



BULLETIN

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The Irish National Organisation of the Unemployed is a federation of unemployed people and more than 170 groups throughout the country, concerned with combating unemployment.

Sustaining Progress and Beyond

Redundancies 2001-2004

The INOU's latest Briefing Paper entitled 'Redundancies 2001-2004' highlights the scale of redundancies in Ireland after the Celtic Tiger. It identifies the sectors and locations particularly affected by these job losses. It also highlights and assesses the current Government actions designed to assist those who have been made redundant.

The scale of redundancies being announced year on year is a worrying concern. Although redundancies are affecting all sectors and regions, those engaged in manufacturing and low-skilled type work are particularly vulnerable. At a minimum, redundant workers need to be informed of their rights and entitlements as regards redundancy payments etc. but they also need access to effective training and upskilling to increase their employability chances. In addition, realistic alternative job opportunities must be available in those localities to avoid mass migration to other areas.

In the interests of effective engagement with redundant workers and for economic development across industrial sectors, some of the INOU recommendations include:

- Enhance the effectiveness of the taskforces that are set up by FÁS by ensuring involvement of all key stakeholders from the outset.
- Ensure the taskforces explore the possibility of new entity start-ups in whole or in part in conjunction with the IDA and other relevant agencies.
- Ensure that the options presented to the workers are realistic and appropriate with job opportunities being available at the end.
- The long term viability and sustainability of the State's manufacturing base needs to be urgently addressed by Government, including new business development.
- Investment in job creation and employment growth through the IDA and Enterprise Ireland must be regionally balanced and guided by the National Spatial Strategy.

Copies of the Briefing Paper are available by contacting the INOU offices or downloading from our website www.inoue.ie ■

The country is now entering the final months of the current social partnership agreement – Sustaining Progress. The economic circumstances that prevailed at the time that Sustaining Progress was negotiated impacted on the final outcome of the agreement. The most successful outcome was the Government's clear commitment to achieving the target of setting the lowest rate of social welfare at €150 (in 2002 terms) by 2007. This was most clearly signalled by the new Minister of Social and Family Affairs, Séamus Brennan, when he increased the lowest rate of social welfare by €14.00 in Budget 2005. This is the highest real increase in social welfare in the history of the state. Similar increases in the next two years will mean that we will hit the target of €150 (in 2002 terms), which will effectively see the rate benchmarked at 30% Gross Average Industrial Earnings. This level of income will have a significant impact on the lives of unemployed people and other social welfare recipients.

The main thrust in Sustaining Progress for the Community and Voluntary sector was the 10 Special Initiatives, which were designed to unblock longstanding and intractable problems in Irish society, mainly of a social nature. The focus of these 10 initiatives was to bring imaginative solutions to these serious difficulties. Given the nature and extent of the issues involved, it is difficult to see how they can be resolved neatly in the three years of a partnership agreement.. Unfortunately, progress has been patchy to date – the main benefit, however, is that these issues are clearly in the frame for action and interdepartmental co-operation, both now and beyond Sustaining Progress.

The main Special Initiative of interest to the INOU is Supporting the Long Term Unemployed (LTU), those who have become Redundant and those in Low-Skilled Employment. While general unemployment has maintained its low level, the

Launch of 12th Edition of Working for Work



Left to Right: Eric Conroy, General Secretary INOU; Séamus Brennan, T.D. Minister for Social and Family Affairs; Pdraig Malone, Treasurer INOU.

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level of LTU has remained stubbornly static at around 28,000. The Government seems to be giving up on its NAPS target of eliminating LTU by 2007. The level of redundancies in the manufacturing sector around the country is worrying and this trend is likely to continue into the future. In addition, the incidence of the 'working poor' brought about by low-grade, low-skilled and poorly-paid work (mainly in services) is an unwelcome side effect of economic growth in recent years.

However, some developments are positive around this Special Initiative. The Minister's commitment to maintaining Community Employment is to be welcomed. Some improvements have been made to the Back to Work Enterprise Allowance and more (hopefully) will be achieved. A new social partnership labour market committee has been formed to drive the issues and actions within the Special Initiative. In particular, the INOU will push for the creation of pro-active taskforces following significant redundancy announcements as outlined in Sustaining Progress. The taskforce announced by Minister

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MAY 2005 LIVE REGISTER FIGURES
REPUBLIC OF IRELAND

Unadjusted count: 150,826

Adjusted count: 156,800

In this issue...

