Submission to the Joint Parliamentary Good Friday Committee:

Discussion on 'Pensions and Social Security' to discuss the different social protection systems on both sides of the border and how they could operate in a unified or federal state.

Dr Tom Boland:

Senior Lecturer and Head of Department, UCC Department of Sociology and Criminology. My research has tracked the transformation of Social Security and in particular the turn towards 'activation' in Ireland for over a decade. With colleagues, I have carried out over 150 interviews with jobseekers, which allows us to understand the experience and impact of new policies on the ground. Further data has been gathered through focus groups, ethnographies and digital surveys. My research also addresses policy analysis, media coverage and the history of the welfare state. I am a founding member of the Sociological Association of Ireland, Work, Markets and Welfare group, and a member of the All-Island Social Security Network.

tom.boland@ucc.ie

Opening Statement: 5 mins:

A Chathaoirligh, a dhaoine uaisle, agus a chairde.

In 1998 when the Good Friday Agreement was signed, the Republic of Ireland had probably the most generous welfare system in the world. It was generous not just in terms of cash, but in terms of trust. The Department of Social Protection then looked on unemployment benefit as an entitlement, almost as a right. Being unemployed was never an easy option, and it has always been less money than the minimum wage, but it was secure. An unemployment payment was as reliable as having a pension.

The differences between welfare systems North and South are many and reflect both economic factors and governmental priorities. Any movement towards a federal or united Ireland should ensure that all citizens on the island are treated equally. The opportunity to discuss these different welfare systems and consider lines of development, alongside Dr. Ciara Fitzpatrick and drawing from research carried out by our All-Island Social Security network is very welcome.

Unfortunately, current trends towards confluence reflect the tendency of governments in Dublin to imitate measures which were developed by governments in London. The Northern Executives mitigation of UK welfare reforms in 2012 demonstrates that there is an appetite for other policy directions, perhaps following more European models. We have an opportunity for new thinking in this conversation.

After the Troika bailout in 2010, the Irish state remodelled welfare, copying ideas from the UK, Austrialia and US. It introduced conditionality, activation and sanctions. This means that even if you are eligible for a welfare entitlement, it is not secure. Any non-compliance with the directives of welfare officers, even missing a meeting, can result in a cut to welfare that puts people below the poverty line, or even makes them destitute.

Since Covid, the severity and frequency of these measures has reduced somewhat. The rather dubious JobBridge programme and the 'Welfare Cheats cheat us all' campaign are behind us. Yet a more punitive and suspicious attitude has become engrained in the system, with conditionality and sanctions becoming routine and accepted.

Let me be clear; sanctions do not work. Threatening and punishing people does not create more jobs. Earlier this month the UK finally published a report which shows that people who are sanctioned then accept less well-paid jobs. The threat of sanctions depresses both wages and people. North and South, we need to move away from sanctioning, and return to the ideal of unconditional support, and offer information, training and education as options so people can make their own choices.

While the Republic once had a most generous welfare state, the provision of services, was somewhat lacking, often out-sourced to the church historically. There is no NHS south of the border. The Welfare state should extend to housing, healthcare and education – all three of which should be rights, assured by the state rather than left up to the market.

Effectively the 'Irish Welfare System' is a hybrid, made up of different ideas and systems borrowed from elsewhere. If there is ever to be an all-Island welfare system, we must give careful thought to the values that underpin that system.

Like many people, I am a hybrid; my great grandfather was a Presbyterian who left West Cork in a hurry during the War of Independence. My mother is English, and my father, a Dub, met her when his whole family emigrated there during the 1960s. Part of his family was Huguenot, refugees from France centuries ago. Inniu, táim líofa sa Ghaelainn, rud a fuair me ó mo bhean.

Any welfare system is a hybrid, because it is recreated every year by politicians and policy makers. The challenge of an All-island welfare state is also an opportunity to examine our systems and what we want to achieve with them. It is not just a technical task but a question of politics and cultural values.

Evidence:

Over the last ten years, the social security systems of the Republic of Ireland have gradually moved towards resembling the policies implemented in Northern Ireland and the UK. Broadly, this is a turn towards 'activation' or 'active labour market policies' but more specifically it is a turn towards conditionality and sanctions. In short this means that many welfare payments, are dependent on labour market activity, that is, jobseeking efforts, which must be evidenced and are monitored by Intreo or welfare offices. Non-compliance, failing to behave as directed or even missing mandatory meetings, can result in a penalty sanction of a 25% reduction in payment for up to 9 weeks, or in certain circumstances, the suspension of the welfare payment entirely. The UK and Northern Irish system, where conditionality and sanctions are implemented across all benefits under Universal Credit – except pensions, imposes much harsher sanctions, and much more frequently. This policy approach is misguided and needs to be reversed.

