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Chair

Mr. Dean Allison

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● (0810)

[*English*]

The Chair (Mr. Dean Allison (Niagara West—Glanbrook, CPC)): I'd like to start the meeting.

First of all, I'd like to thank our guests and witnesses today from Ireland. Thank you very much for rearranging your schedules so that we could hear from you an hour earlier. As you know, in government things can sometimes change on the fly. We have some votes a little bit later, so we figured it would be better, for the sake of continuity, to sit for two hours as opposed to breaking it up and maybe not being able to get back. So I want to thank you all for your accommodation and for being flexible for us.

I'll introduce you just as you appear on my list. We have Gerry Mangan, director of the Office for Social Inclusion; Kevin O'Kelly, director of the Combat Poverty Agency; and Bevin Cody, head of communications and public affairs for the Combat Poverty Agency. We also have Professor Tim Callan from the Economic and Social Research Institute in Ireland.

Welcome, ladies and gentlemen. Again, thank you for rearranging your schedules so that you could be with us. As you are probably aware, here at the human resources committee we are just undertaking a study on poverty in Canada. We understand that you men and women have been doing some great things over in Ireland. We appreciate your taking time to share with us some of the successes you have had.

Gerry, I'm going to start with you, sir. Each of you will have ten minutes. Once we have gone through your presentations, we will start with our rounds of questions.

Yes, Mr. Savage.

Mr. Michael Savage (Dartmouth—Cole Harbour, Lib.): I'm not sure if our Irish friends have any idea of how our Parliament works. Might you just explain to them how many are on the committee, the composition of the committee, and from whom they'll be getting questions?

The Chair: Sure. Thank you very much for that.

Mrs. Lynne Yelich (Blackstrap, CPC): Maybe you could let them know what time it is here.

Voices: Oh, oh!

The Chair: Yes.

It's 8 o'clock in the morning here. But you probably know that.

I'll just tell you how our committees work. We are in a minority government over here, so we will have questions from both opposition and government members. We have four members from the government, the Conservatives. We have four members from the Liberal Party. We have two members from the Bloc and we have one member from the NDP; I know that some of you have been talking with Mr. Martin about poverty over the years and over time.

I am the chair, of course, and I'm with the Conservative Party.

So that's a little bit about who we are. After your ten minutes each, we will go to seven-minute rounds, followed by five-minute rounds, of questions and answers. We'll rotate around the table so that all members get a chance to ask some questions.

Once again, thank you very much for making yourselves available with all your schedules. Thank you as well for your flexibility in coming in an hour early today so that we could work our votes around our committee meeting and have a fulsome discussion today.

And thank you, Mr. Savage, for that suggestion.

As I said, Gerry, I'm going to kick off with you, sir. You have ten minutes. Thank you for being here.

Mr. Gerry Mangan (Director, Office for Social Inclusion, Government of Ireland): Thank you very much, Chairman.

I'd just like to say how pleased we are to have this opportunity to talk to you about our poverty strategy here in Ireland. We're conscious that it's our experience, which would, of course, also be partly a European experience. Hopefully it will be of interest to you.

Can you hear me okay?

The Chair: Perfectly.

Mr. Gerry Mangan: Okay.

We didn't have as much difficulty as I suspect you had in changing our schedule. We're just here mid-morning in Ireland, and we are conscious of your very early start to be here with us. We're very pleased the changes you had to introduce didn't prevent us from having this exchange of views.

I'm conscious of the time scale, so I will go through my presentation very quickly, and then I'll hand over to my colleagues.

Just to set down in overall terms what I propose to do, I would hope to just give you the Irish context for combating poverty and why we have come to the particular approach we have. I'll talk then about our poverty strategy and how it developed. I'll then finish off with a few general words on the impact it is having here in Ireland.

The context you're probably quite aware of in Canada as you have close enough relations with Ireland. As you may have known, Ireland has long been associated with high levels of unemployment, underemployment, emigration, and poverty. When we joined the European Union in 1973, GDP per capita income was just 60% of the EU average. Then after significant economic progress in the sixties and seventies, there was a deterioration in the economic situation, which was precipitated by the oil shocks in the late seventies, something we're perhaps experiencing to some extent again. We also had high public sector debt.

To try to bring us back, or to continue the economic development and whatever, a social partnership process began in 1987. It had to develop a national consensus on the steps to be taken to achieve economic development, and this was one of the key influences and the key ways of developing our overall economic and social strategy in the period since.

Then, of course, in the 1990s came the phenomenon that came to be known as the Celtic Tiger, which involved unprecedented levels of economic growth accompanied by major reductions in unemployment and long-term unemployment, major increases in female participation in the workforce leading to growing numbers of two-income families, a virtual end to involuntary emigration, a major increase in return migration, and a huge increase in immigration of foreign nationals, which, in a short time, rose from virtually none to 10% to 15% of the population, with most coming from central and eastern Europe. In recent years, our unemployment has been among the lowest in the EU, and our GDP per capita now is among the highest.

As I mentioned, however, the oil prices and the credit crunch are beginning to put a temporary halt to the degree of economic progress we're making.

That's just the context of how Ireland has evolved, mainly economically. Despite this economic development, poverty persisted. Through this, we became most aware of the complexity of poverty in terms of the diverse needs of different vulnerable groups like families and children, older people, ethnic minorities, and so on. The range of different policies and programs in place to cater directly for their needs, such as income support, employment support, education, health care, and housing, were largely uncoordinated and unintegrated. Then there was the indirect impact of other policies, like revenue taxation, justice and equality, community development, environment, local government, and so on.

We're very conscious also that what we might be doing through policies to directly combat poverty in some ways could be undone in part by other, more general policies. Then, of course, there's the impact of EU support, guidance, and requirements, and of other international organizations, such as the Council of Europe, OECD, and the UN. All of these influences were also complex for the poor by virtue of the fact that there were different objectives, different agendas in each policy area, and processes that could conflict at times and result in suboptimal outcomes being achieved.

There was also a lack of clear, scientific knowledge on the true scale, nature, and causes of poverty, and therefore on how best to deploy resources to the best effect to combat it. There could also be a fatalistic attitude that poverty will always be with us and that the main task was simply to alleviate it. There was little consciousness that apart from issues of social justice, poverty has a major economic cost currently and into the future. Therefore, resources for combating poverty should be seen more in terms of social investment that will enhance economic development now and into the future, rather than as a burden on the economy. That was the context in which a deepening understanding of poverty was developed.

● (0815)

So it became obvious through all this that there was not clear responsibility for combatting poverty in the round. There was no integrated strategy with goals, objectives, targets, and indicators to measure not just inputs and outputs, but, most importantly, outcomes.

It was against that background, then, that the process was developed. The first national anti-poverty strategy was introduced in 1997, and it was influenced to some extent by the UN summit in Copenhagen, the social partnership office, and the Combat Poverty Agency, which you'll be listening to later.

Then in 2002 we had a revised strategy that took account of the impact of the Celtic Tiger. We were a richer country. We had more resources. We had more confidence in terms of what we could do; therefore, the revised strategy was more ambitious.

Then we had an EU intervention whereby the EU got involved in trying to encourage and help countries to develop a strategic approach. That will be dealt with later by my colleague, Kevin, from the Combat Poverty Agency.

Then the social partnership office became involved. It began to negotiate the basic provisions; it fleshed out the strategies. And we have a current plan, which was just agreed to in 2006, entitled “Towards 2016”, which was designed to apply over the next 10 years.

In terms of how we structure the strategy, first of all, we began with challenges, trends, and emerging issues. We began to really understand what the nature and causes of poverty were. We began to identify areas such as child poverty, growth of female participation in the workforce, and lone parents. These were the main trends. Then there was growing immigration. We set an overall aim, and the current overall aim is to reduce basic poverty by between 2% and 4% by 2012 and to eliminate it by 2016.

We adopted a life cycle approach to try to promote greater integration. Our life cycles are children, people of working age, older people, and other categories such as people with disabilities, and communities. We then set goals for each life cycle. For example, in relation to children, we have goals for education and income support. In relation to people of the working-age category, we have employment participation, income support. For communities it was deemed to achieve greater policy coordination and integration.

We have 157 time-bound targets. These are particular aims to be achieved by given dates, and then we have the measures to achieve those objectives and targets, such as income support, health, and so on.

When it comes down to the administrative structures—I'm coming towards the end—we build them up from the bottom. We have social inclusion units in each government department and local authority. We then have the Office for Social Inclusion—the office I'm director of—which is, again, there to coordinate the whole process at each level. We have a social partnership review group, where employers, trade unions, farmers, and the community and voluntary sector are involved in reviewing and monitoring progress. We have a forum for consultation—a social inclusion forum—which enables us to meet with people experiencing poverty. Then we have a senior officials group, people at the high level in government departments—I'm a member of it—which provides a whole-of-government form of coordination, and they report to a cabinet committee chaired by the Prime Minister.

Then at the EU level we have a social protection committee whereby the process is coordinated at the European level.

In terms of its impact—and I'm sure we can talk about this later in response to questions—I'd say that one of the fundamental things is there is greater awareness of poverty, its scope, and its causes right through government, right through the social partners, and among the public generally. There are now clear goals, targets, and a focus on outcomes. So we feel we're more in control of what's happening here. We know where we're going. We know where we want to arrive at. We know what needs to be done to arrive at where we want to go, and there's a recognition of the need for more integrated approaches. We have several examples of how, when departments work together at both the national and local levels, we achieve better outcomes.

