

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

Irish National Organisation of
the Unemployed
Araby House
8 North Richmond Street
Dublin 1
Phone: 01 - 856 0088
Email: policy@inou.ie

On Monday 31st August the Central Statistics Office published the latest Equality Module based on the Quarterly National Household Survey Q3, 2014. It is the third such survey the CSO has carried out, the previous ones were carried out in Q3 2004 and Q4 2010. The equality grounds named in the Employment Equality Act and Equal Status Act are used and even though unemployment per se is not covered under the equality grounds, the issue of unemployment was very much to the fore. The second highest rate of discrimination was reported by people who are unemployed: at 23%. The highest rate was experienced by people from non-white ethnic backgrounds: at 28%.

The discrimination experienced by people who are unemployed was captured as people who had experienced discrimination were also classified by employment status. The Principle Economic Status classification was used which captures people at work; unemployed; students; home duties; retired; others.

12% of people aged 18 or over said that they felt discriminated against in the two years prior to the third quarter of 2014 (Q3 2014). The rate was unchanged since the previous such survey for 2010. The most common grounds identified by people who had experienced discrimination were age (24%) and race (21%). Looking further at the types of the discrimination, a higher proportion of men highlighted discrimination when 'looking for work', 31%; while, a higher number of women experienced discrimination 'in the workplace' 31%.

'In looking for work' the issue of age featured very strongly with 46% of respondents noting it as an issue. This is very much in keeping with the feedback the INOU receives from older, long-term unemployed people. An experience not unique to Ireland, as a recent article in the CIPD publication *People Management* on a study undertaken by Anglia Ruskin University noted that "73% of over-50s think they have missed out on a job purely because of their age".

Budget 2016:

- ◆ Adequate Income
- ◆ Services and Supports
- ◆ Housing
- ◆ Education and Training
- ◆ Access to Employment
- ◆ Social Inclusion, Human Rights and Equality

Context

Earlier in August, the CSO also published the latest Quarterly National Household Survey, for Quarter 2 2015. These figures showed that employment continues to rise, with an annual increase of 57,100 people. Looking at these figures from a regional perspective, every region saw an increase in employment but at different levels: 27% of the job growth was in the Dublin region, while the Midlands only received 4.4%.

Feedback from INOU members and affiliates highlights that even within the Dublin region many people are not experiencing this employment growth. As Graph 1 illustrates, Ireland has a long way to go yet before employment levels reach pre-crisis employment levels, a time when the unemployment rate was 4.7% and the long-term unemployment rate was 1.4%.



According to the official unemployment figures, unemployment fell by 43,300 people. Again the largest drop was in Dublin, 28,100 people and the smallest in the Midlands, 1,900. It would be unwise to assume that everyone who is no longer classified as unemployed is now in employment: some people will have found employment; others are now on an activation programme; others emigrated; and others will have answered 'no' to one or other of the two questions people must answer 'yes' to, to be deemed unemployed. The unemployment rate stood at 9.8% in Q2 2015, bringing the figure down to early 2009 levels; while the long-term unemployment rate was 5.5%, similar to the rate last seen in Q1 2010, but clearly a long way off the figures seen in the early to mid-noughties.

To capture the employment challenge facing Ireland, the Potential Supply of Labour statistics gives a fuller picture, the widest of these indicators PSL4 includes unemployed people, people who are not actively seeking work, people who are unavailable to take-up work within two weeks (care or transport issues), and people who are underemployed. In Q2 2015, this figure stood at 18.3%, almost twice the official unemployment figure.

Adequate Income

At the INOU's 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.

The INOU is calling for Budget 2016 to:

- ◆ **Start restoring social welfare rates to pre-crisis levels with an €8 increase.**
- ◆ **End inequitable Jobseekers Allowance age segregation .**

Services and Supports

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. 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 of Social Protection will support them to get a decent job. This will require DSP promoting the benefit of involvement in schemes like Community Employment to the wider labour market and, in conjunction with other Departments and agencies, tackling discrimination in the labour market.

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: ensure that Intreo knows what skills unemployed people have and what their needs are if their current skills and experiences are not a good match for potential opportunities. Given the reliance on the Local Employment Service to deliver on the Intreo model, it will be important to further resource this service as well. An integral part of such an approach is choice and unemployed people must be supported to make informed choices about their own futures.

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. On a practical level this requires enhanced supports to participate including childcare and transport and increasing the income level at which PRSI is paid so that programme participants are no worse off.

The INOU is calling for Budget 2016 to:

- ◆ **Create person-centred services: strong equality, social inclusion focus.**
- ◆ **Ensure employment programmes are a stepping stone to a decent job.**
- ◆ **Raise the income level at which PRSI contributions commence .**
- ◆ **Provide follow-up employment services to programme participants.**

Housing

The housing challenges facing Ireland have been well documented and debated, the Social Housing Strategy published last year was a welcome development, however the scale of the challenge and how it will be actually addressed in a timely fashion remains unclear. The INOU remains concerned at the reliance on the private for profit sector as a key delivery mechanism. An increased role for the Local Authorities as *providers* as distinct from *acquirers* of property is required, as are enhanced supports for the not-for-profit sector.

