

Budget 2011 – Government needs to publish a detailed poverty impact report

The Government needs to publish a detailed report on the poverty impact of Budget 2011 which it is committed to carry out in its own National Action Plan for Social Inclusion. This is the same Plan which commits to eradicating consistent poverty by 2016 but the measures released this afternoon by the Government will go a long way towards driving more people deeper into poverty.

Paul Ginnell, Policy and Support Worker with EAPN Ireland, stated that ‘while we know that the measures announced today will substantially increase poverty in the country we are demanding that the Government produce a detailed poverty impact assessment to explain the real impact of the decisions the Minister for Finance announced today. All they have published so far is a brief statement justifying what they had already decided to do’.

Budget 2011 includes increased tax on those on lower incomes, a reduction of €10 per week in all welfare payments apart from the state pension and a reduction of Child benefits by €10 per month with an additional cut of €10 for a third child. Also signalled is the €1 reduction in the minimum wage. All of these measures, alongside cuts to essential services have a direct impact on the most vulnerable which the Government has stated it is committed to protecting.

Statistics released last week by the Central Statistics Office (CSO) for 2009 show that levels of consistent poverty rose from 4.2% in 2008 to 5.5% while the numbers unable to afford basic requirements went up by 25%. This is even before the impact of cuts in Budget 2010 are taken into account. In addition to this CSO data shows that according to the Consumer Price Index prices have risen by 2% in 2010. In light of these statistics the Government’s Budget will result in even greater poverty for people.

Mr Ginnell concluded that ‘as we come to the end of the 2010 European Year Against Poverty and Social Exclusion we must question the type of society that we are to become where even more people are being forced to live on the very margins of society. Alternatives proposed by organisations such as the [Community Platform](#), [TASC](#), [Claiming our Future](#) and [UNITE](#) have been ignored’.
