland’s *Focus on Homelessness Report (Public Expenditure on Services for Households Experiencing Homelessness)*, the average cost of maintaining a household in emergency accommodation was €45,000 annually in Dublin, and €35,000 outside of Dublin (O’Sullivan, et al., 2025). This raises important questions about value for money. In the short term, greater investment in prevention measures and income supports, such as enhanced Housing Assistance Payment (HAP) and tenancy sustainment, may offer a more cost-effective way of supporting households at risk of homelessness, while also reducing the social and health impacts associated with prolonged stays in emergency accommodation.

⁶ 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.

Over the longer term, a shift in investment towards permanent solutions, particularly social housing and Housing First approaches, is likely to deliver better outcomes for both households and the public finances. Continued reliance on emergency accommodation, even if State-owned, risks embedding a high-cost system that does not address the underlying causes of homelessness. As evidenced by presentation data, homelessness is increasingly driven by evictions from the private rented sector, reflecting both insecurity of tenure and ongoing affordability pressures.

Social Housing

The number of homes owned by Local Authorities was 160,384 at the end of 2024 (National Oversight and Audit Commission, 2025). A further 65,000 were rented by Approved Housing Bodies (AHBs) (Irish Council for Social Housing, 2025). 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 10,200 social homes this year, as set out in Budget 2026, fails to take account of the 4,016 units shortfall on the 2022-2024 targets, as well as the likely shortfall in 2025, given that only 3,143 of the planned 10,000 social homes had been built by the end of Q3 2025 (Department of Housing, Local Government and Heritage, 2026b).

Social Housing Needs Assessments and HAP

According to the *Summary of Social Housing Assessments 2024*, there were 59,941 households on the waiting list for social housing, a 1.9 per cent increase from previous year (Housing Agency, 2025). However, this data 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, 2024). To address this gap, the Parliamentary Budget Office has, since 2024, published estimates of overall housing need by combining households on waiting lists with those in receipt of HAP. This analysis indicates that, in 2024, at least 113,512 households had an ongoing need for permanent social housing (Parliamentary Budget Office, 2025). These figures highlight the extent to which current policy relies on the private rented sector to meet social housing need.

Mortgage Arrears

At the end of Q4 2025, there were 41,018 home mortgages (35,232 private dwelling house (PDH) and 5,786 buy-to-let (BTL)) in arrears, with almost two thirds of these (26,449) in arrears of more than 90 days (Central Bank of Ireland, 2026). This marks a 17 per cent decrease in the total mortgage accounts in arrears and a 20 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 Q4 2025, non-bank entities owned 15 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 94 per cent of those in arrears of more than 10 years (Central Bank of Ireland, 2026).

Local Authorities

Of the 13,540 Local Authority mortgages active as of Q3 2025, 27 per cent were in arrears, representing 3,661 households, 38 per cent of which are in arrears of more than 90 days (Department of Housing, Local Government and Heritage, 2026e).

Insolvency Supports

According to the Eighth Report of the Abhaile Scheme, for the year 2024, a total of 22,337 Personal Insolvency Practitioner (PIP) vouchers were issued between mid-2016, when the Scheme began, and December 2024 (p.25). 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 and in 2024, a second voucher is also allowed if the last redemption has passed 3 years. Of these, 16,046 were redeemed by the end of 2024 (Department of Justice and Department of Social Protection, 2025). 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.

Mortgage to Rent

Since its introduction in 2012, the Mortgage to Rent scheme has provided a solution for only 2,933 households out of a total of 7,766 cases – a success rate of just 37.8 per cent in more than a decade since its introduction. An additional 305 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 13 Local Authority areas having more than 100 completed cases since 2015 (Housing Agency, 2026).

The Mortgage to Rent scheme has undergone multiple updates, in 2017⁷, 2021⁸ and 2022⁹, introducing welcome improvements such as expanded eligibility criteria, including income limits, equity limits and size of the property. Further changes in

⁷ <http://rebuildingireland.ie/news/changes-in-mortgage-to-rent-scheme/>

⁸ [2021 Review of the Mortgage to Rent Scheme for Borrowers of Commercial Private Lending Institutions](#)

⁹ <https://www.gov.ie/en/press-release/09acf-minister-obrien-announces-significant-improvements-to-mortgage-to-rent-scheme/>

the last quarter of 2024¹⁰ 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 Agency¹¹, 341 of the 544 cases (62.7 per cent) were ineligible on the grounds that the household was either over or under-occupied (Housing Agency, 2026). 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 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 registered¹² 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 2025, there was 14.3 per cent increase in the tenancies, with 243,598 private tenancies registered by Q4 2025. Over the same period, landlords increased by 8.2 per cent (Residential Tenancy Board, 2026a).

Despite these increases, rental supply remains critically low. The latest *Daft.ie Rental Report* indicates that just 1,777 homes were available to rent on their site in Ireland in February 2024 (Lyons, 2026). Similarly, a Snapshot Report published by the Simon Communities of Ireland found that while the number of properties available to rent decreased by 25 per cent from 1,233 in December 2024 to 929 available to rent at any price within the 16 areas studied in December 2025, just 3

¹⁰ <https://www.gov.ie/en/press-release/c2598-minister-obrien-announces-significant-improvements-to-mortgage-to-rent-scheme/>

¹¹ www.housingagency.ie/housing-information/mortgage-rent-scheme

¹² <https://www.independent.ie/business/personal-finance/massive-non-compliance-by-landlords-with-rules-to-register-tenancies-study-finds/a1201046152.html>

per cent were available to rent within the limits of the HAP payments. This marks almost 5 percentage points decrease from 2022 and almost 25 percentage points decrease from 2021 (Simon Communities of Ireland, 2026). 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, sheds light on the disproportionate vulnerability of renters to poverty. The data reveals that renters have a higher poverty risk than both non-renters and the general population. The overall poverty risk in 2025 was 12.6 per cent. For renters, the at risk of poverty rate is 24.2 per cent. Once rent has been paid, more than half (45.2 per cent) of renters are at risk of poverty (CSO, 2026e). Table 6.1 shows the at risk of poverty for different categories of renter both before and after rent payments.

Table 6.1: At risk of poverty rate (%) for different categories of renter, before and after rent payments, 2025

Category of Renter	At risk of poverty rate after rent and mortgage interest	At risk of poverty rate
Rented or Rent Free	45.2	24.2
- Rent Free	34.4	34.4
- Rented: from Local Authority	40.6	29.0
- Rented: other forms of social housing support*	58	20.5
- Rented: without housing supports	42.6	22.6

Source: CSO Ireland, Survey on Income and Living Conditions 2025

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

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 2024¹³, the

¹³ Eurostat [ILC_LVHO07A]

HCO rate in Ireland increased to 4.5 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

Rent Inspections

Each Local Authority is required to inspect 25 per cent of rental properties in their area annually. However, in 2024, only six out of 31 Local Authorities met this target, while four recorded inspection rates of below 10 per cent. Galway City (2.9 per cent) had the lowest inspection rates (National Oversight and Audit Commission, 2025).

In 2024, a total of 62,085 private rented dwellings were inspected, marking a 17.3 per cent increase compared to 2023. Despite the rise in inspections, compliance with rental standards remains alarmingly low. 16 Local Authorities reported that over 90 per cent of inspected dwellings failed to meet regulatory standards. In Galway County, Wicklow and Louth, almost 100 per cent of inspected properties were found to be non-compliant. Even in areas with the lowest recorded non-compliance rates, such as Dún Laoghaire-Rathdown (67.8 per cent) Roscommon (69.9 per cent) and Dublin City (70 per cent), more than two-thirds of inspected properties failed to meet required standards (National Oversight and Audit Commission, 2025). 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 2024*, 6,467 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 11.1 per cent (645 households) compared to the previous year (Housing Agency, 2025). 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 5,928 in 2024.

A key mechanism to support independent living for persons with disabilities are the Housing Adaptation 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 extent¹⁴, 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 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 2024, total of €82.7 million was paid in respect of 15,198 grants (Department of Housing, Local Government and Heritage, 2025c).

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 per cent) and further amendments were also made to the means test.¹⁵

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, 2024).

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).

¹⁴ CSO's PxStat [F4002]

¹⁵ <https://www.gov.ie/en/press-release/c1356-ministers-obrien-and-dillon-announce-commencement-of-revised-housing-adaptation-grants-of-up-to-40000/>

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 just 6 per cent between 2021 and 2024, reaching 12,707. Of these, more than two-thirds of Traveller families were accommodated by Local Authorities or Approved Housing Bodies, 11.4 per cent were accommodated in the Private Rented Sector, 6.7 per cent secured accommodation through their own resources, 8.3 per cent were in shared accommodation, and 5.1 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 20.3 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, 2025d).

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 Update¹⁶, published in November 2025, the Expert Group shared the progress to date while noting the ongoing work programmes, including the work on more detailed data 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. 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 and integration of the Traveller Accommodation Programme and the Housing Strategy section of Development Plan preparation and development management processes” (Traveller Accommodation Expert Group, 2025).

¹⁶ <https://www.gov.ie/en/department-of-housing-local-government-and-heritage/publications/traveller-accommodation-expert-review-programme-board-update/>

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 new housing plan recognises the role of public investment in housing and commits to delivering 300,000 homes by 2030, delivery remains heavily dependent on enabling “the private sector to deliver homes at much greater scale”. This heavy reliance on private investment raises concerns about long-term sustainability.

Social Justice Ireland welcomes several elements of the new housing plan, including measures aimed at addressing homelessness, many of which reflect our long-standing recommendations. However, significant gaps remain. The following

section outlines 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 housing plan commits to delivering 300,000 homes, in line with the Programme for Government commitment. While this is an increase on previous targets, it does not consider the existing housing deficit of 235,000 homes in the medium term highlighted in Housing Commission’s (2024) report. This substantial shortfall highlights the need for a more ambitious and accelerated response, including measures that go beyond those currently set out in the plan. 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 (now repackaged as Starter Homes) 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 plan 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 improve affordability:

- 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.
- Establish a developer and builder register requiring the publication of construction and development costs. Greater transparency would improve accountability and provide clearer evidence base for assessing pricing across the sector.
- Ensure tax incentives reduce house prices for buyers. Budget 2026 measures must be conditional and monitored to prevent developers or landowners from absorbing the benefits instead of passing them on.

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 housing plan commits to delivering approximately 12,000 new social homes annually, which is positive but remains insufficient to address the ongoing needs of at least 113,500 households as of 2024, 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 FEANSTA¹⁷). 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, 2024). 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).

To achieve these lower costs, Government must make State land available for development. The report of the Land Development Agency suggests that at least 60,000 homes could be built on State lands. Also restrict the sales of State land suitable for residential development to private developers.¹⁸

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.

¹⁷ <https://www.feantsa.org/en/toolkit/2005/04/01/ethos-typology-on-homelessness-and-housing-exclusion>

¹⁸ <https://www.irishtimes.com/ireland/housing-planning/2023/03/28/government-has-potential-to-build-at-least-60000-affordable-homes-on-state-land>

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.

The commitment to deliver over 2,000 additional Housing First tenancies is positive, however, the scale of expansion remains insufficient relative to current need. *Social Justice Ireland* also welcomes the commitment to end homelessness by 2030 and to prioritise social housing allocations for families experiencing long-term homelessness. Given the current deficit in social housing, achieving these objectives 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. The introduction of a National Homeless Prevention Framework is an important step. Strengthening early intervention and ensuring supports are in place for households at risk is essential. However, the strategy provides limited detail on how the framework will operate in practice, or how it will be embedded across key actors such as health, justice, child protection and social protection. A genuine prevention-first approach requires early-warning and intervention systems for tracking notices of eviction, rent arrears or income shocks to trigger rapid response supports. These elements must be set out clearly if prevention is to be effective.

Current spending patterns highlight the need for a shift in approach. As discussed earlier, in 2024, Local Authorities spent 18 times more on emergency accommodations than homelessness prevention, tenancy sustainment and resettlement supports. This reactive approach is both expensive and ineffective. A rebalancing towards prevention and long-term housing solutions would not only reduce reliance on emergency accommodation but also address the underlying drivers of homelessness, including unaffordable housing and income insecurity.

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 homes 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 must be challenged and sanctions imposed on Local Authorities who do not access funding to meet developed targets.

Address Vacancy and Dereliction

There are an estimated 99,000 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.

Replacing the current vacancy and derelict 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.

In the interim, existing measures should be strengthened. As mentioned earlier, the increase in the Vacant Homes Tax is welcome. We encourage the Government to reduce this time period to six-months in Budget 2027 and to further increase the rate to ten times the annual LPT level. Addressing implementation challenges and improving compliance is also crucial.

Similarly, reforms to the taxation of underutilised land require stronger enforcement. The Vacant Site Levy, introduced in 2019, faced significant implementation challenges at local authority level, limiting its effectiveness. Its replacement with the Residential Zoned Land Tax at 3 per cent of the land’s value per annum administered by the Revenue Commissioners, is a positive step. However, consideration should be given to increasing the rate to 5 per cent of the annual value to strengthen its impact. The planned introduction of a Derelict Property Tax from 2027 is also welcome, but its effectiveness will depend on timely implementation and robust enforcement (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; and expand investment in new methodologies;
- 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;
- Scale up housing first model and expand 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 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.

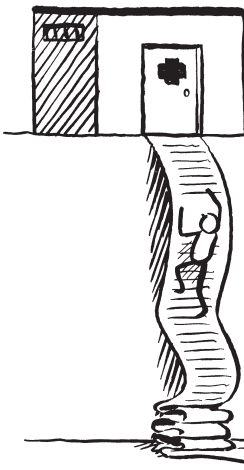
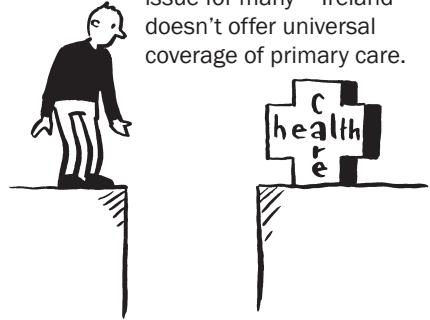


Key Issues/Evidence

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.



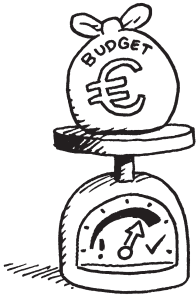
Ireland has one of the worst waiting list times in Europe.



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



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

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



Act to end the hospital waiting list crisis and ensure budgetary allocations are realistic and transparent.

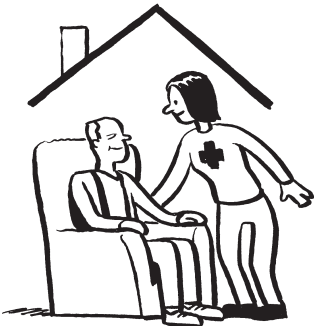
Properly resource mental health services and commit to addressing dementia and suicide prevention.



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 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 ageing.

7.1 Key Evidence

Before discussing how healthcare policies address specific groups and issues, we first outline some context for that discussion. First, we consider ageing of the Irish population and the consequent growing pressure on healthcare systems, and, secondly, 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 growing and it is also ageing rapidly while birth rates are declining – even though Ireland at present remains a relatively young population compared to our European neighbours (Department of Health, 2025a). Among EU countries, Ireland demonstrated the largest relative increase in the population aged 65 and over (+27 per cent) between 2015 and 2022 (OECD/European Observatory on Health Systems and Policies, 2023). An examination of demographic trends over the next forty years projects that there will be a significant increase in the population aged over 65, as well as a fall amongst those aged 0-19 (Department of Finance, 2025). These emerging trends can be seen in results from the Irish census of population. For example, according to the 2022 census, the highest increase in population since 2016 was 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). People aged 65+ were estimated to number some 861,000 in 2025, compared to 630,000 in 2016, an increase of around 28 per cent (CSO, 2023b). By 2040, the proportion of those aged 65 and over is projected to have increased from 15 per cent of the population to around 21 per cent (Brick et al., 2025). Furthermore, it is projected that almost 400,000 people will be aged 80+ in 2040, approximately twice the figure for 2025 (CSO, 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 amongst people age 75 and older. For example, in 2022, amongst those aged 75 to 79, approximately 47 per cent experienced disability, but almost 76 per cent of people aged over 85 did so (with disability defined as experiencing at least one long-lasting condition or difficulty). A large proportion of all health and social care in Ireland is delivered to older people with over half of all inpatient bed days being used by those aged 65 years and over (Walsh and Kakoulidou, 2025). Linked with the foregoing, the number of people providing regular unpaid care has also increased according to the 2022 Census - by over 50 per cent between 2016 and 2022 (to almost 300,000 people) (CSO, 2023c). This represented 6 per cent of the population¹, the majority being women, and about 15 per cent of carers being themselves aged over 65 (CSO, 2023c). Notably, in international comparison, the Irish health system relies heavily on unpaid family care (Walsh and Connolly, 2024a).

Consistent with these trends, reports from the ESRI project increased demand for health and social care across all sectors - in home care, long-term and intermediate care, and in hospital beds/inpatient services (Wren *et al.*, 2017; Keegan *et al.*, 2018; Walsh *et al.*, 2021; Walsh and Kakoulidou, 2025). For example, a recent report from the ESRI estimates that in-patient bed requirements will increase by between 4,400 and 6,800 by 2040; with an average annual growth of between 1.9 and 2.8 per cent (Brick *et al.*, 2025). Thus, changing demographics necessitates substantial ongoing investment in infrastructure and staffing to meet this future demand as well as investment in primary, community and long-term care to lead to more patients being treated in more clinically appropriate settings, which in turn should lead to a reduction in hospital admissions or a shortening of hospital stays (Brick *et al.*, 2025). In addition, and as is acknowledged by the Department of Health (2025a), amongst the implications of demographic change is that the future health workforce must be trained to practice outside of traditional hospital settings. In short, it is clear that anticipated growth in the older population in need must be planned for, using an appropriate model of care, to support the ageing population, as well as those who care for them and, indeed, to support the people they care for.