There is a great mobilization of all the actors, so it's not just left to government. We bring in local governments and the social partners, all the voluntary groups and whatever.

● (0820)

They're working more together, communicating exchanges on a much more practical, focused level. And of course we're also working with our fellow member states in the European Union, so there's a greater all-Europe—in ways—determination to combat poverty.

To finish, in terms of policy outcomes, some of the key ones would be the activation of people who are long-term unemployed or out of the workforce during their working age to get them back into the workforce through a combination of income supports and employment supports; a coordinated approach for family and child support; and major improvements in homelessness. A quick response to the challenge of immigration is also a significant feature of the process. These are just some brief examples of our policy outcomes.

I'll finish there and move on to my colleague, Professor Tim Callan, who will take it from there.

The Chair: Thank you very much.

I would encourage witnesses to speak a little bit slower so that translation can keep up.

We always do this. We give you 10 minutes to fit in days and days of information, so thank you very much.

Were you going to pass it off to Tim next?

Mr. Gerry Mangan: Yes, Mr. Chairman.

The Chair: Okay.

Dr. Tim Callan (Professor, Economic and Social Research Institute, Ireland): Thanks also for the opportunity to talk to you on this.

I am going to try to cut my cloth to my measure here and keep what I say to what will fit into 10 minutes. I've sent you some information in advance.

There are two main areas I want to talk about. One is to do with what is sometimes called “poverty-proofing”, or, more recently, “poverty impact assessment”. It has to do with the monitoring of how major policy, particularly tax and welfare policy, impacts on poverty, and the implications of that.

In the second part, as an economist I suppose I want to play to my comparative advantage and try to spin a story around the big picture of how we moved from an economy with 15% unemployment to one with 5% or less, and the associated changes that Gerry was talking about, and try to fit that together in a story.

First of all, in terms of the poverty impact assessment, there is a general idea in the strategy that Gerry was talking about that government departments would assess their policies and programs at the design and review stages to see what impact they would have on poverty or on inequalities that are likely to lead to poverty. I want to focus in particular on how that's done in relation to tax and benefit policy, or what you might talk about as tax and social security policy.

There the idea is that a lot of the action is around what happens to people who are on welfare, or on social security more generally, and the payment rates they receive in relation to other people in the economy at a time of very rapid growth. We've used for that a tax benefit model that is sometimes called a microsimulation model, of which you have a number in Canada. I know Statistics Canada is involved in that sort of work as well.

We would look at trying to compare the impact of each year's budget in setting major tax and social security policy parameters or rates of payment and so on. We'd look at the impact of the actual policy changes compared to a neutral scenario. I won't go into detail on the construction of that, but essentially it involves a distributionally neutral scenario that involves roughly indexing the rates of payment and tax bands and so on in line with wage growth, with wages being the dominant form of income in the economy.

This is something that has been done in the Irish context with Gerry's department, the Department of Social and Family Affairs, and with the Department of Finance, which actually undertakes that as part of their annual budget documentation.

I'm not sure if you have some slides I sent over, but it's intriguing to see that in comparing five years in the mid-1990s—1993 to 1997—and then a more recent period, the distributional pattern associated with the policy changes over those periods is quite different.

Now, I don't want to suggest that this is entirely to do with this measurement and modelling approach, but I think, as Gerry was saying, that when attention is focused on something—when it is made measurable and monitorable—it does have implications for the outcomes you get, and you'll see in that comparison that in the later period, when this had taken hold, the distributional pattern is much more strongly pro-poor, and that there is in fact an associated reduction in the general measures of poverty.

The flip side of that coin is perhaps well illustrated by recent developments in the U.K. that you may have come across: a big political reaction to the abolition of the 10% rate of tax. One aspect of that again has to do with this issue of the choice of targets and which targets are available.

● (0825)

In the U.K., there is a target for reduction of child poverty. There is no target for the reduction of general poverty. In that setting, it's easy to see how a focus exclusively on the child poverty element can make something seem like a good idea when, if the more general target were also in use, that might have been headed off at the pass.

I'm going turn to the second half of what I wanted to cover, which is to fit together some of these ideas about what's going on in the general economy and the evolution of poverty in Ireland. I think it's pretty clear from comparison with best-practice countries such as the Scandinavians that the reduction in poverty can't be done simply on the basis of paying more in terms of welfare rates, nor can it be done simply in terms of a strategy that relies purely on work, which may be the ones adopted elsewhere, but the combination of both of those is very powerful.

In the Irish context, for reasons I won't go into because they're quite complicated, it's not a single-factor explanation for what happened in terms of what's often called the Celtic Tiger, but the unemployment problem was tackled and solved, with the rate falling from 15% to 5%. That's the first part of the action, but in the second part of it, there are substantial increases in welfare payments, in the first place, for those of pension age, and at a later stage, for other rates of welfare payment. With that combination of scenarios, there have been significant reductions in poverty on the usual measures in Ireland.

One of those measures is what's termed “consistent poverty”, which was developed particularly by colleagues of mine at the ESRI, Brian Nolan and Chris Whelan—and perhaps if you're interested in it, we can go into that in greater detail. The other measure often used is one that is more like relative income poverty, which is similar to the low-income measures used by StatsCan. But over the full period that we're talking about, there would have been reductions in both of those measures.

I hope that helps to give you something to quiz me about later, some leads, and I'll pass the baton to Combat Poverty.

● (0830)

The Chair: Thank you, Professor. I'm sure, of course, there'll be lots of questions.

I guess you're turning it over now to Kevin.

Kevin, thank you very much. We're looking forward to your 10 minutes.

Mr. Kevin O'Kelly (Director, Combat Poverty Agency, Government of Ireland): Thank you very much, Chair.

My colleague Bevin Cody is with me, as you mentioned earlier. Bevin will join in the question and answer session later on.

First of all, I'd like to say that I join with Gerry and Tim in welcoming this opportunity to talk to you. In fact, I had the privilege of visiting the building you're in about three years ago and doing a tour of the Parliament Buildings in Ottawa, so I'm delighted with this opportunity.

I'm just going to deal with two issues. First of all, I'll tell you a bit about what Combat Poverty does, what our role is, and then I'll pick up on what Gerry mentioned earlier around the European context and where the system that Gerry and Tim have outlined fits into the European context.

To start, the Combat Poverty Agency is a state agency. It was set up by statute in 1986, so we're over 20 years old. Within the European Union it's a fairly unique organization; there isn't an organization in any of the other member states that would have a similar role set up by statute.

Under the act setting us up, we have four key functions: the first is to give policy advice to the minister and to the government on social and economic planning in relation to poverty; the second is to undertake and evaluate programs and actions aimed at overcoming poverty; the third is to promote, commission, and undertake research into the nature, causes, and extent of poverty; and the fourth is to promote a greater understanding of poverty through communications and public education.

These functions would include working with the NGOs and the community and voluntary sector in Ireland and also promoting the use of community development as a way of overcoming poverty.

We're required by the act to draw up a strategic plan every three years—in fact, we're in the process of doing that at the moment—and these plans should reflect the national policy framework that's in existence at the time of their drafting. For example, as was outlined earlier, the strategic plan for the next three years that we're drafting at the moment would very much focus on the life cycle approach: looking at children, people of working age, older people, people with disabilities, and communities. That's in place at the moment and is part of the strategy we're using in Ireland.

Our work at the moment involves a number of these areas. For example, we've done quite a bit of work on the whole issue of child poverty, which is quite a major problem in Ireland. Linked to that, of course, is the problem of lone parents, and it would be in these two categories or groups that we would find the highest levels of poverty.

Another key issue we've been investigating is older people, and indeed the impact of government action is very well founded in the results of looking at older people, because through the budgetary process over the last number of years there has been a focus on dealing with poverty among older people and people living on pensions, and we have seen a reduction in the number of older people living in poverty.

Two other areas that we're focused on in Combat Poverty at the moment are around financial exclusion, meaning that people can't access bank accounts and can't access credit; consequently, they have difficulty in finding employment because they need a bank account, and there's a catch-22 situation. We're working with the financial institutions here, the financial regulator, and the ministry of finance on how to tackle that.

Finally, a new issue that is raising its head over the last number of years, not just in Ireland but in Europe, is around low-income workers and consequently low-income families. We are involved in doing research on that and looking at it as an issue that needs to be addressed at a national level.

● (0835)

Our work also involves working with the local authorities, because rolling out a lot of the strategy means actions and programs at the local level. So we work very closely with the local authorities and with the health services, as well as undertaking funding and research on poverty trends and blue-sky studies to identify new or emerging forms of poverty.

Tim talked about the budgetary process a few minutes ago. Indeed, one of the key requirements that we have each year is to make a budget submission to the various departments on what we see needing to be done in the state budget each year. Working with Tim and his colleagues in the Economic and Social Research Institute, we also analyze the budget using the models that Tim has described.

The second issue I'd like to draw your attention to is the European context in which all of this fits. Back in 1997, just over 10 years ago, under the Amsterdam treaty, the European Union, funded by and working with the European Commission, set up an employment strategy to try to tackle the high levels of unemployment in the European Union. Following on from that, the Lisbon strategy was adopted at a meeting of the heads of government on the economic and social direction of the European Union in Lisbon in early 2000. That strategy included tackling poverty and social exclusion. In trying to push this agenda forward, the European Commission issues guidelines every year for the member states to measure their actions in tackling poverty and social exclusion. Every two years, the member states are required to submit to the commission a national report on social inclusion, pensions, and social protection, and then a joint report is adopted by the heads of government at their spring meeting each year.

