



EUROPEAN ANTI-POVERTY NETWORK (EAPN) IRELAND SUBMISSION TO BUDGET 2024 JUNE 2023

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Introduction

The European Anti-Poverty Network (EAPN) Ireland welcomes the opportunity to make a submission to the Budget process 2024. EAPN Ireland is a network of 164 local, regional and national anti-poverty organisations and individuals. It is the Irish national network of the European Anti-Poverty Network (EAPN), which links groups fighting for the eradication of poverty across Europe. The Mission of EAPN Ireland is to put the eradication of poverty at the top of the Irish and European policy agenda and empower groups working to end poverty to understand and influence policy-making.

Budget 2024 must prioritise measures which enables Ireland to meet its anti-poverty commitments, including under the *Programme for Government: Our Shared Future*,¹ the *Roadmap for Social Inclusion 2020-2025*,² the European Pillar of Social Rights,³ and the UN Sustainable Development Goals (SDGs).⁴ The *Roadmap for Social Inclusion* aims to reduce the national consistent poverty rate to 2% or less and to make Ireland one of the most socially inclusive States in the EU by 2025. Effectively addressing poverty and social exclusion has an important role *vis-à-vis* Ireland's fiscal policy, as poverty and its consequences will cost the state and society significantly more in the long run. Budget 2024 must signal a shift in the Government's approach to addressing rising living costs and the struggles facing low-income households. Concrete commitments and action are needed from Government, not only to address the immediate impact of the cost-of-living crisis but also the underlying structural and systematic causes of poverty and social exclusion. The ad hoc and one-off measures contained in Budget 2023 did little to address the root causes of poverty for low-income households in the long term or to mitigate the ongoing negative impacts of inflation as it continues to rise. If Ireland is to meet its anti-poverty commitments, the Government must deploy targeted investment, supports and resources to urgently address the immediate and most pressing needs, while also delivering sustainable, long-term solutions to addressing the cost of living, poverty and social exclusion. This must involve a commitment on budgetary and policy levels to income adequacy, alongside adequate investment in public services and supports across the country, delivered through long term investment and progressive realisation. Such an approach would provide the most robust approach to tackling poverty and social exclusion in Ireland, and represent a positive and concrete step towards establishing a society based on decency, fairness, and equality.

Poverty in Ireland

In recent years, extreme poverty has become a growing reality for an increasing number of individuals and families in Ireland. The 2022 Central Statistics Office Survey on Income and Living Conditions (CSO SILC 2023) showed that over 671,000 people, or 13.1% of the

¹ Programme for Government: Our Shared Future, 2020. <https://www.gov.ie/en/publication/7e05d-programme-for-government-our-shared-future/>

² Government of Ireland (2020). Roadmap for Social Inclusion 2020 – 2025. <https://www.gov.ie/pdf/?file=https://assets.gov.ie/46557/bf7011904ede4562b925f98b15c4f1b5.pdf>

³ The European Pillar of Social Rights in 20 principles. https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/economy-works-people/jobs-growth-and-investment/european-pillars-social-rights/european-pillar-social-rights-20-principles_en

⁴ <https://sdgs.un.org/goals>

population, were living below the poverty line (at risk of poverty). In other words, they had an income that was less than 60% of the median disposable income, that is €15,754 per annum or €301.91 per week, an increase of €11.68 from 2021.⁵ Those most at risk of poverty in 2022 were people who are unemployed (35.6%, up from 23.2% in 2021), followed by people unable to work due to long-standing health problems (35.2%). By age group, the largest year on year change in the at risk of poverty rate was in persons aged 65 or over, up from 11.9% in 2021 to 19.0% in 2022. By household composition, the at risk of poverty rate was highest in one adult households with one adult 65 years and over at 33.6%, one adult aged less than 65 years at 32%, and lone parent households at 23.8%. Those who were renting or rent free⁶ were at greater risk of poverty (23.6%) than those who owned their own homes (8.7%). Regarding the impact of housing costs, over one in five people (21.9%) were at risk of poverty after deducting rent and mortgage interest. When rent is deducted from disposable income, more than half (57.5%) of people living in Local Authority accommodation, and two thirds (67.6%) of those living in accommodation rented with other forms of social housing supports such as the Housing Assistance Payment (HAP), Rent Supplement and the Rental Accommodation Scheme (RAS), would have been at risk of poverty.