Government Health Expenditure in light of the Ageing Population

Since 2018 the budget for health has increased, reaching an allocation of €27.4 billion in Budget 2026 (Department of Health, 2025a). Public sources covered 77 per cent of health spending in 2023, below the EU average of 80 per cent, with private

¹ It is also notable that there are official statistics that estimate the proportion of people in Ireland providing regular unpaid care at a much higher level. For example, the Irish Health Survey, carried out in 2024, suggests that the proportion of unpaid carers (aged 18+) in the population is 18 per cent (CSO, 2025a).

financing accounting for the remaining 23 per cent, exceeding the European average (of 20 per cent) - stemming primarily from Ireland's high voluntary private health insurance uptake (OECD/European Observatory on Health Systems and Policies, 2025). It is notable that a sizeable gap exists between the proportion of people with private health insurance (46 per cent) and the share of spending that private health insurance actually funds (12 per cent) (OECD/European Observatory on Health Systems and Policies, 2025). Cross country comparison is instructive. When expressed as a share of GDP, health spending in Ireland amounts to 6.1 per cent (in 2022), well below the EU average of 10.4 percent (CSO, 2025b). However, using the metric modified gross national income (GNI*²) – considered a more reliable reflection of the domestic economy - current health expenditure accounted for 11.5 per cent of GNI* in 2022, which was higher than the EU average (CSO, 2025b). Ireland's per capita health spending was also higher than the EU average (CSO, 2025b). 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 due to the volume of care delivered (Keegan et al., 2020).

This relatively high rank in international comparison of expenditure is, however, surprising, given that Ireland's population, while ageing, is still relatively young. In fact, in 2025 Ireland had the youngest median age in the EU – at 39.6 years as well as the lowest share of those aged 65+ (at 15.5 per cent) (Eurostat, 2025). However, healthcare spending patterns reflect the Irish healthcare system's hospital-centric model (OECD/European Observatory on Health Systems and Policies, 2025). Inpatient care commanded 35 per cent of health expenditure in 2023, above the EU average of 28 per cent, while long-term care accounted another 22 per cent, above the EU average of 18 per cent, underscoring the challenges facing the stated ambition of Ireland's Sláintecare strategy to shift care demand toward strengthened primary and community settings.

International evidence suggests that hospitalisation is more likely to be avoided if primary care is accessible and of good quality and that decreased use of hospital services is associated with enhanced chronic disease management in primary care (Brick et al., 2025). An ESRI report highlighted that increased investment in community care could facilitate certain care currently delivered in hospitals being more appropriately delivered in the community being in line with Sláintecare proposals (Keegan et al., 2020). In addition, there are persistent structural barriers in the Irish healthcare system, notably long waiting times for public services, limited access to primary care appointments, and financial constraints for individuals without Medical or GP visit cards (OECD/European Observatory on Health Systems and Policies, 2025). Relatedly, unmet medical needs in Ireland, which we return

² GNI* is an indicator tailored to measure the size of the Irish economy excluding the substantial impact of globalisation on the country's GDP and other macroeconomic statistics.

to below, are above the EU average, driven by high fees and constrained access to primary care (OECD/European Observatory on Health Systems and Policies, 2025).

Waiting Times and the Hospital-Centric Model of Care

Ireland is the only country in the EU without universal primary care coverage, which puts more pressure on hospitals (European Commission, 2024). Ireland's acute care system operates under persistent capacity pressures and consistently high occupancy rates – with the country's hospital bed capacity at about half the EU average, and curative care bed occupancy rates routinely exceeding 80 per cent, well above the EU average of 68 percent (in 2023) (OECD/European Observatory on Health Systems and Policies, 2025). In fact, Ireland records the EU's highest bed occupancy rate (OECD/European Observatory on Health Systems and Policies, 2025). 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 were required per annum to keep up with the ageing of the population (Walsh and Brick, 2023). According to the Irish Nurses and Midwives Organisation, 114,029 patients, including 1,248 children, were admitted to hospital without a bed in 2025 (INMO, 2025). 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.

Despite the Sláintecare commitment to expand universal access, gaps remain in chronic disease management. For example, hospitalisations for COPD and asthma in Ireland are at nearly double the EU average (OECD/European Observatory on Health Systems and Policies, 2025). 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, in the absence of significant change, will worsen as the population ages and demand increases. The CSO reports on healthcare access and unmet need - 35.9 per cent of the Irish population aged over 18 who reported that they had unmet healthcare needs attributed that to waiting times for an appointment (in the previous 12 months) (CSO, 2025c). Official statistics suggest that 623,819 people were waiting for an outpatient appointment in November 2025 (a considerable increase on the November 2024 figures and 68.7 per cent over target), while over 104,800 people were waiting for treatment as an in-patient/day case (increased over the November 2024 figures and 60.5 per cent over target), and 34,533 people were on an inpatient/day case GI Endoscopy list (also increased over the November 2024 figures and 48.8 per cent over target) (National Treatment Purchase Fund, 2026). Among people waiting for an outpatient appointment, those waiting 18+ months numbered over 45,527 people, while some 8,400 people were waiting 18+ months

for an inpatient/day case appointment. 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, 2016-2025

	Nov 2016	Nov 2018	Nov 2020	Nov 2022	Nov 2023	Nov 2024	Nov 2025
Outpatients							
Total waiting	440,629	515,360	612,576	602,832	580,055	572,403	623,819
Waiting 18+ months	29,478	88,361	156,955	106,051	62,164	45,880	45,527
Inpatient/Day Case Active Waiting List*							
Total waiting	81,103	70,989	72,843	80,232	84,287	88,296	104,844
Waiting 18+ months	4,001	5,413	8,629	8,207	6,900	6,753	8,430
Other Lists:							
Numbers on other lists (Nov, 2025, adults and children) include:							
Inpatient/Day Case – Active GI Endoscopy: 34,533							
Inpatient/Day Case - 'To come in': 25,510							
Inpatient/Day Case 'To come in' GI Endoscopy: 10,205.							

Source: National Treatment Purchase Fund website (2026).

*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 suggested that formal home 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 home 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 Department of Health (2025a) highlights that 80 per cent of health outcomes from acute to chronic disorders are influenced by social, economic, and environmental factors - social determinants of health - rather than direct medical care.

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. While 80 per cent of adults report being in good or very good health (in 2024), the highest proportion in the EU, this is attributed in part to the Irish population's younger age profile compared to the EU average, and, notably, a 22-percentage-point gap exists between the highest and lowest income groups (OECD/European Observatory on Health Systems and Policies, 2025). Thus, there is a substantial health gap by income level - only 67 per cent of Irish women in the lowest income quintile (lowest 20 per cent) reported being in good health in 2024 compared to 91 per cent of those in the highest quintile, with a similar gap amongst males (OECD/European Observatory on Health Systems and Policies, 2025). In 2019, 17 per cent of adults with lower education levels reported smoking daily, nearly double the rate among those with higher education (9 per cent) - although overall smoking rates have been declining in Ireland over recent years (OECD/European Observatory on Health Systems and Policies, 2025). A similar pattern is observed for obesity: in 2022, 24 per cent of adults with low educational levels were obese, compared to 17 per cent among those with higher levels according to EU-SILC data (OECD/European Observatory on Health Systems and Policies, 2025).

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 lower positive levels of health than those who are employed. The Growing up in Ireland study (2021) found differences in health outcomes amongst children as young as nine-years of age, with 83 per cent of those in households in the highest income quintile (top 20 per cent) described as 'very healthy' compared with 73 per cent of those in the lowest income quintile (lowest 20 per cent). Where public health is concerned, ESRI research following the COVID-19 pandemic, revealed that deprived areas of Ireland had higher infection rates (Devlin et al., 2024). This highlights the need to consider spatial health inequalities and health inequalities for minority groups in future pandemic planning.

Overall, life expectancy in Ireland has increased in recent decades. Life expectancy at birth reached 82.9 years in 2023, ranking 8th in the EU and exceeding the EU average by 1.5 years (OECD/European Observatory on Health Systems and Policies, 2025). However, census data shows that persons in most deprived areas have the

lowest life expectancy (CSO, 2019). NESC (2025) has recently noted that, while life expectancy for everyone has improved in Ireland, the differentials between social classes, education levels and geographical regions are increasing over time. The above shows how, in summary, poor people get sick more often and die younger than those in the higher socio-economic groups. It also confirms how a sustainable health system is founded on the prevention of ill health and the reduction of health inequalities (Department of Health, 2025a).

Access and Inequality in Irish Healthcare

Issues of access contribute to the poorer health outcomes of lower socio-economic groups. As referred to already, Ireland has a high proportion of people reporting unmet need for medical care compared with the EU average, which is linked to persistent structural barriers in the healthcare system, notably long waiting times for public services, limited access to primary care appointments and financial constraints for individuals without Medical or GP visit cards (OECD/European Observatory on Health Systems and Policies, 2025). Regarding waiting times, individuals in the lowest income quintile (lowest 20 per cent) were nearly three times more likely to report unmet needs than those in the top quintile (OECD/European Observatory on Health Systems and Policies, 2023). Disparities in unmet needs for dental examinations (as well as medical examinations) are also evident between those in the highest and lowest income categories due to financial, geographic or waiting time reasons (in 2023) (OECD and European Union, 2024). Primary care access remains a persistent coverage challenge - over 50 per cent of the population (those not eligible for means-tested or age-related public healthcare coverage) still incur out-of-pocket fees and this positions Ireland as an outlier against the broader EU-wide trend toward universal primary care coverage (OECD/European Observatory on Health Systems and Policies, 2025), notwithstanding moves in that direction in recent years such as free primary care to children up to eight years of age and the introduction of the Public Only Consultant Contract in 2023 which was a step in the removal of private care within public hospitals.

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 shown, above. Over half of Ireland's population lacks medical or GP visit entitlements and incurs costs per primary care consultation (OECD/European Observatory on Health Systems and Policies, 2025). Private health insurance is held by approximately 46 per cent of the population (Health Insurance Authority, 2024). 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). There have been some reforms, such as abolition of acute public in-patient charges since 2023 (Department of Health, 2025b). In addition, the medical card system protects many households from financial hardship, but health costs can still be significant and poorer households

are still disproportionately likely to experience financial hardship (Johnston et al., 2020).

COVID-19 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). As became even more obvious during the COVID-19 years, access to healthcare based on need, not income, is vital. It 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 issues such as the lack of planning for existing levels of health service and demographic change. Investment in and roll-out of 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 throughout this Chapter, will continue and will be exacerbated as our population ages.

7.2 Key Policies and Reforms

The comprehensive healthcare reform plan launched in 2017 (known as Sláintecare) emphasises the importance of developing/improving primary care linked with community-based health and social services and building towards equal access to health services for everyone. Efforts have been made to transition towards this envisioned model of care, which is more accessible, supports primary care, and recognises 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 (European Commission, 2024). Countries with a strong primary care sector tend to have better health outcomes, greater equity, lower mortality rates and lower overall costs of healthcare (Department of Health, 2016). Furthermore, an ESRI capacity review (ESRI, 2025) projected that demand for general practice (GP) consultations will increase by between 23 per cent and 30 per cent from 2023 to 2040, requiring an additional 943 to 1,211 GPs by 2040. Demand for GP nurse and midwife consultations is also projected to increase.

A range of developments have followed from *Sláintecare* first published in 2017 aimed at developing/improving primary care, and issues that arose during the COVID-19 pandemic have put renewed emphasis on long-term and home- and community-based care (Walsh and Connolly, 2024a). These include establishing six new Health Regions aiming to co-ordinate services across community, hospital and social care services as well as the Digital Health Programme, intended to be an enabler of the *Sláintecare* programme. Thus, technology is to enhance care delivery through initiatives like the Digital for Care 2030 framework. The Enhanced Community Care (ECC) model involves integrated primary and community-based programmes to target key conditions. The ECC programme has established 96 Community Health Networks (CHNs) and 180 Primary Care Centres deploying additional healthcare staff to support multidisciplinary care models. There are also Community Specialist Teams designed to support older people and people with chronic disease – intended to provide interventions and facilitate home-based care (Department of Health, 2025b). There are 23 Community Intervention Teams (CITs) also aiming to prevent unnecessary hospital admission and providing access to nursing and home care support (Department of Health, 2025b). In addition, Children’s Disability Network Teams (CDNTs) aim to support children with disabilities; however, ongoing issues persist in relation to things like recruitment and retention of staff for CDNTs and access to Assessments of Need (under the Disability Act) (Department of Health, 2025b).

The HSE’s performance report to November 2025 documents significant numbers waiting for assessment and treatment in primary care services, which provide essential early intervention services to children and adults (such as occupational therapy, physiotherapy, speech and language therapy, ophthalmology, audiology, and dietetics) (HSE, 2026). Furthermore, for children with disabilities, demand for Assessments of Need has increased significantly in recent years, and there were over

18,000 applications overdue for completion nationwide at the end of September 2025 (Dáil Eireann Debates, 2026).

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 2026, such as the proposed increase of up to 265 acute and 290 community beds, even if the scale of provision needs to be accelerated if patient demands are to be met and trolley waits reduced. *Social Justice Ireland* also noted that no allocation was made to complete the ECC programme, which has been a key driver of integrated care delivery under Sláintecare. Additionally, the continued failure to invest in the infrastructure required to rollout Sláintecare undermines work in all areas of the health services. It should also be noted that while the use of digital technologies clearly provides opportunities for improved care, it comes with challenges, and there is a risk that a digital divide may emerge in accessibility for those less familiar with new technologies. 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 Government should expand investment in the Enhanced Community Care Programme (ECC) to alleviate pressure on acute services and ensure treatment is provided at the appropriate level of need. Moving towards a more community-centred model will require not only prioritisation of enhanced community care but also greater transparency about planning and rollout. 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. Investments should include the following: €100m to further expand the ECC Programme and rollout of Community Health Networks; €600m infrastructure allocation, with a particular focus on ECC and supporting the Health Regions implementation plan; €50m in Community Nursing Facilities and rehabilitation beds; and €100m in providing universal access to GP care, while expanding the number of GP and Practice teams (see Social Justice Ireland, 2025).

Older People's Services

Associated with the large projected increase in the older population, analysis from the ESRI projects significant increases by 2040 in demand and capacity requirements for short stay and long stay care, as well as in home support services (Walsh and Kakoulidou, 2025). 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). As an ESRI 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, 2024b). Furthermore, managing increased disability and chronic conditions at home requires significant supports (OECD/European Observatory on Health Systems and Policies, 2021, 2023).

Long-term residential care in Ireland is predominantly funded by the State but supplied by private operators with co-payments and privately funded care being common (Walsh and Connolly, 2024a). In 2024, approximately 70 per cent of the 552 nursing homes providing residential care in Ireland were operated by for-profit providers, with a smaller number of large operators providing almost 40 per cent of long-term residential care beds (Walsh and Connolly, 2024a). Accessing required services at appropriate times can be challenging, contributed to by the lack of a population-based resource allocation mechanism across the wider health and social care system, making it difficult to match population needs with supply (Walsh and Connolly, 2024a). The Irish Society of Physicians in Geriatric Medicine (ISPGM) notes the inadequacy of rehabilitation services for older people, due to a range of factors, including the absence of a policy framework for geriatric rehabilitation and the tendency for rehabilitation pathways to be based on financial considerations rather than patient needs. There is also evidence that there are negative consequences for older people from widespread use of ill-defined ‘convalescence/step-down/post-acute care’ with indeterminate staffing, skills and governance (ISPGM, 2024). Challenges of recruitment and retention across the care sector are also well recognised, in Ireland as well as in other countries, against a background of increasing need for care.

The 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 2024 suggests that approximately 23.7 million hours of home support (not including intensive home care packages) were delivered to some 58,500 people (HSE, 2025a). As Table 7.2 shows, this represents an increase on the previous year, and increased hours and people supported have been projected for 2025. Table 7.2 also shows that there have been increases in the volume of home care hours delivered over time. However, as of November 2025, 5,400 people were assessed and waiting for home care staff for the provision of home support (including those waiting for new supports and those waiting for additional home support) (HSE, 2026). People living in care settings supported by the NHSS (Fair Deal) scheme in 2024 numbered approximately 24,000, representing approximately 2.9 per cent of people aged 65+.

Table 7.2: Support to Older People in the Community and in Nursing Homes

	2018	2020	2021	2022	2023	2024	2025* Projected
Home Support							
People in Receipt	53,000	52,881	55,043	56,162	55,652	58,546	60,700*
Hours delivered	17.13m	17.5m	20.4m	20.79m	22.1m	23.7m	25.46m*
							Complex Home Support
Intensive Homecare Packages							
People in Receipt	250	149	115	80	74	not stated	85*
Hours Delivered	406,000		246,374	219,678	210,550	not stated	265,111*
NHSS (Fair Deal) funded places							
Numbers of People	23,305	22,755 [^]	22,296	22,769	23,285	24,000	23,805*
% of 65+ population (approx.)	3.5	3.3 [^]	3.5 ^{^^}	3.3 ^{^^}	3.4 ^{^^}	2.9	2.9*

Source: HSE Annual Report and Financial Statements (2018 – 2024).

* Projections for 2025, HSE National Service Plan 2026 (HSE, 2025b)

[^]Figures come from HSE Management Data Report, Jan 2021.

^{^^} Figures from the Public Service Performance Report for 2023 (June 2024).

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 greatly delayed. It is problematic that residential care is on a statutory footing (NHSS/Fair Deal), without similar schemes for home and community based care. It exacerbates the lack of non-residential long-term care services and may contribute to regional inequalities and unmet needs that exist for home support and community-based services (Walsh and Connolly, 2024a). 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, day centres, and

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. As discussed already, there have been positive developments towards a more community-centred approach, and the *Social Justice Ireland* recommendations set out, above, under the heading of ‘Primary Care’ would, if implemented, benefit older people. *Social Justice Ireland* also 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. The Community Service Hub model, part of the Enhanced Community Care programme, facilitates holistic support plans that consider the overall needs of an older person, contributing to the vision of person-centred healthcare at the heart of Sláintecare. *Social Justice Ireland* recommends an annual increase in funding to reach an investment target of €18.4m in 2040 to meet growing need (see also, Alone and Social Justice Ireland, 2024).

Children and Family Services

As previously discussed, while Ireland’s population is rapidly ageing, it still has a young population relative to other EU countries. In fact, as already mentioned, in 2025 Ireland had the youngest median age in the EU – at 39.6 years compared with 44.9 years in the EU as a whole (Eurostat, 2025). The United Nations (UN) 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.

