



Labour

a fair deal

fighting poverty and exclusion

November 2006

A Fair Deal

Fighting Poverty and Exclusion

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Preface

We must recognise the full human equality of all our people.

We must do this, not because it is economically advantageous – although it is;
not because the laws of God and man command it – although they do command it;
not because people in other lands wish it so.

We must do it for the single and fundamental reason that it is the right thing to do.

Robert F. Kennedy
6th June, 1966

After a decade of Celtic Tiger growth, a policy paper on poverty in Ireland may seem out of date, a 20th Century concern. Haven't we got as near to full employment as makes no difference? Aren't we one of richest countries in the world? Aren't the signs of our prosperity visible all around us?

The Irish achievement of the last fifteen years is a cause of celebration and pride: the impressive growth, our becoming a country of immigration, rising living standards. Yet the figures recited in this Labour party policy paper make for depressing reading. They show that we remain a society with marked inequalities, more pronounced than in most developed European states. And the marked differences in income are accompanied by equally marked differences in health, mortality rates, educational attainment, and so on.

When you consider that there are 65,000 children in this country living in consistent poverty, and that a child of parents who did not complete their secondary education is 23 times more likely to live in poverty than a child of parents with third level qualifications, you have to conclude that life chances for children are distributed in our country on a basis that is grossly unfair.

Two stark facts emerge. First, to quote from the National Economic and Social Forum: *"Ireland has less equality of opportunity than other European countries and this has changed little over the last decade despite a huge expansion in education and economic growth"*.

And, second, poverty in Ireland is inherited. Many of today's poor are the children of yesterday's poor and their children are the most likely candidates to be tomorrow's poor. For example early school-leaving, school absenteeism and consequent unfulfilled potential give rise to high probabilities of lifelong and intergenerational disadvantage, poor employment prospects, low pay, ill health (including mental health) and below average life expectancy.

We have a Victorian Welfare model, still, based on out-dated moral rules (e.g. the no cohabitation rule in the case of One-parent Family Payment, OFP) and means-tested access to modest benefits and payments administered on the principle that they must be defended against the dubious claims and insatiable hunger of those in the lower socio-economic groups rather than real citizens with rights.

The facts present the Labour Party with a challenge. We need to be clear about one thing from the start. Labour is not turning its back on policies of economic growth and national prosperity. The Celtic Tiger is not the property of any political party in this State. It no more belongs to the right than it is disowned by the left.

And in fact a major contributing factor to the stability of our economic policies over decades has been the work of groups from outside party politics – the social partners. The project has been a national and inclusive one.

So Labour does not argue that the country has gone down the wrong road, or that we must reverse gear or change direction. But we do argue that far too many have been left behind. And our ambition in government will be to continue to strengthen the economy, but in ways that are sustainable and share the benefits of growth much more broadly than they are at present – thus achieving greater equity and my vision of the Fair Society.

Other political parties, closer to an Anglo-American view on things, place all their faith in a market-driven individualism. They see nothing wrong with Ireland's continuing pattern of institutionalised, inherited inequality. The Progressive Democrats, for example, were founded on the belief that our economy requires inequality in order to function, because "inequality provides incentives".

For Labour, on the other hand, poverty raises a basic ethical question, about rights, distributive justice and the real meaning of citizenship. Labour belongs to a tradition that stands for rights and universalism and promotes social inclusion and solidarity between all members of the community as fundamental values.

Our founding principle is that all members of the community have the inherent right to have basic needs met. It's a principle that derives from our understanding of human dignity, the common good and human rights. It derives from the proposition that society as whole, and all its individual members, have a duty to every person in serious need.

We therefore see equality of opportunity in terms of the social and economic rights of our citizens. The right to a fair opportunity to achieve your own potential, without being handicapped by the weight of disadvantages that burdened your parents and their parents before them.

Our starting point is that every citizen should have, to the extent of his or her ability, an equal right and entitlement to participate in the social, economic and cultural life of the nation, with opportunities to develop their personal and social selves in conditions of freedom, solidarity, justice and equality.

It seems to me that the first challenge this generation needs to face is to change its mindset – a mindset that believed that poverty, disadvantage, poor health and inadequate housing were part of what we are, a mindset that was prepared to tolerate glaring, persistent and institutionalised inequality because we were taught to believe there was no alternative.

Ireland was, we were told for generations, a poor country, with little or no natural resources, a country that had been oppressed and victimised throughout its history. The idea that we could mount a comprehensive assault on poverty and disadvantage was a utopian ambition, which had no place in the daily reality of Irish public life. The best the poor, the marginalised, people with disabilities could hope for was good will, good works and the voluntary dedication of a few, backed up by the coppers we would put into collection tins. The field of dreams lay over the water and, to use Tom Garvin's phrase, governments prevented the future.

It was a world where symptoms might be relieved but their causes went untreated; where crying needs were met, if at all, as a matter of grace and favour rather than as of right; of sporadic and inadequate benevolence, rather than a coherent and systematic effort to face up to the demands of basic justice.

It was never right to see ourselves that way – but there is no justification whatever for it now. And no justification for a government to continue to foster that culture of servility and patronage. We are now a rich country and we are getting richer. And that is the light in which we ought to revisit our country's claim to be a true republic, with true republican notions of shared citizenship and the shared rights of all our citizens.

You could argue that, in a perverse way, our State was always equal in its approach to all our children. Essentially, as regards all of them, it left it to others – parents, guardians and religious – to get on with the task. The view was that the Irish State could not afford engagement with such an ambition and that the State did not have the moral or philosophical claim to such a project.

That has never been Labour's perspective. In 1900, in a pamphlet called *The Coming Generation*, the challenge James Connolly gave us was to achieve a country where *“every child in our Irish soil will by the mere fact of its existence be an heir to, and partner in, all the country produces; will have the same right to an assured existence as the citizen has today to his citizenship – in fact that will then be the right of citizenship, the right to live in the country and the right to enjoy those fruits of labour the country will yield to its children”*.

Of course there is no comparison between the experience of children in the early 1900's with that of today in 2006 . Ireland did change eventually. In fact it has changed vastly and it has changed for the better. But there still remains a deep lack of ambition in the pursuit of equality of opportunity for all. What is remarkable about the present time is that, although it is a time of great prosperity, the central issues of poverty and inequality have not yet been tackled in any comprehensive way.

More than money is needed. We need a Government that sets clear targets, invests wisely, evaluates progress, eliminates waste and shoulders responsibility.

Public policy can determine the way any society develops. And the message from this policy document is that change is not only necessary but also achievable. This can be the generation that eradicates poverty in its own lifetime.

The resources are available. What's needed is sustained political will, acting on a firm popular mandate.

What's needed is Labour in Government.

Pat Rabbitte TD
Leader of The Labour Party

Executive summary

One of the abiding and stunning failures of this government and its immediate predecessor is the failure to share the fruits of our economic success more equally while securing continuing high economic performance. In particular we remain a highly unequal society characterised by that most unacceptable face of inequality, large-scale poverty, including multiple deprivation and social exclusion in certain communities and neighbourhoods. Immigration, while it now underpins our economic success also is presenting new challenges including additional pressures on already stretched and historically under-funded public services and deprived neighbourhoods.

The much vaunted area-based approaches of this government, in particular its RAPID initiative, have failed to live up to their promise. The flow of funds has been hesitant and drip-fed. Agencies have been less than full-hearted in their engagement with communities suffering multiple deprivation. The emphasis has been too much on capital spending at the expense of and ignoring the need for revenue or current funding as well to ensure that important new community infrastructures are made operational and maintained.

Labour is committed to the progressive achievement of a more equal Ireland. The commitment to equality is central to our existence as a party. If returned to Government, we will marshal the resources of the state to mount a war on poverty and disadvantage in Ireland. We will insist on a Fair Deal for disadvantaged communities.

Our War on Poverty will be based on the strategic priorities identified in the following discussion, which has identified a number of salient facts about poverty and inequality in Ireland

- Ireland is one of the most unequal countries in the industrialised world, and has remained so despite rapid economic growth and development
- The distribution of income in Ireland is characterised by high levels of poverty
- Poverty in Ireland is passed from one generation to another – one in ten children live in poverty, and the poor are likely to be the children of the poor
- Poverty is passed on, not just through families, but through places. Areas of multiple disadvantage produce a particular experience of poverty which is acutely felt, and hard to break.

Our approach, therefore, will be to concentrate our efforts on tackling child poverty, on promoting opportunity through education and training, and on targeting resources at areas of multiple disadvantage.

What is required is nothing less than a 'Marshall Plan' for disadvantaged people, areas, communities and neighbourhoods. This can be delivered through the forthcoming national development plan by prioritising and ring-

fencing investment in identified areas of multiple disadvantage. In reality, a relatively small proportion of the total spend from the National Development Plan, clearly targeted at areas of multiple disadvantage, and accompanied by relevant non-capital policy measures, will have an enormous impact on those areas and a major benefit to society as a whole.

Main policy measures proposed

In government Labour's four main priorities in respect of poverty, multiple deprivation and exclusion are

1. A Fair Deal For Communities - The revitalisation of area-based interventions in areas and neighbourhoods of chronic multiple deprivation, including in the delivery and provision of such services in deprived areas;
2. Reform in the fields of education, training and Labour market regulation – both area based and nationally;
3. Welfare Reform to tackle child poverty and promote opportunity; and
4. Adopting a whole of Government approach to poverty and inequality.

A Fair Deal for Communities

Labour in government will replace this government's failed and confused RAPID programmes with a **Fair Deal for Communities** initiative.

In government Labour will also secure a transparent, multi-annual funding formula for its replacement for RAPID, **A Fair Deal for Communities**.

It will require relevant government departments and agencies to clearly earmark and ring-fence a proportion of the relevant NDP funds - not less than 5 per cent - to Fair Deal areas

The formula will be incorporated into the rolling three year envelopes (current and capital) of the relevant departments under the reformed government financial and budgetary procedures envisaged by Labour.

Again within the framework of the reform of financial procedures it will incorporate strong *ex post* evaluative and accountability rules.

In addition to investment in the physical environment and facilities (e.g. crèches, schools, community centres, parks, playing fields and playgrounds etc.) there is a need also to invest in people with an emphasis also on their integration or re-integration into the jobs market.

Crime and anti-social behaviour among young people are central issues in neighbourhoods of multiple disadvantage. Our proposals on community policing are particularly important in areas of multiple disadvantage, as is the requirement to increase the number of JLOs, to invest in restorative justice programmes, youth diversion programmes and community-based sanctions.

Labour also guarantees that the people living in Fair Deal communities and neighbourhoods will continue to have their own voice and participative structures in drawing up and implementing their community renewal plans and that the representatives of the public agencies involved maintain the highest commitment to agency involvement in community renewal.

Education, Training and Labour Market Reform

Early school-leaving and dropping out

In government Labour will increase the budget of the NEWB to €14 million. The Board will also be mandated to prioritise Fair Deal communities and neighbourhoods and to actively participate with other agencies (e.g. FAS, the HSE and the National Educational Psychologist Service) and community representatives in the Fair Deal area implementation planning structures.

Open Schools

Labour will also pursue a policy of implementing the “open schools” philosophy as set out in Labour’s policy statement, *Tackling Educational Disadvantage*, emphasising the role of the school as a resource in the whole community, which could have the potential to offer community-based family literacy schemes, a place for lifelong learning, for breakfast clubs and homework clubs and so on. It will be necessary for the Department of Education and Science to direct schools to take on such a wider role and provide the financial resources and deal with insurance issues.

A Social Guarantee

In government Labour will mandate the NEWB to proceed with its tracking of early school-leavers proposal, again as a priority to be first rolled out in Fair Deal areas and then extended nationally.

