



## **Department of Social and Family Affairs**

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### **Minister Says Significant Progress Made On Welfare Reforms On Child Poverty, Lone Parents And Pensions**

#### *Brennan Urges Wide Participation As Consultation Begins For Next Action Plan On Poverty*

The Minister for Social Affairs, Seamus Brennan T.D. said today that reforms in a number of key areas of social policy were being advanced as a matter of urgency, both within ongoing discussions on the forthcoming Budget and as part of a broader agenda of fundamental change.

Minister Brennan said that considerable progress had now been made on bringing forward new proposals specifically targeted at tackling the totally unacceptable levels of child poverty, on removing the obstacles to employment, training and education for some 86,000 Lone Parents, and on heading off an impending pensions crisis by making sure that workers have decent pensions on retirement and options on how they choose to spend their later lives.

Minister Brennan was speaking in Dublin when hosting the first in a series of 7 nationwide public consultations on the development of Ireland's next National Action Plan against Poverty and Social Exclusion.

Ireland, together with the other 24 EU Member States, is due to present its Action Plan to the EU Commission next September, as part of an EU wide drive to honour the pledge made at Lisbon in 2000 "to make a decisive impact on poverty" by 2010. Ireland's action plan, when completed within the next year, will establish the priorities that should be addressed up to 2008.

The nationwide public consultations on the social inclusion agenda seminars provide those who are not directly involved with the social partnership process with an opportunity to contribute their views on, and experiences of, the implementation of the Anti-Poverty Strategy.



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Today, more than 150 people attended the first of the consultations in Dublin, representing a wide range of community and voluntary organisations and groups, both national and local, and individuals who are themselves affected by poverty. The regional consultation seminars are organised by the Office for Social Inclusion, culminating with the Social Inclusion forum in early 2006.

Minister Brennan said: "The real experts on the nature, causes and reality of poverty in Ireland are the people actually experiencing poverty and those who work with and support them. These are the people we must listen to and the consultation process is primarily for them. I am looking forward to getting a wide range of views on the policy changes and developments necessary to continue the substantial progress being made and, in particular, to establish the priorities up to 2008. I want the next National Action Plan to be focused and to sharply reflect the experience, views and priorities of Irish society in meeting one of our greatest challenges-that of building not just a prosperous, but a fair society, which values and supports all its people, and particularly it's most vulnerable".

The Minister said that Ireland had achieved remarkable economic success over the past decade, out performing most developed countries in terms of economic growth and development. Levels of unemployment are among the lowest in the EU and employment participation, especially among women, has been increasing steadily. Involuntary emigration has virtually ceased and is now replaced by the challenge of high levels of immigration.

He said this economic and employment success has delivered enormous improvements in our standards of living right across the board. For example, a recent UN report showed that if you take the poverty line in 1994, when our recent economic expansion began, and adjust it in line with changes in prices up to 2000, the level of poverty fell by almost 56 per cent over that period.

Minister Brennan said that welfare payments and supports were often a valuable lifeline for those most vulnerable in society. Spending on welfare has increased from Euro5.7 billion in 1997, to Euro7.8 billion in 2001 and to Euro12.25 billion in 2005. Almost one in every three Euro spent by the State now is on social welfare. As a result in the period 2001 to 2005 the lowest social welfare rates increased by 40%



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while the Consumer Price Index during that time increased by just over 13%. Child Benefit rates increased by 65% over the same period, while from 2002 to 2005, pensioners received increases of Euro44.71 per week.

The Minister said there has been a corresponding significant drop in the proportion experiencing material deprivation or consistent poverty. In a recent ESRI report, vulnerable groups were categorized as experiencing a combination of relative income poverty, basic deprivation and economic strain. In 1994 about 3 in 10 persons were in this category. By 2001, the ESRI states this had fallen to just 1 in 9.

“This steady improvement in basic standards of living represents one story on poverty in Ireland. There is another which tends to get more attention and publicity. Paradoxically, during this period when standards of living were improving, the numbers classified by the EU as at risk of poverty, those whose income is under 60 percent of average median income, actually increased. The reason is that the substantial improvements in income in real terms which they received, did not keep pace with the even more substantial increases in incomes generally. Therefore, while standards of living across the board have simply never been better in Ireland, we are being shown in international comparisons, as having among the highest proportions of people at risk of poverty in the EU. It must be pointed out that, in the first instance, this shows the limitations of income measures of poverty. These measures, for example, just take a snap shot of the situation of individuals at a point in time. Therefore, among those classified as at risk of poverty are many who are experiencing a short term drop in income from say short term unemployment”.

Minister Brennan said that reforms in a number of key areas of social policy were being advanced as a matter of urgency, both within ongoing discussions on the forthcoming Budget and as part of a broader agenda of fundamental reforms and change.

Considerable progress had now been made on bringing forward new proposals specifically targeted at tackling the totally unacceptable levels of child poverty, on removing the obstacles to employment, training and education for some 86,000 Lone Parents, and on heading off an impending pensions crisis by making sure that



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workers have decent pensions on retirement and options on how they choose to spend their later lives".

Minister Brennan added: "As Minister for Social Affairs I have committed myself to finding solutions by making sensible decisions that have at their core increased support for those who feel most vulnerable, neglected or apprehensive in our society, while at the same time working to bring about reforms that go behind the payments and aggressively strike at the very heart of the social issues that give rise the need for welfare supports in the first place".

He said that in the Ireland of the 21st century many of us are fortunate enough to have reaped the benefits of living in a country that has witnessed great surges in economic growth in recent years. "That economic performance has allowed us to tackle many of the social and economic issues that in the past scarred this country's reputation as a place of care and refuge. We must maintain that sturdy economic growth by encouraging expansion in business, greater competitiveness, continued investment in education and training as well as putting in place flexible mechanisms to encourage people to enter and re-enter the workforce".

The Minister concluded: "Repeatedly, all the predictions are for continued growth. That is, of course, good news. However, its true benefits will be seen only if the fruits of that economic growth benefit all and not just the few. As I have said many times, our economic progress is not intended to make millionaires, or even billionaires, of the select few while others continue to face a daily struggle. That is why I have at all times fought to sustain economic progress so that we can harness it to lift all boats and make a positive and lasting difference to the lives of those people represented here today by the many organisations, and many others".

Over the next month regional seminars will be held as follows:

Carlow, 22 November at Seven Oaks Hotel

Cork, 23 November at Maryborough House Hotel

Limerick, 24 November at Lynch South Court Hotel

Mullingar, 29 November at Mullingar Park Hotel

Carrick-on-Shannon, 30 November at The Bush Hotel

Donegal, 1 December at The Mill Park Hotel.



**ENDS**