



EXTRACTS FROM ADDRESS BY SÉAMUS BRENNAN T.D.

MINISTER FOR SOCIAL AFFAIRS

AT

OFFICIAL LAUNCH OF

ANNUAL REPORT OF COMBAT POVERTY AGENCY

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**MINISTER SAYS GREAT STRIDES HAVE BEEN MADE IN
TACKLING POVERTY & WE MUST NOW CONCENTRATE ON
TARGETING THOSE STILL EXPERIENCING HARDSHIP**

***BRENNAN-AT LEAST 250,000 PEOPLE HAVE BEEN LIFTED OUT
OF POVERTY IN LESS THAN A DECADE; TARGET NOW MUST
BE THOSE EXPERIENCING CONSISTENT HARDSHIP AND
DEPRIVATION***



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Today provides me with an opportunity to pay tribute to Combat Poverty in the year that marks its twenty years in existence. During that time, this country has changed dramatically, from a country with high unemployment and significant emigration, to a country that is now a multi-cultural society with a thriving economy, employment levels at an all-time high and immigration replacing emigration. Over those 20 years there have been many significant developments in the fight against poverty, including Ireland's National Anti-Poverty Strategy and subsequent National Action Plans on Social Inclusion.

The theme of the report's policy overview statement, "From Strategy to Action: Implementing Social Inclusion" very much defines the Government's ethos in relation to tackling poverty. Through the Cabinet Committee and Senior Officials Group on Social Inclusion right across the spectrum of government - national and local - poverty and social exclusion are being tackled with a multi-pronged approach. We are making significant progress in tackling the multi-layered nature of poverty through co-ordinated action.

The lifecycle approach outlined in the recently concluded National Partnership Agreement offers the potential for an even more streamlined approach to monitoring and evaluating progress on major social inclusion initiatives such as the forthcoming National Action Plan for Inclusion and the next National Development Plan, both of which are due to be launched towards the end of this year.

Progress in the fight against poverty, has been achieved through substantial and increased investment by this Government, in welfare and employment supports and in services such as health, housing, education and training and childcare. This year, expenditure on welfare supports and entitlements will, at almost €14 billion, be double what was spent in 2000 and will, together with major increases in resources for other services, continue our determined drive to eliminate poverty.

The significant progress that has been made in confronting and tackling poverty can, I believe, be sometimes obscured and even distorted by the measurement systems used. For example, the "relative poverty" or "at risk of poverty" indicator concludes that some 19% of Irish people fit into this category. And that is after years of record



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spending and investment across Government departments in tackling poverty at all levels. That is after at least 250,000 people, men, women and children, have been lifted out of deprivation and hardship as a result of concentrated and targeted measures and supports. That is after increases of over 55% in social welfare payments in the past 5 years alone, well ahead of the 16% increase in the Consumer Price Index and the 28% rise in gross average industrial earnings.

A recent article in the prominent journal "Development and Transition", published by the **UN Development Programme and the London School of Economics and Political Science**, insisted that relative poverty indicators can not be used for international comparisons unless countries are similar in their level of economic development. And it concluded, and I quote, "*According to the European Commission, Ireland has the highest poverty rate in the European Union and the figure is rising. Yet Ireland has had stellar record of growth in jobs and income over the last 15 years. The standard of living for nearly everyone has increased since the early 1990's at a rate unprecedented in recent European history. What's the catch? Income growth has been slightly larger in the upper 80% of the population than it has in the lower 20%. Therefore, according to the Commission's indicators, although hundreds of thousands of people have been lifted out of actual poverty, Ireland is not a success story, but a basket case.*"

(Full article can be accessed on www.lse.ac.uk)

Overall, it concluded that reliance on the "risk of poverty" indicator causes a number of problems:

- The results too often belie common sense.
- The "at risk of poverty" label sends the wrong signal to the public and policy makers.
- The "risk of poverty" logic doesn't lead to effective national policy.
- The message of this methodology is that with the EU there should be no cross-country social solidarity.

It could be argued that using the 19% relative poverty figure is a distraction and a disservice to the combined dedication and commitment of so many people to tackling the causes and affects of poverty.



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During the 20 years of Combat Poverty's existence, great strides have been made in identifying and eliminating core causes of poverty. But no matter what measurement or statistic we use, the reality is that we still have a distance to travel if we are to make poverty history in Ireland.

I am strongly of the view that the indicator that most accurately reflects the numbers who remain in the grip of hardship is the "consistent poverty" gauge. This tells us that 6.8% of our population continue to experience poverty, hardship or deprivation in some form in their lives. The men, women and children that make up that 6.8% are where our main focus must be targeted. Because it is there that serious poverty continues to exist. And serious poverty should have no place in the Ireland of the 21st century.

We already know a lot about those who are experiencing serious poverty issues. There are 80,000 lone parents, caring for 130,000 children, many of whom need help in escaping from welfare traps and encouragement on the paths to training, education and work. The continued existence of child poverty in an Ireland of exceptional wealth is unacceptable and must be eliminated. There is also the impending pensions challenge, bringing with it the dangers of pensioner poverty, that we must confront and address.

Achieving this social change will call for courageous reforms. The window of opportunity is there and we are now shaping reforms that will introduce, over the coming months and years, enlightened social policies in a number of key areas.

The NESC and the Department are together urgently seeking to resolve the complex issues associated with introducing a 2nd tier type of payments or financial supports, in addition to Child Benefit and other entitlements, aimed specifically at reaching out and helping those children most in need. Following on from the publication, earlier this year, of a Government discussion paper, "Proposals for Supporting Lone Parents", and subsequent consultations with groups representing lone parents, I hope to be in a position to soon bring forward proposals for legislation, that will achieve many progressive reforms in this area.



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These, and other reforms in the rent supplement scheme and in increased activation measures, will greatly intensify our efforts to eliminate poverty from the Ireland of the 21st century. The pensions challenge that is looming is now firmly on the national agenda, as was evident from the recent Partnership talks. Two reports from the Pensions Board and a National Forum have teased out the options to deal with the challenge.

A Government Green paper inside the coming months will be central to decisions being made on the best route forward towards lasting solutions.

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