

Sharing in the Recovery



"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

INOUE

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The theme of the INOU's recent Annual Delegate Conference was '**Sharing in the Recovery**'. The headline economic statistics may be moving in the right direction, but it was evident in the delegates' feedback that this improvement has yet to be experienced by many people living with and fighting against unemployment. At the conference there was a strong sense that the job recovery is urban and not rural; while delegates living and working in disadvantaged urban areas noted that the recovery was not visible in their communities.

Earlier this year, the Central Statistics Office published the Household Finance and Consumption Survey 2013 and amongst its findings was that unemployed households make-up 12.8% of all households but only have 3.9% of all net wealth. While the Survey for Income and Living Conditions 2013 showed a deterioration in all the poverty rates for unemployed people: the at-risk-of, the deprivation, and the consistent rates were 36.7%, 54.9% and 23.9% for unemployed people in comparison to national rates of: 15.2%, 30.5%, and 8.2% respectively. The only other groups with a higher rate were people 'renting below the market rate' and people parenting alone: their deprivation rates were 56.6% and 63.2% respectively.

With such figures, it is hardly surprising that in its Country Specific Recommendations to Ireland, the European Commission said that steps must be taken "*to increase the work-intensity of households and to address the poverty risk of children*". Clearly, a lot of work remains to be done to ensure that the recovery underway is truly inclusive and equitable.

The INOU 2016 Pre-Budget Submission to the Department of Social Protection covers:

- ◆ **Social Protection**
- ◆ **Access to employment**
- ◆ **Inclusive Service Delivery**

Social Protection

At the Annual Delegate Conference, delegates voted overwhelmingly on a motion calling *“on the Government to fully restore Jobseekers’ payments to pre-crisis levels: €204.30 for the main claimant; €135.60 for the Qualified Adult Increase with this payment over time rising to 100% of the main claim.”* Delegates noted the increased cost of living, the additional charges people are expected to pay. The Vincentian Partnership for Social Justice’s work on the Minimum Essential Standard of Living demonstrates the gap between the income unemployed people receive and the cost of living they face. Even for unemployed couples who would have benefited from the increase in child benefit in Budget 2015, the cumulative impact of the crisis is such that the VPSJ noted an income gap ranging from €40 to €117 in the scenarios they explored.

The second part of the motion stated that *“The age segregation introduced to Jobseekers Allowance payments during the economic crisis must end with young people aged 18-25 years of age, who meet the means-test criteria, receiving the full adult rate.”* Young people who are entitled to the maximum payment are young people who are living alone or in families with few other means. If the recovery is to be inclusive, then the State must lead by example and right this wrong.

Access to good information, clarity as to one’s entitlements, the option of appealing a decision if the person believes it to be wrong or unfair, are essential ingredients of a social protection system. Indeed in the DSP’s Customer Charter it states they will *“Inform you of your rights and entitlements”*. Given the nature of the calls to the INOU for help and support, it is clear that further work is required to give full effect to this Charter.

The inadequacy of Rent Supplement (RS) supports is a major issue of concern for many people working on the issues of unemployment and homelessness. Invariably, RS is discussed in terms of the welfare-to-work issues that arise, however for many people difficulties in accessing and maintaining a home are the initial issue. This must be addressed properly in Budget 2016.



IN BUDGET 2016:

- ◆ **Start restoring social welfare rates to pre-crisis levels with an €8 increase.**
- ◆ **End inequitable JA age segregation .**
- ◆ **Resource proactive provision of information to claimants including the appeals process.**
- ◆ **Increase Rent Supplement to realistic levels.**

Activation and Employment

The INOU is keenly aware, that for many unemployed people, the only obstacle to their finding employment during the crisis, was the lack of jobs, and as the labour market picked up, more unemployed people found employment. However, this is not the case for everyone. At the INOU's ADC, some delegates noted increased employment in their areas, while others had experienced further losses and business closures. Activation programmes are presented as bridging the gap between unemployment and employment, however, for these to work effectively, key principles must be followed.

In feedback from individual members, affiliated organisations and programme providers it is clear that when informed choice is at the heart of activation programmes resources are used more effectively. The INOU remains concerned that the call for improved matching of unemployed people and activation options is interpreted as creaming by the Department. It is in no-one's interest, least of all the unemployed person's, if greater care is not taken to ensure that participants end up on the most appropriate option for them. Creating a win-win all-round, ensures unemployed people's needs are met, which in turn should ensure that unemployed people with the greater need are provided with the most appropriate support for them.

To ensure the lasting benefit of any option, there must be follow-through and follow-up to unemployed people's engagement in these initiatives. In particular, clarity as to the pathway the unemployed person is on, where this is leading, and how the Department will support them to get a decent job. To that end, the Department must work with employers (JobBridge), sponsors (CE), implementing bodies (Tús) etc. to ensure that there are improved employment outcomes from employment programmes for unemployed people and other participants. This will require DSP promoting the benefit of involvement in schemes like CE to the wider labour market and, in conjunction with other Departments and agencies, tackling discrimination in the labour market.

