

*“The Irish Approach
to Combating
Poverty”*

Delivered by Ireland's
Combat Poverty Agency Director

Helen Johnston

Ozanam Lecture

Respondent

**Fr Mark Raper
Provincial
Australian & New Zealand
Province of the Jesuits**



St Vincent de Paul Society
Helping Australians since 1854

Wednesday 23 July 2003

A message from the State President

I welcome you to read the sixth Frederic Ozanam Lecture and response. We are grateful to Helen Johnston, from Ireland, the Lecturer and Fr Mark Raper, the Respondent.

We were grateful for the attendance at the Lecture of the Vicar General of the Archdiocese, Monsignor Les Tomlinson, John Meahan, the National President of the Society, and the State Presidents from New South Wales, Queensland and Tasmania.

This year we celebrate the 150th anniversary of the death of our founder, Frederic Ozanam, and this Lecture is dedicated to him, both in name and in spirit.

Frederic was a visionary. He was the first to formulate the concept of “natural salary”, unemployment and accident benefits. Many of his advocacy ideas were later to be found in the encyclical “Rerum Novarum” of Leo XIII in 1891.

We trust reading the Lecture will raise the social consciousness of everyone, that we may each in our own way do something to eliminate poverty.

God bless



Syd Tutton
State President
St Vincent de Paul Society Victoria



Helen Johnston *Director of Ireland's Combat Poverty Agency*

Over the past 10 years, Helen has been active in addressing poverty related issues through her roles as Head of Research at the National Disability Authority.

For the past two years, Helen has been Director of Ireland's Combat Poverty Agency. Her main tasks have included:

- the development and implementation of a new Strategic Plan;
- contributing to the development of the Irish National Action Plan against Poverty and Social Exclusion for submission to Europe;
- leadership of two EU funded social inclusion projects – one on Mainstreaming and one on Local Authorities.

Other work has involved giving papers and speaking at seminars on a range of poverty related matters.

Outside of work interests, Helen is a keen sporting enthusiast having played hockey at senior level for more than 20 years and currently playing for Railway Union Hockey Club in Dublin and coaching a local club.

Helen also enjoys running and cycling, having completed the Belfast City Marathon and the Dublin Women's Mini Marathon on a number of occasions.

The Irish Approach to Combating Poverty

Helen Johnston

Introduction

By way of introduction can I say how delighted and honoured I am to be here this evening. I spent a short time in Australia towards the end of last year and am pleased to hear of the progress being made with the Senate Inquiry into Poverty in Australia. I hope that some of what I say in relation to the Irish experience is helpful, and that you can learn from our experience. I also hope that I can learn from the work you are doing here and so improve our strategy.

The recent UN Human Development Report 2003 identifies Ireland as having the best economic performance in 17 selected OECD countries over the 1990-2001 period. Over the same period, Australia was ranked 4th. Even though Ireland had the best economic performance it was ranked 16th out of 17 for levels of human poverty. Only the USA had a higher poverty ranking among the 17 highly developed countries. Australia was ranked 14th, not far from Ireland. The human poverty index measures survival, literacy, unemployment and income poverty.

The same report carries a special contribution by Joseph Stiglitz, a Nobel Laureate in Economics, on "Poverty, Globalisation and Growth". In his contribution, he states that the policy issue is not "to grow or not to grow" but "are there pro-poor growth strategies that do more to reduce poverty as they promote growth?" While his analysis relates mainly to developing countries it is relevant in the context of Ireland which has the highest economic growth rates among OECD countries but also one of the highest poverty rates.

Ireland has had a National Anti-Poverty Strategy since 1997. Six years on it is a reasonable question to ask whether having such a strategy in place has made any difference in reducing poverty and social exclusion. Has economic growth alone driven the changes? Has economic growth lead to increased poverty? Has the National Anti-Poverty Strategy made any difference?

I will return to these questions at the end of my paper. But first I want to provide some information on the context in which Ireland has developed an anti-poverty strategy, the process of developing and implementing the strategy and some of the issues emerging from this approach.

Context

In examining the context for the introduction of an anti-poverty strategy it is useful to assess the political, demographic, economic and social circumstances in which the strategy was developed.

Political

Ireland is governed by a national democratic government.

There are three main political parties

– Fianna Fáil, Fine Gael and Labour. The Fianna Fáil and Fine Gael parties derive from the days of the formation of the State in the 1920s. Both are centre parties while Labour is left of centre. Since the foundation of the State either Fianna Fáil or Fine Gael have been in power, often in coalition with other parties. Fianna Fáil has been the dominant party in government. Other parties include the Progressive Democratic Party, a small liberal party, the Green Party, the Socialist Party and Sinn Féin, a republican party. There are also many independents.

The National Anti-Poverty Strategy was initiated in 1995 under a Fine Gael/Labour coalition. This government was replaced in 1997 by a Fianna Fáil/Progressive Democrats coalition, who were returned to office in 2002. The National Anti-Poverty Strategy withstood this change of government.

There is a system of local government in place, although the state is generally centrally driven. Ireland joined the European Union in 1972.

Demographic

Ireland is an island about one third of the size of the State of Victoria. It has a population of 3.9 million people, about 1 million less than the State of Victoria. Currently 60% of the Irish population lives in urban areas. One quarter of the population lives in the greater Dublin area, which is the capital city.