Tracking of early school leavers will be accompanied by a **social guarantee**, i.e. that all early school leavers (16 to 18 year olds) will be offered a meaningful opportunity to learn or develop skills. The corollary to a social guarantee is a learning obligation so that young people could be obliged to either attend school or take part in a recognised programme (e.g. a Youthreach scheme) which ensures that they are acquiring useful skills or knowledge. Implementation of such an obligation would require detailed consideration and planning.

Childhood Development Programmes

Labour in Government will assist with the extension of programmes such as youngballymun to all Fair Deal communities. These are integrated, co-operative ten-year programmes focusing on all aspects of the lives of children and young people in their areas.

Nurturing Pre-School Children

In government Labour will progressively achieve over a period

- Paid parental leave modelled on Maternity Benefit, paid from Social Insurance for up to one year;
- A legal right to take up to a three year career break;
- A right to part-time work subject to reasonable conditions;
- One year's free pre-school education for all 3 year olds before they begin primary schooling and in disadvantaged areas; and
- The deployment of early childhood development (pre-school) programmes such as High/Scope, successfully adopted in two disadvantaged areas in County Roscommon by the local Partnership with the help of the promoters of the method and the Health Services Executive (HSE).

Schools in Fair Deal communities

In respect of primary education Labour in government guarantees that the most disadvantaged primary schools will be entitled to the following:

- Early Start for pre-school children, extended to the afternoon
- 15:1 pupil/teacher ratio up to age 9
- A classroom assistant in each class
- Extended Home/School/Community Liaison and extended role for NEWB for pre-six year olds
- Healthy Eating Programme, including school meals
- Literacy Support Programme
- Book fund: the right to read
- Intensive teacher support, re-training and in-service
- The School Completion Programme
- A non-teaching principal for schools with more than five teachers
- More flexibility in the use of the capitation grant and other grants

In addition, Labour will:

- Adequately resource the National Educational Psychologist Service to ensure that children get assessed quickly, and thus have access to the learning support they need;
- Increase the Back to School Clothing and Footwear Allowance to reflect the true costs of equipping a child for school;
- Provide well-equipped, family-friendly school libraries which could have the potential to offer community-based family literacy schemes; and
- Enable schools to adopt special teaching programmes such as the Incredible Years programme being implemented in the Clondalkin partnership area and Galway City, aimed at educating parents in the skills of parenthood and targeting children with Emotional and Behavioural Difficulty (EBD) in school and at home.

Funding schools to tackle disadvantage

The current system has deemed 640 primary and 200 secondary schools to be disadvantaged.

We propose that instead of a league table where only the most disadvantaged schools benefit from extra support, the current system used to assess school disadvantage (i.e. the number of pupils from a family in which the main breadwinner has been unemployed for over a year, whose family hold a medical card, who live in a lone parent household or in rented accommodation etc.) should be used instead to 'weight' every school-going child in the country according to his or her needs.

This system recognises that just as there is no 'average pupil', there is no 'average school'. As it stands, our education system is not designed for pupils with difficulties or problems. Our proposals recognise that a greater flexibility in the way resources are distributed will allow school leaders to respond to the needs of all their students. Our proposals will also do away with the labelling of schools as designated sites of disadvantage which can contribute to poor morale in the school and its community.

Learning for life

We renew our commitment, through the provision of more secure funding for adult education and literacy, the implementation of the McIver report on PLCs, the provision of supports to those who want to return to education and an increase in the student grant to Social Welfare rates, to making lifelong learning accessible, valuable and flexible.

Immigration and Labour Market Reform

We remain committed to our proposals on Labour Market regulation set out in our document entitled ***A Fair Place to Live and Work***. These include

- Better resourcing of the Labour Inspectorate and more effective enforcement and prosecution of offences;
- Insistence that contractors working for local authorities and other public bodies meet minimum labour standards, in order to prevent a repeat of the Gama situation;
- Confirmation of the right of self-employed persons who enter into or work under contracts "personally to execute any work or labour" to join trade unions and engage in collective bargaining;
- The extension of the Equality Legislation to cover people in domestic service, such as housekeepers; and
- Collection of better data on labour market conditions in order to accurately measure the extent of displacement and wage degradation.

In government Labour will also advocate the amendment of the minimum wage legislation to transform it into a comprehensive 'no sweat' law along the lines of the Fair Labor Standards Act (FLSA) in the United States. Public procurement rules will also be amended to incorporate an onus on

procurement officers to apply fair labour standards and no sweat provisions, along the lines already developed by the Labour party at local government level.

Spreading Opportunity Through Social Welfare Reform

Labour has a number of priorities for social welfare reform. We wish to transform the social welfare system, so it is more trampoline than safety net. We want to see a welfare system that spreads opportunity, that treats women equally, that is more universal and less focused on a narrow means testing approach. We want to ensure adequate provision for old age, and to ensure that elderly citizens are able to live in comfort and safety.

Social Welfare Priorities

In the present document, however, we will concentrate on five priorities, which are related to the problems of intergenerational poverty, and the experience of poverty in areas of multiple disadvantage.

Supplementary Child Benefit

We favour a supplementary child benefit scheme, which would top up child benefit for families on low incomes, subject to a generous withdrawal rate to reduce the possibility of poverty traps. We also favour more regular payment of both the primary and supplementary child benefit. The supplementary scheme would incorporate FIS and CDAs.

Lone Parenthood

We support proposals to significantly recast the system of income support for lone parent families, removing restrictions on cohabitation families provided that such changes are accompanied by sufficient and appropriate support measures including the following: adequate childcare provision; the facilitation of education and training options (as well as employment); the appropriate design of income disregards and tapering withdrawal to ensure that new poverty traps are not created.

Disability

Labour supports the concept of a universal, needs based Costs of Disability payment to cover equipment, mobility, communication and additional living costs. Only 15 per cent of carers qualify for the Carer's Allowance – we are committed to abolishing the means test for carers.

A culture of service in our Public Service

Achieving equality will require a change in culture on the part of governments and officials who deliver services and benefits, but also citizens – consideration on the one side and responsibility on the other.

A whole-of-government approach

In government Labour will take real a whole-of-government approach to tackling inequalities, poverty and multiple deprivation, including in our Fair Deal communities and neighbourhoods. This means first, breaking out of the “silos”: i.e. a strong emphasis being put on inter-departmental co-ordination and interdisciplinary and inter-agency co-operation involving all of the relevant bodies, be they sponsoring departments (Health; Social and Family Affairs; Justice, Equality and Law Reform etc.), agencies (e.g. Combat Poverty, Pobal, the HSE, FAS, IDA, Enterprise Ireland, Area Partnerships, An Garda Síochána), local authorities, and various non-governmental organisations and voluntary bodies as well as local community organisations.

This demanding co-ordinated planning vision will be underpinned by Labour’s agenda for public service reform and reform of the public expenditure and budgetary cycles generally. Inter-departmental arrangements, breaking down the ‘silos’, will be developed and put in place. Explicit mandates will be given to agencies and agencies and service providers in turn will contract to delivery. Increased budgets will flow to those agencies that demonstrate effective performance, particularly with respect to service integration.

Conclusion

Ireland’s War on Poverty will be fitted into a reformed rolling three year spending cycle, current and capital, under the NDP, and central government will in turn be required to develop long-term strategic relationships with its partners including other government bodies (the investment approach).

As a priority and resources permit, whether from general taxation, the Dormant Accounts Fund, the Social Finance Initiative to be developed by the banks in lieu of the Bank Levy, and the National Lottery, will be marshalled and progressively increased in a co-ordinated, transparent manner in our War on Poverty.

Introduction

For more than fifteen years Ireland has enjoyed enormous and sustained economic growth, rising prosperity and progress. The country has been transformed. Between 1990 and 2005 we have seen a more than 160% increase in Gross Domestic Product (GDP) at constant market prices. Ireland is now a member of the rich nations club – that group of OECD member states at the top of the per capita output (GDP) and income (GNP) league tables. We have become a rich country.

We have achieved our future. We are now a country of destination for the migrants of other countries searching for a better life whereas as recently as the 1980s we were in that sad condition of again haemorrhaging our increasingly educated youth, enterprise and talent. We have 2 million people at work (1990: 1.2m) and a population of more than 4.25 million compared to 3.5 million in the early 1990s – and still growing.

And yet despite all of this welcome population and economic growth, expansion of employment and rising wealth we remain in so many ways a deeply unequal and divided society with entrenched cycles still, of disadvantage, personal and social distress, poverty and inequality, including pronounced income inequalities, and neighbourhoods characterised by extremes of decay and deprivation, familial, social, personal and economic.

Digging through the statistics and ploughing through the reports and surveys on inequality, poverty and multiple deprivation in Ireland induces both dismay and anger. Yes, we have now high average per capita incomes. But we have one of the most extreme income distributions in the developed world. We have now found wealth and we have one of the worst child poverty problems in the EU. We have attractive neighbourhoods and we have neighbourhoods of multiple deprivation in which, for example, the predominant family form that children may experience is lone parenthood, in which up to a third of 16 year olds may drink alcohol and smoke cigarettes 'often' or 'a lot' and in which there is a wider drug culture and widespread anti social behaviour. Much of the housing stock can be in poor repair and public spaces and areas characterised by vandalism, graffiti and destruction. Poor health (including poor mental health) and disability are pervasive.

Unemployment rates in the black spots also trend higher than the national average: in places rates are in excess of three times the national unemployment rate.

And yet there is hope: people do aspire to a better life and better lives and prospects for their children in particular. They want to see their children having a safe environment and complete their education. They engage in self-help networks and initiatives. But they are let down by the state – whether in terms of created poverty traps (through for example the application of the rules and regulations of the social welfare code). A vast array of state

institutions or sponsored bodies has grown up that is in serious need of co-ordination at the very least. Resources directed towards fighting poverty need to be better targeted and increased. Above all we need coherent, co-ordinated and ambitious direction from the centre.

Inequality

“Everything must change so that everything can stay the same.”

The Prince of Salina in
The Leopard by
Giuseppe Lampedusa

We remain a society with marked inequalities between various population groups – between men and women, single parent and two parent households, those who are ill or disabled and those who are healthy, older people and working households, part time and contract workers, and full-time employees, low and high earners. Further, many of our inequalities are more pronounced in Ireland than in many other, west European member states of the EU, the EU-15, and indeed further afield. In addition these inequalities are not simply inequalities of income, though income and class-based inequalities lie behind them. For example there are marked differences in mortality rates within our population: between men and women and as between one social class and another. There are inequalities in the distribution of assets – whether in the form of shares, portfolios or property. There are inequalities in the distribution of life chances, in education and opportunity. In our now rich country we have poor neighbourhoods and communities, urban and rural, and geographic black spots, suffering extremes of deprivation and multiple deprivation.

The years of boom have resulted in big changes but also changed very little. In the words of the government’s National Economic and Social Forum, *“Ireland has less equality of opportunity than other European countries and this has changed little over the last decade despite a huge expansion in education and economic growth. We now have a wealthier but a more unequal society with the richest 20 % of our working-age population earning 12 times as much as the poorest 20%, — one of the highest levels of market income inequality among OECD countries. Nearly 14% of households in poverty are now headed by those with a job, a rise from 7% in 1994 — an indication that employment is not always, on its own, a route out of poverty.”*

In Ireland in 2004 the top fifth of earners (what economists refer to as the top quintile) had five times more income than the bottom fifth (lowest quintile). It’s been like that – more or less – since 1995, except for a half point shrinkage in the gap in the year 2000, when it fell to 4.5. However data for subsequent years suggest 2000 to be a blip and that since then the ratio has crept back to around 5.

