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The Living Wage: a civil society perspective

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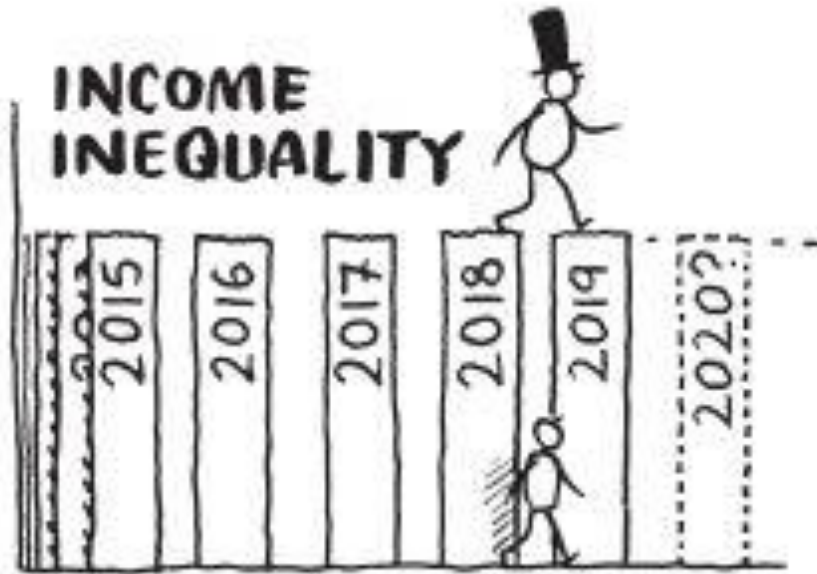
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Overview

- Income inequality and low pay
- Importance of Living Wage
- Community and Voluntary Sector
- Social Contract and a Minimum Social Floor

Income distribution



Largely unchanged over the past decade or more in Ireland.



5% of all people with a job are living in poverty.

Poverty over time

The Numbers of People Below Relative Income Poverty Lines in Ireland, 1994-2018

	% of persons in poverty	Population of Ireland	Numbers in poverty
1994	15.6	3,585,900	559,400
1998	19.8	3,703,100	733,214
2001	21.9	3,847,200	842,537
2005	18.3	4,133,800	756,485
2010	14.7	4,554,800	669,556
2013	16.2	4,614,700	747,581
2017	15.7	4,792,500	752,423
2018	14.0	4,857,000	679,980

Source: See Table 3.2 and CSO online database of population estimates.

Note: Population estimates are for April of each year.

In-work poverty

Table 1: At risk of poverty and deprivation levels among persons of each principal economic status in 2018

	Poverty	Deprivation
At work	5.1%	9.5%
Unemployed	47.3%	41.6%
Students and school attendees	22.2%	15.6%
On home duties	23.2%	21.0%
Retired	12.3%	8.0%
Unable to work as ill/disabled	47.7%	36.7%

Importance of Living Wage

- Evidence based
- Work should provide an adequate income to enable individuals to afford a socially acceptable standard of living
- An hourly wage rate that should provide employees with sufficient income to achieve an agreed acceptable minimum standard of living.
- Income floor for employees

Working poor and Low Pay

- Living wage would see a significant improvement in the living standards of employees on low pay.
- Addressing low pay and working poor a key challenge for Irish society.
- Improvements in low pay rates offer an important policy tool to reduce poverty and social exclusion.
- Government should commit to a pathway to a Living Wage over time (e.g. 5 years)

Community and Voluntary Sector

- Community and Voluntary organisations have a long history of providing services and infrastructure at local and national level
- Provide huge resources in energy, personnel, finance and commitment – yet due to precarious funding situation many in the sector are unable to pay their employees a living wage, despite providing vital services at local level.
- During the recession Government funding for the Community and Voluntary sector reduced dramatically, and it has not as yet been restored