Ireland continues to have a growing population. The average age is 35. The population is still relatively youthful although this has been changing in recent years, mainly due to a fall in the birth rate. The decline in the fertility rate from over four in the 1960s to less than two in the 1990s has had a major impact on family size. There has been a strong growth in families with one or two children and lone parent families, while families with four or more children have seen a significant decline.

Ireland is also becoming a more inter-cultural society, with foreign-born residents from countries other than the EU or USA now representing 2.5% of the population. Ireland has its own indigenous ethnic minority, the Irish Travelling community, which traditionally has had a nomadic way of



Lecturer: Helen Johnston

life. While Irish Travellers make up less than 1% of the total population, they are a very important population group, having experienced high rates of poverty and exclusion.

Economic

Ireland has a small open mainly export-based economy. In the 1990s Ireland experienced exceptional economic growth, giving Ireland its reputation as the “Celtic Tiger”. The growth peaked in the year 2000 when Ireland had a GDP growth rate of 11.5%.

This economic growth was matched by an increase in employment, which grew at an average of 4.7% per year. This was the fastest growth of employment in the OECD during this period. The increase in female employment was particularly significant, growing from a low base.

This strong growth in employment led to subsequent falls in unemployment. In 1993 the rate of unemployment (ILO basis) was 15.9% while by 2000 this had fallen to 4.3%. The fall in long-term unemployment (being unemployed for more than one year) was especially notable, falling from 8.9% of the labour force in 1993 to 1.6% of the labour force in 2000. This dramatic fall in unemployment has probably been the most significant social benefit of the Celtic Tiger era.

There have been a variety of reasons given to explain Ireland’s phenomenal economic growth in the late nineties. Four factors come to the fore:

- Firstly, a national policy and institutional framework underpinned by social partnership agreements between the government, employers, trade unions, farmers and the community and voluntary sector. This framework was highly focused on competitiveness and employment creation.
- Secondly, incentives for foreign investment, particularly in the high-value, high growth market segments.
- Thirdly, a young, available and highly educated work force.
- Fourthly, support from Europe, through direct funding for infrastructural and social development and also through the creation of a single market.

Since the year 2000 Ireland has experienced a sharp slowdown in economic growth. A number of factors have contributed to this slowdown, including the global economic climate and September 11th as well as domestic factors. The slowdown in economic growth has led to reduced growth in employment and an increase in unemployment. The unemployment rate currently stands at 4.6% and the trend is upward. After several years of low inflation, inflation has increased, rising to 5.1% in February of this year, the highest in the European Union. Competitiveness is also under pressure, due to increased costs and infrastructural bottlenecks. The economic slowdown has also led to a sharp downturn in the public finances. From being in surplus there is now a deficit. This reflects both a slowdown in the economy as well as tax cuts.

In summary, the economic situation in Ireland has changed from being one of very high economic growth, high employment, low unemployment, low inflation, and abundant public finances to one of low economic growth, growing unemployment albeit from a low base, low inflation and tight public finances. This clearly has implications for anti-poverty and social inclusion policy in Ireland.

Social

The main social services in Ireland are provided through the State. State income support in Ireland is provided mainly through the social welfare system. The system has three broad branches: social insurance, which is non-means tested and financed by contributions; social assistance, which is means tested and financed by taxation; and child benefit, which is a universal payment financed from taxation. Education is provided by the Department of Education and Science. Ireland has a high attainment level, but also conversely a high proportion of students who drop out of the education system early. Health and social services are provided by the Department of Health and Children, through eight regional health boards. 30% of the population are entitled to free health services, through the public system. Nearly half (47%) of the population have private health insurance. Ireland has a high level of home ownership (82%), with a residual social housing sector. Due to increasing house prices and a growing population, particularly in the Dublin area, there is a strong demand for more social housing provision.

Poverty

Consistent Poverty

This brings me on to examine poverty trends. In Ireland we have been using two measures of poverty: consistent poverty and relative income poverty. Consistent poverty is when a person has less than 70% of median income (that is, just under €200 per adult per week in 2003 terms, which is about AU\$340) and does not have basic items such as one substantial meal each day or cannot pay everyday expenses without falling into debt, because they cannot afford them.

In 2001, which is the latest information available, 5.2% of the population or just over 200,000 people were living in consistent poverty. Consistent poverty has fallen from 15% in 1994. This fall has been driven by an improvement in deprivation. In other words, there are now fewer households that lack basic necessities.

As you know, some groups in the population have higher than average levels of poverty. In Ireland, households headed by someone who is unemployed, working in the home (mainly women) or ill or disabled have relatively high poverty levels. Households where there are four or more children, lone parent households, and households with one adult living alone (mainly older women) also have high poverty levels. In general, the risk of poverty is greater for women than for men and higher for children than for adults. Child poverty has been a serious problem in Ireland, although recent years have seen a considerable reduction in consistent child poverty

from 24% in 1994 to 6% in 2001 – this still amounts to 95,000 children.

While this information paints an overview of the levels and risks of poverty it does not give the whole picture. As the information is based on national household surveys, people who do not live in households are not included in the information. People who are known to have relatively high levels of poverty but who are not in the figures include people who are homeless, members of the Travelling community, refugees and asylum seekers and people living in institutions. In addition, the information does not tell us about poverty risk within households but assumes that resources are shared equally. Yet, we know from other research that there is a higher risk for women and children.