Part of this process is what's called the soft law approach. We have the open method of coordination in which you have peer reviews where experts from member states look at the approaches taken in other member states and give their views and feedback on how member states are progressing with their particular objectives under the guidelines. There are a number of transnational actions and programs funded by the European Commission. Part of all of this is the yearly survey that is carried out under the guidance of Eurobarometer, called the *European Union Survey on Income and Living Conditions*, which gives us the data by which to measure the progress we're making.

Finally, I would say that today is quite an interesting day for you to come to us in Ireland, because today we're voting on the Lisbon treaty, and we're the only country to do so, as the other 26 countries are adopting the treaty through a parliamentary process. It's interesting that for the first time in a EU treaty, social exclusion is enshrined as an objective. Article 3 of the treaty says that the Union

> shall combat social exclusion and discrimination, and shall promote social justice and protection, equality between women and men, solidarity between generations and protection of the rights of the child.

If the treaty is passed by the end of this year, that will be enshrined in the new European Union treaties. The treaty also commits the EU to the eradication of poverty and the protection of human rights in a world-wide approach. And the treaty allows for the establishment of an advisory social protection committee with a mandate to promote cooperation between the member states, and with the European Commission, on social protection policies.

● (0840)

The Lisbon treaty, which hopefully will be passed in Ireland today and will be adopted by the end of this year, will also enshrine the battle to tackle poverty and social exclusion at a European level into the fundamental laws of the union.

The Chair: Thank you very much, Kevin.

What we're going to do now is start with our first round, which will consist of four rounds of seven minutes from each party. The first party will be from the opposition, the Liberal Party.

Mr. Savage, you have seven minutes.

Mr. Michael Savage: Thank you, Chair.

Good morning to you. We're really delighted to have the opportunity to chat with you today. Like other members of this committee, I'm part of the Irish diaspora, having been born in the north and having deep roots in the Republic, and many relatives over there.

It certainly gives me an awful lot of pride and pleasure to see the great progress that's been made in Ireland in terms of combatting poverty. As Gerry mentioned, there have been lots of economic challenges in Ireland over the years. Today Ireland is flourishing in so many ways. It's third in the index of economic freedom, fifth in the UN human development index. In 2005 it was first in the Economist Intelligence Unit's quality of life index, measuring health and family life, community life, job security, gender equality, and things like that.

I think by any measure the work that's been done in Ireland has certainly been very positive. We were hoping, as Gerry would know, to get over there next week to talk to you and take part in the conference on basic income. Hopefully we'll have a chance to do that in person sometime, but we appreciate the fact that we have this opportunity today.

We want to do something significant in Canada in terms of battling poverty, and we have to work out the measures and work out all those sorts of things.

I'd like to just ask, first of all, if I could, those of you who were there at the beginning, in 1997 and before that, if you could give us a recommendation based on your experience.

How do you mobilize the general population to the importance of bringing in a significant and robust anti-poverty campaign for a nation?

Mr. Gerry Mangan: I suppose it happens at a number of levels. I think, first of all, there needs to be a strong government commitment from the top. What's actually at issue here is not necessarily more resources, although that's part of it, but it's a recognition that if we're to tackle poverty, we need to adopt a strategic approach, we need to know what the nature and scope and scale of poverty is, and we need to know what our objectives are and so on. It's that strategic thinking that is essential.

The second thing is that you need to believe that it can actually be effectively tackled. There's almost a kind of passive attitude that poverty will always be with us. It's harder then to mobilize people. In Ireland, we already had—that's why I mentioned this, maybe at too much length—a social partnership process there, involvement of employers, trade unions, and so on. They were engaged and they became committed to the project, so government could work with some of the key players in relation to combatting poverty.

Then more organized non-governmental groups came onboard, and they also were of great assistance because they represented the needs of people, they knew exactly what was happening on the ground, and they became part and parcel of the process as well.

I think it was that dynamic, led by government, that helped to galvanize the whole approach to combatting poverty, mixed in with a certain amount of frustration that despite a lot of effort, the outcomes weren't being achieved to the extent necessary. I think that's what happened.

Ten years down the road, there's absolutely no criticism of the strategy. There's criticism that not enough has been done and that things aren't being done well enough, but everyone accepts, at all levels of government and in civil society, that a strategic approach is necessary.

That actually happened in the European Union. I was involved in the European Union committees at the outset as well. I remember arguing strongly from an Irish experience how important a strategic approach was. Countries had reservations about it, they had reservations about EU involvement, but 10 years down the road, nobody but nobody queries this approach or how useful it is.

I suppose that is how I see how it happened. Of course, it developed on an incremental basis. In 2002 we went a lot farther than we had previously, and further again now. But once you get the process started, it will take on a life of its own, and people will see the merit in it.

● (0845)

Mr. Kevin O'Kelly: Could I maybe come in on that, Chair?

The Chair: Sure, go ahead, Kevin.

Mr. Kevin O'Kelly: Thank you.

It's an interesting challenge, and maybe Bevin would have something to say on this, but one of the problems, Mr. Savage, would be that in a wealthy economy it's very difficult to get the message across that there is poverty.

Twenty years ago, or even ten years ago when we had high emigration from Ireland and we had the high unemployment, poverty was fairly obvious in Ireland. You saw it in the dole queues and on the streets. But now it's very different, and even though there's quite a bit of poverty around, it's very difficult to get that message across. Bevin has been looking at some research done by the Joseph Rowntree Foundation that found that this was a particular difficulty in the U.K. also.

Twenty years ago when we started the social partnership arrangements, as Gerry mentioned, the first agreement in 1987 was called the “Programme for National Recovery”. The economic and social situation in Ireland was so bad at that stage that we needed some agreement on national recovery, and that certainly set the basis and set the framework by which the Celtic Tiger economy developed in the 1990s. But it became fairly obvious during the 1990s that the sharing of the Celtic Tiger was not equal, and at that stage it was thought to be crucial to expand the negotiations from tripartite government-trade unions-employer agreements to much wider social agreements. So the community and voluntary sector were brought in to put a social dimension into the economic developments that were taking place. There was a need to expand partnerships to recognize the need to share the wealth that was being created.

Bevin.

Ms. Bevin Cody (Head, Communications and Public Affairs, Combat Poverty Agency, Government of Ireland): I think what Kevin has said is right, that public opinion and public attitudes probably are very important in actually getting the process going. However, I think political leadership is very important in terms of sustaining the progress that's made.

The third thing I'd say is that there needs to be a strong focus on building the capacity of the various actors that you need to mobilize, because in tackling a lot of the issues, sometimes it's a case that people, first, aren't aware of the issues, and second, just don't know what to do about them once that's happened.

So a lot of Combat Poverty's work would be focused on building the capacity of people who are experiencing poverty to contribute to the policy-making process, and then, on the other hand, working with government departments to support them in making necessary changes.

Mr. Michael Savage: Thank you.

I recall being in Ireland back in 1987, I think. Actually, I'd better be more sure than that because it was my honeymoon. It was 1987. I remember clearly it was 1987. And I remember that the economy was not doing particularly well at that point in time. I think you referenced that year.

I want to make one comment. There are a lot of aspects to battling poverty. One is a good economy. One is the Celtic Tiger. One is investing in education. One is tax reform.

But it's my understanding also that between 1997 and 2006, the basic rate of social welfare payment increased by 99.7%, well ahead of the 34.2% increase in the CPI and well ahead of the increase in gross average industrial earnings.

So it is all those things, but it is also in fact making a determined effort to say we're going to put some resources to this issue for those who are most vulnerable. Is that correct?

● (0850)

Mr. Gerry Mangan: That clearly demonstrates that one of the outcomes of the Celtic Tiger was that there were more resources to channel into support for those who are least well off.

An interesting dimension to that, and it's something that has created a lot of problems for us, is that the rate of relative poverty actually increased while all this was happening. This is based on incomes generally in the state, and they were rising at such a rate. There were more jobs; there were better-paid jobs. There was increasing female participation in the workforce; therefore, there were a lot more two-income households. There were reductions in tax levels, which was a key part of the economic policy, a way of keeping wages at a moderate level and compensating workers a bit through lowering taxes.

While all this was happening there was a general increase in income and significant improvements were made in social welfare, but despite that, the gap between the majority in terms of standard of living and the less well off was increasing, even though, overall, everybody's standard of living was improving.

So it's this type of problem or challenge that a strategic approach can address. First of all, you find out it's happening, then you find out why it's happening, and then you begin to tackle the causes of it. We've been trying to tackle it over the last nearly 10 years. We're beginning to do it in terms of not just keeping social welfare payments high, but also issues such as activation, getting people back to work, and removing barriers to employment—a whole range of areas like that. But it's how you tackle poverty in a complex, rapidly changing society. If you leave it to normal, individual policy areas, they won't be able to move on it as well as they will through a more strategic approach.

The Chair: Thank you, Mr. Savage.

We're now going to move to the Bloc for seven minutes.

Mr. Lessard.

[*Translation*]

Mr. Yves Lessard (Chambly—Borduas, BQ): Thank you, Mr. Chairman.

I also wish to thank the people in Ireland, who are here this morning, for enlightening us with regard to their experience.

