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Ireland 2008-2012 Untold Story of the Crisis – Gender, Equality and Inequalities

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IRELAND
2008-2012

Untold Story of the Crisis – Gender, Equality and Inequalities[1]

Ursula Barry and Pauline Conroy

Introduction

Ireland was the first EU country to declare itself officially *in recession* in August 2008 and the second EU country to have a structural adjustment programme imposed by the IMF/ECB/EU, known as 'the troika'. The turnaround of the Irish economy has been dramatic - from one with the highest levels of GDP and employment growth to among those with the highest unemployment, emigration and debt levels across the EU - in the space of just a few short years.

Ireland's economic policy throughout the 'boom years' had been based on a *low tax strategy* and the consequences of this have shaped the particular way in which the recession has unfolded and its enormous negative impact on Irish public finances. Firstly, the overreliance on taxation income from a completely overblown property and construction sector and secondly, the high level of public subsidy that has been made available to a crisis-ridden Irish banking sector through nationalisations, capital injections and taking over of 'bad loans'. Since 2008, the Irish government has guaranteed not just *depositors* but also all *bondholders,* secured and unsecured, in Irish banks and credit institutions - including those who have already failed. Private corporate debt has been transformed into private sovereign debt, placing a huge burden on the economy as a whole and with particular serious consequences for low and middle income households.

In this context, the 'troika' (EU/ECB/IMF) got involved in high level loans to the Irish government, known as the 'bailout' in November 2010. In reality it is made up of credit at (at least initially) controversially high rates of interest. The terms of the agreement with the 'troika' mean that severe restrictions on Irish public expenditure have been imposed and a limited period (until 2015) to reduce the current deficit to 3 per cent of GDP[2] has been laid down, resulting in a particularly negative impact on low and middle income households. Attempts to negotiate with the 'troika' a reduced liability to the banking sector have had little success. Since 2009 real social spending in most OECD countries has stabilized but is falling in Greece, Iceland, Hungary and Ireland (Adema et al., 2011:13). This has meant a severe drop in public expenditure and a fall in income levels across the economy, with a particularly negative impact on those with low to middle level earnings. From a

[1] This is a revised paper that was originally presented at an International Symposium in Panteion University of Social and Political Sciences in Athens in on December 1st 2011on *Women, Gender Equality and Economic Crisis*

[2] This is a return to the Public Sector Borrowing Requirement of 3 per cent set down when the EURO was established under European Monetary Union. – a level of borrowing applied across the board to all Member States that are part of the monetary union. This limit was subsequently breached by many countries, including France and Germany - the so-called strong countries.

gender equality perspective a number of these measures have an unacknowledged yet significant negative impact.

The depth of the economic crisis which has consumed the Irish economy over the last three years has had complex effects on the structure and the internal workings of the Irish labour market. Almost every sector of the Irish economy has been deeply affected by the crisis (with the exception of the export sector, largely driven by foreign-owned companies, many of them American multi-nationals). High long-term unemployment spread from construction into the services sector as the recession became protracted (CSO 2011). A series of policy measures have been undertaken since 2008 with the stated aim of reducing the gap between revenue and expenditure. The most notorious of these are the Universal Social Charge (USC), the flat-rate Household Charge and an untargeted early retirement scheme across the public sector.

It is estimated that around 20 per cent of households are now in significant debt, primarily through a combination of increases in mortgage payments (within a context of negative equity) and a significant loss of income (through unemployment and/or reductions in pay) (Social Justice, 2011). Paradoxically, while the level of debt is extremely high, the level of savings has also dramatically increased (Finfacts 2011). This can be attributed to the high sense of fear and uncertainty experienced by many households, their desire to pay off crippling debt as well as maintain cash reserves, all of which has had the effect of sharply contracting domestic demand and employment levels across the economy. Pay and pension cuts in the public sector have been mirrored (and even exceeded) by falling wage rates and employment levels across the private sector.

Significant public pressure has seen a reversal of the reduction of the minimum wage and a modification of the USC under the new centrist coalition government which came to power in March 2011. The current government also reiterated a commitment to maintain basic social welfare rates, income tax rates and public sector pay levels until 2013. However, it is argued by many that the impact of central government austerity policies has severely depressed demand creating conditions for continued, and possibly higher, mass unemployment, poverty, inequality and emigration as the economy is squeezed tighter and tighter.

