

EAPNIreland

European Anti-Poverty Network

Review November 2011



**PROGRESS
TOWARDS
EUROPE
2020**

Foreword

Welcome to this edition of the EAPN Ireland Review. It is an understatement to say that we are currently living in challenging times. Over the past number of years more people have been pushed deeper into poverty and to date policy decisions only seem to be making the situation worse.

In 2010 the EU agreed the Europe 2020 - A strategy for smart, sustainable and inclusive growth. This strategy was to ensure a balanced approach to the development of policy in the EU and its Member States with economic, environmental and social goals given equal priority. The fact that three of the five targets in the strategy focus on social priorities is significant, in particular for the first time a poverty reduction target.

However, it is clear that economic priorities have overtaken social priorities in response to the current crisis. There is a great responsibility on all policy makers to correct this imbalance or risk plunging societies across the EU into turmoil with many people and communities condemned to poverty and social and economic isolation for decades to come.

One year after agreeing on Europe 2020 this Review presents a briefing of where the Europe 2020 Strategy is currently at and a perspective on the employment and education targets from the Irish National Organisation of the Unemployed and the National Adult Learner Agency respectively.

The Review also contains an important report from EAPN Ireland workshops held around the country in September 2011 to look at Europe 2020 and in particular the commitment to address poverty. It presents the views of workshop participants on how the Europe 2020 commitments match up to the current reality for people and communities around Ireland. It also outlines participants' suggestions for change if the Government and the EU are serious in their commitments to significantly address poverty by 2020.

Integrated throughout the Review are three Blogs from new TDs taken from the EAPN Ireland series 'Fresh Perspectives – new TDs on the development of a more social Europe' which were published on our website during the summer.

In producing this Review EAPN Ireland hopes that people will be better informed about Ireland's social commitments at EU level, and alongside other commitments, use then to hold the Government to account in the decisions it is taking.

Finally EAPN Ireland would like to thank the European Commission Representation in Ireland for making the publication of this Review possible and the Communicating Europe Initiative in the Department of Foreign Affairs for supporting the regional workshops and the development of the Europe 2020 Briefing.

Philip O'Connor
Chairperson, EAPN Ireland



While this publication and activities reported within it has been made possible with assistance from the European Commission Representation in Ireland and Communicating Europe Initiative in the Department of Foreign Affairs the views expressed in it are exclusively those of EAPN Ireland and its contributors

20

The image features the number '20' in a large, bold, teal-colored font. The '2' is on the left and the '0' is on the right. A decorative, wavy, semi-transparent mesh overlay in shades of teal and light grey is draped across the middle of the numbers, creating a sense of movement and depth. The background is plain white.



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BRIEFING

Background

Since the current crisis began people in Ireland are all too familiar with the great increase in unemployment and the impact of the austerity measures being implemented by the Government. Most people are also aware of the role European Union and the European Central Bank (ECB) in determining the direction being taken by the Government and in particular the loan agreement Ireland has entered into with the European Commission, the ECB and International Monetary Fund (IMF). While the Government can renegotiate parts of the agreement it is binding and involves visits by these organisations to Ireland every three months to ensure the agreed programme is on track.

It is important however to recognise that Ireland has entered into other agreements as a member of the European Union including an agreement to reduce poverty and social exclusion. In 2010 the European Council (i.e. the Heads of State of the 27 EU countries) agreed on Europe 2020 – A European Strategy for Smart, Sustainable and Inclusive Growth. This strategy has five targets including for the first time a poverty target ‘to reduce by at least 20 million the number of people experiencing poverty and social exclusion by 2020’. As part of this commitment each Member State, including Ireland, had to set its own poverty target. While commitments under the Europe 2020 strategy are not given the same emphasis at EU level as others, such as the EU/IMF loan agreement and the Stability and Growth Pact (SGP)¹, it is extremely important that anti-poverty organisations use these commitments to hold the Government and the EU to account.

This update builds on previous EAPN Ireland briefings on Europe 2020² and analyses what progress is being made towards meeting the commitment to reduce poverty and social exclusion.

¹

The SGP applies for countries in the Euro zone and includes the commitment to keep budget deficits to a maximum of 3% of GDP.

²

*<http://tinyurl.com/3umz6ze>
2 - <http://tinyurl.com/3umz6ze>*

What are the 2020 commitments?

In June 2010 the Europe 2020 Strategy replaced the Lisbon Strategy for Growth and Jobs (also known as Lisbon Agenda) as the key means of progressing an integrated approach to economic, employment, environmental and social goals of the EU. It is widely recognised that the Lisbon Strategy failed to achieve its overall social inclusion goal which was to 'make a decisive impact on poverty by 2010'. In 2010 almost 17% or 84 million people in the EU were at risk of poverty. This was an increase of 1% from 2000 when the commitment was made.

The Europe 2020 Strategy contains five targets and based on these each country produces an annual National Reform Programme³ presenting their own targets and outlining how they are going to achieve them. The targets are as follows:

³

<http://tinyurl.com/3c3vodp>

Employment



EU Target

Raise to 75% the employment rate of women and men aged 20-64, including the greater participation of young people, older workers and low-skilled workers and better integration of legal migrants.

Irish Target

To raise to 69-71% the employment rate for women and men aged 20-64, including through the greater participation of young people, older workers and low-skilled workers, and the better integration of legal migrants, and to review the target level of ambition in 2014, in the context of a proposed mid-term review of the Europe 2020 Strategy.

Education



EU Target

Improving education levels, in particular by aiming to reduce school drop-out rates to less than 10% and by increasing the share of 30-34 years old having completed tertiary or equivalent education to at least 40%.

Irish Target

To reduce the percentage of 18-24 year olds with at most lower secondary education and not in further education and training to 8%; to increase the share of 30-34 year olds who have completed tertiary or equivalent education to at least 60%.

Research & Development



⁴
The initial Commission proposal was to reduce at-risk of poverty in the EU by 20%. The goal is now for a 17% reduction under the wider new definition of poverty and social exclusion.

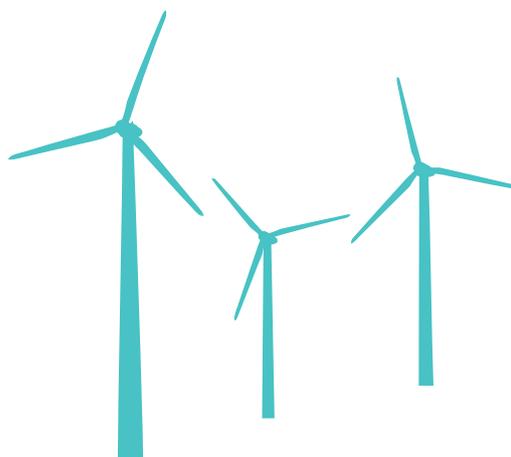
EU Target

Spending 3% of GDP on research and development.

Irish Target

Improving the conditions for research and development, in particular with the aim of raising combined public and private investment levels in this sector to 2.5% of GNP⁴ (approximately equivalent to 2.0% of GDP).

Climate Change



⁵
Information on the Flagship Initiatives is available at <http://tinyurl.com/3tpaejb>

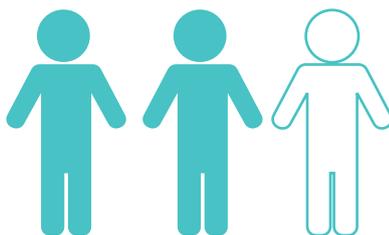
EU Target

Reducing greenhouse gas emissions by 20% by 2020, increasing the share of renewables in energy consumption by 20% and moving towards a 20% increase in energy efficiency.

Irish Target

Reduce greenhouse gas emissions in the non-traded sector⁵ by 20% compared to 2005 levels; increase the share of renewables in final energy consumption to 16% by 2020; to move towards a 20% increase in energy efficiency.

Poverty & Social Exclusion



⁶
<http://tinyurl.com/3e3lbrw>
<http://tinyurl.com/3rtzhf2>

⁷
Under the provisions of the Stability and Growth Pact (SGP) euro-area Member States prepare annual stability programmes and other EU Member States prepare convergence programmes and submit them to the Commission and the Council each year. The aim is to ensure more rigorous budgetary discipline through surveillance and coordination of budgetary policies within the euro area and EU.

EU Target

Promoting social inclusion, in particular through the reduction of poverty, by aiming to lift at least 20 million people out of risk of poverty and exclusion by 2020.⁶

Irish Target

To reduce the number experiencing consistent poverty to between 2-4% by 2012, with the aim of eliminating consistent poverty by 2016, which will lift at least 186,000 people out of the risk of poverty and exclusion.⁷

The EU poverty reduction target, while not as ambitious as that initially proposed by the European Commission⁸ is significant because it is the first such numerical target agreed at EU level and directs political attention to this issue. Appendix 1 explains the various ways of measuring poverty used in setting the targets.

In order to achieve these targets Europe 2020 also included a range of 'Flagship Initiatives'⁹ or programmes. Some of these include:

- Youth on the Move
- An agenda for New Skills and Jobs
- European Platform Against Poverty

Among other priorities the Platform Against Poverty recognises that poverty and social exclusion cannot be solved by social policies alone but through an integrated approach across all policy areas including economic policies.

Between 2000 and 2010 the Lisbon Strategy included a social inclusion strategy which involved each Member States including Ireland having to send regular National Action Plans for Social Protection and Social Inclusion to the European Commission. These Plans were based on agreed objectives at EU level. The Commission coordinated the process and issued reports on progress. This process was called the Open Method of Coordination (OMC) on social inclusion. While the process did not achieve the desired outcome of reducing poverty levels it did allow more detailed focus on poverty and social exclusion including putting in place a reporting process and opportunities to compare and exchange information and learning across EU Member States. So far there is no agreement on the OMC process being part of Europe 2020 but the Platform Against Poverty gives a commitment to looking at this and a decision will be made before the end of 2011.