Income Poverty

A second way in which poverty is measured is by using income alone, without adding the “deprivation items”. Using a poverty line set at 60% of median income (which is about €168 per adult per week in 2003 terms or about AU\$290) just over one-fifth or 22% of the population was in income poverty – this amounts to about 850,000 people. In contrast to the fall in consistent poverty, the numbers in income poverty have been increasing steadily, rising from 16% in 1994. The reason for this is that incomes in the population generally grew at a very fast rate during the economic boom. While the incomes of those at the bottom of the income distribution, such as those dependent on social welfare payments have also increased, this was at a slower rate than the growth in wages and incomes generally.

The level of income poverty is affected by the overall income distribution. Income inequality in Ireland rose sharply in the 1980s and 1990s. High levels of income inequality imply a poor redistribution of resources and opportunities throughout society. While a number of factors impact on the income distribution, public policy can intervene to redistribute resources generated by the market. Public policy can invest in the development of human and social capital and in public service and infrastructural development, all of which are essential to the long-term viability and sustainability of economic growth.

Lived Experience of Poverty

While statistics give a useful perspective on the scale and nature of poverty experienced by families it is important to get behind the numbers and acknowledge the lived experience of poverty. Only then can we really see how important it is to work towards better structures and policies in society to prevent and alleviate poverty.

The work of the St Vincent de Paul Society is world renowned for its contribution to the alleviation of poverty. Your home visits bring you face-to-face with the grinding reality of poverty, its causes and consequences. In *Combat Poverty in Ireland* we recently documented the lived experience of poverty through a study of 30 low income families. The families were chosen to reflect the broad spectrum of circumstances facing Irish families in



(l to r) St Vincent de Paul Society's State President, Syd Tutton, Lecturer Helen Johnston and Respondent Fr Mark Raper.

poverty: rural and urban, one and two parents, small and large families, working and not working.

The average income of these families was €124 per week (in 2000) equivalent to AU\$212. Almost all of their money went on food, household bills and their children's needs so that these households were very vulnerable to shortages for regular and irregular expenses. One in three households highlighted health problems in relation to children. Many women suffered from depression and were on medication. The level of educational and other resources available to the families was also limited. People's incomes were low because of their employment situation, but equally many people could not secure employment because educational and other human resources available to the families were limited.

The concerns of children in these families were mainly about the pressures of trying to fit in with their peers. This meant that certain brand names often had to be bought even though this was an expensive option. A quarter of the children admitted that they had been bullied at school – often because they did not have brand name clothes or runners.

These are serious issues, which do not come through in statistics, but which need to be addressed.

The Irish National Anti-Poverty Strategy

In the second half of my presentation I want to talk about the development and contribution of the Irish National Anti-Poverty Strategy. I will do this by signalling some of the key landmark developments and then addressing some of the key issues that have arisen in its implementation.

1995

The Irish National Anti-Poverty Strategy was conceived at the UN Social Summit in Copenhagen in 1995 when the Irish Government endorsed a program of action aimed at not only eliminating absolute poverty in the developing world but also reducing overall poverty and inequalities everywhere. Arising from this commitment,

the Irish Government approved the development of a National Anti-Poverty Strategy in Ireland. It established an Inter-Departmental Policy Committee that included representatives of all the main government departments at senior level.

In developing the strategy, an overview paper on the nature and extent of poverty, social exclusion and inequality in Ireland was prepared, submissions were invited, and papers were prepared on the possible institutional mechanisms required to implement a National Anti-Poverty Strategy (NAPS). This material was gathered together and formed the basis of a national consultation exercise.

1997

In April 1997, the National Anti-Poverty Strategy 'Sharing in Progress' was published. The strategy was to be implemented over a 10 year period from 1997 to 2007. Key features of the strategy included:

- An agreed definition of poverty;
- An analysis of the causes of poverty and identification of those most at risk of poverty;
- A global target for poverty reduction;
- Targets, objectives and actions for five thematic areas – educational disadvantage, unemployment, income adequacy, disadvantaged urban areas, rural poverty;
- Key equality and participation principles to underpin the strategy; and
- Structures by which the strategy would be implemented.

The definition of poverty adopted in the National Anti-Poverty Strategy is:

People are living in poverty if their income and resources (material, cultural and social) are so inadequate as to preclude them from having a standard of living which is regarded as acceptable by Irish society generally. As a result of inadequate income and resources people may be excluded and marginalised from participating in activities which are considered the norm for other people in society.

The strategy adopts a relative definition of poverty, where poverty is described with reference to the prevailing socio-economic conditions of the society in question.

An important feature of the strategy was that it set a global target for poverty reduction. Ireland was the first European country to formally adopt such a target.

The importance of specific institutional structures to implement the strategy was recognised. At political level a Cabinet Committee on Social Inclusion was established. At administrative level the Inter-Departmental Policy Committee, which was originally established to develop the strategy, provided the principal strategic focus for its implementation. A dedicated unit was established in the Department of Social and Family Affairs with responsibility for co-

ordinating and developing cross-departmental action in support of social inclusion initiatives.