In the meantime, unemployed people and others find themselves seeking accommodation or trying to maintain a tenancy with inadequate Rent Supplement (RS), levels that have been carried over into the Housing Assistance Payment (HAP). The INOU welcomed the introduction of HAP as it should address the welfare-to-work issues that arise with RS, however, the welfare-to-work issues become even harder for people if they cannot maintain their tenancy, their home. This must be addressed properly in Budget 2016. This would be very much in keeping with recommendations of the United Nations Committee on Economic, Social and Cultural Rights, who on the right to adequate housing called on Ireland to: *“(b) Step up its efforts to increase the number of social housing units so as to satisfy the high demand and to reduce the long waiting list; (c) Consider introducing legislation on private rent and increasing the Rent Supplement levels;”*

Under *Access to Employment* the INOU is calling for an increase in the income disregard from €20 to €30 to facilitate people to be able to take-up employment. To ensure no negative consequences arise it would be important to raise the income/earnings disregard for Rent Supplement from €75 to €90. In addition, under HAP's differential rent system it would be important to ensure that anyone using DSP's 'FastTrack' system to take up short-term work is not penalised under the differential rent system.

The INOU is calling for Budget 2016 to:

- ◆ **Increase Rent Supplement and HAP to realistic levels.**
- ◆ **Speed-up the roll-out of HAP.**
- ◆ **Scale up significantly social housing provision to address the level of demand.**

Education and Training

INOU members and affiliates have noted the importance of access to education and training in local areas, particularly rural areas that will equip unemployed people with the skills needed for available and emerging employment opportunities. As part of this provision taster courses were also deemed important; while concerns have been raised that Government does not properly measure soft skills, critical to accessing employment.

The quality of referrals to programmes has also been raised, and in particular ensuring the best fit for the learner. Affiliates have proposed that unemployed people should be sent to Guidance Officers to create a plan of action first then go back to the Case Officer. Members have noted that the cooperation of quality state services can work and that the most useful systems are cooperative and specialist services across the DSP, DES, LES, SOLAS, Adult education & training providers should work together to improve outcomes.

Unemployed people continued to raise concerns about inappropriate referrals, ones that they feel will do little to enhance their employment prospects. The principle of choice should be incorporated and people should not be forced to do a course they regard as unhelpful. This could have a negative impact on the course and the other participants who want to be there. To that end it is absolutely critical that training/education taken up has a clear pathway with learning outcomes leading ultimately to a decent job.

Affordability is a major barrier noted by affiliates and members to unemployed people taking up education and training options. In particular, the negative impact of travel costs on a person's ability to participate on a programme or in some cases the lack of public transport to get the participant to the course or subsequent work experience. Members have called for the reinstatement of the Cost of Education Allowance and the provision of decent lunch, travel & subsistence allowances. Childcare places are also a big issue, people are offered course places they are unable to take-up because they cannot find childcare.

The INOU is calling for Budget 2016 to:

- ◆ **Improve local E&T access to improve job opportunities.**
- ◆ **Increase income and service supports to facilitate participation.**
- ◆ **Improve access to guidance counselling and enhance matching of learners needs with appropriate provision.**

Access to Employment

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.

For some unemployed people part-time work may be the only option and ideally the social welfare system should work off an hours base rather than a days base. In the meantime revamping the Part-time Job Incentive Scheme could be used to address this issue. It could be developed as a tool for Case Officers to use to support people to 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. An increase in the earnings disregard from €20 to €30 for people in receipt of a Jobseekers payment who find part-time work would also help alleviate some of the financial difficulties in moving from welfare-to-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.

The INOU is calling for Budget 2016 to:

- ◆ **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.**

Social Inclusion, Human Rights and Equality

To ensure that the recovery underway is inclusive of all and in particular to ensure that people living on the margins of Irish society experience this recovery, the principles of social inclusion, human rights and equality must be embedded in Irish policy design and delivery. To that end it would be important to build on the recommendations of the UN Committee on Economic, Social and Cultural Rights who note under the head 'Maximum Available Resources' "that the State party:

(a) Review, based on human rights standards, all the measures that have been taken in response to the economic and financial crisis and are still in place with a view to ensuring the enjoyment of economic, social and cultural rights. In this regard, it draws the State party's attention to its open letter of 16 May 2012 to States parties on economic, social and cultural rights in the context of the economic and financial crisis, in particular to the requirements that austerity policies must meet. The policies must be temporary, covering only the period of the crisis, and they must be necessary and proportionate. They must not result in discrimination and increased inequalities. They must comprise all possible measures, including tax measures, to ensure that the rights of the disadvantaged and marginalized individuals and groups are not disproportionately affected. They must also identify the minimum core content of the Covenant rights or a social protection floor and ensure the protection of this core content at all times;

(b) Ensure that austerity measures are gradually phased out and the effective protection of the rights under the Covenant is enhanced in line with the progress achieved in the post-crisis economy recovery;

(c) Consider reviewing its tax regime, with a view to increasing its revenues to restore the pre-crisis levels of public services and social benefits, in a transparent and participatory manner; and

(d) Consider instituting human rights impact assessments in its policy-making process, particularly relating to the Covenant rights."

The INOU is calling for Budget 2016 to:

- ◆ **SIHRE proofing of the Budget, including the tax measures.**
- ◆ **Enhanced supports for public service provision.**
- ◆ **Properly support CVS organisations addressing social and economic exclusion.**

Focus in Budget 2016



Sharing in the recovery

INOUE Contact: Bríd O'Brien, Head of Policy & Media, policy@inou.ie