



BULLETIN

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The Irish National Organisation of the Unemployed is a federation of unemployed people and 200 groups throughout the country, concerned with combating unemployment.

Budget 2005

The INOU believe that Budget 2005 provides an opportunity for the Government to show its commitment to the promises made in the Sustaining Progress Agreement by focusing on the poorest in society and by creating the most favourable conditions for job creation and growth.

In our pre-budget submission the INOU is calling for improvements in 5 key areas.

Social Welfare Payments:

- ▶ Increase the lowest social welfare payments by €14.50
- ▶ Raise the Qualified Adult rates to 70% of the personal rate.
- ▶ Increase significantly the income limit (currently €317) for the retention of secondary benefits.

Ending Child Poverty:

- ▶ Standardise all Child Dependent Allowances to the upper rate of €21.60.
- ▶ Increase the Back to School Clothing and Footwear Allowance to €125 and €190 (for younger and older children respectively).
- ▶ Increase the income limits for FIS.
- ▶ Introduce a part-time unemployment payment.

Employment Supports:

- ▶ Any changes to ALMP's should be in the best interests of the participants.
- ▶ Reduce the qualifying period of the Back to Work Allowance.

Job Growth:

- ▶ Job creation policies must stimulate growth in all sectors and at all levels and be regionally dispersed.
- ▶ The qualifying period for the BTWEA should be returned to 12 months and recipients should be eligible for FIS.

Taxation:

- ▶ Increase Ireland's tax take through the introduction of various taxation measures.
- ▶ Remove all National Minimum Wage earners from the tax net. ■

For copies of the Submission, please contact the INOU or visit our website: www.inou.ie

INOUE MID-TERM REVIEW OF SUSTAINING PROGRESS

Overview

Sustaining Progress is the first social partnership agreement to have a mid-term review since agreements began in 1987. This arose out of the uncertain economic conditions pertaining at the start of the current agreement. While most commentators refer to the pay element review, the whole agreement has been under review in recent months. In this context, the INOU has been examining Sustaining Progress to assess what it has delivered to unemployed people and other marginalised groups in society.

It must be noted that the mid-term review is not a re-negotiation of the agreement, but rather a review of progress to date and of the potential of the agreement to deliver on its commitments over the next 15 months.

Benefits of the Agreement

We set out at this time the secured and potential benefits of Sustaining Progress for the INOU and its constituents:

● Increase in the lowest rate of social welfare

The increase of €10 per week in Unemployment Benefit & Assistance in the last budget was a fairly significant step along the road to agreed social welfare benchmarking. With inflation down to below 2% (at budget time), this meant a sizeable real increase in the pockets of unemployed people. This contrasted sharply with the increase of €6 in the previous budget which was virtually all swallowed up with inflation. With increases in excess of this in future budgets, the government can achieve its target of €150 p.w. in 2002 terms by 2007.

● Active Labour Market Programmes (ALMP's)

There are two sides to this issue which can both be seen as positives:

(a) Reassurances about budgets and numbers: following speculation in recent times that CE could be reduced to around 15,000 and that JI and Social Economy would be eliminated, it is welcome that the budget for ALMP's has been fixed at the 2003 level into 2004 (€351m.) and that participation numbers have been pegged at 25,000 in total.

(b) Future of CE/JI/SE: Consultation has commenced between the government and the social partners on the future of ALMP's. Arising from this, discussion proposals on the future of CE, JI and Social Economy have been circulated. The INOU has responded to these proposals and we look forward to engaging with government on the future of ALMP's. In the current political and economic climate, we are confident that through social partnership, we can maximise the potential for a renewed progression-led Community Employment programme and other ALMP's.

● Special Initiatives (SI): Long Term Unemployed etc./Tackling Education Disadvantage

The SI on Supporting the Long Term Unemployed etc. contains several good elements (apart from key references to CE/JI/SE) for unemployed people, if implemented. In particular, pro-active task forces with resources would have considerable impact in places such as Donegal, which is experiencing bleak news on the job front at present. We look forward to their operation on the ground over the next 12 months.

The SI on Tackling Educational Disadvantage, if fully implemented, would be a major boost in the long-term fight against unemployment in society. Given the strong correlation (especially in Ireland) between lack of educational attainment and unemployment (and

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SEPTEMBER 2004 LIVE REGISTER FIGURES
REPUBLIC OF IRELAND

Unadjusted count: 160,466

Adjusted count: 163,700

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Tesco Initiative Welcomed

The Irish National Organisation of the Unemployed is delighted to learn that the Tesco supermarket group recruited up to 100 long-term unemployed people for its new outlet at Clare Hall, Malahide Road, Dublin. The total number of staff for the store is 450 people. This initiative is in association with the Northside Partnership.