1998

One of the key policy developments to emerge from the strategy was the development and application of poverty proofing. Poverty proofing is described as:

The process by which government departments, local authorities and state agencies assess policies and programs at design and review stages in relation to the likely impact that they will have or have had on poverty and on inequalities which are likely to lead to poverty, with a view to poverty reduction.

What this means in practice is that major economic and social policy proposals are assessed for their effects on poverty. Poverty proofing is undertaken by officials in government departments, in accordance with Poverty Proofing Guidelines.

The introduction of poverty proofing has been cited as one of the most significant developments under the strategy to date. A review of poverty proofing noted that while it had sensitised policy makers to the poverty dimension of policies, there were concerns in relation to its application in practice. These relate to the need for:

- Greater emphasis to be placed on the need for poverty proofing and institutional supports;
- Elaboration on the poverty definition, improved data on levels and risks of poverty and indicators to measure this;
- Follow-up in-depth impact assessment;
- Greater transparency in how policies are assessed and the outcome of the proofing process;
- Resources to be allocated to poverty proofing and the training of officials.

2001

In 2000 the European Union agreed that all Member States should prepare National Action Plans against Poverty and Social Inclusion. In the first instance this would be for the two year period 2001 to 2003 and then subsequently in two year periods up to 2010. The ultimate goal was to substantially reduce poverty in Europe by 2010. These plans were to follow an agreed common outline which would set out trends and challenges; a strategic approach; main objectives and key targets; policy measures; institutional arrangements; and good practice. The plans would follow four objectives:

- To facilitate participation in employment and access to resources, rights, goods and services for all;
- To prevent the risks of exclusion;
- To help the most vulnerable; and
- To mobilise all relevant bodies.

Ireland's plan was prepared and submitted to Europe at the time when a review of the National Anti-Poverty Strategy was ongoing. Ireland's plan was thus very much a work in progress and a description of ongoing initiatives. The European Commission was critical of

Ireland's plan in its subsequent Joint Inclusion Report, saying that it provided little new to what was already happening.

2002

In 2002, following a review of the original National Anti-Poverty Strategy, a revised National Anti-Poverty Strategy called 'Building an Inclusive Society' was launched. The review sought to address identified weaknesses in the original strategy:

- by updating the strategy in consultation with the social partners;
- by reviewing the underlying methodology;
- by reviewing and revising the existing targets;
- by considering new targets in the areas of child poverty, women's poverty, health, older people and housing/accommodation; and
- by addressing emerging causes of poverty such as racism.

The revised strategy has a five year timeframe from 2002 to 2007. It retains the definition of poverty. The revised strategy contains a revised global target to reduce consistent poverty to 2% or ideally to eliminate it. It is worthy of comment that no target was set for the reduction of relative income poverty.

The revised strategy contains 36 targets in total, across the five key themes of income support, employment, education, health and housing/accommodation, as well as for vulnerable groups identified as children and young people, women, older people, the Travelling community, people with disabilities and disadvantaged urban and rural dwellers. It cites migrants and members of ethnic minority groups as vulnerable to poverty, but does not set a target due to lack of information.

Some of the institutional structures for implementing the strategy have been strengthened. The Cabinet Sub-Committee on Social Inclusion remains. A new Social Inclusion Consultative Group, involving the social partners and anti-poverty experts, meets twice a year to offer its advice and observations on the process as it develops. An annual Social Inclusion Forum is held, where individuals and representatives of the community and voluntary sector have an opportunity to contribute to the process.

A new National Office for Social Inclusion, reporting to the Minister for Social and Family Affairs, has taken over the functions of the original Strategy Unit and the Inter-Departmental Policy Committee. Social Inclusion Units have been established in departments that have prime responsibility for implementing the strategy's policies. Nine social inclusion units have also been established in local authorities.

The Combat Poverty Agency has been given the role of supporting the implementation of the National Anti-Poverty Strategy, particularly in the areas of policy advice, data and research, consultation and participation, and public education and communication.

The revised strategy is to be supported by a Data and Research Strategy, which will seek to identify and address data and knowledge gaps. This was a particular



Helen Johnston presents the lecture.

weakness in the original strategy, where there was a dearth of information in some areas and limited indicators to monitor progress towards the targets.

2003

The time has now come to submit our second National Action Plan against Poverty and Social Exclusion for the period 2003-2005. This plan has to be submitted to Europe by the 31st July so we are currently finalising this plan. In this instance, member states have been asked to give particular attention to setting targets for poverty reduction, gender mainstreaming and migrants. The Irish plan reinforces the revised National Anti-Poverty Strategy 'Building an Inclusive Society', supported by an extensive consultation process and submissions to the plan. The report of the consultation process and the submissions will be published as well as the plan. A key challenge for this plan is to retain and take forward the commitments in the National Anti-Poverty Strategy, given the economic downturn. However, this is critical if the consultation process and ongoing engagement is not to be undermined.

Key Issues

Having provided a brief overview of the chronological development of recent anti-poverty policy in Ireland I have identified 10 key issues emerging.

Political Acceptance and Commitment

First, political acceptance and commitment is required. The original strategy was prepared by the so-called "Rainbow Coalition" of Fine Gael and Labour. The government was replaced by a Fianna Fail/Progressive Democrat Coalition two months after the launch of the strategy. Following a slow start, it was adopted by the new government who took ownership of the strategy and have since developed it substantially.