Gender, welfare regime and employment

Ireland's welfare regime is a mixed hybrid model combining strong elements of market-organised and delivered services with women in the family expected to deliver care and support across a range of social needs. Not surprisingly this has generated considerable ambiguity in public policy in terms of whether women should be in the labour market earning individual wages or staying at home and working occasionally or part-time while caring for children and persons who are long-term frail or with disabilities.

When Irish employment trends are looked at in an EU context, the scale of the recession is particularly evident. Whereas Irish employment rates among both men and women were above the EU average before the recession, they were significantly below the EU average in 2011. Ireland is among those with the lowest employment rates for women and men in 2010 and showing little sign of recovery (alongside Spain, Portugal and Norway). Employment rates have fallen across the Irish economy during the crisis years of 2008 to 2010 and into 2011. Both men and women are affected by this drop. Women's employment rate has fallen from a peak of 60.8 in 2007 to 57.0 in 2009 and to 55.0 in the third quarter of 2011 (see Table 1). So, while Ireland had reached the Lisbon target of

60 per cent women's employment rate in advance of the EU deadline by 2007, the economic crisis has reversed this and resulted in a sharp reduction in women's employment rate. In a parallel manner, men's employment rate has fallen from its peak in 2007 of 77.1 to 65.3 in 2009 and to 63.3 in 2011. Employment changes have generated new gender patterns as the loss of employment among men has been particularly high, due to the collapse of the construction sector, and, as a result, the gender gap in employment rates has narrowed significantly (Barry, 2010).

Table 1 Employment rates by sex and age 1999 to 2011

Employment Rates (ILO) per cent	Age group	1999	2001	2004	2007	2008	2009	2010	2011*
Females	*15-19*	24.9	22.2	21.1	23.1	18.6	12.8	12.4	12.5
	20-24	67.4	65.6	66.8	67.2	62	57	51.2	48.7
	25-34	72.4	74.5	73.7	74.8	72.8	71.2	69.7	68.0
	35-44	59.6	62.8	63.6	66.6	66	63.5	61.7	63.2
	45-54	47.7	54.2	59.7	65.8	64.5	63.9	63.4	60.9
	55-59	33	36.3	43.3	47	49	50.1	50.4	51.9
	60-64	18.9	20.2	23.6	31.8	30.3	30	31.6	31.7
Combined Female Rate		**52.6**	**55.1**	**57.2**	**60.8**	**59**	**57**	**55.7**	**55.0**
Males	*15-19*	30.8	29.1	24.9	24.2	17.3	12.4	9.4	9.9
	20-24	74.4	71.8	71.7	74.2	63.3	48.3	45.4	47.4
	25-34	89.9	89.4	88.5	87.2	82.9	74	70.7	69.7
	35-44	88.7	90.7	90.2	86.6	85.2	78.8	77.3	78.1
	45-54	84.1	84.9	85.6	86.2	82.8	77.3	75.4	74.9
	55-59	71.3	73.8	72.5	74.6	72.5	66.5	66.2	63.4
	60-64	51.4	54.4	55.7	59.3	56.7	50.9	47.3	50.1
Combined Male Rate		**75.2**	**76.1**	**76**	**77.1**	**72.6**	**65.3**	**63.1**	**63.3**
Combined Rate		**63.9**	**65.6**	**66.7**	**69**	**65.8**	**61.1**	**59.4**	**59.1**

Source: CSO (2012) QNHS Table 9a. Note: * 2011 data is for 3rd quarter

When the impact of falling employment rates on different age groups is examined some key points emerge:

- Young men and young women are being particularly badly hit, only some of which can be attributable to higher rates of participation in 3rd level education.
- Young women between 20 and 24 years saw their employment rate drop from 62.0 per cent in 2008 to 57.0 per cent in 2009 and to 48.7 in third quarter of 2011
- Young men aged 20 to 24 years saw their employment rate fall from 63.3 per cent in 2008 to 48.3 in 2009 and 47.4 in third quarter of 2011.
- Crisis years have brought about a situation in which, for the first time, employment rates of young women are higher than that of young men, mainly due to the way in which employment levels have fallen at a different rate in different sectors of the economy – construction the sector which has been hardest hit.
- Middle-aged and older women aged 45-59 have bucked the trend – their employment rates have either held static or increased.