- Sustaining Progress and Beyond
- NEAP Update
- Redundancies 2001 - 2004

NEAP Update: EU criticises Ireland for lack of action or insufficient action on Active Labour Market Programmes, Childcare, Gender Pay Gap and Lifelong Learning

The Joint Employment Report for 2005, drafted by the European Commission and agreed by the 25 EU Prime Ministers at the 'Spring Summit', assesses Ireland's performance and progress in relation to the specific areas that were identified by the Commission in 2003 as priority areas. This year, they rated each country's performance from 'A' to 'D':

(A: "Complete" where the reform process is (practically) complete and the desired results have practically been achieved; B "In progress" where the policy reform is well advanced and progress in implementation is being made; C "Limited" where the policy response to the recommendation is only partial and implementation is limited; D "Insufficient" where no substantial policy measures going in the right direction have been taken.)

Their findings were:

- **Active Labour Market Programmes – 'C' for Ireland**

Aim – to increase access to active labour market measures for a larger share of the unemployed and 'economically inactive' population, and ensure their efficiency.

Assessment - The EU Commission criticises what it sees as the limited progress made in this area, with these measures still not fully accessible to unemployed people and those otherwise outside or distant from the labour market.

- **Childcare (C) and Gender Pay Gap (B)**

Aim – to increase the supply and affordability of childcare facilities and urgently tackle the causes of the gender pay gap.

Assessment - In the Commission's view, progress towards increasing the supply of childcare facilities is occurring slowly, however the issue of affordability

remains a key concern. Similarly, progress in rectifying the gender pay gap has been slow.

- **Lifelong Learning – (C) for Ireland**

Aim – implement a coherent lifelong learning strategy to reduce early school leaving and increase participation in training particularly for low skilled and older workers.

Assessment - The EU Commission criticises the failure to implement a coherent strategy in this area. Also, although policies to increase participation in training are being put in place, their focus on low skilled and older workers are insufficient. The slight reduction achieved in the early school leaving rate was welcomed.

Background

The European Employment Strategy is based on an agreement by EU member states to co-ordinate employment policies. Consequently each member state draws up an annual National Employment Action Plan (NEAP) based on a series of agreed common priorities for action. These actions cover 10 policy areas / guidelines and all actions aim to satisfy the overarching objectives of :

- achieving full employment
- improving quality and productivity at work
- strengthening social cohesion and inclusion

Once submitted by the respective Member States, each NEAP is then examined by the EU Commission who in turn, in the Joint Employment Report, present their analysis and country specific recommendations for improvement.

In the 2004/2005 Joint Employment Report the EU Commission called for the gap between the employment priorities set at EU level and their implementation in the Member States to be bridged.

Why is this important?

The NEAP and its critique by the European Commission, must be brought into the public domain so as to generate political pressure to help ensure that - at a minimum - the government acts on the Commission's recommendations. Ireland's poor performance in the priority areas identified needs to be highlighted in order to refute the ongoing commentary that Ireland has attained 'full employment'. Despite low official unemployment many groups remain excluded or distant from the labour market, often for obvious reasons such as lack of childcare, poor access to life long learning opportunities etc.

What You Can Do?

- Lobby your local TD to increase political scrutiny and accountability of Ireland's performance in achieving the aims of the European Employment Strategy;
- Call for wider consultation and the involvement of the C&V sector in the compilation and implementation of the National Employment Action Plan;
- Write letters to the media, explaining the process of the NEAP and how poorly Ireland has been faring in achieving key priorities.

Further Information

- A useful summary of the Joint Employment Report 2004/05, along with the critiques of each member states plan is available on the EU's 'Europa' website www.europa.eu.int/comm/employment_social/employment_strategy/employ_en.htm. Please note: The main document is just an executive summary. The assessment of each country is under Appendix 1. The grid comparing performance is under Appendix 2. ■

Sustaining Progress and Beyond.....contd. from page 1

Cullen for Dungarvan, following the Waterford Glass job losses in the town, is a welcome precedent. Other Special Initiatives on Tackling Educational Disadvantage and Ending Child Poverty have potential to deliver reasonable impacts on ending social exclusion and poverty if carried through on their goals and key actions. There are also cross-cutting issues between these Special Initiatives which need to be maximised as far as possible.

Economic growth has picked up since Sustaining Progress was ratified and the national finances are in better shape. Unemployment is projected to move closer to 4% and to remain low into the near future. This headline ILO figure, as the INOU has constantly stated, masks high unemployment/poor employment rates in various marginalised groups and locations around the country. A more pessimistic view of future trends in Irish unemployment can be argued with merit. One in eight workers are working in the construction industry. Whilst employment in this sector thankfully remains buoyant it is difficult to see how these levels can be sustained onto the future. Any downward

movement in the construction activity will inevitably lead to job losses. Projections for manufacturing output in the economy are poor, not only in traditional manufacturing industries which are continuing their decline, but also in the high-tech and chemical sectors. As a result, this industrial sector could report its first annual fall in output for more than 20 years. This will clearly have a negative impact on employment.

