



## **Welfare increases delivered real difference in poverty rates - Hanafin**

The Minister for Social and Family Affairs Mary Hanafin T.D., welcomed the publication today (19<sup>th</sup> November 2009) of the **Survey on Income and Living Conditions in Ireland** results for 2008 by the CSO.

Minister Hanafin said that it was very positive to note that the considerable Government investment in recent years had ensured that in 2008 progress had continued to be achieved in meeting the Government poverty reduction target set out in the National Action Plan for Social Inclusion 2007-2016 (NAPinclusion), which is: *"to reduce the number of those experiencing consistent poverty to between 2% and 4% by 2012, with the aim of eliminating consistent poverty by 2016, under the revised definition."*

Consistent poverty in 2008 was 4.2 %, down from 5.1 % in 2007. The evidence is that the priority given by Government in delivering real increases in social welfare payments in 2007 and 2008 has had a positive impact on alleviating consistent poverty in 2008. Over these two years the minimum social welfare rates increased by a combined €32 per week.

Overall 14.4 % of the population were 'at risk of poverty' in 2008, compared to 16.5% in 2007. The CSO figures show that when the 'once off' effect of SSIA's is excluded, the rate of 'at risk of poverty' is 13.9 % in 2008, which is a significant reduction from the 2007 figure.

What this means in real figures is that there was 40,000 fewer people in consistent poverty in 2008, while 92,000 less people were at risk of poverty.



Minister Hanafin said **“much of the progress we have made over the past decade in reducing poverty has been made possible by the high levels of economic growth we had been enjoying. Working to restore the economic growth we have benefited from over the past decade is now, therefore, the overriding priority for Government. It has seldom been more important to set priorities and to rigorously examine the value for money of all public expenditure. This presents a major challenge not just for Government but for society as a whole.”**

Minister Hanafin said that newly collated information by the CSO on indebtedness shows that one in five households reported at least one type of arrears or debt. The nature of the debt varied according to the household, with lower income households more impacted by mortgage, rent and utility arrears whereas, better off households were more likely to have debts due to credit cards and overdrafts. **“This week the Government agreed to set up a special Cabinet committee to address the growing concern over personal debt and mortgage arrears. I along with my colleagues in Finance, Justice and Enterprise, Trade and Employment will be working with key groups such as the MABS to identify the measures which will better support families and individuals struggling with debt difficulties.”**

The Minister said that the economic downturn means that the challenges we have to face in reducing poverty are more complex than they have been in recent years **“The challenge in these difficult times is to maintain an integrated approach to social provision which best meets the individuals needs and circumstances.”**



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

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Minister Hanafin went on to say that **“building an inclusive society continues to be a key priority of the Government and the continuing decline in the poverty rates in 2008 demonstrates the success of the Government’s commitment to combating poverty. The National Action Plan on Social Inclusion which commenced in 2007 constitutes the comprehensive Government strategy for social inclusion for the 10 year period up to 2016 and builds on the achievements of the national anti-poverty strategies of the last decade.**

**The findings of the SILC survey will greatly assist in setting priorities and in identifying the policies and programmes required to meet the objectives of protecting the most vulnerable, while making the adjustments needed to achieve the essential economic goals.”**

**ENDS**