Like others, children are affected by long waiting lists for treatment. As of January 2026, 71,389 children were on the outpatient waiting list (with over 12,000 of them waiting for more than a year), while 8,597 were on the inpatient/day case list (National Treatment Purchase Fund, 2026). The extension of free primary care to children up to eight years of age was a welcome development in extending the free general practitioner scheme and addressing barriers faced due to the two-tier health system. However, children above that age are still not included in the free scheme, although government’s commitment to expand free GP services to children up to at least 12 years is a welcome commitment. The Ombudsman for Children’s Office (2025a,b) highlights how children from marginalised backgrounds (including those experiencing homelessness, from migrant backgrounds, and those from Traveller and Roma communities) often face significant barriers to accessing essential healthcare. 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 Community Health Networks) and a universal approach to access to healthcare.

Research shows growth in the prevalence of disability and long-lasting conditions among children from all social groups over recent years (Smyth and Russell, 2024). There are many ongoing issues in the health system over the long-term for children with disabilities and their families. HSE performance reports suggest that large numbers are waiting for therapies such as ophthalmology, audiology and psychology with many waiting for more than a year (HSE, 2026). Problems also include delays in obtaining Assessments of Need,³ as children can spend years on lists waiting for an initial assessment (Joint Committee on Children, Equality, Disability, Integration and Youth, 2023). As already mentioned, over 18,000 assessments of need applications were overdue for completion at the end of September 2025, although over 4,500 assessments had been completed by then in 2025 – an increase compared to the same period in 2024 (HSE, 2026; Dáil Éireann Debates, 2026). 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).

There are a range of issues for children facing mental health issues. There is 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). The Primary Care Psychology Service is the first step for children after they present to their GP with mild to moderate mental health issues and intended as early intervention before a child might need to be seen by a service such as the Child and Adolescent Mental Health Service (CAMHS). Figures obtained by RTÉ News (2025) show that up to August 2025, children in Dublin could wait up to 13 years to be seen by a primary care psychologist. The figures show that there were over 28,000 children waiting to see a primary care psychologist, and over 15,000 of these waiting for over a year. Waiting lists for the specialist CAMHS can also be significant, with those waiting to be seen by CAMHS in November 2025 numbering 4,375 (an increase of 12 per cent on the same period the previous year) (HSE, 2026). Those waiting more than 12 months numbered 590, an increase of 8.1 per cent on the same period the previous year. A review by the Mental Health Commission (2023) is amongst the reports highlighting a series of problems with CAMHS. These include children ‘lost’ within

³ An Assessment of Need is arranged by the HSE to determine health or educational services required by a person with disabilities. The process was introduced by legislation (Disability Act, 2005) and it is meant to be carried out within a 6-month timeframe, but its operation has been problematic. As of December 2025, a proposal has been published to amend how it operates (General Scheme of the Disability (Amendment) Bill 2025).

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.

A review carried out by HIQA and the Mental Health Commission (2023) highlighted challenges in the delivery of coordinated health and social care services to children. This included occasions of inadequate coordination between the HSE and Tusla in supporting children with disabilities in the care of the State, as well as lack of coordination and joint working between primary care services, Children’s Disability Network Teams, and CAMHS in many areas (HIQA and Mental Health Commission, 2023). Children transitioning in and out of services were thought to be at increased risk of less focused or coordinated care – such as when discharged from acute services. Despite some instances of good practice, the review highlighted that inadequate preparation and planning for transition between child and adult services is common. In addition, as a result of service deficits, certain children and young people have been admitted to adult psychiatric units, which has been criticised by the Mental Health Commission and by the UN Committee on the Rights of the Child. However, in 2024, there were five child admissions to adult psychiatric units, which marks an improvement over the 12 child admissions to adult units in 2023 (Children’s Rights Alliance, 2025).

In December 2025, the Ombudsman for Children’s office (2025b) welcomed the development of the State’s first National Standards for CAMHS. However, they also argued that Ireland has breached the terms of the UN Convention on the Rights of the Child in respect of many children seeking mental health treatment, which they attribute to long waiting lists, lack of capacity to provide appropriate therapeutic interventions, ‘lost’ cases, lack of emergency services and out-of-hours services, difficulties in accessing primary care and disability services, and the absence of monitoring of certain medications.

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. These include the 2004 *National Disability Strategy* (and its 2013 implementation plan), the *National Disability Inclusion Strategy, 2017-2022*, and the *National Human Rights Strategy for Disabled People 2025-2030*. The HSE developed the *Transforming Lives* programme intended to build better services, the *Action Plan for Disability Services 2024-2026*, and a national policy regarding residential disability services is set out in the *Time to Move on from Congregated Settings report* (2011). 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. In 2024, 3.85 million home support hours were delivered to people with disabilities, a 9 per cent increase on 2023 levels and 11 per cent above target (HSE, 2025a). The 2025

HSE Service Plan committed to an additional 95,000 personal assistant (PA), hours and an additional 40,000 home support hours (HSE, 2025).

However, it appears that the number of people in receipt of respite services (end Sept, 2025) was 5,956, a decrease of 14.6 per cent (HSE, 2026). Latest available data suggest that 28 people moved out of congregated settings in 2025 (HSE, 2025b). In addition, over 1,200 people with disabilities aged less than 65 were found to be residing in nursing homes in Ireland in May 2024, in part because community supports are inadequate (HSE, 2024a).

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. An issue that is being highlighted recently relates to people with disabilities who are ageing. Many adults with intellectual disabilities (ID) are now living longer and require life-long care, and may need a diverse set of healthcare and social supports as they age (Brennan et al., 2026). The number of adults with ID requiring specialist disability services has been forecast to increase by 25 per cent between 2018 and 2032 (National Disability Authority (NDA), 2021). Many families find that the alternatives to family care are limited and there can be considerable anxiety about future care planning, especially as parents age (Brennan et al., 2026). *Social Justice Ireland* believes that public policies for supporting people with ID must also include family members and recognise that there is a need to reduce the anxiety and uncertainty relating to the planning and provision of care for both family carers and adults with ID.

Several reports outline how people with disabilities face higher costs. A government commissioned report found that average annual costs of disability ranged from €9,482 to €11,734, and some face considerably higher costs, including healthcare costs (Indecon, 2021). More recently, a report estimated that the cost of disability is 52-59 per cent of the disposable income of households with disabled members, that the cost of disability is slightly higher than previous estimates, and that healthcare expenditure is a notable factor contributing to this higher cost of living (Doorley et al., 2025). *Social Justice Ireland* welcomed the government's commitment to introduce an annual cost of disability support payment. However, the failure of Budget 2026 to introduce this payment is disappointing. The costs of disability are clear, and they are not once-off commitments. If persons with a disability are to be equal participants in society, the extra costs generated by their disability should not be borne by them alone. Progress on this issue is long overdue.

A review of capacity (to 2032) identified significant levels of unmet need for disability services and suggested that this, together with changes in the size and age profile of the disability population, will add to unmet need over coming decades (Department of Health, 2021). That review identified the need for significant extra investment in both current and capital costs to deal with changing demographics

and unmet need. For example, projections for extra current costs alone ranged from between €320m per year to €550m per year by 2032, at current levels of unit costs (Department of Health, 2021). The *Disability Action Plan Framework* outlines a plan to respond to these findings. The HSE Service Plan for 2026 suggests that the HSE will receive an allocation of €3.88bn for disability services, representing a 20 per cent increase on 2025 levels (HSE, 2025b). The increased allocation made in Budget 2026 for disability services is intended to fund a range of items, including residential and respite services, day service provision, home support, personal assistance and staff recruitment (Dáil Select Committee on Disability Matters, 2026). This includes an ambition to have 1,000 additional people working in disability services within the year, including 150 people working within Children’s Disability Network Teams (CDNT) (Dáil Select Committee on Disability Matters, 2026).

However, considering the range of policy documents over years proposing major changes in disability services, existing unmet needs, as well as demographic change and Department of Health projections, *Social Justice Ireland* is concerned that this pace of change and investment is too slow given also that services have been operating under sustained pressures and increasing demand for services for many years. *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.⁴

Obesity and Chronic Illness

In 2022, 19 per cent of Irish adults were classified as obese, a five percentage-point increase since 2017 and notably above the EU average of 15 per cent (OECD/European Observatory on Health Systems and Policies, 2025). Among adolescents, 20 per cent of 15-year-olds in Ireland were overweight or obese in 2022, slightly below the EU average (OECD/European Observatory on Health Systems and Policies, 2025). Adults with low educational levels were more likely to experience obesity: in 2022, 24 per cent of adults with lower education levels were obese, compared to 17 per cent among those with higher education levels according to EU-SILC data (OECD/European Observatory on Health Systems and Policies, 2025). Such disparities highlight the continued need for targeted public health interventions to reduce inequalities in health behaviours driven by broader socio-economic and environmental determinants of health.

Obesity is linked to increased risk for many non-communicable diseases and is a leading risk factor for disability (Department of Health, 2022). *Social Justice Ireland* called for a Sugar Sweetened Drinks Tax and welcomed its introduction in 2018

⁴ Other disability related issues are addressed in various parts of this review.

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*. An evaluation of the Sugar Sweetened Drinks Tax suggested that there was a marked reduction in sugar consumption from

carbonated soft drinks in the immediate aftermath of its introduction, that it has been successful in reducing sugar intake arising from soft drinks, and that some of this reduction may have been caused by industry reformulation of soft drinks (Houghton et al., 2024). A mid-term review of the Obesity Policy and Action Plan 2016-2025 found that there were high levels of implementation in some respects, while also highlighting areas of limited action, and suggesting that effective action on the risk factors and determinants of obesity requires multisectoral and multi-stakeholder support for the policies to have long-term effectiveness and sustainability (Department of Health, 2022). Following a consultation process, a new strategy is to be published in 2026. It will be important to continue to monitor progress and to develop further actions in light of the mid-term assessment's findings (Department of Health, 2022).

Mental Health

Sharing the Vision is Ireland's overarching mental health policy, which has a broad scope from mental health promotion to specialist mental health service delivery. There are many issues with Ireland's mental health services and this is an area requiring urgent attention, including in respect of children's mental health services, as outlined already. Inspectors of Mental Health Services have repeatedly pointed to chronically underfunded mental health services and an inclination to drift towards providing institutional care for vulnerable groups (Finnerty, 2023; Lucey 2025). In his latest report, the Inspector of Mental Health Services highlights the consequences of years of under-investment in physical premises and staffing of mental health in-patient facilities, noting that substantial capital investment will be needed to implement commitments made in *Sharing the Vision* and *Sláintecare* (Lucey, 2025). In addition, he notes that in approved centres there is demonstrable failure to deliver minimum standards of therapeutic service and he highlights inconsistencies in mental healthcare services in Irish hospital emergency departments, which has a negative impact on access to unscheduled care (Lucey, 2025). Specifically, substantial variations are identified in the timing and nature of mental health assessments, care planning and in the response to children who present in crisis. As he concludes, we need greater investment in community alternatives to emergency departments for urgent and unscheduled mental healthcare. A related 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 maximises 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).

The 2024 interim report of the National Implementation Monitoring Committee Specialist Group on Acute Bed Capacity found that there were 1,134 public acute beds in Ireland in mental health facilities, and, taking into account both public and private bed resources, that there were 1,657 beds in total, a rate of 34.8 per 100,000. This, the Committee suggests, represents a national shortfall in acute beds of 832 based on the recommendations of the Oireachtas Joint Committee on the Future of Mental Health (HSE, 2024b). Timely access to mental health services is vital for early intervention and reducing long term mental health issues. Amongst the issues faced by people trying to access mental health services are waiting lists. As of November 2025, the number of new (including re-referred) General Adult Community mental health cases seen year to date was 24,038, which is 15.9 per cent below the target of 28,578 (although it represents an increase on the same period the previous year) (HSE, 2026). Thus, progress in implementing national strategies continues to be slow related partly to recruitment difficulties.

Budget 2026 included a focus on mental health including providing for an additional 300 whole-time-equivalents across mental health services (Department of Health, 2025c). *Social Justice Ireland* welcomed the proposed expansion of mental health services in respect of issues such as suicide prevention, Traveller mental health, CAMHS and eating disorders, also noting that the allocation falls far short from what is required to implement the recommendations of *Sharing the Vision*. Providing good mental health services is a necessary investment in the future wellbeing of the country. 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

The public health burden of late-life mental health disorders will grow as our population rapidly ages (Barrett et al., 2011), which means that this needs to be a key area of policy focus. Furthermore, an identified high prevalence of undiagnosed - and therefore untreated - depression and anxiety in the older Irish population, can exacerbate subsequent functional and cognitive impairment (Barrett et al., 2011). 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 (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 outpatient, 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.

Dementia is one of Ireland's most pressing public health challenges, with profound medical, social, and economic implications (O'Sullivan et al., 2024). 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 as the population ages (National Dementia Office, 2020). A *National Dementia Strategy* published in 2014 committed to prioritise areas such as intensive home care supports, GP education, and training and dementia awareness, and this was followed by the introduction of the *Model of Care for Dementia in Ireland* in 2023 and by the commencement of a National Dementia Registry in 2025. 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 (Cahill et al., 2015; HSE, 2023). It is to be welcomed that this area is receiving attention in public policies, but overall, given the needs of our rapidly ageing population, more urgent action is needed with so many areas that already require investment, including day centres, respite services and other supports for patients and carers, quality long-term care (at home and in care settings) and specialist care units, as well as evaluation and monitoring of all services.

Furthermore, people with dementia are amongst those cared for by family members and thus the issue of growing numbers of older people with dementia (and other conditions) is also linked to the need to support carers, especially given the high reliance of the Irish health system on unpaid family care (Walsh and Connolly, 2024a). Another rationale for expanding respite services is to help alleviate the strain on carers who face a significant care burden, risks to their own health, and also experience social isolation (O'Sullivan et al., 2024), ensuring they can continue to provide essential care to older adults while maintaining their own wellbeing. As the NESC (2025) has noted, a society grounded in mutual support values care and carers, whether paid or unpaid, and is fundamental to the functioning of our economy and society. Yet too often it remains undervalued, unseen and unevenly distributed (NESC, 2025). *Social Justice Ireland* believes that carers should be better supported, and amongst the recommendations we have made in this regard are an increase in the Carer's Support Grant to €2,150 (at a cost of €22m), implement an independent review of Carer's Allowance, and to pilot a Universal Basic Services and a Universal Basic Income Scheme for Carers (at a cost of €10m) in line with the Programme for Government commitment to fully fund the carers guarantee (see Social Justice Ireland, 2025).

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). There tends to be a lag in the

reporting of deaths by suicide - the latest year for which the CSO has published statistics is 2022, when 500 people died by suicide in Ireland, 49 fewer people than in 2018 (CSO, 2025d). Males accounted for more deaths (77.8 per cent) than females. People aged between 40 and 44 years accounted for the highest number of deaths by suicide; males aged 70 to 74 years had the highest crude suicide rate, while the highest rate for females was in the 40 to 44 years age group. A report from the ESRI noted the strong links between loneliness, mental health issues, and reduced quality of life and the importance of targeted interventions and policy initiatives focused on strengthening social connectedness and promoting mental wellbeing throughout life (Mohan, 2025).

A new suicide prevention strategy is to be published by the Department of Health as a successor to the strategy *Connecting for Life* (Ireland's National Suicide Prevention Strategy 2015-2024). 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 ongoing attention and resources need to be devoted to researching and addressing Ireland's suicide and self-harm problem.

7.3 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 as are development's since then in moving to more community and primary care based services. However, as *Social Justice Ireland* has reiterated many times, there needs to be proper investment in the infrastructure required to implement Sláintecare, without which repercussions in all areas of the health service will continue to undermine the population's health and wellbeing.

The pandemic underlined 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/upgrade the needed facilities. Government is urged to recognise that against the backdrop of a rapidly ageing 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 support for unpaid/family carers and facilitate planning for older parents caring for adult children
- 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 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

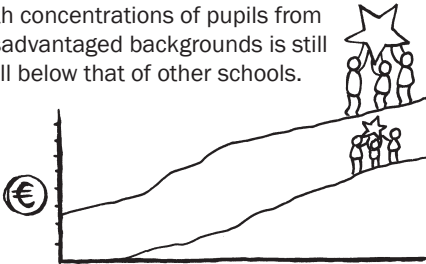
Education and Educational Disadvantage

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

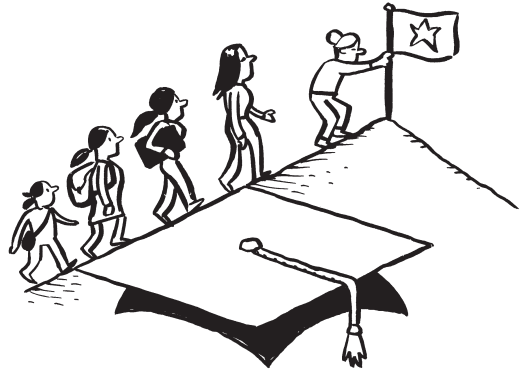
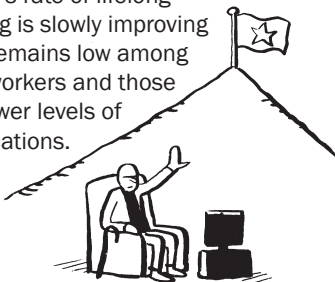
Despite some progress, the achievement of pupils in schools with concentrations of pupils from disadvantaged backgrounds is still well below that of other schools.



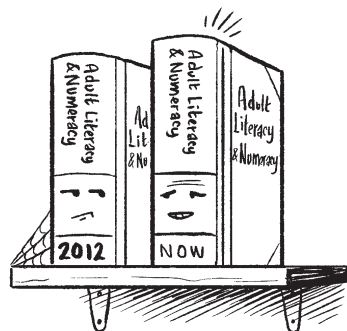
Ireland has the third lowest expenditure on ECCE for 3 to 5 year olds in the OECD.



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



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.

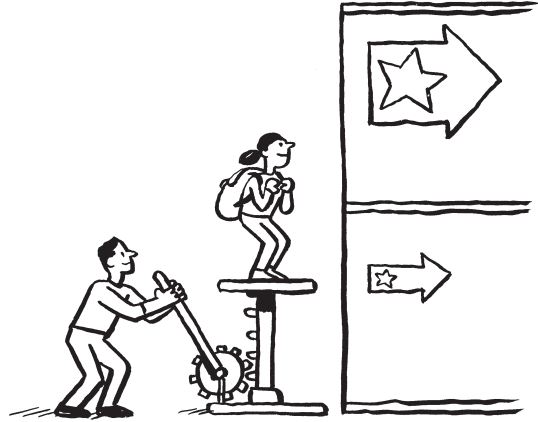


Adult literacy and numeracy levels have only improved slightly since 2012.

