



EUROPEAN ANTI-POVERTY NETWORK (EAPN) IRELAND SUBMISSION TO NATIONAL REFORM PROGRAMME 2024 MARCH 2024

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Introduction

The European Anti-Poverty Network (EAPN) Ireland welcomes the opportunity to provide a submission to the National Reform Programme 2024. EAPN Ireland is a network of 160 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.

This submission addresses the major relevant developments and challenges for Ireland with regard to the eradication of poverty and social exclusion, and which EAPN Ireland believes should be addressed in Ireland's National Reform Programme. The National Reform Programme must prioritise measures which contribute toward Ireland meeting 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

If Ireland is to meet its anti-poverty commitments, the Government must effectively address the underlying structural and systematic causes of poverty and social exclusion. This will benefit not only people experiencing poverty, but also have wider benefits for all of society. Effectively addressing poverty and social exclusion is crucial vis-à-vis Ireland's fiscal policy, as poverty and its consequences will cost the state and society significantly more in the long run, and has ongoing and dire human, societal and economic costs. A long-term, coordinated, whole of Government approach will be needed, underpinned by sustainable investment, and financed by progressive and redistributive taxation. This must involve a commitment to income adequacy, alongside adequate investment in public services and supports across the country, such as investment in direct build social and affordable housing, the adequate funding of a public childcare system, investment in health and in public transport across Ireland, particularly in rural areas. This will be necessary in order to ensure that everyone has access to an adequate income, quality services and the opportunity to access a decent job as per the European Pillar of Social Rights.

Poverty in Ireland

The *Roadmap for Social Inclusion 2020-2025* 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. The most recent Central Statistics Office Survey on Income and Living Conditions (CSO

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. 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-pillarsocial-rights/european-pillar-social-rights-20-principles_en

⁴ <https://sdgs.un.org/goals>

SILC 2023) showed that the at risk of poverty rate and consistent poverty rate have decreased since 2022.⁵ Despite this, over 559,000 people or 10.6% of the population were at risk of poverty in 2023. Those most at risk of poverty in 2023 were people who were unable to work due to long-standing health problems (27.3%), followed by people who were unemployed (25.5%). By age group, persons aged under 18 years had the highest at risk of poverty rate in 2023 (14.3%), followed by those aged 50 to 64 years (11.2%). By tenure status, people living in rented or rent-free accommodation were more likely to be at risk of poverty at 19.7%, compared with those living in owner-occupied accommodation (6.5%). By household composition, the at risk of poverty rate was highest in households composed of one adult aged less than 65 years (27.1%), followed by households of one adult with children aged under 18 (19.2%).

More than 190,000 people, or 3.6% of the population, were living in consistent poverty in 2023. The consistent poverty rate was highest among persons unable to work due to long-standing health problems (16.5%) and people who were unemployed (9.4%). By household composition, the consistent poverty rate was highest for people living in households comprised of one adult aged less than 65 years (13.0%) and persons living in one adult households with children (7.1%). The consistent poverty rate is 8.9% for persons in households where no one is at work. In terms of tenure status, the consistent poverty rate was 8.5% for those living in rented or rent-free accommodation compared with 1.4% for those living in owner-occupied dwellings. While 30.7% of the population are living in rented or rent-free accommodation, they make up 72.9% of those living in consistent poverty.

Concerningly, the enforced deprivation rate increased. More than 913,000 people or 17.3% of the population were experiencing enforced deprivation in 2023 compared with 16.6% in 2022. The enforced deprivation rate for those at risk of poverty was 33.8% in 2023 compared with 38.9% in 2022. The deprivation rate for those not at risk of poverty was 15.4% in 2022, compared with 10.8% in 2021. The groups most likely to experience enforced deprivation were people unable to work due to long-standing health problems (44.7%), people living in single-adult households with children under 18 (41.4%), people who were unemployed (37.8%), and people living in rented or rent-free accommodation (36.5%).

It is important to note that inflation has had a significant impact on both poverty rates and household income. When adjusted for inflation, 13.6% of people were at risk of poverty in 2023 compared with 12.5% in 2022. Similarly, the CSO SILC 2023 showed an increase in household income from the previous year, but when adjusted for inflation real household income fell last year. So, while household disposable income increased by 5.8% to €55,149, when adjusted for inflation the real median household disposable income in 2023 was €50,162, a decrease of €958 (-1.9%) from the previous year.