With your permission, and perhaps you will find that I am dwelling on this, I would like to come back to the first questions put by Mr. Savage because I believe they are crucial for us. Indeed, what we understand is that you have chosen to combat poverty and at one point in time decided to say that enough is enough and that you were taking position in a fight against poverty.

From what I have read, this was not the first time. You have lived through crises in the past. There have also been debates by the Irish government with regard to this issue in the past. From what I have been able to see, your route has been roughly the same as the one we have followed here. In 1990, for example, there were agreements and commitments to combat poverty. There have, indeed, been measures, but there has been no global strategy like yours, delivering the results we see today. I therefore come back to that.

I do not know who among you will answer, but it seems to me that in 1997, or perhaps before, something took place that was akin to a spark. The answers you have provided are answers that are based upon an analysis, objective facts, but that you also had in the past. However, with regard to the political engagement, it seems that something happened that to some extent sparked a flame and told you that the time had come for you to act.

[*English*]

Mr. Gerry Mangan: Could I just make a few comments on that?

A number of things came together at that particular time, and one of the first ones was the complexion of the government at the time, in that there was a minister who was from a more left-of-centre government, which probably might have been a factor—but it was still widely supported, so it might still have happened.

Probably what brought it to a head was that there was a UN summit in Copenhagen, a world summit of all the leaders from all the various countries, about combatting poverty. One of the key issues for debate at that stage was the need for a strategic approach. So the minister I mentioned was obviously inspired by that conclusion and got government approval to prepare a strategy and a strategic approach.

Then Kevin's organization, the Combat Poverty Agency, was on hand to assist greatly in this. They began—I think quite wisely, in retrospect—with wide consultation. So it wasn't a question of just a government-imposed strategy, but the fruits of maybe 18 months to two years of consultation with all the stakeholders, including the social partners and the non-governmental organizations. Through that, a fairly modest strategy was developed. But it had all the key elements I mentioned: there was a clear analysis of what the nature and scope of poverty was; there was a desire to set clear objectives and targets for achieving those objectives, and a setting out of what measures were to be taken to meet the targets and objectives; and then there was a system for monitoring them. The social partnership process was very much involved on the monitoring side.

I think everyone recognized the value of a strategic approach, because it was asking, how can we use our resources to the best effect, how can we mobilize all the people who, one way or another —including families at home—are trying to tackle poverty, and how can we deal with people who are disadvantaged, and so on? It's on that basis that I think it caught on. The very value of the process impressed itself on all the people involved, including the people experiencing poverty.

That's been the experience in all of the European countries who have now adopted this strategic approach through the European Union. It is very much what everyone currently recognizes should be done.

● (0855)

[*Translation*]

Mr. Yves Lessard: The matter of establishing targets seems to be a great motivator for you. When we look at the path you have followed, we see that at a given point in time you decided to speed up the pace for reaching certain objectives between now and 2012. This is quite fascinating because we see—and you will correct me if I am wrong—that you have achieved quite a remarkable success rate with regard to certain target groups but that there has also been, conversely, an increase for other target groups, for example lone parents and older people.

Could you talk to us a bit about this phenomenon? How did you go about speeding up the reaching of your objectives, whereas things were lagging behind for certain target groups?

[*English*]

Mr. Gerry Mangan: In terms of speeding things up, it's somewhat amusing when you look back on it. When the targets to reduce poverty were set in 1997, they were set on the basis of older figures, as those were the most available knowledge at that stage. When they came to do a survey of poverty subsequently, they discovered that the targets had already been exceeded when they were set in 1997 because they were basing them on older information. What happened, of course, in the meantime was that there was a huge period of economic growth, one of the most rapid we had ever experienced in our history. Therefore, a huge amount of new resources came in. In addition to that, there was a decline in unemployment; therefore, the cost of unemployment went down dramatically.

But you put your finger on it, because there were groups that lost out—not so much lost out, but didn't make progress at the same level as others. One of them was lone parents. That was because there was an old attitude. When we introduced weekly allowances for lone parents, they were really designed to enable lone parents to stay at home to look after their children, like everybody else. But by the late 1990s, they had to be designed to help lone parents go to work, like everybody else, because female participation had increased substantially in the workforce and there were significant barriers to lone parents getting into employment and getting the support they needed.

So there's been a major shift in policy focus. Now the focus is on trying to facilitate lone parents' participation in employment. Thus it involves the provision of child care, and it involves the provision of education and training, because our surveys show that a significant proportion of lone parents have a level of education below the norm, which is a barrier in itself. And it involves making improvements in transport to work and trying to get more flexibility in hours, and whatever.

The process is obviously clarified, but the problem is there. We now have a lot more people in jobless households for reason of being lone parents or having disabilities and whatever than we have because they're unemployed. Many of these households have children, which adds to our relatively high levels of child poverty.

So it's all designed to try to tackle poverty across a whole range of policy areas, which I've just outlined.

● (0900)

Mr. Kevin O'Kelly: Chair, could I maybe follow on from what Gerry said?

The Chair: Sure, but make it a very quick response because we're over our time. A quick response would be great.

Mr. Kevin O'Kelly: Okay, I'll be very quick, just to clarify one point.

We work with two measurements of poverty. At the European Union level we use a particular formula—60% of the median income, which we consider the “at risk of poverty” level. That's an income measurement. It's quite high in Ireland, because of what Gerry said: there's been a very steep increase in top-level incomes, whereas quite a lot of other people may have increased their incomes but not at the same rate.

But we also have a second measurement, which I think is much more important. That's what we call consistent poverty. That's measured, first of all, on the basis of the income poverty I just referred to, but also on the basis of a series of criteria as to whether or not people are able to have a hot meal every two days, or own a warm overcoat, or go out with friends once a month, because of their income. There are 11 of these criteria.

On that basis, the latest figures that we have for 2006 show an increase in child poverty and poverty among lone parents. These are obviously related. But we've also seen a decrease, for example, in poverty among older people, as I mentioned earlier, and also among immigrants, who may have come here after the accession of central and eastern European countries to the European Union in 2004. They seemed to be living in poverty in 2005, but in fact that level dropped quite substantially in 2006. So it's a mixed picture; we're seeing progress in some areas and difficulties in other areas.

The Chair: Thank you, Kevin.

We're now going to move on to Mr. Martin, from the NDP, for seven minutes.

Mr. Tony Martin (Sault Ste. Marie, NDP): Thank you very much.

First I want to thank Gerry for all the work he's done to prepare for the possibility of a delegation from this committee going over there to meet with him and those we're meeting with today, and others, so that we can get a fuller understanding of the dynamic and the energy behind this anti-poverty campaign in Ireland that's obviously working very well.

As you know, I am quite disappointed that we're not going to be doing that. We'll deal with that at another time.

I myself may have a chance to go and perhaps meet with some of you next week anyway. We'll see how that evolves.

We came here this morning quite impressed, as I was before, with the efforts being made particularly in Ireland to combat poverty, as a commitment. You mentioned to others, as they asked you questions, some of the dynamic behind this. There were decisions made at the European Union level. There was a minister at one point who made a commitment to combat poverty. There was the building of a national consensus that got you to a place where you had public support. I believe the social partnership was an important element in all of that.

I know when I was over there in 2002, you came out with one of your five-year plans, called the "Programme for Prosperity and Fairness", with which I was quite impressed. I know that's part of all of this too.

Is there anything we've missed, or I've missed, that is key or essential or fundamental to the program you're now administering and that is obviously having some significant success?

● (0905)

Mr. Gerry Mangan: Thank you very much, Mr. Martin.

We're also obviously disappointed that you and your colleagues weren't able to make it, but we can understand how difficulties arise, as we work with ministers and parliamentarians and whatever. We'll look forward to meeting you, hopefully, if you can visit us next week. Needless to say, we are very much available to you and your colleagues if we can be of any assistance in trying to explain what we've been doing.

I think you've in fact summarized very well how the process has evolved, and particularly, I suppose, it has happened on two levels. The governmental system has recognized the value of this, be it in our Department of Finance or be it wherever, that there is great merit in trying to get on top of the poverty challenge and addressing it in an effective way. I think that goes without saying. As well, I mentioned all the key interest groups, such as employers, trade unions, and so on.

I think employers are an interesting example, because it's true in Ireland and I think it's true generally that people see that poverty has a significant economic downside as well. That is illustrated very much in Ireland, where, when the economy did take off and we created a huge number of jobs, we ended up not having the workers to fill them, because a lot of people didn't have the education, didn't have the training, didn't have the supports they needed. The previous speaker mentioned lone parents, which was a key example of this.

Therefore, that led to high levels of immigration, which of course we have no difficulty with, but it did highlight maybe the extent to which a failure to address poverty adequately, on the one hand, can have an economic impact, and the historic nature of poverty. A lot of the problems people had at that stage were the result of, in a way, failures in the past to provide proper education, to provide proper supports, and so on. So when these people reached working age, they weren't in a position to avail themselves of the job opportunities that became available.

As the process has gone on, more and more it's becoming clear that tackling poverty has a strong economic dimension as well, or economic advantages. I think that's very much echoed by the OECD, of which, of course, Canada is a very distinguished member. In a recent meeting there of ministers of social affairs, the OECD Secretariat made a very strong statement in that regard when they said that not only does poverty have social justice implications, but it also has severe economic implications currently and into the future. I know that all the member states, all the countries represented there, had no difficulty in accepting that and endorsing it.