Data for 2010 show that women accounted for 47 per cent of employment in 2010, compared to just over 43 per cent in 2007. Wide variations in the percentage of women and men are evident across different occupational groups, revealing a highly segregated labour market. Women account for over 60 per cent of those employed as personal service and sales workers and only just over 5 per cent of those employed as craft and related trade workers, a little over 16 per cent of those employed as plant and machine operatives and only around a third of those employed as managers and administrators. Broad occupational groups revealing a more equal distribution between women and men are professional and technical occupations. What is clear is that the numbers employed have fallen from a peak in 2007. The fall has been particularly steep in certain occupations (craft and related trades and plant and machinery operatives) whereas they have risen in others (professional and technical workers and personal service workers). Some occupations which employ a large proportion of women have contracted at a slower rate or, in some cases, expanded during the period of the recession. Other important employers of women such as sales occupations rose rapidly until 2007 and then fell sharply to 2010.

Table 2 Employment by broad occupational group and sex 2004, 2007, 2010

	2004		2007		2010		
	Total (000s)	% Women	Total (000s)	% Women	Total (000s)	% Women	
All broad occupational groups	**1899.5**	**42.2%**	**2138.8**	**43.23%**	**1823.2**	**46.6%**	**+**
Managers and administrators	314.4	29.5%	319.2	31.7%	302.9	33.0%	+
Professional	209.3	47.6%	241.4	49.8%	250.7	53.0%	+
Associate professional and technical	167.6	59.3%	195.1	59.3%	189.5	57.8%	-
Clerical and secretarial	233.0	75.0%	254.8	75.7%	228.4	74.5%	-
Craft and related	262.7	4.3%	300.2	4.3%	171.1	5.3%	+
Personal and protective service	198.0	61.4%	248.1	64.7%	233.8	62.8%	+
Sales	160.0	62.3%	191.1	61.9%	162.4	60.7%	-
Plant and machine operatives	169.9	18.6%	177.8	14.2%	136.4	16.3%	-
Other broad occupational groups	184.5	38.4%	211	37.7%	148	41.4%	+

Source: Authors own calculations based on CSO Table 3b 2011, 2004, 2007 and 2010 4th Qtr.

Sectoral data reveal contrasting trends within different sectors of the economy and, from a gender perspective, a fast changing picture of the composition of employment. The most dramatic change between 2007 and 2011 has been the collapse in employment – initially in construction, but also in agriculture and industry, affecting predominantly men. Services employment where women are concentrated lost employment as the recession took hold (for example in accommodation and food services) and growth in employment up until 2007 came to an abrupt halt and rapid decline. Examples include financial and insurance services, and professional and technical services. The percentage of women employed across the various sectors has remained relatively stable, although there are some notable reductions in the proportion of women employed in accommodation and food services, manufacturing industry and professional and technical services (CSO 2011)

Table 3 Employment by economic sector and by sex 2004, 2007, 2011

	2004		2007		2011*		
	Total (000s)	% Women	Total (000s)	% Women	Total (000s)	% Women	
Agriculture, Forestry, and Fishing	110.0	19.8%	114.1	11.1%	80.5	10.6%	-
Industry	296.4	29.2%	284.2	26.9%	230.7	27.7%	-
Construction	210.3	4.4%	261.0	5.2%	107.5	6.6%	+
Wholesale and retail trade	268.2	49.8%	313.8	50.2%	266.0	48.7%	–
Transportation and storage	93.1	17.8%	98.0	18.2%	94.5	18.4%	+
Accommodation and Food service activities	112.4	57.0%	134.1	58.5%	109.7	53.3%	-
Information and communication	61.9	34.1%	70.8	30.0%	73.7	29.8%	-
Financial, insurance, and real estate activities	89.0	57.2%	104.2	58.8%	98.1	60.0%	+
Professional, scientific and technical activities	94.5	41.4%	112.8	42.6%	97.3	37.8%	-
Administrative and support service activities	64.8	52.6%	82.2	49.1%	64.6	49.8%	-
Public administration & defence	91.3	50.6%	103.5	50.1%	100.7	48.3%	-
Education	117.9	70.2%	137.9	73.4%	143.3	75.9%	+
Human Health and social work activities	181.2	81.8%	220.9	82.7%	236.0	81.1%	-
Other NACE Activities	109.0	56.3%	101.5	61.4%	95.0	60.4%	+

Source: Authors' calculations based on CSO, 2011 Table 3a. *Data for 2011 is for 3rd quarter.