The CSO SILC figures provide important information on income, poverty, and inequality in Ireland and the groups most impacted. It also helps to see how Ireland is progressing towards its poverty targets. The SILC 2023 figures show that despite decreases in the overall at risk of poverty and consistent poverty rates, the rates remain consistently and disproportionately high across all measures for many of the most disadvantaged and marginalised groups, including people unable to work due to long-standing health problems, people who are unemployed, lone parent families, and people living in rented accommodation. It is also crucial to remember that while these official statistics highlight poverty levels for some groups in society, many groups disproportionately affected by poverty and social exclusion are not included in these statistics at all due to the size of the population used. This includes disabled people, Travellers, Roma, migrants and other ethnic minorities, and people experiencing homelessness. These figures also cannot tell us about the impact of poverty on people or communities, including disadvantaged socio-economic communities.

⁵ <https://www.cso.ie/en/releasesandpublications/ep/p-silc/surveyonincomeandlivingconditionssilc2023/poverty/>

However, the Pobal HP Deprivation Index shows that between 2016 and 2022 many disadvantaged communities have not seen the same level of improvements as experienced more generally across the country in this period. This put them further from the average in relative terms with the number of people living in areas classed as very or extremely disadvantaged increasing from 143,506 to 195,992 people during that period.⁶

The Cost-of-Living Crisis has been a major challenge across society for the last number of years, but has disproportionately affected low-income households and people experiencing poverty. Rising living costs have prevented many people in Ireland from achieving a decent and acceptable standard of living, with an increasing number of people experiencing income inadequacy and facing daily struggles to make ends meet. Households have faced increasing pressures and have been forced to make difficult and inequitable choices due to rising living costs. The current cost-of-living crisis has led to greater numbers of people experiencing poverty. However, this is very much a symptom of the deep levels of poverty which were already prevalent, and which have been exacerbated by the COVID-19 pandemic, Russia's invasion of Ukraine, and the current cost-of-living crisis.⁷ Prior to the current spike in living costs, levels of income poverty and material deprivation had remained consistently high for many groups, including people who are unemployed, lone parent households, people with disabilities, people unable to work due to long-standing health problems, and people in working-age households where no one is in paid work.

Research by the Vincentian MESL Research Centre demonstrates the impact of increases in living costs on the minimum basket of goods and services needed to enable people to have a socially acceptable minimum standard of living (MESL).⁸ Unlike the Consumer Price Index (CPI), the MESL findings more accurately 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. The core MESL basket cost has increased by an average of 10.6% nationally in the year to March 2023 (12.9% for urban households and 5.7% for rural households). Over the past three years, inflation has led to a significant pressure on minimum living costs with a cumulative increase in the core MESL costs of 18.9% nationally (17.8% for urban areas and 21.2% for rural areas) between March 2020 to March 2023. The MESL research found that the incidence of income inadequacy had widened to more household types and is deepening in many cases, with income inadequacy increasing from 31% of MESL research households in 2022 to 59% of households in 2023. This research is supported by the CSO, which reported that 47.8% of households had some difficulty in making ends meet in 2023.⁹

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 for all is crucial for the fulfilment of Ireland's anti-poverty commitments, and must be recognised as such in the National Reform Programme 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

⁶ <https://www.pobal.ie/pobal-hp-deprivation-index/>

⁷ <https://www.eapn.ie/wp-content/uploads/2022/11/Basic-Necessities-Final-Report-Double.pdf>

⁸ <https://www.budgeting.ie/publications/mesl-2023/>

⁹ <https://www.cso.ie/en/releasesandpublications/ep/p-silced/surveyonincomeandlivingconditionsilcenforceddeprivation2023/abilitytomakeendsmeetandmaintainthesamestandardofliving/>

silced/surveyonincomeandlivingconditionsilcenforceddeprivation2023/abilitytomakeendsmeetandmaintainthesamestandardofliving/