Over 906,500 people, or 17.7% of the population, were experiencing enforced deprivation in 2022, up significantly from 13.8% in 2021. The deprivation rate for those at risk of poverty was 40.7% in 2022 compared with 34.1% in 2021. Almost half (48.6%) of people who are unemployed were in deprivation, as were 44.3% of those who were unable to work due to long-standing health problems, and 43.5% of lone parent households. More than 271,500 people, or 5.3% of the population, were living in consistent poverty, up from 4.0% in 2021 (up over 70,000 from 2021). The consistent poverty rate was highest among persons unable to work due to long-standing health problems (19.7%) and people who are unemployed (18.0%). One in five (19.7%) of those in consistent poverty were in work. The consistent poverty rate for those living in owner-occupied dwellings was 2.2% compared with 12.9% for those living in rented or rent-free accommodation. Seven in ten people experiencing consistent poverty are living in rented or rent-free accommodation. Importantly, due to the size of the population used in the SILC, it does not include the poverty levels among groups we know experience high levels of poverty, including people with disabilities, Travellers, Roma, migrants and other ethnic minorities, and people experiencing homelessness. It also cannot tell us what impact poverty has on people or communities, including disadvantaged socio-economic communities.

A major challenge in recent times has been the steep rise in the cost of living. Many people in society now have an income that is not adequate to meet the cost of living or to enable them to live with dignity. Inflation rose by 6.6% over the 12 months to May 2023.⁷ The largest increases were in Housing, Water, Electricity, Gas & Other Fuels (+16.4%) and Food & Non-Alcoholic Beverages (+12.7%). In November 2022, the CSO published information on the difficulty people reported on making ends meet.⁸ Half of households (50.8%) had at least some difficulty in making ends meet in 2022, compared with 42% of households in 2021, and 5.9% of households had great difficulty. Three quarters of households with one adult and children had some difficulty in making ends meet, with one in ten having great difficulty. The ESRI's Quarterly Economic Commentary for Spring 2023 found that the "recent rise in inflation has disproportionately affected lower-income households" due to the disproportionate impact of rising food and energy prices on lower-income households.⁹ This will continue to have the most detrimental impact on rural, older, and low-income households, who spend a greater share of their income on energy and food. Households are facing increasing pressures and

⁵ <https://www.cso.ie/en/releasesandpublications/ep/p-silc/surveyonincomeandlivingconditionssilc2022/>

⁶ Renting or rent free includes: rent free, rented from a Local Authority, rented using other forms of social housing support and rented without housing supports.

⁷ <https://www.cso.ie/en/releasesandpublications/ep/p-cpi/consumerpriceindexmay2023/>

⁸ <https://www.cso.ie/en/releasesandpublications/ep/p-silced/surveyonincomeandlivingconditionssilcenforceddeprivation2022/abilitytomakeendsmeet/>

⁹ <https://www.esri.ie/publications/quarterly-economic-commentary-spring-2023>

are being forced to make difficult and inequitable choices due to the rising cost of living. It is increasingly common that people find themselves unable to afford basic necessities due to inadequate incomes, and this requires a coordinated structural response from Government.

The newly published *Minimum Essential Standard of Living (MESL) Annual Update 2023* contains the most relevant and up-to-date evidence-based indicator and analysis of current costs of the minimum basket of goods and services needed to enable people to have a socially acceptable minimum standard of living.¹⁰ Unlike the Consumer Price Index (CPI), the MESL findings more adequately measure the change in living costs for households on social welfare and low incomes, who are significantly more vulnerable to changes in food, energy, and transport costs in particular. The composition of the MESL basket is different from the average consumption basket used to measure inflation, with basics such as food and household energy making up a larger share of the minimum basket. In the year to March 2023, there has been an average 12.9% increase in the core MESL basket costs for urban households, and 5.7% average increase for rural households. The core MESL basket cost has increased by an average of 10.6% nationally in the year to March 2023. The significant pressure on minimum living costs from mid-2021 has led to cumulative increases in the core MESL costs of 17.8% for urban areas, 21.2% for rural areas, and 18.9% nationally, over the three years from March 2020 to March 2023. The MESL analysis has found that the incidence of income inadequacy has widened to more household types and is deepening in many cases.