Despite economic improvements, the disparities between rich and poor remain stubbornly high. Ireland has one of the highest levels (22%) of relative income poverty in the enlarged EU. The level of economically inactive also remains relatively high. The profile of those reliant on the social welfare system has changed in the past decade, with fewer recipients of unemployment payments and larger numbers of Disability and One Parent Family Payment claimants. In this climate, the INOU will be looking for social inclusion measures to improve employment rates among vulnerable groups and to enable all citizens to live life with dignity. A well-funded Development Welfare State as envisaged by the NES, with particular reference

to good quality public services, will be a key area for action in the next round of social partnership. The INOU will also be looking for action on eliminating LTU by 2007, measures to combat high levels of youth unemployment and a raising of the threshold for the retention of secondary benefits.

The social partnership sub-committee of our National Executive Committee is currently in the process of formulating our priorities for the next round of Partnership negotiations, which are expected to commence towards the end of the year. A copy of our outline priorities will be circulated to INOU affiliates for consultation in the coming months delegates at the INOU Annual Delegate Conference (ADC) on 26th September will have an opportunity to vote on the INOU entering into the Partnership negotiations on the basis of the agreed priorities for the organisation. Subject to the outcome of ADC in September, a Special Delegate Conference will be called (probably early in 2006) to vote on whether to accept any new Partnership Agreement for the period 2006-2008. ■



Know your rights

Q Question

Has the national minimum wage been increased?

A Answer

From the 1st May 2005 the national minimum wage increased to €7.65 an hour.

The National Minimum Wage was introduced in April 2000 setting the minimum hourly rate of pay. The Act applies to all employees, including full-time, part-time, temporary or casual employees, except in the following circumstances:

- Close relatives of the employer such as: father, mother, son, daughter, brother and sister.
- Any employee under going structured training, such as an apprenticeship.

Employees under age 18 are entitled to 70% of the national minimum wage (NMW), which amounts to €5.36 per hour. If they continue to work in the same employment once they reach 18 they must be paid €6.12 per hour (80% of NMW) for the first year and €6.89 per hour (90% of NMW) for the second year.

Those over the age of 18 who are starting employment for the first time are entitled to 80% or €6.12 per hour for the first year, and 90% or €6.89 per hour for the second year. In both cases, they are entitled to the full rate after two years.

Employees undergoing training or a prescribed course of study are entitled to a percentage of the national minimum wage for hours worked as follows

Over 18 – in structured training or study undertaken in normal working hours

1st one third period	€5.73
2nd one third period	€6.12
3rd one third period	€6.88

Complaints regarding breaches of the National Minimum Wage Act 2000 can be made in confidence to the Employment Rights section, Department of Enterprise, Trade and Employment, Davitt House Adelaide Rd. Dublin 2. The Department's Inspectors, who have powers to enter places of work and examine records, do not reveal without the consent of the person making the complaint, whether the inspection is a routine one or is a result of a complaint. Complaints regarding minimum wage may also be referred to a Rights Commissioner.

For more information on the National Minimum Wage contact the INOU on 01-856 0088 or by e-mail at welfareinfo@inou.ie ■

Launch of 12th Edition of Working for Work



Mr. Séamus Brennan, T.D. Minister for Social and Family Affairs, was present to officially launch the 12th edition of Working for Work, at the INOU offices in Araby House on Thursday 3rd June.

At the launch the Minister Brennan said "The obvious need for a comprehensive and

coordinated information pack which would enable unemployed people to compare the various support schemes and programmes available to them provided the springboard for this impressive publication. It unravels many of the more complex issues and gives practical examples to convey the essential details of each programme, together with information and guidance on how to access the programmes and where to seek further information and help when required. In that way it is a valuable guidebook that will help many along the route from welfare to work".

This edition expanded the scope of the publication to include detailed information on Social Welfare rates of payment, FÁS & Community Employment payments, Income Tax rates and bands, Rent Supplement levels and protection afforded tenants under the Residential Tenancies Act. **To order copies of Working for Work please contact the INOU on 01-856 0088 ■**

Welfare to Work Development Project - Regional Discussion Forums

Further to the first Regional Discussion Forum held in Dublin and as part of the ongoing series of meetings for welfare rights information providers, meetings for affiliates in the Longford and Limerick regions took place on the 19th and 24th of May respectively.

Both meetings were very well attended. Presentations on the theme for the meetings 'Making Work Pay' were given and each presentation was followed by an open forum discussion, with particular reference to childcare issues, secondary benefits threshold and medical card income guidelines.