Policy Solutions



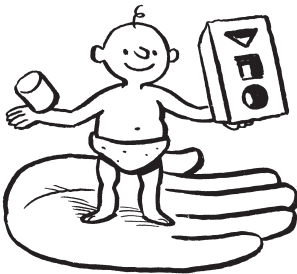
Commit to reducing class sizes and pupil teacher ratios at primary and post primary level by at least 1 point per annum to 2030.



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



Fully resource 'Adult Literacy for Life'.



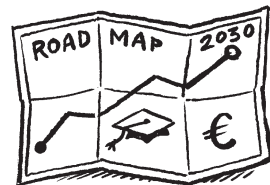
Commit to increasing investment in Early Childhood Care and Education by 0.1 per cent of GNI* annually to reach 1 per cent of GNI* by 2030.



Revise our lifelong learning target to reach 25 per cent 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 providing ‘Decent Services and Infrastructure’ – a core pillar of *Social Justice Ireland’s* framework for a New Social Contract.

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 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;
- Commit to reducing class sizes and pupil teacher ratios at primary and post primary level by a minimum of 1 point 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 1,244,104 full-time students in the formal Irish education system for the academic year 2025/2026. At primary level there are 535,620 students, at second level there are 429,654 students and 278,830 students (full and part-time) are at third level (Department of Education, 2025 and Higher Education Authority, 2025). In terms of employment, there are more than 79,000 teachers working at primary and post primary level (Department of Education, 2025).

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. Indeed, the recent decision by Government to pause the National Council for Special Education review of Special Needs Assistants (SNA) points to the needs for better planning in how to meet the needs of all pupils within the system, and whether the current definition of the work of an SNA fully captures the role they play within the education system. 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 are managed appropriately. This is particularly relevant in light of the Programme for Government (2025) 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 PRT of 18:1 by 2030 at the very least. 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 17,339 Ukrainian pupils enrolled in schools across Ireland, 10,166 at primary level and 7,173 at post-primary (Department of Education, 2025). 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 48 per cent between 2019 and 2023 (Department of Education, 2025). 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 multi-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 (the most recent available data), more than 1,200 pupils were on reduced school days. At primary level, eight 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 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 (Delivering Equality of Opportunity in Schools) 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 PIRLS¹ 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 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.

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

¹ PIRLS (Progress in International Reading Literacy Study) is an international assessment of reading achievement of fourth class pupils.

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).² 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 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

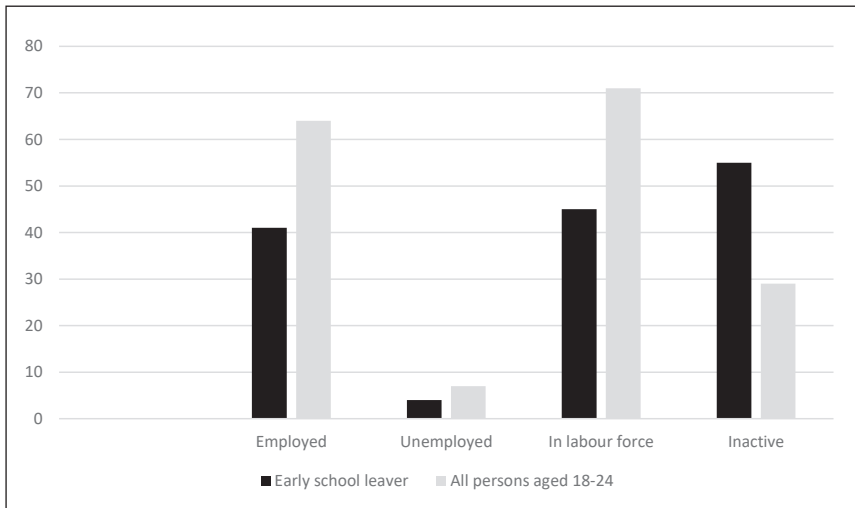
Early school leavers are persons aged 18 to 24 whose highest level of educational attainment is lower secondary or below and are not currently in education. Ireland had the joint second lowest early school leaving rate in the European Union in 2023 at four per cent, compared to the EU average of 9.6 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 leavers were in employment compared to 74 per cent of their peers who finished school,

² <https://www.gov.ie/en/press-release/f7bf7-minister-foley-announces-plan-for-reform-of-senior-cycle-education-equity-and-excellence-for-all/>

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, 2019), 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 2024



Source: (CSO, 2024).

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 3 per cent by 2028. 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 substantially in the last decade to 214,737 students (DES, 2025) 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 €9.³ 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 core funding gap is the increase in funding 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 core funding 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;
- implementation of certain reform measures for the higher education sector including those related to the Technological University transformation agenda.

³ <https://www.iaa.ie/publications/iaa-budget-submission-2020/>

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. Reports from the Department of Finance (2026 & 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, with young graduates and younger workers in certain sectors most impacted by AI reducing entry level roles. A strong focus on proactive policy response, 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 objectives 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. 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.⁴ 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 has been on an upward trajectory, increasing from almost 12 per cent in 2022 to 16 per cent in 2024, surpassing the National Skills Strategy target of 15 per cent (SOLAS, 2025). Lifelong learning rates vary greatly by age and educational attainment, with 60 per cent of those engaged in lifelong learning aged under 44 (SOLAS, 2025). Given the progress made, Government should update 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 contributes to the retention rate and effectiveness of the business, which in turn reduces the costs associated with hiring and developing new staff.

⁴ <https://www.cso.ie/en/releasesandpublications/er/aes/adulteducationsurvey2017/>

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 (OECD, 2023). The OECD PIAAC Study (2024a) contains the most recent data on adult literacy in Ireland. It shows that there have 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.⁵

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.⁶ 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 the 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, 2019). With jobs split between those with 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, 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.

⁵ http://archive.oireachtas.ie/2006/REPORT_20060531_1.html

⁶ https://www.oecd.org/en/publications/oecd-skills-outlook-2025_26163cd3-en.html

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. We welcome the publication of the new DEIS Strategy to 2035, and the new DEIS Plus Scheme with a commitment of €48m annually to support those schools with the highest levels of disadvantage. 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. While we welcome the strong commitments to improve literacy and numeracy outcomes for children and young people at risk of educational disadvantage in the new DEIS Strategy, we regret the lack of targets. 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* again welcomes the acknowledgment in the new DEIS strategy that not all children and young people at risk of educational disadvantage are attending DEIS schools and 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, 2018b). 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 2026.

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.

A broadening of access routes to higher education must also form part of any new funding strategy. If higher education is to integrate into lifelong learning (OECD, 2024d) and 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.

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.

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 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;
- Commit to reducing class sizes and pupil teacher ratios at primary and post primary level by a minimum of 1 point 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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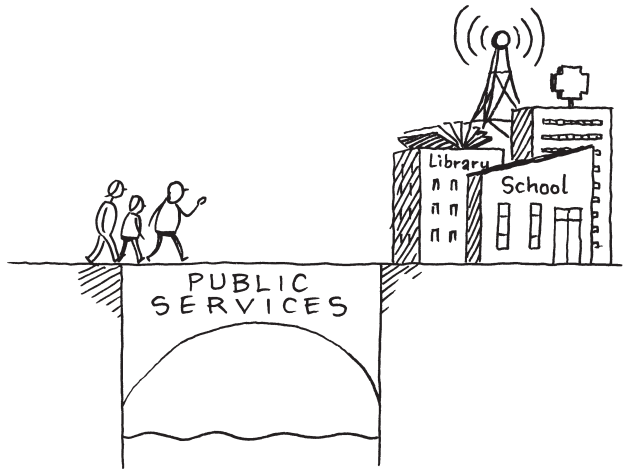
Chapter nine

Chapter 9

Public Services

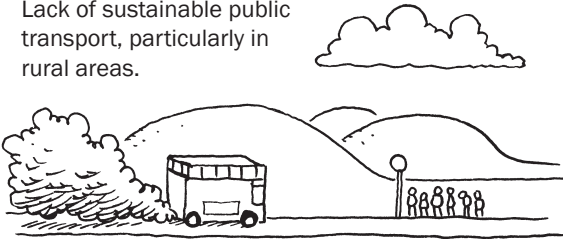
Core Policy Objective:

To ensure the provision of, and access to, a level of public services regarded as acceptable by Irish society generally.

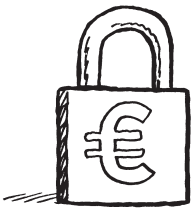


Key Issues/Evidence

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).

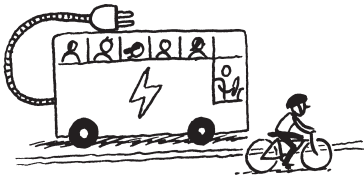


Lower participation in sports in lower socio-economic groups.



Underfunding of Civil Legal Aid – restricts access to justice.

Policy Solutions



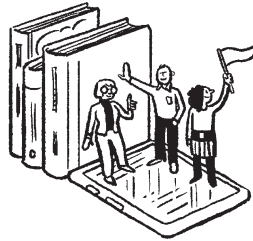
Increase investment in sustainable public transport and introduce active travel and cycling infrastructure.



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.



Invest in print and electronic content and wellbeing of library staff to ensure the success of the Libraries Strategy.



Introduce financial literacy education programmes at primary and secondary level



Roll out broadband, particularly in rural areas.

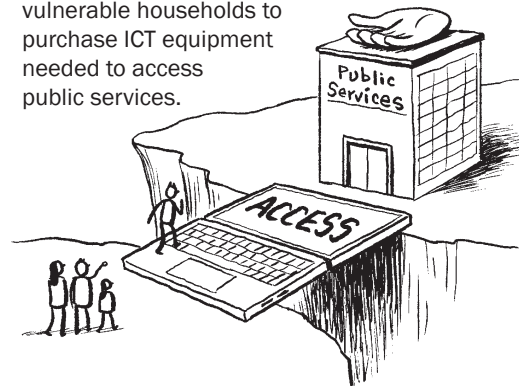


Increase investment in civil legal aid.



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.

As uncertainty becomes more and more the norm, resilience is key. Global turbulence highlights just how 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 cannot be in doubt.

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, 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 grant 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;
- Resource the 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;
- Ensure expressions of arts and culture can be accessed by all communities, as both participants and audience;
- 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 2024, (National Transport Authority, 2025) 71 per cent of all journeys taken in 2024 were by private car but this varied by region.

Those living in more densely populated areas were less likely to use a car (56 per cent of all journeys in Dublin City and Suburbs were in private cars), compared to those in more sparsely populated rural areas (81 per cent of all journeys were in private car). The second most popular mode of transport was walking. Unsurprisingly, it was more common in Dublin City and suburbs (29 per cent) and Greater Dublin (25 per cent) than in rural areas (8 per cent). Across the country, the two main reasons for travel are for work and education, accounting for 21 and 19 per cent respectively, followed by social engagement (18 per cent) and shopping (15 per cent). Interestingly, 64 per cent of households nationally had access to two or more cars or vans. 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, with rail usage up 21 per cent in 2024 from the previous year (National Transport Authority 2025a). 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. Especially as the National Household Travel Survey showed that despite those millions of journeys taken, only one per cent of the population use the train, DART or Luas to make their trips.

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 and enforce current standards.

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.

In 2024, transport emissions decreased by 1.3 per cent from 2023. Increasing growth in demand however is offsetting any gains made by the use of fuel efficient vehicles and the increased take up of public transport (CCAC, 2025). Government expenditure on public transport as a percentage of total land transport expenditure has fluctuated since 2002. Estimates for 2025 expenditure are €637 million investment in national roads, €714 million in regional and local roads and €2,057 million investment in sustainable mobility and public transport (CCAC, 2025).

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.

The Government published two new transport policies in 2026. *Moving Together – A Collaborative Approach to Systems Change in Transport 2026–2030* (Department of Transport, 2026) was developed to deliver on a commitment set out in the *Climate Action Plan 2023*. This plan reaffirmed the “Avoid–Shift–Improve” approach as Ireland’s framework for achieving an effective and equitable transition to transport decarbonisation, with each element reinforcing the others.

The Sustainable Mobility Policy (SMP) Action Plan (Department of Transport, 2026a) supports the delivery of more than 40 transport-related commitments outlined in the Programme for Government. These include major public transport projects such as MetroLink, BusConnects, DART+, and Cork Commuter Rail, alongside continued investment in active travel infrastructure, the Safe Routes to School programme, the development of Park and Ride facilities, measures to increase taxi availability, and improvements to transport accessibility.

Childcare

Across the EU, 50.7 per cent of children aged 1 to 2 in 2024, received formal childcare or education, while for children aged between 3 and the minimum compulsory school age, the rate was 89.3 per cent. 99.7 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 (17.6 per cent) compared with those not at risk (8.7 per cent) in 2024.¹

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.² 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 et al., 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. 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).

¹ https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Living_conditions_in_Europe_-_childcare_arrangements

² <https://www.irishtimes.com/news/social-affairs/half-of-working-mothers-consider-giving-up-work-over-childcare-costs-1.4189580>

Budget 2026 allocated €1.48 billion, a €125 million (9 per cent) increase on the previous year to the National Childcare Scheme.³ 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 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.

At local level, 30 City and County Childcare Committees (CCCs) coordinate the implementation of national early learning and childcare policy and programmes. They assist parents and guardians in understanding their options and maintain directories and lists of local services.

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 (the expenditure of the top performing countries in Europe 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 remote or hybrid

³ https://assets.gov.ie/static/documents/7fee13aa/Budget_2026_Overview_and_FAQ_for_Providers.pdf

working still an option for many, good quality, affordable, reliable internet connection is a necessity, not a luxury. It is an vital 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 2025 stood at 95 per cent. Fixed broadband connection is the most commonly used, accounting for 87 per cent of all households. The urban/rural gap is starting to close with 97 per cent of households in Dublin connected to fixed broadband compared to the rest of the country at 93 per cent. Older people are using the internet more, with more than six in ten (63 per cent) people aged 75 years and over accessing the internet within the three months prior to survey, compared with 54 per cent in 2024. More than three-quarters of them (77 per cent) used the internet everyday (CSO, 2025).

At European level, Ireland ranks 3rd in the EU for the percentage of individuals with above basic digital skills (43.82 per cent) in 2023.⁴ 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.

A new Digital Strategy for Schools to 2027 was published in April 2022.⁵ 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

⁴ <https://digital-decade-desi.digital-strategy.ec.europa.eu/datasets/desi/charts>

⁵ <https://www.gov.ie/pdf/?file=https://assets.gov.ie/221285/6fc98405-d345-41a3-a770-c97e1a4479d3.pdf#page=null>

online safety. A new Online Safety Commissioner was appointed in January 2023 and the '*Online Safety Code*' was launched in 2024.

A Digital and AI Strategy was published in 2026 which aims to have 100 per cent of key public services digitalised, a new AI literacy campaign for SMEs, a new Cyber Security Research Centre and a Roadmap for Technology Skills of the Future as just some of the 90 key deliverables set out (Department of the Taoiseach, 2026)

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 fully remote working 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. Safe, secure, trustworthy 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 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.⁶ 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.⁷

⁶ <https://www.esri.ie/publications/combining-nudges-and-boosts-to-increase-precautionary-saving-a-large-scale-field>

⁷ <https://banda.ie/b-pre-budget-zeitgeist-2023/>

The Organisation for Economic Co-operation and Development (OECD) Adult Skills Survey 2023⁸ 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, particularly as new financial products continue to be introduced to the market.

Legal Supports and Access to Justice

Access to justice is a fundamental human right, but achieving equal access depends on maintaining a fair balance of power between parties. In legal matters, this balance typically favours those who can afford representation. Correcting this imbalance requires providing free or affordable legal services to individuals who need the expertise of a qualified solicitor or barrister but cannot bear the associated costs.

The Legal Aid Board provides advice and representation on criminal and civil matters for those on low incomes. 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. The first review of the scheme since its inception in 1979 was completed in 2025. The Review Group sets out recommendations which aims to deliver a ‘Civil Legal Aid Support System that helps those who need it to uphold their legal rights and resolve their legal issues in an effective, appropriate and timely manner, which allows those most in need to access legal support when required and that adapts to a growing, diverse society while making the best use of available resources’.⁹

In 2024, there were 28,050 (up from 24,472 in 2023) applications for legal aid made, of which 10,472 related to general family law, 2,570 were in relation to separation/divorce/nullity, 11,689 were about International Protection or Human Trafficking (compared with 1,464 in 2021), 782 were about the possible State care of children and 2,497 referred to all other civil matters. As of the 31st December 2024, the maximum waiting times for a first consultation in a Law Centre varied between 45 weeks in Sligo to 3 in Dundalk.

⁸ <https://www.oecd.org/en/about/programmes/piaac.html>

⁹ https://assets.gov.ie/static/documents/09fe3ad4/DOJ_Civil_Legal_Aid_Review_Exec_Sum.pdf

222 legal advice vouchers were issued for the Abhaile Scheme (for borrowers in late-stage mortgage arrears). Also, as part of the Abhaile scheme, 334 legal aid certificates were granted for first instance Personal Insolvency Arrangement (PIA) reviews with a further 25 legal aid certificates granted for PIA appeals to the High Court (Legal Aid Board, 2025).

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 a record high number of queries in relation to domestic violence during 2024. FLAC's information and referral telephone service could only respond to 21 per cent of the 153,103 calls it received. Family and employment queries continue to dominate. Noteworthy are the very high numbers of discrimination cases to emerge from their Roma Legal Clinic and the Traveller Legal Service (FLAC, 2025). The Legal Aid Board and FLAC, alongside Community Law and Mediation and The Mercy Law Resource Centre provide valuable services and the numbers clearly show high levels of unmet needs. *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). Thousands of households continue to feel the effects of the economic crash with many more unsure of the long term impacts of recent increases in inflation. The lack of robust regulation of the planning processes 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.¹⁰ According to its Annual Report for 2024, there were 2,710 registered lobbyists, 2,548 of which are located on the island of Ireland. 12,300 returns had been received. (Standards in Public Office Commission, 2025). 414 fixed payment notices for late

¹⁰ <https://www.lobbying.ie/>

returns were issued in 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

Regulations introduced in response to a crisis can sometimes have unintended consequences, further excluding the very people they are meant to protect. By increasing bureaucracy, they may create obstacles to accessing goods and services for those without the resources to navigate complex systems. *Social Justice Ireland* maintains that regulation is important for safeguarding the rights of vulnerable groups and addressing imbalances of power in dealings with corporations and political institutions. However, it should not be so burdensome that it becomes a barrier rather than a source of protection.