The public sector is a very significant employer of women in Ireland, partly because there are better conditions of work, including greater job flexibility. In contrast to other sectors, education (76 per cent female) and health care (81 per cent female) have increased employment through the recession although both sectors have begun to show vulnerability to employment decline over the last year. 44 per cent of those employed in public administration and defence are women (down from 51 per cent in 2007). Wage rates are higher and the gender pay gap is generally lower in the public sector. The introduction of an *indiscriminate non-strategic early retirement scheme*, as well as a *freeze on recruitment* until at least 2013, has had major consequences, especially in the health sector. Data on early retirement has yet to be released but inevitably it will show disproportionately high job losses and fewer job opportunities for women. Reductions in social expenditure have resulted in the contraction of a range of services. These include home helps and public beds in nursing homes in the health sector, and Special Needs Assistants and language assistants in the educational sector. Such cut-backs put pressure back onto communities and families where women continue to be the primary carers.

A clear consequence of the severe economic recession in Ireland has been a dramatic rise in registered unemployment, particularly affecting young people. Latest unemployment data show Ireland at a rate of over 14.7 per cent for March 2011. Employment in construction has continued to fall and one in seven of all jobs have been lost over the three year period since employment peaked in late 2007 (CSO, 2012). An OECD Report published in March 2011 showed Ireland's unemployment rate at the second highest (after Spain) among 34 economies (OECD, 2011). EU comparative data shows Ireland at a 21 per cent rate of youth unemployment – a rate that has doubled over the last ten years from 10 per cent - and significantly above the EU average of 18 per cent (Eurostat Online Database). While unemployment rates are high among both young women and young men, they are particularly high among young men. Young men, many of whom left school early in the height of the 'boom' to take up job opportunities in construction, now find themselves unemployed and, in some cases, without even basic second level qualifications. Long-term unemployment has returned to Ireland at an acute level badly affecting both younger and older men and, as the crisis has continued, the majority of those unemployed have become long-term.

Ireland has represented the classic form of a deregulated labour market in that prevailing gender norms are reflected on the labour market – flexibility means different experiences for women and men workers; women have tended to predominate among short-hours jobs and men among long hours. Men worked an average of 39.4 hours a week in 2010 compared with 30.9 for women. Recession has disrupted this gender pattern to a certain extent with the increase of part-time employment among men. Both women and men have experienced a rise in part-time employment, but among women it is from a significantly higher base. The proportion of men working part-time has doubled from 6.1 per cent to 13 per cent between 2004 and late 2011, while the proportion of women working part-time has increased from 31.6 per cent to 36 per cent over the same period. Women who are concentrated in part-time employment are most often those with children or with a combination of caring responsibilities. However, maybe even because of the crisis, overtime continues to be prevalent among in mainly male occupations (around 25 per cent of men work overtime).

Table 4 Part-time and full-time employment 2004, 2007, 2011

	2004		**2007**		**2011**	
	Male (00)	Female (00)	Male (00)	Female (00)	Male (00)	Female (00)
Full Time	1034.7	549.4	1128.1	628.1	834.1	537.5
Part Time	66.9	253.7	86.9	299.2	124.5	297.8
Total	1101.6	803.1	1215	927.3	960.3	835.4
% Full Time	93.9%	68.4%	92.8%	67.8%	87%	64%
% Part Time	6.1%	31.6%	7.1%	32.3%	13%	36%

Source: CSO, 2011 Table 3a Quarter 3

Recent research by Russell and McGinnity (2011) compares data between 2003 and 2009 and shows the extent to which part-time work is also low paid work, particularly when it is women's work. Women part-timers earn 6 per cent less than full-timers in contrast to men part-timers who do not seem to experience a 'pay penalty'. An important feature of the economic crisis has been not just the increase in part-time employment, but the rise in *involuntary* part-time employment. Involuntary part-time employment has risen sharply in Ireland through the recession and EU comparative data shows Ireland with among the highest level of increases in involuntary part-time employment among both women and men.

Table 5 Involuntary part-time employment as per cent of total part-time employment, (age 15-64) level and variation, 2007-2010

Ireland	2007 %	2010 %	EU	2007 %	2010 %
Men Women	20.3 8.3	53.2 28.6	Men Women	30.2 20.2	36.0 24.0

Source: Eurostat, Online Database

The level of involuntary part-time employment in Ireland shows a sharp increase among women (28.6 per cent) but more particularly among men (53.2 per cent), a level that is way above the EU average. This rise in involuntary unemployment is a reflection of the overall crisis in employment in the Irish economy and is likely to continue, at least in the short-term. It is linked, at least in part, to the changing migration patterns that have characterised the last decade.