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. The UN Committee on Economic, Social and Cultural Rights, in its recent Concluding Observations on the Fourth Periodic Report of Ireland, highlighted the urgency of ensuring everyone has an adequate income for a decent life, whether this is from work or social welfare, or a mix of both. A key recommendation is that both wages and social welfare supports be linked to the cost of living.¹⁰

(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. 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.¹¹ Of these, 59% are experiencing deep income inadequacy, meaning social welfare supports provide for less than 90% of MESL expenditure needs.¹²

European Commission's 2023 Country Report for Ireland recognised that certain disadvantaged groups face a disproportionate risk of poverty and social exclusion due to barriers the face accessing the labour market. Therefore, it stated, "improved social services and social protection will be key for Ireland to reach its poverty reduction commitment under the European Pillar of Social Rights action plan."¹³ Without adequate social welfare, households may become entrenched in intergenerational poverty, are limited in their access to necessary supports and services in order to meet basic needs, as well as ongoing social isolation and the disintegration of community fabric in disadvantaged areas. Thus, a failure to effectively address income inadequacy in social welfare rates represents a major barrier to Ireland meeting its poverty-reduction targets and commitments. 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.

In its *Programme for Government*, the Coalition Government committed to protect core weekly social welfare rates.¹⁴ However, the reality is that Budget 2024 failed to do so. Data from the Vincentian MESL Research Centre shows that an adjustment of €27.50 in Budget 2024 would have been needed to restore the real value of core working age payments to 2020 levels, and to maintain the value of core rates over the course of 2024.¹⁵ This significant level of adjustment was required in Budget 2024 as Budget 2023 did not protect the real value of core social welfare rates. This amount would not have helped people move closer to having a minimum essential standard of living but merely represent the absolute minimum increase that would have been required to prevent individuals and families being pulled deeper into poverty. Importantly, as the nominal increases in the core social welfare rates in Budgets 2023 and 2024 are inadequate to meet the cost of living, they have both been cuts in real terms.¹⁶

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https://tbinternet.ohchr.org/_layouts/15/treatybodyexternal/Download.aspx?symbolno=E%2FC.12%2FIRL%2FCO%2F4&Lang=en

¹¹ <https://www.budgeting.ie/publications/mesl-2023/>

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

¹³ https://economy-finance.ec.europa.eu/system/files/2023-05/IE_SWD_2023_607_en.pdf

¹⁴ <https://www.gov.ie/en/publication/7e05d-programme-for-government-our-shared-future/>

¹⁵ <https://www.budgeting.ie/publications/mesl-2023/>; <https://www.budgeting.ie/publications/budget-2024/>

¹⁶ <https://www.budgeting.ie/publications/budget-2023-mesl-impact-briefing/>

The recommended core welfare rate increases would have gone some way to bridging the gap between the inadequate income people receive through social welfare and the cost of living. However, there is strong consensus that some form of benchmarking approach is necessary in order to counteract the erosion of purchasing power for people reliant on fixed income sources brought about by the ongoing inadequacy of social welfare rates.¹⁷ In order to ensure that social protection is adequate in the medium to long-term, a broader strategy is required 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).¹⁸ 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 *Indecon Report on the Cost of Disability*, commissioned by the Department of Social Protection found that “there are significant additional costs faced by disabled people which are currently not met by existing programmes or by social welfare payments”.¹⁹ The report estimated that the average extra ‘Cost of Disability’ was between €8,700 and €12,300 in 2020. The annual basic income provided by Disability Allowance in 2023 is €11,440. The Cost of Disability is likely to have increased, as this estimate predates the ongoing cost-of-living crisis. In order to address these additional costs, the Government should introduce a weekly Cost of Disability payment that adequately reflects the additional costs incurred by disabled people.

(a) Living Wage

For the Government to effectively address income inadequacy, it must ensure that everyone in work has decent, liveable wages. The Government is moving to raise the minimum wage in line with the EU Directive on Adequate Minimum Wages, but this will not be based on ensuring workers have a wage that meets the cost of living. In its recent Concluding Observations, the UN CESCR called on Ireland to take effective measures to ensure that the minimum wage is sufficient to enable workers and their families to enjoy a decent living by indexing it to the cost of living.²⁰ A minimum living wage of €14.80 per hour is recommended, for the period 2023-2024, by the Living Wage Technical Group.²¹ This updated figure has been calculated as the amount needed to make a minimum acceptable standard of living possible for someone working full-time, with rising food, energy and rent costs among the main drivers pushing up the rate this year. In Budget 2024, the hourly National Minimum Wage was increased by €1.40 per hour to €12.70. While this is a welcome step, it is still some way off the recommended Living Wage. Steady progress is needed within the next few years towards achieving a benchmark based on the cost of living.