However, it has to be said that while the strategy is clearly stated on paper it is not always followed through in actions. Successive annual budgets, during the life of the strategy and the Celtic Tiger years, prioritised resources to the well off rather than to those on low incomes – hence the widening gap between rich and poor. Nevertheless, the stated commitment to



(l to r) St Vincent de Paul Society's General Secretary - NSW, Owen Rogers; National President, John Meahan; State President - NSW, John O'Neill; Helen Johnston and Fr Mark Raper.

substantially reduce poverty does mean that the government does have to respond to it. The challenge remains to ensure that the strategy and subsequent plans are implemented.

Vision

Second, it is important to set out and agree a vision of the type of society we want to live in. The current strategy fails to adequately do that. However, a core objective is "to build a fair and inclusive society and ensure that people have the resources and opportunities to live life with dignity and have access to the quality public services that underpin life chances and experiences". The strategy also sets out an agreed definition of poverty and has acknowledged that equality is a key goal which must underpin activity in all areas to ensure a fair and inclusive society with equal opportunity.

Agreement on the Levels, Causes and Consequences of Poverty

Third, it is important to have agreed measures of poverty and to underpin the strategy with sound analyses of the extent, causes and consequences of poverty, social exclusion and inequality. Key debates in relation to the Irish strategy hinge on the measure of consistent poverty and the need to update the deprivation measures. There are also various views on the importance of income alone as a poverty measure, although this is an agreed indicator at European level. Poverty is complex and multi-dimensional and therefore we need to have a number of measures to inform us of the key trends and drivers of poverty. These should be collected and analysed on a longitudinal basis, if possible.

Economic, Social and Cultural Rights

Fourth, one of the most controversial issues in relation to the National Anti-Poverty Strategy is its reluctance to build a strong economic, social and cultural rights dimension into the strategy or to underpin it on a legal basis. The strategy only goes so far as to acknowledge that citizenship rights encompass social, economic and cultural rights and obligations that underpin equality of

opportunity and policies on access to education, employment, health, housing and social services.

The focus is then on setting standards in relation to access to services and monitoring adherence to these standards, based on this approach to the provision of quality services.

Many, including the UN, have criticised this approach as a weak underpinning of the strategy. However, the debate has now moved on to consider how stronger policy commitments can be delivered without recourse to the law. This promises some potential as an acceptable way forward.

Mainstreaming Social Inclusion

Fifth, there remains a challenge about how social inclusion can be better mainstreamed across government. Combat Poverty is currently working on this along with other European partners. Our analysis to date would suggest that there are three approaches to mainstreaming social inclusion. These approaches broadly are:

- By bringing people back into the mainstream of society by reducing structural barriers through re-shaping service delivery and improving access;
- By mainstreaming innovation and learning that emerges from pilot and demonstration projects; and
- By adopting a strategic approach and putting in place mechanisms across policy areas so that resources can be directed towards poverty elimination and social inclusion. An example of this approach is poverty proofing.

Work is in progress to develop the thinking on this further, particularly in terms of evaluating the effectiveness of the different approaches and how they could be developed to make them more effective.

From National to Local

Sixth, as well as co-ordinating social inclusion policies across government, sometimes referred to a "joined up government", it is important that the national and local are also "joined up". Ireland has a very centrally driven government system, yet many people interact with government at a local level. It is therefore important that the national strategy is also delivered at local level. This is now beginning to happen in Ireland. Social inclusion measure groups have been set up at local government level and a number of local authorities have established social inclusion units. Combat Poverty has led the establishment of a Local Government Anti-Poverty Learning Network which supports learning and exchange between local authorities, particularly on developing local anti-poverty strategies and on involving the community and voluntary sector in the work.

Universal versus Targeting

Seventh, a key issue in poverty alleviation policy is the extent to which universal approaches should be employed and when are targeted approaches more effective. Universal approaches have the advantage that, in providing access to all, they remove the stigmatising and residual effects of some targeted approaches and are straightforward to administer but they are expensive and may not be completely effective in alleviating

poverty among people in particularly vulnerable situations.

Targeted approaches have the advantage that they are more cost effective and can be tailored to meet specific needs but they can be stigmatising and residual, create poverty traps and be administratively very complex.

The traditional social structures within countries determine the approach to some extent eg the Nordic universal approach versus the US free market targeted approach. Evidence indicates that a universal approach is more effective in preventing and alleviating poverty. In Ireland, the way forward would seem to be to work towards a more universal approach, but complement this with targeted initiatives. The challenge is in finding the optimal balance.

Participation

Eighth, a key challenge in designing and implementing the Irish National Anti-Poverty Strategy has been involving people experiencing poverty and the organisations which represent them as well as wider society, in particular the business community. There is clear evidence to demonstrate that policy and programs are much more effective when the people at whom they are directed are involved in their design and implementation. Ireland supports an extensive infrastructure of involvement through support for community development throughout the country and a national anti-poverty network program.

However, involving disadvantaged communities and anti-poverty groups in national strategies remains a challenge. The preparation of the recent National Social Inclusion Plan for Europe involved an extensive consultation exercise. But there needs to be follow through, in terms of delivery of commitments in the plan, otherwise, in the words of one of the participants at a recent seminar “*consultation is merely smoothing our feathers*”.

