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INOUE Submission to the Department of Social Protection on the Department of Social Protection's Statement of Strategy 2016-2019

BRÍD O'BRIEN

IRISH NATIONAL ORGANISATION OF THE UNEMPLOYED

WWW.INOU.IE

INTRODUCTION

The Irish National Organisation of the Unemployed (INOUE) welcomes this opportunity to make a submission on the Department of Social Protection's Statement of Strategy 2016-2020.

"The INOU is a federation of unemployed people, unemployed centres, unemployed groups, community organisations and Trade Unions. The INOU 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 INOU is an anti-sectarian, anti-racist, non-party political organisation which promotes equality of opportunity within society." (INOUE Mission Statement)

The organisation has over 210 affiliated organisations and 2,100 individual members. We work at the local and national level on issues affecting unemployed people through the provision of training and welfare rights information services; analysis of Government policies and related advocacy work; and working with a wide range of other organisations on issues of common concern.

CURRENT CONTEXT

In June 2016, the Monthly Unemployment Rate was 7.8%, almost half that of the crisis high of 15.1%. While welcome, it is still considerably higher than the unemployment figures that prevailed from Q1 2000 to Q4 2007 when the unemployment rate varied from 3.6% to 5%. In the Programme for Government the target is to *"Reduce the unemployment rate to 6%"*. The Labour Market Council in its response to *Pathways to Work 2016-2020* recommended that *"the Government decrease the unemployment rate target to between 5 - 6% by 2020."* (p11)

According to Quarterly National Household Survey, Quarter 1 2016, 100,600 people were long-term unemployed; this is half the crisis high of 204,300 in Q1 2012, but more than three times pre-crisis levels. The latest long-term unemployment rate is 4.7%, down from a crisis high in Q1 2012 of 9.5%, but considerably higher than the pre-crisis rates of 1.3-1.5%. The theme of the recent National Economic Dialogue was *'Growth towards a Just Society'* and to ensure that people who are long-term unemployed can enjoy such a society it is essential that the Labour Market Council's recommendation that *"the Government decrease the long-term unemployment rate target to less than 2.2% by 2020"* (p11) is not only achieved, but surpassed.

In June 2016, the seasonally adjusted Live Register stood at 305,600, down 32% on a recession high of 449,200 seen in September 2010, but 90% higher than pre-crisis levels. At present 20% of the people on the Live Register are working part-time or casually, in comparison to the noughties when the percentage of people working this way was in and around 12-13%. At the INOU's recent Regional Discussion Forums, participants raised their concerns about the fragmentation of the Irish labour market and the prevailing quality of work. Within the Programme for Government it states that *"The ultimate goal of the new Government will be to deliver sustainable full*

employment. This will mean an extra 200,000 jobs by 2020, of which 135,000 will be outside of Dublin, leading to more people at work than ever before.” (p41) It is absolutely critical that the creation and maintenance of decent jobs is at the heart of this goal, and that unemployed people are provided with good information, advice, education and training supports to be able to access these jobs.

In the Department of Social Protection’s Statement of Strategy 2015 to 2017, the Department’s Mission is state as *‘To promote active participation and inclusion in society through the provision of income supports, employment services and other services’*. There are three stated objectives:

1. Put the Client at the Centre of Services and Policies
2. Drive Cost, Efficiency and Effectiveness
3. Develop Staff, Structures and Processes

It can be argued that these strategic objectives continue to be relevant, though the manner in which they are pursued can make a significant difference to the lives of unemployed people and other clients and service users of the Department. To that end, it is absolutely critical that the principles of equality and social inclusion underpin these objectives: the high level strategies put in place to achieve them; and the high level indicators used to access whether or not the key outcomes have been achieved. In particular, it will be important that in the Department’s drive for a more efficient and effective service that there is a greater appreciation of the positive impact of really putting the ‘client at the centre of services and policies’. The INOU strongly believes that engaging with people, providing them with good information and advice, facilitating them to make informed choices, will ultimately result in a more effective and efficient use of the Department’s resources.

The Department now incorporates and oversees the National Employment Service, such a service requires a different relationship with clients and service users, a relationship that must move beyond a fraud and control driven one, to one that truly strives to provide an excellent service to everyone of working age. To that end the INOU believes that the second objective should be changed to ‘pursue greater equality, efficiency and effectiveness’. As the Central Statistics Office *Equality Module*, August 2015, noted the second highest rate of discrimination was reported by people who are unemployed, 23%. To play its part in addressing this reality the Department of Social Protection must incorporate a strong equality and social inclusion focus into its work and next Statement of Strategy.