Inclusive Labour Markets

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

¹⁷ <https://www.esri.ie/publications/distributional-impact-of-tax-and-welfare-policies-budget-2023>;
<https://www.gov.ie/en/publication/7fbeb-report-of-the-commission/#foundations-for-the-future-report-of-the-commission-on-taxation-and-welfare>;
https://data.oireachtas.ie/ie/oireachtas/parliamentary/BudgetOffice/2023/2023-09-27_pre-budget-2024-selected-impacts-on-households_en.pdf

¹⁸ <http://www.budgeting.ie/>

¹⁹ <https://www.gov.ie/en/publication/1d84e-the-cost-of-disability-in-ireland-research-report/>

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https://tbinternet.ohchr.org/_layouts/15/treatybodyexternal/Download.aspx?symbolNo=E%2FC.12%2FIRL%2FCO%2F4&Lang=en

²¹ <https://www.livingwage.ie/documents/>

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, disabled people, and Roma and Travellers, integrate into the labour market.²² More needs to be done by Government, including via targeted supports, to address the multiple barriers to employment, including discrimination and bias, experienced by disadvantaged and marginalised groups in society.

Despite the existence of a number of targeted strategies such as the Comprehensive Employment Strategy for People with Disabilities and the National Traveller and Roma Inclusion Strategy, and commitments in broader strategies such as Pathways to Work and the Roadmap for Social Inclusion, the employment levels of these and other groups experiencing socio-economic exclusion in society has not improved. Employment levels for disabled people is 36.5%, with a disability employment gap of 38.6% in 2020 which is one of the highest in the EU.²³ Irish single parent households have the lowest employment rates (64%) in the EU (74.2%).²⁴ The EU Fundamental Rights Agency reports that 17% of Traveller women and 13% of Traveller men have paid jobs compared to 68% of Irish women and 80% of men generally. Most only have part-time jobs (58%) and only 38% work full-time. Only 26% have a permanent contract.²⁵ This is despite record employment levels of an estimated 2,655,900 and employment levels of 74.1% and a low unemployment rate of 4.6%.²⁶

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. The ongoing reliance on private for-profit sector to provide public services leads to an inefficient use of state resources and an inability of the state to manage, control and ensure equitable and affordable access to quality public services, particularly for those on the lowest incomes. 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 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, transport, 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.

(a) Housing

Both the European Commission's 2023 Country Report for Ireland and the UN CESCR Concluding Observations have expressed concern about the impact of the persistent 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

²² https://economy-finance.ec.europa.eu/system/files/2023-05/IE_SWD_2023_607_en.pdf

²³ https://commission.europa.eu/system/files/2022-06/2022-european-semester-country-report-ireland_en.pdf

²⁴ https://commission.europa.eu/system/files/2022-06/2022-european-semester-country-report-ireland_en.pdf

²⁵ https://fra.europa.eu/sites/default/files/fra_uploads/fra-2020-roma-and-travellers-survey-country-sheet-ireland_en.pdf

²⁶ <http://www.cso.ie/en/releasesandpublications/ep/p-ifs/labourforcesurveyquarter32023/>

housing crisis in Ireland, and the disproportionate effect this has on the most marginalised and disadvantaged in society.²⁷

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.²⁸ 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. While reports that Government might have hit its targets for new housing for 2023 are welcome, it is likely that it will significantly miss its target for social and affordable housing. The ESRI and others have also highlighted that current targets are not adequate to meet the needs of our growing population.²⁹ Research is currently being undertaken to understand what the actual need is, but initial estimates by some involved in this sector put the actual need at least an additional 20,000 houses per annum.