Of course there will always be differences in salaries, wages and earnings and personal and household incomes. But is the position in Ireland typical or extreme by EU standards? It is certainly not untypical compared to the UK, in fact it is very much in line with Britain, which is often quoted in literature as one of the more unequal societies in the EU. It is not untypical compared to Italy (with its underdeveloped south or mezzogiorno) and it is not as extreme as the differential in Greece (where again there are great extremes of wealth

and poverty, as one would expect to find in a relatively underdeveloped and agrarian economy). However the picture for Ireland is considerably more extreme than the situation in the likes of Germany, Denmark, Finland and Norway for example.

Compared to Ireland's ratio of 5 (in 2003) between top and bottom earners, the figure for Germany in 2001 was 3.6 and for Denmark, Finland and Norway, 3.1, 3.5 and 3.2 respectively. The figure for the Netherlands was 3.8 and for Luxembourg, also 3.8 while France comes in at 4.0. Again to emphasise the European figures relate to 2001.

Table 1: EU Quintile Ratios, 1995 – 2001, selected countries, Ireland 1995 – 2004

(Indicator measures ratio of total income received by the top 20 per cent of the population to that received by the bottom 20 per cent)

Country	1995	1996	1997	1998	1999	2000	2001	2003	2004
Austria	4.0	3.8	3.6	3.5	3.7	3.4	3.5	-	-
Belgium	4.5	4.2	4.0	4.0	4.2	4.3	4.0	-	-
Germany	4.6	4.0	3.7	3.6	3.6	3.5	3.6	-	-
Denmark	3.1	3.0	2.9	3.0	3.0	3.1	3.1	-	-
Finland	-	3.0	3.0	3.1	3.4	3.3	3.5	-	-
Ireland	5.1	5.1	5.0	5.2	4.9	4.7	4.8	5.0	5.0
UK	5.2	5.0	4.7	5.2	5.2	5.2	4.9	-	-
Netherlands	3.3	3.3	3.4	3.3	3.3	3.5	3.2	-	-

Sources: Eurostat, Structural Indicators sourced from Social Indicators Department, ZUMA, Mannheim (all countries 1995 – 2001)

http://www.gesis.org/en/social_monitoring/social_indicators/Data/Eusi/pdf_files/I_MD_31.pdf

Figures for Ireland for 2003, 2004, CSO EU-SILC, December 2005

It is important to point out that indicators of this kind tend to be extremely stable, as is evident from the table. It is not unusual, therefore, to compare Ireland in 2004 to other countries in 2001. Equally, Ireland's broad position relative to other countries would be unaffected by policy changes in Budgets 2005 and 2006.

In round terms income distribution in Ireland is more unequal than the distributions found in the northern and central European EU member states and more similar to those distributions found in the UK (and the US) and what might be termed the "Mediterranean" states with significant disadvantaged and less developed regions. Ireland's pattern is one more typical of the Anglo-Saxon world (the so-called liberal model) or a developing country (Portugal, Spain, Italy, Greece) rather than an affluent northern European country (the social model).

This picture is confirmed by a 2004 study by Brian Nolan of the ESRI in association with the American economist Timothy Smeeding of Syracuse University and the Luxembourg Income Study (LIS), *Ireland's Income Distribution in Comparative Perspective*. The study uses decile ratios (bands

of ten per cent examining the top and bottom ten per cents). Its data cut off is 2000 although it also has a more global (OECD) perspective.

Table 2: Ireland’s Income Distribution in Comparative Perspective, top to bottom decile ratios (P90/P10), 2000

Country	Decile Ratio
Luxembourg	3.24
Czech Republic	3.01
Sweden	2.96
Norway	2.80
Finland	2.90
Germany	3.18
Denmark	2.85
Hungary	3.57
France	3.54
Switzerland	3.62
Spain	3.96
UK	4.58
Italy	4.48
Ireland	4.57
US	5.45

Source: Ireland’s Income Distribution in Comparative Perspective, Nolan and Smeeding 2004. (Figure 2.1)

The broad conclusion of Nolan/Smeeding is that Ireland is what they term “an outlier among rich nations”, by which they actually mean ‘not quite like many other rich, developed countries’. They write: “*Only the United States, Russia and Mexico have higher levels of inequality and at least the latter two of these nations are thought of as still ‘developing’ by most analysts.*” So, among the richest OECD countries “*Ireland has the second highest level of inequality.*” On the decile measure used in the study, in the year 2000 the income of the high income person was on average 4.5 times that of the lowest decile person – pretty much the same as the Eurostat figure and of course we know from CSO’s Eurostat survey work since then [cite source] the figure has moved back up to the longer term average of five (Table 1 above).

Some may caution care in looking at such statistics. Other questions that might be asked: what of east and western Germany? Is Sweden *really* so egalitarian (ratio of 2.7 in 2003)? And critically, have not all of these northern and north-western European countries been mired in recession, plagued with high taxes and unsustainable social spending while Ireland has roared ahead and is there not a connection between these two very facts? In reality, the most equal of European societies are also among the most competitive, as evidenced by numerous indices of competitiveness. For example Finland, Sweden and Denmark are ranked 2, 3 and 4 respectively in the latest global competitiveness assessment of the World Economic Forum. Germany is ranked 8 while Ireland is ranked 21 (with the UK at 10).

**Table 3 Global Competitiveness Index
Top 15 Countries ranked in order and Ireland (scores are marked out of
7, maximum)**

Country	Score
Switzerland	5.81
Finland	5.76
Sweden	5.74
Denmark	5.70
Singapore	5.63
US	5.61
Japan	5.60
Germany	5.58
Netherlands	5.56
UK	5.54
Hong Kong	5.46
Norway	5.42
Taiwan	5.41
Iceland	5.40
Israel	5.37
Ireland (21)	5.21

Source: World Economic Forum, World Competitiveness Report 2006 – 2007 (September 2006)

Another global league table, from the Economist Intelligence Unit, ranks Denmark number 1 and remarks of the Danish approach, *“The country stands out for the successful balance that it appears to have struck between the state and market. Product markets operate efficiently and labour markets are flexible (with low non-wage labour costs and few restrictions on hiring and firing). Denmark’s top rank appears to belie the claim that globalisation is forcing countries to engage in a “race to the bottom” by slashing taxes.”*

Have things changed for the better (or the worse) during the Celtic Tiger years? On this question professional economists draw no hard and fast conclusions although in the popular mind anecdotal evidence tells a different story. The results from various surveys by the CSO and others including the ESRI convey different pictures. In part this inconclusiveness is due to differences in definitions, including income, the statistical techniques being used and the purposes of different surveys. One attempt to harmonise and equalize the different data sets (Nolan and Smeeding) has been inconclusive with some approaches showing no change between top and bottom deciles, others showing a closing of the gap and other showing gains accruing to the middle income groups. Revenue data, drawn on by Nolan and Smeeding shows a clearer trend in rising inequality, but with the gains in reality accruing to the top one per cent of tax cases. This fits with the results from a number of long-run studies of countries such as the UK, the US and New Zealand, which show that since the mid-1980s there has been a sharp increase in inequality with again, the most pronounced increases occurring at the very top of the income scale – the top one per cent.

Summary:

Income inequality in Ireland is pronounced, even extreme, compared to other rich EU countries (with the exception of the UK). Many of the other rich countries characterised by much more equal income distributions are also highly successful in the global economy – more so than Ireland in terms of complex multivariable indices of competitiveness such as that compiled by the World Economic Forum.

Ireland's pattern of inequality is more in line with that of the 'liberal' Anglo-Saxon countries (in which camp we are now located) or the Mediterranean model (which is where we were located a quarter of a century ago).

Poverty

“Poverty has various manifestations, including lack of income and productive resources sufficient to ensure sustainable livelihoods; hunger and malnutrition; ill health; limited or lack of access to education and other basic services; increased morbidity and mortality from illness; homelessness and inadequate housing; unsafe environments; and social discrimination and exclusion.”

Copenhagen Declaration, United Nations 1995

“Poverty is not just one aspect of inequality, but the unacceptable face of extreme inequality.”

Pete Alcock
Understanding Poverty (2006, 3rd Edition)

While poverty is multidimensional, a problem that is not just about money, in Ireland as elsewhere the starting point of studies and measures of poverty is the monetary perspective (relative income poverty). We have two measures, ‘at-risk’ poverty and ‘consistent’ poverty. The former, the poverty threshold or line, is usually defined as an average weekly income below 60 per cent of the median income of the sample population.

People who are in ‘consistent poverty’ are defined by the Central Statistics Office (CSO) as a percentage of the population who fall below the 60 percent figure but also, according to a set of deprivation indicators, “*may be excluded and marginalised from participating in activities which are considered the norm for other people in society.*” The deprivation/exclusion indicators at present are:

- No substantial meal for at least one day in the past two weeks due to lack of money;
- Without heating at some stage in the past year due to lack of money;
- Experienced debt problems arising from ordinary living expenses;
- Unable to afford two pairs of strong shoes;
- Unable to afford a roast once a week;
- Unable to afford a meal with meat, chicken or fish or vegetarian equivalent every second day;
- Unable to afford new clothes;
- Unable to afford a warm, waterproof coat.

To live in consistent poverty one must fall into the at risk category *and* live in a household that experiences one or more of the listed material deprivations.

In round terms 20 per cent of the population of Ireland are in the ‘at risk’ category with almost 7 per cent (or about a third of the at risk population) suffering consistent poverty (i.e. experiencing one or more of the above deprivation indicators).

It is true that there has been some improvement in the picture in recent times. The percentage of the total population living in 'consistent poverty' fell between 2003 and 2004 (the most recent years for which data are currently available) from 8.8 per cent to 6.8 per cent. The percentage 'at risk' also fell, but only marginally if one could call it a reduction at all from the statistical point of view. The CSO considers neither reduction statistically significant. In 2004, social transfers, government social spending (e.g. unemployment and child benefit payments), significantly reduced the numbers in the at risk category, in 2004 from 39.8 per cent to 19.4 per cent. However, the near 20 per cent figure is one of the highest in the EU and the effect of social transfers on reducing the at-risk-poverty-rate was low in Ireland compared to other EU states while social spending overall was the lowest in the EU-15 and half the rate of spending in Sweden (2002).

In 2004 the effect (risk reduction as it is called) of social transfers was less in Ireland than in other EU member states. Hence, as the Central Statistics Office concludes, *"the risk of poverty rate, after pensions and social transfers, at 21 per cent was among the highest in the EU."*

Affluent Ireland, this government, performing poorly for its people. This must change.

Who are our poor?

The Minister for Social and Family Affairs, Seamus Brennan has recently talked about a quarter of a million people having been taken out of "real poverty" in less than a decade, some 100,000 of these were children. Labour acknowledges that progress. In the same speech though, the Minister acknowledged that "some 65,000 children continue to remain in some way in consistent poverty": "Poor Kids in a Rich Country". Again it is worth recalling the definition of 'consistent poverty', the list of criteria: a household experiencing going without heating, experiencing debt problems arising from ordinary living expenses, unable to afford a warm, waterproof coat and so on.

So who are our poor? Much higher than average rates of consistent poverty were found among those living in the rental sector (20.7 per cent), the ill and disabled (21.7 per cent) and the unemployed (19.2 per cent).

However the highest rate of consistent poverty was found in the lone parent category where almost one third of persons in lone parent households lived in consistent poverty in 2004. Hardship generally is highest among households, whether one or two parent, with children. The most common form of hardship mentioned was 'experiencing debt problems to meet ordinary living expenses' (36.6 per cent among lone parent households).

Table 4: Percentage of persons in consistent poverty in Ireland 2003, 2004

	2003	2004
Rented sector	27.0	20.7
1 adult with children	33.6	31.1
Unemployed	28.3	19.2
Ill/disabled	22.4	21.7
Children under 16	12.4	9.9

Source: CSO (EU-SILC, 2005)

We profess in Ireland to bestow a certain standing to the family and family life. Let's look at government's own Combat Poverty Agency policy statement on child poverty, published last year (2005). Yes, it says, child poverty *has* fallen significantly over the past decade. Good news! But, it continues, *"the number of families with children in relative income poverty (sometimes referred to as 'at-risk-poverty') has remained relatively static over this time"*.

