Opinion of the National Economic and Social Forum on the

National Anti-Poverty Strategy

Forum Opinion No. 2

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Forum Opinion on the development to date of the

National Anti-Poverty Strategy

1 Introduction

1.1 This document summarises the Opinion of the National Economic and Social Forum ("the Forum") on the three documents prepared to date by the Inter-Departmental Policy Committee on the National Anti-Poverty Strategy (the Strategy)\(^1\) and which have been circulated for comments to all interested parties.

1.2 The Forum is mandated to contribute to the formation of a national consensus on social and economic matters. To this end, the composition of the Forum affords a participatory role to Oireachtas, Social Partner and community and voluntary sector bodies, including representatives of people living in poverty. The Forum values this opportunity to comment on the Strategy, in an area which is of fundamental importance to the well-being and quality of life in our society.

1.3 The Forum welcomes the development of the National Anti-Poverty Strategy and wishes to support and assist in its development and implementation. Previous Forum Reports have dealt in detail with the social dimension to national agreements such as the Programme for Competitiveness and Work (the PCW) and central poverty themes such as long-term unemployment, income maintenance strategies and the delivery of social services. These Reports, and in particular Report No. 5 on Income Maintenance Strategies, have set out statements on underlying social policy aims and values, priority goals, challenges, options and principles. The Forum has recommended that these should be taken into account in decision-making and in the on-going review and evaluation of all policy areas which impact on poverty, social exclusion and unemployment. The fact that key elements of the Forum's perspective have already been acknowledged in the development of the Strategy to date is most welcome. The

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\(^1\) The documents are (i) the Discussion Paper on Poverty, Social Exclusion and Inequality in Ireland, an Overview Statement, (ii) the Consultation Paper on Institutional Mechanisms to Support the National Anti-Poverty Strategy and (iii) the Summary of Submissions on the National Anti-Poverty Strategy. These documents were discussed at a Plenary Session of the Forum which was held on 12 December 1995 in the Royal Hospital Kilmainham.
Forum looks forward to continued incorporation of its views as the Strategy is further developed.

1.4 The forthcoming Forum Report on *Equality Proofing Issues* also makes important recommendations relevant to the Strategy. A Report on *Rural Development and Social Exclusion*, which the Forum will be preparing over the coming months, will also contain analyses and recommendations bearing upon the Strategy.

1.5 The Forum looks forward to its being consulted again in due course and to continued dialogue in the development of the Strategy.

1.6 The Forum has examined the existing documentation on the Strategy and wishes to comment here on a number of issues arising.

II **Poverty, Social Exclusion and Inequality**

2.1 The Forum particularly welcomes the Discussion Paper on *Poverty, Social Exclusion and Inequality in Ireland, an Overview Statement, (the Overview Statement)*, which summarises available evidence on the nature and extent of poverty in Ireland, as an important breakthrough in the recognition of the dynamics of poverty. In particular, the Forum values the extensive reference in the *Overview Statement* to the social policy perspective it has put forward, particularly in its Report No 5 on *Income Maintenance Strategies*.

2.2 In view of the importance of the *Overview Statement* document, the Forum suggests some modifications and elaborations to ensure its inclusiveness and effectiveness. These relate to:

- the definition of poverty;
- the causes of poverty;
- the model of economic and social development;
- groups affected by poverty;
- poverty themes; and
- north-south dimension.
Definition of Poverty

2.3 The Forum endorses the thrust of the definition of relative poverty in the draft Overview Statement. Continued attempts to improve the current definition may be fruitful. In particular, the definition of poverty should circumscribe the parameters of real social challenges and avoid being so wide as to be meaningless. Terms used in the definition should be readily understood and phrasing ambiguities avoided. For example, terms such as "acceptable" should not be open to opposing interpretations.

Causes of Poverty

2.4 The Forum welcomes the acceptance in the draft Overview Statement of a multi-dimensional approach to the causes and effects of poverty, requiring as it will concerted and multi-faceted societal and policy responses. Equally, the recognition that unemployment is a key factor in the creation of and transmission of poverty is especially welcome and in keeping with the Forum's own thinking in this matter.

2.5 The Forum has previously commented on the topic of societal or personal responsibility for poverty. The Forum advocates that declarations in the Overview Statement should not carry the inference that people living in poverty are personally responsible for the situation in which they find themselves. It recommends that phrases such as "accepting personal responsibility" should be used in the context of encouraging a sense of self-worth, self-reliance and independence and of respecting individual dignity. The Forum accepts that such strategies require and will need to be underpinned by adequate resources to enable all people to participate and contribute positively in our society.