I hope that helps to answer some of the issues you raised.

Mr. Tony Martin: Thank you very much.

I have just one other question for this round. I understand now, more fully, the dynamic at the top level, the national level, and even the European Union's insistence that this happen, and the new charter that, hopefully, will be approved today by Ireland, but how do you get this down to the ground level, to actually work out in the communities? You have urban and rural considerations to bring into play here, and in Canada we have an interesting challenge in that we have a federal government, we have provincial governments, and then we have municipal governments, and the thing is to get the good thinking at the top to work its way down so that programs on the ground actually work.

You mentioned at one point the idea of community development as an approach to capturing some of the perhaps difficult to serve or consistent levels of poverty. Maybe you could talk to us for a few minutes on how you make this happen at the local level and maybe develop further this notion of community development.

● (0910)

The Chair: Gerry, we're almost out of time here, so we'd like as quick a response as you can give. I know that's a big question.

Mr. Gerry Mangan: I'll ask Kevin or Bevin to respond.

Ms. Bevin Cody: I suppose that in terms of communities we would have a very strong belief that people experiencing poverty have a big role to play in working together to tackle poverty within their own communities, but they need support and resources to do that. Ireland has a widespread community development program with community development projects, and I think there are 292 community development projects around the country in which people are undertaking anti-poverty work at the community level. There's also a ministry responsible for community development.

At another level, there is a major program of work happening through the local authorities, with many of the services that people living in poverty need to access. I suppose that has created its own challenges insofar as policies were being developed at a national level but then needed to be translated and implemented and delivered at a local level. Combat Poverty has worked over the past seven years with local authorities to help them build their capacity to develop local anti-poverty strategies that translate the goals of the national strategies to a local level. That has had its challenges, but it's been supported by a number of structures at a national level. For example, there's a local government social inclusion steering group that operates at a national level and brings together a number of government departments, so that would be another issue.

The Chair: Thanks, Bevin.

We're now going to move to the Conservatives and the government.

Ms. Yelich, go ahead for seven minutes.

Mrs. Lynne Yelich: Thank you very much.

I'm going to share my time with Mr. Brown.

I just want to say that yesterday we met your ambassador, Declan Kelly, who co-hosted a reception here on the Hill as a book was being launched about Thomas D'Arcy McGee, titled *Passion, Reason, and Politics,1825-1857*. It was an interesting reception, and of course Declan Kelly represents your country very well.

I heard a couple of interesting comments. I'm not sure which speaker mentioned the will having come from a minister on the left of the spectrum, but when it comes to discussing poverty, I don't think there is any political right or left on this. We are all interested in tackling poverty because we will all benefit so much from the education and from all the things that come from a thriving economy.

I know that part of the reason you have been so successful is your economy. Does that change your strategy or the definition of "poverty" from when you started this strategy 10 years ago?

I also want to know, when you do sign the Lisbon agreement, what changes will that make to your strategy? Will you be setting a new direction? And picking up on what Mr. Martin said, about the levels of government here at home, how are you going to get it to the ground? What happens when you join the Lisbon agreement, if that passes? What changes will that make to your whole strategy? Will it change direction?

I don't want to take much time, because I do hope that Mr. Brown gets a question as well, but I also want to know what that market basket looked like. I heard you name a few things. Even if you could write them and submit them to the committee, it would be helpful.

Thanks.

Actually, I did have one more about your stakeholders. You said there were many stakeholders. We also want to have some of the stakeholders come.

How did they contribute positively to some of the changes in policies? We want contributions, not people saying this is what government has to give them. What did they come with as contributing factors to trying to lift people out of poverty? I'm talking about CEOs of companies, businesses, small businesses, and the trade unions you mentioned. Of course, we all know that volunteers are probably the largest asset to lifting people out of poverty, but what contribution did these stakeholders make besides having a thriving economy?

Thank you.

● (0915)

Mr. Gerry Mangan: Thank you very much.

Again, it's very interesting for us to hear about all the Canadian-Irish links there are. In my own case, I have three first cousins in Canada, one of whom has the same name as mine, so we have a lot of personal contacts there.

In terms of the commentary made, quite rightly, about the left-of-centre politician, I suppose it's just that the person who started it happened to be that. But the government of which he was a member, which was not really left of centre—it was more centre—fully supported it. Then it was maintained by the government that succeeded them—in fact, the minister went out of office before the plan came into effect.

I can say that there is, quite rightly, consensus right across the board politically in this whole area, and that is borne out of a concern for poverty and for trying to deal with it.

In terms of the other issues, I think rather than my hogging it, I will turn first of all to Tim, in terms of the nature of the poverty and how it's calculated and so on.

Mr. Tim Callan: I think the issue there is a general one and not specific to Ireland, but there are particular aspects that became very sharply focused in Ireland. It has to do with how the definition of poverty is adjusted for growth in income and increasing income over time. Those are general issues related to the low-income measure that's used or the relative income poverty measure that's used, which is called "at risk of poverty" by EU. Those are all automatically increased in line with a measure of average income or median income perhaps.

The consistent poverty measure is a newer and more recently developed measure. It's not designed to be something that is fixed for all time, although it is in the same tradition, in the sense that the consistent poverty measure is also trying to capture people being poor, meaning they are excluded from the ordinary life of society and so on. That's the same idea, but in planting that over what we've had in Ireland—a very rapid growth period—there are issues as to how well that's capturing it. For my part, as an analyst, it makes me cautious about attributing sole rights to one measure of poverty. I think these different measures are telling us different things. That doesn't mean we throw up our hands, but it means it is telling something about what's going on in a complex situation, and we need to interpret those carefully.

Obviously in this context I can't say a whole lot more, but we're willing to do so through email, if need be, as with any other matter.

Mr. Kevin O'Kelly: I'll take the other two points around the Lisbon treaty and the contribution of stakeholders. Maybe Bevin might like to also comment on that.

I wouldn't envisage any changes from the introduction of the Lisbon treaty. I think all the member states are now committed, as Gerry has said, to the implementation of anti-poverty strategies, or social inclusion strategies, as they're called at the European level.

I referred to it in my introductory remarks, because for the first time it will be included in the treaties of the European Union. Up until now it has been an aspiration. It would still remain a responsibility of the member states, but there's a greater coordination of approaches and a sharing of experiences across the 27 member states as to how to tackle poverty.

We would have delegations coming from other member states to see what's happening in Ireland; we would be in touch with fellow member states about what they're doing, and we can learn from their approaches. It's very much a sharing approach within the European Union. It will probably give an impetus and will help a lot to push the whole agenda on poverty and social exclusion along.

In regard to stakeholders, one of the interesting things about the commitment in Ireland of the trade unions and the employers is that we're lucky to have only one trade union centre and one employers' organization; we have single-peak organizations at the social partner level that work with the government, not just through the national partnership process but in a wide range of governmental agencies and organizations, so the social partners have a major input into the whole aspect of the development and the implementation of economic and social planning in Ireland.

The other thing I was going to mention was in regard to something Mr. Martin said around the national agreement of the PPF. In 2006 and 2007 we had quite an interesting development in Ireland, in that a lot of the programs we had in place converged at the same time and had to be renewed around the same time. We had the national anti-poverty strategy; it was finished in 2007. The PPF was finished in 2006, and the new *Towards 2016*, a 10-year agreement, came into force last year. Then there was the national development plan that came on stream at the same time, and we also had to prepare the reports for the European Union. A lot of these things came together, and there was an opportunity to integrate and interlink a lot of the strategies into one coherent national strategy, which again helped to focus on the national direction we want to go in.

● (0920)

The Chair: Thank you.

That's all the time we have. We'll get to you, Mr. Brown, in the next round.

We're going to start our second round of five minutes with Ms. Sgro, from the Liberal Party.

Hon. Judy Sgro (York West, Lib.): Thank you very much.

This has been very informative this morning. I appreciate your taking so much time with us.

As you know, several of our provinces are taking up the challenge as well to specifically put together an anti-poverty strategy. We're hoping that we're going to be able to work in coordination with our provinces as well as many of our cities and communities.

You mentioned lone-parent families. Many women today, along with doing the important job of raising children, also want to be participating actively in the workforce and preparing so that they don't end up as seniors in poverty. What programs specifically do you have, given the fact that you now recognize that a lot of women in Ireland want to be active participants in the workforce? What have you done when it comes to the issue of providing child care and the issue of seniors in poverty? Have you done anything specifically to deal with them?

My third question is on the issue of homelessness.

I'm throwing out three quick questions for you, just because time runs short and our colleagues still want to get some other questions in. So could you give me some fairly quick answers to three complex problems?

Mr. Gerry Mangan: Very quickly, then, in terms of lone parents, the main aim for lone parents is to reconcile their work and care for children. So we do find that, quite rightly, their priority will be the care of children, but they will want, at the same time, to develop a career. Of course, the capacity to develop their career will vary as the children get older, and they may be freer when the children become school-going.

So a key element is child care. That has been developed to a significant degree. We still have a long way to go. Many cultures have been doing it for many years and they've made a lot more progress, but I suppose the need for it is accepted. The direction in which we're going is clear. It takes time to build the capacity, and that's what's being tackled at the moment.

