



Benefits or rights? Welfare and labour activation in the Republic of Ireland

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This column is about labour activation, which refers to the variety of tools designed to support job seekers to find work and live independently of welfare support. Specifically, it focuses on the conditional aspect of labour activation, where job seekers are obliged to search for work with sanctions on those who do not fulfil their responsibilities.

This column has three parts. The first part provides a brief overview of recent changes to the labour activation system in the Republic of Ireland (ROI). The second part draws on self-ethnography to analyse labour activation interventions. The final part explores universal basic income as an alternative.

Post-recession changes to labour activation policy in the ROI

The ROI experienced an economic boom from the mid-1990s to the late-2000s, when it was dubbed the 'Celtic Tiger'. This was a period of high economic growth and low unemployment. In 2008, however, Ireland entered recession. As a result, the total unemployment rate rose from 4.7% in 2005 to 14.3% in 2011 (Barrett and McGuinness, 2012). Workers in the construction industry were the most affected as the Celtic Tiger was based on a building boom.

In response to the economic crisis, the ROI agreed to the Economic Adjustment Programme with the so-called Troika (the European Central Bank, the European Commission and the IMF) in 2010. One element of this programme was a strengthening of activation measures in order to support economic growth. However, these policy changes did not originate solely from the Troika. Hick (2018) writes that the Irish government was already implementing activation policy changes before the arrival of the Troika at the end of 2010. Prior to the recession, the system was considered "passive", with recipients of benefits able to claim these almost indefinitely without a requirement to take part in education, training or work experience' (McGauran, 2013:2). The Irish welfare system was considered a soft touch. Post-

crisis, the ROI implemented significant changes to its labour activation policy with greater emphasis on fraud control and behavioural change interventions. This resulted in a significant increase in the number of sanctions issued, either a reduction or a withdrawal of welfare payments. Murphy (2016:14) writes that 'from March to December 2011 there were 359 penalties issued; in 2012 the number of penalties rose to 1500; in 2013 penalties increased to 3500 and 2014 saw 6500 penalties issued'. However, Hick (2018) writes that this increase in the number of sanctions issued was not to the extent desired by the Troika.

These policy changes formed the context for my own experience as an unemployed client of the Department of Social Protection (DSP)¹ which implements labour activation policies in the ROI. I was a welfare recipient during two separate periods in 2014 and 2015 when I received a Job Seekers Allowance, a means tested payment. During these periods, I was required to participate in two activation interventions that I will describe and analyse in the next section.

Activation interventions and analysis

The first intervention was a one to one meeting with a DSP staff member where my 'Personal Progression Plan' was discussed, agreed and then signed by me. This document contained information about my education, work history, employment goals and actions I would take to find employment or make myself more employable, such as undertaking training or education. At the end of the document was a warning that my payment could be reduced or stopped if I did not cooperate. In the second intervention, I was required to complete a six page questionnaire which sought to confirm that I was making 'real efforts to find suitable work'. I had to return the questionnaire before a deadline. Questions included 'Are you free to take up full-time work?'; 'Are you looking for work?'; 'Why do you think

¹ Renamed the Department of Employment Affairs and Social Protection in 2017

you have not succeeded in getting work?' I also had to give details of where I had applied for work as well as documentary proof such as letters or emails. At the end, I signed a declaration which said that 'I declare that I am capable of work, available for full-time work and genuinely looking for work'. Here there was a similar warning to that on the first intervention.

From the above, it is evident that my behaviour and attitude were being scrutinised. There was an underlying suspicion that I might try to defraud the system or that I might be uncooperative. If this was deemed the case, I was liable to have my benefits reduced or removed. As a claimant of social welfare, I was brought into contact with a system that is automatically wired to assume that I could be a cheater or just lazy. I had no job and I was expected to find one. Doing nothing was not an option for me.

The conditionality of labour activation is implemented by many other countries besides the ROI, including the UK, Sweden and Denmark. It is a widely accepted social policy and is accepted as 'common-sense'. In the next section, I would like to challenge this 'common-sense' by exploring an alternative approach: universal basic income.

An alternative to conditionality

In contrast to the conditionality of labour activation, a universal basic income (UBI) is an income paid unconditionally to all on an individual basis, without means test or work requirement. Two examples illustrate the benefits of this approach. In the first, a UBI-type experiment was implemented from 1974 to 1979 in the Canadian province of Manitoba, with all participants receiving an unconditional, basic annual income. The project produced positive results with preliminary analysis of the data indicating improved education and health outcomes for participating households in one community (Forget, 2012). In the second example, Finland recently implemented a basic income trial among 2000 randomly selected unemployed individuals with initial findings indicating improved happiness and health (but no increase in employment) among participants. In contrast with the approach I encountered above, both examples are free of any type of conditionality or the use of sanctions. Participants, whether unemployed or not, are treated equally as citizens with welfare as a right rather than a benefit with strings attached or rules to be enforced.

Both projects show the promise of UBI as an alternative to conditionality-based labour activation policies. However, in terms of larger scale expansion, significant political and cultural change would have to occur in our societies. In 2016, Swiss voters overwhelmingly rejected a proposal to have basic income

for all. This could indicate that UBI-type approaches are still not accepted as realistic options. Hopefully in the future, rights-based approaches such as UBI will provide a basis for future engagement on how we approach unemployment and how we view those who find themselves without work.

John Villiers holds an MA in anthropology and development. He has worked in Lesotho, the Democratic Republic of Congo and Tanzania in the overseas development industry for an NGO, the UN and the EU. In addition, he has a strong interest in labour issues and is always keen to hear from any person or organisation who would like to collaborate on any labour research project, short term or long term. Email v.john66@gmail.com

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