

INEQUALITIES IN IRELAND

GREATER POLICY COHERENCE NEEDED TO TACKLE STARK WEALTH INEQUALITIES WHICH CO-EXIST ALONGSIDE WIDESPREAD SOCIAL DISCRIMINATION

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Income and wealth

Gross income inequality is higher in Ireland than any other EU country. However, the impact of low taxation and social transfers is significant, bringing Ireland's net income inequality close to the EU average.¹

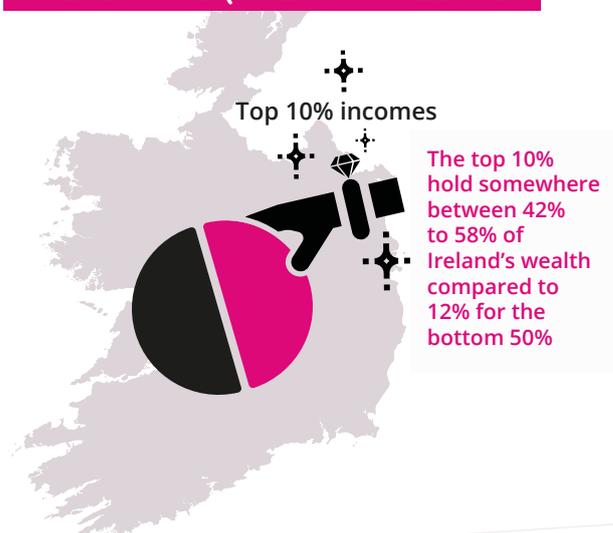
Economic policies since the 2008 financial crash have exacerbated wealth inequalities, with a shift in income towards the top 10%.² Between 2015 and 2017 the bottom 50% of people experienced a 2% fall in their share of gross income, while the top 1% saw their share increase by 27%.³ Between 2010 and 2015 average household expenditure among the bottom 40% rose by 3.3%, while incomes rose by barely 1.1%,⁴ indicating that Ireland is moving backwards on Target 10.1.

The statutory minimum wage in Ireland is €9.25 per hour but the minimum acceptable standard of living rate is €11.50. Eurostat defines low-pay as two-thirds of median hourly earnings. For 2010 this was €12.20. In 2013, 5.5% of employees had hourly earnings below the national minimum wage, 25.6% earned less than €11.45 an hour and 30.3% less than €12.20. The low paid are disproportionately part-time, female, young and working in retail and hospitality.⁵ Meanwhile the growing number of workers in precarious employment, such as couriers and fast-food delivery workers, are placed on self-employment contracts. As self-employed workers, rather than employees, they have minimal rights, no collective representation and are excluded from social insurance benefits, such as Jobseekers Benefit.⁶

Discrimination and employment

Stark wealth inequalities exist alongside persistent social discrimination and low wages. This in particular affects members of the Traveller community, women, persons with disabilities, older persons and people who identified as 'black' in the study.⁷ One in eight people experience some form of discrimination.⁸ Members of the Traveller community are ten times more likely to suffer discrimination while seeking work, and 22 times more likely to face difficulties in accessing private services, than people who identify as 'white Irish'.⁹ Women are twice as likely as men to face discrimination at work, while persons with disabilities are twice as likely to experience discrimination at work or while accessing private and public services. People who identify as 'black' are three times more likely than 'white Irish' people to experience discrimination at work and in accessing private services, and four times more likely in public services.¹⁰

WEALTH INEQUALITY IN IRELAND



Source: TASC

Housing

Inequalities have been a strong characteristic of Ireland's housing system, both historically and more recently. Key features of this are disproportionately high unemployment in disadvantaged areas, high house prices and reduced state provision of social housing. This has resulted in a shortage of available accommodation, high costs to both buy or rent properties and high levels of homelessness, with 10,264 people homeless in February 2019.¹¹ Homelessness disproportionately affects the young, single parents, non-EU migrants, members of the Traveller community and persons with disabilities. More than one in four homeless people have a disability, while members of the Traveller community (comprising 1% of the population) make up 9% of the homeless.¹² At the same time, housing and property are a source of wealth for Ireland's richest. A quarter of Ireland's wealthiest 100 people amassed their wealth through construction, property and building.¹³

