



BULLETIN

Vol. 15 No. 4

September/October 2005

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.

INOUE Adopts a Mission Statement

The possibility of the INOUE adopting a Mission Statement has been the subject of discussion within the organisation for a number of years and at recent Annual Delegate Conferences.

We are delighted to report that agreement has been reached on the wording of the Mission Statement and delegates at our ADC on 28th September voted unanimously for its adoption.

The Mission Statement is:

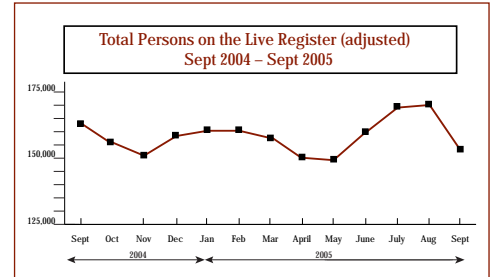
'The INOUE is a federation of unemployed people, unemployed centres, unemployed groups, community organisations and Trade Unions. The INOUE represents and defends the rights and interests of those who want decent employment and cannot obtain it. We promote and campaign for policies to achieve full employment for all. We also campaign for an acceptable standard of living for unemployed people and their dependents. The INOUE is an anti-sectarian, anti-racist, non-party political organisation which promotes equality of opportunity within society.'

INOUE Chairperson, Ann Fergus, in welcoming the adoption of the Mission Statement, comments that "the adoption of this Mission Statement is another key milestone in the work of the INOUE and is a strong statement of the organisation's ongoing commitment to representing and defending the rights and interests of unemployed people." ■

Unemployment in Ireland: not such a rosy picture

For some time now, the INOUE has had to address the widely held view that we have effective full employment in Ireland. Therefore, it is opportune at this time of broadly rising unemployment to review the current and complex situation around unemployment in Ireland. The displayed graph takes up the picture on the Live Register (LR) (adjusted) since October 2004, when the Bulletin last commented on the unemployment statistics.

Following the downward trend reflected in the previous graph (2003-04), the present chart shows a levelling out in unemployment in the early months of 2005 and a trend upwards from April to August. The latest figure (September) shows a drop of 2,700. The adjusted LR has increased by 4,400 in the four months to August, while the unadjusted figure has gone up by 18,600 in the three months from May. However, the unadjusted figure has gone down by 16,100 in September. The QNHS unemployed for Qtr. 2 has increased by 3,500 in the quarter and 1,400 in 12 months. These figures do not include significant job loss announcements in recent times e.g. 560 redundancies in Hospira Co. Donegal and 260 in Quantum Co. Louth. Redundancies have been running at high levels in recent years, especially in the manufacturing sector. Revised statistics on redundancy for 2004 (now calculated on actual as opposed to notified redundancies) show that, at almost 25,000 job losses, 2004 was the second worst year for



redundancies since 1984 – not far behind the previous year. This amounts to 500 jobs lost each week of the year. Actual redundancies for August and September are over 21% higher than the corresponding period in 2004. Thus cumulatively (year to September), 2005 is only down 10% on 2004. Therefore 2005 looks set to be the fourth year in a row with redundancies around 25,000, or around 100 jobs each working day.

The latest QNHS shows that at 27,600, long-term unemployment has remained stuck above 26,000 since late 2002, and therefore it will be difficult (but not impossible) for the Government to meet its National Anti-Poverty Strategy (NAPS) target to eliminate long-term unemployment by 2007. Youth unemployment has increased by 1,500 to 26,600 over 12 months. This has pushed the unemployment rate for this category up to over 8% and nearly twice the national average. Additionally the number of youth long-term unemployed has increased by 600 in the year to 6,000. The level of unemployment among early school leavers is around 18%. The INOUE has warned regularly of the clear correlation between lack of education

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SEPTEMBER 2005 LIVE REGISTER FIGURES REPUBLIC OF IRELAND

Unadjusted count: 153,335
Adjusted count: 156,400

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Budget 2006 – INOU Pre-Budget Submission

“Inclusiveness for the Jobless”

The INOU has recently compiled its 2006 Pre-Budget Submission. We are calling on the Minister for Finance, Brian Cowan to ensure that Budget 2006 prioritises people living in poverty by substantially increasing social welfare payments and introducing measures to improve the rewards from work and remove the existing barriers that prevent people from taking-up work. Budget 2006 is a landmark budget. It is the last budget of the current National Agreement, Sustaining Progress. It is crucial that it demonstrates the Government's commitment to social partnership by delivering the remaining commitments from Sustaining Progress. In this respect, the budget is a barometer of the Government's intentions in the context of any new Agreement.