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
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 17 million visits made every year by 765,000 registered members, 76 million items issued across 330 branch libraries and 30.5 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’.¹¹ 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’.¹² Access to information is vital for education, culture and democracy.

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.

¹¹ <https://www.libraryassociation.ie/irish-librarians-call-for-action-on-the-electronic-content-crisis-facing-libraries-and-library-users/>

¹² Ibid

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-nine per cent of adults participated in sports in 2024, an increase of two percentage points from 2023 with forty per cent considered to be highly active. Personal exercise ranked as the most popular activity, with over twice as many participants as the two next most popular activities, swimming and running (Sport Ireland, 2025). 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 2024. In 2024, there was a 19 percentage point socio-economic gap in sport participation, which was considerably lower than the 34 percentage point gap recorded in 2017.

32 per cent of those participating in sport are disabled with the disability gap widening in 2024 by 2 percentage points. Overall, only 40 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, 2025).

Child Participation and Outdoor Play

Child participation in sport decreases with age. In 2022, seventy six per cent of primary school children in the Republic of Ireland participate in a community sport at least once a week (a drop from 80 per cent in 2018), compared to 74 per cent of post primary school children (an increase from 58 per cent in 2018) (Woods, et al.,2023). The gap for school sport is narrower (91 per cent of primary school children play a school sport at least once a week compared to 72 per cent of post primary school children), however with just 23 per cent of primary school children and 12 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 and 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.¹³ 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.¹⁴ The World Health Organization's Round 6 European Childhood Obesity Surveillance Initiative survey (2022-2023) reported that most children in Ireland have a healthy weight (73 per cent). However, 17.7 per cent of Irish children live with obesity and overweight. What they also noted was that there was a greater prevalence in DEIS schools (25.4 per cent), compared with 16.1 per cent of non DEIS schools (WHO, 2025).

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 Framework

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

¹³ Europe WHO-ROF. The challenge of obesity in the WHO European Region and the strategies for response.; 2007

¹⁴ <https://www.gov.ie/en/publication/c778a9-a-healthy-weight-for-ireland-obesity-policy-and-action-plan-2016-202/>

means that Ireland is becoming a more sedentary country. The National Physical Activity Framework 2024–2040 concentrates on key target areas:

- Active Urban Design
- Active Travel
- Healthcare
- Public Education, including mass media
- Sport and Recreation for All
- Workplaces
- Communitywide programmes.

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.

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 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 €170 million by 2024 (Houghton, F. et al., 2024). If appropriately allocated, this revenue could move Ireland further towards attaining the targets of the *National Physical Activity Plan*.

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.¹⁵

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 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:

¹⁵ 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*.

- 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 grant 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;
- Resource the 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;
- Ensure expressions of arts and culture can be accessed by all communities, as both participants and audience;
- 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

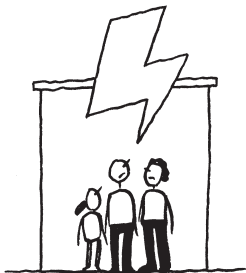
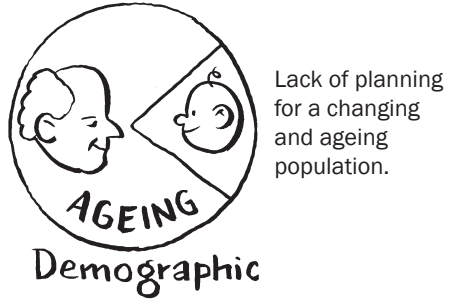
Core Policy Objective:

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.

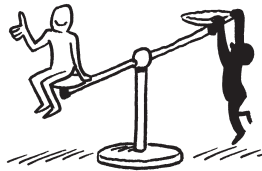
To ensure that every person has a genuine voice in shaping the decisions that affect them and that every person can contribute to the development of society.



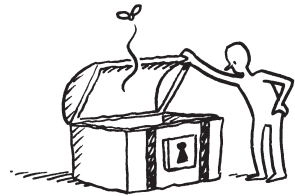
Key Issues/Evidence



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.

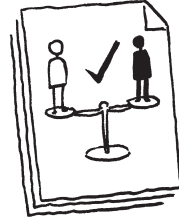


Lack of sustained social dialogue at local and national level.

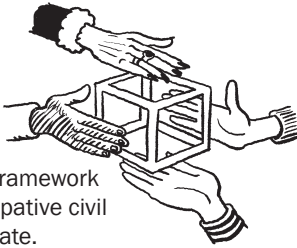
Policy Solutions



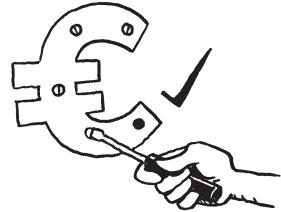
Invest in the retention of young graduates and programmes to assimilate skills obtained while abroad.



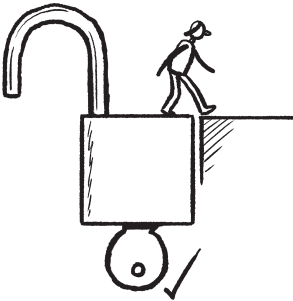
Fully implement and resource the recommendations of the National Action Plan Against Racism.



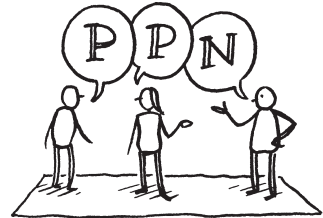
Develop a framework for a participative civil society debate.



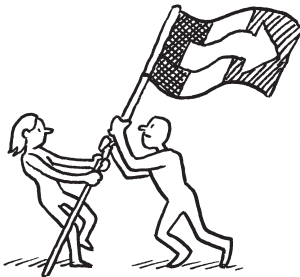
Reinstate funding for Traveller specific initiatives and implement the recommendations of the Seanad Public Consultation Committee.



Fully implement the recommendations of the 2023 Trafficking in Persons Report



Adequately resource Public Participation Networks and promote social dialogue at local level.



Implement the national strategies concerning the Community and Voluntary sector.



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 a country develops and implements are largely shaped by the composition of its population. Every individual should have the right to participate in decisions about how and where infrastructure and services are provided, and what policies guide the development of their communities. Local and national government decisions impact us all. As part of the ‘Good Governance’ pillar in Social Justice Ireland’s Policy Framework for a new Social Contract, there is a focus on promoting deliberative democracy, introducing new criteria for policy evaluation, and continuing to strengthen social dialogue across all sectors of society. These principles are fundamental to living in a democracy. At a time when democratic values are increasingly under threat worldwide, safeguarding them must remain a priority.

In this Chapter, we explore the changing demographics within Ireland, set out some of the corresponding challenges, and discuss how the new Government might meet them in the Ireland of 2026 and beyond.

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 2025 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

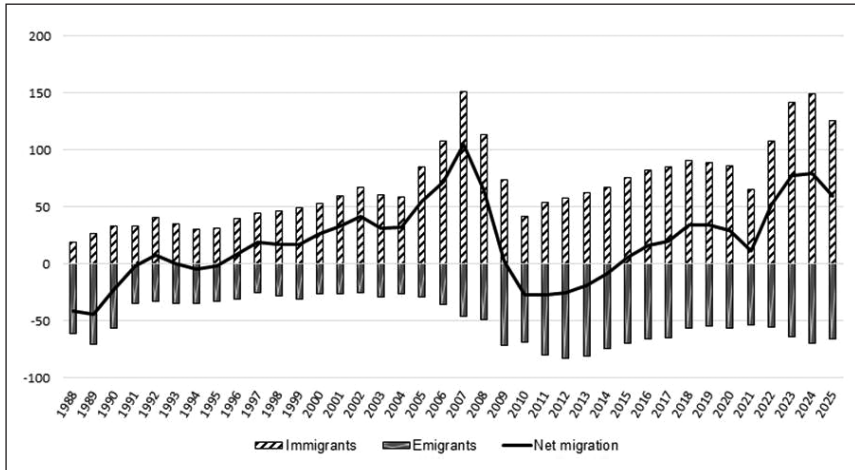
As of April 2025, Ireland's population was estimated to be 5.45 million, up 78,300 on the previous year and approximately 14.6 per cent higher than at Census 2016 with natural increase accounting for 18,600 of this change (CSO 2025). However, Ireland is still an outlier as the population is lower than it was 200 years ago. This growing population reflects Ireland's economic and social success over the past fifty or so years. It is more diverse, more urbanised and increasingly well educated, particularly women. Fertility rates are declining, with a decline in the number of women of childbearing age and the age at which women have their first child has increased from 26 in 1985 to 31.7 in 2021 (CSO, 2024). 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, 2024). 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 2025, 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 125,300 immigrants, a 16 per cent decrease on 2024, and the fourth consecutive year with over 100,000 people immigrating to Ireland (CSO, 2025). Of these immigrants, 31,500 were returning Irish citizens, 25,300 were other EU citizens, and 4,900 were UK citizens. The remaining 63,600 immigrants

were citizens of other countries. 2025 saw a decrease in the numbers emigrating, approximately 6.2 per cent less than in 2024. 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, 1988-2025



Source: CSO, Population and Migration Estimates April various years, Table 1.

The high levels of immigration in recent years call into clear focus the decades long underinvestment in social infrastructure – the 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, 2017). 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 2026, 121,048 Personal Public Service Numbers (PPSNs)¹ have been allocated to those arriving from Ukraine under the Temporary Protection Directive (CSO, 2026). Approximately 69 per cent of these are active as of November 2025 (ibid). This “temporary protection” status means they can live, settle, and work in the EU for a period of time. As we enter the fifth year of the war in Ukraine, Governments across Europe are revisiting 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).

The European Commission against Racism and Intolerance (ECRI) published its sixth report on Ireland in October 2025 and noted that since ‘the adoption of ECRI’s fifth report on Ireland, progress has been made and good practices have been developed in a number of fields’ such as school bullying, the Undocumented Migrant Scheme, the draft National LGBTQI+ Inclusion Strategy 2024-2028, the reporting of hate crimes and inclusion policies (European Commission against Racism and Intolerance, 2025). However, the report also notes that more ‘human and financial resources’ should be allocated to the Irish Human Rights and Equality Commission to allow them to meet their new mandates as well as the failure to update hate speech legislation.

The first annual report of the Special Rapporteur for Racism and Racial Equality also noted encouraging progress in the ‘enhanced visibility of racism as a national policy issue’ and the publication and enactment of legislation and strategies. Some of the many challenges set out are the persistence of structural racism ‘across public services, employment, housing, health, and education’ and the ‘under-reporting of racist incidents and low trust in law-enforcement institutions’ (Department of Justice, Home Affairs and Migration, 2026).

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, 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*

¹ <https://www.revenue.ie/en/jobs-and-pensions/personal-public-service-number/index.aspx>

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% 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 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, with only 5 per cent of whom were aged 65 and over, compared to 15 per cent for the general population (CSO, 2023). 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, particularly access to care, over the life course (Pavee Point, 2026).

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, 2023b). 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, 2023c).

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 2025, 31,044 permits were issued, a decrease from the 39,390 permits in 2024 and 3,432 were refused, compared with 2,456 in 2024 (Department of Enterprise, Tourism and Employment, 2026). Just under half of these were for Dublin (14,627) and a quarter of these (7,948) 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 fourth evaluation is under way as a delegation from GRETA visited Ireland in December 2025 with the report expected later in 2026.

The Irish Human Rights and Equality Commission (IHREC) report, *Trafficking in Human Beings in Ireland: Third Evaluation of the Implementation of the EU Anti-Trafficking Directive* found that there was a 20 per cent increase in the total numbers of victims of trafficking between 2021 and 2023 which whilst sudden, also demonstrates the increased capacity to identify victims. The most prevalent forms of trafficking detected in Ireland are trafficking for the purpose of sexual exploitation, trafficking for the purpose of labour exploitation and trafficking for the purpose of criminal activities. Gender is still a key factor with more women (68 per cent) victims of human trafficking than men (32 per cent). Practically all identified victims are of a migrant background (IHREC, 2024).

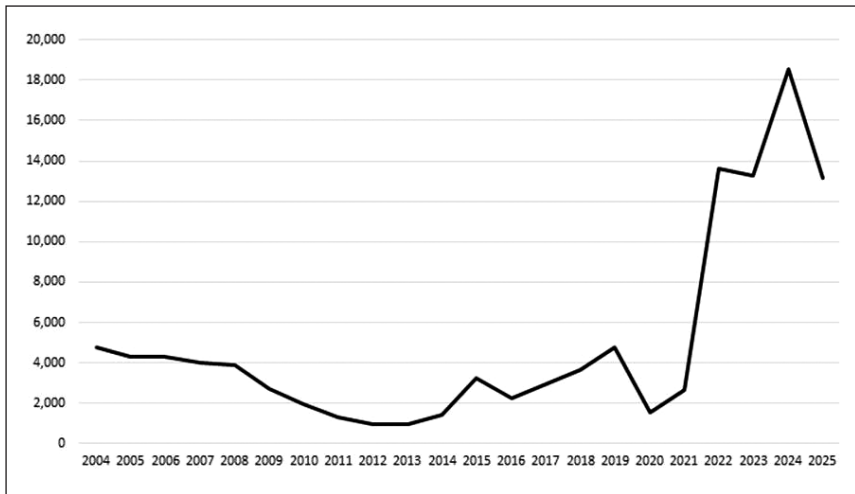
² <https://ec.europa.eu/eurostat/en/web/products-eurostat-news/w/ddn-20230309-3>

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 2025.

Chart 10.2: Applications for International Protection, 2003 to 2025



Source: International Protection Office, Monthly Statistical Report, various years.

Between January and December 2025, Ireland’s International Protection Office received 13,162 applications for International Protection (International Protection Office, 2026). This is a significant drop compared to previous years, considering the number of asylum seekers in 2024 was almost twelve times that of 2020. The International Protection Bill 2026 has progressed to Second Stage and at the time of writing is before the Seanad. Initial analysis of the bill by IHREC lists legal counselling, detention, vulnerability assessments, increases in the criminal liability of IP applicants, age assessments, the independence of a Chief Inspector of Border Procedures and provisions for victims of trafficking as areas of concern (IHREC, 2026). Worldwide geopolitical events may lead to an increase in many more individuals seeking safety and security in Ireland. This needs to be properly planned for.

Direct Provision

In March 2026, there were 33,137 people (roughly similar (33,006) for the same period last year) living in 308 International Protection Accommodation Service (IPAS) centres located across the 31 local authorities. Looking in detail at where these people are being accommodated, 6,942 individuals, including 2,314 children, are housed across 50 IPAS accommodation centres, while a further 25,795 people, including 7,573 children, are housed across 257 emergency accommodation locations. In addition, there are 400 adults, housed in the Citywest Transit Hub (Department of Justice, Home Affairs and Migration, 2026a). The large numbers of people living in emergency accommodation is a poor reflection on both the international protection system and the supply of public housing.

Under the current International Protection system, 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. Ireland has opted into the new EU Asylum and Migration Pact is due to come into effect in June of 2026.

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*³ 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).

Participation

Meaningful democracy depends on ensuring that people have a say in the decisions that affect them and their communities. Genuine participation goes beyond simply voting in a representative system. A deliberative democracy approach, by its nature, involves addressing power imbalances and making a deliberate effort to include the voices and perspectives of those who are rarely heard or considered (Coote, 2011; Healy and 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. Critique is essential for change (Ledwith and Springett, 2022) 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 framework to discuss contentious issues is becoming increasingly apparent as political and mass communication systems evolve. Establishing a civil society forum and developing a new social contract that combats exclusion could help re-engage people with the democratic process. Ireland's highly centralised government—both in decision-making and financial control—means citizens are often represented more by professional politicians than by their local constituency representatives. This can leave communities feeling frustrated when they have little voice or input into decisions that directly affect them. While there have been some structural improvements, such as enhanced committee systems, the introduction of Public Participation Networks, higher success rates for opposition-led Bills, and a budgetary oversight process, much more work is needed to create a truly participatory decision-making framework in Ireland.

³ <https://data.cso.ie/table/HIS31>

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 2024, 20,421 community and voluntary, social inclusion, and environmental organisations were members of a PPN. More than 834 PPN representatives were elected to over 341 committees on issues such as strategic policy, local community development, joint policing, and so on (Department of Rural and Community Development and the Gaeltacht, 2025).

Local authorities and PPNs work together to support communities and enhance the ability of member organisations to engage meaningfully with policy issues that impact them. PPNs are central to educating and informing their members, sharing knowledge, promoting best practices, and facilitating networking. Local authorities also play a vital role by encouraging participation through open consultation processes and active engagement. Building authentic local-level engagement is a continuous developmental process that requires consistent effort, 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 last recession, government funding for the community and voluntary sector declined sharply, and it has yet to be fully restored. Looking ahead, it is crucial that the Government provides adequate resources to the sector and upholds its commitment to multi-annual statutory funding, given the sector's key role in delivering essential services. Recent measures, such as the introduction of the Charities Regulatory Authority, the Governance Code, and the Lobbying Register, are designed to enhance transparency and strengthen public trust. However, regulatory obligations must be proportionate to the size and scope of organisations, ensuring they do not impose excessive administrative demands that divert focus from core activities or discourage volunteer participation.

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 be resourced in a way that recognises the vital societal and economic 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 strong and effective social dialogue process is urgently needed to address the complex and interconnected challenges facing Ireland. While these issues cannot be solved quickly, meaningful progress can be achieved through a constructive dialogue that tackles both current and future concerns and ensures all stakeholders have a voice in decision-making.

The Community and Voluntary Pillar offers an important platform for such dialogue and should be actively engaged by Government across the wide range of policy areas in which its members are involved. Transparency and accountability must underpin all aspects of governance, and social dialogue plays a key role in supporting these principles. Governance based on these foundations can and should be further developed in Ireland.