The initiative involved individuals from the locality, some of whom had been out of the workforce for more than ten years. Recruitment into Tesco was contingent on completing a 20-week training course done through FÁS. The training included a 10-week FETAC accredited course as well as a 10-week work placement in the Tesco store. The store, which is the largest Tesco store in Ireland, opened its doors in July.

Such initiatives are very welcome and the INOU would encourage other employers to do likewise. Being unemployed for over one year can be very demoralising for people, so when employers actively recruit amongst these ranks it can help dispel some of the stigma associated with being unemployed. Long-term unemployed people are in grave danger of becoming excluded from society. This will help boost their confidence in looking for a job.

Currently there are 26,300 people who have been unemployed for over a year and this does not include those who are classed as 'inactive' or 'distanced from the labour market'. Despite the presence of some Government programmes / interventions to assist the long-term unemployed back into the labour market, more direct actions by employers in all sectors is needed. ■

Revamping the Rent Supplement Scheme

The Department of Social and Family Affairs and the Department of Environment, Heritage and Local Government recently announced major amendments to the rent supplement scheme. Under the new measures, the rent supplement scheme will now be refocused on meeting short-term income maintenance needs while local authorities will assume responsibility for meeting long-term housing needs.

All of those in receipt of rent supplement for 18 months or more and other rent supplement applicants who have a *prima facie* long-term housing need will undergo a housing assessment by the local authority and will then be provided with accommodation by the authority. The local authority response will be accommodation-based and will not involve payment of rent allowances to tenants.

A variety of accommodation arrangements will be put in place. These could include specifically built premises, existing supplementary welfare allowance rented properties and new developments under public private partnerships which could be financed, developed and operated on a long-term basis exclusively for households designated by local authorities. This is in addition to the local authority's commitment in the area of social housing provision.

The new arrangements will commence on a phased basis from September of this year in a representative selection of areas. The proposed locations for initial roll-out are Dublin, Galway and Limerick cities, South Dublin, Donegal, Offaly/Westmeath Co. Councils and Drogheda Town Council. By September 2005 the new arrangements will have commenced in all local authorities. ■

One in three Appeals found in favour of appellants

The Social Welfare Appeals Office is an independent office operating under the auspices of the Minister for Social and Family Affairs. It deals with appeals on decisions made in regard to entitlement to benefits provided under the Social Welfare Acts and also deals with questions regarding the insurability of employment. In addition it provides an appeals service to the Health Boards in relation to questions pertaining to Supplementary Welfare Allowance.

In 2003 the Social Welfare Appeals office received a total of 15,224 appeals, this is in addition to 6,156 which were in process at the beginning of January 2003.

The total number of appeals determined in 2003 was 16,049, of which 9,908 appeals were decided in favour of the appellant - 2,778 were fully allowed while 498 were partly allowed.

Although 6,612 of the appeals dealt with were disallowed, and a further 2,403 were withdrawn, the remaining 7,034 resulted in decisions which were in favour of appellants. This left 5,331 appeals in progress at the end of December 2003.

Of the total amount of appeals in 2003, just over 30% (4,667), related to appeals against decisions relating to Unemployment Benefit & Assistance - see table below. These figures are broadly in-line with findings of previous years.

Outcome of Appeals by Unemployment Category - 2003

	Allowed	Partly Allowed	Revised Decision	Disallowed	Withdrawn	Total
Unemployment Benefit	355 21%	65 4%	164 10%	1,026 61%	60 4%	1,670
Unemployment Assistance (Payments)	336 16%	48 2%	95 5%	1,556 74%	62 3%	2,097
Unemployment Assistance (Means)	137 11%	91 7%	184 14%	753 58%	139 11%	1,304

Although the Appeals office does not publish individual decisions, a number of interesting cases were highlighted in its Annual Report that are worthy of note in the context of Genuinely Seeking Work (GSW) regulations and Unemployed People. Copies of the Annual Report can be obtained from the Social Welfare Appeals Office, D'Olier House, D'Olier Street, Dublin 1 or can be downloaded from the DSFA website using the following link www.welfare.ie/appeals/annreps/annrep03.html.

If you require assistance with any aspect of making a Social Welfare or Health Board appeal contact the INOU at 8560088 or by e-mail at welfareinfo@inou.ie ■

Closure of Donnycarney Unemployment Action Group

It was with great sadness and concern that we learned of the closure of Donnycarney Unemployed Action Group (DUAG). DUAG closed their doors on 1st October after ten years of serving the local community. Richie Green, former INOU Vice-Chairperson and NEC Member, who was tragically killed in a car crash together with his daughter over 5 years ago, was a founding member of the Group.