Monitoring Progress

Ninth, in order to assess the extent to which progress is being made it is important to have in place indicators of progress, monitoring and evaluation systems and a strong research base. This remains a challenge in Ireland, particularly in relation to the need to better utilise existing data sources and to supplement these where data gaps exist. We cannot make effective policy in an information vacuum.

The Irish strategy does make a commitment to a data and research strategy and a technical advisory group has been established. Eighteen poverty indicators have been agreed indicators at European level and there is an obligation on member states to monitor progress against these indicators.

The European Dimension

Tenth, the European requirement to prepare and submit a National Action Plan against Poverty and Social Exclusion on a regular basis provides an impetus for a greater focus on anti-poverty policy. As well as being a requirement there is much learning to be gained through transitional work with other countries.

Concluding Remarks

By way of conclusion I now want to return to the questions I raised at the outset of my paper.

First, has economic growth alone driven the changes in levels of poverty in Ireland?

Clearly, the phenomenal economic growth has had a considerable impact. It has created jobs, providing a route out of poverty for many people. It has also produced the resources to fund increases in social welfare rates for those not in the workforce. This has been most noticeable in the area of child income support. It has enabled improvement of Ireland’s underdeveloped physical and social infrastructure. But having in place a National Anti-Poverty Strategy has kept the need to address poverty on the agenda. It has required a response from government, right across government departments and, more recently at European level. Without an anti-poverty strategy in place I am convinced there would have been less progress made on promoting social inclusion.

Second, has economic growth led to increased poverty?

My response to this question is a qualified no. It has certainly led to an increase in income inequality and a widening gap between those on low incomes and those on high incomes. There is a strong correlation between poverty and inequality and it is clear that a rising tide does not lift all boats. So there is still much to be done. The National Anti-Poverty Strategy has a continuing role in ensuring poverty issues are on the national agenda.

Third, has the National Anti-Poverty Strategy made any difference?

The evidence would suggest that it has in that:

- It has strengthened political and societal consensus on the need to reduce levels of poverty in Ireland;
- It has raised awareness, particularly within the administrative system of the need to address poverty, for example through poverty proofing;
- The targets in the strategy have created a focal point for poverty reduction;
- It has formally acknowledged the need to involve the community and voluntary sector; and
- It recognises new and emerging causes of poverty.

However, the strategy clearly has weaknesses which remain to be addressed. These include:

- The need to ensure a stronger commitment at political and administrative level to implementing the strategy;
- The need to put in place systems to ensure better access to services;
- The need to better match inputs to outcomes;
- The need for a stronger commitment to delivery of the strategy at local level; and
- The need to ensure a greater involvement of people experiencing poverty and the organisations which represent them in the design and delivery of services.

So in response to the question – should Australia have an anti-poverty strategy? My answer is yes. Why? In the words of your founder Frederic Ozanam “To become better – to do a little good”.

Response to “The Irish Approach to Combating Poverty”

Fr Mark Raper, SJ

Mark Raper SJ AM is the Provincial of the Australian and New Zealand Province of the Jesuits. Since 1990 he was International Director of the Jesuit Refugee Service (JRS), based in Rome, and throughout the 1980s he lived in Thailand as Regional Director of JRS for Asia and the Pacific. In 2002 he was Director of Uniya, the Jesuit Social Justice Centre in Sydney. He is on the Board of the Refugee Council of Australia.

The ‘preferential option for the poor’ means that:

- *the needs of the poor take priority over the wants of the rich;*
- *the freedom of the dominated takes priority over the liberty of the powerful;*
- *the participation of the marginalised groups in society takes priority over the preservation of an order which excludes the marginalised.*

David Hollenbach SJ, Claims In Conflict, 1979

Thank you, Helen Johnston for tonight’s Ozanam Lecture. You speak with authority. You are not lost in definitions. You do not give a simplistic analysis, but you tell us what you have learned from a work in progress. Under successive Irish governments, you are developing and implementing strategies to eliminate poverty, social exclusion and inequality. Tonight you offered us a toolbox of tested policy responses that will help us as communities and as a nation to put into practice the Church’s ‘preferential option for the poor’.

Thank you, St Vincent de Paul Society for the honour you pay me in asking me to respond to what Helen Johnston has offered us.

Acknowledging your presence Helen Johnston, may I also acknowledge and give thanks for the immense contribution of Ireland to Australia, especially to our Catholic Church, but also to the education and health institutions in this country. It is an irony that while many Irish people came to Australia, whether as forced or voluntary immigrants, because of poverty and lack of opportunity in their home country. And today we look to Ireland for inspiration on how to tackle poverty in Australia. Indeed tonight we receive that inspiration.

The followers of Catherine McAuley, Mary Aikenhead, Edmund Rice, for example have all had an immense impact for good on Australian institutions and faith. Our



Respondent: Fr Mark Raper

own Australian Jesuit Province owes an immense debt to the Irish Jesuits.