The majority of our lone parents are in employment. A minority, a large minority, are not in employment. In their case, it's largely a lack of education, a lack of training, but even a lack of access to employment from where they live—transportation, a whole range of areas like that. So we have an activation program that will be bringing lone parents into what is a normal unemployment-type level of support. They'll be treated as people available for work. Their needs will be assessed, the barriers will be removed insofar as that is possible, and the necessary incentives, training and so on, will be provided. That policy is part of the plan, and it's to be developed in the coming years. It's one of the top priorities, if not the top priority, because for a lot of lone parents, the fact is, as I mentioned earlier, it does contribute to child poverty as well.

In terms of the older seniors, again, there has been a strong commitment to increase pensions substantially. There are substantial increases to try to bring people out of the "at risk of poverty" category that we mentioned earlier, to bring people above that level. There may also be a need to target people who are living alone. A high proportion of people who are experiencing poverty are living alone, because they haven't the benefit of sharing household expenses with somebody with another pension or another income. And then we have a whole community support system continually being developed in terms of home help, respite care, support with housing needs, heating needs, and fuel. We have free electricity, free travel, free television licences, a whole range of household allowances that help people meet the major costs they have. I think that would be the second group.

As regards the homeless, we're nearly at a stage where most of the people who used to be on the streets have, to a large extent, been provided with shelter. But then you need to move on from that situation where people are living in what we call in Ireland "bed and breakfasts", or temporary accommodation, and so on, to get them housed into more regular accommodation. That's achieved by, first of all, making appropriate housing available, but also by providing rent allowances that meet a high proportion of the rent people have to pay.

● (0925)

Ms. Bevin Cody: Can I just add something in relation to child care?

The Chair: Sure, Bevin, very quickly, if you could. Thanks.

Ms. Bevin Cody: I suppose there has been a focus in Ireland on child care as a workforce activation measure as opposed to a more holistic view of child care in terms of what is in the best interests of the child. A recent development here has been the establishment of an office for the Minister for Children, with responsibility for looking at that, and it's brought together different policy areas—including health, education, and some elements of justice—to look at that issue.

The Chair: Thank you very much, Bevin, for that follow-up.

We're now going to move to Mr. Lake from the Conservative Party for five minutes.

Mr. Mike Lake (Edmonton—Mill Woods—Beaumont, CPC): I'd like to start by thanking you for taking the time today to meet with us this way. I think it's been a great discussion, a great way to do it, and we saved the taxpayers of Canada $70,000 by doing it this way. I think that's important for us.

It's interesting when you take a look at the jurisdictions. I know Tony asked a jurisdiction question. I would note that our challenges are interesting. For example, the distance from one border of Canada to the other side of Canada is almost the same as the distance from Dublin to New Delhi. So we're very different in terms of the jurisdictions we're representing. Of course, here in Canada we have 10 provinces, all equal partners. Obviously, most of the provinces are constitutionally responsible for most of the areas that impact poverty.

You were touching a little bit on the jurisdictional issue, and I know that someone referred to all levels of government being involved. Is there an entity, a jurisdiction within Ireland that is not national, that has significant areas of responsibility that would be comparable to or even more than the national government in terms of most of the areas we talked about?

Mr. Gerry Mangan: No.

First of all, we're very conscious of the difference in scale between Ireland and Canada. We come up against that, needless to say, in the European Union as well, where we'd have 80 million Germans and 56 million U.K. people and so on. Sometimes we're conscious that what might work in Ireland would have to be reworked for it to work in larger countries.

But in terms of the jurisdiction within the Republic of Ireland—and there's another jurisdiction, of course, in Northern Ireland—it's a country with a population of four million. It's relatively small, and it would fit into a small corner of Canada, probably. I think the next area down would be local authorities, but they wouldn't have near the level of jurisdiction. Most of the major programs like health, income support, and employment support would be administered at a national level, but they'd have a local presence. But responsibility, virtually, would lie at the national level without any intermediate levels of responsibility. In that respect we would be a bit like the United Kingdom, quite a centralized country.

I know in the Scandinavian countries in particular, what they call their municipalities have a significant degree of responsibility for social services in particular, but that wouldn't apply in Ireland to the same extent at all.

● (0930)

Mr. Mike Lake: I mean that in no way to diminish the accomplishments you've made there, because they sound significant.

You've obviously been involved in this process for a long time, so maybe you could speak to some of the challenges you've had along the way. Obviously, the whole issue is a big challenge, but what are some of the things you may have learned over the course of that time that you didn't expect to learn? When you're talking to different politicians who are trying to make decisions in their own countries, what might we be able to learn without making the same mistakes?

Mr. Gerry Mangan: I suppose one of the major difficulties—and it is an ongoing one—is to get departments to adopt a wider perspective. Government departments or ministries are still largely focused on their own area of responsibility. This has a silo effect, as we often refer to it here, whereby they see their main objective as achieving the right outcomes in their area. So it's a matter of trying to guess a cross-cutting approach among departments when looking at dealing with people who are in poverty. That applies at both a national and a local level. That's why we have introduced this life cycle approach, to try to get people focused on outcomes that require cross-departmental cooperation and integration, and so on. I think that has been one of our greatest challenges.

I think it's also fair to say that there's always a tension between the economic perspective and the social perspective. On the one hand, people always say, and quite rightly so, that economic development is paramount. But at the same time, we need to try to convince people that you can promote economic development through the social dimension as well. It's a bit of a more long-term objective. One of the problems with social supports is that they can take a while to bear fruit—or to be seen to bear fruit. If you want to invest in children, for example, it could be 20 years before you see the fruits of that. But what is very obvious is that if you don't invest in them, you can see the fruits today of lack of investment in the past. So there is a need for a longer-term perspective. Of course, that also arises in relation to the aging of the population and the need to make provision for people down the road, as the population in Ireland is aging as well.

I suppose these are the things: the need for a cross-cutting perspective, a more long-term perspective, and to see the advantages economically of social investment. It's happening, but it takes a while for it to sink in.

The Chair: Thank you.

Mr. Kevin O'Kelly: Mr. Chair, could I just make two quick points to Mr. Lake?

● (0935)

The Chair: Okay, be very quick, if you could. Thanks.

Mr. Kevin O'Kelly: One thing that I think is important that we haven't mentioned at all this morning is what Gerry talked about, the *National Action Plan for Social Inclusion, 2007-20016*, a plan that we have had in place since last year. In Northern Ireland, they also have a similar document called *Lifetime Opportunities*. In both of these documents, there is similar text committing us to tackling poverty and social exclusion on an all-Ireland basis. We're working towards that; we do some work with Northern Ireland on tackling some of the issues, in particular, around the rural poverty that might result in the border regions in Ireland. That's an important aspect that we haven't mentioned already, but which I think is important.

On your second question, I suppose one of the interesting things we've learned is that one ministry or department will do something that leads to a poverty trap, which then needs to be tackled by another department, such as the Department of Social and Family Affairs. For example, about two or three years ago, the Department of the Environment allowed local authorities to introduce waste charges, without studying the impact that would have on low-income families, who very often have more waste because they have more children and they don't have the facilities to get to Bring centres, or whatever. So sometimes things happen in one area that have an impact on people living in poverty, which then need to be addressed on a whole-of-government or joined-up government approach.

Another one would be lone parents, as Gerry has already mentioned. Certainly, there are a lot of unemployed people trying to get to training centres, but the Department of Transport may decide to allow the national transport company to cut back on transport services, because of commercial reasons in some of the rural areas, which cuts off people living alone. In fact, another department that looks after community development has had to introduce a second transport system to compensate for the national transport company stopping services.

So you have situations where you do something in one area that has a knock-on effect or impact on people living in poverty, and it needs to be addressed in another way. It's a matter of trying to get all of these things to work together and to have a joined-up government approach to dealing with all of the very complex issues around poverty.

The Chair: Thanks, Kevin.

Gerry, I think you originally alluded to the purpose of your office to help coordinate all of these other organizations. That seems to be one of the key measurements here, the fact that you work with so many different organizations, trying to deal with all of the holes that come up or potential conflicts, and therefore to be able to see a problem and to be able to keep everyone coordinated. It's been very interesting.

We're going to move now to the next round.

We have Mr. Lessard, from the Bloc, for five minutes again, sir.

[*Translation*]

Mr. Yves Lessard: Thank you, Mr. Chairman.

I was struck by the fact that you have two basic measures of poverty. Correct me if I am wrong. On the one hand, you have the consistent poverty rate, which guides you and allows you to know where to intervene. On the other hand, you have the life cycle framework, that you use also, which is a concept with which we are not so familiar. It is rather interesting. It seems to me it allows you to track the evolution of poverty from childhood to old age, as well as the number of people who manage to escape from it.

If I understood you correctly, you are tracking this on the ground. If so, how do you do it? Let us take the example of a child whose parents have been able to provide him or her at some point with a better income or better living conditions. This individual will evolve later in life. Is he or she going to fall back into poverty? Is this what you are trying to track? Over the last ten years you have been able to put into place not only support for the poor but also methods to analyze the results. Could you tell me how you do that follow-up?

[*English*]

Mr. Gerry Mangan: First of all, in very general terms, I suppose we learn from our experience and from the experience abroad what are the various changes needed in terms of child development. The concentration is clearly on child care, but good quality child care, particularly if there are problems with low parental education, or whatever.

One of the key phases in a child's life is the very earliest phase, in terms of their capacity later on to be successful in school and employment, and so on. That's generally accepted. So it's child care and early childhood education, and whatever. Then, of course, you need to support the family with income support and other supports, such as parenting, and so on.

