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INOUE Submission to the Department of Employment Affairs and Social Protection on The Department's Statement of Strategy 2017-2020

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INTRODUCTION

The Irish National Organisation of the Unemployed (INOUE) welcomes this opportunity to make a submission on the Department of Employment Affairs and Social Protection's Statement of Strategy 2017-2020.

"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 over 200 affiliated organisations and 2,700 individual members. 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.

CURRENT CONTEXT

On 23rd May, 2017 the Central Statistics Office published the Quarterly National Household Survey (QNHS) for Quarter 1 2017. According to these figures there were 33,200 fewer people unemployed than in the same quarter 2016 and the figure now stands at 146,200 people. The unemployment rate has also dropped, by 1.7% to 6.7%. 78,700 people, or 53.8% of those unemployed, are long-term unemployed. 29.6% of those who are long-term unemployed are men aged 25-44 years old. The long-term unemployment rate decreased by 1.1% to 3.6%.

Looking at the overall unemployment rate from a regional perspective, the unemployment rate varied from a low of 5% in the Mid-East to a high of 9.3% in the South-East. The unemployment rate decreased across the eight regions, varying from 0.6% in Dublin to a 3.8% drop in the Midlands.

At national level employment increased by 68,600. Employment increased in seven of the eight regions, with the largest increase taking place in the West, accounting for 26.7% of the national increase. The Border region was the area where employment fell over the year, with 300 fewer people employed.

On September 5th the Central Statistics Office published the Monthly Unemployment (MU) figures for August 2017 and noted there were 139,100 people unemployed, an annual decrease of 33,900. The Monthly Unemployment Rate was 6.3%, 1.6% lower than the same month last year. The unemployment rate for people aged under 25 was 12.7%, a drop of 4.5% on August 2016. A decrease of 1.3% over the year brought the unemployment rate for people aged 25-74 down to 5.6%.

On September 7th the Central Statistics Office (CSO) published the Live Register for August 2017. According to these figures there were 264,256 people on the Live Register, a drop of 16.4% over the year. 111,799 people, or 42.3% of the Register, were on it for more than a year, a decline of 20.3% over the year. 57.9% of that number or 64,765 people have been on it for more than three years. Though this figure has declined by 18.98% over the past year, it still accounts for 24.5% of the people on the Live Register.

In an annex to the Live Register figures, the CSO also publishes data on participation on activation programmes, which lag a month behind the Live Register figures. So, in July 2017, there were 52,607 people participating on employment, education and training programmes: a drop of 12.3% on the same month last year.

95.8% of the overall decrease on activation programmes is accounted for by a 14.8% drop in the numbers of people participating on employment programmes. Participation on two of these programmes continues to drop dramatically: JobBridge by 90.5% to 322 participants; and Gateway by 88.5% to 187 participants over the past year. Participation on education and training programmes fell by 2.6% to 11,935.

DSP STATEMENT OF STRATEGY 2016-2019

In the Department of Social Protection's Statement of Strategy 2016 to 2019, the Department's Mission is state as *"To promote active participation and inclusion in society through the provision of income supports, employment services and other services"*. While the Department's overall objective for 2016 to 2019 is *"to continue putting our clients at the centre of all our operations, providing an efficient and effective service and to continue developing our staff, structures and processes."*

Since this Statement of Strategy was published the Department of Social Protection has become the Department of Employment Affairs and Social Protection (DEASP). The DEASP's new functions at national level include: employment rights policy and legislation; the Low Pay Commission; national minimum wage legislation. At EU/International level the new functions include: EPSCO Council; Employment Committee (EMCO) and the EU Semester process; Ireland's response and input on the EU Pillar of Social Rights; Ireland's engagement with Eurofound; and the Council of Europe Social Charter.

DEASP STATEMENT OF STRATEGY 2017-2020

Overall the DSP's mission statement and strategic objectives continue to be relevant for the new DEASP. However, it will be absolutely critical that the principles of social inclusion, equality and human rights are incorporated into these objectives; that high level strategies are put in place to realise them; and that high level indicators used to access whether or not the key outcomes have been achieved. Such an approach would complement the Department's public sector duty obligations.