In November 2022, EAPN Ireland published *More Than Just a Temporary Crisis: The Growing Need for Support with Basic Necessities and the Impact on Low-Income Households and the Community and Voluntary sector*.¹¹ This report reveals the impact of the growing dependence of people on charities, foodbanks and wider community and voluntary organisations to make ends meet, put food on the table and pay essential bills. The report shows that, while the current cost of living crisis has led to much greater numbers of people unable to make ends meet, this is a symptom of the deep levels of poverty experienced by many people which existed before the COVID-19 crisis, and which has been exacerbated by the pandemic and the current cost of living crisis. The report reveals the negative impacts that this growing reliance on community organisations and charities for support with basic necessities has on individuals, households, and on the Community and Voluntary sector itself. While the supports with basic necessities provided by charities and foodbanks play an important role in addressing the immediate and unexpected needs of people living in poverty, their existence highlights the failure of our social protection system and wages to ensure that everyone has an adequate income to meet the cost of goods and services. A major concern is that the role of charities, including food banks, would become a normalised response to meeting the basic needs of people with inadequate incomes.

Income Adequacy

Income adequacy must be prioritised at a Government level as a fundamental means of addressing and preventing poverty and social exclusion. Ensuring income adequacy is crucial for the fulfilment of Ireland's anti-poverty commitments, and must be a key pillar of Budget 2024. The right to an adequate income which allows people to participate fully in society and to live with dignity is enshrined in international human rights law and standards, the UN Sustainable Development Goals and the European Pillar of Social Rights. This right does not differentiate regarding the source of income, whether through employment or social welfare. In this regard, as a priority the Government needs to ensure that everyone has access to an adequate income, whether this is from work or social welfare, or a mix of both.

¹⁰ <https://www.budgeting.ie/publications/mesl-2023/>

¹¹ <https://www.eapn.ie/wp-content/uploads/2022/11/Basic-Necessities-Final-Report-Double.pdf>

(a) Benchmarking Social Welfare Against Adequacy

Comprehensive, adequate social protection for all is a prerequisite for combatting poverty and social exclusion. However, Ireland's social welfare support is not based on the cost of living and what is adequate to lift people out of poverty. Many people who are dependent on social welfare cannot afford a decent standard of living and are living in poverty. Both the CSO Survey on Income and Living Conditions (SILC) and the Minimum Essential Standard of Living (MESL) research have consistently shown that many people on social welfare are not in receipt of an income that allows them to achieve a decent standard of living and are living in poverty. The MESL 2023 Annual Update showed that for 87% of households the income supports provided from social welfare were inadequate to meet minimum needs.¹² Of these, 59% are experiencing deep income inadequacy, meaning social welfare supports provide for less than 90% of MESL expenditure needs. Our social protection system should and must ensure that everyone, at whatever stage in life and whether working or not, has an income that allows them to live with dignity and take a full part in society.

Due to the cost-of-living crisis, anything less than a €27.50 adjustment in core social welfare rates will be a real term cut.¹³ This is the absolute minimum required to prevent individuals and families being pulled deeper into poverty. Similarly, an increase of €10 per week for children under 12 years of age and €15 per week for children 12 years of age and over is needed to retain the purchasing power of the Qualified Child Payment¹⁴ and make real progress on tackling child poverty.

Adequate social welfare increases in Budget 2024 must be part of a broader strategy to benchmark our system to an adequate level and allow people to live with dignity. The Government must benchmark all core social welfare rates in Ireland against a level which is adequate to lift people above the poverty line and provide them with a Minimum Essential Standard of Living (MESL).¹⁵ The MESL represents a basic standard which allows individuals to live with dignity and below which nobody should have to live. The MESL provides for an income that represents the purchasing power required for the basic goods and services that meet a household's basic physical, social, and psychological needs.