The feedback from the meetings has been very positive and the INOU would like to thank all those who took part in the meetings for making them a success, in particular the staff from both the E.D.I.C Centre in Longford and the Limerick Resource Centre for the Unemployed. The second Dublin Discussion Forum takes place in June at the INOU offices, with two further regional meetings planned for later in the year.

For further information on the Discussion Forums or the work of the Development Project please do not hesitate to contact Joe McDonagh by telephone on 01 8560088 or email at development@inou.ie. ■



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- 1 From left to right: John Farrell – INOU and Pat Deedigan – Southill Community Action Centre
- 2 From left to right: Eric Conroy – INOU General Secretary, Sean Griffin – Limerick Centre for the Unemployed and Eilish Woods – Tralee Job Club
- 3 Participants in the Limerick Discussion Forum



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- 4 From left to right: Leo Cox – E.D.I.C Longford, Marcella O'Connor – E.D.I.C Longford and Joe McDonagh – INOU
- 5 From left to right: Micheal Reeves – Mullingar Congress Centre and Micheal Downey – Co. Sligo Leader Partnership

SWA and Home Help

The INOU has learned that a number of people are receiving conflicting and confusing information in relation to the retention of their Rent Supplement when employed as a home help by a Health Board. We believe this stems from an as yet unconfirmed review by the Department of Social and Family Affairs.

Following clarification by the INOU with the SWA section at the DSFA and a number of Health Boards we can confirm that income from employment as a Home Help by a Health Board is not counted as means when assessing household income.

This information is available through the Department of Social and Family Affairs website in the Freedom of Information section - Assessment of Means (Section 2 - Cash Income)

www.welfare.ie/foi/meansassess.html

and can be confirmed with the SWA sections at each regional Health Services Authority.

If you require any further clarification or assistance with a particular issue please contact the Welfare to Work Section at the INOU on 01-856 0088 or by e-mail at welfareinfo@inou.ie. ■

INOU support for NWCI Brown Envelope Campaign



Holding the INOU banner during the National Women's Council of Ireland march for Social Welfare reform to the office of the Minister of Finance were (L to R): Sean Crowe TD, Eric Conroy, General Secretary and Robin Webster, Chief Executive of Age Action Ireland.

Joint CPA/IFSRA Study on Access to Financial Services



At the Launch of a joint research project by Combat Poverty Agency and the Irish Financial Services Regulatory Authority in May in the IFSRA offices were (L to R): Mary O'Dea, Consumer Director IFSRA, Eric Conroy and Helen Johnston, Director of the CPA.

Peanuts4benefits

The Peanuts4 Benefits event, held across the UK on 6th April 2005, was the culmination of months of work undertaken by OUNI and other organisations addressing the issue of income adequacy.

'Income Adequacy' in the context of social security benefit levels has been raised in a number of motions to the OUNI Annual Delegate Conference in the last couple of years. These motions were passed by conference delegates and in response OUNI linked up with the UK National Unemployed Centres Combine to instigate a national campaign on the issue.

Social Security benefits in the UK are not indexed to prices or wages. Rather they are up rated annually using the Rossi Index – a measure of inflation that excludes housing costs such as rent. The index dropped to 1% in September last year according to the Government Office of National Statistics. Therefore benefit levels were up rated by 1% in April 2005 – the lowest rise in benefits in over 30 years.

In April 2005 a single unemployed person aged over 25 saw their Jobseekers Allowance increase from £55.65 to £56.20 – a rise of 55pence. In stark comparison, unemployed people in the Republic of Ireland saw their benefits increase by €14.

The Peanuts4benefits events were organised throughout the UK on 6th April to highlight firstly low rates of benefit levels generally and secondly the lowest increase in benefits in over 30 years. In London, a protest was held outside Downing Street where wheel barrows of peanuts were taken to the Prime Minister's door. Events in Northern Ireland were organised in Belfast, Armagh, Lurgan and Strabane. In these areas protesters stood outside benefits offices handed out information leaflets and peanuts to passers by. The Northern Ireland events attracted much media attention both locally and regionally.

Lynn Carvill, OUNI co-ordinator said, "The general public and indeed the media were genuinely surprised when informed of benefit rates. We had a simple message to convey. Social security benefits will become meaningless, unless they are indexed to rises in average wages. This is the beginning of the campaign and we intend to highlight the issue every year when benefit levels are up rated." ■

Farewell to June Tinsley

We are sad to report that INOU Policy Officer, June Tinsley is leaving the organisation on 8th July to take up a position with Barnardos, the Children's Charity.

June joined the organisation on 21st October 2002. During her time in the organisation June has established good working relations with a wide range of individuals and groups including NEC members, INOU affiliated organisations, individual members, civil servants, journalists and politicians. We are sorry to lose June and wish her every success in her new post. ■