



An Chomhairle Náisiúnta Eacnamaíoch agus Shóisialta
National Economic & Social Council

How do we best address poverty and inequality in Ireland?

Some suggestions: Participation and Protection

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Outline of Talk

- **Context for the talk**
- **NESC Report: *The Future of the Irish Social Welfare System: Participation and Protection***
 - **Challenges facing the social welfare system**
 - **Ensuring income adequacy and alleviating poverty**
 - **Supporting high participation**
 - **Modernising family supports to reflect gender and care needs**
 - **Enhancing financial sustainability**

Context

- **Nature & extent of poverty**
 - Trends
 - Who are not included in the statistics
 - Experience

- **Commissions / Reports / Roadmaps**
 - Roadmap for Social Inclusion 2020-2025
 - Commission on Pensions
 - Commission on Taxation and Welfare

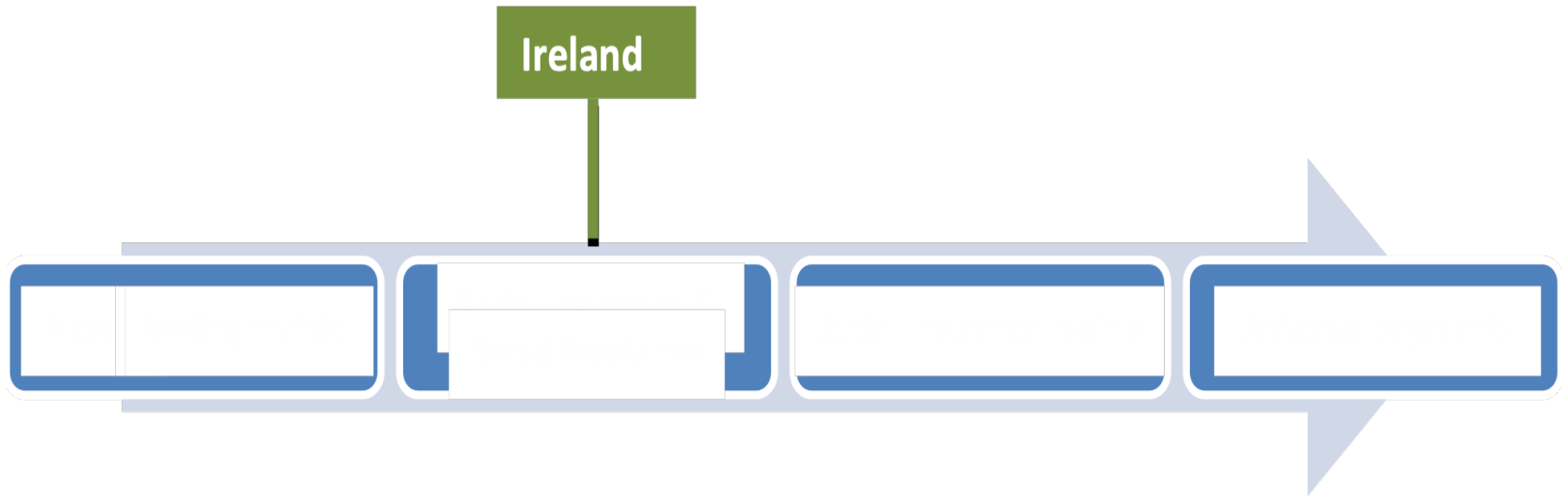


Features of the Irish Social Welfare System

- **Economic inequality**
- **Mix of cash and services**
- **Role of social insurance**
- **Hybrid of universal, insurance-based and means-tested payments**

A framework for the future

Ireland's position on a universal, social insurance, social assistance continuum



Challenges

- **Issues widely discussed**
 - **Population ageing**
 - **Changing patterns of work**
 - **Inequality of income and wealth**
 - **Need to reduce consistent poverty**
 - **Funding challenge**
- **Changing family structures**
- **Changes in housing and pension provision**
- **International challenges**
- **Ambivalent support for welfare provision**

Ensure an Adequate Income to Alleviate Poverty

- **Ensuring welfare payments are adequate to prevent poverty**
 - An agreed mechanism
- **Improving child income support**
 - Two tier approach combining QCAs + WFP
- **Providing supportive services**
 - Education
 - Childcare
 - Healthcare
 - Housing



Support High Participation

- **Dealing with the complexities of the changing world of work**
 - A tripartite group or similar body to consider
- **A more inclusive public employment service**
 - Supportive engagement with groups more distant from the labour force
- **Pilot a participation income scheme**
- **Support for low paid workers without children**
 - Amend the Working Family Payment or introduce refundable tax credits



Modernise Family Supports to Reflect Gender & Care Needs

- **Individualisation**
 - Apply lone parent changes to qualified adults
- **Support a better balance of work & family commitments**
 - Acknowledging more flexible work patterns
- **Taxation**
 - Review of transferability of credits

Enhance Financial Sustainability

3 options considered

- **Increase funding**
 - Increase PRSI rates, especially for the self-employed
 - Assess tax on all forms of income
 - Cap tax expenditures
 - Consider multiple rates of tax
- **Manage expenditure**
 - Expenditure on benefits strategically managed and controlled
- **Other 'external' actions**
 - Increase number of people in the labour force
 - Ease the cost of pension provision



Implementation

- **Give attention to implementation**
- **Garner public support**
- **Administrative reforms**
 - **Working Group to carry out audit of inconsistencies**
- **Good data & research**



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Thank you for your attention

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