Combat Poverty quote UNICEF (United Nations International Children's Emergency Fund) compiled statistics. Ireland has among the highest rates of child poverty in the EU-15 with only Italy having a higher proportion of households with children below the poverty threshold. Combat Poverty also concluded that Ireland's *"level of subvention for childcare and healthcare for children is amongst the lowest in the EU, and Ireland is also a laggard when net education costs are considered."*

In its recent pre-budget perspectives report the ESRI benchmarked Ireland's record on child poverty against a number of other OECD countries, using data prepared by UNICEF. Ireland lies near the bottom of the table, with a rate of income poverty (i.e. 'at risk') for children of 15.7 per cent (2000). Ireland's rate of child poverty is a multiple of that of Denmark (2.4 per cent), Finland (2.8 per cent) and Norway (3.4 per cent).

The consequences of impoverishment are many. In 2004 Combat Poverty published a study, *Against All Odds – Family life on a low income*. The study highlighted how people who live on low incomes are more likely to suffer poorer health, experience more psychological distress and generally lead shorter lives than more affluent people –Combat Poverty found that there were 'some' health problems in two thirds of the families participating in the *Against All Odds* study. According to the Agency 6 per cent of the population live without basic necessities. Most households in the *Against All Odds* study had no money left over in a typical week and many were in arrears on regular and basic expenditure items such as rent, electricity and phone bills. There was a marked lack of amenities in these communities: a playground was the most frequently missed amenity for younger children.

In 2004 Combat Poverty reckoned that 6.5 per cent of children – that is 66,000 children – experienced consistent poverty and 23.4 per cent or 237,000 children were in income poverty (i.e. in the at risk category). More than a fifth of the population were then on weekly incomes of less than €164 per adult and €54 per child.

Between 1994 and 2004 there was according to the CPA a rise of almost 50 per cent in the number of lone parents with children under 15 who live in poverty.

There are major consequences that flow from all of this – this version of Irish family life. Critically it all has an inbuilt capacity to be self-perpetuating. Many of today's poor are the children of yesterday's poor and their children are the most likely candidates to be tomorrow's poor. For example early school-leaving, school absenteeism and consequent unfulfilled potential give rise to high probabilities of lifelong and intergenerational disadvantage, poor employment prospects, low pay and ill health (mental and physical) in adult life. The CSO's 2005 edition of its annual publication, *Measuring Ireland's Progress*, states that early school leavers represented around one eighth of the 18 – 24 age group in 2005 and their unemployment rate, at 22.3 per cent, was almost three times the rate of 8.1 per cent recorded for all persons in that age group. These young people are only marginally attached to the conventional labour market.

There is also the exposure to the possibility of early lone motherhood and the consequences of this in terms of lost personal potential among these adolescent and young females, loss to the economy, incomplete education and so on. There is poor diet and the long term consequences of poor diet. There are the health consequences for mothers, and it is usually the mothers, of a life lived in anxiety, constantly balancing impossible, competing demands.

But, some might say, why in a booming economy and tight labour market, don't 'they' go out and get a job – or a better job? Of course many do but also many can't or for many it makes little sense.

As Combat Poverty points out Ireland places a far greater emphasis on income support for families with children than most other European countries, but critically we invests less in subsidised quality services for children – crèches, child care centres, pre-school facilities and so on. The Agency concludes: *"Ireland's level of subvention for childcare and healthcare for children is among the lowest in the EU.* It might also have added that Ireland also compares badly with best practice (e.g. Sweden) when it comes to parental leave entitlements of workers – women and men – although that is part of a wider issue, family policy.

Economists have a concept, the replacement rate. This is the ratio of social welfare type payments to the take home wage. In its 2005 policy statement on child poverty Combat Poverty states: *"Lone parents in Ireland have the highest replacement rates and levels of taxation in Europe."* It simply does not make sense for such people to think about a job – assuming they can access the necessary childcare – and it is government's direct fault: government controls the shape of tax and welfare interactions.

Perhaps an indicator of the extent of poverty traps still in the system is that four fifths of the population in households in the lowest income decile in 2004

were either 'unemployed' or 'not economically active' and only 10 per cent were at work. Average weekly household income was €127.75 (CSO, EU-SILC). The 2004 Irish poverty threshold (below 60 per cent of the median income) was €185.51.

There is also the problem of poverty and deprivation among the elderly. According to a presentation made last year by Dr Jonathan Healy, a policy research analyst at Combat Poverty, *Older People in Ireland: Policy Pointers from Recent Research*, seven per cent of persons aged 65 or over lived in consistent poverty (2003 data). This population also experienced significant levels of fuel poverty: 17.4 per cent in 2001 experienced difficulty heating their homes – that's 227,000 households. Some 12.7 per cent experienced intermittent difficulties and 2.2 per cent indicated they could never keep their homes warm (29,000 households). Many of these households live in homes with problems such as water ingress, dampness, problems with doors and windows and heating problems. Many probably experience multiple problems or more than one problem. According to Healy's presentation 87 per cent of excess winter deaths (the number of deaths in winter in excess of mortality rates during the rest of the year) in Ireland are among persons aged 65 and over.

Social expenditure on the aged compared to the EU-15 is low but then, we have a relatively young population. However when one controls for this feature of our demography Ireland spends less on old age than just about any other EU-15 country – far less.

The focus of the economic statisticians is income and material poverty. However there is another dimension, emphasised by the late Michael Harrington (1928 – 1989), the man who inspired John F Kennedy to declare a War on Poverty, which he did not live to see put into effect and which was implemented by Johnson. In his book *The Other America: Poverty in the United States* (published in 1962), Harrington wrote that there was "a language of the poor, a psychology of the poor, a worldview of the poor. To be impoverished is to be an internal alien, to grow up in a culture that is radically different from the one that dominates society."

All of this can be said also of the poor, the deprived and marginalised in Ireland – they also are "internal aliens" in a new land of plenty. Ireland needs its War on Poverty, with a war on child poverty and addressing the deprivations of the aged given the highest priority.

Summary:

Not only is Ireland a highly unequal society it is also a society scarred by that unacceptable face of extreme inequality, poverty.

The proportion of the population at risk, prior to social transfers is in the range of 40 per cent. Social transfers reduce the at risk population by half, to 20 per cent – but this figure is one of the highest in the EU-15 and the effect of social transfers and pensions in reducing the percentage at risk is low in Ireland

compared to other EU countries. The proportion of expenditure allocated by Ireland to the social area, at 16 per cent of GDP, is the lowest in the EU-15 and half the rate of spend in Sweden.

There are other aspects to the problem of poverty in Ireland: lone parenthood, school drop out rates, marginal attachment of many of our young people to the labour market, low skills, low lifetime earning potential, poor physical and mental health – and what we deal with in the next section of this paper, poverty's geography.

The Geography of Multiple Deprivation

“Academic research clearly shows that instances of neighbourhood deprivation are real and clearly felt by residents to have a damaging effect on their lives.”

Brian Nolan et al.
Boom or Bust?
ESRI

Poverty in Ireland is of course everywhere, but there are particular concentrations or pockets, closely associated with multiple deprivation or disadvantage (a composite index of poverty and poverty related characteristics, incorporating a number of indicators that may be mapped geographically to a highly local level). The extremes of disadvantage are geographically concentrated. The geographic pockets of Irish deprivation are both rural-coastal but low populations (for example Donegal, Mayo, Galway) and urban-working class (certain neighbourhoods in Dublin, Cork, Limerick) with large, dense populations (SAHRU, 2004).

Deprivation indexes in use in Ireland (the Haase Index, widely used in local government and adopted also by the CPA and area partnership companies, and TCD’s Small Area Health Research Unit (SAHRU) index) tell a broadly similar story. The same districts and neighbourhoods keep cropping up as respectively affluent and deprived and the pecking order has not much changed during the years of growth: there are *“virtually no differences in the distribution of relative deprivation 1991 – 2002”* (Haase, 2005) with the exception of Dublin’s inner city which has seen a significant level of “gentrification” although it remains a deprived area in parts. SAHRU has reported in respect of its index, *“the pattern of deprivations is seen to be broadly similar for both years [1991 and 2002].”* Of course incomes have risen in all districts: according to Haase again *“Comparison of absolute measures of deprivation between 1991 and 2002 show that all areas throughout Ireland have experienced an unprecedented improvement.”*

A note of caution is required. Not everyone living in an area of high deprivation lives in poverty or is deprived while people living outside such concentrations may also find themselves in relative poverty and marginalised. Further, concentrating on the top 15 Wards/EDs significantly understates the scale of the problem. For example in Dublin two Priorswood Wards (B and C) are in the worst deprived 15 but a third Ward has a high deprivation index, but just outside the cut off point chosen in compiling the table. There are other clusters, such as on the Quays in Dublin that are again outside the range but highly deprived.

Table 5: Deprivation Index, by Electoral Division, 2002, highest and lowest 15 wards (positive index indicates deprivation, negative sign indicates relative affluence)

ED/Ward	Deprivation Index	Location
Most deprived		
Ballymun D	10.8479	Dublin
Priorswood C	10.7120	Dublin/Northside
Ballymun B	10.4349	Dublin
Mountjoy A	10.1811	Dublin inner city
Priorswood B	10.0144	Dublin/Northside
Galvone B	9.8111	Limerick City
Cherry Orchard C	9.7526	Dublin/Ballyfermot
Knocknaheeny	9.4541	Cork City
Ballybeg North	8.9161	Waterford City
Killinardan	8.8715	Dublin/Tallaght
Usshers C	8.4199	Dublin inner city
The Glen A	8.2081	Cork City
Ballymun C	8.2017	Dublin
Mayfield	7.7059	Cork City
Ballynanty	7.6126	Limerick City
Least deprived		
Churchtown-Landscape	-3.4335	Dublin
Dalkey Upper	-3.3322	Dublin
Stillorgan-Deerpark	-3.3085	Dublin
Terenure D	-3.2462	Dublin
Terenure C	-3.0756	Dublin
Rathfarnham-Ballyroan	-3.0221	Dublin
R'farnham-Butterfield	-3.0130	Dublin
Bishopstown D	-2.7395	Cork City
Pembroke East C	-2.6952	Dublin
Firhouse-Ballycullin	-2.5616	Dublin
Killiskey	-2.4383	Wicklow
Ogonneloe	-2.4192	Clare
Rathfarnham	-2.2589	Dublin

Source, Small Area Health Research Unit, TCD

The physical character of deprived urban areas is well communicated in a description of Ballyfermot contained in the plan prepared for its regeneration in 2001 under the EU's URBAN II initiative:

“The accumulation of public housing over a period of 40 years combined with a lack of infrastructure development and little private sector investment, has created a disadvantaged urban environment where key issues identified by the community itself include:

- ◆ *High levels of substance abuse*
- ◆ *High levels of drug related crime and anti social behaviour*
- ◆ *Early school leaving*
- ◆ *High unemployment levels through the 1990s*
- ◆ *High levels of economically dependent persons*
- ◆ *High levels of dependent elderly*

“The overall physical appearance of the area is drab and monotonous and in some estates this is combined with a feeling of insecurity amongst residents. This is highlighted by a featureless environment characterised by:

- ◆ *Poor physical appearance in the town centre*
- ◆ *Poor appearance of local shopping areas, including physical evidence of vandalism*
- ◆ *The absence of a central focal point*
- ◆ *The lack of a coherent service delivery in the town centre*
- ◆ *Significant traffic and parking problems in the town centre*
- ◆ *Unattractive open spaces, with limited facilities, poor maintenance, evidence of vandalism and usage for drug abuse*
- ◆ *Evidence in certain estates of the use of the area for joy riding, with consequent closure of pedestrian routes, which affect the general community*
- ◆ *Lack of sufficient facilities for both youth and senior citizens where they can engage in social activities in a secure environment”*

Looked at from a quality of life and psycho-societal point of view some recent research, funded by Atlantic Philanthropies and carried out in Ballymun in preparation of a 10 year development plan, focusing on children and youth, provides some further insights.

