



INOUE Submission to the Mid-term Review of the Roadmap for Social Inclusion



INOUE

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Introduction

The Irish National Organisation of the Unemployed (INOUE) welcomes the opportunity to engage in the midterm review of the Roadmap for Social Inclusion 2020-2025.

“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 two strands of membership: affiliated organisations and individuals who are unemployed. 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.

In the Department of Social Protection’s press release opening the consultation process for this review it was noted that *“The Roadmap for Social Inclusion is a whole of Government strategy for addressing poverty and social exclusion. The Roadmap contains ambitious targets to reduce consistent poverty to 2 per cent or less by 2025, and to position Ireland within the top five countries in the EU under a number of leading social inclusion measures.”*

Later on in the release Minister O’Brien stated: *“As we strive to fulfil the commitments outlined in the Roadmap for Social Inclusion, we seek feedback at its mid-point on its effectiveness from those most impacted by poverty and social exclusion.”*

This submission will review the Roadmap for Social inclusion and reflect on the issues raised in the questions posed in the online survey:

1. What progress do you feel has been made in reducing poverty and social exclusion since publication of the *Roadmap for Social Inclusion 2020 – 2025* in January 2020?
2. In your experience, what has worked well in reducing the number of people in Ireland experiencing poverty and social exclusion?
3. And in your experience, what has not worked so well or is challenging in reducing the number of people in Ireland experiencing poverty and social exclusion?
4. What would you like to see prioritised in terms of moving people out of poverty and social exclusion, up to the end of the *Roadmap for Social Inclusion 2020 – 2025* in 2025?
5. If there are any specific aims, ambitions, commitments, or targets in the *Roadmap for Social Inclusion 2020 – 2025* that you would like to comment on, please provide details. This can include identifying gaps in what is included in the Roadmap, or any other comments you may have.

Context

On May 6th, 2022 the Central Statistics Office (CSO) published the results of the *Survey of Income and Living Conditions (SILC) 2021*. SILC is a household survey which provides the data from which key national poverty indicators are derived, including the at risk of poverty rate, the consistent poverty rate, and rates of enforced deprivation. In their press release the CSO note that *"Income and poverty estimates from SILC 2021 are calculated from 2020 calendar year income."* Participants in this survey were interviewed in the first six months of 2021.

In 2021 the at-risk-of-poverty rate decreased 1.6 percentage points to 11.6%. However, without the COVID-19 pandemic income supports this figure would have been 19.9%. While if all social transfers are excluded, the at-risk-of-poverty rate would rise to 38.6%. Social transfers include, for example, Child Benefit, Housing Assistance Payment, Jobseekers payment, Pandemic Unemployment Payment (now closed), One Parent Family Payment, pensions, illness, and disability payments.

The SILC data is presented under a number of different categories including Principal Economic Status (PES). Under PES, for people who identified themselves as unemployed their at-risk-of-poverty rates decreased by 10 percentage points to 23.2%. However, without the COVID-19 pandemic income supports this figure would have been 44.1%, and that would have been the highest at-risk-of-poverty rate.

The CSO noted that the *"enforced deprivation rate is the percentage of persons that are considered to be marginalised or deprived because they live in households that cannot afford goods and services which are considered to be the norm for other households in society."* This rate captures people in the population who were not able to afford at least two of the items / activities contained in a list of eleven. Amongst the issues noted by survey respondents were: unable to replace worn out furniture; unable to afford new (not second-hand) clothes; unable to afford to have family or friends for a drink or meal once a month; without heating at some stage in the last year. In 2021 the deprivation rate was 13.8%, 0.5 percentage points lower than 2020. While for unemployed people, their deprivation rate was 31.6%, 1.7 percentage points lower than 2020.

At the national level the consistent poverty rate, which captures people who are at-risk-of-poverty and experience deprivation, was 4%. Again this figure was higher for people who are unemployed 10.2%, though it decreased by 6.2 percentage points over the year, reflecting the positive impact of the higher Pandemic Unemployment Payment.