The MESL research has been recognised on a European level by the EU platform on Reference Budgets as well as the European Minimum Income Network. The MESL is already established in Irish policy making and is used by the Insolvency Service of Ireland to calculate a household's reasonable living expenses, that is, the income a household can retain to have a reasonable standard of living while sorting out their debt. The Minimum Essential Standard of Living has been used in Ireland for more than 20 years. It is developed using international standards and is based on robust research conducted by the Vincentian Partnership for Social Justice (now the Vincentian MESL Research Centre in St Vincent de Paul). By annually updating the cost of over 2,000 essential goods and services, it calculates the income needed for a broad range of different family types to afford a decent standard of living. It is therefore the most accurate and up-to-date measure of income adequacy for social welfare recipients. The forensic research in calculating, and annually updating, the MESL allows for a detailed understanding of the changes in the cost of living and the impact of different policies on

¹² <https://www.budgeting.ie/publications/mesl-2023/>

¹³ Data from the Vincentian MESL Research Centre shows that an adjustment of €27.50 would be needed to restore the real value of core working age payments to 2020 levels but may need to rise to €31 at the end of 2024 depending on forecast inflation. The cost of the basket of goods needed to ensure Minimum Essential Standard of Living has risen by 18.9% since 2020. <https://www.budgeting.ie/publications/mesl-2023/>

¹⁴ Data from the Vincentian MESL Research Centre shows that an increase of €8.50 for children under 12 and €12.50 for children over 12 is needed to restore the Qualified Child Payment to 2020 levels in real terms. These figures assume that the €100 increase in the Back-to-School Clothing and Footwear Allowance will be retained. The rate recommendation above these rates stems from the need to make progress on tackling child poverty, particularly among older children. <https://www.budgeting.ie/publications/mesl-2023/>

¹⁵ www.budgeting.ie

services and supports, and means that it recommends itself as the ideal basis for benchmarking social welfare supports. Thus, the Government should commit to benchmarking all working age payments to a level that lifts people above the poverty line and provides them with a Minimum Essential Standard of Living. The levels would also need to be updated annually to ensure they continue to meet that standard.

(b) Living Wage and Decent Work

The Government must commit to introducing a living wage as calculated by the Living Wage Technical Group. As of January 1st 2023, the hourly National Minimum Wage is €11.30, while a Living Wage based on the cost of living is €13.85 for someone working full-time (39 hours), a gap of €2.55 per hour. The minimum wage for all workers of €13.85 is recommended by the Living Wage Technical Group. This amount has been calculated to be the amount that is necessary to make a minimum acceptable standard of living possible. This is significantly higher than both the current National Minimum Wage and what it would be if the Government's proposed approach based on 60% of the median wage was fully implemented (i.e. €13.10).

In addition to a living wage, the availability of “decent work” must be addressed in the context of preventing and addressing poverty. Decent work includes appropriate and safe working conditions, where the rights of employees are respected and enacted, regular and consistent hours, as well as access to a wage that meets the cost of living. The 2023 European Semester Country Report for Ireland highlights the need to help under-represented groups, particularly women, people with low skills, single parents, people with disabilities, and Roma and Travellers, integrate into the labour market.¹⁶ More needs to be done by Government, including via targeted supports, to address the multiple barriers to employment, including discrimination and bias, experienced by vulnerable and marginalised groups in society.

EAPN Ireland Recommendations

- **Increase core social welfare rates by a minimum of €27.50 in order to prevent individuals and families being pulled deeper into poverty.**
- **Increase the Qualified Child Payment by €10 per week for children under 12 and €15 per week for children 12 years of age and over.**
- **Benchmark all social welfare rates against a level that is adequate to lift people above the poverty line and provide them with a Minimum Essential Standard of Living (MESL).**
- **Move toward introducing a living wage based on the cost of living, as calculated by the Living Wage Technical Group.**
- **Introduce targeted measures to support under-represented and marginalised groups, particularly women, Travellers, Roma and other ethnic minorities, single parents, and people with disabilities, including through integration into the labour market where appropriate, and addressing the multiple barriers to participation, inclusion and employment, such as discrimination and bias.**
- **Ensure that the extra living costs associated with having a disability are adequately reflected in any changes to social welfare rates in order to ensure income adequacy.**

Access to Affordable and Quality Public Services

Ireland's historical under-investment in public services has resulted in a situation where there is inadequate provision and a high cost for many public services. There is a direct link between the cost of goods and services and the amount of money people need in order to achieve the minimum standard of living. The more someone has to pay for directly, the more money they

¹⁶ https://economy-finance.ec.europa.eu/system/files/2023-05/IE_SWD_2023_607_en.pdf

need to have at hand. Therefore, in Ireland, where successive governments have kept taxes relatively low by international standards and have invested less in public services, people require more money to afford a decent standard of living. This is particularly challenging for low-income households, which are more likely to rely on public services almost exclusively and lack the economic means to engage with private sector service provision.

