

Promoting real recovery by addressing inequality

A network of seven Catholic Social Justice groups has called for targeted measures to address inequality, on both a national and international level, in Budget 2015:

In an address to the United Nations in May 2014, Pope Francis called for an end to the “economy of exclusion” through actions that will have “a real impact on the structural causes of poverty and hunger, attain more substantial results in protecting the environment, ensure dignified and productive labor for all, and provide appropriate protection for the family”.¹ Reducing inequality within and among countries is one of the seventeen sustainable development goals currently being reviewed by the international community. This is in recognition of the fact that inequality fundamentally undermines social cohesion and participation in society. As Pope Francis said in his Apostolic Exhortation, *The Joy of the Gospel*, published in November 2014: ‘Inequality is the root of social evil’.

In Ireland, a commitment to tackling inequality and to promoting social justice needs to underpin the taxation and spending decisions of Budget 2015. The cumulative impact of six years of financial hardship for many, of high unemployment and emigration, and of successive austerity budgets has been enormously damaging to the common good and our commitment to social justice. As the focus turns to economic recovery, it is vital to ask ourselves what kind of recovery do we want?

The true test of recovery will be how we respond to basic needs, ensuring an acceptable standard of living for all and a lessening in inequality across all areas of life, including income distribution, educational opportunity, and access to public services. It is not sufficient to commit to this change in principle. The glaring gaps exposed in recent years can only be addressed through the allocation of funding to specific, targeted measures. Deferring this investment will result in higher social, economic and human costs in the long term.

Budget 2015 will be announced two days before World Food Day (16th October). A commitment to addressing food poverty is a crucial first step towards addressing inequality. Hunger and poor nutrition severely impact the life chances of those affected in areas such as health, educational achievement and ability to work. Food poverty affects about 10% of the population in Ireland.² The increasing number of people having to resort to the services at food banks across the country is the most visible manifestation of this need, but much of this poverty remains hidden, with one child in five going to bed hungry.³ Essentially, the problem of food poverty in Ireland reflects the wider problem of income poverty, which has increased significantly since the economic downturn. Globally, one in eight people in the world live in chronic hunger. Sub-Saharan Africa remains the region with the highest prevalence of undernourishment, and is heavily dependent on international aid.⁴

The right to adequate housing is a further essential foundation for greater equality. In recent times, there has been a truly alarming rise in housing insecurity and homelessness in Ireland, in particular in the major cities. The family home, which should be central to wellbeing, is for so many at the present time the cause of considerable distress, as people face the prospect of losing their home as a result of unsustainable increases in rent or mortgage repayments that are unaffordable. The problems in housing in Ireland today are giving rise to not only to anxiety and insecurity, but to poverty, because so much of net income is going on housing costs, and at the extreme to a rise in homelessness, which leaves people trapped in a vicious cycle of exclusion, and inhibits access to employment and participation in society. There is an urgent need for the Government and all

¹ www.vatican.va

² SVP pre-budget submission

³ SVP pre-budget submission

⁴ Trócaire

political parties to recognise that the current situation constitutes an immediate crisis, requiring priority attention in the forthcoming Budget.

Ending poverty in all its forms everywhere is key to creating more just societies. With cuts of just under 35% in our Overseas Development Assistance (ODA) budget since 2008, Ireland's contribution to addressing fundamental injustices, such as hunger and homelessness, are being compromised. Progress towards fulfilling the Government's commitment to contribute 0.7 per cent of GNI to ODA can start in Budget 2015 by reversing the trend established by the last six Budgets, which has seen the allocation falling continuously, from 0.59 per cent of GNI to 0.43 per cent in 2014.

In Budget 2015 Government needs to

- Acknowledge and address the impact of inflation and new charges on those dependent on social welfare payments or the minimum wage;
- Increase significantly the allocation of funding for the provision of social housing by local authorities and voluntary housing associations.
- Reverse the continuous decline in percentage allocations to ODA since 2008. Use budget 2015 to begin bridging the very significant gap between Ireland's stated commitment to 0.7% of GNI to ODA and the allocation actually made by ensuring a percentage increase.

Notes for Editors

The participating organisations are: The Council for Justice and Peace of the Irish Episcopal Conference, the Council for Research and Development of the Irish Episcopal Conference, Crosscare, the Jesuit Centre for Faith and Justice, the Society of St. Vincent de Paul, Trócaire, the Vincentian Partnership for Social Justice.