If Government is genuinely committed to long-term wellbeing, sustainable public finances in a ever changing world, decarbonising the economy, transforming the energy sector, and preparing for digital and technological change, it must establish structures that engage all sectors at a national level. Reforming governance and broadening participation should remain central priorities, alongside a stronger commitment to including all stakeholders in decision-making. A deliberative approach, one grounded in reasoned, evidence-based discussion and involving all stakeholders is essential. Meaningful participation also requires recognising that everyone has the right to help shape the society they live in and the decisions that affect them. In the 21st century, this extends beyond simply voting in elections and referenda. Ireland needs consistent, structured forms of deliberative democracy to ensure that all groups and sectors can actively contribute to shaping the kind of society it seeks to build.

10.2 Key Policies and Reforms

Implement Skills Transfer Programmes

The number of migrants with third-level education continued to grow in 2022. While the total number of such individuals immigrating to Ireland increased, from 46,200 in 2021 to 70,300 in 2022, their share of overall immigration declined, falling from 70 per cent to 58.2 per cent. Comparable data is not available from 2023. According to the Central Statistics Office, a growing proportion of immigrants

are now living in communal establishments and are therefore outside the scope of the Labour Force Survey (LFS), which samples private households. As a result, accurately estimating educational attainment and principal economic status for this group is challenging, and new methodologies are currently being developed to enable future publication of these statistics.

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 share of emigrants who are unemployed has been falling since 2012, mirroring the broader decline in unemployment over that period. At the same time, shortages in affordable housing, childcare, and other essential services are likely contributing to the rise in the number of employed and highly educated people leaving Ireland. To retain a skilled workforce, a more comprehensive strategy is needed. one that takes a full life-cycle approach to retention.

Given the high levels of educational attainment among immigrants to Ireland, there is a clear need for a skills transfer programme for returning migrants to ensure that the expertise they have gained abroad is fully recognised at home. *Social Justice Ireland* has long advocated for such a programme. Considering the investment made in educating young graduates, it is crucial to implement measures that retain their skills within the country and encourage the return of those who have emigrated in recent years. Equally important is the provision of decent work and the necessary infrastructure to support growing numbers of immigrants, including adequate housing, healthcare, and childcare services.

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 (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 inequalities widen, highlighted by limited access to educational supports, difficulties in securing affordable housing, and long waits for healthcare, these pressures are intensified by the population growth projected. In this context, anti-migrant sentiment has been rising and continues to do so. Prioritising investment in core infrastructure and fostering social cohesion is therefore essential to address and reverse this concerning 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 and 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

While progress has been made in acknowledging the ethnicity and distinct nomadic lifestyle of the Travelling community, policies need to be better designed to support and protect this identity. Current housing legislation primarily provides for social housing through fixed dwellings, with Traveller-specific options largely

limited to the Caravan Loan Scheme, halting sites (acknowledging that these sites are generally used for the long term), and group housing schemes. There is no equivalent framework that allows local authorities to help Travellers maintain their culture and way of life, for example, by renting a caravan to a Traveller household in the same manner that a council house is allocated 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*.⁴ 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'. As school completion rate for both Travellers and Roma is significantly lower than the general population, those educational supports will be vital. 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 2025 Trafficking in Persons Report

The Programme for Government (2025) makes a commitment to "implement the Human Trafficking Action Plan⁵ 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 *2025 Trafficking in Persons Report* marked 25 years since the Trafficking Victims Protection Act (TVPA) was passed in 2000. Advances in technology in that time, such as the advent of AI tools has 'introduced new complexities to the anti-trafficking landscape, presenting both opportunities and challenges for traffickers and those working to combat the crime'. Ireland achieved a Tier 2 rating in 2025. This is for 'countries whose governments do not fully meet the Trafficking Victims

⁴ <https://www.ihrec.ie/our-work/equality-review/>

⁵ <https://assets.gov.ie/275645/a08d95b1-9701-41a3-87f6-5424625ad325.pdf>

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, 2025). 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 Progress⁶ as well as the Well-Being Framework for Ireland both consider civil engagement as a key indicator.⁷ 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 (Department 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 enhance the democratic process, it is necessary to establish a new social contract that combats exclusion and promotes a just society, including the creation of a dedicated forum for dialogue on civil society matters. While short-term initiatives such as the Presidents Ethics Initiative,⁸ the Constitutional Convention⁹ and Citizens Assembly¹⁰ 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.

⁶ <https://www.oecd.org/en/topics/measuring-well-being-and-progress.html>

⁷ <https://www.gov.ie/en/campaigns/1fb9b-a-well-being-framework-for-ireland-join-the-conversation/?referrer=http://www.gov.ie/wellbeing-framework/>

⁸ For more information see <https://president.ie/en/special-initiatives/ethics>

⁹ For more information see <https://www.constitution.ie/Convention.aspx>

¹⁰ For more information see <https://www.citizensassembly.ie/en/>

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.

2025 saw the fourth National Civic Forum take place which *Social Justice Ireland* has long called for.¹¹ 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 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 2025 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.

¹¹ For a further discussion of this issue see Healy and Reynolds (2003:191-197).

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Chapter eleven

Chapter 11

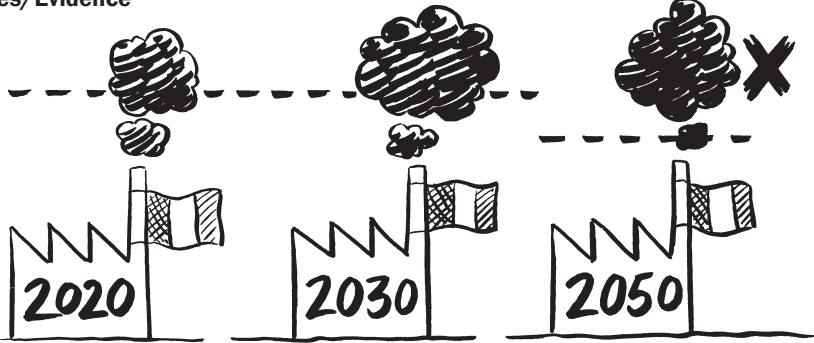
Sustainability

Core Policy Objective:

To ensure that all development is socially, economically and environmentally sustainable.

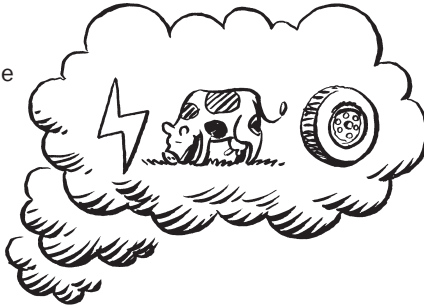


Key Issues/Evidence



Ireland is on track to overshoot 2030 emissions targets and headed in the wrong direction to meet national 2050 climate goal.

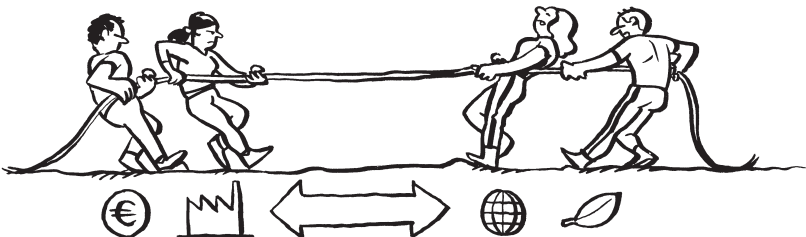
Ireland's greenhouse gas emissions continue to increase in line with economic and employment growth.



Our emissions are dominated by agriculture, transport and energy.



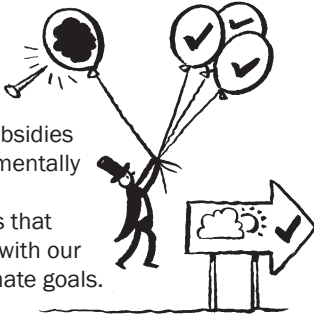
The window of opportunity to implement climate mitigation strategies is rapidly closing.



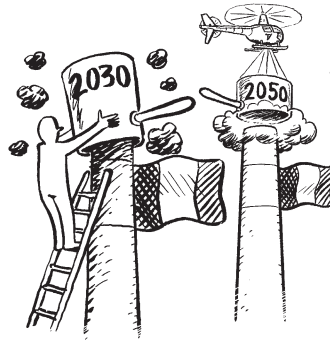
Pursuing expansionary economic and agricultural policies is at odds with our national climate and biodiversity goals.

Policy Solutions

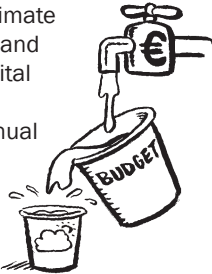
Remove fossil fuel subsidies and environmentally harmful tax expenditures that do not align with our national climate goals.



Fully resource the policies required to implement our 2030 and 2050 climate targets.



Integrate climate adaptation and natural capital accounting into the annual budgetary process



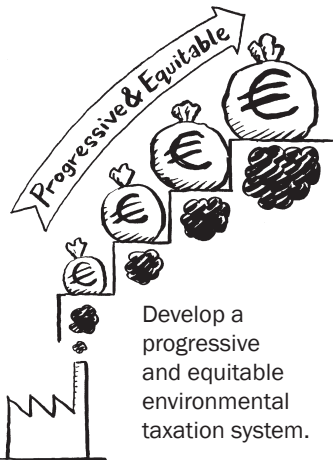
Pilot a Farm Sustainability Passport scheme to recognise and support farmers who engage in environmentally friendly and sustainable agricultural methods.



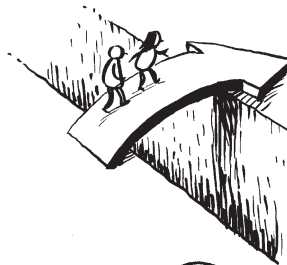
Fully resource the circular economy strategy.



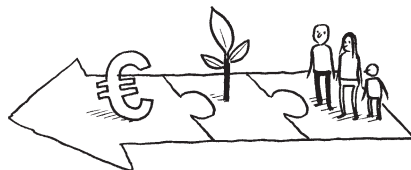
Develop a National Retrofitting Plan incorporating a Building Renovation Passport Scheme.



Develop a progressive and equitable environmental taxation system.



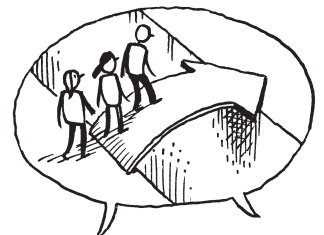
Develop a comprehensive mitigation and transition programme to support communities and people in the transition to a low carbon society.



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 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 ‘Sustainability and Just Transition’ pillar of *Social Justice Ireland’s* Social Contract.

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 2026 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 are up to nine times more likely because of 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 the world's climate is more out of balance than any other time in history, with key climate change indicators – greenhouse gas concentrations, sea level rise, ocean heat, ocean acidification, and Earth's energy imbalance – setting new records in 2025 (WMO, 2026). It also shows that 2024 was the warmest year on record, with the trend of widespread extreme weather continuing into 2025. 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 most recent United Nations Environment Programme Annual Emissions Gap Report (UNEP, 2025) concludes that the new Nationally Determined Contributions (NDCs) which collectively promise to almost halve greenhouse gas emissions by 2030 are not on track, and will have a limited effect in reducing the emissions gap between 2030 and 2035. The report also highlights inconsistencies among the NDCs with commitments to renewable energy targets falling short of doubling energy efficiency improvements by 2030, limited progress on reducing fossil fuel use and no targets to phase out fossil fuel subsidies. 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). G20 member states minus the African Union accounted for 77 per cent of emissions in 2024, with the least developed countries – which include many African Union countries – a minor contributor to global emissions, at 3 per cent of the total, highlighting 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, 2025). 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 per cent 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. Ireland is also on track to miss the 2030 target by a very substantial

margin and faces fines of up to €26bn without immediate action to get as close to meeting each target as possible (IFAC, 2025).

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 (Government of Ireland, 2022). Ireland failed to meet the reductions set out on the first carbon budget, with the projected overshoot being carried forward to the second carbon budget, raising significant concern as to whether Ireland will also fail to meet the ceilings set out for 2026-2030 (CCAC, 2025).

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. As noted, 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, mirroring economic activity. 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 2023, Ireland's net greenhouse gas emissions reduction was 6.8 per cent, and in 2024 there was a 2 per cent reduction, a sign that implementing policies to reduce emissions does work (EPA, 2024 and 2025). While the 2023 and 2024 figures show some improvement, 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 2024 greenhouse gas emissions were still only 11 per cent below 2005 levels, well short of Ireland's EU Effort Sharing reduction commitment of 42 per cent by 2030.

In total in 2024, it is estimated that 54 million tonnes of carbon dioxide equivalent (Mt CO₂eq) were emitted, with emissions 2 per cent lower than in 2023. It should be noted that the largest decrease in emissions in 2024 compared to 2023 was seen in the energy sector, with an emissions reduction of almost 9 per cent, following on from a 21.6 per cent reduction in 2023. Residential emissions increased by just over 5 per cent, emissions in agriculture decreased by 1.7 per cent, and emissions in transport decreased by 1.2 per cent. The impact of climate policies is evident through the reduced sectoral emissions as a result of renewables in powering electricity, and the reduction in fertiliser nitrogen use.

Current provisional greenhouse gas emission estimates for Ireland indicate that 82 per cent of the Carbon Budget for the 5-year period 2021-2025 had already been used by 2024 (EPA, 2025). According to the Environmental Protection Agency, staying within the current carbon budget now requires emission cuts of over 10 per cent per annum in 2025 which is likely to be very challenging (EPA, 2025). As noted earlier, failure to take action early has negatively impacted the prospects for meeting the cumulative target to 2030 and this will have serious consequences for future carbon budgets. It is clear from EPA emissions projections that the existing measures contained in the Climate Action Plan will not be enough, and additional measures will be required to meet targets.

Damaging environmental activity also affects health. According to the EEA (2025) about 1,700 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 80 monitoring stations across Ireland in 2023 which is a cause for considerable concern (EPA, 2024a).

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](https://www.who.int/news-room/fact-sheets/detail/ambient-(outdoor)-air-quality-and-health)

Agriculture

Agriculture accounts for the largest proportion of Ireland's emissions (38 per cent). 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. 2024 saw the sector reduce emissions by 1.7 per cent, following on from a 4.6 per cent reduction in 2023. While cattle numbers fell by almost 3 per cent in 2024, fertiliser use increased by more than 10 per cent (EPA, 2025). This was the first reduction in dairy herd numbers in over a decade. Milk output per animal increased despite reduction in livestock numbers. Although there has been progress over the past two years, immediate action is required to meet the carbon budget target of a 22-30 per cent reduction in emissions from this sector by 2030.

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 by 1.7 per cent in 2024, following a marginal reduction in 2023 (EPA, 2025). While the fleet increased 4.1 per cent, totally energy consumption increased by just 0.1 per cent due to increased usage of biofuel and electricity. The 2024 target for electric vehicles (EV) was exceeded which is positive. The geographical spread of EV ownership is concerning, with low take up in more

rural and remote regions³. 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.

Investment in public transport has increased in recent years which is positive. Substantial ongoing investment is required to upgrade the public transport network, with 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 demand continues to increase, 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 and to stay within carbon budget ceilings, 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 targets⁴ 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 CO₂ 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 almost 9 per cent in 2024, building on a 21 per cent reduction in 2023. The decline was driven by increases in imported energy in particular, reductions in coal, oil and peat used in electricity generation and an increase in the share of renewable energy.

Emissions from the residential sector increased by almost 5 per cent in 2024, largely driven by a colder winter and an increased number of heating degree days (EPA, 2025).

Energy-efficient homes, increased heat pump usage and retrofit output are essential to achieve future emissions reduction commitments in this sector. The Sustainable Energy Authority of Ireland (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. Investment in renewable energy and retrofitting on the scale required to meet our national climate ambition requires large scale investment in infrastructure.

³ <https://www.cso.ie/en/releasesandpublications/ep/p-hebeu/householdenvironmentalbehaviours-energyuse2024/electricvehicleownership/>

⁴ For further details see our proposal on aviation taxation in Budget Choices 2020, 2021 and 2022.

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 Residential Retrofit Plan (Government of Ireland, 2026), and in particular the Free 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. Ireland will be 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.⁵ In addition, Ireland also faced compliance costs for failing to meet its 2020 obligation under the renewable Energy Directive at a cost of €50m.⁶

⁵ Ireland spent €91.7m purchasing credits up to 2021. <https://assets.gov.ie/246850/5982d0ec-1590-4caf-8c40-ce8bf178f5fc.pdf>

⁶ Ireland had to negotiate the purchase of ‘statistical transfers’ from two Member States in order 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.

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 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 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 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 by imposing a cost on the exchequer, thereby ultimately paid for by 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.

Ireland must escalate the implementation of 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.⁷ 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.

⁷ <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 the Land Use Review without delay, and develop Land Management and Farm to Fork strategies for Ireland in 2026 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 recent improvements, transport continues to dominate Ireland's energy use, and transport energy use has increased by 25 per cent since 2012. Heavy goods vehicles (HGV) demand continues to grow, and energy demand from both private cars and HGVs in 2024 were above 2019 levels (SEAI, 2025). 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 79 per cent in 2024. This runs contrary to our targets of reducing emissions, increasing renewable energy, and eliminating our dependence on fossil fuels. In 2024, renewables made up 14.6 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 and turmoil in the Middle East and 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 (€4.9bn in 2023). By ending environmentally damaging tax breaks and investing this money in renewables and renewable energy infrastructure, it will support the people, communities and regions that will be most affected by climate adaptation.

The European Commission assessment of Ireland draft NECP⁸ 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, targets, 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.

Harmful financial investments outpace nature protection by 30 to 1, with more than \$7 trillion spent on nature negative finance flows in 2023, compared to just \$220 billion invested in Nature based Solutions (UNEP, 2026). 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 raising fuel prices to their fully efficient levels would reduce projected global

⁸ https://energy.ec.europa.eu/system/files/2019-06/necp_factsheet_ie_final_0.pdf

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 2024, €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 €4.9 billion of revenue foregone in 2023 (CSO, 2025). Direct fossil fuel subsidies accounted for 19 per cent of total fossil fuel subsidies in 2023 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 81 per cent, compared to 90 per cent in 2021. The excise exemption for jet kerosene accounted for €720 million in 2024, an increase of 19 per cent on 2023. Government must act on the recommendations of the report on the impact of aviation taxation in Ireland and abolish the Jet Kerosene exemption. In 2024, Government spent €2.3 billion 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 is 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

Ireland's second circular economy strategy has a welcome focus on action and policy coherence in order to deliver on our national ambitions.⁹ The strategy sets out targets for six sectoral areas including textile, construction, the bioeconomy and packaging. It commits to using the findings of the Circularity Gap Report to reduce our consumption of raw materials and sets a target of a 2 percentage point increase in the circular material use rate annually to 2030.