STATEMENT OF STRATEGY 2016-2020

1. PUT THE CLIENT AT THE CENTRE OF SERVICES AND POLICIES

In the Programme for Government it notes *“We accept that the economic recovery remains incomplete and fragile. Many people have yet to feel the benefit of the upturn in the economy. Many families are still struggling financially. Many communities - both rural and urban - have*

inadequate services and infrastructure.” (p32) The INOU is keenly aware of the financial difficulties facing unemployed people. As the Survey on Income and Living Conditions (SILC) demonstrates, the poverty rates experienced by unemployed people are considerably higher than the national average. In 2014, unemployed people’s ‘at risk of poverty’ rate was 35.9% in comparison to the national figure of 16.3%; their deprivation rate was 53.4% in comparison to a national figure of 29%; and their consistent poverty rate was 22.6% in comparison to a national figure of 8%.

- **An integral part of the Department’s High Level Strategies must be the setting of Jobseekers payments and other social protection income supports at levels that ensure recipients can meet a minimum essential standard of living.**

The INOU regards the introduction of age segregation to Jobseekers Allowance payments as discriminatory and strongly believes that on equality grounds they should be reversed. The VPSJ in their work have noted that *“The cost of an MESL for an unemployed young adult living in the family home is €154 per week, more than 1 ½ times the reduced rate of JSA for adults aged 18 to 24.”* (p14)¹ So, there are strong social inclusion and poverty grounds for this practice to be ended. Such a development would be keeping with the commitment in the Programme for Government to *“develop the process of budget and policy proofing as a means of advancing equality, reducing poverty and strengthening economic and social rights. We will also develop a new Integrated Framework for Social Inclusion, which will outline measures to help eliminate any persisting discrimination on grounds of gender, age, family status, marital status, sexual orientation, race, disability, religion or membership of the Traveller Community.”* (p6)

- **Equality and social inclusion principles and practice must be integral to the Strategic Objectives and High Level Strategies of the Department’s new Statement of Strategy.**

The INOU is keenly aware through the course of our work the anomalies that exist in the system and the difficulties that these can cause for unemployed people and their families. As Ireland’s economy begins to recover it is important that these anomalies are addressed, this would be in keeping with the Programme for Government’s aspiration that *“At the same time, economic repair must be complemented by social repair.”* (p33) For example, to access the Christmas Bonus unemployed people must be in receipt of a Jobseekers payment for 15 months, this duration reflects an earlier time period when the duration on a Jobseekers Benefit payment could last for up to 15 months for people who had made 260+ PRSI contributions. If an unemployed person starts on an activation programme before becoming eligible for the Christmas Bonus, they will

¹ Ref:

http://budgeting.ie/images/stories/Publications/MESL_Update_Paper/VPSJ_2016_MESL_2016_Update_Report_Appendix.pdf

not receive this payment, yet they may be on an activation programme for a number of years and could benefit and be in need of such financial support.

In the Programme for Government it says that *“In recognition of the vital role of schemes such as the Rural Social Scheme, Community Employment Schemes, BTEA and Farm Assist in rural communities and in activating the unemployed, we will ask the Minister for Social Protection to make suitable recommendations to strengthen provision in this area”*. (p104)

The theme of the INOU’s recent Regional Discussion Forums was employment programmes. Amongst the issues raised was the importance of these programmes in facilitating unemployed people’s participation in their community; and the key role these programmes can play in urban disadvantaged communities. It is vitally important that participation on these programmes is by choice and that people can self-refer; that proper supports for participation are put in place; and that people truly experience these programmes as a stepping stone into decent and sustainable employment. To address this issue, the Department could use the Probability of Exit (PEX) mechanism to identify people who would benefit from such an intervention and facilitate earlier access to employment programmes where appropriate. Another issue that has arisen is access to employment programmes for people who are ex-offenders. Before the crisis, access to activation programmes was fairly standard across working age payments, but since the crisis a number of anomalies have arisen. For example, an ex-offender can access CE but not Tús: this needs to be addressed as early access to such a programme could play an important role in supporting an ex-offender re-establish his or her life.

- **Review income supports and activation scheme criteria to ensure that there is consistency across schemes and programmes.**
- **Provide greater flexibility on eligibility criteria for activation programmes to ensure that they are indeed person centred supports and services.**
- **Ensure participation on activation programmes is by choice and facilitate self-referrals.**

2. PURSUE GREATER EQUALITY, EFFICIENCY AND EFFECTIVENESS

At the INOU recent Annual Delegate Conference delegates called *“on the Government to deliver an effective and efficient employment and entitlement service to unemployed people regardless of the nature of their payment, including people who are not in receipt of a payment”*. To that end the organisation welcomes the commitment in the Programme for Government that *“The New Government will develop our work activation, social protection and further education services to ensure a seamless service for jobseekers. (p39)* Further on in the document it notes that *“The new Partnership Government will develop our social protection services into an active employment service that works with, and helps, jobseekers to return to work. We are determined that nobody will be left behind in the recovery and for this reason the Government needs to be more radical to end the plight of jobless households. In addition to implementing the ‘Pathways to Work’ 5 Year Strategy which aims to help 50,000 Long-Term Unemployed people into jobs, we*

will publish a dedicated 'Pathways to Work for Jobless Households' to support jobless households into employment. (p40)