Also as part of Europe 2020 the EU agreed 10 Guidelines¹⁰ to Member States which gave some more detailed guidance on the policy areas for developing their National Reform Programmes (NRPs). Guideline 10 is 'Promoting social inclusion and combating poverty'. The Guidelines also include a Partnership Principle (known as recital 16) which states that civil society should be involved in the implementation, monitoring and evaluation of Europe 2020.

To accompany the above guidance, in January 2011 the EU agreed an Annual Growth Survey. This Survey outlines the key economic priorities for the EU addressing issues such as national budget deficits, banking, job creation, competitiveness and economic growth. Again this survey was to inform Member States in developing their National Reform Programmes and also their new annual Stability or Convergence Programme.¹¹ These programmes are monitored by the European Commission and signed off on by the European Council (i.e. Heads of State). Following this Recommendations are produced at EU level on overall progress and also Recommendations to each Member State. These recommendations are to impact on policies by countries including their annual budgets.

Alongside these programmes most EU Member States including Ireland agreed in March 2011 to produce an annual Euro Plus Pact¹² which address economic priorities.

8

Agreed at European Council (Heads of State) meeting in March 2011 with four key objectives of fostering competitiveness, fostering employment, contributing to the sustainability of public finances and reinforcing financial stability.

9

<http://tinyurl.com/6zdds3u>

10

In the Autumn EAPN (Europe) will produce a detailed analysis of the National Reform Programmes and particularly how they address poverty and social exclusion.

11

The recommendation for Ireland was to Implement the measures laid down in Implementing Decision 2011/77/EU, as amended by Implementing Decision 2011/326/EU, and further specified in the Memorandum of Understanding of 16 December 2010 and its update of 18 May 2011'

12

The approach to addressing low work intensity must address quality of work including such issues as adequacy of pay and working conditions.

Summary of Annual Process



Implementation of Europe 2020

At EU level

In June 2011 the European Commission issued its Country Specific Recommendations which were based on an assessment of Member States National Reform Programmes and their separate economic programmes (Stability or Convergence Programme)¹³.

¹³

<http://tinyurl.com/6zdds3u>

In its overall Communication which accompanied the Recommendations the European Commission highlighted that in carrying out reforms and addressing their budget deficits Member States needed to find a way of tackling the social impact of the changes. It also highlighted that the trends visible in many countries highlight a growing risk of poverty and marginalisation and that Member States needed to do more to take measures to address these negative trends and to deliver on the poverty reduction target.

However, in its specific Recommendations to Member States the Commission generally ignores this concern and instead encourages Member States to implement reforms aimed at cutting budget deficits and restoring competitiveness and growth. The only substantial Recommendations related to addressing poverty were limited to access to training and employment opportunities.

A press release issued by EAPN (Europe) following the publication of the Recommendations by the European Commission stated that “The Recommendations are a betrayal of the hopes of people experiencing poverty and anti-poverty organizations across Europe that trusted in the commitments to poverty reduction made by President Barroso and the EU”. It went on to state that “The Recommendations don't address the fundamental causes of the problems we face in Europe today: growing concentration of wealth in the hands of a few, the dominance of financial speculators, the decline in quality of employment, and the constant erosion of public services and social welfare systems”¹⁴.

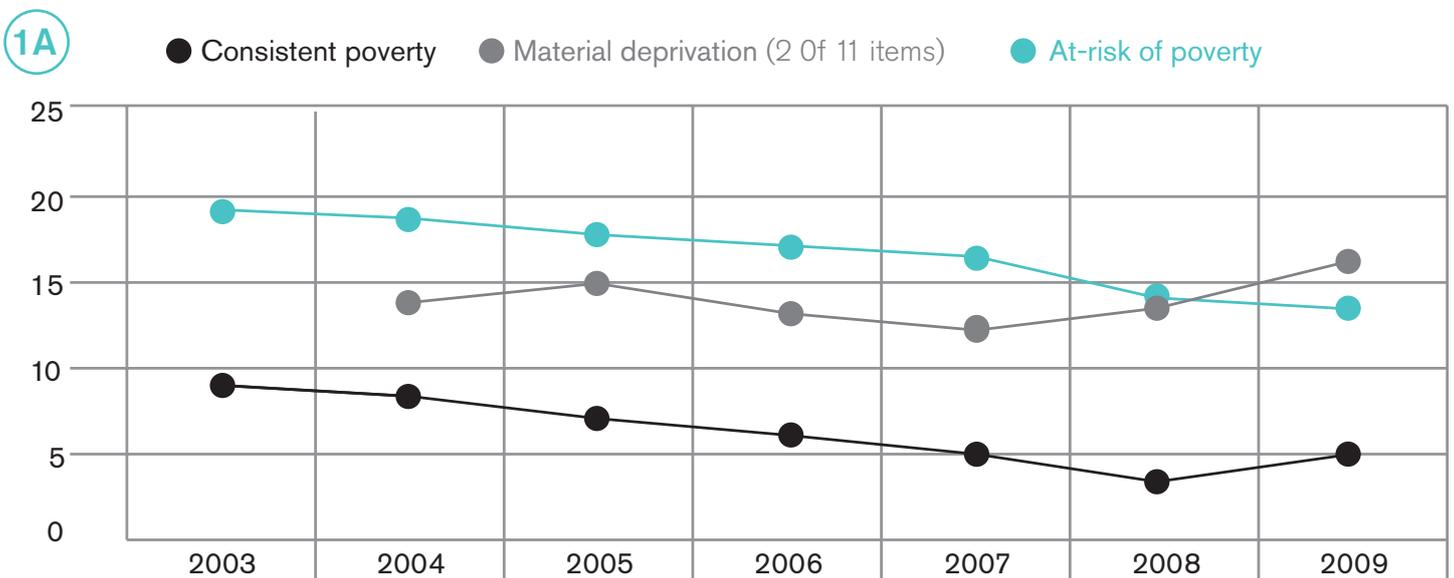
¹⁴

In the Autumn EAPN (Europe) will produce a detailed analysis of the National Reform Programmes and particularly how they address poverty and social exclusion.

The lack of focus in the Recommendations on the poverty target is of major concern. Of added concern to countries receiving financial support from the EU and European Central Bank (Greece, Ireland, Latvia, Portugal and Romania) is that the only Recommendation they received is for them to continue to implement the terms of their loan agreements¹⁵. As is clear in Ireland's case this agreement contains conditions which lead to a direct increase in poverty and social exclusion. The economic priorities have taken precedence over any social priorities.

¹⁵

The recommendation for Ireland was to 'Implement the measures laid down in Implementing Decision 2011/77/EU, as amended by Implementing Decision 2011/326/EU, and further specified in the Memorandum of Understanding of 16 December 2010 and its update of 18 May 2011'



At National level

Ireland's National Reform Programme is presented in the context of a commitment to implementing the terms of the EU/ECB/IMF loan agreement with the focus on making the changes necessary to address the budget deficit and the banking crisis. This determines the approach to delivery on the other commitments including the poverty reduction target.

The National Reform Programme recognises the challenge in meeting the poverty reduction target and states that "The challenge of meeting the national poverty target is considerable, as indicated by the rise in the consistent poverty rate to 5.5% in 2009 and it is possible that the rate may even be higher in 2010. The timescale for achieving the poverty target will be influenced by the pace at which economic and employment growth returns to the Irish economy. It is envisaged that in the early years fewer people may be lifted out of poverty or indeed the numbers may increase due to the effects of the economic recession and the implementation of the National Recovery Plan, in particular changes in the structure and operation of the social welfare system and child income support (as occurred in 2010 and 2011)".

The NRP highlights that a poverty impact assessment of policies and programmes at design and review stages will continue in a transparent and constructive manner, including analyses of the poverty impact of the tax and welfare measures in the annual Budget. However, to date it is not clear what the impact of this process on decisions has been e.g. the decisions to cut social welfare payments, to apply the Universal Social Charge to those on low incomes or to cut services and supports in areas such as education, health, care and in communities.

While much of the negative social impact of the crisis and the austerity measures to date has been hard to measure in statistical terms it was already clear that even in 2009 poverty levels were increasing.

The chart opposite (1A) clearly highlights the point made in Ireland's NRP and shows that in 2009 the levels of material deprivation and consistent poverty had increased. This is of serious concern given the Government's commitment to eliminate consistent poverty by 2016. As incomes fell generally the at-risk of poverty level, which is based on median incomes, fell just slightly in 2009. Progress to reduce poverty levels was made during the Celtic Tiger years. However, this only reduced poverty levels in Ireland to the EU average and social welfare levels remained below the 60% at-risk of poverty threshold.

The Government has given the commitment to review the poverty target by the end of 2011. This commitment is welcome. However the target and the policies to achieve them must be ambitious and reflect the fact that some people in society such as children, those who are unemployed, or living in households headed by a lone-parent experience higher levels of poverty than the average as indicated in the table below (1B):

1B

● Consistent poverty ● Material deprivation (2 Of 11 items) ● At-risk of poverty

Overall population	Children under 18	Unemployed	One parent family	Not working due to illness or disability
14.1%	18.6%	24.8%	35.5%	21.7%
17.1%	23.5%	34.3%	44.1%	35.7%
5.5%	8.7%	11.5%	16.6%	8.8%

02

REPORT ON EUROPE 2020 WORKSHOPS

Introduction

In early September 2011 the European Anti-Poverty Network (EAPN) Ireland carried out a series of workshops to look at the EU and national targets to reduce poverty and social exclusion and how these are being delivered upon in the context of the current reality for people and communities.

The poverty reduction targets are part of the Europe 2020 strategy for smart, sustainable and inclusive growth agreed in 2010.