Ireland during the period of the 'celtic tiger' was a country of high levels of net in-migration, a new historical experience. The last two years have seen a reversal of this trend and a return to the historical pattern of emigration - net outward migration has returned to Ireland after a decade of in-migration. The data reveals the dramatic increase in emigration figures, including a particularly steep rise among women. Emigration levels have increased from an annual level of 36,000 in 2006, to 65,000 in 2009, levelling out at 65,300 in 2010 and rising again to 76,400 in 2011 (CSO figures 2011). It is predominantly younger people who are emigrating. Just over 90 per cent are under 44 years of age – around 45 per cent of those emigrating are under 25 years of age - and their numbers have increased sharply as the economic crisis has deepened.

There are gender differences. While the majority of emigrants were young men over recent years, 2011 figures show almost the same number of young women and men left the country, as a result of a slight fall in the numbers of men (fall of nearly 2,000 to 38,700) contrasting with a steep rise in the numbers of women (rise of 12,900 to 37,800). While 52 per cent of those who emigrated during 2011 were Irish nationals, this accounted for 65 per cent of male emigrants and 45 per cent of female emigrants (CSO, Population and Migration Statistics, 2011).

Immigration levels have shown a varying level of decrease, falling from 57,300 in 2009 to 30,800 in 2010 but rising again to 42,400 in 2011. For 2011, immigration levels are almost the same for women and men at around 20,000 each, with Irish nationals forming the largest share. Net outward migration stood at an estimated 33,100 in 2011 (compared to 7,800 in 2009) – this is the highest level of net outward migration since 1989. It is interesting to note that, although the numbers of immigrants fell sharply in the year to 2010 (from 57,000 in 2009 to 30,800 in 2010), there continues to be a significant number migrating into Ireland, and estimates for 2011 project an increase to 42,400.

It is particularly noteworthy that that immigration data for 2011, for both women and men, show a significant increase of over 30 per cent. Of these, approximately 35 per cent of women and 45 per cent of men immigrants are of Irish nationality – the next largest grouping is EU 12 and rest of EU. The Irish percentage of all immigrants has risen from 32 per cent to 40 per cent over 2009-2011 – a higher proportion of male Irish immigrants are men. The combined trends results shows a sharp growth in the level of net migration from -7,800 in 2009 to -34,500 in 2011 but, contrary to popular expectation preliminary results show a stabilisation in the year to 2011 to a level of 33,100 (CSO: Population and Migration Estimates September 2011).

Table 6 Emigration and immigration to and from Ireland among women (w) and men (m) 2005 to 2010.

	Immigration W	Immigration M	Emigration W	Emigration M	Net migration W	Net migration M
2005	37,100	47,500	14,600	15,400	32,600	32,100
2006	47,500	60,300	17,300	18,700	30,200	41,600
2007	52,100	57,400	18,600	23,600	33,500	33,800
2008	43,900	39,900	17,700	27,600	26,100	12,300
2009	29,100	28,200	26,100	39,000	3,000	-10,800
2010	15,500	15,300	24,900	40,400	-9,400	-25,100
2011	22,300	20,100	37,800	38,700	-15,500	-18,600

Note: Total Net Migration for 2009 was 7,800, was 34,500 in 2010 and 2011 was 34,100.
Source: Tables 2 and 3 with preliminary results for 2011, CSO Population and Migration Statistics April 2011.

The increasing feminisation of Irish migration may be attributed to the changing nature of the crisis, as employment in sectors other than construction undergo the most severe decline, such as retail, food and accommodation. Ireland over the last decade of 'boom and bust' can be seen to show strong evidence of a *disposable labour pool* or, as is sometimes referred to, as a *reserve army of labour* – drawing in additional labour when the market demands and then disposing of this additional pool back into the home (women) or outside their country borders (migrants). High levels of in-migration took place during the decade to 2007, and as the recession deepened Ireland reverted to a country of high emigration – 60 per cent in 2011 made up of those who had recently arrived in Ireland (mainly from Eastern Europe) and 40 per cent made up of mainly, young indigenous Irish women and men (see CSO: Population and Migration Estimates September 2011).

Recession in Ireland has meant an increase in the 'precariat' across the economy according to TASC[3] that includes those who are

[3] Think-tank for Action on Social Change – independent think-tank on social and economic policy. Ireland.

