



# 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.*

## Budget 2007 Analysis

In its pre-budget submission the INOU had sought an increase of €17 to the lowest welfare payment and was pleasantly surprised when it was increased by €20 instead. We had also called for an increase in the Qualified Adult payment to 70% of personal rate: QA was increased by €13.30 and so now stands at 66% of the personal rate. Child Dependant Allowance has remained unchanged for many years and the INOU had called for an increase of €7.20 to €24. The Government decided to standardise qualified child payments across all schemes and set the figure at €22.

Increases in Back to School Clothing and Footwear Allowance by €60 per child for children aged from 2-11 years of age and by €95 per child for 12-22 year olds were again greater than the INOU sought. These allowances now stand at: €180 and €285 respectively.

In terms of other changes: the weekly income thresholds for Family Income Supplement increased by amounts from €15 to €185 depending on family size.

The introduction, from September 2007, of a daily earnings disregard of €20 per day for up to 3 days for Jobseeker's Allowance and Farm Assist recipients with children; and an increase of €7.30 to €20 in the daily earnings disregard for JA and FA recipients without children.

Later on in the year as part of the State's focus on rewarding work it is proposed to reform how a spouse's income is assessed for those in receipt of Jobseeker's Allowance; PRETA; Disability Allowance; and Farm Assist.

Changes were also announced with regard to Rent Supplement. For example, a minimum disregard of €75 and a disregard of 50% of additional income between €75 and €200 was proposed. However, Legislation currently going through the Oireachtas proposes a minimum disregard of €75 and a disregard of 25% of any additional income.

So did the INOU get everything it asked for and more? No.

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## National Development Plan

**On the 23rd of January 2007 the new National Development Plan was launched. It is designed to cover the period 2007-2013 and to spend €184 billion. This may appear like a lot of money but it is worth noting that in 2007 the Government estimates it will spend €54 billion. You may ask does this include projects they have outlined in the National Development Plan? A reasonable question: but one that is not easily answered.**

The NDP is divided into five Priorities: economic infrastructure; enterprise, science and innovation; human capital; social infrastructure; and social inclusion. The key priorities from an INOU perspective are under the human capital and social inclusion headings.

Planned expenditure under the Human Capital priority is €25.8bn: within this €7.7bn is earmarked for training and skills development, and within that programme €4.9bn will be spent on a sub-programme focusing on activation and the participation of groups outside of the workforce.

On page 193 it is noted that the "key objective of this Sub-Programme will be to provide targeted training and services to groups outside the workforce such as the unemployed, people with disabilities, lone parents, Travellers, prisoners as well as encouraging the increased participation of women, older workers, part-time workers and migrants in the workforce." What is interesting about this objective is that it is phrased slightly differently earlier in the plan as on p41, it notes that the objective is "to expand the workforce through the activation of groups such as..." The first quote gives no indication as to what end those currently outside of the labour force will be 'activated' while the second makes it clear that people will be activated for the expressed purpose of expanding the labour force.

The INOU believes that it is crucially important that activation is "operated in a supportive and positive manner working in an inclusive way with the customer" (p51 the latest National Social Partnership Agreement, 'Towards 2016').

So how does this planned expenditure on activation (which includes the National Employment Service; the National Employment Action Plan) link with the proposed activation under the Social Inclusion Priority? Again a good question and one the INOU and other NGOs are seeking an answer to.

As proposed in T16 the Department of Social and Family Affairs will lead up the activation process under this heading: and they will have €50m over the 7 years of the NDP to undertake this work. Obviously if DSFA are to reach their target of assisting 50,000 people then they will have to link up with other work under the broad headings of education and training. To this end for 'people of working age' it is proposed to spend €4.2bn on education and €1.16bn on social and economic participation – the monies allotted to DSFA are to be found under this heading.

What is striking about all of this expenditure is the lack of any real innovation and any sense of linkage being made across initiatives striving one assumes to the same broad end. Education and training aimed at adults provides the most striking example even though there are three Government Departments spending considerable sums of money.