The EU target in Europe 2020 is to 'reduce by at least 20 million the numbers of people at risk of poverty and social exclusion by 2020'. In order to contribute to achieving this target the Irish Government has agreed 'to reduce the number experiencing consistent poverty to between 2-4% by 2012, with the aim of eliminating consistent poverty by 2016, which will lift at least 186,000 people out of the risk of poverty and exclusion.' This is the same target which the Government adopted as part of Ireland's National Action Plan for Social Exclusion 2007-2016.

The government has committed to reviewing this target by the end of 2011.

80 people participated in three regional workshops organised by EAPN Ireland in Limerick, Dublin and Sligo.

The participants were mainly from a broad range of local community and voluntary organisations and from local and national agencies and local authorities. Two of the workshops were attended by Members of the European Parliament (MEPs) who were invited to respond to the feedback from participants. These were Paul Murphy MEP in Dublin and Pat the Cope Gallagher MEP in Sligo.

The programme for the half day workshops involved an input by EAPN Ireland followed by group discussion and feedback with discussion with MEPs where they were in attendance.

The input by EAPN Ireland focused on Europe 2020 and the poverty targets, the current context these are being delivered in at national level, information on the reality for people and communities, and a brief assessment of Europe 2020 one year on. The input also highlighted some of the campaigns and movements which have developed in Ireland over the past 2-3 years to protect the most vulnerable and to try to bring about a more equitable society.

Each workshop concluded with information on the Governments consultation process to review the national poverty target which is being carried out by the Social Inclusion Division, of the Department of Social Protection.

This report presents the issues and proposals arising from the group discussions. It reflects the views and discussion of workshop participants, rather than a comprehensive analysis of the situation facing people experiencing poverty and social exclusion, and as such represents a snap shot of the issues currently of greatest concern.

Context

The Europe 2020 strategy contains five targets for 2020 in the areas of employment, education, research and development, climate change and poverty reduction. This Strategy replaced the Lisbon Strategy 2000-2010 and is meant to be an integrated EU approach to addressing economic, environmental and social goals.

The Europe 2020 strategy and documents which have followed it have detailed how these targets are to be delivered upon. In April 2011 all EU Member States including Ireland submitted their National Reform Programmes to the EU presenting their own targets and strategies for delivering on them.

From an anti-poverty point of view the inclusion of a poverty target, while maybe not as ambitious as hoped for, is of major significance as it brings political and public attention to addressing poverty and social

5th September

21 Participants

St Munchin's Family
Resource Centre,
Limerick

6th September

26 Participants

European
Parliament Office,
Dublin

9th September

33 Participants

Sligo Northside
Community Partnership,
Sligo

exclusion. However the key challenge remains the delivery of this commitment. A detailed briefing on Europe 2020 is available in the previous chapter and on the EAPN Ireland website.

However, the context for delivering on this target is very challenging. There are almost 450,000 people unemployed and there has been a large increase in emigration. The Government's budget deficit will be around €18 billion in 2011. The Government has committed itself to cuts and tax increases totalling at least €3.6 billion for Budget 2012 with more to come in the following years. This is on top of €20 billion of cuts and tax changes which have already taken place. Ireland is also now tied into a loan agreement with the European Union/European Central Bank and the International Monetary Fund which commits the Government to these austerity measures as well as other changes such as reviewing how wages are set for the lowest paid.

While up to date poverty statistics are not available the CSO Survey of Income and Living Conditions for 2009 shows that, apart from relative poverty (a measure on income inequality) which remained largely unchanged due to a fall in overall incomes, poverty levels increased between 2008 and 2009 with consistent poverty rising from 4.1% to 5.5% (see graph 1A on page 07). Material deprivation also rose, this is based on assessment of whether an individual can afford two or more of 11 basic items. (See Appendix for more on Measuring Poverty)

Some groups also experience higher levels of poverty than the average including lone parents, people who are unemployed, children and people who are not working due to illness or disability (see graph 1B on page 08).

“Participants expressed the view that the reductions in incomes and other stresses have led to increases in anxiety, depression and other mental health issues leading to a higher rate of suicide.”

Views of workshop participants

Workshop participants were divided into groups and asked to discuss two questions.

- Considering the Government and EU targets for reducing poverty what is the reality for people and their communities?
- What do you propose the Government (and EU) should do if they want to be serious about achieving their target to reduce poverty?

The following are the key issues and proposals arising from the workshops.

1. The reality for people and their communities:

Spending cuts

In general the workshop participants felt strongly that the cuts are pushing more people into poverty. It was highlighted that not all of this poverty is being captured by statistics but that there is lots of hidden poverty and many people are not asking for help and are not being identified as in need. Many people are staying silent about their financial difficulties.

In dealing with the recession it was agreed that the focus is on economics and not people. One participant expressed the view that 'there is no focus on society'.

Participants believed that while income is important poverty is not just about income levels, but also about services and people are experiencing cuts in education and health. Services like schools can be a route out of poverty for children but not if cuts are being made to special needs assistants etc.

Cuts to services

It was made clear that some cuts to services result not only in greater difficulties for people but also greater costs. For example cuts to areas such as home help result in people needing greater access to hospital and residential care. This is a greater cost and a negative decision.

Cuts in service provision were seen as taking place alongside a move to privatise services.

- Education

There have been negative changes in relation to education. School costs are huge including books, uniforms and shoes. Education cuts have led to the loss of Special Needs Assistants and Traveller resource

teachers. For parents on low incomes with children requiring special supports it is not possible to get the help privately yet the need will exist for the child. The question was asked "What happens to the child in a few years when they drop out of school?"

It was also felt that college costs are too high and this is forcing people to instead leave the country to try to find work.

- Housing/accommodation

There are greater difficulties in qualifying for housing lists and a directive by the government has put a very low ceiling in place to qualify for social housing.

There are also particular difficulties for families of a person with a disability. They may need accessible housing but can't afford to buy their own home so are forced to rent privately where there is limited availability of accessible housing.

- Childcare

Linked to wider participation and also to access to work it was strongly felt that the childcare situation needs to be put back up the agenda. One of the areas that needed to be revisited was the need to look at the level of childcare subvention available.

Income and debt

Participants expressed the reality that social welfare levels were already low and even before the cuts were below the at-risk-of poverty level but have now been cut further. Fringe benefits are being gradually eroded, sometimes without any notice or communication (e.g. dental entitlements, fuel allowance, Christmas bonus; new air-coach routes are now not covered by free travel card).

At the same time people are facing increasing prices. All utility bills are increasing including telephone, ESB and gas going up by 15% or more. Petrol and diesel prices are also going up. Tax was identified as the main contributor to high fuel costs. Participants noted the contradiction that the cost of fuel has a bigger impact on the competitiveness of business than minimum wage costs but it is still wages that are the focus of cost reductions.

The difficulty people have coping with reduced incomes and benefits and sudden cuts to fringe/secondary benefits was highlighted. These difficulties were being experienced by those who are unemployed and dependant on benefits, supports and services that have been cut and also by those who are in-work on low incomes. Many now have lower income levels and

face rising taxes and difficulties with higher mortgage repayments etc. The problem of debt was raised by many participants who saw this as a major issue for families and communities.

It was clearly recognised that Ireland now has a 'new poor' and that people who were of middle class backgrounds are now experiencing poverty. As one participant put it "families who could once make ends meet are now struggling". Higher interest rates have led to higher mortgage payments with a €200k mortgage up by €358 a month since 2008.

The plight of the self-employed was raised and it was highlighted that they are not being accommodated in the social welfare system when businesses go bust.

Participants were therefore clear that the statistic of 1% of working people in consistent poverty is not reflective of the reality. Given the time lapse for official data these statistics do not take into account pay cuts and levies particularly among low paid workers in the past two to three years.

Some of the implications for those whose incomes have been cut were reported by participants who said that cuts in social welfare have had a big effect on people with many turning to money lenders to pay bills. Another impact is that early school leaving is increasing as parents cannot afford the costs related to sending their children to school e.g. paying for school books. There was also a noted increase in family breaks ups. Also participants raised issues of rising drug use, anti-social behaviour and crime rates, in particular petty crime.

Apart from being expected to live on an inadequate income it was also stated that people on social welfare are being stigmatised. Participants also noted a tightening of controls regarding social welfare payments that weren't implemented in the past e.g. co-habitation rules for lone parents. The proposed single payment for people of working age will have a negative effect on a huge number of people who are already most marginalised and at risk of poverty e.g. lone parents, people with a disability, carers, etc. Participants felt strongly that because of the on-going reduction in wages of the lowest paid and cuts to social welfare payments we are creating a greater divide in the social classes with the poor getting poorer. One participant expressed the view that in general "many people are concentrating on surviving not living".

Stress and health issues

Many participants expressed the view that the reductions in incomes and other stresses have led to increases in anxiety, depression and other mental health issues leading to a higher rate of suicide. This is

noticeable for people living and working in marginalised communities. There is greater pressure being put on more limited HSE resources.

Cuts to organisations working with the most vulnerable

Participants recognised that community and voluntary groups are working very hard to address the impact the recession and the cuts were having on individuals and families. The problems described are leading to increased demand for the services of local organisations, which have important role in recording and reporting the impact of the cuts on people and communities.

However, the cuts to funding for community and voluntary organisations working with the most vulnerable were highlighted. This included community/voluntary/charity organisations supporting those most at risk. The example of the Society of St Vincent de Paul was given as one organisation which now has less to give to families yet the numbers of requests for support with the basics are increasing.

Communities have noticed that lobbying organisations were “pulled” or closed down at a time there are most needed. There is a real need for people to engage with organisation that can make the links to policy development. However, in general it was felt that community groups are being abandoned and community voices are not being heard in policy making or brought to the fore.

Many groups were feeling undervalued for what they do. They are still expected to work on low resources and in some cases groups have to compete with each other for more limited funding.

It was also noticed that it was more difficult for some groups to get volunteers and it was suggested that people are concentrating on surviving rather than volunteering.