Investment in, and reducing the cost of, public services, such as health, housing, education, childcare and social care, will help to reduce the high cost of living for many people, whatever their income, and mean that people would not need as much cash in hand to pay for essential services. The Government must commit to adequate investment in and ensuring the public delivery of quality public services and supports. This will require an effective whole of Government approach. If these solutions are in place, it would go some way to ensuring people can live with dignity without depending on charities as an ongoing way of meeting living costs. It would also help to ensure that Government will be better able to respond when unexpected spikes in prices arise in the future.

EAPN Ireland Recommendations:

- **Commit to adequate investment in and ensure the public delivery of quality public services and supports, such as health, housing, education, childcare and social care.**
- **Ensure universal access to essential quality services and supports, combined with additional targeted measures to achieve effective access for vulnerable groups along with anti-discrimination measures.**
- **Adequately resource and fund effective public employment services and supports to ensure the provision of enabling services, which can identify the specific needs of individuals to develop person-centred pathways toward job activation, where appropriate.**

Addressing the Structural Housing Crisis

In the past 12 months, we have continued to see increases in rent and house prices across Ireland in addition to insufficient housing supply. The most recent rental figures show rents rose by 11.7% in the year to March 2023, the sixth consecutive quarter of double-digit increases, but a slowdown relative to the peak of 14.1% seen in quarter 3 of 2022.¹⁷ The Residential Tenancies Board reported that the national year-on-year rate of change in standardised average rent in new tenancies for Q3 2022 was 6.7%.¹⁸ The national Residential Property Price Index (RPPI) increased by 3.6% in the 12 months to April 2023, with prices in Dublin rising by 1.0% and prices outside Dublin up by 5.6%.¹⁹ Homelessness has also continued to increase. As of April 2023, the number of people who are homeless across Ireland has reached a new record high of 12,259, including 3,594 children.²⁰ These official homelessness figures relate only to people accessing State-funded emergency accommodation, and so do not include e.g. people sleeping rough, people couch surfing, homeless people in hospitals and prisons, people in Direct Provision centres, and homeless households residing in domestic violence refuges.

The European Semester 2023 Country Report for Ireland recognised the impact of the gap between housing supply and demand, along with increased rental price, decreased availability of rental properties, and insufficient social and affordable housing on the ongoing structural

¹⁷ https://ww1.daft.ie/report/2023-Q1-rentalprice-daftreport.pdf?d_rd=1

¹⁸ https://www.rtb.ie/images/uploads/Comms%20and%20Research/RTB_Rent_Index_Q3_2022_%28V1-16.03.23%29_C_.pdf

¹⁹ <https://www.cso.ie/en/releasesandpublications/ep/p-rppi/residentialpropertypriceindexapril2023/>

²⁰ <https://www.gov.ie/en/publication/a6b69-homeless-report-april-2023/>

housing crisis in Ireland.²¹ A number of legislative measures introduced by the Government seek to address the housing and homelessness crisis in Ireland, including the Housing for All strategy. Despite some progress, the housing provision targets set by the Government's Housing for All strategy have yet to positively impact in any substantial way on the growing number of people experiencing homelessness, the increasing number of households within the private rented sector who are at risk of poverty, and the number of households for whom homeownership is unlikely to ever be a viable option.

Rather than investing in and ensuring the public delivery of public/social housing, Ireland's housing policy has historically involved an overinflated dependence on the private sector. Reliance on the market to increase the supply of housing has spectacularly failed to provide affordable housing for all. This approach to housing policy has led to a dysfunctional housing system that is a major driver of poverty. This has been exacerbated by a failure to effectively address rental price increases. As highlighted above, the cost of renting has a major impact on the likelihood of being at risk of poverty, with the private rental sector becoming a pathway to homelessness for many. To effectively address social and affordable housing needs, housing policy urgently needs to shift away from this dependence on the private housing market. Investing in the right to quality affordable housing, including public/social housing, should be seen as a priority policy intervention to prevent homelessness and to reduce poverty and social exclusion.