Yes, the survey work found, many people living in Ballymun have pride in their community and approve of the regeneration currently under way. There is a new sense of self-belief in Ballymun. Yet the problems remain enormous.

For example the predominant family form is lone parent (60 per cent) and mothers in Ballymun are twice as likely as the national average to belong to the lowest socio-economic class. The majority of mothers were homemakers and more than a third of mothers experienced financial strain (this is more than twice the national average).

A quarter of the parents of four year olds were found to have experienced mental health problems and 21 per cent had been on medication for these ailments.

Well over half of four year olds (59 per cent) had never been to a library and 33 per cent don't read every day.

The physical health of four year olds is problematic with 18 per cent suffering long term illness, 16 per cent experiencing breathing difficulties and 20 per cent experiencing sleeping difficulties.

More than a quarter of four year olds (27 per cent) experienced bullying in the last term. A third of eleven year olds also reported bullying in the previous two months.

Diet is an issue among all age groups studied (4, 11 and 16 year olds): 40 per cent of four year olds eat less than three portions of fruit/veg per day; 65 per cent of 11 year olds eat less than three portions and 20 per cent of 16 year olds eat fast food more than 3 times a week.

Also among 16 year olds, 32 per cent drink alcohol 'often' or 'a lot'; 32 per cent smoke cigarettes 'often' or 'a lot'; 12 per cent smoke cannabis 'often' or 'a lot'.

The 16 year-old age group also are deeply alienated from their neighbourhood. Some 38 per cent wished they lived elsewhere, 22 per cent disagreed with the statement 'I like my neighbourhood', and 26 per cent did not feel secure in the neighbourhood.

Similar research, again funded by Atlantic Philanthropies and carried out in West Tallaght (the four areas of Brookfield, Fettercarin, Jobstown and Killinarden), again in preparation of a ten year plan focusing on children, highlights other features.

For example, the population of Tallaght West (population of over 21,000) increased by over 18 per cent between 1996 and 2002, which is over twice the national rate of population growth in that period.

Reflecting this population growth one in three individuals in Tallaght West is under the age of 15 years. The proportion of individuals under the age of 15 years in Tallaght West is 12 percentage points higher than the national average.

Almost 7 per cent of the Tallaght West population lives with a disability, of whom one in six is under the age of 15 years.

Nine percent of the people living in Tallaght West are of nationality other than Irish, almost two percentage points higher than the national average.

The report also observes that *"it is particularly notable within the context of the Childhood Development Initiative that, among those with a disability in Tallaght West, 14.6 per cent are aged under 15 years. This compares starkly to a figure of 8.6% for all of Tallaght and 5.3 per cent nationally."*

Unemployment, at over 10 per cent, also remains a problem and more than twice the national average.

Indeed the NESC has identified that there are over 80 black spots around the country *"where the unemployment rate is three times greater than the national average. As well as experiencing high levels of redundancies, there is a*

preponderance of lower-paid jobs and their level of infrastructural investment remains poor.” Further while the official figures have fallen dramatically at national level, long-term unemployment as a percentage of the official figure remains stubbornly high – 30 per cent compared to 21 per cent in the UK and 18 per cent in Sweden.

And here, on the theme of persistent, high unemployment in black spots, is Padraic White, outgoing chairman of the Northside Area Partnership (which includes districts such as Darndale and Priorswood): *“Many people find it hard to believe, in a country with a low unemployment rate of some 4.5%, that anyone has difficulty getting a job. But in fact, the overall low unemployment masks the many people who still have great difficulty getting a start in regular employment. One measure of the difficulty many people face is shown by the fact that on average 100 people a month came to register at the eight local employment centres we operate – a total of 1,200 in the year and a total case load of 2,500 at year end. Reflect for a moment on those for whom it is not easy to walk into a job: persons with disabilities – there are now more on disability benefit and pensions in our area than on the live register; people recovering from alcoholism or drug addiction; ex-offenders who want to make a new start in life – 20% of the population of Mountjoy prison are from the catchment area; travellers and their children. In addition, there are many men and women in their thirties and forties who have not worked for years, who lack the confidence and skills to take up the many opportunities available.”*

The official unemployment figures and rates don't really capture these features. The EU has recently focused on the issue, developing the concept of the 'labour force reserve'. The CSO also employs a similar concept, the 'indicators of potential labour supply' (see for example, CSO Statistical Yearbook 2006, p39).

What these measures highlight is the extent of marginal attachment to the labour market, discouragement, underemployment and the degree to which the official unemployment figures underestimate the true numbers of people available for work or wanting to work and who for whatever reasons, cannot make it and need to be helped towards and into work. Thus the NESF calculates that the 'labour reserve' in Ireland is around 78,500 which when added to the number unemployed gives an actual 'underutilised' labour force potential of around 175,000 people. From this perspective the situation in Ireland falls far short of 'full employment'.

One aspect of the Electoral Divisions at the extremes of affluence and deprivations is their socio-economic homogeneity, their predominantly residential character and absence of economic activities and functions. One of the effects of this class homogeneity is the effect of children, including from the point of view of educational performance and life prospects. Thus the ESRI's Emer Smith concludes *“The social class mix within a school has a significant impact on pupil performance. Pupils in predominantly middle-class schools tend to have higher exam scores than those in predominantly working-class schools, even when their own social background is taken into account”* and *“The social class mix of a school has a significant impact on Leaving Cert grades. Those in predominantly working-class schools tend to*

make less progress over the senior cycle, relative to their performance at Junior Cert level.”

Summary

There is in Ireland – as in many other countries – a geography of poverty, multiple deprivation and exclusion. The black *spots in extremis* are truly a scar on our society. They have extremes of income poverty and consistent poverty. The quality of the physical environment is very poor – as is the delivery of a range of critical public services, from environmental services through to education and health. The worst of them suffer unemployment rates far in excess of the national average – before we begin to count the disillusioned, the marginally attached and those in ill health. That these communities have not completely disintegrated is to be credited to the community and voluntary effort evident in many of them and to examples of effort and co-ordination in the delivery of public services that might have been generalised and mainstreamed but have not.

Immigration

A new feature affecting life and society particularly in the black spots of multiple deprivation (including persistent unemployment) is immigration. In a sense the term 'immigration' should not apply to for example, Italians, Poles or Slovaks who decide to migrate to Ireland. Under common EU citizenship and the single market such migrants are no more 'immigrants' than a New Yorker moving to California.

Of course it is not quite like that. Yes, there is free movement of labour and free travel, but yes also, transitional arrangements may be applied by established member states *vis a vis* new accession countries – as has happened throughout the EU-15 except in Ireland, the UK and Sweden in May 2004 in respect of the EU-10 (minus Malta and Cyprus). Transition arrangements will also likely apply widely through (possibly throughout) the EU-25 to Bulgaria and Romania when they accede on 1 January next (although their citizens will have freedom to travel). Ireland and the UK have already announced that they will operate such transitional arrangement from 1 January 2006.

Also, in our case we have gone from a net emigration state to a significant net immigration state in a very short space of time. Net emigration peaked around 1989 and between then and 1991 fell dramatically to rough balance with rising immigration around 1991. Between 1991 and 1995 the gross flows in either direction roughly balanced and then in 1995 net immigration began to rise and around 2003 accelerated enormously. From 2000 net in-migration was driven first by US immigration and then from 2003, by immigration from the rest of the world, in effect immigration from the (then) Eastern European candidate states (who did not then have the free movement that they achieved in May 2004).

Further, as a result of the decision of most of the EU-15 states (apart from Ireland, the UK and Sweden) to apply transition arrangements to the EU-10 (minus Malta and Cyprus) Ireland took a disproportionate share of an underestimated out-migration from Eastern Europe after May 2004.

CSO estimates suggest that the gross immigration flow to Ireland has risen from 17,200 a year in 1987 to reach a high of 70,000 in 2005. This is a four-fold increase over the period and there are now (2006) an estimated 400,000 non-Irish born people living in Ireland (of whom over half were 'Irish' in the sense of having Irish citizenship), a population stock, more than 9 per cent of the population and close to the OECD average. The growth in the non-Irish as a percentage of the total population between 2002 and 2006 provides a measure of how rapid the growth has been. In 2002 non-nationals accounted for 6 per cent of the total, they now account (2006) for 9.4 per cent. In 1996 the non-national share in the total population was significantly smaller again than the 2002 figure.

The composition of immigration has also changed. In the earlier period the biggest component was return migration (the 'homing pigeon' phenomenon), even today still a significant but much lesser percentage (just under 20 per cent, down from a high of more than 50 per cent). Most of the immigration since 2004 is Eastern European – the new accession states. It is highly concentrated in the working age population cohorts and it is feeding directly into the labour market, although there have also been significant inflows of dependents.

We should further distinguish between inflows from other EU member states and immigration from the rest of the world, whether economic or educational in nature or asylum-seeking.

Immigration from the 'rest of the world' has declined dramatically although here we are in large measure dealing with a reclassification – the effect of people from Eastern European accession states being reclassified on accession in May 2004 as EU migrants as opposed to rest-of-the-world immigrants. However the reclassification does not account in full for the emergence of the Eastern European phenomenon (i.e. there also has been a further acceleration of inflows from these regions).

In a sense Ireland is not unique among EU-15 member states: virtually every country in this group ('old Europe') is experiencing immigration and immigration on some scale or other and associated problems. For example Spain has recently granted an amnesty to 580,000 illegal immigrants, many from Romania and Bulgaria. Portugal also has put amnesty schemes into effect. On Spain's Canary Islands more than 20,000 north and West Africans have come ashore so far this year. Tensions have developed between Spain and France in respect of Spain's policy (particularly the amnesty policy). In Padua in Italy the local authorities have had to wall off a district to deal with problems between immigrants and locals. Britain also has experienced a new wave of immigration, like Ireland much of it from new accession states. Sweden has seen significant dilution of a once highly homogenous culturally, ethnically and linguistically, country. The collapse of the Dutch government over the summer was triggered by a dispute over immigration policy in the Netherlands.

On the other hand Ireland is highly unusual if not unique among the EU-15 in not having a history of immigration (other than return) and then suddenly experiencing a very large influx, much of it working age and creating suddenly a culturally diverse society, where once there was large scale homogeneity.

There are some other aspects to immigration to Ireland. Those migrants here legally, from wherever, are entitled to bring their families. The NESC concludes that the numbers of persons in this category *"is substantial. There are almost 70,000 people currently registered with the GNIB who could fall into these categories."*

In addition there are over 20,000 students registered in Ireland with access to casual employment.

The estimates for irregular migrants (e.g. illegals, overstayers and so on) understandably fluctuate wildly – 15,000 to 50,000 and even higher.

In its recent report on immigration and in-migration, *Migration Policy*, the NESC concluded “*pressure for migration – legal and illegal – is an unavoidable feature of the emerging world order to which all societies and states must respond.*” It also remarks that “*Migration can enhance economic and social progress and prosperity, but this is not inevitable.*”

In a detailed analysis the Council concludes with some significant qualifications, some somewhat veiled, that the effect of immigration to date has been on the whole positive. Immigrants have added to the size of the labour market and thus underpinned the capacity of the economy to grow, which it has.