It is our custom at public gatherings to honour the indigenous owners of the place. Well may we do so tonight, joining in spirit with indigenous leaders who now gather in another place with government to address the high levels of violence and poverty among their people. The disadvantage of indigenous Australians remains a wound in our side. They die 20 years prematurely; their prisoner population is 15 times the non-indigenous rate; their diabetes rate is double that of other Australians; mental illness among them leads to twice as many deaths; while mortality from heart disease among the 25-64 age group is 6-8 times that of the general population; the suicide rate for indigenous Australians is 2-3 times that of non-Australians.

May I also salute the St Vincent de Paul Society, our hosts this evening.

Yesterday at lunch I mentioned this talk that I was preparing, and a fellow Jesuit, Fr Tom Daly, told me that he had given a lecture on Frederic Ozanam in 1956. At the end of his talk he recalled, a blind man came and shook his hand, saying, “Father, we have not met. Are you by any chance a marathon runner?” Surprised, Tom said, “No, why do you ask me that?” The man said, “Because you have the ability to keep going for a long time!” Indeed there is a lot to say about Frederic Ozanam. “By their fruits you shall know them,” the gospel tells us. Your faith is expressed in service. Through you, Ozanam has been serving the poor for 170 years, in Australia for 149. You may have had the soup van stolen in Footscray last month, but through the generosity and initiative of your local members there, none of the 140 homeless people missed their soup and sandwiches that night or subsequently.

Tonight Helen Johnston did not reduce the relief of poverty to a mere technical exercise. Often discussions on poverty appear to render it a sheer economic, even a mathematical problem, such as how the size of the income gap is measured. Sure, there is an economic reality, but this is not as critical as the social

complexities. And Ireland's National Anti-Poverty Strategy, you have demonstrated to us, is concerned with the multi-faceted dimensions of social exclusion.

Rather than an 'income gap', I would say our problem is an 'understanding gulf'. There is a gulf of incomprehension between the poor and the comfortable in our society. The poor have no language or common identity through which to express their need. Your researcher Colin Robinson expressed this well in a recent issue of the Vinnies newsletter, the Record, in an article on homelessness. Homelessness is "but one stage in lives marred by poverty. The one thing homeless people have in common is they are all poor." And as Zygmunt Bauman has pointed out: "Poverty is not only about material deprivation – it is a social and psychological condition."

We may often hear from the comfortable: "We support these people with taxpayers' money, why are they still homeless or starving?" Basically the answer is: because they cannot tap into their own sources of meaning. Many live, like the poor in a dictatorship, in a constant state of the trauma of oppression. But they do not have even the romantic solidarity of being members of an oppressed class. Colin Robinson goes on: "Far from making bad choices, the poor have no choice and are trapped in a daily struggle bereft of meaning." Again he quotes Bauman:

These days the sufferings of the poor do not add up to a common cause. Each flawed consumer licks his or her wounds in solitude. Flawed consumers are lonely, they do not see how society can help, they do not hope to be helped, they do not believe that their lot can be changed by anything but a lottery win.

With little understanding or language to express their need, it is small wonder that violence becomes a way of self-expression, or that some seek amphetamines to ease the pain and boredom. The suffering of the homeless is that it is easy to feel worthless or without a sense of identity. Relationships are also a gamble. Breaking down at the level of meaning, they can quickly become exclusively sexual or exploitative, and the cycle continues.

Defining and measuring poverty

In your strategy, Helen Johnston, you use two measures of poverty, consistent poverty and income poverty. But you have one comprehensive, complex, yet concise definition of poverty. A clear definition is the key to a good strategy. Around this consensus can be built. With this you can work for agreement on levels, causes and consequences of poverty. Your definition is a combination of objective, measurable factors and attitudinal, even value-laden factors. Then you have 36 targets across five thematic aspects of social life. You present innovative ways of involving many sectors of government, such as through what you are calling 'poverty proofing'.

You show that poverty is not inevitable. Surely children may still be born into poverty. Fr John Brosnan used to say of his experiences with disadvantaged youth, "their futures were written on their faces before they were born". But no one need either be born or to remain poor. The change will only come if the community recognises the nature and extent of poverty and if this view is reflected in a commitment by government. As Terry McCarthy, Chair of the Vinnies Social Justice Committee said "Stop pretending that poverty in Australia is not a problem" and "Stop pretending we don't have solutions." Early in the 19th century, Frederic Ozanam said with a clarity that is foundational for Catholic social teaching:

The question agitating the world today is ... a social question. It is the struggle between those who have nothing and those who have too much, it is a clash between wealth and poverty, which is shaking the ground at our feet. Our duty as Christians is to throw ourselves between the two camps, in order to accomplish through charity what justice alone cannot do.

St Vincent de Paul works both with community attitudes and with government policy. You have credibility not only because you are innovative, or because of the quality of your research. You work on the ground. You know what is going on. Your experience directs your advocacy, which touches on the forces that lead people to poverty, disability and alienation. Yours is a multifaceted strategy. During home visits you listen to the people, giving them freedom to ask their questions of life and to search for meaning. You give the means to tide them over. You meet people with respect. As your Winter Appeal envelope respectfully says: "With this envelope, you can help people to change their lives." You organise yourselves and you mobilise others. You engage politically, not as our politicians do, managing illusions, but as Frederic Ozanam did, seeking a social betterment in people's quality of life. (Although Ozanam had limited success in his attempt at an elected office in 1848.) You research, you ask the hard questions, as Helen Johnston has done with clarity tonight. You make your submissions and reports as in 2001, *Two Australias: Addressing Inequality and Poverty*, and the recent Poverty Inquiry in which you spoke of 3 million Australians in poverty and one in five households living with constant financial stress.