Despite very considerable economic growth and job creation, job losses are running at over 400 a week and there are still very significant numbers of people who are without jobs. The current finances are such that Budget 2006 represents a huge opportunity to improve unemployed people's quality of life. The INOU is calling for a €14 increase in the lowest rate of social welfare in this year's budget. This increase is necessary if the Government is to remain on course to honour the commitment agreed in Sustaining Progress to reach €150 (at 2002 terms) in 2007.

This Budget will also provide the Government with the opportunity to seriously tackle child poverty. One effective way, which is being considered by the National Economic & Social Council (NESCC) at present, is to combine the Family Income Supplement (FIS) and Child Dependent Allowance

(CDA) in a seamless structure for all low-income families. Thus this 2nd tier of child payments would complement Child Benefit and be payable automatically to all families under a suitable income threshold. The INOU calls on the government to implement this proposed new measure as soon as feasible.

Other INOU recommendations for the Minister of Finance on Budget Day are:

- Increase the income limit (currently €317) for the retention of secondary benefits by at least €50. This has not increased since 1994 and is an important making work pay issue.
- Introduce a part-time unemployment payment for parents of children under 12. Part-time working is now an important part of modern working life, incorporating work/life balance issues. Unemployed people, especially women, should be able to seek part-time work and maintain social welfare entitlements.
- The qualification period for the Back to Work Enterprise Allowance should be returned to 12 months. Research has shown that the longer a person is unemployed, the less likely they are to have the resources, motivation and supports to set up a business.

Copies of our Pre-Budget Submission have been circulated to INOU affiliated organisations and other groups. Should you wish to receive a copy of the Submission, please visit our website www.inou.ie or alternatively contact us directly on 01 856 0088. ■

Unemployment in Ireland not such a rosy picture continued ...

and resultant unemployment. Therefore the INOU is calling for clear labour market measures to address these issues in the next round of social partnership, which will commence later in the year.

The last QNHS contained some milestones in Irish social history. The Irish labour force has now topped 2 million for the first time in the history of the state. The labour force has increased by 94,500 year-on-year and those in employment has increased by 93,000 in the same period – the former is a record amount since the QNHS began and the latter is the highest since Q2 of 2000. The increasing numbers in the labour force and in employment is encouraging. It reflects continued high levels of immigration, especially from the new EU member states, and increased participation rates in the labour market, mainly among women.

In relation to employment rates, the QNHS provides good news in relation to meeting our Lisbon 2010 targets.

The rate for all persons aged 15-64 has increased from 65.5% to 67.1% in the year to the 2nd Quarter 2005. This means we are well on track to meeting the 2010 target of 70%. This will happen if current trends continue, but we are not so sanguine in the INOU that this will be the case. The female rate rose impressively by over two percentage points in the year to 58%, which is not far short of the target of 60%.

With the Irish labour force reaching 2 million, of which 1.93 million are in jobs, it is opportune to examine in which sectors these people are working. Construction has been the shining light since the Celtic Tiger and beyond. Employment has nearly doubled since 1998 to 242,000 today (or one in eight of the workforce). 60,000 jobs have been created in the last three years alone. However, this level of building activity in the economy cannot continue indefinitely. Some day, sufficient houses and commercial property will be built, and new construction (at the same level) will not be needed. This

will result in job losses in the sector. Manufacturing has been continuing its relentless downward spiral in recent times. 24,000 jobs have been lost in this sector over the last four years. Total employment has now reduced below 300,000 for the first time in many years. Up to now, we had been experiencing job losses in traditional manufacturing. Now, no segment is safe and as witnessed with Hospira and Quantum above, modern manufacturing (e.g. electronics, pharmaceutical) is also under pressure to hold onto jobs. The main reason these companies are closing is due to the deteriorating nature of competitiveness of the Irish economy. In the era of globalisation, many companies (especially foreign multinationals) are moving their Irish operations to low-cost economies in Asia, Eastern Europe and other parts of the world.

In 1998, the ratio of manufacturing to construction employment was 2.4 to 1.