At the INOU's Annual Delegate Conference delegates called "for all unemployed people to be treated with respect through the provision of welfare support and employment services and that at its core it seeks to address the needs of the unemployed and avoid unnecessary expenses being incurred when engaging in activity to move away from unemployment". Good information provided in a timely and supportive way can make a big difference to people's lives. For example, awareness of what the INOU calls the 'fast-track system' could support an unemployed person to access short-term work, build up their links with the labour market which ultimately could support them to move into sustainable employment. This information is available on www.welfare.ie, but lacking visibility as its part of the Frequently Asked Questions (FAQ 20) on the Jobseekers Allowance page on the Department's website. Similarly, moving into employment and moving away from a weekly payment to a monthly pay cheque can cause cash flow problems for some unemployed people, particularly those who have no other means, and may impact on their ability to take up employment. Access to a SWA payment, through the 'payment pending wages' mechanism could make a big difference to people in this circumstance, and could be a small investment by the Department for a much bigger return. Both of these mechanism should be promoted by the Department.

- **Review the financial and others supports given to unemployed people and others of working age to facilitate their participation on employment, education and training programmes.**
- **Pro-actively support people to find and access decent and sustainable jobs.**
- **To that end that Department should promote its own schemes and programmes to employers.**

The INOU is aware that over next three years that unemployment is expected to fall, however, even when the Government's target of 6% unemployment is reached, there will still be 140,000 people unemployed. Of course this figure only includes people who fit within the official definition of unemployment², and would be higher if Ireland's population continues to grow and a wider definition of unemployment / joblessness is used. Activation programmes and employment support programmes like JobsPlus will still have an important role to play, but it will be important that they are kept under review to ensure that they are as supportive as possible, especially, for people more distant from the labour market. This will be a particularly important

² CSO definition of unemployment: Persons who, in the week before the Quarterly National Household Survey, were without work and available for work within the next two weeks, and had taken specific steps, in the preceding four weeks, to find work.

issue as *Pathways to Work for Jobless Households* is developed and rolled out.

By the end of 2019, JobPath will be beginning to wind down and so it would be important that within this Statement of Strategy, a post JobPath vision for supporting people who are long-term unemployed is explored and developed. And as the focus on jobless households and others of working age increases, the ability of the National Employment Service to meet a wider range of needs must be acknowledged and supported.

- **Review employment services and supports to ensure that they are meeting the needs of unemployed people and others of working age.**
- **Enhance the engagement of the National Employment Service with a wider range of employers.**

3. DEVELOP STAFF, STRUCTURES AND PROCESSES

Another ADC motion called *“on the Government to develop a person centred activation process that ensures that the individual is supported to make an informed choice: a process that seeks to enable people to participate but refrains from coercing people into unsuitable activation programmes or unsustainable jobs.”*

To that end it is critically important that Employment Services staff are supported by way of access to continuing professional development (CPD) opportunities, so that they provide constructive employment services to unemployed people and others of working age. Employment services that incorporate good guidance and an ability to match the individual with the most appropriate intervention for them will be ultimately more effective and efficient.

To that end and to build on objective 2, it would be important for this Statement of Strategy to incorporate ‘Positive Duty’ and spell out how the DSP as *“A public body shall, in the performance of its functions, have regard to the need to-*

- (a) Eliminate discrimination,*
- (b) Promote equality of opportunity and treatment of its staff and the persons to whom it provides services, and*
- (c) Protect the human rights of its members, staff and the persons to whom it provides services.”³*

In their briefing paper, the Equality Rights Alliance note *“A positive duty seeks to ensure that the promotion of equality and human rights becomes a core part of the way in which the organisation operates and conducts its business by:*

³ Irish Human Rights and Equality Commission Act 2014, Section 42 (1)

- *Supporting an informed and evidence-based approach to the work of public sector organisations,*
- *Requiring public sector organisations to not only take steps to avoid discriminating against employees and service users, but to actively promote equality for, and respect and protect the human rights of, service users and employees,*
- *Seeking to ensure that public sector organisations meet the needs of all service users and employees,*
- *Aiming to make tangible differences in the lives of people experiencing inequality, exclusion and human rights abuses.*

Positive duties are not about creating more red tape and bureaucracy. They are not an add-on or a further burden but an integral part of the way in which business is conducted.”⁴ The incorporation of such a duty could make a positive difference to the lives of unemployed people and the Department of Social Protection’s other clients and services users.

- **Support frontline staff to deliver a person-centred service with good guidance and information on the best options available to unemployed people and others of working age.**
- **Incorporate ‘Positive Duty’ into the Department of Social Protection’s supports, services and underlying policies.**

THANK YOU FOR YOUR TIME AND CONSIDERATION

⁴ To read the full paper click here <http://www.eracampaign.org/uploads/ERA%20briefing%20paper-%20%20Public%20sector%20Positive%20Duty.pdf>