



IRISH NATIONAL ORGANISATION OF THE UNEMPLOYED

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INOUE Submission on the Social Welfare and Pensions Bill 2013

Introduction

The speed at which this piece of legislation is making its way through the Houses of the Oireachtas is extraordinary and is in marked contrast to the process that underpins the other key piece of post-budget legislation, the Finance Bill and is a testament to where power and influence lie in this state.

In our pre-budget submission the INOUE noted that in the Programme for Government it states: *"By the end of our term in Government Ireland will be recognised as a modern, fair, socially inclusive and equal society supported by a productive and prosperous economy."* The cumulative impact of budgetary cuts leaves many people in Ireland questioning the sincerity of this quote as they experience growing inequality and social exclusion on a daily basis.

Sections 9 and 10

Also in the Programme for Government a commitment was made that *"We will maintain social welfare rates."* Budget 2014 may indeed have maintained these rates for Jobseekers aged 26 and over but the Government did not stand by this commitment for people aged 25 and under. The proposed Youth Guarantee is being cited as a compensatory measure however at present it is only open to people *under* 25 years of age and the resources required to make such a guarantee work are not available.

Real equality in Irish society *should* mean that where a person aged 18 and over meets the conditions of a means-tested payment they should get the full adult rate of €188. Jobseekers Allowance is a means tested payment and so any young person who has an entitlement to a maximum JA payment is a person without few other means or is living in a family with few others means. Similar issues arise with Supplementary Welfare Allowance changes and in particular for vulnerable young people who may be facing and struggling with homelessness.



So for many young people the additional places on JobBridge will be meaningless as they will be unable to afford to take-up a full-time programme on €150 per week. At the very least and in the interests of equity a mechanism should be introduced on JobBridge to facilitate participating employers to make a contribution to the income of programme participants.

Access to Back to Education Allowance and a better rate on it has been cited as an off-setting measure to this proposed Jobseeker Allowance cut. However, many young people aged between 22 and 24 are already well educated and issues may arise for them when they seek to participate in a course facilitated through the BTEA that they may not be able to do so because of their existing qualifications. This is an issue that should be re-visited and opportunities developed for unemployed people to improve their skills levels and acquire a qualification that would create better employment opportunities for them.

In the meantime the legislative proposed changes in this Bill must not proceed.

- ☛ **The INOU strongly opposes Section 9 and calls for its removal from the Bill.**
- ☛ **The INOU strongly opposes Section 10 and calls for its removal from the Bill.**

Section 11

There has been much discussion on the challenging issue of mortgage debt facing so many people. A range of solutions have been put in place and it will take time to ascertain if the most recent developments have the capacity to make the progress that is so badly needed. The income from Mortgage Interest Supplement can play an important role in supporting unemployed people to maintain a roof over their heads and its discontinuance will throw up considerable challenges for these families. The Government's concerns that a short-term support has morphed into a long-term one should be addressed in alternative manner: leaving people struggling further with the stark realities of being unemployed is not in Ireland's interest.

- ☛ **The INOU opposes Section 11 and calls for its re-consideration.**



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