Social contract



Social contract – 7 basic rights

Sufficient income to live life with dignity

Meaningful work

Appropriate accommodation

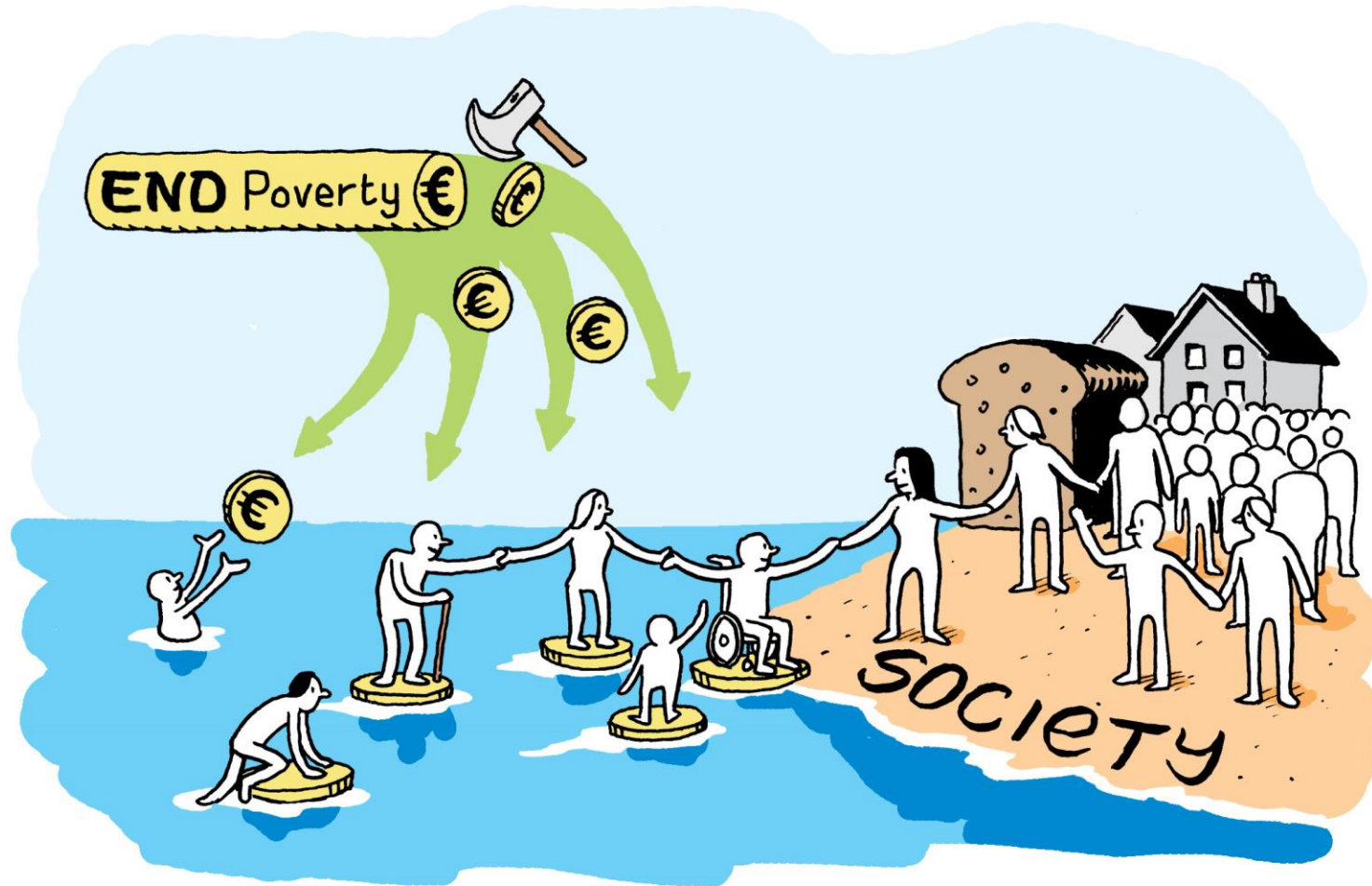
Relevant education

Essential healthcare

Cultural respect

Real participation in society

A more equal society



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Roadmap for Social Inclusion 2020-2025

“.....the Roadmap moves away from a focus solely on incomes. It outlines specific measures and goals, which can capture progress across many aspects of social inclusion: housing, healthcare, childcare and social integration. The Roadmap aims to set us on a course for real change and delivery in those areas which matter most to our citizens and which can underpin a better quality of life for all.”