In the border areas the specific issue of the EU funding (Peace III) bottle neck was raised which is causing financial difficulties in community groups.

Employment and training

It was acknowledge that the government is creating opportunities to reduce unemployment by driving training and education initiatives but it was questioned if these are just a token gesture or just shifting numbers from the live register. One participant specifically asked “Are the EU and Government just being creative with statistics?”.

At present while enterprise should be encouraged many people are not willing to take the risk. Self-employed people should be allowed to pay insurance and then benefit when in need.

There was a lot of discussion on training and employment initiatives. Issues raised in relation to the new Tús initiative included that:

- The cost of travel and expenses for getting to work are not taking into consideration
- There is no training or support for community groups who were becoming employers
- There was need to ensure that the quality of services is maintained
- Tús will decrease the unemployment statistics but what opportunities will workers have to train and up-skill
- New Tús workers are expected to replace skilled and trained staff e.g. youth workers, child care workers who had to deal with such issues as the reporting of child neglect, child abuse, and elderly abuse/neglect. Questions being asked included “What impact will this have on the target group, and the organisation? Tús workers cannot replace qualified and skilled staff in specialised areas”. Also if vulnerable people do confide in Tús workers will they have the skills/knowledge/ resources and authority to follow up.

Participants felt that some people are financially better off receiving social welfare than on schemes and training courses because of travel and other expenses. There is a particular lack of transport in rural areas which impacts on people being able to participate in Community Employment and other programmes. It was recommended that there is a need for reasonable adjustments to be made in schemes to meet the costs of going to work e.g. caring.

In general it was felt that forcing people into training courses is not the answer and a balance needs to be found. It was felt that there are unrealistic expectations for people on jobseekers allowance including pressure to access employment interviews while there is clearly a lack of employment locally.

There is also an on-going challenge of addressing the financial barriers and poverty traps in moving from welfare to work. The cuts to salaries, increased taxation and the universal social charge have led to real struggles for many in work to make ends meet. People want to work but there are costs related to work which are a barrier to some people taking up very low paid jobs.

Poverty among specific groups

There are very high poverty levels among asylum seekers who are also living in unhealthy situations, often

for many years with no plans to help them. The weekly allowance has not increased from €19.10 for an adult since it was introduced. Asylum seekers are socially excluded and there is a lack of integration into Irish society. In general non-Irish nationals face difficulties in accessing education but adult asylum seekers are completely excluded and the children of asylum seekers cannot proceed with their education beyond school. Asylum seekers also have no right to work or even to train. There are also barriers to accessing the wider range of services such as transport.

For people with disabilities a major issue is isolation due to difficulties in accessing work and barriers impacting on access to services.

Older people are now concerned and experience hardship because they are trying to support their grown up families. Older people themselves have also experienced a range of cuts including to free travel. Decreases in fuel allowance are now also happening at the same time as the price of fuel, electricity and gas are increasing.

There is a real increase in the experience of racism and discrimination felt by people from ethnic minorities. People seem to be turning on those who they see as on those outside.

Breakdown in social cohesion and growing inequality

Participants felt that there was a clear break down in social cohesion and people had no trust in government or state institutions. There was a strong sense that the elites get away while the poor pay, and the pain is not been shared.

It was also highlighted that Ireland is becoming more unequal with the gap between rich and poor becoming wider. There was a lack of commitment to social equality during the boom time and even less now. The most vulnerable are most targeted. As the poor don't vote this leaves them more susceptible.

Also it was believed that the European Commission is creating a division between Member States by pointing out 'bad countries'.

2. What would make a difference?

Renegotiating EU/ECB/IMF deal

We need to renegotiate the EU/IMF/ECB deal and restructure our payment plan. What can we afford to pay without destroying our society?

Equitable cuts

There is a need for baseline analysis on how the cuts are affecting the most marginalised. Adjustments must be made in an equitable manner. There is also an optics issue and cuts should start at the top (e.g. payments to ex-Taoiseach should be reasonable but not excessive). Progress has been very slow in dealing with this. Money saved could be used more effectively to tackle poverty e.g. service delivery.

“We need to renegotiate the EU/IMF/ECB deal and restructure our payment plan. What can we afford to pay without destroying our society?”

Tackling indebtedness

Increased measures to tackle over-indebtedness and mortgage arrears are required to support those in financial difficulty, including implementation of the amendments to the bankruptcy laws. Money Advice and Budgeting Service (MABS) is playing an important role but financial institutions need to play their part and engage better.

There is also a need to further examine ways to help people to get access to affordable credit.

Developing an equitable tax system

By international comparison Ireland is a low tax country and needs to increase tax levels to invest in a more equitable society with adequate services and supports. The government should not tax and cut at the lower level but at the higher levels and focus on taxing wealth and those on high incomes. Measures should include eliminating tax breaks and looking at private pension reliefs. We need to make it a more equitable society e.g. consider using the USA model - if you don't pay your taxes you don't get your passport renewed. Need to look at a stronger penalty system addressing tax compliance for all.

Practical proposals were to reduce the gap between tax bands and introduce a third higher tax band.

Strengthening Services

The service infrastructure should be strengthened. We should research and look at the positive elements in other countries such as the UK approach to free health care and education.

There is a real need for the Government to be clear about what cannot be touched and protect these areas e.g. early education intervention.

- Education

We must get away from servicing the economy and industry which now dictates what's taught and what courses are run in university. The education system must also allow students to develop their wider understanding and include debates on political systems e.g. look at capitalism versus socialism in school.

There needs to be increased funding for and recognition of the importance of community education in supporting people to take the first basic steps on the ladder to accessing further education and training. Many are not able to access existing training and education opportunities which are being made available.

The Department of Education can ensure curriculum stability so books can be reused and passed on to younger siblings. Promote book rental and exchange schemes in schools.

- Health

There is a need for well-being initiatives to be put in place to address the increased levels of mental health problems.

The Department of Health needs to address the collusion between doctors and pharmaceutical companies to provide cheaper medicines.

Employment and Jobs

The Government focus needs to be on increasing employment and creating real jobs. In the creation of jobs there is a real need to develop national products i.e. increase home production and less importation. There is a need to increase support to SMEs.

Employment initiatives such as the internship scheme need to be looked at so that issues of red tape are addressed.

There is a need for more job sharing initiatives and more community based training programmes that target early school leavers. A greater number of training initiatives

should be provided in the communities where people will feel safe and grow and develop to move forward to further education and employment.

The number of Community Employment places should be increased and older people should have increased time on CE as they have to leave schemes when it is clear that they will not have any further employment opportunities.

People on employment initiatives should have adequate income for what they do. People are being forced into situations where they do not have enough and have to struggle. The costs of participation in these schemes should also be recognised and supported e.g. travel, childcare and basic subsistence costs. There is also a need to break down the stigma that exists in relation to participating in training programmes including CE schemes/Youthreach and FAS training courses. Greater linkages need to be developed between those who are unemployed and employers e.g. Job centres.

“Overall decisions needed to be guided by social needs and not the needs of the economy.”

Reform

Participants felt strongly that reform was needed at a range of levels including political level and in how policy was informed and developed.

Overall decisions needed to be guided by social needs and not the needs of the economy.

In general it was felt that politicians are serving their parties and are focusing on how to sort out the banks and not on the people. There is a need for them to be more accountable and people need to be demanding this. Government should realise they govern a society not an economy. Voter awareness needs to be increased so that people in marginalised communities can have more influence over who is elected.

In a wider sense there is a need to put in place good governance and not repeat the mistakes of the past. In a more practical way to demonstrate leadership MEPs and politicians should take further cuts on salaries. Also the reform of Government needs to continue with reductions in the numbers of TDs, Senators and Councillors.

Many structures are too heavy there needs to be a review and audit to ensure that the agencies are as effective as they could be.

There needs to be better coordination of services and better communication of decisions that will impact of people including those made at EU level. People need to know. It was also proposed that the Customer charter be brought back to Department of Social Protection.

Overall it was felt that we needed to review the national structures including tax system, service provision and social welfare and develop a more equitable system. It was suggested that we need to look at the Swedish model and develop a tax system that addresses anti-poverty in a holistic and realistic way.

Participants also suggested that sanctions should be imposed by Europe for lack of compliance with social justice and targets.

Informed decision making

Government needs better information on poverty, especially in light of the abolition of the Combat Poverty Agency. There is a need for effective monitoring. Those implementing the strategy must have a true understanding of poverty and its impact on families and communities.

The Government needs to get the facts right and start from a true base line. This should be supported by initiatives which are well thought out and not short term solutions leading to long term problems. Before making cuts look at what the long-term effects will be - could it potentially cost more by removing the local services? This approach should apply to resourcing local organisations. The government needs to be making connections and not just looking at things in isolation.

Voice of People Experiencing Poverty

Go back to core community development values which recognise that those in poverty and experiencing social exclusion can best identify the solution to their problems. People experiencing poverty should have an input into policy affecting them and into the monitoring of poverty. Government Ministers and civil servants are too removed from the reality of poverty.

Communities need to get organised and get local voice heard. It was felt that people should be more vocal and protest on streets to express their dissatisfaction with decisions which have been made. Local communities and their organisations need to plan to lobby.

Supporting Communities

Community and voluntary organisations need to be valued and properly resourced to carry out their roles and the Government needs to show its commitment to maintaining community services. These are engaging with people most affected by the crisis.

Local organisations need to document the real effects that poverty is having on the ground.

We need to develop a sense of social unity or solidarity. This involves working to support the building of this unity. We need to examine the society we want. Claiming our Future is an example.

“The difficulty people have coping with reduced incomes and benefits and sudden cuts to fringe/secondary benefits was highlighted. These difficulties were being experienced by those who are unemployed and dependant on benefits, supports and services ... and also by those who are in-work on low incomes.”

This sense of solidarity needs to be built across the EU where many are experiencing similar issues due to the approach of the EU to addressing deficits. This could involve joint campaigning.