Model of Economic and Social Development

2.6 In the preparation of this Opinion, the Forum considered at length the nature of and the present model of economic and social development in the context of the Strategy. The Forum concurs with the Minister for Social Welfare's statement that we require the establishment of a consensus that poverty is an important concern for the framing of economic policy. In the view of the Forum, effective implementation of a National Anti-Poverty Strategy should be based on a model of development which addresses
both economic and social factors in an integrated manner, tackling existing poverty and
avoiding creating new forms of poverty.

2.7 The model of development which has been followed by successive Governments in this
country up to now has not effectively tackled poverty, and has been, in part, the cause
of increased poverty. Imposing or adding on a social requirement to the existing
economic model is unlikely to be successful, if the underlying economic and social
causes are not addressed. The Forum advocates, therefore, that the primary
documentation of the National Anti-Poverty Strategy should acknowledge that the
economic system is not adequately addressing existing poverty and can give rise to
poverty.

2.8 The Forum notes the uncritical acceptance of the existing model of economic
development within the draft *Overview Statement*. Critiques of the existing model and
alternatives to it could be included at this draft stage to promote more informed
discussion. Critical evaluations, including the EU White Paper on *Employment,
Growth and Competitiveness* (notably Chapter 10 which outlines elements of a new
development model for the EU), the EU White Paper on *Social Policy*, ESRI and
NESC publications and relevant submissions to the National Anti-Poverty Strategy
could serve as initial reference points for this purpose.

2.9 As evidenced in its own Reports, the Forum recognises that there are economic and
fiscal constraints and that any modifications of existing policies have to permit the
economy to function effectively and competitively. The Forum considers that an
informed public debate on economic policy issues is also timely at this stage in the
context of the upcoming review of the Maastricht Treaty and of Ireland's participation
in Economic and Monetary Union (EMU).

2.10 In raising these issues, the Forum acknowledges the need for specificity in terms of any
economic action to be taken and refers back to its First Report, *Negotiations on a
Successor Agreement to the PESP*, which included principles and recommendations
regarding equitable sharing of the benefits of growth, job creation policies, balanced
regional development and taxation reform. In the view of the Forum, Government must be proactive in dealing with both short-term, demographic and longer-term structural problems which maintain or create poverty.

Groups Affected by Poverty

2.11 The Forum recommends that the Overview Statement be strengthened in areas concerning women and poverty in rural areas.

Women

2.12 Women are particularly affected by poverty, much of it hidden and much of it not measured by existing economic frameworks such as GNP. The role of women as unpaid workers in and outside the home, the lack of independent income to the mother and the fact that income is considered in household terms mean that women have less relative access to and control of income than men. The National Anti-Poverty Strategy provides a unique opportunity to delineate the matter of women's unpaid work and to re-examine the distribution of resources within households as well as between households.

2.13 Women's poverty tends to be viewed as a single entity but affects different women in different ways depending on many factors. The Forum notes in particular the problems for women in rural areas, in terms of poor access to child care and women's unpaid contribution working on farms and in homes.

Rural Dimension

2.14 The Forum welcomes the inclusion of a rural dimension in the Overview Statement and its itemisation as a priority theme. Further elaboration and tying in of the rural dimension with general concerns and issues in the Overview Statement would be valuable. The Forum is about to begin work in preparing a Report on Rural Development and Social Exclusion and does not, therefore, wish to anticipate at this stage its findings or recommendations in this area. Nonetheless, the Forum supports the view that different patterns and dimensions of poverty may be observed in different geographical contexts.
2.15 The experience of poverty in urban and rural areas is in some ways different. Poverty in rural areas is not always mitigated by geographical location. The demographic imbalances brought about by outmigration, caused in part by industrial policies, lead to unique problems. These problems include fewer economically active people and an increasing elderly population in rural areas. Equally, people with disabilities are significantly disadvantaged in rural areas. The problems of lack of transport need to be given particular attention.

2.16 The closure of local hospitals, post offices and primary schools isolates and impoverishes communities. The Forum suggests that a commentary be included in the Overview Statement on the effects of rationalisation and centralisation on rural viability, local development and the life of marginalised rural communities.

Priority Themes

2.17 The Forum endorses the multi-faceted approach to priority themes put forward in the Overview Statement. Moreover, it considers that all of the priority themes must be tackled together as they constitute a cluster - dealing with one should inevitably mean dealing with the others.

2.18 The Forum supports the view that income adequacy for all is one of the key goals of any National Anti-Poverty Strategy. However, a minimally adequate income for people over any prolonged period in their life will effectively produce poverty. Provision of adequately paid work is a vital component in the eradication of poverty. The Forum is hopeful that its recommendations in regard to strategies to eliminate long-term unemployment will also inform the formulation of the National Anti-Poverty Strategy.