Amongst the other groups with higher consistent poverty rates were people unable to work due to long-standing health problems (19.2%); households with one adult aged under 65 years (11.1%); households with one adult with children aged under 18 years (13.1%); no person at work in the household (12.4%); and people whose tenure status was rented or rent free (9.8%).

Roadmap for Social Inclusion

The Roadmap for Social Inclusion contains seven high level goals and of particular interest for the INOU are:

- Goal one: Extend employment opportunities to all who can work
- Goal two: Ensure work pays – fair pay, fair conditions for workers

The **Roadmap's key ambition** is to *“reduce consistent poverty to 2% or less and to make Ireland one of the most socially inclusive countries in the EU.”* It is very questionable how achievable this ambition is without particular targets for the groups that consistently have higher poverty statistics, including people who are unemployed.

On page five of the Roadmap the Government notes *“this new Roadmap is framed in terms of the achievement of Social Inclusion which we define as follows:*

Social Inclusion is achieved when people have access to sufficient income, resources and services to enable them to play an active part in their communities and participate in activities that are considered the norm for people in society generally.”

Notwithstanding the Government's desire to see this Roadmap as a policy for inclusion, the cold reality is that socio-economic exclusion and marginalisation has a cumulative impact on a person's ability to participate as fully as possible in Irish society and its economy. It is critical not to underestimate the influence of a person's start in life: the socio-economic status of the family and community they were born into, which in turn can impact on their educational attainment. There is a strong correlation between educational status and employment status, which in turn impacts on the type of employment the person can access, whether or not they experience long-term unemployment, or have the networks or contacts to secure decent employment.

According to page fifteen **Goal One** seeks to *“Give everyone who can work the opportunity of employment as a means to improve their well-being”*. Pages twenty-four and twenty-five list eleven commitments under this goal. There is a lack of ambition to these commitments to seriously address socio-economic exclusion and discrimination in the labour market. There is a lot of cross referencing of other policies, some of which no longer exist e.g. Future Jobs Ireland, and a sense that whatever ambition is to materialise, it will be the other policy's role, rather than the Roadmap for Social Inclusion really holding that policy to account.

According to page twenty-six **Goal Two** seeks to *“ensure that workers are treated fairly and paid fairly and that work continues to be the best route to social inclusion”*. Pages thirty-two and thirty-three list ten commitments under this goal. There are some welcome targets in this list, including two to address child poverty and in-work poverty. However, commitment twenty-one is rather patronising, implying that people are poor because they don't manage their own limited resources as well as they should: *“Review options for improving the financial management competence and literacy / access to financial management for people on low incomes and report to Government with a proposed approach.”* It fails to recognise that people

who are less well-off invariably have fewer financial services and options they can access.

The INOU strongly believes that access to decent work¹ is vitally important for people who are unemployed and distant from the labour market. Though, there are helpful commitments to address elements of the labour market that are not conducive to decent work, there is a lack of ambition on how Ireland will ensure we create and maintain an inclusive labour market. Yet such a labour market is essential if this Roadmap is to deliver for people who are underrepresented in it and / or over-represented in low paid and insecure employment.

Income adequacy is a critical issue for the INOU, and the organisation's annual pre-budget submission has called for many years for unemployed people and others reliant on a social welfare payment to be lifted above the poverty line and to ensure that their social welfare payments support them to meet a minimum essential standard of living.

While welcoming the focus of Goals three to five to improve the income of older people, families, children, and people with disabilities, it is disappointing that the Roadmap contains no goal to improve the circumstances of people of working age per se. However, commitment twenty-five under **Goal Three** states: *“Consider and prepare a report for Government on the potential application of the benchmarking approach to other welfare payments.”* It would be vital that this work is undertaken as soon as possible in a constructive manner, and that it strives to truly address the poverty facing unemployed people and other social welfare recipients.