Access to secure, affordable, quality housing is an essential prerequisite to addressing poverty and social exclusion, together with income adequacy and other public services and supports. It is fundamental to the right to a dignified life, and is an essential foundation to full participation in society. The Government must commit to holding a referendum to enshrine the right to housing in the Constitution. This fundamental reform is crucial to ensure that the State's planning and decision-making on housing legislation, policy and other measures are designed to move towards a guarantee of access to secure, affordable and suitable homes for all. We support the recommendations put forward by the Home for Good coalition, including that a constitutional amendment be a stand-alone right which includes both a recognition of a directly enforceable right to housing and a separate statement of the State's obligation to realise that right within available resources.²²

EAPN Ireland Recommendations:

- **Adequately invest in and increase the provision of direct build social and affordable housing as provided by Local Authorities and Approved Housing Bodies, with a specific focus on housing units offering tenants a differential rent as opposed to market-based rent setting, particularly for the benefit of households on low incomes and living in poverty and those requiring accessible housing.**
- **Ensure robust standards are in place to ensure that all housing meets adequate standards of habitability, accessibility, energy efficiency, location and availability of services, facilities and infrastructure in line with international standards.**
- **Introduce measures to effectively address rental price increases.**
- **Improve protection for tenants at risk of eviction due to e.g. unaffordable rents or the retrofitting of properties by landlords.**
- **Urgently address barriers to the adequate provision of Traveller specific accommodation.**
- **Hold a referendum to enshrine the right to housing in the Constitution, including a stand-alone amendment which includes a recognition of a directly enforceable right**

²¹ https://economy-finance.ec.europa.eu/system/files/2023-05/IE_SWD_2023_607_en.pdf

²² https://www.homeforgood.ie/assets/files/pdf/note_from_the_legal_sub-group_expanding_on_standalone_right_-_october_2020.pdf

to housing and a separate statement of the State's obligation to realise that right within available resources.

Ensuring a Just Transition to a Climate Neutral Ireland

The rise in global energy prices has called attention to the precarity of people living in or at risk of poverty and energy poverty. In addition to the temporary measures already taken by the Government, this calls for longer-term structural solutions to tackle the root causes of energy poverty in order to achieve a socially-just decarbonisation as part of the transition towards a green economy and society. Otherwise, people living in poverty risk getting locked in the fossil fuel infrastructure in the coming years. This should ensure renovation, energy efficiency and renewable programmes for energy-poor households and those living in rented houses and social housing, by prioritising targeted public investments. Another concern is electrified transport and its impact on low-income and/or marginalised communities. While electrified transport (public transport and cars) is beneficial for the health of the whole population, access and affordability remains unequal. Transport poverty and inequalities in green mobility have a significant impact on climate change and social inclusion. In this respect, unemployed people and/or people on low incomes, as well as rural communities, could be prevented from accessing the labour market if their area is not duly served and if they remain locked in a fossil fuel infrastructure (energy systems in their building and transportation).

The transition to a climate-neutral economy unlocks new opportunities for environmentally-friendly jobs. However, this should not be considered the solution per se without adequately addressing the social dimension, including but not limited to the challenges associated with job elimination, labour reallocation, re-skilling and up-skilling. The focus on access to quality employment complemented by adequate training and life-long learning in Principle 2 of the Climate Action Plan 2023²³ is acknowledged. However, employment and training programmes aiming at developing the skills needed for the green transition cannot ensure quality jobs and working conditions. In this regard, the Government should also guarantee a Living Wage, as outlined above, in order to overcome increasing disparities in working conditions and reduce the number of working poor. More focus is also needed to support those excluded from the labour market and low-paid workers currently employed in traditional energy industries. Thus, a focus on the *inclusive* upskilling and reskilling of workers and job seekers is necessary to avoid labour market polarisation and unequal access to opportunities. The dominant focus on job creation, productivity, competitiveness, innovation and economic growth, is notably dependent on market-oriented solutions rather than deep public investments and reforms. However, to realise a socially just green transition, structural solutions are needed, underpinned by person-centred and rights-based approaches. National employment and social policies should also reconcile the social and green targets, in line with the principles of the European Pillar of Social Rights.