2.19 The Forum stresses the importance of education and of training as priority themes at a number of levels. The cyclical nature of educational disadvantage causing poverty, and of poverty causing educational disadvantage, must be clearly acknowledged. Education and training are key concerns and should be life-long options.
2.20 The Forum notes the viewpoint that discrimination against groups and individuals mediates access to and experience of resources and is hence a key poverty issue. It suggests, therefore, that discrimination be listed as a priority theme in the final document.

North-South Dimension

2.21 The National Anti-Poverty Strategy is being formulated at a time of growing co-operation between Ireland and Northern Ireland in a range of policy areas. We may learn from developments and experiences in Northern Ireland and the Forum recommends that the Overview Statement should make reference to this dimension and that the responses to the problem of poverty should be considered within what has the potential to be an island economy.

III Institutional Mechanisms

3.1 The Forum values the Consultation Paper on Institutional Mechanisms to Support the National Anti-Poverty Strategy as a preliminary statement on some of the issues to be addressed in the effective implementation of the Strategy. On this occasion, the Forum wishes to put forward a number of points in the areas of:

- the establishment of the Strategy;
- the operational mechanisms;
- group and individual representation on the Strategy;
- financing of the Strategy; and
- the administrative challenge.

3.2 The Forum recognises the importance of establishing the Strategy as a binding long-term process. Precise mechanisms to ensure its longevity may be formulated in either statutory or other terms. The Forum observes that those policies which derive from constitutional or legislative bases are more secure than those solely dependent on political support. The Forum also notes the viewpoint that the Strategy itself should have a statutory basis. Notwithstanding these observations, the Forum emphasises that on-going political support is vital to the success of the Strategy.
Operational Mechanisms

3.3 The Forum has concerns regarding the operational methods of a National Anti-Poverty Strategy and considers that policy design and appraisal must be based on agreed procedures. A National Strategy complemented by a spatially defined area-based approach may produce pockets of continued deprivation. Equally, the targeting of social needs should not be used as a cost-cutting exercise and, in this respect, the Forum reiterates the importance of comprehensiveness, adequacy and quality of services which it recommended in a number of its earlier Reports.

Group and Individual Representation

3.4 The Forum views the representation of the voluntary and community sector and the focus on participatory democracy as crucial to the Strategy's success in the long-term. Equally, the Forum is concerned that the rights and the role of the individual citizen should be upheld and promoted through the Strategy. In particular, individuals' access to adequate and up-to-date information must be ensured. In this regard, the Freedom of Information and Data Protection legislation may be of assistance.

Financing the Strategy

3.5 On the basis of existing information, and reflecting present priorities and policy choices, it seems that additional budgetary resources will not be made available for the National Anti-Poverty Strategy. In this regard, however, the Forum notes that untapped budgetary resources may be available and emphasises that existing priorities and policy decisions should not be seen as immutable for the future. The Forum recommends, as part of the National Anti-Poverty Strategy, that equality proofing administrative procedures be required of all State and State-funded bodies which would assess, and where necessary, address the impact of policy and of current and planned expenditure on groups that experience poverty and inequality. Such procedures would inform a public debate on the priorities which determine public sector allocation of resources.
Administrative Challenge

3.6 The Forum recognises that the National Anti-Poverty Strategy will require a change in the ways that Government Departments and statutory bodies do their business. Such institutional changes are complicated. The Forum observes that the introduction of poverty auditing could promote important and positive changes of focus and of priorities, both within and between Departments and State Agencies.

IV Future development of the Strategy

4.1 Finally on this occasion, the Forum wishes to comment on a number of areas relating to the future development of the Strategy.

Specific Targets

4.2 In the view of the Forum, all targets set within the National Anti-Poverty Strategy should be concrete, realistic, measurable and achievable in a defined time period. To succeed, baseline information needs to be gathered on many minority and disadvantaged groups and communities in order to set targets and time-scales that are realistic and capable of being monitored. As a starting point, the Forum suggests that the detailed analyses and recommendations presented in the submissions should be drawn on by the Inter-Departmental Committee in formulating these targets.

Time-scales

4.3 Regarding time-scales, these should be appropriate to the lifespan of people currently in poverty.

Support, Review and Monitoring

4.4 The Forum observes that, in order to succeed, the Strategy must be supported, monitored and reviewed on an on-going basis. The Forum supports the independent monitoring and review of the Strategy and of the achievement of targets and time-scales in particular. If existing agencies are to be used in any of these roles, they may need to be recast and restructured to provide a more useful and effective contribution in this regard.