The ESRI have demonstrated that the majority of unemployed people would be better off in work, evidence based work that the INOU has welcomed. However, it should be noted that they have presumed people have moved to full-time employment. Members and affiliates have raised concerns with us about the nature of work and what constitutes a job: in particular, work that leaves people with uncertainty as to their hours, therefore their income and their ability to make ends meet. It is absolutely critical that unemployed people are supported to find decent employment, employment that will allow them to secure a living wage.





IN BUDGET 2016:

- ◆ Ensure employment programmes are a stepping stone to a decent job.
- ◆ Provide follow-up employment services to programme participants.
- ◆ Support access to a decent job.
- ◆ Revamp the Part-time Jobs Incentive Scheme.
- ◆ Increase the earnings disregard to €30 per day.
- ◆ Revamp the Back to Work Enterprise Allowance.

The INOU is aware that for some unemployed people access to part-time and short-term employment is important, and is viewed by many as the most relevant activation measure. The INOU welcomes the extension of the fast-tracking system for customers who sign off to take up employment or training for a short period up to 12 weeks. This is an important development and it is vital that this information is passed on to jobseekers in a pro-active and timely manner.

However, the organisation, along with bodies like NESCF, have noted the inequity of a system that allows people work the same number of hours, but depending on the days it is spread over, some are able to maintain part of their Jobseekers payment and others are not. The INOU has long called for the introduction of an hours based system to address this inequity. Given some of the reservations expressed by the Department, a variation of the Part-time Job Incentive Scheme should be introduced, it could be developed as a tool for Case Officers to use to support people to take-up part-time work and so develop their links in the labour market. To that end eligibility should be triggered by a person moving from Jobseekers Benefit to Jobseekers Allowance or where the person has a particularly low PEX score. It would afford jobseekers some security of income, however, the organisation is keenly aware that an increasingly fragmented labour market is not in anyone's long-term interest and that security of employment must also be addressed by Government.

Notwithstanding the calls from lone parents and their representative organisations to revert the changes underway to the OPFP, one way of alleviating some of the financial hardship arising would be to increase the earnings disregard from €20 to €30 for people in receipt of a Jobseekers payment who find part-time work.

Concerns have also been raised with the INOU about the eligibility criteria for other schemes and the exclusion of unemployed people who do not make the transition from JB to JA. In particular, concerns have been raised about the Short-term Enterprise Allowance scheme and the negative impact on it of the cuts to duration on Jobseekers Benefit. A mechanism should be created to facilitate people exploring the STEA to access the Back to Work Enterprise Allowance, including their Case Officers assessing whether such an intervention would keep them active in the labour market. As self-employment is an important route into employment for many people: older unemployed people, people living in areas where there is a lack of job opportunities; affiliates have noted that an additional year on BTWEA could be beneficial and so the INOU is calling for a third year on the programme with the participants retaining 50% of their Jobseeker's payment.

Inclusive Service Delivery

To realise the full potential of the changes underway and ensure that Intreo becomes a world class employment service, investment in frontline staff is absolutely critical. In particular to support the development of a person centred approach to this service and ensure that Intreo knows its own client base: what skills and competencies people have and what their needs are if their current skills and experiences are not a good match for available / emerging opportunities. Such an understanding is required if Intreo is to be successful in ensuring employers look to the Live Register, and indeed other social welfare recipients, as potential employees. It is also required to create a service that all people of working age see as their employment service, a service that will support them to find a decent job.

Critical to the success of Intreo is the focus and delivery of key policies including *Pathways to Work*, *Further Education and Training Strategy*, *Higher Education initiatives* and the *Action Plan for Jobs*. Integral to a recovery that is shared by all is a strong focus on equality and social inclusion. Such a focus is contained in the vision, core principles and strategic goals of the *FETS* and should be carried through into the other policies, *Pathways to Work* in particular. Otherwise, there is a real danger that Ireland will not address the issues raised in the EU Commission's third Country Specific Recommendation which calls on the Government to "*Take steps to increase the work-intensity of households and to address the poverty risk of children by tapering the withdrawal of benefits and supplementary payments upon return to employment and through better access to affordable full-time childcare.*"

As noted earlier a person centred approach is not only critical to match unemployed people and others of working age with the most appropriate supports for them and improve their chances to secure decent and sustainable employment: it is also critical to maximise the effective use of resources; and secure employers confidence in the employment service offered by the Department. An integral part of such an approach is choice and unemployed people must be supported to make informed choices about their own futures.



IN BUDGET 2016:

- ◆ Invest in front-line staff.
- ◆ Create a person-centred service.
- ◆ Promote the employment service.
- ◆ Promote employment programme participants in the wider labour market.
- ◆ Promote the fast-track system.
- ◆ Build in a strong equality and social inclusion focus.

Focus in Budget 2016



Sharing in the recovery

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