Initiatives which support volunteering must also be increased.

Reviewing and achieving the poverty targets

Although participants felt that it was important that an EU poverty target had been adopted disappointment was expressed with level of ambition. The negative approach taken by the EU to addressing the crisis and deficits is also undermining the commitments made to reducing poverty.

In relation to the national target it was strongly felt that they are being made meaningless and tokenistic because there is no plan being implemented to achieve it and Government actions are pushing poverty up with the priority on the EU/IMF/ECB process. The recession cannot be used as an excuse for the lack of progress.

Participants asked "Are the existing targets and National Action Plan for Social Inclusion commitments still relevant in the current climate?".

The government has to be committed to achieving the targets and a penalty system needs to be put in place for countries who don't reach the targets.

In reviewing the poverty target the Government must not make it any less ambitious but must look at real ways as to how they can be met.

The target should be reviewed upwards and there is a need for short term as well as long term targets. The Government should also develop more specific targets for particular groups at risk of poverty e.g. lone parents, asylum seekers, people with disabilities, children.

It is also important that poverty is measured and viewed in a broader context than that of income (i.e. social participation, services, community supports, etc). Lessons and good practice from other EU countries should be looked at.

Awareness raising on poverty

The wider public needs to be better educated about poverty so that there is a better understanding of the reality. There is a need to counteract the negative 'blame' messages in the media about social welfare recipients.

Reform of asylum/immigration system

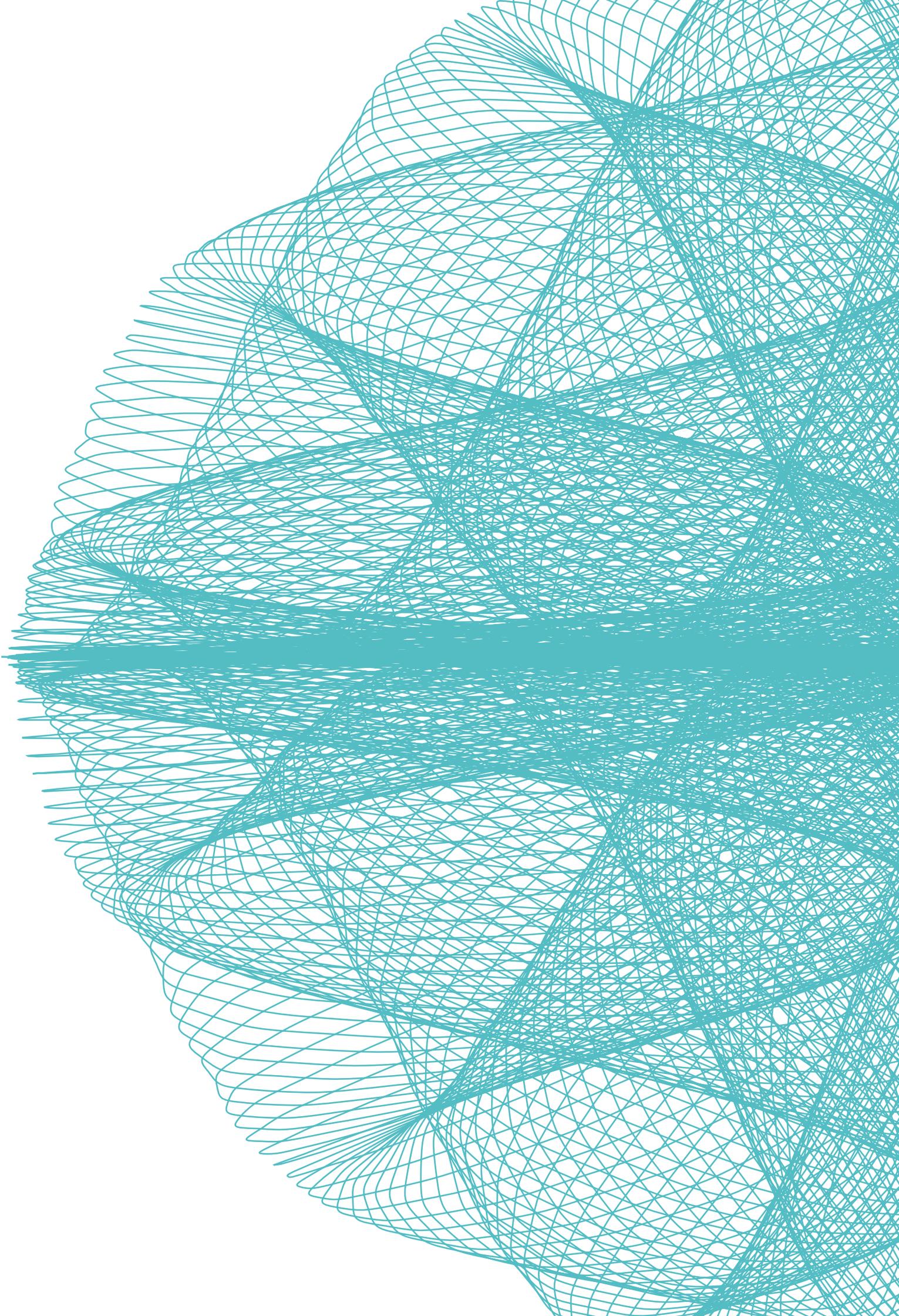
The asylum/immigration process should be reformed but in a way which fair and does not make life more difficult for asylum seekers to gain refugee status. There is a need to introduce opportunities for immigrants and other marginalised communities to engage constructively in society in a way which restores their confidence.

Conclusion

As part of Europe 2020 the EU and Irish Government have committed themselves to targets for reducing poverty and social exclusion. These commitments are meant to be part of an integrated approach to economic, environmental and social commitments. The Irish target to eliminate consistent poverty by 2016 is also an existing commitment in the National Action Plan for Social Inclusion 2007-2016.

The views expressed in the above report are from the workshop participants and present a snap shot of the current reality. It is clear from the reality of people living and working in marginalised communities and with marginalised groups that more people are falling deeper into poverty in a way that statistics are not able to measure.

While the Government faces challenges in addressing the budget deficit participants are clear that society and particularly the most vulnerable must not be put at the mercy of the economy. The Government needs to ensure that policies are proofed to ensure that they do not have a negative impact on the most vulnerable people and communities. If this does not happen in the short term then greater difficulties will have to be addressed in the longer term. At the same time there needs to be a strategy to create employment and to reform how decisions are made. This reform must involve creating genuine ways of ensuring that those impacted on by policies, including the most vulnerable and their organisations can participate in a real way in decision making.



03

Mick Wallace is an Independent TD for Wexford. He was elected for the first time to the Dáil in 2011 and is a member of the technical group.

FRESH PERSPECTIVES 1 NEW TDs ON THE DEVELOPMENTS OF A MORE SOCIAL EUROPE

MICK WALLACE TD

With a population of 4.6 million and a GDP of €150 billion, Ireland is a relatively small player in Europe (the EuroZone countries alone have a combined population of 330 million and a GDP of €9,200bn), so it can be difficult for us to make our voice heard – however, it is important that we play our part and as a member of the Oireachtas Joint Committee of European Union Affairs. I hope to make a constructive contribution by scrutinising legislation and proposals emanating from the EU as well as making sure the government is held to account in its dealings with Europe.

Today, 1 in 5 people in the European Union is at risk of poverty or social exclusion and 40 million people are living in a condition of severe deprivation. Although the media discourse about Europe is primarily concerned with banks and bondholders, the devastating social consequences (felt across Europe) of bowing to the interests of financial institutions and private speculators is what makes the financial crisis a reality for ordinary European citizens. Cuts to social welfare, education, and health in conjunction with tax increases and rising unemployment are the hallmarks of a European response to the crisis that is not only failing but making things worse. Here at home almost 100,000 children live in consistent poverty and nearly 230,000 live in relative poverty. Despite these shocking figures, the Fine Gael/Labour coalition is committed to implementing the policies of its predecessor which specifically target those who are already vulnerable. In education the cuts coming into effect in September 2011 will have a devastating impact on children with special needs and learning difficulties, Traveller pupils and the children of non-nationals as well as having a knock-on effect across the education system.

In working towards a more social Europe it is important that our focus is on protecting the interests of ordinary European citizens as opposed to those of banks or private companies. In this regard, a key area of concern is the proposed reforms to the Common Fisheries Policy. In Ireland alone the Seafood Industry contributes about €700 million annually to national income and employs somewhere in the region of 11,000 people – it is also a valuable industry for many of our European neighbours providing jobs not only on fishing vessels but in processing operations, in distributing and marketing seafood as well as other areas. In its proposals the European Commission has called for the introduction of a system of transferable fish quotas – this is worrying as it may lead to a situation where multinational companies acquire an unfair proportion of quotas resulting in an effective privatisation of the quota system with the knock-on effect of job losses in fishery-dependent communities. Coastal communities across Europe must not be sacrificed for the profits of multinational companies.

I welcome the acknowledgement a few weeks ago by IMF deputy director Ajai Chopra that the problems that Ireland faces are not just an Irish problem but a shared European problem. And whilst Minister Noonan jokes about ordering t-shirts with the words “Ireland is not Greece” printed on them, many of us outside government circles realise the importance of promoting solidarity between Irish citizens and our European counterparts. This is not about pitting Irish people against Greek or Portuguese citizens, just as domestic debate should not be stifled by creating an artificial divide between public sector and private sector workers. This kind of discourse is initiated and nurtured by governments in conjunction with a complicit media with the aim of dividing citizens and conquering dissent against austerity measures and socially unjust policies.

We were informed in the past that the European Union was supposed to be a family of nations and that we would all look after each other. The EU was founded on the principle of solidarity between the nation states of Europe, and their citizens. These ideals have fallen to the wayside as austerity gains a deeper foothold. It is our task as European citizens to restore our shared values of equality, solidarity and fairness to the centre of the European project and ensure that these principles are not consigned to the pages of history as elements of a bygone era.