On p238 of the NDP it notes, "To ensure a better integration of activation, income and other supports to assist people into employment a new high-level group will be established." DETE, DSFA and FÁS are listed as members but no members from the social partners including the

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### 2007 LIVE REGISTER FIGURES

REPUBLIC OF IRELAND

Unadjusted count: ..... 159,399

Adjusted count: ..... 157,800

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## National Development Plan

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Community and Voluntary pillar are listed. Also given the well-established links between unemployment and poor educational status and the overall employment and economic aim of creating a knowledge-based economy, it seems extraordinary that the Department of Education and Science is also not a proposed member.

The exclusion of the CVP flies in the face of social partnership and raises questions about how this group will link with the Social Partnership Group on the Labour Market envisaged on p194 and which has not met in a long time.

There is no mention of 'Active Labour Market Programmes' in the NDP: indeed it is striking how little they are referred to in recent policy documents even though it is estimated that in 2007 FÁS will spend €386m on employment programmes.

Under the Social Inclusion Priority €49.64bn will be spent including €861m on Community Development and Services: which includes the old Social Economy Programme. This appears to be an increase but is one of the areas where it is hard to be sure. An employment focus will be maintained within the Local Development Social Inclusion Programme including "Progression towards and within the labour market for people who experience social exclusion, whether seeking to return to the labour market, unemployed, under-employed, or at risk of unemployment." (p263).

Again there is no indication how the learning arising from such work will feed back into the development of other policies and practices around exclusion from the labour market. ■

## Budget 2007 Analysis

... (cont'd from page 1)

For example, there was no joy on the organisation's call for an increase in the income limit for the retention of secondary benefits. There was no movement on medical card eligibility: either with regard to the income threshold or the call for every person solely dependent on a welfare payment to automatically receive one. There was no change in the qualifying period for the Back to Work Enterprise Allowance or the Back to Work Allowance, which still stand at 2 years each.

The organisation would also be concerned that with the increased focus on activation - down from 6 to 3 months since the beginning of '07 and the inclusion of new target groups within its remit, Lone Parents at present - that there is no evidence of the necessary increase in resources to ensure that this will be a positive and constructive experience for those involved. ■

## Employment / Unemployment 2006

In the past when people talked about the unemployed they invariably meant people on the Live Register (LR). Nowadays with more people working part-time and signing on for their remaining days the LR is not seen as a good indicator of unemployment as such. Instead the information collected and analysed through the Quarterly National Household Survey is seen as a better indicator.

The latest QNHS for the fourth quarter in 2006 noted that 88,700 people were unemployed. The seasonally adjusted rate of unemployment now stands at 4.2%. In comparison to Q4 2005 unemployment fell by 2,600: 2,500 of this was a fall in female unemployment and within short-term unemployment.

As a consequence long-term unemployment remained at 1.3% and accounts for 27,100 people. In 2002 in the National Anti-Poverty Strategy a target was set to eliminate long-term unemployment by 2007.

This target was not renewed in the recently launched National Action Plan for Social Inclusion though long-term unemployment is now 5,700 higher than in was in the fourth quarter 2001.

In February 2007 the seasonally adjusted Lived Register figure stood at 157,800 people. This figure was up 1,500 on January 2007 and down 100 on February 2006. During the first half of '06 the Live Register rose 1.5% to 160,000 in June, then decreased by 2.9% to its lowest level in September at 155,300 and rose again by less than 1%. The Standardised Unemployment Rate (SUR) at the end of 2005 was 4.4%, rose to 4.5% by the end of 2006, and now stands at 4.3%.

On the employment front there was an increase of 4.4% to an historic figure of 2,066,100 people in employment. The overall participation rate stands at 63%. The two sectors showing the greatest employment growth were construction and services, which includes public services.

The QNHS Q4 2006 noted that 55% of the increase in employment was in the construction and health sectors: 28,400 and 18,700 respectively. It is interesting to note that though construction employment is predominantly male this growth had very little impact on male unemployment: which dropped by only 100 over 2006.