Roadmap for Social Inclusion 2020-2025

“Social Inclusion is achieved when people have access to sufficient income, resources and services to enable them to play an active part in their communities and participate in activities that are considered the norm for people in society generally.”

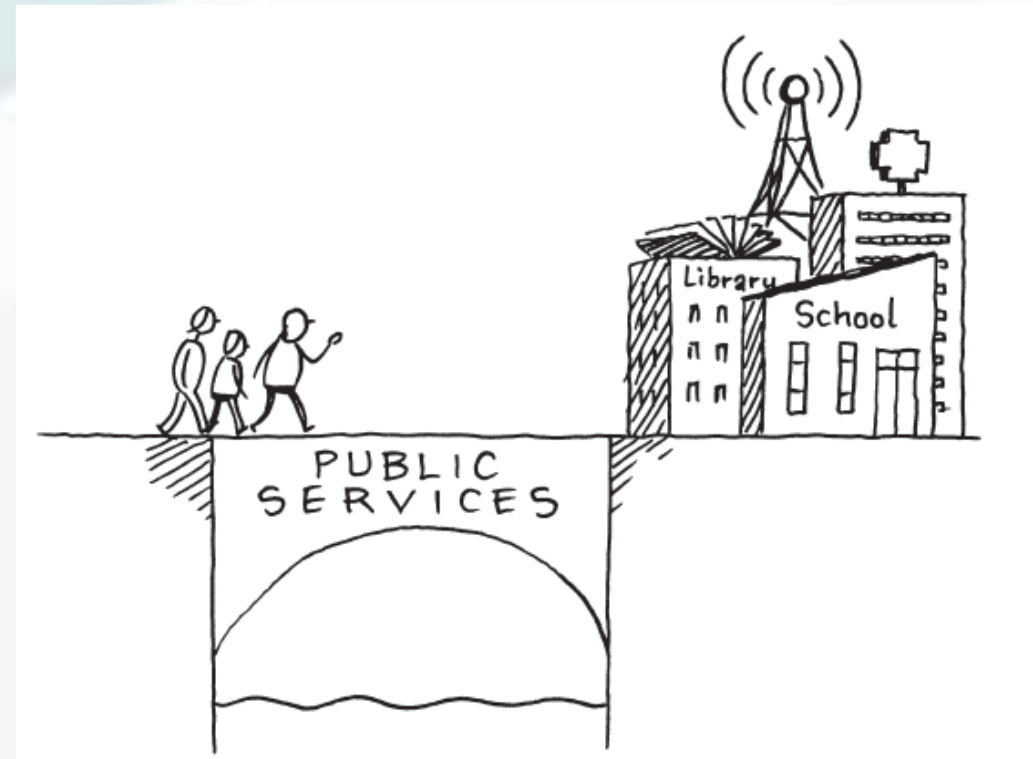
Social contract and social floor

- If Government aim is to combine poverty reduction and social inclusion, then the starting point should be developing a minimum social floor of basic services and income support below which nobody will fall.
- This is why the concept of the Living Wage is so important.
- Evidence based - grounded in consensus - needs not wants.
- The Living Wage gives us a base from which to determine a minimum income floor.

Minimum social floor



Minimum social floor



Issues for consideration

1. What universal basic services will be required by all demographic cohorts between now and 2051?
2. How should these services be designed and resourced?
3. What would a minimum social floor for every member of society look like over time?
4. What is the best way to combine this basic floor of income support and universal basic services to ensure improved social progress and enhanced wellbeing for all?



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Thank You

Queries

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