Progress on the commitment to eliminate the use of disposable coffee cups and phasing out of single use disposable products contained in the Circular Economy Act will have to be expedited to ensure we meet our waste reduction and consumption reduction targets. Further progress in this area will enhance 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

⁹ https://assets.gov.ie/static/documents/7484ab1d/Circular-Economy_Strategy-2026-2028-en.pdf

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 tasks¹⁰) 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 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.

¹⁰ https://www.oecd.org/en/publications/job-creation-and-local-economic-development-2023_21db61c1-en/full-report.html#boxsection-d1e4297-7136afa36f

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. Just Resilience has also emerged as a policy tool to support communities as climate adaptation measures are implemented. The emphasis of the Just Resilience approach is in local, place based and nature-based approaches and solutions to climate challenges. Such an approach requires the meaningful involvement of local communities in identifying vulnerabilities and developing solutions (NESC, 2025). Supporting communities in this time of transition requires engagement, and investment not just in adaptation measures, but in community development and capacity building to ensure they are supported and prepared to meet the challenges ahead.

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.

The Just Transition Commission (2025) has recommended that current structures should be reformed to ensure accessibility, affordability and accountability and that the voices of those most impacted are heard and inform future climate policy.

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 and would support the development and implementation of a Just Transition. We welcome the commitment from Government to develop Ireland's first Just Transition Strategy. Just Transition indicators which support the monitoring and

evaluation of progress, that take overlapping vulnerabilities into account should be developed in conjunction with the Strategy.

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 which outlines that green budgeting is the use of the budgetary system to promote and achieve improved environmental outcomes.¹¹ 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 (PBO) 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

¹¹ <https://igees.gov.ie/wp-content/uploads/2019/01/The-Implementation-of-Green-Budgeting-in-Ireland.pdf>

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, in consultation with all Government departments should, as part of 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. 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 2026 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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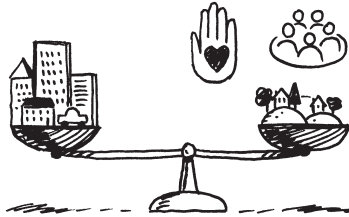
Chapter twelve

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

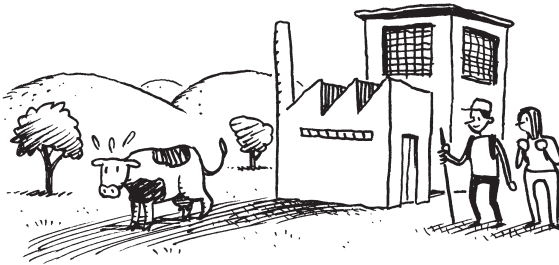


The average distance to most everyday services for people in rural areas is at least three times longer than for people in urban areas.

Rural areas generally have an older population, higher rates of part-time employment and lower median incomes than the national average.



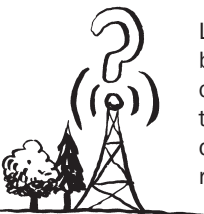
Supporting rural households to ensure that they have sufficient incomes will be crucial to the future of rural Ireland.



The driver of the rural economy in Ireland is diverse – involving agriculture, services, manufacturing, tourism and others.

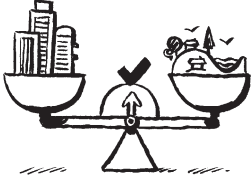


Investment in education and training for people in low skilled jobs or unemployed in rural areas would deliver a major social and economic return.



Lack of quality broadband is a considerable barrier to the sustainable development of rural Ireland.

Policy Solutions



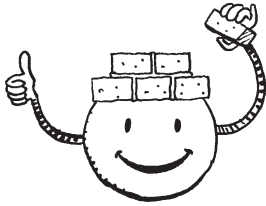
Ensure that investment is balanced between the regions.



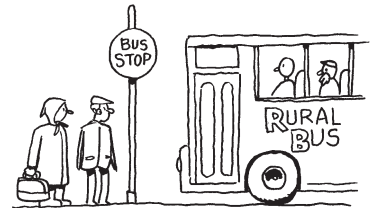
Support sustainable agriculture policy and sustainable land management.



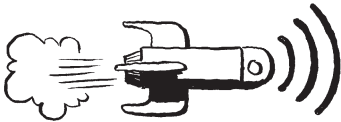
Prepare for the digital transition by investing in the regions and in social, infrastructural and human capital supports.



Ensure rural development policy is underpinned by social, economic and environmental wellbeing.

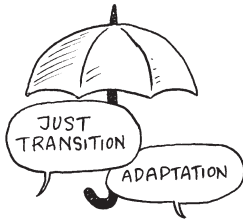


Invest in an integrated, accessible and flexible rural transport network.

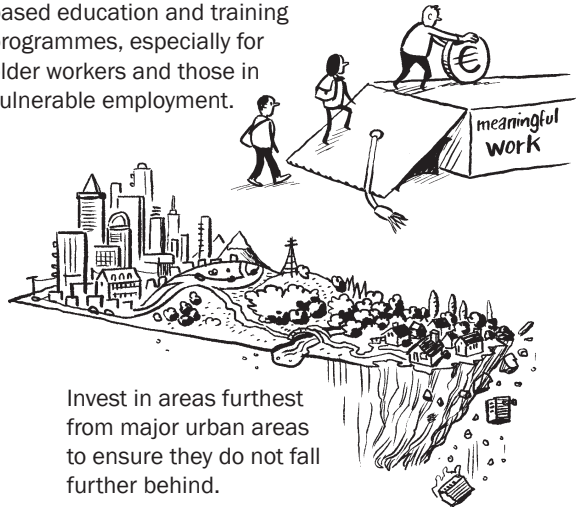


Prioritise continued roll out of high speed broadband to rural areas.

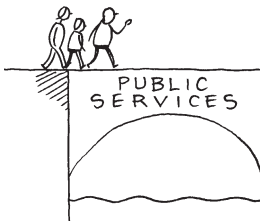
Invest in targeted, place-based education and training programmes, especially for older workers and those in vulnerable employment.



Establish a Just Transition and Adaptation Dialogue for rural areas.



Invest in areas furthest from major urban areas to ensure they do not fall further behind.



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, social infrastructure and employment opportunities required to support viable, resilient communities in all parts of rural Ireland.

How we transition to a more sustainable society and how 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.

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.

Although Ireland's rural regions perform above the OECD average, persistent structural imbalances remain in demography, economy, environment, education, and services, impacting rural Ireland's potential (OECD, 2026). Those rural communities close to urban centres benefit from connectivity and spill-over investment, but Ireland's more remote regions are challenged by smaller and weaker labour markets, higher emissions, infrastructure gaps, and limited access to services (OECD, 2026).

Data 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).

The success of rural and regional policy is impacted by 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 and embracing spatial differentiation would make for more informed policy development, give better indicators of the challenges and opportunities in rural areas and provide opportunity for innovation (OECD, 2026 & NESCA, 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 the 'Making Remote Work' strategy 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' and look forward to further progress in the forthcoming rural strategy.

Ireland's rural economy has had an above average GDP growth for the past decade, and rural regions adjacent to urban centres have driven this growth (OECD, 2026). The distorting impact of the spillover investment on regional and rural development is evident in the North West Region, which contains counties with strong growth, productivity and employment rates, and more remote counties with smaller and weaker economic activity.

While communities near urban centres benefit from connectivity and spill-over investment, more remote regions are challenged by smaller and weaker labour markets. The Northern and Western Region was downgraded to a "Transition Region" by the European Commission in 2019, to a 'Lagging Region' in 2022 and upgraded to a "More Developed Region" in 2026. This movement in classification reflects changes in the regional economic activity, particularly GDP growth and productivity. One thing that has not changed over this period is the disparities within this region. Five of the eight counties in this region (Donegal, Cavan, Leitrim, Sligo and Monaghan) continue to have lower GDP growth, lower incomes, lower employment rates, lower productivity and less commercial activity. In contrast, three counties, Galway, Mayo and Roscommon have recorded higher GDP growth, higher wages, higher levels of commercial activity which is distorting the picture of how this region is faring.

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 and Galway at six per cent (CSO, 2026). Dublin also recorded the highest GDP in the State, and the Northern and Western region the lowest. 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.

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).

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 rural and regional areas. 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 policies 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.

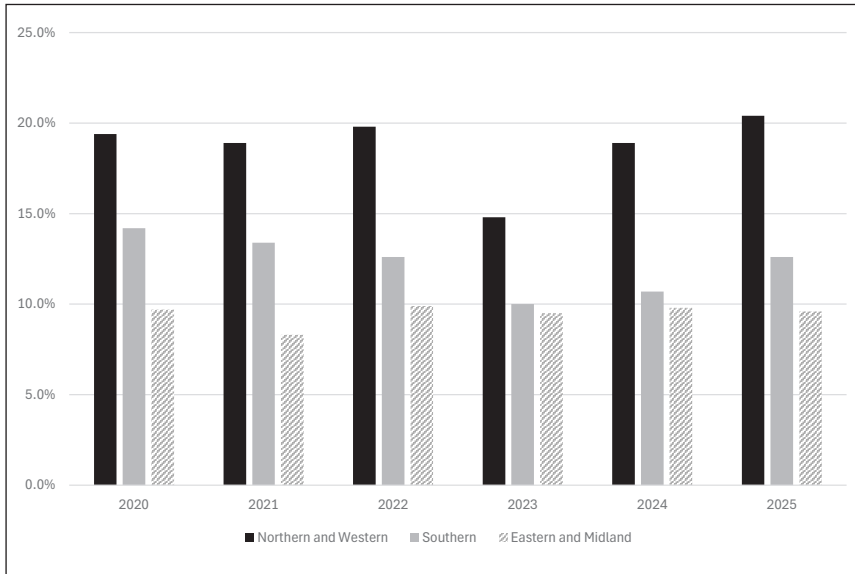
Looking at incomes on a county and regional level in 2024, the Midlands region and the Border region had the lowest disposable income per person, with persons in the Border, West, and Midlands regions consistently reporting a disposable income below the state average since 2004 (CSO, 2026). When broken down by county (acknowledging the uncertainty involved in these figures), Dublin had the highest disposable income per capita, followed by Limerick and Cork. Longford, Roscommon and Donegal 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, 2026). 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, 2026).

The amount of money required to achieve the Minimum Essential Standard of Living (MESL) ranges from an estimated amount of €146 per week higher for working rural couples with younger children (pre-school and primary age), to €165 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 at SVP.¹ Higher costs in 2025 related to household energy, transport, fuel, and food (as has been the case since 2020), however, these costs increased significantly between 2022 and 2025. A consistent trend over the past decade is the increased at-risk-of-poverty rate in rural areas. Figures on poverty and deprivation for 2025 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://budgeting.ie/pdf/mesl-2025-report/>

Chart 12.2: At Risk of Poverty by Region, 2020-2025



Source: CSO PxStat 2026

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 chart 12.1 and the statistics set out above 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 2024, the average family farm income was €36,256 (Teagasc, 2025a), and this is estimated to have risen to €49,400 in 2025, driven primarily by increased prices for cattle on beef and dairy farms. This is an eighty-three per cent increase on the 2023 figure, yet the outlook for 2026 looks very uncertain due to the potential spike in fertiliser prices due to conflict in the Middle East. This 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 33 per cent of farms earning an income of less than €10,000 in 2024, 20 per cent earning between €10,000 and €20,000 per annum, and 24 per cent earning between €20,000 and €50,000

per annum. 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, 2025a) include:

- Average family farm income was €36,256 in 2024.
- 68 per cent of farms earned a farm income of less than €30,000 per annum in 2024.
- Dairy farms represent just 18 per cent of the total farm population but account for more than forty per cent total farm income in 2024.
- The average direct payment in 2024 was €19,628.
- Direct payments accounted for 129 per cent of all income on cattle rearing farms, 102 per cent of all income on sheep farms and 22 per cent of all income on dairy farms.
- 43 per cent of farms are considered economically viable with 24 per cent considered financially vulnerable.
- 30 per cent of farms in the Northern and Western Region are economically vulnerable compared with 20 per cent in the South.
- 35 per cent of farms have debt, the highest proportions on dairy and tillage farms.
- 61 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 2026, with many potential gains being offset by rising fuel and fertiliser prices (Teagasc, 2025).

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 2025, the average age of farmers was 58, and one third of farm holders in Ireland were aged 65 years and over (Teagasc, 2025).

Welfare payments also support farmers. In 2024, there were 7,583 beneficiaries comprising 4,975 adults and 2,608 children receiving the Farm Assist Payment (Department of Social Protection, 2025). The Rural Social Scheme (RSS) had 4,669 beneficiaries, comprising of 1,241 children and 3,428 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 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 OECD has published its review of rural policy in Ireland. The review finds that Ireland has a sophisticated rural policy framework, strengthened by a whole-of-government approach, but that gaps will remain. This review is timely and the recommendations should inform the successor of the 'Our Rural Future' Strategy. The current strategy committed to develop an integrated and place-based approach to rural development and has developed a rural proofing guide for public policy to ensure need of rural communities are considered in development of public policy as well as increased support for blended and remote working and to maximise opportunities and benefits of the Green Economy. While this strategy has had success, in particular the rural proofing guideline, challenges persist in accessing rural housing and healthcare, understanding rural labour markets, supporting rural entrepreneurs, and differentiating policy responses across diverse rural contexts (OECD, 2026).

As we look to the successor of 'Our Rural Future', *Social Justice Ireland* recommends that Government focus on the following priority areas:

Quality of life, public services and governance

- Develop rural and regional indicators and dashboards to improve monitoring and evaluation, complement rural proofing guidelines and inform long-term strategic planning and service delivery.
- Expand rural primary and GP care, integrate access to health in rural areas into local and regional planning, using demographic projections to make sure investments made now can meet future need.
- Use rural proofing guidelines to ensure public service delivery in rural areas according to the equivalence principle.

- Improve the availability and affordability of quality care services in rural areas from childcare, afterschool care, care for persons with a disability and home care supports to enable people to age in place in their communities.

Investment

- 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.
- 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.
- Diversify and differentiate labour market strategies for the regions, acknowledging those rural communities that are distant from urban centres face particular challenges requiring specific and place based policy solutions.
- Invest in skills development, anticipate green and digital skills needs and have a rural specific target for lifelong learning.
- Promote renewable energy, circular economy and bioeconomy benefits of rural areas.
- Support and pilot Rural Economic Development and Innovation Zones.

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.
- Incorporate rural settlement patterns into spatial planning and support hinterland economic opportunities.
- Embed the concept of rural wellbeing into national policy, and 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, the Regional Assemblies, 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.

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.
- Develop specific Just Transition Indicators that capture the vulnerability of and differences between rural areas and regions to climate change and adaptation.
- Support farm diversification, investment in local supply chains and succession planning for 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.

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.

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 for 2027 - 2031. 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.

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. The rural proofing guide developed by the Department of Rural and Community Development and the Gaeltacht should be used to support and guide 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. 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. Further investment is required to support quality local employment and social activity.

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 and should be revised to a more ambitious target.

12. 2 Key Policies and Reforms

Rural development

Low density rural economies are fundamentally different to urban economies and as such require different policies 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 & 2026) 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 CAP proposals 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 focussed 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.

² https://food.ec.europa.eu/system/files/2020-05/f2f_action-plan_2020_strategy-info_en.pdf

Retraining and skills development

In order to access employment, workers require the right skills. ‘Our Rural Future’ recognised 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 (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.

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. 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.

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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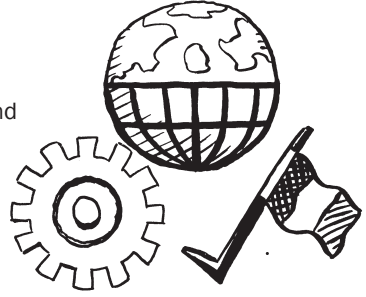
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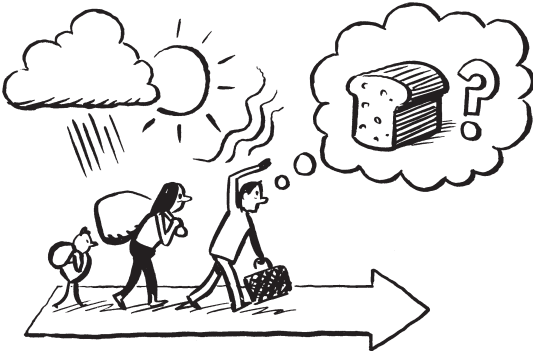
Global South

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.



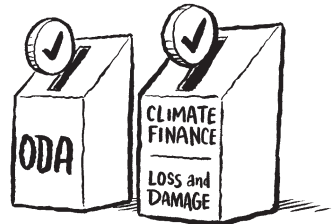
Disease does not respect borders.



Armed conflicts globally are at their highest level in a decade.



Just taxation in the Global South.



ODA target should not include cost of Climate Finance and Loss and Damage.

Policy Solutions

UN Target

0.7% GNP

to **Overseas
Development
Assistance**

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.

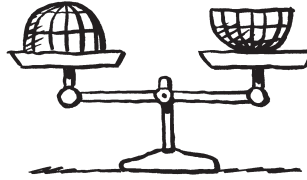
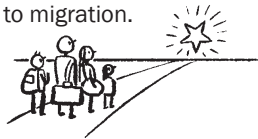


Disaggregate our commitments to Climate Finance and Loss and Damage from our ODA target.

Champion a human rights-based approach to migration.



Uphold the value of solidarity and a human-rights first approach, championing the rights of children and other vulnerable groups.



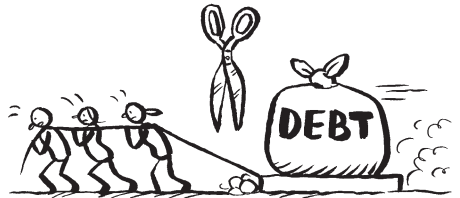
Ensure that Irish and EU policies towards countries in the Global South are just.

Use Ireland's Presidency of the Council of the European Union in 2026 to rebuild support for ODA, promote international cooperation for peacebuilding and challenge militarisation.