So those, if you like, are the supports. But in trying to track that.... And I know you have this in Canada as well, as we've learned a lot from your longitudinal surveys and studies, and so on, which have enabled you to track child development and the impact of various influences.

My colleague Tim's institute is involved in that, so I might ask him to respond to that, and also on the consistent poverty measure.

● (0940)

Dr. Tim Callan: I think the consistent poverty measure is, very clearly, the main focus of the strategy as it stands. As for the tracking of progress, there is, as Gerry says, a particular new cohort study that will track 10,000 Irish children, I think it is, from close to birth, and then come back at key points in their careers—and also track a cohort of nine-year-olds, similarly. So these will provide interesting insights into policy as a new and exciting area for us. As Gerry says, you've already done some work in this area.

But in terms of what you can provide in regular annual pictures of where policy has got you to, it has to do, again, with these snapshots provided by the Irish element of the EU-SILC, which will be the main components that are used.

Mr. Gerry Mangan: Just to come back, although it's not entirely related to your question, we have a similar study going on with older people as well. The aim is to try to, again, track their development and see what were the various influences that had an impact on them, both positively and negatively.

In terms of the term “consistent poverty”, we understand what it means, but it's not an immediately understandable term certainly to people not from Ireland. I think you may have mentioned “persistent poverty”. Persistent poverty clearly would be poverty that continues over a period. Consistent poverty is really basic poverty, people who are lacking in goods and services that are reckoned to be basic necessities of life in the country.

We will send on a list of those to you, but that's what it is. It's essentially people who are really suffering basic deprivation. It serves to highlight or it enables us to prioritize what our policy measures should be. People often say it's harder to deal with relative poverty, but actually, it's harder to deal with basic poverty, because you're dealing with a diverse group of people with very fundamental needs. That's the priority we've set ourselves.

The Chair: Thank you very much. That's all the time we have.

We're now going to move to Ms. Dhalla, from the Liberal Party, for five minutes.

Ms. Ruby Dhalla (Brampton—Springdale, Lib.): Thank you very much for a lot of the insight that you've provided in terms of the plan you've developed. I know many of us around this table were extremely interested to hear from you. You have a great reputation here in Canada for all the work you've done, as individuals and as a nation, to combat poverty.

I have a couple of questions.

First, in reading some of your information in regard to your strategic plan, originally when you set out, I believe you had a goal of reducing poverty, to 9% to 15% in 1977 and 5% to 10% in 2007. Then you went on to revise that to reducing poverty to 2% to 4% in 2012 and eliminating it by 2016. Could you perhaps discuss with the committee what led to that transition or those changes in targets?

I know one of the changes you spoke about was the shift in lone-parent families, where lone parents, especially females, were initially staying at home, and then there was that transition made into the workforce.

What were some of the other factors that led to that change in target, and how did that evolve?

Mr. Gerry Mangan: In terms of the change in target, I suppose when the targets were set initially it demonstrated that we didn't really fully understand the level of poverty there was, the level of basic poverty. Then when we got up-to-date figures a few years later, we discovered, actually, that we'd made a lot more progress than we had realized.

As I mentioned, there was a lot more prosperity in Ireland, so we felt we could be more ambitious in setting targets to try to reduce poverty. In fact, we were going to eliminate it by 2007. But then, unfortunately for us, from a policy perspective, a new way of measuring poverty was introduced with this EU survey we mentioned. That showed, using different methods, that the level of consistent poverty was actually higher than we had previously believed it to be. So we had a topsy-turvy type of experience in relation to that. But we're now satisfied, clearly, that there's a solid basis, because it's the basis that's used EU-wide. Therefore, in light of that, we set new targets, which to some extent were higher than they had been before, but which were solidly based on a new way of measuring it.

In terms of how we're going to achieve this, from these surveys we know who the groups are that are experiencing basic poverty. We know who are vulnerable and we know why they're vulnerable. Therefore, the whole strategy is designed to target the needs of those people. A major group of them would be families with children, particularly lone parents but also larger families. As far as we're concerned, we look across to other countries that are much more successful in this regard, and we know they tackled it through putting in proper child care, education, training—all the methods I described earlier.

We know there are also long-term unemployed, a small group but still sizeable enough, and the same process is involved there. We have mentioned that we will take older people out of poverty by substantially increasing basic pensions. Then we'll tackle smaller groups, such as the homeless, such as people who were formally institutionalized, such as people who suffering from addiction to drugs, alcohol, and so on.

Migrants are a new and key priority, people who come from other countries. We're trying to ensure that they're integrated, that they're not ghettoized. We try to learn from perhaps mistakes that other European countries made, because of the fact that clearly we have learned how to deal with it.

So these are just examples of how....

● (0945)

Ms. Ruby Dhalla: I have a quick question before the chair tells me my time is up.

First, could you provide us with an example of some of the other countries you think have both achieved success in eliminating poverty and had great national strategies?

Second, with regard to the definition of consistent poverty that you use, could you provide us with some of the 11 benchmarks you have identified? That would be extremely helpful.

Last but not least, you've talked about some of your national goals and your vision; you have talked about the analysis you've done and having clear objectives, measures, and benchmarks. How have you translated that vision to a local level to ensure there are local grassroots community-based solutions?

The Chair: Gerry, there are never any quick questions around here, but do your best. We're over time, but just do your best in terms of answering as quickly as you can.

Thanks, Gerry.

Mr. Gerry Mangan: Well, I think what I will do in relation to the first two questions is supply you with the information in terms of other countries and the benchmarks and whatever.

In terms of locally based solutions, at the local authority level we have social inclusion units coordinating the activities of local authorities, and they are also part of a county development process whereby they're trying to achieve both economic and social development. They work very closely with non-governmental organizations and in relation to community development. We could supply you with plenty of information on that too; it would be impossible to describe it very quickly for you, but we can supply that information, and I know my colleagues will assist in that respect.

Mr. Kevin O'Kelly: Chair, could I make one very quick point around trying to reach the targets, the issue raised by the last member?

We're under no illusions; meeting these targets will be extremely difficult. We have two particular challenges. The first is the downturn of the global economy and the impact it will have on the Irish economy, which is a very open economy in international terms. We won't have the resources we've had over the last 10 years to direct towards tackling poverty.

The second point is that we're trying to reach these targets in an expanding population. Our statistics office estimates that in the next eight to 10 years, the population will increase by about 20% to well over 5.2 million, and to reduce poverty in an expanding population will in fact be a major challenge for us. We're not under any illusions about that.

● (0950)

The Chair: Thanks, Kevin.

We're now going to move back to the Conservative Party. We're going to start with Mr. Brown, and if we have some time, we'll have Mr. Wallace.

Go ahead, Mr. Brown, for five minutes.

Mr. Gord Brown (Leeds—Grenville, CPC): Thank you very much, Mr. Chairman, and I want to thank our witnesses for joining us today. Through modern technology we have the ability to do this.

In fact, you just hit on one of my main questions. We all know the challenges the global economy is having right now, especially in light of energy prices, and we know that not many countries are going to be immune from any potential downturn. Should there be this period of likely economic difficulty ahead, how will your government ensure that the progress achieved over the past 10 years with respect to poverty is maintained and that continued progress is made to reduce poverty between now and 2016?

Mr. Gerry Mangan: I think one of the things we have learned through the process is that there will always be very substantial resources devoted to combatting poverty and social exclusion. I think we'd be confident, hopefully, that we'll be able to maintain in real terms the resources that are currently available; the degree of improvement will be affected.

People often ask me what will happen to the targets. I say the targets will be met, but it might take a few years longer to meet them because of the slow-up in resources. Our economists—again from my colleague here at the institute—are predicting that the economic downturn we're currently experiencing will not last too long and that the basic fundamentals of our economy are sound. I certainly hope they're right, from our perspective.

In this instance, we believe the process will work to ensure that the resources that are there will continue to be managed more effectively. I've been around a good while; I've seen ups and downs in terms of economic development, and I often say the downturns provide opportunities to get rid of wasteful practices, to get rid of schemes that aren't working particularly well, and to have a leaner—meaner, if you like—system going forward, so that when the economy lifts up, the new funds that can then flow in will be used to better advantage.

I think that irrespective, in a way, of what happens to the economy, there is always a need for proper management, setting goals, setting priorities, and setting realistic targets to get the best return from what you're applying in terms of resources, personnel, and so on.

Mr. Gord Brown: A little earlier it was said that the lights went on. What exactly made the lights go on to decide to tackle poverty?

Mr. Gerry Mangan: I think it's fair to say that—you know, we don't want in any way to be unfair to previous generations—there was always a strong commitment to tackling poverty, but it was being tackled in a very diverse way. The people involved were not working together in a coordinated, integrated way. The strategy was introduced to try to have a more effective, coordinated way to understand why poverty existed, what the causes were, what the remedies were, and then to mobilize all the various stakeholders to better effect.

As I mentioned, it's almost an historical question now—why then and not before, why then and not afterwards? I mentioned the confluence of the minister in question who got the support form his government, and also the UN summit, the partnership background, and the economic resources. All of these just came together at the right time.

● (0955)

Mr. Gord Brown: Before I hand it over to Mr. Wallace, I have just one last question. Is there any advice you might give us, something maybe we haven't asked already?

Mr. Gerry Mangan: You've certainly asked a lot of questions.

No, I think we've covered most of the ground, certainly from my perspective. I don't know if my colleagues would want to add anything.

