

# *INOUE Presentation to Joint Committee on Education and Social Protection, 12<sup>th</sup> June 2014*

## Introduction

The Irish National Organisation of Unemployed (INOUE) welcomes this opportunity to meet with the Joint Committee on Education and Social Protection and as requested in the Committee's letter to the INOUE "to discuss the case for extending certain non-income activation supports to those who don't qualify at present". In keeping with a motion to the INOUE's ADC 2011 the organisation also believes that it is important that all unemployed people can access the necessary income supports to participate.

*"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 Mission Statement)



The INOUE works 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.

## Major changes under way, limited focus

In January 2012, FÁS Employment and Community Services came under the remit of the Department of Social Protection. In response to this development, to the urgent unemployment crisis, many years of criticism from organisations like the OECD, the Government introduced the *Pathways to Work* process to streamline and target Jobseekers / Unemployment payments and supports. Five key areas of action were identified:

- “more regular and on-going engagement with people who are unemployed
- greater targeting of activation places and opportunities
- incentivising the take-up of opportunities
- incentivising employers to provide more jobs for people who are unemployed, and
- reforming institutions to deliver better services to people who are unemployed.” (p5)

Of course a wider interpretation of the first bullet point would have opened up the *Pathways to Work* process to *all* unemployed people. However, this has not taken place and the reconfiguration of the Department of Social Protection services on the ground through the roll-out of the *Intreo* process has resulted in a Public Employment Service (PES) that is only accessible to people who receive a Jobseekers payment. As a consequence of this, many people who viewed themselves as unemployed but who are not or no longer in receipt of a Jobseeker payment cannot access Ireland’s Public Employment Service. Likewise many people who are in receipt of a disability payment, a One Parent Family Payment cannot access our PES and related supports as it is not possible to walk into an Intreo Office and access these services. This is an issue of major concern to many of our individual members, affiliated organisations and colleagues in the community and voluntary sector.

Ireland’s social protection and employment services were clearly in need of reform but it is vital that this reform has at its core a person centred approach underpinned by the principles of equality and social inclusion. It is equally clear that for these changes to be productive that the staff providing these services receive themselves the necessary training and supports as they need a good working knowledge of social protection supports; education, training and employment programmes; and job opportunities in the wider labour market.

In May SOLAS published Ireland’s first *Further Education and Training Strategy*. It is a welcome development and it will be important that its broader vision is built on and carried through to other activation developments. Amongst its goals it strives for ‘active inclusion’; to be learner centred. Its mission statement captures the importance of access to learning opportunities at so many levels when it states “*Enable individuals and communities to achieve their*

*developmental, personal, social, career and employment aspirations*". Facilitating a wider access to activation supports and programmes is a critical first step to realising such a mission.

### **From an unemployed person's perspective**

At the INOU's Annual Delegate Conference in 2011, the following motion was passed.

- ***The INOU calls on the Government to ensure access for unemployed people not included on the Live Register to the full range of employment, training and education supports including the Training Allowances and other supports.***

The motion was put to the Conference by the General Branch which is the mechanism through which individual members engage with the work of the INOU. To be an individual member a person must be unemployed regardless of whether or not she / he is in receipt of a social welfare payment.

In speaking to the Motion, Michael McNamara, a member of the General Branch noted *"that he had received offers of re-education and retraining courses, but because he is not entitled to a Jobseekers payment because his wife works, he was not entitled to payment for the courses. Michael added that the legislation which introduced this situation discriminates against some unemployed people. Michael added that there is the added difficulty that any financial benefits that employers receive from recruiting some unemployed people are not available to ALL unemployed people."*

The personal circumstances identified above arise for two groups of people who view themselves as unemployed but who are not in receipt of a payment:

- People whose Jobseekers Benefit payment has come to an end and who fail to make the transition to a Jobseekers Allowance payment because of their personal circumstances or that of their families. In the case of young single people living at home aged under 25, their parent's income is taken into account; and for those aged over 25 the income of their spouse or partner is factored into the means test. According to figures from the Department of Social Protection, 'no longer entitled to unemployment' was the single

biggest reason for 'closures' or people leaving the Live Register in 2013. It accounted for 35% – two percentage points higher than those who were deemed to have found work.

- People who were self-employed and are not entitled to a Jobseekers Benefit payment because they have not paid the necessary Social Insurance contributions. Unemployed self-employed people can apply for a Jobseekers Allowance payment however they will only access this payment if they pass the associated means test.

The organisation is keenly aware through our individual members, affiliated organisations, welfare rights and training work that this unemployment crisis has left many people in this limbo, people who have worked 10, 20, 30 years and who are feeling badly let down by Ireland's social protection, education, training and employment support services.

*As one unemployed woman from Tipperary put it "Are there others like me? I am currently unemployed but not in receipt of any SW payment as my husband is in full time employment. I have no problem with that, but what does annoy me is that I cannot apply for any Employment Schemes, FÁS courses etc. because I have to be in receipt of a SW payment. I really want to get employment and would happily work on a Scheme but find the situation very unfair...I feel as if I am the forgotten unemployed!!"*

Up to Budget 2010 the two unemployed people above and others in similar circumstances could access FÁS training course allowances. However, in that Budget, under the Department of Enterprise, Trade and Employment Vote, the following decision was taken: *"Cessation of the FÁS Training Allowance of €204.30 per week<sup>1</sup> to new entrants not entitled to Jobseeker's Benefit/Allowance;"* Since then access to activation programmes has become even tighter as increasingly they are only accessible through referral from an Intreo Office and / or a participant must be in receipt of a Jobseekers payment.

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<sup>1</sup> Since then training allowances have been cut to €188 for those aged over 25 and for those aged 25 and under the maximum education and training allowance is €160 per week.

Feedback to the INOU from our affiliates, individual members, members of the public highlight the positive impact on unemployed people's health and well-being of participation in employment, education and training programmes. It is equally clear the negative impact of little or no access to such initiatives or the forced participation on measures that people regard as meaningless or irrelevant to their needs and improved employability.

The issue of choice and being supported to make an informed choice is absolutely critical for people who are unemployed. Unemployment can impact on people's confidence, on their ability to network, on their chances of hearing of opportunities which are emerging. Access to employment services and activation supports can provide a lifeline to people seeking employment and a good quality service should be accessible to all people of working age regardless of whether or not they are in receipt of a social welfare payment. Such a development is critical if Ireland is to emerge from this crisis a more equitable and inclusive society.

#### **And so the INOU recommends that**

- This matter is urgently addressed;
- Access to programmes is based on wider criteria than a person's Live Register status;
- Programme participants are given the wherewithal to support their engagement;
- The Public Employment Service develops the capacity to respond to the needs of all people of working age seeking employment.

*Thank you for your time and consideration*



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