Access to essential services is a pre-condition for fostering inclusive participation in the green transition, but the identified measures have a disproportionate focus on changing individual consumption and mobility behaviours. This has the potential to remove responsibility from the state and the market actors and makes citizens accountable for their use of clean energies, energy efficiency programmes and alternative forms of mobility with no analysis of the State's obligation to ensure accessibility to affordable and quality services. There is a need to ensure universality, guaranteeing access to essential quality services for everybody, combined with additional targeted measures to achieve effective access for vulnerable groups and robust anti-discrimination measures. Beyond the list of services mentioned in the European Pillar of Social Rights (principle 20), EAPN considers as essential those services of general interest that are essential to the general population and where the state has an obligation to act in the public interest and deliver adequate standards for services (affordability, quality and equal

²³ <https://www.gov.ie/en/publication/7bd8c-climate-action-plan-2023/>

treatment in access and use of services, amongst others), regardless of the nature of providers.

EAPN Ireland Recommendations:

- **Prioritise targeted public investments for energy-poor households and those living in rented houses and social housing.**
- **Increase investment in public transport options that are affordable, reliable and sustainable, in both urban and rural areas, particularly for people on low incomes or those in underserved areas, ensuring that costs of the transition to green transport are not passed on in higher prices that penalise the poorest.**
- **Introduce measures to support those currently excluded from the labour market, and low-paid workers currently employed in traditional energy industries, including upskilling and reskilling of workers and job seekers that is inclusive, in order to avoid labour market polarisation and unequal access to opportunities.**
- **Ensure that employment and social policies reconcile the social and green targets, in line with the principles of the European Pillar of Social Rights.**
- **Widen eligibility for and increase the weekly rate of the Fuel Allowance; introduce a partial-rate Fuel Allowance payment for those on lower rates of income who do not currently qualify.**
- **Establish the proposed Just Transition Commission as a matter of urgency, to guide and implement a carbon neutral transition, to meet Ireland's energy targets, build public support for climate action, with an anti-poverty and pro-equality focus to ensure that no worker or community is left behind.**

Community Development

It is estimated that during the austerity period in Ireland (2008-2015), disproportionate cuts of between 35-41% were made to the Community and Voluntary sector by the Irish Government.²⁴ The effects of these extensive cuts continue to negatively impact public service delivery within disadvantaged communities across Ireland. The Irish Government in recent years has taken some measures designed to reconnect with community development on a strategic level. As part of the implementation of the Sustainable, Inclusive and Empowered Communities strategy (2019-2024), the Pilot Community Development Programme is a welcome step towards establishing a new programme for local autonomous community development organisations. However, the level of funding and resources required to re-establish community development in the areas most in need has not been forthcoming. The Community and Voluntary sector continues to struggle with stagnant funding streams, and a raft of part-time insecure employment positions, trying to adequately ensure that the voices and perspectives of marginalised communities and those living in poverty inform effective policy and its implementation. As noted above, community organisations are overwhelmed with the demands of providing basics, (such as food, heating, clothes,) to families and people in need within their localities. This has come at the expense of well-resourced long-term initiatives designed to address the underlying causes of social exclusion. Providing support with basic necessities fundamentally changes the work of the Community and Voluntary sector. Many organisations have had to augment the services that they provide to instead provide an emergency response to service users in crisis. Support with basic necessities risks becoming normalised and this is detrimental to the missions and goals of these organisations. These same front-line organisations are also heavily involved in supporting the integration of migrants into their communities. The increased demand has not been matched by sufficient Government recognition or funding for the sector, leading to many organisations being unable

²⁴ <https://comhlamh.org/wp-content/uploads/2018/10/9-Paper-on-the-Destruction-of-Community-Development.pdf>

to plan long-term, increased pressure on staff, and pressure to chase available funding instead of responding to the needs in their communities.

EAPN Ireland Recommendations:

- **Significantly increase investment in and resourcing of autonomous community development including further expanding and mainstreaming the Community Development Pilot Programme.**
- **Evaluate how the Community and Voluntary sector could be better resourced and introduce more multi-year funding cycles to allow organisations to effectively plan long term.**
- **Examine the consultation and collaborative governance mechanisms that are currently in place with the Community and Voluntary sector to ensure an effective and meaningful voice is given to those impacted by all forms of poverty in how policies are developed and implemented.**