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INOU Annual Delegate Conference 2005

The INOU's Annual Delegate Conference (ADC) was held on Wednesday 28th September at Chief O'Neill's Hotel, Smithfield, Dublin. We were delighted that David Begg, General Secretary, Irish Congress of Trade Unions officially opened the Conference. The Conference, however, began on a sad note with a minute's silence being held for Roy Lunn, volunteer at the Belfast Unemployed Resource Centre, who recently passed away. Roy was a good friend of the INOU and had attended many conferences and other events over the years.

David Begg gave a wide-ranging and thought provoking speech that covered many of the current social and economic challenges facing Ireland today. David began by paying tribute to the work of the INOU and particularly to General Secretary, Eric Conroy's participation in the social partnership process over the last three years. David spoke cogently about the key issues that still needed to be addressed in Irish society including long-term unemployment, inequality, the treatment of migrant workers, the pensions issue, caring, public services, the need to achieve balanced and sustainable economic development and the on-going impact of globalisation. David also made particular reference to the situation that had arisen at Irish Ferries and condemned the apparent 'race to the bottom' that certain employers appeared to be engaged in.

In his response, Eric Conroy, General Secretary, thanked David for his tribute to the work of the INOU and outlined the importance that the INOU placed on working in partnership with the Irish Congress of Trade Unions to achieve a better and fairer society for all.

Eric also gave an overview of the key issues for the organisation since the last Conference. Eric began by referring to statements during the course of the previous year whereby certain commentators suggested that anybody who wanted a job could get a job and that the unemployed lacked a work ethic. Eric said that such simplistic assumptions undermined the efforts of unemployed people in seeking work



Eric Conroy, General Secretary INOU; Ann Fergus Chairperson INOU and David Begg General Secretary, Irish Congress of Trade Unions.

and effectively portrayed the unemployed as 3rd class citizens. Eric went on to outline details of the internal work of the organisation since the last conference. Eric also referred to the financial difficulties faced by the INOU's Northern Ireland division, the Organisation of the Unemployed Northern Ireland (OUNI). Eric also said that he remained hopeful that a resolution of the funding crisis could be found before this date.

11 policy motions and one constitutional motion were submitted for discussion and debate at the Conference. The motions ranged from calls to amend the Habitual Residency rules, Youth Unemployment, Medical Cards, Jobs Initiative and Childcare. Of particular significance, was the passing of the constitutional motion on the adoption of a Mission Statement by the INOU (see article on INOU Mission Statement)

A key aspect of the Conference was the discussion and vote on the INOU entering into a new social partnership agreement. Following a presentation from the General Secretary and a subsequent open forum discussion, delegates voted unanimously for the INOU to enter into negotiations on a new agreement on the basis of the priorities set out in the document put to the Conference.

There were no elections to the Executive Committee as there were fewer nominees than places available and therefore Mark Harding, Richard McGhee, Pat Murphy, Seamus Orr and Des Bonass were automatically re-elected to the NEC. We would like to take this opportunity to thank everyone who came to the Conference. ■

17th October UN Day for the Eradication of Poverty

As part of the UN International Day for the Eradication of Poverty the INOU has published 1,000 posters and 10,000 leaflets aimed at highlighting and publicising how people on low incomes and in receipt of social welfare payments, particularly families, can maximise their income through the take-up of Social Welfare benefits.

The posters and leaflets, as part of a wider range of activities funded by the Combat Poverty Agency to mark the day, are aimed at people experiencing poverty in Ireland and will inform both welfare recipients and people in low-paid employment of all the social welfare entitlements that are available to them. One of the key messages will be to encourage people to apply for and take up any benefits that they may be entitled to but which they are not currently receiving.

In the context of the very significant income inequalities in Ireland, these publications aim to inform those most at risk of poverty, i.e. social welfare recipients and low-paid workers, of ways to maximise their incomes through the tax and social welfare systems.

The publications seek to redress current information deficits that have resulted in the low take-up of certain payments e.g. Family Income Supplement, Rent / Mortgage Interest Supplement, Back to Work Allowance and Medical Card. Through the provision of such information and the expected subsequent take up of the available supports, a household's income would rise thereby reducing the incidence of poverty.

Leading up to the 17th of October the posters and leaflets were distributed throughout the country to INOU Affiliate organisations, Department of Social and Family Affairs (DSFA), Public Libraries, FÁS, Money Advice and Budgeting Service (MABS), Citizens Information Centres and Jobs Clubs.