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 6.8% on average across the country in 2023.³⁰ While rental inflation halved in 2023 compared to 2022, rents in the open market are now, on average, 36% higher than just four years ago at the beginning of the COVID-19 pandemic.³¹ The Residential Tenancies Board reported that the national year-on-year rate of change in standardised average rent in Q3 2023 for new tenancies was 11.0% and in existing tenancies was 5.2%.³² The national Residential Property Price Index (RPPI) increased by 4.4% in the 12 months to December 2023, with prices in Dublin rising by 2.7% and prices outside Dublin up by 5.7%.³³

Homelessness has also continued to increase. According to figures from the Department of Housing, there were 13,531 people in homeless accommodation by the end of January 2024, including 9,504 adults and 4,027 children.³⁴ The number of children is lower than in December, when a record number of 4,105 children were recorded in homeless accommodation. This was the first time since the Department began publishing the figures that they had topped 4,000. There were 1,940 families in emergency accommodation, of which 56% were one-parent families, and 197 older people (aged 65+). These official homelessness figures relate only to people accessing State-funded emergency accommodation, and so do not include people sleeping rough, people couch surfing, homeless people in hospitals or prisons, people in Direct Provision, and homeless households residing in domestic violence refuges.

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. 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

²⁷ https://economy-finance.ec.europa.eu/system/files/2023-05/IE_SWD_2023_607_en.pdf;
https://tbinternet.ohchr.org/_layouts/15/treatybodyexternal/Download.aspx?symbolno=E%2FCF.12%2FIRL%2FCO%2F4&Lang=en

²⁸ <https://www.gov.ie/en/publication/ef5ec-housing-for-all-a-new-housing-plan-for-ireland/>

²⁹ <https://www.esri.ie/publications/the-national-development-plan-in-2023-priorities-and-capacity>

³⁰ https://ww1.daft.ie/report?d_rd=1

³¹ https://ww1.daft.ie/report?d_rd=1

³² <https://www.rtb.ie/about-rtb/news/rtb-publishes-q3-2023-rent-index-report>

³³ <https://www.cso.ie/en/releasesandpublications/ep/p-rppi/residentialpropertypriceindexdecember2023/keyfindings/>

³⁴ <https://www.gov.ie/pdf?file=https://assets.gov.ie/285029/f685d507-bc28-4879-915b-6a51be1deadf.pdf#page=null>

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.³⁵

(b) Health

The European Commission 2023 Country Report for Ireland refers to the long-standing issues facing the health and long-term care systems as challenges not sufficiently covered within Ireland's Resilience and Recovery Plan.³⁶ Health inequalities persist in Ireland on the basis of socio-economic status, and impact disadvantaged and marginalised groups and communities. Ireland remains the only EU country that does not provide universal access to primary care. The UN CESCR recently expressed its concerns about the large disparities between different socio-economic groups in access to healthcare services, particularly for marginalised groups and communities. Data and research from the CSO and ESRI demonstrate the negative impact on health outcomes, life expectancy and mortality rates experienced by disadvantaged and marginalised socio-economic groups and communities.³⁷

The full and prompt implementation of the Sláintecare reform need to be prioritised, resourced and delivered, in order to ensure a more equitable universal public healthcare system based on need rather than ability to pay. However, its implementation has experienced major delays and setbacks. Recent ESRI research examines the National Development Plan (NDP), and calls for greater investment in community healthcare without which the move away from heavy reliance on acute care in hospitals cannot happen.³⁸ Addressing health inequality must be a central plank in the reforms, in terms of access and outcomes, and addressing both physical and mental health and the social determinants of health.

The European Commission's 2023 Country Report cites the significant capacity constraints in the public healthcare system. The UN CESCR also highlighted shortcomings in the health system, in particular low budgeting, shortages of medical staff and obstacles preventing access to health services for the most marginalised and those living in remote areas. The Committee recommended that Ireland steps up its efforts to ensure, in practice, a universal and comprehensive healthcare system and allocate additional resources to increase the capacity of Sláintecare, recruit and train additional healthcare personnel, reduce waiting times, and reduce obstacles that prevent access to health care particularly in healthcare infrastructure and services in remote and rural areas.