Sustainable financing through a redistributive and progressive tax system

EAPN Ireland has long called for the Government to ensure sustainable funding for quality public services and adequate social protection through progressive taxation which is fair and redistributes income, wealth and resources. Increasing the PRSI rates, particularly for employers, to replenish the Social Insurance Fund would be a positive move for Ireland. We urge the Government to expand the tax base in a progressive and sustainable manner closer to the EU average, including ensuring that Ireland is no longer overly-reliant on unsustainable corporate tax receipts for current spending. Broadening the tax base in this manner is crucial in order to ensure the requisite capacity and resources to fund social investment, including quality public services and supports, such as health, housing, education, childcare, social care, and social protection that delivers adequate income supports to afford a decent standard of living. However, it is important that any such move does not negatively impact income adequacy of those on the lowest incomes. Any measures that increase tax revenue must adopt an approach that sees those with the highest incomes and wealth paying the greatest amount in tax. This will ensure that broadening our tax base does not place an unnecessary burden upon those in society who are least able to pay and who are most in need of supports via a strong public infrastructure and service provision.

EAPN Ireland Recommendations:

- **Ensure sustainable funding of social protection through progressive taxation which is fair and redistributes income, wealth and resources.**
- **Broaden the tax base in a progressive and sustainable manner closer to the EU average, including ensuring that Ireland is no longer overly-reliant on unsustainable corporate tax receipts, in order to ensure the requisite capacity and resources to address the current under investment in quality public services and supports, and adequate social protection.**

Equality Proofing/Poverty Proofing

EAPN Ireland has consistently stressed the importance of effective and transparent poverty and equality proofing in all policy development and implementation. Poverty and equality proofing are crucial to ensure that policy decisions do not lead to more people ending up in poverty and to help achieve commitments to reduce poverty, social exclusion and inequality. As part of Budget 2018, the Government published a report outlining the process it wishes to undertake in relation to Equality Budgeting. Budget 2019 committed to expanded pilots on equality budgeting, beyond the initial pilots on gender budgeting, to also include disability and

socio-economic status. While this commitment was welcome EAPN Ireland is concerned at the lack of progress in expanding equality budgeting to socio economic status and poverty. Budget 2024 must meaningfully progress these processes and commitments outlined previously as part of Budgets 2018 and 2019. Further, the Government must also more effectively carry out ex-ante Poverty Impact Assessments of all Budget measures to ensure that they are consistent with supporting progress towards anti-poverty commitments, and at a minimum to mitigate any potential negative impact on poverty levels. This is already a requirement as part of Regulatory Impact Assessment, and would be congruent with the anti-poverty commitments the Government has signed up to including the *Roadmap for Social Inclusion 2020-2025*, the UN Sustainable Development Goals, and the European Pillar of Social Rights. This would also include the full implementation of Poverty Impact Assessment Guideline across Government Departments.

EAPN Ireland Recommendations:

- **Ensure that the full inclusion of socio-economic status and poverty are prioritised as part of the remit for equality budgeting.**
- **Provide opportunities for regular engagement with members of community and voluntary sector with expertise on poverty, socio-economic status, gender and disability, for the purposes of informing pilot initiatives of equality budgeting.**
- **Improve the implementation of effective and transparent ex-ante Poverty Impact Assessments.**

Conclusion

Poverty and inequality levels increased between 2021 and 2022 and people are facing even greater challenges in making ends meet. The data shows that those who were unemployed, those unable to work due to long-standing health problems and lone parent households continue to experience higher levels of poverty. Single adult households where the adult is under 65 years of age, and increasingly those with adults 65 and over, also experience high levels of poverty. As mentioned previously, many of the groups in society which are disproportionately affected by poverty and social exclusion are not covered by official statistics, and additional measures and supports are needed to ensure they are not left behind. Budget 2024 must prioritise measures that enable Ireland to meet its anti-poverty commitments. Tackling the root causes of poverty can only be achieved in any effective way through the implementation of a genuinely integrated strategy across all relevant policies. This includes economic, social and environmental policies. It must ensure that everyone has access to an adequate income, quality services and the opportunity to access a decent job. It must also involve proofing all relevant policy for its impact on poverty and give an effective and meaningful voice to those impacted by poverty in how policies are developed and implemented. As a priority the Government needs to ensure that everyone has access to an adequate income, whether this is from work or social welfare, or a mix of both. The Government must also tackle the long-term drivers of the cost of living, including the cost of services such as housing, as well as the current immediate drivers such as energy and fuel.