During 2006 redundancies continued to grow with 23,684 by the end of the year. This is an increase of 2.3% on 2005. 31%

of the job losses were in combined manufacturing; and even though services is seen as an employment growth area 31% of job losses were in 'other services'. However it is important to note that 'other services' does not include banking and financial services and communications. ■



### Relocation of DSFA Information Section

In accordance with the Government's decentralisation programme the Information Services section of the Department of Social & Family Affairs has moved to Sligo, as of Monday 12th February 2007.

Their new address is:

**Information Services  
Floor 1  
Social Welfare Services Office  
DSFA  
College Road,  
Sligo.**

## INOU Appoints new Senior Policy Officer



**Bríd O'Brien**

We are pleased to report that Bríd O'Brien has recently joined the INOU as Senior Policy Officer. Bríd brings a wealth of experience to the position having previously worked for 14 years with Pavee Point Travellers Centre.

As Senior Policy Officer, Bríd will have a key role in formulating and developing INOU policy on unemployment, social welfare and the labour market. Bríd will also represent the INOU in Social Partnership Structures and will act as the organisation's media spokesperson.

Bríd is looking forward to linking with as many of our affiliated organisations as possible during the course of her work and is contactable here at the INOU on 01 856 0088 or at [policy@inou.ie](mailto:policy@inou.ie). Bríd's appointment has also facilitated the transfer of Eric Conroy, General Secretary, to the post of part-time Financial Controller.

Having successfully undertaken the role of General Secretary for nearly 5 years, Eric has decided to step down from this full-time position in order to pursue other interests. The INOU is very grateful for all of Eric's work as General Secretary and we are delighted to be retaining his services in his new Financial Controller role.

The INOU's National Executive Committee and staff are currently formulating a new Strategic Plan for the organisation and a determination will be made on the replacement arrangements for the General Secretary in the context of the new Plan. INOU affiliated organisations have an important role to play in the formulation/agreement of the new Strategic Plan and we hope to be in a position to provide an update on developments on the new Plan in the near future.

In the meantime, pending a decision on the General Secretary role, the INOU's Senior Management Team consists of Bríd O'Brien, Senior Policy Officer, Eric Conroy, Financial Controller and John Stewart, Assistant General Secretary.

## Welfare Fraud in the news... again

The issue of fraudulent Social Welfare claims has once again hit the headlines following a decision by the Department of Social and Family Affairs to investigate almost 500,000 fraud cases – some dating back as far as 1987.

According to reports, cases which have outstanding debt of over €1,000 and large fraud cases where the value exceeds €5,000, regardless of time, will be the main focus of the investigation. Although the DSFA has undertaken to review cases on individual circumstances the INOU is concerned as to how this will actually be applied in practice.

In recent months the INOU has had particular experience of cases where the department has sought civil prosecution without apparent reference to other forms of resolution – particularly in one instance where a repayment schedule had been agreed and kept to over a period of 12 months, but a decision was nonetheless made to prosecute.

While the INOU would appreciate the necessity to implement and support adequate 'control' measures to protect the welfare system, we would question the morality of the economies of scale as

applied to those on Social Welfare payments when compared to the prosecution and penalties imposed on those convicted of so-called 'white-collar' crime and state corruption.

A civil conviction for Social Welfare fraud can have long-term and far reaching implications for those who can least afford it. Such convictions can result in a lifelong 'mark' against an individual which could affect their employment prospects, credit and lifestyle choices.

The INOU would call on the DSFA to ensure that the application of this process will be carried out in a transparent, consistent, fair and even handed manner.

It is incumbent on the Department to utilise the services of agencies such as MABS (Money Advice & Budgeting Services) in seeking resolutions which do not unfairly penalise individuals where structured resolution is possible.

The INOU will seek to monitor the roll-out of this policy on a local and national basis and would encourage groups and organisations to feedback any issues of concern in the implementation of this current 'anti-fraud' drive.

Contact the INOU on 01 - 856 0088 or by e-mail: [welfareinfo@inou.ie](mailto:welfareinfo@inou.ie)

## FETAC Quality Assurance

### INOU Receives FETAC Quality Assurance Award

We are delighted to report that the INOU's application for registration with the Further Education and Training Awards Council (FETAC) has been successful.