❖ PUT THE CLIENT AT THE CENTRE OF SERVICES AND POLICIES

The Department's first Strategic Objective must remain to '*put the client at the centre of services and policies*'; and it is absolutely imperative that this objective is visible in the policies and practices of the Department. Through the range of work the INOU undertakes it is clear that timely access to good information remains an issue: significant numbers of people are unaware of many of the State's range of welfare to work incentives and supports, and this is having an impact on unemployed people's participation in the labour market. There are a range of supports that the Department has at its disposal that it needs to pro-actively inform people about, and so ease people's progression into employment. This should be addressed through the delivery of innovative nationwide information campaigns and an increased focus on training and upskilling front line staff. At the INOU's recent Annual Delegate Conference concerns were raised and a motion passed about people not fully realising the importance of signing-on for credits. This motion is a very particular example of the potential life-long negative impact of an information deficit.

The Programme for Government notes that "*We accept that the economic recovery remains incomplete and fragile. Many people have yet to feel the benefit of the upturn in the economy. Many families are still struggling financially. Many communities - both rural and urban - have inadequate services and infrastructure.*" (p32) The INOU is keenly aware of the financial difficulties facing unemployed people. According to the Survey on Income and Living Conditions (SILC) for 2015 the at-risk-of-poverty rate was 16.9%, a decrease of 0.3%. However, for unemployed people the at-risk-of-poverty rate increased by 5.5% to 43.5%. In 2015 the deprivation rate was 25.5%, a decrease of 3.5% in comparison to 2014. For unemployed people the deprivation rate also decreased, by 7.9% to 45.5%, but was still 20% higher than the national rate. The consistent poverty rate in 2015 was 8.7%, a slight decrease of 0.1%. However, for unemployed people the consistent rate increased by 2% to 26.2% - a figure that is three times the national rate.

In Budget 2017 a welcome increase to Jobseekers and other working age payments was made: as these poverty indicators demonstrate much still needs to be done to address the social and economic exclusion facing so many unemployed people and others of working age. However, the Vincentian Partnership for Social Justice's Minimum Essential Standard of Living work highlights "*In 2017 social welfare does not provide an adequate income for 169 of 214 urban cases examined. Fourteen cases have moved to adequacy in 2017 due to the combined effect of increased social rates and reduced MESL expenditure need.*"

- ← **An integral part of the Department's High Level Strategies must be the setting of Jobseekers payments and other social protection income supports at levels that ensure recipients can meet a minimum essential standard of living.**
- ← **Support frontline staff to develop a good knowledge of the local labour market and to deliver a person-centred service with good guidance and information on the best options available.**

The INOU regards the introduction of age segregation to Jobseeker's Allowance payments as discriminatory and strongly believes that on equality grounds they should be reversed. Such a development would be keeping with the commitment in the Programme for Government to "*develop the process of budget and policy proofing as a means of advancing equality, reducing*

poverty and strengthening economic and social rights. We will also develop a new Integrated Framework for Social Inclusion, which will outline measures to help eliminate any persisting discrimination on grounds of gender, age, family status, marital status, sexual orientation, race, disability, religion or membership of the Traveller Community.” (p6)

➤ **Equality and social inclusion principles and practice must be integral to the Strategic Objectives and High Level Strategies of the Department’s new Statement of Strategy.**

In the Programme for Government it says that *“In recognition of the vital role of schemes such as the Rural Social Scheme, Community Employment Schemes, BTEA and Farm Assist in rural communities and in activating the unemployed, we will ask the Minister for Social Protection to make suitable recommendations to strengthen provision in this area”.* (p104)

Through the course of our work the INOU is keenly aware of the important role employment programmes play in facilitating unemployed people’s participation in their community; and the key role these programmes play in urban disadvantaged communities. It is vitally important that participation on these programmes is by choice and that people can self-refer; that proper supports for participation are put in place; and that people truly experience these programmes as a stepping stone into decent and sustainable employment. To address this issue, the Department could use the Probability of Exit (PEX) mechanism to identify people who would benefit from such an intervention and facilitate earlier access to employment programmes where appropriate.