My research and that of many colleagues, amply demonstrates that Conditionality and Sanctions make the experience of being unemployed much more difficult. Interviews with jobseekers reveal that the pressure of conditionality, with the threat of sanctions mentioned in

virtually every communication with the Intreo office has a negative effect on the well-being and perhaps even the employment prospects of jobseekers.

This research has been published extensively – see list of publications below by myself and colleagues. An indicative sample of research on the UK system is also included. This evidence is qualitative in nature, but is nevertheless cumulative, consistent and replicable. The thesis that conditionality and sanctions are unnecessary to motivate people to return to work is supported by the recent history of the Pandemic Unemployment Payment. Thousands of people moved from this more generous and automatic welfare payment back into work, of their own volition.

The Experience of Unemployment.

Herein I draw principally on evidence from 158 long-form interviews carried out between 2012 and 2022. These were carried out among jobseekers as Intreo was rolled out, under the JobPath scheme and include several repeat interviews to examine how the experience of unemployment changed over time.

While some individuals initially welcomed activation processes as a form of guidance or support from the Intreo office, repeat interviews demonstrated that eventually it became a form of pressure with negative consequences. Navigating the initial claim for benefits was often a fraught process, where individuals often felt themselves subjected to undue suspicion. Experiences at the 'street-level' varied greatly, with some interviewees commending the Intreo staff, whereas others had less positive experiences, particularly with Seetec and TurasNua.

There was a variety of different activation experiences among the interviewees. Many had 'Group Engagement' wherein their 'rights and responsibilities' were explained to them in Intreo offices. These were often felt to be condescending, or objectionable as the presentation assumed that many jobseekers would commit fraud or fail to seek work assiduously without guidance or pressure. Assessments of skills and training needs were often perfunctory or non-existence, and this area of activation largely revolved around what courses and options were immediately available.

More difficult still were one-to-one interviews, either by Intreo or by Seetec or TurasNua under Jobpath. Most interviewees felt that they were put under pressure to conduct jobsearch activity which they knew to be useless, or required to undertake training which had no relevance to their career or situation. Others reported being directed in CV re-writing, often interfering with their own carefully crafted professional self-presentation. More importantly, these interviews were akin to a mini-tribunal, whereby the jobseeker had to justify and evidence their efforts to find work, to a welfare officer who could recommend they be sanctioned. They then had to draw up a plan for further jobsearching, which the same power-holder could determine.

The general effect of these activation processes was to increase jobseekers' stress and anxiety about their situation. They felt that it re-framed being unemployed as though it was a personal fault, which undermined their confidence in applying for jobs. Their desire to escape this system made them more likely to accept low-waged, short-term insecure jobs which were unconnected to their skills or career path. 'I would do anything to get off this' as one interviewee said. Activation wasted their time in collecting evidence of jobsearch activity, and their resources in pursuing mandated but ineffective activity. Many reported mental health problems described as 'depressed' or 'panic' feelings; these were associated less with the financial problem of being unemployed, than the process of activation.

Some interviewees described being sanctioned, mainly for trivial infractions such as missing a meeting. This resulted in severe hardship, for instance, a young mother lost her rental property and had to move back to the family home with her child. Others described having to rely on charity, the help of family and friends and getting into debt to deal with the shortfall of funds. Those who had been sanctioned described being extremely compliant thereafter, obeying all instructions to the letter, but reported no extra motivation or ability at jobseeking.

In short; activation by conditionality and the threat and implementation of sanctions made the experience of unemployment considerably worse, and had no reported benefits.

Implications for Social Policy

The concerning outcomes revealed in the above research pales in comparison to the negative consequences documented for decades in the UK and Northern Ireland (see Dwyer, 2019 for an overview.) Clearly, any All-Island social security system should move towards the relative leniency of the system South of the border. However, there is a clear political preference within both jurisdictions for some kind of active labour market policy, with a commitment towards conditionality backed up by some kind of sanctions.

The argument for conditionality is basically the assumption that without some sort of incentive, some people will not take up work. Of course, the positive incentive of increased earnings through work is acknowledged as a 'pull factor' into employment. This is ensured by state policy that makes sure that 'work pays' – even at marginal levels, for instance, through the FiS (family income supplement). However, many policymakers insist that there is an additional need for conditionality as a 'push factor', with the threat and implementation of sanctions justified as a deterrent effect which prevents the unemployed from spending longer spells unemployed. Note here that, the perceived need to provide motivation for a few is considered as justification for a policy applied to all.