04

Helen Ryan,
National Adult Literacy
Agency (NALA)

EUROPE 2020 EDUCATION TARGET – THE MISSING LINK: SETTING & REACHING ADULT LITERACY TARGETS

HELEN RYAN

Introduction

Adult literacy remains a key concern in Ireland. Previous research has shown that 1 in 4 adults in Ireland have difficulties with everyday literacy and numeracy and are most at risk of unemployment (OECD International Adult Literacy Survey, 1997). According to the latest National Skills Bulletin 2011, 50% of under 25s who are in the labour force and holding less than upper secondary level qualifications were unemployed in quarter 4, 2010 (Expert Group on Future Skills Needs, 2011). Furthermore one-third of all unemployed persons were early school leavers. As we know that unemployment is a key factor that contributes to poverty, it is essential that priority is given to raising adult literacy levels, particularly for those not in the labour force.

EU targets

In 2009 EU Member States and the European Commission published a **strategic framework for European cooperation in education and training (“ET 2020”)**. To measure progress in Europe 2020 goals, five benchmarks were agreed for the whole EU.¹⁶ In 2010 two of the five benchmarks were given higher political status as headline targets – these were:

- Reducing school dropout rates below 10%; and
- At least 40% of 30-34 year olds completing third-level education.

These areas focus on the formal sectors of first, second and third level education and further education and training is the forgotten sector once again. NALA believes the EU should commit to an adult literacy target under the education targets. This would strengthen and prioritise adult literacy responses on a European level and within EU Member States.

The current progress of the **participation in lifelong learning** benchmark shows that in 2009 the average participation is 9.3%, with Denmark (31.6%), Sweden (22.2%) and Finland (22.1%) being the best EU performers. Ireland is currently at 6.7%, decreasing since 2005 where it was 7.4%.¹⁷

NALA believes every EU Member State should publish a national literacy strategy, including adults, and an implementation plan every 5 years. These should clearly outline actions, outcomes, targets, who has responsibility for delivery and evaluation. There should also be better targeting of resources using national data (and upcoming PIAAC¹⁸ results) to prioritise the resources of those most in need and distant from society and the labour market. At European level, the Action Plan on Adult Learning needs to be promoted, agreed at EU Ministerial level and monitored in order to impact on adult literacy and numeracy levels. Guideline 1.1.8 states that “A statutory right to education equivalent to primary and secondary level exists for low-skilled and low-qualified adults.”¹⁹ Having this implemented by EU Member States would result in a legislative commitment to address basic skills for adults.

Ireland’s targets

Ireland published their first national policy on adult education including adult literacy in 2000.²⁰ Whilst acknowledging the success of the policy, it is now outdated and needs updating. Furthermore policy implementation was undermined and weakened by the lack of a published national implementation plan for adult literacy.

Ireland’s National Action Plan for Social Inclusion set a measure to reduce the proportion of the population aged 16-64 with restricted literacy to between 10%

¹⁶

<http://tinyurl.com/ao4ssq>

¹⁷

<http://tinyurl.com/64wfwgm>

¹⁸

Programme for the International Assessment for Adult Competencies

¹⁹

<http://tinyurl.com/699bkuqs>

²⁰

Department of Education and Science (2000), 'Learning for Life: White paper on adult education'

and 15% by 2016, ²¹ from the level of 25% found in 1997. Social Justice Ireland highlights in their Socio-Economic Review that this target “implies that the aim of government policy is to have “only” 301,960 adults of labour force age with serious literacy difficulties in Ireland by 2016.”²² The Review also states that “the government’s literacy target is illogical, unambitious and suggests a complete lack of interest in seriously addressing this problem.”

There are currently 379,100 people in the labour force with less than a level 4 qualification.²³ In 2007 the National Skills Strategy (NSS) suggested that by the year 2020 there should be 45% with qualifications at levels 4 and 5 and 7% with qualifications at NFQ levels 1 to 3. ²⁴ This equates to an upskilling of nearly 300,000 workers with basic education needs. The latest report on the implementation of the National Skills Strategy shows that the slowest progress made so far has been with upskilling those at FETAC Levels of 1 - 3 up to Levels 4 and 5. This group was identified as the most significant challenge to upskill for the period to 2020. A key factor in delivering on the targets is ensuring the acquisition of literacy and numeracy skills. ²⁵

Current participation in lifelong learning in Ireland

We know that people with literacy and numeracy difficulties are less likely to participate in education and training. A recent report highlighted that “third level graduates (6%, 58,000 persons), were three times more likely to participate in lifelong learning than those with lower secondary or less educational qualifications (2%, 9,000 persons).”²⁶ This situation compounds the Matthew effect whereby people who need the most assistance are the least likely to be assisted while those who need the least assistance are the most likely to be assisted. ²⁷ In order to effectively address the other EU targets, in particular employment and poverty and social inclusion, Ireland needs to have an ambitious government target for adult literacy.

Role of family literacy

Family literacy programmes improve the literacy practices of parents and other family members, has a very significant knock on effect on school performance of children and can help to break inter-generational disadvantage. The European Commission Family Literacy Report states that “in most cases, third-party overviews of Member States’ education systems make little mention of parents, focusing instead only on institutional structures such as schools and early childhood education and care systems.” ²⁸ To move forward the report identifies that “the focus on families requires “joined-up”, cross-departmental policy making.”

²¹ *National Action Plan for Social Inclusion 2007-2016 (page 44)*

²² *Social Justice Ireland (2011), Socio-Economic Review 2011: A New and Fairer Ireland*
<http://tinyurl.com/68w54jl>

²³ *CSO website:*
<http://tinyurl.com/65pjwrd>

²⁴ *Expert Group on Future Skills Need (2007), Tomorrow's Skills: Towards a National Skills Strategy, page 12*

²⁵ *Department of Education and Science (2010), National Skills Strategy Implementation Statement*
<http://tinyurl.com/6kc8bgm>

²⁶ *Expert Group on Future Skills Need (2011), Monitoring Ireland's Skills Supply 2011: Trends in Education and Training Outputs*

²⁷ *Kerchoff, A. and Glennie, E. (1999), The Matthew Effect in American Education. Research in Sociology of Education and Socialization*

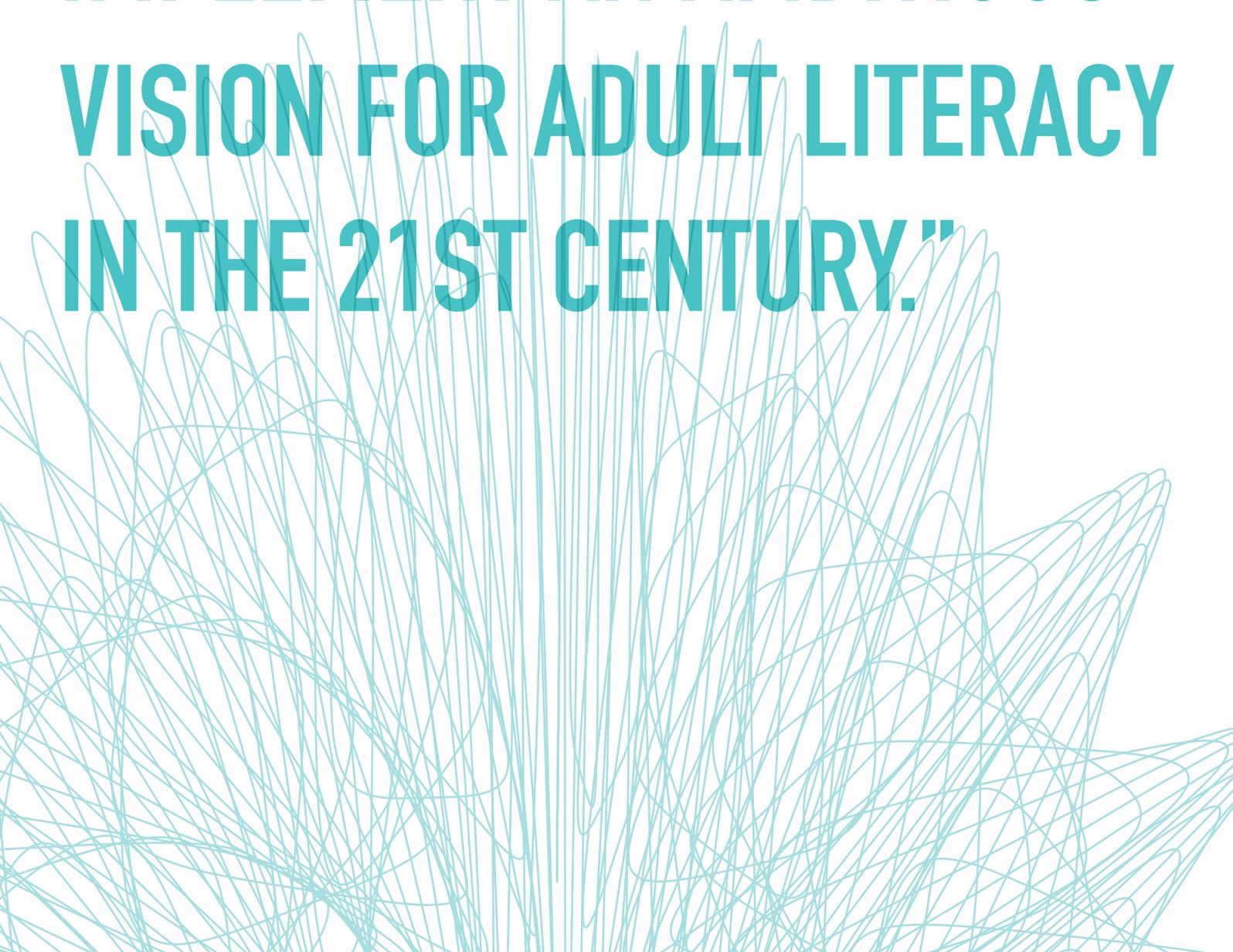
²⁸ *Report is available at:*
<http://tinyurl.com/68k4vga>



Conclusion

We need to create and implement an ambitious vision for adult literacy in the 21st century. 76 million of the EU-27 working population (25 – 64 year olds) are low skilled and have the lowest rate of employment. We must work together better – European institutions, national governments, state agencies, employers, adult education providers, non-governmental organisations, adults and learners – to provide flexible high quality literacy learning opportunities and by removing unnecessary literacy-related barriers. We want adults with literacy needs to no longer experience barriers to social inclusion and equality around health, education, employment, income and active citizenship. We believe that raising literacy levels will be a principal means to addressing poverty, achieving equality and social cohesion.