The organisation applied for registration during 2006 and received notification from FETAC that our Quality Assurance Procedures had been agreed in December.

This is a major achievement for the organisation as it means that we are now registered with FETAC as a training provider offering programmes leading to FETAC awards.

Over the coming months, the organisation will start work on developing 'in-house' programmes that, subject to FETAC approval, will lead to FETAC awards.

Further information on these will be outlined in due course.



From left to right – Donal O'Rourke, Chair of FETAC, John Stewart, Assistant General Secretary INOU and Stan McHugh CEO of FETAC at the FETAC Quality Assurance Awards, Clontarf Castle.

You will find more information on the INOU's current Training Courses & Training Services on our website: [www.inou.ie/training](http://www.inou.ie/training).

## Early Childcare Supplement

The Early Childcare Supplement is a payment intended to help with childcare costs and is payable where Child Benefit is received for children under 6 years of age.

This payment, which came into effect on April 1st 2006, is a non-taxable payment and is being paid by the Department of Social and Family Affairs. The payment amounts to €250 per quarter (€1,000 per year) for each eligible child.

Payments will be issued on the second Monday of April, July, October and December.

The full quarterly payment is due for each child who is aged under 6 at any time during that quarter. That is, the full amount of €250 will issue whether your child is aged under 6 for the full quarter or just for one day during the quarter. Payment will also issue for the quarter in which your child turns 6.

Payments will be made in the same way as Child Benefit (CB) payments are already made. For example, if Child Benefit paid into a

bank account, the Early Childcare Supplement will be automatically paid into the same account.

If Child Benefit is collected at the Post Office with a book, the Early Childcare Supplement will be paid there too.

Payment Period	Payment Issued
January 1st to March 30th 2007	April 2007
April 1st to June 30th 2007	July 2007
July 1st to September 30th 2007	October 2007
October 1st to December 30th 2007	December 2007

If you require further information about the Early Childcare Supplement please contact the INOU or the Early Childcare Supplement Section, Department of Social & Family Affairs Telephone: 1890 60 50 40.

## Launch of INOU Irish Language Publication

### 'Bíodh do Chearta Leasa ar eolas agat'

We are delighted that the Minister for Community, Rural and Gaeltacht Affairs, Eamonn O'Cuiv, TD will be launching the Irish language publications '**Bíodh do Chearta Leasa ar eolas agat'** at the INOU in Dublin on Thursday, 5th April.

The Irish language publications consist of a Resource Pack designed to assist Welfare Rights Information Providers, Shop Stewards, Trade Union Officials, Human Resource Managers and others assisting people who have lost or are about to lose their jobs as a result of a redundancy.

The Pack also includes a leaflet containing key welfare rights information. The leaflet is targeted directly at the person who is facing redundancy.

During the course of the Project the INOU received a number of queries from a range of organisations, groups and individuals asking for this information to be provided in the Irish language.

The launch of this Irish language Resource Guide is a significant development for the organisation as it is the first occasion we have been able to produce a publication in Irish.

The publication is funded by the Department of Community, Rural and Gaeltacht Affairs and is part of the INOU Welfare to Work Development Project.

If you would like to attend the launch, please contact John Farrell at the INOU. ■

### Dave Ellis Remembered

The INOU was saddened to learn of the death of Dave Ellis, who died on February 2nd 2007 after a short illness. Dave was a lawyer with more than 25 years experience of working with the community and the not-for-profit sector. A dedicated advocate for civil communities, Dave worked as a community law officer in the Coolock (now Northside) Community Law Centre and as a private consultant. He had extensive experience in relation to community legal services, community legal education and was widely recognised as an authority on public interest law, particularly in the areas of social welfare, equality and employment law. He will be sadly missed by those he worked with. ■



### INOU Annual Conference 2007

The INOU 2007 Annual Delegate Conference (ADC) has been scheduled for **Wednesday 20th June at the Royal Dublin Hotel.**

The ADC is a key event for the organisation as it provides an opportunity for delegates from INOU affiliated organisations to come together to discuss and debate a wide range of issues relating to unemployment.

We will be writing to affiliates in the near future with further details on the event. ■