Another issue that has arisen is access to employment programmes for people who are ex-offenders. Before the crisis, access to activation programmes was fairly standard across working age payments, but since the crisis a number of anomalies have arisen. For example, an ex-offender can access CE but not Tús: this needs to be addressed as early access to such a programme could play an important role in supporting an ex-offender re-establish his or her life.

- **Review income supports and activation scheme criteria to ensure that there is consistency across schemes and programmes.**
- **Provide greater flexibility on eligibility criteria for activation programmes to ensure that they are indeed person centred supports and services.**
- **Ensure participation on activation programmes is by choice and facilitate self-referrals.**

❖ **PURSUE GREATER EQUALITY, EFFICIENCY AND EFFECTIVENESS**

The Department is responsible for the National Employment Service, and such a service requires a different relationship with clients and service users, a relationship that moves beyond a fraud and control driven one, to one that truly strives to provide an excellent service to everyone of working age. To that end the INOU believes that the second objective should be changed to *‘pursue greater equality, efficiency and effectiveness’*.

In the INOU’s 2018 Pre-Budget Submission we called on the Government to *“Resource the provision of good career and employment guidance to support unemployed people to make informed choices, access appropriate education and training, leading to good quality employment in terms of job security and salary levels and in particular to ensure this is available to individuals*

and communities most disadvantaged in the labour market.” Given the expanded role of the DEASP, it is in its interest that this call is delivered on, and that the different component parts of the Department work well together to address issues of income adequacy; appropriate employment services; and access to decent and sustainable employment.

Access to decent employment is essential if Ireland is to address the social and economic exclusion facing so many people who are unemployed, parenting alone or living with a disability. However, access to employment alone will not address this exclusion if other essential services are not in place. For example, at the INOU’s recent Discussion Forums the issue of homelessness was raised and the impact it has on people’s ability to engage with activation services. Access to affordable and appropriate transport was also raised, including the challenges facing young people experiencing exorbitant car insurance costs, ones that can make the welfare-to-work journey particularly difficult. These barriers are exacerbated if the employment on offer is anyway precarious; and to that end DEASP needs to ensure that it supports unemployed people to access decent employment; and where such employment is not available that DEASP supports people to manage their cost of living, and in particular those with families.

At the INOU’s recent Annual Delegate Conference concerns were raised about the impact of Brexit on unemployed people living in the border region, the only region to see employment fall in the most recent Quarterly National Household Survey. Delegates were also concerned about the impact on more vulnerable employees, people working in indigenous enterprises reliant on the UK market; and people who are more distant from the labour market who have yet to fully benefit from Ireland’s on-going economic recovery and who may not benefit if employment starts to fall and unemployment starts to rise again.

For many people employment programmes can be an important access point to the labour market and an important resource to community based organisations seeking to provide services and supports in their local communities or communities of interest. It is important that employment programmes are indeed a stepping stone to a decent job and that participation on these programmes is by choice and people can self-refer.

- **Resource the provision of good career and employment guidance to support unemployed people to make informed choices, access appropriate education and training, leading to good quality employment: in particular to ensure this is available to individuals and communities most disadvantaged in the labour market.**
- **Support frontline staff to deliver a person-centred service with good guidance and information on the best options; and incorporate a strong equality and social inclusion focus to their work.**
- **Facilitate access to employment programmes for all unemployed people, including people in receipt of no payment and ex-offenders.**
- **Plan for the employment and unemployment impacts of Brexit and in particular to identify the emerging and possible job losses, the potential alternative enterprises and jobs, and the education and training supports that are required to ensure unemployed people can gain access to these jobs, which must be decent and sustainable.**
- **Re-invest in community based organisations to support their work with people experiencing social exclusion and people who are distant from the labour market.**

The INOU is aware that over the next three years unemployment is expected to fall further, however, even when the Government's target of 6% unemployment is reached, there will still be 140,000 people unemployed. Of course this figure only includes people who fit within the official definition of unemployment¹, and would be higher if Ireland's population continues to grow and a wider definition of unemployment / joblessness is used. Activation programmes and employment support programmes like JobsPlus will still have an important role to play, but it will be important that they are kept under review to ensure that they are as supportive as possible, especially, for people more distant from the labour market.