Under **Goal Four** which seeks to *“reduce child poverty in Ireland and to ensure that all families have the opportunity to participate fully in society”* there is a commitment, number thirty-six to *“Review the current system of classifying second adults in households as ‘dependent adults’ with a view to individualising welfare payments and supports.”* From an equality and social inclusion perspective making progress on this commitment would be important, which has been long sought by many community and voluntary sector organisations. It will be equally important to ensure that everyone of working age can access appropriate employment supports and services, otherwise Goals One and Two will hold little relevance for this group of people, who invariably are women.

Under **Goal Five** which seeks to *“Improve social inclusion of people with disabilities by reducing poverty rates, improving employment outcomes and delivering better services”* there is a commitment, number forty-two, which states *“Specific poverty reduction and employment targets will be set for people with disabilities: Reduce the AROPE rate from 36.9% first to 28.7% (2025) and then to 22.7% (2030); and increase the employment rate from 22.3% first to 25% (2021) and then to 33% (2027).”* Again what is missing from the Roadmap is how a labour market truly inclusive of people with disabilities will be created and maintained. Under this goal there is a welcome declaration to *“Changing the narrative – from disability to ability”*. For this to

¹ *“Decent work involves opportunities for work that is productive and delivers a fair income, security in the workplace and social protection for families, better prospects for personal development and social integration, freedom for people to express their concerns, organize and participate in the decisions that affect their lives and equality of opportunity and treatment for all women and men”* ILO definition

become a meaningful reality for people with disabilities then the Government must spell out clearly how Irish society and its economy will become more equitable and inclusive. To that end strong actions are required to ensure that people with disabilities can access decent work, and ideally a job of their choosing.

The aim of **Goal Six** is to “*Empower communities to address social exclusion*”. This is a welcome aim as many people who experience inequality and social exclusion live in communities that are often less well-off, seeking to address a complex range of challenges. There are nine commitments under this goal, yet there is no real sense of the resources required to ensure that the aim of this goal will be realised; nor of the negative and ongoing impact of reduction or freezing of funding to community groups during the 2008 financial crisis.

Commitment forty-nine under this goal aimed to “*Complete the review of Social Inclusion through Community Employment and implement any recommendations arising.*” The Inter-Departmental Group which undertook this task issued their report in December 2021. In it they noted that “*Over time, as the numbers on the live register are falling the proportion of social inclusion placements on the schemes is increasing. This is because the schemes are increasingly supporting people ‘who are most distant from the labour market’ and also because the schemes are supporting communities isolated or disadvantaged in rural and urban areas.*” (p3)

The last part of this quote is particularly important for Goal Six, as it highlights the role a programme like Community Employment plays in supporting communities with fewer resources to address socio-economic exclusion.

On page four **Goal Seven** is described as: *Ensure that all people have access to quality services.* While on page sixty-six the goal is stated as: *ensure that all people can live with confidence that they have access to good quality healthcare, housing, energy and food.* In 2020 the INOU ran a project on Decent Work², it was funded through IHREC's Grant Scheme, and in one of the workshops it was noted that *Work does not exist in a vacuum: if services and supports are there, cost of living decreases, and the focus of an ideal job changes.*

The Covid-19 pandemic highlighted the importance of public services and people being able to access them; it also demonstrated that people and communities with more resources were better able to manage the impact of economic lockdowns. To that end the proper implementation of the policies or their replacements in Commitments fifty-four to sixty is critical.

However, the other commitments raise the challenge of income inadequacy, a challenge that is not properly dealt with across the Roadmap, its goals and commitments. Yet for social inclusion to become a meaningful reality for people who are unemployed and other people reliant on a social welfare payment it must be addressed. For many years the INOU has urged the Government to benchmark all social welfare rates at a level which is sufficient to lift people above the poverty line and provide them with a Minimum Essential Standard of Living. Such a focus should be a key feature of any road map seeking to realise social inclusion.

² The report is available at https://www.inou.ie/assets/files/pdf/inou_decent_work_report_web.pdf