³⁵ https://www.homeforgood.ie/assets/files/pdf/note_from_the_legal_sub-group_expanding_on_standalone_right_-

³⁶ https://economy-finance.ec.europa.eu/system/files/2023-05/IE_SWD_2023_607_en.pdf

³⁷ <http://www.cso.ie/en/releasesandpublications/ep/p-silced/surveyonincomeandlivingconditionssilcenforceddeprivation2022/>; <https://www.esri.ie/publications/unequal-chances-inequalities-in-mortality-in-ireland>

³⁸ <https://www.esri.ie/publications/the-national-development-plan-in-2023-priorities-and-capacity>

Sustainable Funding for Social Investment

The Government should take steps to ensure sustainable funding for social investment, including quality public services and adequate social protection, through progressive taxation which is fair and redistributes income, wealth and resources, and increasing PRSI rates, particularly for employers, in order to replenish the Social Insurance Fund. These measures will be 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.

Despite projected surpluses over the coming years, analysts have suggested that maintaining and improving the social protection system and public services will necessitate increasing tax revenue to maintain the public finances, beyond the current reliance on windfall – potentially transitory – corporate tax receipts.³⁹ Ireland is a low tax economy, with by far the lowest levels of tax to GDP in the EU, with taxation levels of 22% of GDP in 2021, only half the EU average, and well behind the levels of similarly wealthy countries.⁴⁰ To address the need for sustainable investment in many of the challenges outlined above, tax cuts should be avoided in favour of significantly increasing tax revenue.

This should be in the form of progressive tax increases and widening/broadening the tax base⁴¹ in a progressive and sustainable manner to move tax levels closer to the EU average. This should include the introduction of measures that tax wealth and disincentivise negative behaviour, including behaviour that damages the environment, and help to ensure Ireland is no longer overly-reliant on unsustainable corporate tax receipts for current spending. This approach should also include further increasing the PRSI rates, particularly for employers, to replenish the Social Insurance Fund, and progressive taxation which is fair and redistributes income, wealth and resources. In this regard, we welcome the increase in all Pay Related Social Insurance (PRSI) contribution rates by 0.1%, which is due to come into effect from 1 October 2024, as a positive move in the right direction to replenish the Social Insurance Fund. This proposed phased process of increasing social contributions could help to stabilise the public finances and sustainably finance our social protection system in the years to come.

However, it is important that any such moves do not negatively impact the 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. To ensure they do not impact negatively on fiscal justice and social rights, it is crucial that any tax changes, including proposals that reduce tax revenue, are also poverty and equality proofed. 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. Such an approach will help the Government to ensure the sustainable financing of our social protection system, protect social rights and take concrete steps towards tackling poverty and social exclusion.

Engagement with Civil Society – Collaborative Governance

The *Programme for Government 2020-2025* sets out the Government's commitments to social dialogue, recognising "the importance of regular and open engagement with all sectors of society."⁴² It commits to the establishment of a Social Dialogue Unit in the Department of the

³⁹ <http://www.fiscalcouncil.ie/pre-budget-2024-statement/>; https://www.esri.ie/system/files/publications/JR4_6.pdf
⁴⁰ https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Tax_revenue_statistics

⁴¹ As recommended by the European Commission in its 2019 Country Specific Report for Ireland: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52019DC0507>

⁴² <https://www.gov.ie/en/publication/7e05d-programme-for-government-our-shared-future/>

Taoiseach and to “create new models of sectoral engagement.”⁴³ We believe it is crucial that the Government improves and strengthens the ways it currently engages with civil society and affected communities in order to address existing and new challenges facing Irish society, including poverty and social exclusion.

EAPN Ireland is a member of the Community Platform, an alliance of 31 national networks and organisations in the community and voluntary sector working to address poverty, social exclusion and inequality. We call on the Government to implement the proposals made in the Community Platform discussion paper, *Towards a Progressive Model for Collaborative Governance*.⁴⁴ This paper proposes a new approach for how the Irish State can engage with the community sector and work jointly to devise and implement new solutions to difficult challenges. It makes recommendations for new, innovative and more collaborative approaches that are dynamic and fit for purpose, maximise involvement and harness the expertise of organisations and communities.

We believe this approach lends itself to addressing critical challenges such as poverty, social exclusion, and inequality.