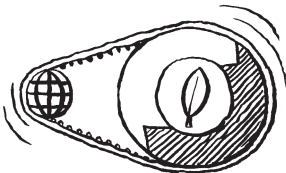
Support implementation of SDGs in Global South.

Leverage our diplomatic ties to advocate for tighter regulation of the global arms trade.



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 message for the International Day for Disarmament and Non-Proliferation Awareness in March 2026, António Guterres (2026), Secretary-General of the United Nations (UN) called for world leaders to 'lower the temperature' and 'step back from the brink', warning against militarisation and the proliferation of arms:

Our dream of peace is in peril. The threat of nuclear weapons use is the highest in decades. Global tensions are pushing military spending to stratospheric levels. Small arms and light weapons are proliferating. And emerging technologies are making conflicts even deadlier.

Guterres made a plea for global cooperation on peacebuilding, disarmament and the strengthening of systems that prevent the proliferation and use of weapons. His words lay out the stark choice faced by the world – war or peace: 'It's time to invest in the architecture of peace, not the tools of war.'

These concerns are echoed in previous editions of this publication. While the challenges faced by the world may seem intractable, there are important actions which Ireland can take to play an effective part in supporting peace, justice and sustainable development in the Global South, but political will is required. *Social Justice Ireland* believes that the policy of the Irish Government should:

- Uphold the value of solidarity and take a human-rights first approach, with a strong emphasis on championing the rights of children and other vulnerable groups;
- Use Ireland's Presidency of the Council of the European Union in 2026 as an opportunity to rebuild support among member states for Official

Development Assistance (ODA), promote international cooperation for peacebuilding and to challenge militarisation;

- Leverage our diplomatic ties to advocate for tighter regulation of the global arms trade and for full compliance with the UN Pact for the Future;
- Renew our commitment to meeting the UN target of contributing 0.7 per cent of national income to ODA and set a clear pathway to achieve this by 2030;
- Disaggregate our commitments to Climate Finance and Loss and Damage from our ODA target, and accelerate progress towards fulfilling these commitments;
- Champion a human rights-based approach to migration and challenge any breaches of humanitarian obligations by EU member states and agencies;
- Take a leadership position within European and broader international arenas to encourage other states to fund global health programmes and research, including initiatives related to HIV/AIDS and pandemic preparedness;
- Play a prominent role in the support and implementation of the Sustainable Development Goals (SDGs).

13.1 Key Evidence

Violent Conflict

Thirty-seven armed conflicts were reported in 2024, the highest number since 2014. The majority are taking place in Africa (17) and Asia (10), followed by the Middle East (6), Europe (2) and the Americas (2) conflict (Escola de Cultura de Pau, 2025). Subsequent to this data being compiled, a new conflict in Iran has begun, which has also escalated existing conflicts in the region.

In 2024, 36,000 civilians were killed in conflict. UN Member States have committed to the Pact for the Future, which includes restricting the use of explosive weapons in populated areas. Despite this, the use of larger bombs in urban areas is an ongoing contributor to rising civilian casualties. Further impacts on civilians from conflict include hunger, forced displacement, and sexual violence. 25 million people in Sudan experienced acute food insecurity, with 755,300 facing catastrophic conditions. Globally, an additional 5.3 million people were forcibly displaced in 2024, with displacement in Gaza reaching 90 per cent. There were 4,500 verified cases of conflict-related sexual violence, including a significant increase in sexual violence against children recorded in Democratic Republic of the Congo (DRC), Nigeria, and Somalia (United Nations, 2025). In conflict zones across the world the special protections afforded to children continue to be disregarded, with a 25 per cent increase in grave violations recorded in 2024. Government actors are the main perpetrator of the killing and injuring of children (United Nations, 2025a). At least

21,316 children have been killed due to the Israel-Palestine conflict since October 2023 (UNOCHA, 2026).

Humanitarian response is often impeded by violence, bureaucratic obstacles, and political considerations. 360 aid workers were killed in 2024, including 200 in Gaza, 54 in Sudan, and 23 in Ethiopia (United Nations, 2025). Volker Türk (2026), UN High Commissioner for Human Rights has criticised the militarisation of aid by Israel, highlighting the killing of 2,435 Palestinians near food collection points in 2025. According to Human Rights Watch (2026) restrictions being imposed by Israel on international aid organisations from March 2026 will prevent them from operating in the Occupied Palestinian Territories, warning that a third of health facilities in Gaza would close instantly. Türk (2026a) has also condemned attacks on humanitarian aid convoys in Sudan which have killed 600 people in the first two months of 2026. Major government donors, including Ireland, have repeatedly criticised difficulties faced in supplying aid in Sudan (European Civil Protection and Humanitarian Aid Operations, 2026). Reductions in foreign aid funding by the United States and other countries have been detrimental to humanitarian response in conflict zones. The World Food Programme (2025) has removed lifesaving assistance for 400,000 people in DRC due to funding shortfalls and has implemented a 70 per cent reduction in rations for communities in famine areas in Sudan (World Food Programme, 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). Türk (2026a) has called for the international community to work to prevent arm supplies in Sudan and to tackle the militarisation of the civic space.

Ireland, as a neutral country, is uniquely placed to champion human rights in international fora. This should include challenging growing militarisation, advocating for tight controls in the production and sales of weapons, and ensuring that the protection of children's rights is at the heart of all policymaking. Ireland should seek to ensure that all trade agreements, both national and at European Union (EU) level, require strict human rights standards. Ireland will hold the Presidency of the Council of the European Union for six months from July 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 and Trade (DFAT) Reconciliation Fund projects, fostering peace and

community interaction on the island of Ireland, would allow DFAT to offer positive insights on reconciliation and cross-border cooperation in other settings.

Migration

Wars, conflicts, and climate change result in the mass movement of peoples. In 2024, 123.2 million people were forcibly displaced due to violence, conflict, human rights violations, or other events seriously disturbing public order, a seven million increase from 2023. 73 per cent of people in need of international protection are hosted in low and middle-income countries. Iran hosts 3.5 million people, followed by 2.9 million in Turkey. 23 per cent are in the least developed states, with substantial increases experienced in the low-income countries neighbouring Sudan and DRC. The number of internally displaced people is 73.5 million, with significant increases in Sudan, of 3.5 million, and in DRC, of 3.1 million (UNHCR, 2025).

There were 917,215 first time asylum applicants made in the EU in 2024. While this represents a 13 per cent decrease on the previous year, the number of applications made in Ireland increased by 39 per cent to 18,435. In addition, 794,845 people from Ukraine were granted temporary protection orders across the EU, including 10,470 in Ireland (Eurostat, 2026).

The European Migration Network report (2025) 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 will apply from June 2026 and 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. The International Protection Bill is, at the time of publication, before the Oireachtas. This legislation will, for the first time, allow for the detention by Gardaí of international protection applicants, including unaccompanied minors. The Ombudsman for Children's Office has called for this provision to be removed, contending that it is a rights violation and not in line with the best interests principle of the UNCRC (Ombudsman for Children's Office, 2026).

Alongside legal responses to migration, another instrument is 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 80,865 pushbacks occurred on Europe's external land and sea borders in 2025, with UN and international human rights groups implicating several EU member states in this illegal practice. Cooperation with third countries is increasingly a feature of EU border security, with documented collaborations with Bosnia and Herzegovina, Serbia, and Libya.

27,116 people were intercepted and forcibly returned by the Libyan coastguard in 2025, exposing them to a wide range of human rights violations. These agreements mean that violations of human rights, which arise due to European border policies, are increasingly occurring outside of the EU. The EU Pact on Migration and Asylum continues the move towards externalisation of border security, raising further concerns about violations of human rights (11.11.11., 2026).

Russia's invasion of Ukraine has displaced millions of Ukrainians across Europe. As of February 2026, 121,048 people had arrived in Ireland from Ukraine under the Temporary Protective Directive, with 43,870 living in accommodation provided by the state (CSO, 2026).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 persisting 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 and to promote 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 with 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.

¹ This number is based on the number of PPS Numbers issued to people arriving to Ireland from Ukraine under the Temporary Protection Directive.

Inequalities

Our world is increasingly controlled, economically and politically, by an oligarchic class. The 12 richest people have more wealth than the poorest half of humanity according to a recent report from Oxfam (2026), while billionaire are 4,000 times more likely to hold political office than ordinary people. Billionaire wealth has reached \$18.3 trillion, with policies led by the US government contributing to a 16.2 per cent growth in the past year. More wealth at the top has not led to prosperity for the poorest. Almost four billion people live in poverty, while food insecurity has increased by 42.6 per cent since 2015. The debt burden faced by countries in the Global South has been exacerbated by cuts to aid budgets. Across Africa, average spending on debt servicing is 150 per cent greater than expenditure on education, healthcare and social protection. Aids cuts are forecast to result in 14 million additional deaths by 2030 (Oxfam, 2026).

The UN Human Development Report (2025) points to some of these inequalities between various regions of the world, as shown in Table 13.1.

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	3,637	66.5	10.2	352
Arab States	15,825	72.5	12.0	133
East Asia and Pacific	19,520	75.9	14.6	78
Europe and Central Asia	23,171	74.8	15.6	21
L. America and Caribbean	18,048	75.6	14.8	85
South Asia	8,722	71.9	12.1	132
Sub-Saharan Africa	4,352	62.5	10.3	509
OECD	52,698	80.6	16.5	22
Worldwide total	20,327	73.4	13.0	216

Source: UNHD Report Human Development Index 2025, 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: \$90,885; Life Expectancy: 82.4; Expected Years Schooling: 19.2; Maternal Mortality 5.

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. International cooperation is needed to support the most vulnerable countries in the Global South to build pandemic preparedness capacity. Ireland can play an important role in this. This leadership is acutely needed in the context of aid cuts, with WHO (2025) reporting that funding for critical services, including emergency preparedness and disease surveillance, have fallen by up to 70 per cent in some low-income countries.

HIV/AIDS

The global response to HIV/AIDS, which for many years was remarkably successful, has been significantly impacted by funding cuts. By 2024 the number of new HIV infections and deaths from AIDS-related diseases had reached record lows. 77 per cent of the 40.8 million people living with HIV had access to antiretroviral therapy, with the provision of this treatment contributing to life expectancy in sub-Saharan Africa rising to 62.5 years, from 56.5 years in 2010. UNAIDS (2025) projections show that the cessation of US funding could lead to four million additional deaths by 2030. Ireland should use its influence to advocate for a human rights and public health led response to HIV/AIDS. This should include meeting our commitments and collaborating with European and Global South partners to increase funding. According to UNAIDS (2025) annual resources of \$21.9 billion are required, with a need for the international community to meet at least a third of this.

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.

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 2026 edition of our Sustainable Progress Index (Clarke, Kavanagh, & McGeady, 2026) Ireland is ranked 7th 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.

Ireland's commitments to Official Development Assistance (ODA), Climate Finance, and Loss and Damage

Social Justice Ireland welcomes Ireland's ongoing commitment to ODA and reaching the furthest behind first (Government of Ireland, 2025). As outlined above, the decision by the US Government to curtail its aid programmes has already significantly impacted humanitarian responses in conflict zones, and leaves UN agencies and civil society organisations facing drastic funding shortfalls. This has been exacerbated by further cuts implemented by European countries, most notably by France, Germany, and the UK. According to the OECD (2025) bilateral funding for the least developed countries is projected to fall by up to 25 per cent. Multilateral organisations face even more severe cuts, including a 62 per cent reduction for the WHO and 87 per cent for the WFP. In place of ODA funding, countries have opted to increase military expenditure. France has increased its military budget by €6.7 billion for 2026, including spending €2.4 billion on munitions (Ministère des Armées, 2025). The UK has set a target of spending 3 per cent of GDP on defence and will fund this by reducing aid expenditure to 0.3 per cent of GNI, representing an annual reduction of £6 billion (Loft & Brien, 2025).

The poorest nations in the world will be most significantly impacted by this ODA retrenchment. It means more people in conflict zones will die of hunger, progress to combat HIV/AIDS will stall, and countries already burdened by unsustainable debt will struggle even more to deliver basic services to their populations. Wealthy nations are abandoning the principle of solidarity and instead prioritising national self-interest. Ireland, thus far, appears to be an outlier and is to be commended. The government has identified the negotiation of the EU's Multiannual Financial Framework as a key focus area for Ireland's Presidency of the EU. This will include

² The Sustainable Development Goals are also discussed in Chapter 11. We return to the issue briefly to highlight the need and urgency for their implementation, to support people in the Global South.

a focus on ensuring adequate resources for ODA and protecting humanitarian funding (Government of Ireland, 2025). More broadly, Ireland should use the EU Presidency to champion solidarity, promote international cooperation for peacebuilding, and to challenge militarisation.

Social Justice Ireland has called for more clarity about Ireland's separate commitments 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). As such, contributions to each should be disaggregated from one another. The Climate Finance Roadmap (Government of Ireland, 2022) set out a target of €225 million per year by 2025 and this is on track to be achieved (Houses of the Oireachtas, 2025). Irish climate finance is rightly provided on a grant-basis, rather than through loans, with a welcome focus on adaption in poorer countries. This is commendable and avoids adding to the unsustainable debt burdens. 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. 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.

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, the monetary value of Ireland's ODA allocation has grown significantly since 2014, reaching €1.7 billion in 2024. Despite this, the contribution is still far below the 0.7 per cent target.

Table 13.2: Ireland's net overseas development assistance, 2014-2026

Year	€m's	% of GNI*
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	0.40
2020	867.5	0.43
2021	976.1	0.42
2022	1,411.1	0.53
2023	1,467.2	0.50
2024	1,723.5	0.54
2025	1,780.0**	0.53
2026	1,845.0**	0.51

Sources: Government of Ireland (2025; 2025; 2025), Department of Finance (2025), Department of Agriculture, Food and the Marine (2025) & author's calculations.

** Projections from departmental briefing documents.

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.

Social Justice Ireland recognises and welcomes the increased contributions in recent Budgets to ODA³. However, 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 by 2030, with possible pathway proposed in Table

³ Data for 2019-2024 refers to the actual amounts spent as per the Government of Ireland's Official Development Assistance Annual Reports. Figures for 2025 onwards are based on departmental estimates.

13.3 below. Here again we use GNI* as a more realistic measurement of Ireland’s national income.

Table 13.3 Possible pathways to ODA targets 2026-2030

Year	ODA €m	% of GNI*	Increase required €m
2026	1,845.0	0.51	
2027	2,120.0	0.56	340.0
2028	2,418.9	0.61	298.9
2029	2,730.1	0.65	311.1
2030	3,066.0	0.70	335.9

Calculations: *Social Justice Ireland* – based on estimates of Ireland’s macroeconomic prospects from Budget 2026: Economic & Fiscal Outlook (2025) 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. Ireland’s success would not only provide additional assistance to countries in need but would also provide leadership to those other European countries who do not meet the target. *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 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, with a strong emphasis on championing the rights of children and other vulnerable groups;

- Use Ireland's Presidency of the Council of the European Union in 2026 as an opportunity to rebuild support among member states for Official Development Assistance (ODA), promote international cooperation for peacebuilding, and to challenge militarisation;
- Leverage our diplomatic ties to advocate for tighter regulation of the global arms trade and for full compliance with the UN Pact for the Future;
- Renew our commitment to meeting the UN target of contributing 0.7 per cent of national income to ODA and set a clear pathway to achieve this by 2030;
- Disaggregate our commitments to Climate Finance and Loss and Damage from our ODA target, and accelerate progress towards fulfilling these commitments;
- Champion a human rights-based approach to migration and challenge any breaches of humanitarian obligations by EU member states and agencies;
- Take a leadership position within European and broader international arenas to encourage other states to fund global health programmes and research, including initiatives related to HIV/AIDS and pandemic preparedness;
- Play a prominent role in the support and implementation of the Sustainable Development Goals (SDGs).

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Chapter fourteen

Chapter 14

VALUES

Our society is shaped and moulded by 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, turmoil in the Middle East, and the impacts of 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 highlight the central issue of values. We often find it easier to acknowledge our fears than to confront our true values. Do we, as a society, tacitly accept a two-tier system even as we condemn it in principle? The reality is stark: inequality continues to widen globally. The contradictions in our national values allow the status quo to persist, effectively normalising the exclusion of nearly one-sixth of the population from full participation in society, while vast resources and opportunities are disproportionately directed toward select 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 further developed the understanding of ownership, especially in regard to the ownership of the means of production. This position was 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 and Conflict

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 Francis suggested that new technologies must be guided by enduring moral truths and that human dignity, justice, and the common good must shape how new tools are developed and used (Antiqua Et Nova, 40). Pope Leo asks us not to renounce our ability to think and to listen, he warns that digital technology threatens to alter radically some of the fundamental pillars of human civilization that at times are taken for granted. ¹

Despite advances in technology and global cooperation, conflicts continue to expose how fragile respect for human life can be. Modern warfare, shaped by drones, cyber operations, and artificial intelligence often distances decision-makers from the human cost, making it easier to overlook the suffering of civilians. Yet the principle of human dignity insists that every person, regardless of nationality or circumstance, has inherent worth that must never be violated.

¹ <https://www.vatican.va/content/leo-xiv/en/messages/communications/documents/20260124-messaggio-comunicazioni-sociali.html>

War fundamentally contradicts this value when it leads to displacement, loss of life, and the erosion of basic rights. At the same time, the global response to conflict—through humanitarian aid, peacebuilding, and international law—shows that dignity remains a guiding ideal. In 2026, the challenge is not only to limit the damage of war, but to reaffirm that no technological or political objective can justify the disregard of human dignity.

Living in Harmony

Terms like interdependence, mutuality, solidarity, and connectedness are often used loosely today, yet they capture a consciousness deeply aligned with Christian values. All of creation is understood as a dynamic, interconnected whole. Applied to the human family, this means that each person relies on others, not only for life itself, but also for the resources, relationships, and support necessary to grow and flourish. To preserve the web of life's interconnectedness, each individual, according to their age and abilities, is called to contribute in ways that nurture others and maintain harmony with the wider world. This approach honours the dignity and integrity of each person while recognising that true human potential is realised only through 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. At a time of global turmoil and conflict, Ireland faces the challenge of mitigating the impact of an energy price crisis for vulnerable households and preparing for the potential impact of a prolonged energy shock. At the same time, Government must address the ongoing problems of 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; and how to meet our climate targets, adapt to coming changes 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 2026, *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 2026.



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