International inequalities

While Ireland's new international Development Policy, *A Better World*,¹⁴ maintains a strong focus on poverty reduction and prioritises the most vulnerable, greater action towards reducing global inequalities is essential. Ireland's facilitation of aggressive tax planning by multinational companies, for example, undermines developing countries' tax base, eroding much needed government income that could go towards essential services, such as healthcare and education.¹⁵ This exacerbates inequality between countries even as Ireland's aid programme seeks to narrow the gap.¹⁶ Likewise, *A Better World* aims to 'future proof' Ireland's development cooperation by integrating climate action across all its work. While welcome, this is undercut by the high levels of greenhouse gas emissions (GHGs) domestically. Ireland's GHGs have increased rapidly with economic recovery and the country is forecast

to miss all reduction targets to which it is committed under Europe 2020 plans.¹⁷ Total emissions from Ireland are in fact projected to increase from current levels by 1% and 4% by 2020 and 2030 respectively,¹⁸ with those most vulnerable globally, who have contributed least to climate change, likely to suffer the most devastating impacts.

Conclusions

Greater effort to reduce domestic and global inequalities is essential. Effective implementation of SDG10 and all 17 Goals is needed to ensure a more equal Ireland. To achieve this, policy coherence across all government departments is crucial. Enforcement of equality legislation, determined action on workplace inequalities and discrimination, with gender- and equality-proofed budgets is further required, alongside recognition within the Constitution of economic, social and cultural rights, including the right to an adequate standard of living. Removing the loopholes in Ireland's tax system is imperative to address corporate tax avoidance.

Recommendations

- Strengthen a whole-of-government approach to implementing the 2030 Agenda for Sustainable Development with SDG oversight transferred to the Office of the Taoiseach.
- Benchmark social welfare payments at a level sufficient to lift people above the poverty line and provide a minimal essential standard of living.
- Enact and enforce equality and anti-discrimination legislation and ensure access to free legal support.
- Develop a well-resourced Policy Coherence for Development mechanism to address inconsistencies, most notably in fiscal policies, climate change policies, migration and trade.

To read the full national report and the comprehensive Europe-wide report with all references, please visit: www.sdgwatcheurope.org/SDG10



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- ¹ TASC, 2017, Cherishing All Equally: Economic Inequality in Ireland
- ² Social Justice Ireland, SDG Policy Briefing 2018
- ³ TASC, 2017. op.cit.
- ⁴ Coalition2030 Report, 2018
- ⁵ TASC, 2017. op.cit.
- ⁶ TASC, 2017. op.cit.
- ⁷ Economic and Social Research Institute & Irish Human Rights & Equality Commission, 2017, *Who experiences discrimination in Ireland? Evidence from the QNHS Equality Modules.*
- ⁸ Coalition2030 Report. 2018.
- ⁹ Economic and Social Research Institute & Irish Human Rights & Equality Commission, 2017, *Who experiences discrimination in Ireland? Evidence from the QNHS Equality Modules.*
- ¹⁰ Ibid.
- ¹¹ Focus Ireland, 2019
- ¹² Grotti, R., Russell, H., Fahey, E. and Maître, B. 2018. *Discrimination and Inequality in Housing in Ireland Economic and Social Research Institute & Irish Human Rights & Equality Commission.*
- ¹³ Sunday Times, 2017 in TASC, 2017, Cherishing All Equally: Economic Inequality in Ireland
- ¹⁴ Government of Ireland, A Better World Policy, 2019. <https://www.irishaid.ie/media/irishaid/aboutus/abetterworldirelandspolicy-forinternationaldevelopment/A-Better-World-Irelands-Policy-for-International-Development.pdf>
- ¹⁵ Christian Aid Ireland, 2018, Not Without Cost: The Impact of Ireland's Tax Code on Developing Countries. <https://www.christianaid.ie/news/tax-justice-1>
- ¹⁶ Ibid
- ¹⁷ Coalition2030 Report, 2018. <https://www.ireland2030.org/report-2018>
- ¹⁸ Ibid.