Such an inflow of migrant labour, however, poses a number of labour market risks. One such is direct displacement, where Irish workers are made redundant and directly replaced by migrant workers on lower pay. The extent to which this has happened has been higher than expected, and reflects Ireland’s weak Labour market institutions. Indirect displacement occurs where Irish workers, particularly in casual employment, are let go in the normal course of events, but find it difficult to obtain work in their chosen industry as before because of competition from migrant workers. There is also the risk of wages and terms and conditions of employment being eroded, as a larger supply of labour bids down its price. This effect will be mitigated in the face of strong demand conditions and labour market institutions, both formal and informal, that protect labour standards. Again, the experience of recent years has highlighted weaknesses in Ireland’s labour market institutions.

At the national level, the NESC concludes, there is little sign of displacement, although it does acknowledge some significant deficiencies in data collection and that there are signs of ‘replacement’ and ‘displacement’ in some sectors such as hotels and catering. By replacement the Council means that, in some sectors the share of the workforce accounted for by native Irish has declined while that of immigrants has risen, however those Irish may have gone on to jobs in other sectors or to better jobs.

However the Council also does warn that while migration has coincided with growth and increased labour force participation the presence of migrants “*may reduce the pressure to effectively address the obstacles to labour force participation among Ireland’s marginalised citizens.*” Another way of putting this is that the availability of skilled immigrants may be undermining for example, apprenticeship and in-company training and the capacity to take up low-skilled (and indeed low-paid) jobs in the unemployment and deprivation black spots. There is anecdotal evidence, and some statistical evidence, of this actually happening.

The Council's consultants, the IOM, in their discussion of the impact of immigration on the prospects of local workers draws attention to an internal (unpublished) FAS study in respect of which the consultants comment *"The striking finding of this analysis was that, in late 2002, the majority of work permits had been issued for work in unskilled occupations for which there appeared to be a sizeable supply of local labour"* and *"The lack of effective policies and thinking to protect the employment prospects of local workers in a less favourable economic environment is ... a serious weakness in Ireland's current labour immigration system."*

There is implicit in these observations quite serious criticism of FAS and its services to the black spots. This is supported by the official statistics on unemployment rates in the black spots, whether at the overall level or at the level of the 15 – 24 age cohort. We need to see displacement not simply as migrants replacing Irish workers in the same job. There are also the new jobs being created and the extent to which those jobs are going direct to migrants. There is also the evidence (as per Padraic White above) of the problem of marginal attachment of many in the black spots to the conventional labour market.

The National, Economic and Social Council also acknowledges that *"there is no doubt that there have been many instances of exploitation of migrant workers"* and there is anecdotal evidence that *"some migrants are paid less than Irish workers working alongside them in similar occupations."* There is significant anecdotal evidence from the horticultural and market gardening sectors of widespread malpractice, not simply confined to wage rates but extending to hours worked, time off and other entitlements. The Council also acknowledges *"some employers' illegal practices of retaining migrant workers' passports"* and the problems that may arise in relation to the provision of tied accommodation.

In summary the position of the Council is to on the one hand show that immigration has been economically beneficial while on the other hand acknowledging anecdotal evidence of what it might argue are localised difficulties of displacement and exploitation and issues such as agency workers, casual working, the charging of commissions by agency firms, the lack of pensions and sick pay, overstaying, non-enforcement or weak enforcement of labour laws and immigration law and so on.

Outside the workplace, in the social sphere, the Council warns of the danger in education of migrants with limited English language skills becoming concentrated in certain schools thus raising the danger of disproportionately affecting *"people on lower incomes who tend to be less selective in choosing schools."* While the Council talks of this as a danger there is some anecdotal evidence of this already happening, again in schools associated with deprivation black spots, and affecting the area or remedial teaching.

There are further, law and order issues according to the Council: there is the challenge of providing a policing and justice system for an increasingly diverse society; and the exclusionary conditions under which migrants may

sometimes live can be a source of crime and anti-social behaviour within the migrant communities and the community at large.

Between 1996 and 2002 (census years) the countries of origin of immigrants have diversified and so therefore, has the resident population. Ireland now is a highly diversified society and the homogeneity of 1996 and earlier has evaporated.

Summary

Translated into layman's language the reality that lies behind the couched and circumspect discussion in the NESC document is pretty simple and is a reality that elected Labour public representatives are familiar: for native Irish, pressure on housing lists; competition for jobs, particularly (though not exclusively) at lower end of the labour market (low skills, low pay); displacement and replacement; pressures on schools (accommodation and teaching); for migrants, problems with housing (high rents, shortages of public housing, poor sanitary and physical standards, overcrowding in private accommodation); workplace exploitation (unequal pay, long hours, atypical working); unfamiliarity with rights and so on. For the nation as a whole there is the pressure created by the sudden influx on already overburdened national and urban infrastructures, not least in the context of government failure to have invested sufficiently in the past and failures on new public investment infrastructure projects.

At local level, these issues have a disturbing potential to generate tensions between native and migrant communities which cannot be ignored.

Making war on poverty

Labour is committed to building a more equal Ireland. Our commitment of equality is central to our existence as a party. If returned to Government, we will mount a major campaign to tackle poverty and disadvantage.

That campaign will be based on the strategic priorities identified in the foregoing discussion, which has identified a number of salient facts about poverty and inequality in Ireland

- Ireland is one of the most unequal countries in the industrialised world, and has remained so despite rapid economic growth and development
- The distribution of income in Ireland is characterised by high levels of poverty
- Poverty in Ireland is passed from one generation to another – one in ten children live in poverty, and the poor are likely to be the children of the poor
- Poverty is passed on, not just through families, but also through places. Areas of multiple disadvantage produce a particular experience of poverty which is acutely felt, and hard to break.

Our approach, therefore, will be to concentrate our efforts on targeting resources at areas of multiple disadvantage, on promoting opportunity through education, training, and labour market reform and on tackling child poverty,

What is required is nothing less than a ‘Marshall Plan’ for disadvantaged areas. This can be delivered through the national development plan by prioritising and ring-fencing investment in identified areas of multiple disadvantage. Whereas heretofore, large scale investment programmes in Ireland have been driven by funding from the EU and elsewhere (including the original Marshall Plan), in the future we will rely on our own ideas and resources. In reality, a relatively small proportion of the total spend from the National development Plan, clearly targeted at areas of multiple disadvantage, and accompanied by relevant non-capital policy measures, will have an enormous impact on those areas and a major benefit to society as a whole.

Priorities

In government Labour’s four main priorities in respect of poverty, multiple deprivation and exclusion are

- The revitalisation of area-based interventions in areas and neighbourhoods of chronic multiple deprivation, including in the delivery and provision of such services in deprived areas;
- Reform in the fields of education, training and Labour market regulation – both area based and nationally;

- Welfare Reform to tackle child poverty and promote opportunity; and
- Adopting a whole of Government approach to poverty and inequality.

Area-based approaches – A Fair Deal for Communities

“Despite the high growth rates over the last decade there has been little improvement in the relative levels of socio-economic deprivation of most disadvantaged areas compared to the rest of the country.”

NESC

A Fresh Impetus

While poverty is everywhere it is also true that there is a particular experience of poverty to be found in over 80 areas and neighbourhoods of multiple disadvantage, large-scale unemployment and social exclusion. Structures and plans already exist: what is needed is fresh impetus, including by the public agencies, guaranteed funding as well as greater focus on joining up delivery of public services (tailored to local needs), the rationalisation of what the NESC has criticised (in the labour market context) as “a crowded organisational landscape”, and finally, greater focus on human capital (active labour market measures) aimed at helping people towards and into work as well as improving their skills over time.

A Fair Deal For Communities

Labour in government will replace this government’s failed and confused RAPID programmes with a **Fair Deal for Communities** initiative. The initiative will draw on local area (Wards and Electoral Divisions) census data expected next year to compile accurate, up to date deprivation indexes to help define and delimit Fair Deal Communities.

In government Labour will also secure a transparent, multi-annual funding formula for its replacement for RAPID, A Fair Deal for Communities.

The funding formula will first, provide certainty in respect of financing for the communities, neighbourhoods, agencies and voluntary bodies involved in renewal of these areas of multiple deprivation, the Fair Deal Communities. Second it will require relevant government departments and agencies to clearly earmark and ring-fence a proportion of the relevant NDP funds - **not less than 5 per cent** - to Fair Deal areas Third, the formula will be incorporated into the rolling three year envelopes (current and capital) of the relevant departments under the reformed government financial and budgetary procedures envisaged by Labour. Finally, again within the framework of the reform of financial procedures it will incorporate strong *ex post* evaluative and accountability rules.

Invest in People, As Well As Places

In addition to investment in the physical environment and facilities (e.g. crèches, schools, community centres, parks, playing fields and playgrounds etc.) there is a need also to invest in people, the unemployed, the underemployed, the demoralised and those marginally attached to the conventional labour market, with an emphasis also on their integration or re-integration into the jobs market. Active labour market policies (ALMPs) are currently confused, involve both duplication and service gaps and are absent a coherent national strategic framework. As the NESF observes *“The current range of labour market and social exclusion measures (at least thirty-eight) involve some eight government departments and thirteen different agencies as well as a range of non-statutory bodies ... leading to problems of co-ordination, duplication in services and gaps in service provision. Much clearer links between all these measures are required so as to provide a more coherent service to clients at local level.”* Initiatives such as CE or the BTWA have also been significantly scaled-back and capped since 2002. There is a need to develop a coherent approach to active labour market measures, which should remain an important part of general labour market policy.

In government Labour will put renewed emphasis on strategic direction from the centre and partnership-based local and regional targeted active labour market initiatives and local employment/placement services in Fair Deal communities and neighbourhoods, properly extending the idea of social inclusion to embrace employment/unemployment within the compass of social inclusion/exclusion.

We set out a number of proposals on specific actions to augment human capital below.

A central issue is how best to ensure that the system is focused on people, and their needs, rather than on schemes as such. We already have benchmarks of excellence in this area, for example the example of the Northside Partnership’s local employment service in the Coolock area in Dublin. We also have the important NESF discussion of the topic, *Creating a More Inclusive Labour Market*. There is no need to reinvent the wheel – what we need is the commitment to apply best practice models more widely and to commit the resources to achieving this.

Crime and Drugs

Crime and anti-social behaviour among young people are central issues in neighbourhoods of multiple disadvantage. Our proposals on community policing are particularly important in areas of multiple disadvantage, as is the requirement to increase the number of JLOs, to invest in restorative justice programmes, youth diversion programmes and community-based sanctions.

Community policing

With the present Garda strength, there are notionally 400 Gardaí committed to community policing but the commitment is more apparent than real. The way in which community policing is at present staffed and resourced makes plain

that it is at the margin of police work – a good thing to do if you can spare the officers and the time to do it, but not the main function of the police. These officers are the first to be pulled out if there is a shortage of personnel or a crisis and they are given other tasks. And the reality is that they are seen to be less effective as police officers. They lose part of their status because they are seen as the soft side of policing rather than the effective side.

Labour rejects the view that community policing is just an add-on to the 'proper' police force. We see it in a wider way, as intrinsic to a genuine local community partnership approach of local Gardaí in an area and we believe it should pervade the entirety of their work. International evidence shows that putting the police back into the community is the best solution to tackling the epidemic of anti-social behaviour and related crime. More effective training, longer assignments to the task and greater recognition for promotion purposes of the qualities required are essential if this service is to take off.

We are committed to **real** community/neighbourhood policing. That means communities actually being policed with Gardaí primarily back on the beat – not just cruising in squad cars.

We have two specific major commitments on policing.

First, there will be a cultural change, right across policing. What we want is not a form of lip service to the idea of community policing.. What we want to see is communities actually being policed.

- We want community police officers who stay working in communities for significant periods of time, and whose time is not diverted away to other duties at the drop of a hat, whenever a need arises.
- We want accountability to the community, through local policing forums, with local Gardaí acting in liaison with local public representatives.
- We want effective community based sanctions and diversion programmes and we need better youth facilities.
- We want community policing structures that are developed in conjunction with local community and youth leaders and are responsive to community needs.