Activation, conditionality and sanctions do not create new jobs. What they purportedly serve to do is make sure that the unemployed are less likely to become 'long-term unemployed'. The extent that early spells of unemployment lead to loss of skills and decreased future earnings is termed 'scarring' in academic literature. Aside from reducing spells of long-term unemployment, quite how conditionality and sanctions effect this scarring effect overall has yet to be ascertained. A recent DWP report in the UK demonstrate that those people who were sanctioned generally moved into less well remunerated jobs. Broadly, this indicates that the consequence of sanctions was that people reduced their 'reservation wage'. The DWP justifies the continued use of conditionality and sanctions as a 'deterrent effect', which the report does not measure. It is plausible that the same effect of reducing the 'reservation wage' occurs through the threat of sanctions, as people become more determined to exit unemployment at any cost.

The most recent policy-level justification of conditionality and sanctions in Ireland is McGuinness et al (2019) *Carrots, No Stick, No Driver* – a metaphor for the unemployed which unfortunately seems to describe them as donkeys. This paper concerns activation meetings held in 2006-2008 which made it clear that welfare entitlements were unconditional, which were held with some, but not all jobseekers. Following different cohorts of jobseekers using administrative data allowed the authors to demonstrate that after 12 months, those who knew their welfare to be unconditional were 11.2% less likely to be in work. The authors draw the inference that without conditionality, jobseekers reduce the intensity of their work-search

activities. An element noted but not explained in the report is that this figure falls from 11.2% to 6.7% at 18 months. An alternative explanation of this data is that without conditionality and sanctions, jobseekers hold out for better pay and conditions. Indeed, the slightly reduced likelihood of being in work is hardly a justification for the imposition of the conditionality regime described above.

In Sum:

Conditionality and sanctions at best accelerates people through unemployment into work, with a high human cost, and contributes to people accepting less favourable pay and conditions. Aside from state employment, no activation measures actually create jobs, so conditionality and sanctions mainly increase competition on the labour market and the circulation or 'churn' of people between low-wage and no-wage. This is not to say that activation measures in the form of advice, training and education cannot be useful. Better matching of skills and opportunities using digital labour market tools or algorithmic predictors of the labour market might also help reduce the duration of spells of unemployment.

It is also worth noting that the administration of conditionality is also costly. The negligible or low value for money of conditionality through JobPath was demonstrated in the CAG report of 2019 (Compter and Auditor General), which showed that intensified conditionality in privatised providers was largely a deadweight effect. At present, the welfare state, both North and South, is spending large sums on processes which make the lives of the unemployed more difficult and place downward pressures on wages.

Recommendations:

Considering the possibility of an All-Island future is also an opportunity to rethink existing welfare systems, both North and South. Any future united or federal arrangement should make sure that jobseekers get a fair deal, wherever they live. With that in mind, the following recommendations are offered:

1. Politicians and Policymakers need to be clear what their aims are in any redesign or reform of the welfare system. The aim of 'getting people back to work' needs to take into account the importance of job-quality and length of contract – and combat the growth of precarious work.

2. Activation policies should be carefully evaluated not just in terms of their labour market effects, but also how they impact upon the lives of the unemployed. This evaluation should be independently commissioned and continuous, then made publicly available.

3. The use of sanctions should be reviewed in detail, as the efficacy of threatening and punishing jobseekers is doubtful and creates downward pressure on wages. Sanctions should be removed from the system, but if they are to be used they should be i.) well signalled and explained by case-officers, ii.) be of negligible financial impact, iii.) be subject to an appeals process with another case-officer before implementation, and iv.) preceded by a warning 'yellow-card' for a first infraction.

4. Whether within state provision or in privatised firms, there is a need for specialised training in order to understand the experience of welfare claimants and the labour market. Any privatised firms or new hiring drive should preferentially employ graduates of social sciences

and in some instances psychology. In-service training for existing staff within Intreo etc should be made available on the higher-certificate model, and delivered by Higher Educational Institutes in Ireland.

5. The Department of Social Protection needs to be more open to external research and collaboration. At present, staff are precluded from giving interviews to independent researchers. Data within the Department is limited to what is available via the CSO or released only via requests or parliamentary questions. Other jurisdictions, for instance, Denmark, have benefited greatly from increased co-operation. Other departments, say health, routinely make their practices subject to scientific inquiry to improve practice.