Ms. Bevin Cody: I think there would have been a prevailing attitude in Ireland 20 years ago that if we solved unemployment, poverty would be solved, and the fact that the economy turned around and we had full employment really concentrated the mind on the structural issues that were preventing certain groups from escaping from poverty. Then the establishment of targets had a huge impact on budgetary policy and social welfare rates.

I think the bigger challenge in terms of tackling poverty, which is ongoing and is addressed in the current national action plan, is around the delivery of services, how services are delivered to people in poverty.

Mr. Gerry Mangan: I will make one very quick point. Possibly it's more of a political dimension than whatever.

I have to say that we mentioned the minister, but really, there was a commitment from the very top. I've sat with my minister around the table at cabinet committee meetings chaired by the Prime Minister, and that gives a very clear message right down the line that this is a top government priority and there is accountability to the very top. So if you can engage people at the very top levels and there's parliamentary support and whatever....

And I suppose I can't emphasize enough the confidence that's there that poverty can be tackled, reduced, and ultimately—who knows?—eliminated. It can be done. What's needed is to have the will, and the will can come from the very top. I think that's a very important dimension, but you must put structures there to ensure that happens.

The Chair: Thank you.

We're almost out of time. There were some individuals who wanted to ask one quick question. I'm going to go to Mr. Wallace, Mr. Martin, Mr. Cuzner, and then Madame Bonsant in that order. They will have one quick question just to finish up. There have been no quick questions, that's the problem. But we're going to do our best.

Thanks, Mike. We'll go with you, and then Mr. Martin.

Mr. Mike Wallace (Burlington, CPC): Thank you, Mr. Chair.

Thank you for joining us. This is for Professor Callan on the presentation he provided to us on the impact of tax benefit policy changes from 1993 to 1997 and from 2003 to 2007. My question is simple.

If I look at the chart—and by the way, I'm on the finance committee, so it's more of a finance question—I see that the impact of tax changes in the period 1993 to 1997 affected the middle class a little bit positively and the poorest section negatively, and then it changed in the period 2003 to 2007. I would like to know what the fiscal capacity of the government was in the 1993 to 1997 timeframe compared with the fiscal capacity of the government in the 2003 to 2007 timeframe, and did that change significantly?

Mr. Tim Callan: I don't have the exact figures at hand, but the capacity wasn't that different. I guess one of the things in looking at that is that big bar at the start on the left-hand side leaps out at you and speaks huge costs, but in fact that's proportionate gain for the poorest quintile. Their incomes are so low that it doesn't actually cost that much.

Mr. Mike Wallace: Thank you very much. That answers the question.

The Chair: Thank you.

Mr. Martin, one quick question.

Mr. Tony Martin: Thank you.

I just want to note that once you decided you were going to act on this, how quickly you moved. We've been in a fairly intellectual exercise, over about 15 years now, trying to decide how to define poverty. We have folks talking about relative poverty; we have other people talking about absolute poverty.

You adopted this notion of social inclusion and exclusion. I notice from stories I read that it's across the board. It's not just including people in the life of their community, but, for example, there was the N1 project in Dublin, where there was a big housing development on your waterfront that was going to happen. Through the proddings of people like Seanie Lambe, I guess, you got out of that project a fairly significant affordable housing piece.

Could you talk a little bit about this whole notion of social inclusion, and why you chose to go that route as opposed to perhaps another?

Mr. Gerry Mangan: I suppose to some extent social inclusion is a dimension of it, but as Tim said, there's no single indicator in terms of poverty.

I mentioned two. I mentioned basic deprivation, which targets those most in need. Then you have relative poverty, which more than likely targets inequality, or illustrates inequality, or people who have fallen significantly behind the norm. They would not necessarily be experiencing serious deprivation, but they would not be able to keep up with the standard of living that people generally have, and they're clearly vulnerable as well. Some of this vulnerability is vulnerability shocks: when something major happens to them, or whatever, they are not able to contend with it. So they have to be supported.

In terms of social exclusion, then, that deals largely with the extent to which people are isolated by poverty. I'll just give you one concrete example, which might illustrate it for other age groups.

The child comes home to its mother, a lone parent maybe, and says, “My friends have invited me to a party.” The present for the party costs 20 euro. The mother has already set out her budget for the week. The child can't go to the party, or if she does go to the party with a present, the mother has problems with her budget. There are people who live in a very tight situation who can't avail themselves of going out for a night, who are isolated from friends and relations. There are older people who live apart. This is what social exclusion is: people don't participate in society. Maybe they don't vote. They don't get involved in community activities. There's a whole range of areas from which people are excluded. The core of that is poverty, but the impact is social exclusion.

In addition, there's a need for the type of community development that will provide people with that support and that access to living a better quality life than otherwise might be the case. So when you're looking at poverty, you have to bear in mind that whole dimension as well.

The European Union would say about us that we don't give enough focus to trying to meet the challenge of social exclusion as we do to meet the challenge of poverty in the traditional sense, and therefore we need to do more in that area as well. I think that's the point in that regard.

You need a number of measures of poverty, and each of them will tell you something important.

● (1000)

Mr. Kevin O'Kelly: Mr. Martin, I would just add that we've been researching over the last number of years around people who are socially excluded; they're also financially excluded. They don't have bank accounts. They don't have access to credit. So from the point of view of having access to finance to get over these humps that Gerry talks about, they don't have that, unless they go to moneylenders at horrendously high interest rates.

That's something we're working on with the financial institutions here to try to tackle, to try to get basic bank accounts through the postal system to alleviate the type of marginal income problems that people have who are living at risk of poverty.

Mr. Gerry Mangan: I'd like to just quickly supplement that from Kevin.

We have a money advice service, which, again, we will send you details on.

I won't delay any further, but you might be interested in that.

The Chair: That's great.

We have bells ringing, which means votes, so we'll be leaving in 15 minutes. But I do have two quick questions, from Mr. Cuzner and then Madame Bonsant.

Mr. Cuzner, please.

Mr. Rodger Cuzner (Cape Breton—Canso, Lib.): Thank you very much.

My question is specifically about some of the challenges that are faced by people living in poverty in rural communities. Obviously, the vast size of our country amplifies that. But in your situation in Ireland...and I think there was a reference made earlier to transportation and access for people looking to secure training and what have you. Do you have some specific initiatives to deal with rural poverty, or do you try to build enough latitude into some of the criteria or structure of your programming to accommodate and help those living in rural communities?

Mr. Gerry Mangan: I think we do have some. One of our categories is “urban and rural disadvantaged”, and the rural is an important one.

First of all, it's a question of looking at the population mix. There's a much higher proportion of older people and younger people in rural communities. The middle group very often migrate to towns and so on to take up employment.

My experience is that the problems with rural poverty are quite similar across developed countries. I was at a conference recently in Rome, and from a European perspective, I just couldn't believe how similar the problems were.

What you mentioned there is true. First of all, people live in isolation, and there's a need for some form of organized support and intervention in that regard. We're providing that and developing that in Ireland through community development initiatives, where people are contacted, befriended, and they're brought to community centres on a daily basis so they can interact with others and with people of their own age.

In the northwest of Ireland there's a particular project for older men, who are regarded as particularly vulnerable by virtue of being isolated and so on, and a lot of very good work has been done. Actually, it's a border region, so this is a combined project between Northern Ireland and the Republic of Ireland.

In terms of what you mentioned about transport, it's very true. We have a rural transport initiative. Public transport runs very irregularly, so this is one that's very much focused on people's needs—when people are trying to access services, access training if they're unemployed, access employment at times. And that's key to improving considerably people's quality of life. A lot of the services at a local level are being run down because of the lack of critical mass. In other words, people with cars are able to go to bigger centres. Of course, people who don't have cars or can't easily access these services are left, then, with very deficient services.

So these are just some examples; we have many more. But the nature of rural poverty is that it's a very distinct form of poverty requiring very distinct supports, and a strategy can identify that and come up with solutions on a more integrated basis.

● (1005)

The Chair: Thank you.

Now we have one last quick question from Madame Bonsant, and then we're going to have to get to our votes.

Go ahead.

[*Translation*]

Ms. France Bonsant (Compton—Stanstead, BQ): I would be interested to know what impact the decrease in poverty rates has had on crime. If there has been an impact, I would like to know its extent.

[*English*]

Mr. Gerry Mangan: You could argue that there's been an increase in crime for different reasons. A lot of crime in Ireland is related to drugs and drug trafficking, drug addiction and whatever, and there's been a significant increase in that in Ireland. That has helped to increase, perhaps, more serious crime than would have been the case in the past. And that's key. Clearly, to some extent there's a basis for that in poverty. There are certain areas of extreme disadvantage still, and drugs and drug addiction and drug trafficking are very much part and parcel of these areas.

I suppose in many respects some forms of crime would have been reduced because more people are in employment and better off. But that type of crime, unfortunately, has increased.

In addition to that, there's a much greater availability of firearms and more of that type of serious crime, which maybe wouldn't have been the case in a simpler past in Ireland. But it is there today, like in a lot of other developed countries.

The Chair: Gerry, Kevin, Bevin, and Tim, thank you so very much for all the insight you have given us today. This committee is very grateful for your time.

If you have any information you can send off to us, it would be greatly appreciated. As well, if there are any strategies you have tried that haven't worked, you could maybe make note of those as well when you send stuff in.

Thank you very much. We wish you all a great day. Thank you.

The meeting is adjourned.

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