Second, a community-oriented policing service will only be delivered by a police service that is accountable to the community it serves. And that accountability must extend to the very top of our policing structures. That is why our commitment to real community policing is clearly and inextricably linked with our commitment to the establishment of an Independent Garda Authority

Youth diversion

As set out in our policy on sports and recreation, *Championing our People*, in government Labour will mandate its proposed Sport and Recreation Ireland in partnership with the Department of Justice, Equality and Law Reform, the Garda and the Probation Services to develop physical activity programmes, including adventure/outward bound type programmes to fit into youth diversion strategies.

Building on the success of such jointly developed programmes they could become an intrinsic part of youth diversionary strategies and initiatives nationally.

Drugs

The national anti-drugs strategy has been the centre piece of Government policy in this area. The level of commitment to resourcing it has been called into question. Many of the problems being experienced by RAPID implementation teams – uncertainty as to medium to long term resource availability, questions over the commitment of agency representatives to the programmes and strategies, the slow pace of decision-making by the authorities and so on – exist also in the functioning of the local drugs initiatives.

In government Labour will inject fresh political impetus to the national and local anti-drugs strategies, putting emphasis on information access, and tested educational programmes with age-specific best practice strategies.

Community Participation

In government, Labour also guarantees that the people living in Fair Deal communities and neighbourhoods will continue to have their own voice and participative structures in drawing up and implementing their community renewal plans and that the representatives of the public agencies involved maintain the highest commitment to agency involvement in community renewal. In the more medium term new structures implementing real local government and decentralisation will be developed as set out in our policy paper, *New Councils – Labour’s Plan to Reform and Remap Local Government*, will give all communities and neighbourhoods enhanced voice and make government more accountable to sovereign citizens of a modern republic.

Sustainable Services

One issue that has arisen with RAPID in its present guise is the sustainability of many infrastructural investments and services (e.g. community centres, day centres and so on) in communities long term in the absence of any dedicated staff resources and delegated budgets to support such resources.

In government Labour will ensure that more focus is put on revenue funding, including delegated administrative budgets, for Fair Deal communities as well as capital spending.

Education, Training and Labour Market Reform

Early school-leaving and dropping out

There is a particularly high incidence of early school leaving, dropping out and non-attendance in areas of multiple deprivation, leaving such young people with low literacy and numeracy skills and consequently more likely to be unemployed. The number of young people leaving school without their Leaving Certificate has remained stubbornly above or at 18 per cent since 1991. However, in Dublin 17 that figure is a staggering 59 per cent.

Children's charity Barnardos estimates that one in five children from disadvantaged areas miss more than 20 days of primary and secondary school in a given year, while up to 80 per cent of Traveller children aged 12 to 15 do not attend secondary school.

NEWB

The National Education Welfare Board (NEWB) was established under the Education Welfare Act of 2000 to combat absenteeism and to implement programmes to reduce the numbers of early school leavers. However, it is severely under resourced. At present there are only 83 Education Welfare Officers for a school-going population of over 780,000.

In government Labour will increase the budget of the NEWB to a self-financing €14 million. This is what the NEWB estimates it needs to adequately fulfil its national mandate under the Educational Welfare Act 2000, and also represents the potential savings arising from retaining children in school until their Junior Certificate. The Board will also be mandated to prioritise Fair Deal communities and neighbourhoods and to actively participate with other agencies (e.g. FAS, the HSE and the National Educational Psychologist Service) and community representatives in the Fair Deal area implementation planning structures.

According to the ERSI, preventative measures that would keep young people in school until at least after their Junior Certificate would result in an annual saving of €14 million a year on welfare and training costs associated with early school leaving.

Open Schools

Labour will also pursue a policy of implementing the "open schools" philosophy as set out in Labour's policy statement, *Tackling Educational*

Disadvantage, emphasising the role of the school as a resource in the whole community, which could have the potential to offer community-based family literacy schemes, a place for lifelong learning, for breakfast clubs and homework clubs and so on. It will be necessary for the Department of Education and Science to direct schools to take on such a wider role and provide the financial resources and deal with insurance issues.

A Social Guarantee

A central concern is the problem of young men and women who leave school at or before junior cert, and who do not go into any form of education and training. Nationally around 13 per cent of our young people are early school leavers while in many of the deprived communities the figure shoots to 40 to 50 per cent. The unemployment rate among early school leavers is around 18 per cent. While casual or low paid employment may seem attractive at that age, failing to add to educational qualifications or certified skills at this age is a major problem for future employment and earnings. One approach, as proposed by NEWB, is to track all 16-18 year olds who leave school.

In government Labour will mandate the Board to proceed with its tracking proposal, again as a priority to be first rolled out in Fair Deal areas and then extended nationally.

Tracking of early school leavers will be accompanied by a social guarantee, i.e. that all early school leavers (16 to 18 year olds) will be offered a meaningful opportunity to learn or develop skills.

The corollary to a social guarantee is a learning obligation so that young people could be obliged to either attend school or take part in a recognised programme (e.g. a Youthreach scheme) which ensures that they are acquiring useful skills or knowledge. Implementation of such an obligation would require detailed consideration and planning.

Childhood Development Programmes

In a few RAPID areas (e.g. Ballymun through its *youngballymun* initiative and West Tallaght through its **Childhood Development Initiative**) government departments and local non-governmental bodies are with philanthropic assistance developing integrated, co-operative ten-year programmes focusing on all aspects of the lives of children and young people in their areas.

Labour in government will assist with the extension of such programmes to all Fair Deal communities. These programmes will give voice to the collective wisdom and ambitions of local communities for their children, co-ordinate the work of agencies and their parent departments and offer the real hope that in 10 years time the children and young people of these communities will be happy, safe, healthy and educated.

Nurturing Pre-School Children

Although the right of every child to an education is guaranteed under the Constitution, the extent to which that right will be fulfilled is often determined before each year's Junior Infants reach the school gate, indeed before they are born – learning begins in the womb. Further, the development that occurs in the first three years of life is the most critical in a child's life.

Most studies on the topic indicate that early childhood and pre-school education *“brings enduring benefits in terms of better school outcomes and enhanced social skills in later life. However Ireland is below average and lags well behind the leading countries in the proportion of 3 – 5 year olds in pre-primary education.”*

In government Labour guarantees to achieve over a period

- Paid parental leave modelled on Maternity Benefit, paid from Social Insurance for up to one year;
- A legal right to take up to a three year career break;
- A right to part-time work subject to reasonable conditions;
- One year's free pre-school education for all 3 year olds before they begin primary schooling and in disadvantaged areas; and
- The deployment of early childhood development (pre-school) programmes such as High/Scope, successfully adopted in two disadvantaged areas in County Roscommon by the local Partnership with the help of the promoters of the method and the Health Services Executive (HSE).

Primary education

It is a bare fact each child's cumulative resources have a significant bearing on their chance of success in school, and that the disparity between these resources can be immense. Intergenerational educational disadvantage, economic poverty, family break-up, poor parenting skills, addiction, poor housing, ethnic or cultural difference, rural isolation, absenteeism and under-resourced schools can all contribute to underachievement at school. While any single one of these factors might adversely affect a child's ability to perform to their full potential in school, the concentration of several of these obstacles can affect whole communities of school-going children.

Schools in Fair Deal communities

In respect of primary education Labour in government guarantees that the most disadvantaged primary schools will be entitled to the following:

- Early Start for pre-school children, extended to the afternoon
- 15:1 pupil/teacher ratio up to age 9
- A classroom assistant in each class
- Extended Home/School/Community Liaison and extended role for NEWB for pre-six year olds
- Healthy Eating Programme, including school meals

- Literacy Support Programme
- Book fund: the right to read
- Intensive teacher support, re-training and in-service
- The School Retention Programme
- A non-teaching principal for schools with more than five teachers
- More flexibility in the use of the capitation grant and other grants

In addition, Labour will:

- Adequately resource the National Educational Psychologist Service to ensure that children get assessed quickly, and thus have access to the learning support they need;
- Increase the Back to School Clothing and Footwear Allowance to reflect the true costs of equipping a child for school;
- Provide well-equipped, family-friendly school libraries which could have the potential to offer community-based family literacy schemes; and
- Enable schools to adopt special teaching programmes such as the Incredible Years programme being implemented in the Clondalkin partnership area and Galway City, aimed at educating parents in the skills of parenthood and targeting children with Emotional and Behavioural Difficulty (EBD) in school and at home.

Labour's ambition is that education will cease to be an obstacle race and become a level playing field.

Funding schools to tackle disadvantage

The current system has deemed 640 primary and 200 secondary schools to be disadvantaged. This is out of a total of 3,278 primary and 743 second level schools (2003/2004 figures).

We propose that instead of a league table where only the most disadvantaged schools benefit from extra support, the current system used to assess school disadvantage (i.e. the number of pupils from a family in which the main breadwinner has been unemployed for over a year, whose family hold a medical card, who live in a lone parent household or in rented accommodation etc.) should be used instead to 'weight' every school-going child in the country according to his or her needs.

Extra financial and other support from the Department of Education would be distributed among all schools, as opposed to just those designated as disadvantaged, according to the cumulative 'weight' of the school's pupils. In this way, the most disadvantaged schools would still receive the most support, but schools which have 'pockets' of disadvantaged pupils would also receive resources to help them address these children's needs.

In government Labour' overarching project will be to bring the pre-school and education system of the state, paid for through common taxation, to a point where it serves all children according to their needs, does not hold children

back because their family lacks money and gives young people the skills and self-belief to shape their own lives.

Literacy and Numeracy

The most recent study carried out by the Department of Education and Science showed that over 40 per cent of students in disadvantaged primary schools had very poor reading skills, while over 60 per cent had considerable difficulties with maths. This means that students who make the transition to second level (and about 800 to 1,000 children per year do not) are making it without achieving competency in literacy or numeracy, thus severely limiting their chances of success as they progress through their education.

Poor performance in literacy in disadvantaged schools is linked to parental educational attainment and other personal factors, but it is exacerbated when schools do not have the resources to reduce class sizes and provide sufficient learning support. A 2004 ERC survey of English language skills found that First class pupils in disadvantaged schools were four times more likely to be taught by an unqualified teacher. Problems around literacy support are particularly acute in schools where a significant proportion of children do not have English or Irish as a first language.

Failing to address illiteracy and innumeracy at an early age is to determine the quality of life a significant cohort of Irish people. It is to establish a ceiling on their earnings, and thus their family's income. It is to put their children at risk of poverty and poor educational attainment. It is to exclude them from civic, cultural and political life in Ireland. And, in turn, it is to deprive Ireland of their full contribution in these areas. In 1995 the OECD reported that almost one in four Irish adults were functionally illiterate. We refuse to lose a generation to illiteracy and innumeracy.

From significantly increased provision of national educational psychologists, support teachers and Education Welfare Officers to a comprehensive plan to tackle educational disadvantage wherever it is found, we are committed to fulfilling every child's right to read, write and compute.

Learning for life

“Current efforts to promote lifelong learning here are not working sufficiently well and we are well behind best performing countries on this measure (such as Sweden, United Kingdom, Denmark and Finland).”

NESF, 2006

Adult and second chance education is particularly relevant to those who have experienced educational disadvantage in the past. Yet Ireland has a poor record on this front. We have, as the NESF has observed, *“a high proportion of low-skilled workers compared to other best performing countries and our*

level of lifelong learning remains low even though we ought to be investing in a higher-skilled workforce to compete successfully and to maintain jobs.”

We renew our commitment, through the provision of more secure funding for adult education and literacy, the implementation of the McIver report on PLCs, the provision of supports to those who want to return to education and an increase in the student grant to Social Welfare rates, to making lifelong learning accessible, valuable and flexible.