To support a process of collaborative governance the Government also needs to invest in an infrastructure of local autonomous community development organisations that supports marginalised to have a full say in informing the development and implementation of policies that impact on their lives. The Community Development Programme, initiated in 2021 as part of the Sustainable, Inclusive and Empowered Communities: A Five-Year Strategy to Support the Community and Voluntary Sector in Ireland 2019-2024⁴⁵ is an important step in the right direction. The Government needs to rapidly expand past the ten organisations currently funded in the Community Development Programme and expedite the establishment of a network of autonomous community development projects in and with marginalised communities.

RECOMMENDATIONS

Income Adequacy

- 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.
- Ensure that measures to address the cost-of-living crisis prioritise people who are on low incomes and most vulnerable, with an emphasis on ensuring welfare rates and supports are adequate to afford the cost of living.
- Introduce a weekly Cost of Disability payment that adequately reflects the additional costs incurred by disabled people.

Inclusive Labour Markets

- 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.

⁴³ <https://www.gov.ie/en/publication/7e05d-programme-for-government-our-shared-future/>

⁴⁴ <https://communityplatform.ie/publication/towards-a-progressive-model-of-collaborative-governance-a-community-platform-discussion-paper/>

⁴⁵ <https://www.gov.ie/pdf/?file=https://assets.gov.ie/26890/ff380490589a4f9ab9cd9bb3f53b5493.pdf#page=null>

- 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.

Access to Affordable and Quality Public Services

- Commit to adequate investment in and ensure the public delivery of accessible and affordable quality public services and supports, such as health, housing, transport, 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 or marginalised groups, including anti-discrimination and other measures to address the multiple barriers to participation, inclusion and employment, such as discrimination and bias.
- Adequately increase investment in public transport options that are affordable, accessible, reliable and sustainable, in both urban and rural areas, particularly for people on low incomes or those in underserved areas, ensuring costs, such as those related to the transition to green transport, are not passed on in higher prices that penalise the poorest.

Addressing the Structural Housing Crisis

- Adequately invest in and increase the provision of direct build social and affordable housing as provided by Local Authorities and Approved Housing Bodies, to a level that is adequate level to meet need of people in the state. This should have a specific focus on housing units offering tenants a differential rent as opposed to market-based rent setting, particularly for the benefit of people on low incomes and living in poverty and those requiring accessible housing.
- Ensure robust standards are in place so 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 legislative and other measures to ensure affordability of housing, including adequate levels of state-provided housing, and regulations on rent levels and other housing-related costs in the private sector.
- Improve protection for tenants at risk of eviction due to e.g. unaffordable rents or the retrofitting of properties by landlords.
- Commit to the development of a sufficient quantity of age-friendly and universal design housing as part of all social housing new builds.
- 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 with 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.

Addressing Health

- Accelerate the implementation of Sláintecare, with adequate investment and resources, as part of ensuring a single-tiered universal health care system to facilitate affordable, quality, and efficient access to health services, with a focus on reducing health inequalities for those on low incomes and within marginalised communities.
- Prioritise addressing health inequalities to improve the physical and mental health status of marginalised groups, and those excluded from or who cannot afford the cost of care.

Sustainable Funding for Social Investment

- In order to ensure the requisite capacity and resources are available to sustainably fund social investment, including quality public services and supports, and adequate social protection:
 - Broaden the tax base in a progressive and sustainable manner which is fair and redistributes income, wealth and resources.

- Continue to increase the Pay Related Social Insurance (PRSI) contribution rates, in a fair and progressive manner, in order to replenish the Social Insurance Fund.
- Introduce measures that tax wealth and disincentivise negative behaviour, including behaviour that damages the environment.
- Ensure that any tax changes, including proposals that reduce tax revenue, are poverty and equality proofed.

Collaborative Governance

- Implement the proposals made in the Community Platform Discussion Paper, *Towards a Progressive Model for Collaborative Governance*, to strengthen collaborative governance, based on a set of clear principles.
- Establish a Collaborative Governance Advisory Body to oversee the implementation of a consistent and coherent process of collaborative governance across Government. We recommend that this Advisory Body would be led by the Department of the Taoiseach and would include relevant Department officials and civil society representatives.
- Rapidly expanded past the ten organisations currently funded in the Community Development Programme and expedite the establishment of a network of autonomous community development projects in and with marginalised communities.