Des Graham of DUAG, who will be known to many INOU affiliates as a tireless campaigner for proper funding arrangements to be put in place for community organisations, has advised that the reason for the difficult decision to close the group was based on the increased financial burden facing the organisation. The INOU is very concerned that at a time of record exchequer returns, local community organisations continue to go to the wall due to inadequate funding. We wish to thank DUAG for all their support to the INOU over the years and extend our every good wish for the future to Des and all of the other people involved with the organisation. ■

Launch of 'A Plain English Guide to Financial Terms'



Left to right: Sile de Valera, Minister of State, Department of Education; Ted McGovern, Chief Executive, EBS Building Society; Inez Bailey, Director NALA.

In launching the joint EBS/NALA guide, Minister de Valera welcomed it as an important resource that will help to create a much greater understanding of the dense and obscure jargon which is used on a daily basis in relation to all aspects of the money business.

INOU Annual Delegate Conference

The INOU's Annual Delegate Conference (ADC) was held on Wednesday 15th September at Croke Park. There was an excellent turn out from our affiliates from around the country. We were also delighted that Tom Best and Julie Gibson from the Peoples Centre in Liverpool and Kalle Kunass from Finland, representing the European Network of the Unemployed, were able to attend the Conference.

The opening address was given by Fintan O'Toole, the well known writer and journalist. Fintan commented on a wide range of social issues in what was a very thought provoking speech that challenged the widely held perception that issues of poverty and unemployment in Ireland have been solved. Appropriately, given the venue, Fintan used a sporting metaphor to describe what he sees as being the true nature of Irish society. Fintan referred to the lack of a level playing field that resulted in one team already being on the pitch whilst the other was en-route to the venue pushing a clapped-out bus only to arrive to discover that the game was over. Fintan spoke passionately about the debt that is owed to the people who bore the brunt of the economic pain taken in the 1980s and early 1990s – the hundreds of thousands of people who suffered unemployment or who emigrated to find work. Fintan commented that the burden of economic failure was not shared equally and pointed to the scale of the deliberate and organised tax evasion that was prevalent at the time.

Fintan ended by thanking the INOU for inviting him to speak and encouraging the organisation to continue to ensure that the voices of unemployed people were heard and to maintain the fight to ensure that the debt that is still owed to the unemployed people is honoured.

Eric Conroy, General Secretary, gave an overview of the key issues for the organisation since the last Conference. Eric referred to the improved economic and employment situation that had developed over the last year and the welcomed slow down in the number of redundancies being announced together with a rise in youth employment. This was in contrast to 2003 which saw increasing redundancies and rising youth unemployment. Eric referred to the mid-

term review of Sustaining Progress, the policy drift in terms of developments on Active Labour Market Programmes, the new Rural Social Scheme and the Savage 16 social welfare cuts. Eric also highlighted the improved government finances and expressed the hope that Budget 2005 would deliver results for unemployed people and other groups experiencing social exclusion. Eric also outlined details of the internal work of the organisation and referred to the new Welfare to Work Development Project, the launch of the 11th edition of Working for Work and the completion of a series of policy modules.



Fintan O'Toole

21 policy and constitutional motions were submitted for discussion and debate at the Conference. The motions ranged from Community Employment/Jobs Initiative to Rent Allowance, FIS, Making Work Pay and conditionality in relation to Genuinely Seeking Work criteria. Many delegates spoke with great passion and commitment on the motions. Of particular significance

was the passing of a constitutional motion from the INOU General Branch that will guarantee a position on the INOU National Executive Committee for the General Branch nominee. This is a very welcomed development in the organisation.

Work will commence immediately on progressing both the motions agreed at Conference and those motions that were referred back to the NEC for further consideration. Details on the progression of the motions will be outlined in future editions of the Bulletin.

In contrast to the 2003 Conference, there was no election to the National Executive Committee as there was an equal number of nominations to places available on the NEC. The INOU is delighted to welcome the new NEC member from TARGET, Gerry McNamee. Nominations will be invited to positions on the Officers Board at the next NEC meeting and full details of the NEC/Officers Board will be outlined in the next edition of the Bulletin.

The INOU would like to take this opportunity to thank everyone who came to the Conference and looks forward to an equally successful conference in 2005. ■

leading to long term unemployment) we in the INOU are supportive of educational initiatives to meet the challenging NAPS educational targets, including 90% completion of second-level education by 2006. The key actions set out under this special initiative, including literacy, numeracy and early school leavers are welcome and will go a long way in helping to achieve the targets.