Immigration and Labour Market Reform

The forecasts prepared by the NESC and others see no real let up in the pace of immigration. Even the modest growth scenarios examined will over a period of 20 years result in quite a remarkable transformation of the Irish demographic picture with a significant increase in the proportion of the population foreign born. According to one forecast the percentage non-Irish could rise to 18 per cent in 2030, making Ireland one of the most immigrant dominated societies in the world, on par with Australia and New Zealand today.

In respect of the workplace, clearly we need trade unions, engaged, shop-floor activist unions, but also among workers, whether native or immigrant, knowledge of their rights as well as a strong and properly resourced workplace inspectorate.

Faith is being placed in the latest partnership agreement, *Towards 2016*, and its provisions in respect of a ‘new compliance regime’ for labour standards and enforcement. The key issues here of course, yet again, are resourcing and effective enforcement of labour law, health and safety legislation, the minimum wage legislation and collective and registered agreements.

The critical institution in all of this will be the proposed Office of the Director of Employment Rights Compliance (ODERC) and again we are back to resourcing and staffing, including the power of inspection and capacity to enforce adjudication outcomes.

Clearly Labour will require to examine carefully the bill to establish the ODERC when it is circulated.

We remain committed to our proposals on Labour Market Regulation set out in our document entitled ***A Fair Place to Live and Work***.

These include

- Better resourcing of the Labour Inspectorate and more effective enforcement and prosecution of offences;
- Insistence that contractors working for local authorities and other public bodies meet minimum labour standards, in order to prevent a repeat of the Gama situation;

- Confirmation of the right of self-employed persons who enter into or work under contracts “personally to execute any work or labour” to join trade unions and engage in collective bargaining;
- The extension of the Equality Legislation to cover people in domestic service, such as housekeepers; and
- Collection of better data on labour market conditions in order to accurately measure the extent of displacement and wage degradation.

In government Labour will also advocate the amendment of the minimum wage legislation to transform it into a comprehensive ‘no sweat’ law along the lines of the Fair Labor Standards Act (FLSA) in the United States. Public procurement rules will also be amended to incorporate an onus on procurement officers to apply fair labour standards and no sweat provisions, along the lines already developed by the Labour party at local government level.

We also need to attend to issues of labour market access particularly in the deprivation black spots as well as issues of apprenticeship and training: there is evidence, granted anecdotal, of the undermining of training and apprenticeship arrangements, and also displacement, in industry in recent years. Labour’s proposals, set out in this document, for a renewal of active labour market policy are inspired partly by this perspective.

Another area of significant exploitation is rented accommodation. There are two aspects to this – tenancy and concentration.

The answer to the problem and the other problems in the rental accommodation sector is enforcement and enhancement of the Residential Tenancies Act, 2004 putting into our law strong tenant rights including the establishment at local government level of an effective housing inspectorate to tackle issues of overcrowding, sanitary conditions, tied housing and so on.

In addition the Act must be amended to provide for a mandatory and public property register so as to identify the changing structure of property ownership in Ireland including, in particular, multiple house ownership and the new landlordism.

In significant measure what the inflow has pointed up and accentuated is how poorly government has treated its own citizens and how much of the stress that has developed is simply the result of general and persistent under-provision. The example of the school that has to choose between language teaching and remedial teaching is case in point.

One essential aspect of the experiences of others we must avoid – in Britain and in Germany during post-War reconstruction and growth and in France, there did emerge forms of cultural, educational and other kinds of discrimination, second class ‘citizenship’ in effect. We cannot allow that, or what has happened in France more recently with its *banlieues*, to happen here.

Labour strongly supports the terms negotiated by the trade unions with government in respect of the provision by government of 550 language support teachers by 2009. In government Labour will deliver on this provision to the trade unions and also ensure that the teachers recruited are qualified to the highest standard in TEFL.

Spreading Opportunity Through Social Welfare Reform

Labour has a number of priorities for social welfare reform. We wish to transform the social welfare system, so it is more trampoline than safety net. We want to see a welfare system that spreads opportunity, that treats women equally, that is more universal and less focused on a narrow means testing approach. We want to ensure adequate provision for old age, and to ensure that elderly citizens are able to live in comfort and safety.

Social Welfare Priorities

In the present document, however, we will concentrate on five priorities, which are related to the problems of intergenerational poverty, and the experience of poverty in areas of multiple disadvantage. These priorities are

- a. Delivering resources to families with children
- b. Reforming the treatment of lone parents
- c. Fair Treatment of People with disabilities
- d. Providing for the cost of attending school
- e. Better treatment of social welfare clients

Families With Children

Labour believes it is necessary to develop a better structure for targeting resources at poor households with children, including both the families on social welfare, and working families on low incomes. At present, there are four main schemes

- Family Income Supplement (FIS, paid to low income families regardless of economic status but tapered after a disregard as household circumstances improve);
- Child Dependant Additions (CDAs, an additional allowance received only by those in receipt of social welfare payments); and
- Child Benefit (CB, a universal benefit paid direct to mothers);
- The new Early Childcare Subsidy (ECS, a cash payment made to parents and allowing them to help purchase childcare or to be used as a homemaker payment).

Labour believes there is a need to adopt a more coherent and integrated approach. We favour a supplementary child benefit scheme, which would top up child benefit for families on low incomes, subject to a generous withdrawal rate to reduce the possibility of poverty traps. We also favour more regular payment of both the primary and supplementary child benefit. The supplementary scheme would incorporate FIS and CDAs.

Lone Parenthood

In respect of lone parenthood, there is a One-parent Family Payment (OFP), made to single parents and subjected to a 'no cohabitation' rule.

The present government is proposing to soon implement a significant recasting of this system. Specifically, it has made a concrete proposal in respect of OFP – that it be abolished (with the ending of the cohabitation rule) and replaced with a new, means tested single payment, Parental Allowance (PA) that will be time-limited and payable at the same rate as UB/UA.

Regardless of what changes are introduced one fear must be assuaged and one important principle must be recognised. A main driving force behind the changes proposed and being contemplated is to support and encourage parents, lone or otherwise into the labour market and employment. The fear is that such measures as may be adopted will not be accompanied by sufficient and appropriate support measures including the following: adequate childcare provision; the facilitation of education and training options (as well as employment); the appropriate design of income disregards and tapering withdrawal to ensure that new poverty traps are not created. In government Labour will require that in any context of re-design these principles will predominate. Education and training options will be central to reform as will the careful design of interactions between payments and secondary benefits, income disregards and tapering formulas. Affordable and flexible childcare provision will be a priority as will improved family friendly workplaces and practices.

People With Disabilities

Many reports and studies have drawn attention to the link and association between multiple deprivation and poor health and disability.

People with disabilities and those who provide care for them are also not given the support they need.

Labour supports the concept of a universal, needs based Costs of Disability payment to cover equipment, mobility, communication and additional living costs. Only 15 per cent of carers qualify for the Carer's Allowance – we are committed to abolishing the means test for carers.

A culture of service in our Public Service

Fulfilling a mandate based on a rights-based approach or accepting the principle of universality within a model of active citizenship provides an entirely different framework of values for the relationship between the public and the public service than exists at present. It requires an entirely new culture and emphasis within the public service on service to the sovereign citizens of a modern republic.

Our culture of government requires our public servants to administer a plethora of increasingly complicated means-tested schemes, expensive to administer, and for citizens almost impossible to understand and negotiate, with public officials required to assume that their function is to defend the state and state provision (for example in the Welfare system although not confined to it) against actual and potential 'cheaters' and 'fraudsters'. Achieving equality will require a change in culture on the part of governments and officials who deliver services and benefits, but also citizens – consideration on the one side and responsibility on the other.

A Whole-of-Government approach

There already exists at both central and local level a considerable Government apparatus for tackling poverty and disadvantage. We have for cities and towns, RAPID and for rural areas CLÁR. We have in one community, Ballyfermot, participation in the EU's URBAN II initiative. We have Pobal (formerly ADM Ltd.) as co-ordinator.

We have over 30 area based partnerships and their network co-ordinator, Planet. We have the utilisation of the Dormant Accounts Fund. We have the Combat Poverty Agency. We have area strategies drawn up by every local authority in the state, reporting to the Department of the Environment, Heritage and Local Government. We have deprivation indexes. We have the Health Services Executive, reporting to the Department of Health and we have the Departments of Social Community and Family Affairs; Justice, Equality and Law Reform; and Sports, Arts and Tourism.

We have myriad voluntary bodies and initiatives on the ground, many of them operating well in areas of multiple deprivation, and we have the work of non-governmental organisations such as Barnardo's. We have the work of philanthropic endeavours such as Atlantic Philanthropies, the Joseph Rowntree Foundation and so on.

We have lots of reports and plans.

And we have a Department of (and Minister for) Community, Rural and Gaeltacht Affairs in a purported overall co-ordinating role.

We have all of this, on the face of it a whole-of-government approach. Yet, there has been in reality little improvement in the *relative* positions of those living in poverty or of any of the black spots since the 1990s, when the area-based approach was commenced.

Further, it is clear from an examination of the reports of the RAPID teams to the National Monitoring Committee that at least some public officials remain lukewarm about the whole concept of area-based initiatives. Thus in its April 2006 report to the National Monitoring Committee the Dublin South Inner City area implementation team (AIT) observes "*Some state reps are still saying that after five years work on RAPID is an add on to their 'real jobs'*" and "A

number of agencies no longer attend on a regular basis due to the nature of the current funding stream” and recommends to the monitoring committee that it “address the issue of how and why some statutory agencies and their reps believe that after five years they have little or nothing to bring to the process.”

In the report of the Dublin North Inner City RAPID team it is “*noted that attendance of some agencies could be improved. Chairperson to hold a series of meetings with relevant organisations before formal correspondence entered into.*”

A not untypical theme in these reports is that found in the April 2006 report from the Dublin North West Inner City RAPID team, “*Clarity on future funding and perhaps a calendar of future events would allow the team to plan effectively and be proactive rather than reactive.*”

We also have the example of Barnardos and the delays surrounding the sanctioning of its highly imaginative plan for a Child and Family Centre at Knockmore, in the Killinarden area of Tallaght West providing a centre for the integrated delivery of pre-school, dining areas, crèche, after-school rooms, community space etc.

What appears to be lacking is an integrated and co-ordinated whole-of-Government approach of vision, drive and determination, most critically at government and departmental level. We need also to break out of the “silos” of sectoral and sectional service delivery and planning.

In government Labour will take real a whole-of-government approach to tackling inequalities, poverty and multiple deprivation, including in our Fair Deal communities and neighbourhoods. This means first, breaking out of the “silos”: i.e. a strong emphasis being put on inter-departmental co-ordination and interdisciplinary and inter-agency co-operation involving all of the relevant bodies, be they sponsoring departments (Health; Social and Family Affairs; Justice, Equality and Law Reform etc.), agencies (e.g. Combat Poverty, Pobal, the HSE, FAS, IDA, Enterprise Ireland, Area Partnerships, An Garda Síochána), local authorities, and various non-governmental organisations and voluntary bodies as well as local community organisations.

This demanding co-ordinated planning vision will be underpinned by Labour’s agenda for public service reform and reform of the public expenditure and budgetary cycles generally. Inter-departmental arrangements, breaking down the ‘silos’, will be developed and put in place. Explicit mandates will be given to agencies and agencies and service providers in turn will contract to delivery. Increased budgets will flow to those agencies that demonstrate effective performance, particularly with respect to service integration.

Ireland’s War on Poverty will be fitted into a reformed rolling three year spending cycle, under the NDP, and central government will in turn be required to develop long-term strategic relationships with its partners including other government bodies (the investment approach).

As a priority and resources permit, whether from general taxation, the Dormant Accounts Fund, the Social Finance Initiative to be developed by the banks in lieu of the Bank Levy, and the National Lottery, will be marshalled and progressively increased in a co-ordinated, transparent manner in our War on Poverty.