Comparing the social and economic contexts of Ireland and Australia, there are surely similarities. Our average age is just the same, at 35. The percentage of Australians on private health insurance fell to 30% in 1998, lower than Ireland's. Our home ownership rates are reasonably high at 71%, but still lower than Ireland's 82%, while only 38% of households own their dwellings outright. The median income registered in our 2001 Census is \$386 per week. While this was a 30% jump from the 1996 census figures, and while Australia has experienced consistent economic growth of around 4% during the 1990s, we have had nothing like the

phenomenal Celtic Tiger growth shooting sometimes over 11%. What we do have in common with Ireland is the widening gap between the very rich and the normal poor. At our 2001 Census we learned that the income for the bottom 10% of the private sector lowered around 3%, while that for the top 10% increased around 20%.

There are several differences worth remarking on. The first is that your anti-poverty strategy was conceived at the UN Social Summit in Copenhagen. This speaks volumes for the ways in which both government and non-government groups approached that world forum and exploited it, in the best sense. Your government's endorsement of an internationally co-operative program to eliminate absolute poverty throughout the world was applied at home. I weep with joy to know of your example, but I simply weep to realise that on our island society isolates itself repeatedly from such opportunities for international co-operation. Global security follows global justice. What stronger foundations for security can there be but bonds of respect that grow through co-operation?

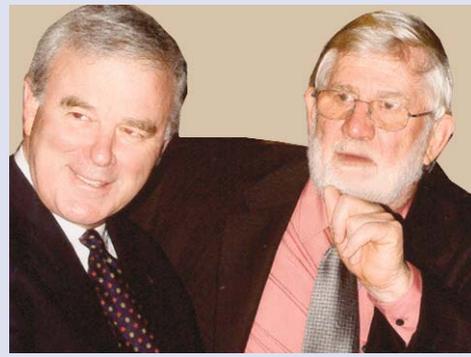
A difference between Australia and Ireland is that your national strategy has firm targets that have won broad political acceptance and commitment across party lines. The elimination of poverty can only be achieved if it is a goal for the whole of society, not just for government. Regrettably we are far from this consensus.

Another difference concerns the multicultural nature of our Australian society. Ireland has only recently begun to receive immigrants in any number, and that brings new challenges both to the community and to your Department of Justice which is rushing to catch up with adequate policy. Australia is by contrast, after Israel, the most multicultural society in the world, and despite our shameful history of a White Australia Policy, immigration has served us well. Apart from the discriminatory treatment of persons on Temporary Protection Visas, migrants can quickly find their place in society and benefit from it. We have a contested past, an unresolved longing by many Australians for reconciliation with the indigenous people, and so of coming to terms with our history of occupation.

Finally, Helen Johnston, you concluded your talk with an instructive list of 10 key issues, such as the need for agreement on levels, causes and consequences of poverty; the need to mainstream social inclusion; to reach a balance between universal approaches and targeting; on the need for participation; on the importance of monitoring. In concluding I wish to return to one of these elements, namely that of vision.

In making its most recent submission on poverty, St Vincent de Paul quote the text of scripture "Without vision the people perish". The St Vincent de Paul vision grows from personal knowledge of children lethargic and unhealthy; of a single mother who cannot afford food for her young daughter; of a lonely man, wheelchair-bound for over 30 years who spends the entire day without human company. This vision is nurtured by the solidarity of companions who share and make practical their faith.

Addressing a conference on 'Homelessness in the Lucky Country' in 1996, former Governor-General, Bill Deane formulated a vision and role for us:



Fr Mark Raper (left) with Syd Tutton, State President, St Vincent de Paul Society Victoria

...government assistance can do only so much and must be supplemented by individual contributions of work, skill, dedication and in many cases, companionship. It is well to remember that the abiding wisdom of the patristic maxim, that he who has failed to feed the man dying from hunger has truly killed him, is directed to the individual, and transcends mere notions of government welfare payments or services even when they are available.

Should Australia have a national anti-poverty strategy? If we wish to be a just and humane society, able to share the opportunities for a better life, to be truly multicultural and inclusive, then we must, as a nation, address the poverty among us. Unaddressed, that poverty among us diminishes us all.

*LORD, shall we not bring these gifts to Your service?
Shall we not bring to Your service all our powers
For life, for dignity, grace and order,
And intellectual pleasures of the senses?
The LORD who created must wish us to create
And employ our creation again in His service
Which is already His service in creating.*

T S Eliot
Choruses from 'The Rock', 1934, IX

St Vincent de Paul Society

The St Vincent de Paul Society Victoria Inc. consists of 8,000 volunteers who assist more than 400,000 people in need each year. The Society receives little government funding, relying on the generosity of the wider community. The specialist arm of the Society, St Vincent de Paul Aged Care & Community Services provides professional assistance to people with more complex needs in aged care, homeless and disability services. These services rely heavily on governments, yet also benefit from volunteers and donations from the community.



St Vincent de Paul Society
Helping Australians since 1854