**“WE NEED TO CREATE AND
IMPLEMENT AN AMBITIOUS
VISION FOR ADULT LITERACY
IN THE 21ST CENTURY.”**



05

Simon Harris is a Fine Gael TD for Wicklow and was elected to the Dáil for the first time in 2011.

FRESH PERSPECTIVES 2 NEW TDs ON THE DEVELOPMENTS OF A MORE SOCIAL EUROPE

SIMON HARRIS TD

My generation of young Irish people have seen many benefits from our country's membership of the European Union. The freedom to travel anywhere across our continent, to experience new cultures, to see investment in many infrastructure projects in towns up and down the length and breadth of the country and even tackling mobile phone roaming charges – these are just a few of the tangible, simple benefits we have seen from Europe. However, it is clear that as a people we all too often feel removed from the European project. Issues concerning us are discussed many, many miles from here yet how engaged with this process are we as a people? As a new TD, I have come to the Dáil full of energy, enthusiasm and a desire to play my part in reforming and rebuilding our country. It is clear that an important part of this reforming exercise will be examining how we interact with our European neighbours.

This year in the Dáil we held the first ever special sitting to mark Europe Day. We heard from our MEPs, from the European Commissioner, from the Taoiseach and from other party leaders about Europe, Ireland and our relationship. This was a worthwhile first step but needs to progress and developed further.

When one reads a newspaper these days, our relationship with Europe seems dominated by talk of banks, bailouts and bonds and whilst there is no doubt these are vital and topical issues, our relationship with Europe must go beyond that. I want to see more discussion, debate and exchange of ideas about social issues. I want us to learn from each other on how we can best tackle social challenges. We need to be exchanging ideas on best practice in education, in health, in disability and on the environment.

Recently in the Dáil I highlighted the fact that at a European level it had been agreed to have a pan-European helpline for missing children yet years later we have yet to put this in place in Ireland. This is just an example of where we need to seek much greater follow through on what is agreed at a European level being delivered on in our own country.

There is an onus on those of us in the Oireachtas to keep abreast of what is happening in the EU, the European Parliament and the European Commission. We need to constantly look at new ways to make this scrutiny of European issues more seamless. But there is also an onus of all of us – on every Irish citizen – to get involved. If the European project is to be a success in what it strives to achieve, it needs not just bureaucrats, institutions or directives but rather it needs citizens of Europe on-board and in tune.

The commitments in the Programme for Government are welcome and I think we've gotten off to a good start on this but a huge body of work remains to be done and I look forward to playing my part.

Europe was never meant to be just about banks – it is about so much more than that. We must all strive to redress this imbalance!

06

Brid O'Brien,
Irish National Organisation
of the Unemployed

IRELAND'S EUROPE 2020 EMPLOYMENT TARGET: HOW ACHIEVABLE IS IT?

BRID O'BRIEN

In the “Europe 2020 A European strategy for smart, sustainable and inclusive growth” document it states the employment target as: “75 % of the population aged 20-64 should be employed”. In Ireland’s National Reform Programme under this strategy this employment target is stated as “To raise to 69-71% the employment rate for women and men aged 20-64, including through the greater participation of young people, older workers and low-skilled workers and the better integration of legal migrants, and to review the target level of ambition in 2014, in the context of a proposed mid-term review of the Europe 2020 Strategy.”

A striking feature of these targets is the age range: from 20 years of age to 64. In the Quarterly National Household Survey Quarter the employment rate is usually given for those aged 15-64: in the second quarter of 2011 this employment rate was 59.6%. When one excludes the 15-19 year olds this figure increases to 64.5%. Most commentators and policy makers would argue that 15-19 year olds should be in education or training: however not everyone completes second level education, makes the transition from second to third level education or finds the right training course. The education target, which states “The share of early school leavers should be under 10% and at least 40% of the younger generation should have a tertiary degree”, in many ways, seeks to address this issue. And it is welcome to see Ireland set more ambitious targets in this regard as Ireland’s headline education target states “To reduce the percentage of 18-24 year olds with at most lower secondary education and not in further education and training to 8%; to increase the share of 30-34 year olds who have completed tertiary or equivalent education to at least 60%.” However the dramatically high unemployment rates for this age group illustrate the challenges to be addressed to secure these young people decent employment: 40.1% unemployment in comparison to an overall rate of 14.3%.

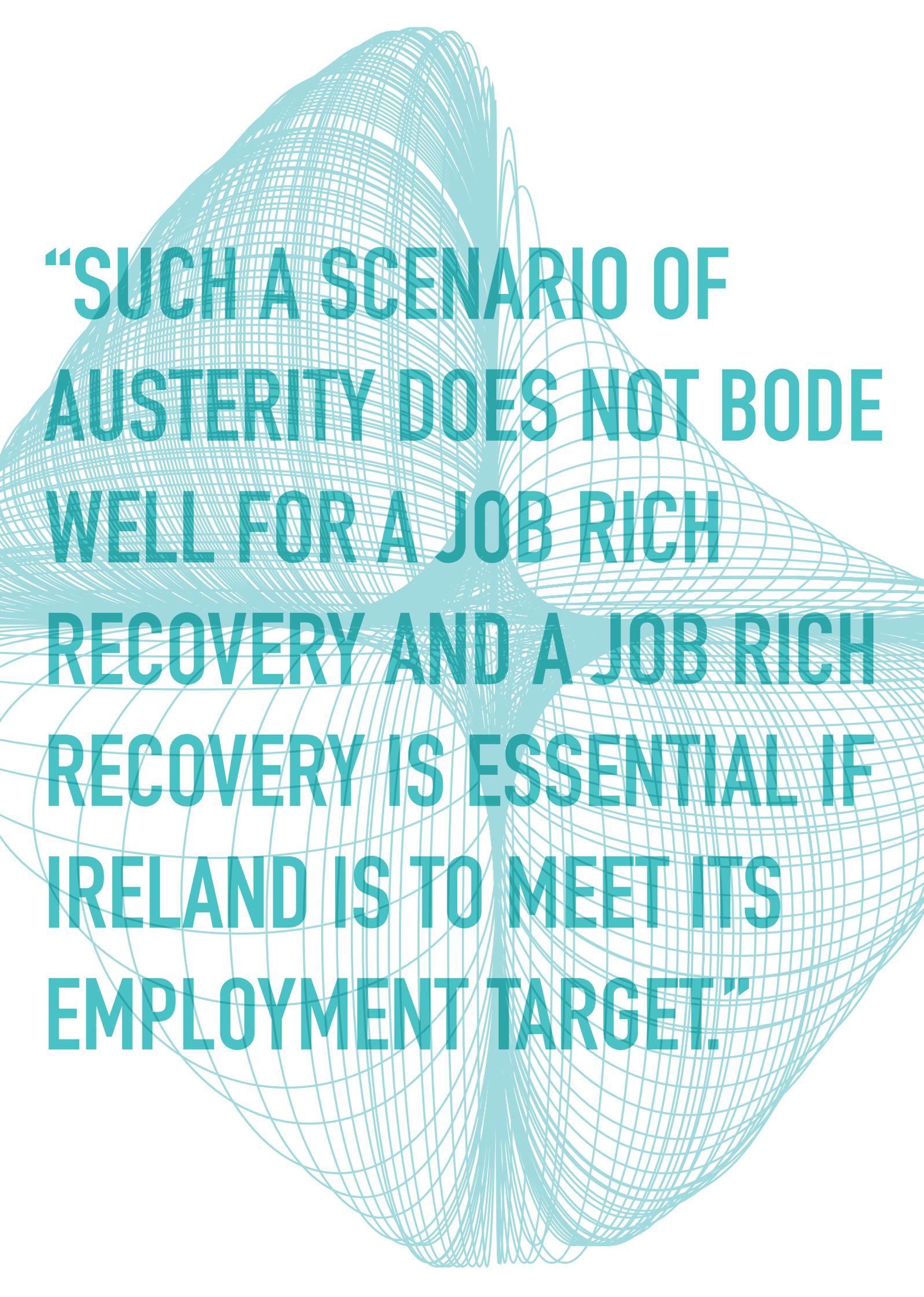
There is also an issue at the upper end of this age range as “older workers” clearly means those under 65 years of age. It is extraordinary that there is so much discussion about the pensions ‘time bomb’ yet so little long-term planning being undertaken to support those who wanted to or who will have to work longer to so do. In Ireland the age at which people will qualify for the state pension will have risen to 67 years of age by 2021. Yet where is the employment target for people aged 65-67? Where is the education and training target for older people who will be obliged to work longer? If the growth envisaged under Europe 2020 is indeed to be ‘smart, sustainable and inclusive’ employment issues for younger and older age groups outside the 20-64 age range will also have to be addressed. Looking at the age range that is covered by the target and working off the Quarterly National Household Survey figures for the second quarter of 2011 Ireland would need to create 340,000 jobs to reach the upper end of the target. Where are these jobs to come from? Ireland’s current focus on job creation includes the smart or knowledge-based economy: jobs that demand a level of investment in education and re-training that is not evident now. Even in the middle of the current employment crisis Ireland is struggling to fill some of these jobs. The construction sector at its height employed 1 in 5 men: a level of employment that was unsustainable and even if the construction sector picks up as the economy picks up it will not go back to employment such numbers. The State currently employs 1 in 6 people but is pulling back as an employer for reasons that include a curious mix of ideology and austerity. Indeed it is extraordinary to hear even Labour politicians say that Governments don’t create jobs just the conditions for their creation. Small and medium sized indigenous companies are an important employer however the crisis including the lack of credit flow and the suppression of domestic demand has impacted on their ability to maintain and develop their businesses.