By the end of 2019, JobPath will be beginning to wind down and so it would be important that within this Statement of Strategy, a post JobPath vision for supporting people who are long-term unemployed is explored and developed. And as the focus on jobless households and others of working age increases, the ability of the National Employment Service to meet a wider range of needs must be acknowledged and supported. Jobs Clubs, LES, SICAP implementers, EmployAbility and other community based organisations play an important role in the roll-out of employment services to people who are distant from the labour market.

- **Review employment services and supports to ensure that they are meeting the needs of unemployed people and others of working age.**
- **Enhance the engagement of the National Employment Service with a wider range of employers.**
- **Re-invest in community based organisations to support their work with people experiencing social exclusion and people who are distant from the labour market.**

❖ **DEVELOP STAFF, STRUCTURES AND PROCESSES**

When *Pathways to Work 2016 - 2020* was published in 2016 it noted that its focus was changing from 'activation in a time of recession' to 'activation for a recovery' and that the two main objectives were to:

- Continue and consolidate the progress made to date with an initial focus on working with unemployed jobseekers, in particular people who are long-term unemployed; and
- Extend the approach of labour market activation to other people who, although not classified as unemployed jobseekers, have the potential and the desire to play an active role in the labour force.

In the Section entitled 'Expanding Scope and Coverage – Active Inclusion' it notes that P2W *"includes specific actions to increase labour market participation and employment progression of people who are not currently active in the labour market and to apply the concept of active*

¹ CSO definition of unemployment: Persons who, in the week before the Quarterly National Household Survey, were without work and available for work within the next two weeks, and had taken specific steps, in the preceding four weeks, to find work.

inclusion as a guiding principle – particularly in the period from 2018 – 2020.” (p18) In 2008, the European Commission adopted a ‘Recommendation on the active inclusion of people most excluded from the labour market’. This recommendation sought to promote a comprehensive strategy based on the integration of three key elements: adequate income support; inclusive labour markets; and, access to quality services. To that end employment services must:

- Be a person centred service for everyone of working age;
- Be pro-active and supportive;
- Ensure the full & pro-active provision of information;
- Ensure flexibility in the system to facilitate participation;
- Deliver good support services with a particular focus on re-skilling; provision of childcare; accessible transport;
- Ensure integrated provision within and across relevant Departments, Agencies, organisations on the ground;
- Identify clear pathways from Activation Programmes out into the wider labour market;
- Commit to and deliver on an inclusive service and identify how the requirements of ‘public sector duty’ will be met;
- Provide the proper resources to deliver on such a service.

Strand 5 of *Pathways to Work* seeks to ‘*build organisation capability to deliver enhanced services to people who are unemployed*’. The case study contained in the report highlights the importance of state agencies working together. To address the social and economic exclusion facing many people who are long-term unemployed, a greater recognition of the value of inter-organisational co-operation, and the role community based and led organisations can play, is required. Concerns have been raised with the INOU about local work being undermined by centrally directed provision that may not serve the interests of the most vulnerable unemployed people in the long run.

- **Support frontline staff to deliver a person-centred service with good guidance and information on the best options available to unemployed people and others of working age.**
- **Incorporate ‘Positive Duty’ into DEASP supports, services and underlying policies.**
- **Re-invest in community based organisations to support their work with people experiencing social exclusion and people who are distant from the labour market.**

THANK YOU FOR YOUR TIME AND CONSIDERATION