For more information please contact the INOU. ■

Unemployment in Ireland not such a rosy picture... cont'd

That has now dropped by half to 1.2 to 1 in 2005. Even considering that construction will not maintain its current level, it is an alarming falloff in the sector. While service employment powers ahead, it poses a question about the future of manufacturing in the country. Could we end up with a situation where we will make little or nothing in Ireland and we will all be employed in some sort of service to others in society? Is this socially, politically and environmentally sustainable? The INOU does not think so. The move to services also has implications for productivity and enlargement of GDP. It has been generally shown that productivity per person is reduced in service industries compared to manufacturing. Therefore the potential to increase GDP & GDP per capita and enhance wealth-creation for provision of good social services and income distribution in society will be retarded into the future.

Farming is also on a long-term downward trend. The agriculture/forestry/fishing sector has reduced by 17% since 1999 in employment terms to 113,700. Some commentators on the

rural economy say that this could well fall to around 50,000 by 2010, based around only 30,000 full-time farmers.

Given the recent general rise in unemployment, the current levels of redundancy and the prospects for the world economy, the position on future unemployment is not as rosy as painted by many commentators. Following persistent high oil prices, economists are revising downwards their estimates for GDP growth in world economies. Following Hurricane Katrina, the US will have an even worse budget deficit this year. The correction of these huge fiscal deficits is bound to have a negative impact on the world's economies, including a small open economy like Ireland's. The Eurozone continues to perform poorly, and will not be helped by political uncertainty over the EU constitution and parliamentary uncertainty in the largest EU economy - Germany. Combined with local conditions of reduced competitiveness and the changing nature of the Irish workforce discussed above, the outlook is not all positive for benign employment conditions in the Irish labour market. ■

Medical Card guideline increased by 20%

Childcare and Rent/Mortgage expenses still unclear

The Tánaiste and Minister for Health and Children, Mary Harney, T.D., has recently announced that the income guidelines for medical cards and GP visit cards are to be increased by 20 per cent.

This increase in the medical card guidelines would appear to vastly widen the net of those who will qualify for both the standard medical card and the new GP visit only cards. However a number of questions have arisen in relation to the determination of allowances for other expenses.

The minister is quoted as say that "*(the means test)... is now based on people's income after tax and PRSI, and takes account of reasonable rent and mortgage payments, childcare expenses and travel to work expenses.*"

It would appear that the levels of these allowances will not become fully clear until the Health Service Executive rolls out the scheme. The INOU will publish further information in future editions of the Bulletin. ■

Crumlin Citizens Information Centre One Year On...

2005 has been a highly successful year for Crumlin CIC. In addition to dealing with a record number of queries and a forthcoming publication "**Children's Health - Rights and Entitlements**" which is being published in association with Our Lady's Hospital for Sick Children a new outreach service will also operate from the lobby area of the outpatients department.

On the 12th November 2004 Crumlin was given a last minute reprieve when further funding for the Centre was secured under the FÁS Social Economy programme. Up until that time it was feared that staffing levels would be reduced by 50%. This was due to funding cuts being implemented for purely economic reasons and nothing to do with an obvious demand for a quality information service in the Dublin 12 area.

The staff of Crumlin CIC fought an intensive lobbying campaign which



Crumlin CIC Staff

included organising a public meeting where all community groups, local councillors, and the public representatives were invited to attend. In addition thousands of signatures were collected from the general public who did not wish to see this valuable service curtailed. Thankfully all the hard work paid off!

It is becoming increasingly important for people to have access to information, which will help them improve the quality of their lives. By providing clear, up-to-date information, Crumlin

Citizens Information helps to empower people to make decisions that will have a positive effect on their lives.

Experienced, dedicated and highly trained information providers provide the information.

We would like to thank everyone for the unyielding support and goodwill, which we encountered during our highly publicised campaign.

Crumlin Citizens Information Centre, 146 Sundrive Road, Crumlin, Dublin 12 provides a free, confidential information service and is open 9.00am to 5.00pm (through lunchtime) Monday to Friday. Telephone: 4546070/80, email: crumlin.cic@comhairle.ie.

- A free legal advice service (FLAC) operates each Wednesday evening between 7.00 pm and 8.30 pm.
- A free financial information service (FISC) is available by appointment on the first Tuesday of each month.