The labour market has three critical strands to it: the public sector; the private sector; and the community and voluntary sector. At a time of private retrenchment the public sector should step in to maintain and develop economic and social

activity. Unfortunately with the current focus on austerity the Irish state is doing the opposite: the Government's pro-cyclical approach during the boom was disastrous and a similar approach now during the bust will certainly exacerbate social exclusion and is unlikely to work economically. Employment in the community and voluntary sector is also contracting as organisations lose state funding through cutbacks and at a time when an increasing number of people are looking for their support and services.

Such a scenario of austerity does not bode well for a job rich recovery and a job rich recovery is essential if Ireland is to meet its employment target. And if Ireland is to meet its employment target in a way that is socially and economically inclusive then a different approach is urgently required. Ireland must start to invest in its future and in particular invest in the correct education and training programmes that will give unemployed people and others distant from the labour market real hope of a decent job. The re-design and re-configuration of social protection, employment, and further education and training services provides an ideal opportunity for the State to create a modern state of the art service that really facilitates people to get back to or into work. At the heart of the development of such services must be a culture of enablement: the system must strive to be as pro-active and flexible as possible to assist people to make choices that enhance their lives and secure for themselves and their families a sustainable future.





**“SUCH A SCENARIO OF
AUSTERITY DOES NOT BODE
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RECOVERY IS ESSENTIAL IF
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EMPLOYMENT TARGET.”**

07

Pádraig Mac Lochlainn is a Sinn Féin TD for Donegal North East. He was elected to the Dáil for the first time in 2011 and is the Sinn Féin spokesperson on European Affairs, Foreign Affairs and Trade.

FRESH PERSPECTIVES 3

NEW TDs ON THE DEVELOPMENTS OF A MORE SOCIAL EUROPE

PÁDRAIG MAC LOCHLAINN TD

Current EU economic strategies are driving more and more people within the European Union into poverty. It is estimated that eight per cent of working European citizens are now at risk. The privatisation of public services, the free market and de-regulation have all contributed to bringing Europe to the edge.

The European project is being undermined by right-wing policies which are impoverishing more and more people. Wages are being driven down. Job security is being undermined and welfare and social benefits are being attacked.

The debt problem is pan-European and requires a European response. The impact of deep austerity combined with the lack of a major investment plan will clearly negatively impact on growth across Europe.

Sinn Féin advocates a policy of critical but constructive engagement with Europe. However, because the EU has become a dominant force in the political, economic and social life of this State, we must support or oppose each of the EU's complex developments on its own merit.

We have consistently supported EU measures that promote and enhance human rights, equality and the all-Ireland agenda. These measures are an example of the EU at its best. But we have also never been afraid to stand up against EU measures that damage Irish interests.

Now, more than ever, is the time to stand up for these ideals. We want to build a Europe of Equals – a true partnership of equal sovereign states that co-operate in the social and economic development of Europe and beyond. We want an EU that promotes peace, demilitarisation and nuclear disarmament. We want a Europe that seeks a just resolution of conflicts under the leadership of a reformed, renewed and democratised United Nations. Ultimately, we want a United Ireland that will take its rightful place and play an active role in such a reformed EU.

Consistent with our republican agenda at home, Sinn Féin's Agenda for Change at EU level involves actively campaigning for:

- an independent Ireland of Equals in an EU of Equals
- an EU that respects and promotes national, collective and individual rights (including human, political, social, cultural and economic rights)
- an economically and socially just EU, not an EU that is merely another economic superpower
- a demilitarised and nuclear-free EU
- a globally responsible, fair-trading EU that leads the way on reaching the Millennium Development Goals for halving global poverty by 2015.

Unfortunately, in the name of fiscal restraint, the EU

has adopted economic policies that now threaten the European social model, the democratic power of national parliaments, and the bond of mutual respect that must endure among member states. They are imposing severe austerity on weaker member states such as Ireland, Portugal and Greece which will push even more families into poverty and block any chance of economic recovery.

Worse than this our European partners will profit as much as €10 billion as a result of a 3% surcharge on their loans to Ireland under the terms of the EU/IMF austerity programme. Not only does this surcharge contribute to what is an already unsustainable debt level, but will starve the Irish government of much needed resources for job creation, public service provision and anti-poverty programmes.

These are not the actions of partners acting in solidarity with one another.

The EU mandarins appear to have learned little from the defeat of the proposed EU constitution in referenda across Europe only a few years back. And they ignore the wishes of their people at great risk. People across Europe are becoming increasingly disillusioned with the nature of a project that is being carried out against their wishes. They, like Sinn Féin, want to see a Europe of Equals that is grounded in mutual respect.

We have always been told that the foundation of the European project is solidarity. The lesson from the recent austerity programmes in Greece, Ireland and Portugal is that solidarity amongst the EU "partners" is now in short supply. Unless real solidarity and partnership soon replaces harsh and punishing austerity, the damage to the European project may be irreparable.

08

APPENDIX
MEASUREMENTS
OF POVERTY

This appendix explains some of the ways poverty is measured at national and EU level. It focuses on those used to set the EU and national poverty targets under Europe 2020.

However, there are many other ways of measuring and understanding poverty many of which have been adopted at EU level and focus on income, employment and outcomes related to health, education and access to goods and basic services such as housing.

At-Risk of Poverty

The 'at risk of poverty' indicator identifies all those (households or people) who fall below a certain income threshold, which in the EU has been set at 60% of the median income. Median income is the amount that divides the income distribution into two equal parts, half of people having incomes above the median and half having incomes below the median. This measure is the best known and quoted indicator as it affords some comparisons with other countries. It does not, however, measure poverty as such, but rather the proportion of people below a certain income threshold who may be 'at risk of poverty'. In 2009 14.1% of people in Ireland were below the 60% poverty line which was all those with an income of less than €231.20 per week.

Consistent Poverty

Consistent poverty is a measurement of poverty used only in Ireland and relates to those who are at risk of poverty and also experience material deprivation according to the definitions used in Ireland. This is the measurement or indicator of poverty used to set the national poverty target which is to 'reduce the number experiencing consistent poverty to between 2-4% by 2012, with the aim of eliminating consistent poverty by 2016'. This is the target adopted by Ireland in their National Reform Programme under Europe 2020. Using the number of people experiencing consistent poverty in 2008 as the baseline (as agreed at EU level) his target is to lift at least 186,000 people out of the risk of poverty and exclusion by 2016.

The consistent poverty level for 2009 was 5.5%, up from 4.2% in 2008. Therefore, there were approximately 250,000 people at risk of poverty and social exclusion in 2009.

Low Work Intensity Households

This is a new indicator of poverty and social exclusion adopted at EU level in 2010. In Ireland this refers to 11.5% of the population, one of the highest in the EU. Low Work intensity households refers to people aged between 0-59 years living in households where the adults worked less than 20% of their total work potential during the year prior to the survey.

EU Agreed Indicator of Poverty & Social Exclusion

In agreeing a poverty target for Europe 2020 Strategy the EU Governments agreed in 2010 to adopt a measurement of poverty and social exclusion which is an aggregate of three EU indicators (at-risk-poverty; material deprivation; low work intensity households). In other words those at risk of poverty plus those experiencing material deprivation, who were not at risk of poverty plus those not already included who experience low work intensity.

Material Deprivation

This indicator of poverty measures those who cannot afford two or more items from the following 11-item index:



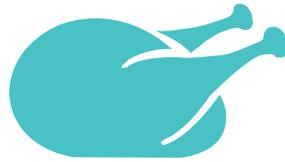
Two pairs of strong shoes.



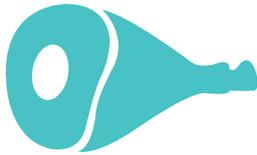
A warm waterproof overcoat.



Buy new, not second-hand clothes.



Eat meals with meat, chicken, fish (or vegetarian equivalent) every second day.



Have a roast joint or its equivalent once a week.



Had to go without heating during the last year through lack of money.



Keep the home adequately warm.



Buy presents for family or friends at least once a year.



Replace any worn out furniture.



Have family and friends for a drink or meal once a month.



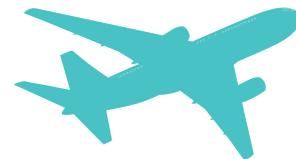
Have a morning, afternoon or evening out in the last fortnight, for entertainment.

In 2009 17.1% of people in Ireland experienced material deprivation up from 13.8% in 2008.

At EU level a different set of 9 items is used and according to the poverty target agreed in 2010 someone experiences material deprivation if they cannot afford 4 of these. The 9 items are as follows.



Ability to face unexpected expenses.



Ability to pay for one week annual holiday away from home.



Existence of arrears (mortgage or rent payments, utility bills, or hire purchase instalments or other loan payments).



Capacity to have a meal with meat, chicken, fish or vegetarian equivalent every second day.



Capacity to keep home adequately warm.



Possession of a washing machine.



Possession of a colour TV.



Possession of a telephone.



Possession of a personal car.

Under this measurement the latest information for 2008 shows that 5.5% of people experienced material deprivation in Ireland.



European Anti-Poverty Network
(EAPN) Ireland
22 Great Strand Street, Dublin 1
Tel: +353-1-8745737
Email: enquiries@eapn.ie
Web: www.eapn.ie

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