Conclusion:

Politicians and policy-makers need to recognise that welfare systems are not merely technical instruments to prevent poverty and optimise the labour market. Rather, they are political expressions of culture and values. A supportive welfare state maintains peace and social cohesion in difficult times. Compare for instance the social unrest during the austerity period to the collective effort during the pandemic, corresponding to very different approaches to welfare. Future challenges, North and South, of the cost of living and housing crises, and the need to provide for refugees require a generous welfare state. Climate change will probably lead to economic and population disruptions which will make these challenges chronic; rather than thinking of the present as a crisis that will pass, we need to re-think our institutions for the long-term, to provide existential security to all our citizens and all who need to take refuge on our shores. The global resonance of the Irish story means that an All-Island social security system could become a world-leader, turning away from conditionality and sanctions to a more supportive system, a return to the original spirit of the welfare state.

References:

Boland, T., Doyle, K., & Griffin, R. (2022). Passing Stigma: Negotiations of Welfare Categories as Street Level Governmentality. *Social Policy and Society,* 21(4), 657-667.

Boland, T. & Griffin, R. (2021) *The Reformation of Welfare: The New Faith of the Labour Market.* Bristol: Bristol University Press.

Boland, T. & Griffin, R. (2016) 'Making Sacrifices: How the ungenerous gifts of social welfare constitute the unemployed as scapegoats.' *Distinktion: Scandinavian Journal of Social Theory* 17(2): 174-191.

Boland, T. (2016) 'Seeking a role: Disciplining jobseekers as actors in the labour market' *Work, Employment and Society* 30(2): 334-351.

Boland, T. & Griffin, R. (2015) 'The Death of Unemployment in Welfare Policy: Governing a liminal experience' *Irish Journal of Sociology* 23(2): 29-48.

Boland, T. & Griffin, R. (2015) *The Sociology of Unemployment.* Manchester, Manchester UP.

Bolton, R., Whelan, J., & Dukelow, F. (2022). What Can Welfare Stigma Do? *Social Policy and Society,* 21(4), 632-645.

Dukelow, F. & Murphy, M. (2022). Building the Future from the Present: Imagining Post-Growth, Post-Productivist Ecosocial Policy. *Journal of Social Policy, 51*(3), 504-518

Dwyer, P. ed., (2019) *Dealing with welfare conditionality: Implementation and effects.* Bristol: Policy Press.

Finn, P. (2021) Navigating indifference: Irish jobseekers' experiences of welfare conditionality. *Administration* 69(2): 67-86

Fletcher, D. R., & Wright, S. (2018). A hand up or a slap down? Criminalising benefit claimants in Britain via strategies of surveillance, sanctions and deterrence. *Critical Social Policy* 38(2), 323–344.

Hogan, J; Howlett, M; Murphy, M (2022) 'Re-thinking the coronavirus pandemic as a policy punctuation: COVID-19 as a path-clearing policy accelerator'. *Policy and Society*, 41 :40-52.

Joseph, E. (2020). Composite counterstorytelling as a technique for challenging ambivalence about race and racism in the labour market in Ireland. *Irish Journal of Sociology* 28(2), 168–191.

McGann M.; Murphy M.P.; Whelan N. (2020) 'Workfare redux? Pandemic unemployment, labour activation and the lessons of post-crisis welfare reform in Ireland'. *International Journal of Sociology and Social Policy* 40 (9/10):963-978

McGann M. (2022) Meeting the numbers: Performance politics and welfare-to-work at the street-level. *Irish Journal of Sociology*. 30(1):69-89.

Murphy M.P. (2021) 'A new welfare imaginary for the island of Ireland'. *Irish Studies in International Affairs*, 32 (2):532-557.

Murphy M. (2017) 'Irish Flex-insecurity: The Post-crisis Reality for Vulnerable Workers in Ireland'. *Social Policy and Administration*, 51 (2):308-327.

Whelan, J. (2023) Hidden in statistics? On the lived experience of poverty, *Journal of social work practice*, (forthcoming) 1 - 15

Whelan J. (2021) Work and thrive or claim and skive: Experiencing the 'toxic symbiosis' of worklessness and welfare recipiency in Ireland. *Irish Journal of Sociology*. 29(1):3-31.

Wright, S., Fletcher, D.R. and Stewart, A.B., 2020. Punitive benefit sanctions, welfare conditionality, and the social abuse of unemployed people in Britain: Transforming claimants into offenders?. *Social Policy & Administration*, 54(2), pp.278-294.