● Other benefits

Back to Work Enterprise Allowance (BTWEA) Budget 2004 has changed the period of eligibility for long term unemployed people for this scheme from 5 years back to 3 years. This arises directly from regular INOU lobbying on the issue of Back to Work generally and the BTWEA in particular. Back to Work schemes are mentioned in the Special Initiative on Long Term Unemployed etc. in relation to how Community Employment and other ALMP's can best meet the needs of the long term unemployed. With the improved national finances, we hope that the minister will bring the eligibility period back to 12 months.

Another benefit that can be enumerated which does not arise directly from the pages of Sustaining Progress is Family Income Supplement, but is implicit in the process of social partnership. F.I.S. levels were raised in Budget 2004 by €28, which is equivalent to 7.4% on the lowest level. This is seen as a reasonable increase in the light of low inflation at the time.

The pay deal review (involving government, ICTU & IBEC) has also produced the following benefits for all in society:

- The National Minimum Wage will be increased from 1 May 2005
- The maximum for redundancy payments has been increased from €508 to €600 per week
- Maternity benefit has been increased to 80% of gross pay
- 0.5% extra pay increase for low-paid workers

● Disappointments

The main disappointments of Sustaining Progress would include the following:

- Child payments (CB/CDA): The government has prolonged its implementation of its commitment on Child Benefit and it has made no move on any increase in Child Dependent Allowance. The latter payment has not changed since 1994: thus families on social welfare are not being targeted to help eliminate child poverty. This is a backward step in relation to the Special Initiative on Ending Child Poverty.
- Retention of Secondary benefits threshold has also not moved since 1994 and is now a serious impediment in the efforts to "Make Work

Pay" It is in contravention of 2.7.1 in Sustaining Progress: "Government will continue to seek to address any barriers or disincentives to taking up employment".

- The Social Welfare "Savage 16" cut-backs have been a thorn in our side since they were announced in the 2004 Estimates. Some mitigation/improvements on the rent issue has been achieved with the Minister in recent months, through the offices of social partnership.
- Delays on Special Initiatives have been an issue with the C & V sector in recent times. At the half way mark, not a lot of achievement can be chalked up under the 10 Special Initiatives. Government departments have shown inertia and/or a lack of willingness to co-operate on complex issues that can cut across several departments.

Current position

The current economic situation is more favourable than at the negotiations for the present agreement.

The ESRI is now predicting GDP in excess of 5% for 2004. Unemployment has fallen from 2003 peaks and inflation is lower than in recent years. The national finances are in a much healthier state than even predicted at Budget 2004 time. Tax revenue for the first eight months of the year were €1.5 billion ahead of projections. There is now scope for the Minister of Finance to fund more social expenditure.

The results of the local and European elections in June, in which the government parties took a hammering, has changed the political landscape. There is a clear desire on the part of Fianna Fail to change the right-wing image of the government and reverse cutbacks on social programmes. Charlie McCreevy's departure for Brussels signifies a change in expenditure policy in the Department of Finance. Thus we can be optimistic about the outcomes on Budget Day in December.

Over the summer months, following the prolonged review of Sustaining Progress by the various social partners, we now know that ICTU and IBEC have signed up for the remainder of the agreement. We know of nobody in the C&V Sector who plans to leave the agreement at this time. Therefore it would be precipitate for the INOU to leave now.

INOUE Position

Due to the prolonged nature of the mid-term review and the social partners' decision-making processes, the INOU has put off its decision on the agreement until the new National Executive Committee meets in

October. At this stage, with several potential benefits to emerge with the passage of time, it is difficult to pronounce on the success or failure of the current agreement.

However, we remain optimistic that positives will flow from current work-in-progress over the second half of the agreement. In that light, the current assessment would be that the positives will outweigh the negatives and that we should not abandon Sustaining Progress at this time. With the public finances in better shape than at the beginning of the agreement, we are well placed to get satisfaction for our constituency from the next couple of Budgets and Estimates. In addition, the political wind is behind us in our endeavours to achieve substantial improvements in the lives of unemployed people and their families. We can only maximise that situation if we are inside social partnership and lobbying at every opportunity that social partnership bestows on us. ■

Re-order Working for Work



Following the launch of the 11th edition of Working for Work by Sile de Valera, T.D., Minister of State at Department of Education and Science, the demand for books from affiliates, Community & Voluntary sector groups, Statutory Agencies and unemployed people once again exceeded expectations.

In addition to updating essential information on a wide-range of Social Welfare and other issues, this edition expanded the scope of the publication to greater accommodate the needs of the many people who have no experience of unemployment and are now faced with the threat of being out of work.

Given the unprecedented demand for Working for Work we are advising all affiliates to submit orders for additional copies as soon as is possible in order that we will have sufficient copies to meet their needs.

Orders can be placed by contacting the INOU by telephone on 8560088 or e-mail at welfareinfo@inou.ie