> *"…often underemployed, temporary or involuntarily part-time positions, working outside the tax and social insurance networks and/or working without documentation. In many cases, they are 'self-employed' – often having been let go by their employers and re-hired on a contract basis. In other cases, they may be employed through a jobs agency…. Unsurprisingly, the 'precariat' is dominated by women, but as the recession bites harder women are likely to be joined by migrants, young people, those with low levels of educational attainment and older people who are made redundant…The growth of employment precariousness has created a new division between the majority of workers, in relatively secure employment with attendant rights and benefits, and a growing group of people struggling to earn a living on the fringes of the labour force."* (TASC 2010, Conroy, 2011)

Recession and changes in public policy

In the context of the severe economic crisis in the Irish economy, the National Reform Programme for Ireland (NRP)[4] states that it is not in a position to meet the EU Headline Target of a 70 per cent employment rate of women and men. In its place the NRP sets the target of raising to 69 per cent - 71 per cent the employment rate '*for women and men aged 20-64 by 2020 including the greater participation of young people, older workers and low-skilled workers, and the better integration of legal migrants'*. There is no gender analysis informing this statement and no differentiation in the setting of targets between women and men, despite the articulation of gender specific targets in earlier policy documents which are linked to the EU Lisbon process. The employment rate of women in Ireland has already fallen to 55 per cent (2011) – below the Lisbon target of 60 per cent which had been reached in 2007. The employment rate of men has fallen to 63 per cent from a peak of 76 per cent which had been reached in 2004. This persistence of an almost ten point differential between women's and men's employment rates is the result of historical disadvantage and cultural differences, and it is crucial that it is understood and informs the policy process. In the absence of such understanding, policy development initiatives will not be implemented on a gender equality basis.

To raise women's employment rate to 69 - 71 per cent between 2011 and 2020 would require achieving around a fifteen percentage point increase over a nine year period. There is no evidence of broad gender-specific policy measures, action plans or supports required to achieve this aim, notwithstanding plans to compulsorily 'activate' lone mothers off welfare and into the labour market (over half of whom are already working part-time). As a consequence the employment rate targets set by Government for women must be regarded as, at the very least, highly unlikely to be achieved either in the short or the medium term.

What is happening is that the gender gap in employment rates is narrowing. For the first time the employment rate of young women is higher than that of young men. Effectively, the gender gap in the younger age groups has been reversed over the past eighteen months as young men suffer the consequences of an economy over-reliant on a construction industry that has effectively collapsed. The scale of male job losses has reduced the overall gender gap in the rate of employment. As the crisis has unfolded there has been a sharp narrowing of the overall gender gap in employment rates from a level of 18.8 percentage points in 2004, to 16.8 in 2007 and 8.3 in 2011. Comparative EU data

[4] The INRP was previously known as the National Employment Action Plan (NEAP) or National Action Plan (NAP).

for 2010 shows the gender gap in employment rates between women and men at 11.4 percentage points in EU compared to 7.4 percentage points in Ireland. This is illustrated in Table 7 below.

This narrowing of the gap in employment rates between women and men is neither intrinsically egalitarian nor progressive. The gap has narrowed during the recession because the employment rates of both men and women have fallen, but the employment rates of men have fallen faster and have moved significantly downwards towards the rates of women. The narrowing of the gap is therefore not an improvement for women. It rather reflects the deteriorating employment situation of both women and men.

Table 7 Gender Gap in Employment Rates 2004, 2007, 2011

Ireland	2004	2007	2011
women rate (%)	57.2	60.8	55.0
men rate (%)	76.0	77.1	63.3
Gap	18.8	16.8	8.3

Source: CSO, QNHS, Q3, 2011

Recent research by TASC shows the extent to which women still experience inequality in paid employment. Using 2010 survey data they argue that women earn less than men within each category of educational attainment, within each economic sector and within each occupation. Even after adjusting for women working fewer hours than men, women are seen to earn significantly less. While earnings are higher overall, the biggest earnings gap between women and men emerged among those with third level degrees or higher.

> *"The economic sectors with the largest gender earnings gap include finance, information technology and the professions (e.g. accountants, engineers and lawyers). The occupations with the greatest earnings gaps are in the area of management and administration. This is partially explained by the concentration of men in more senior positions than women. However, this masks the lack of flexible working opportunities, especially at a senior level, which limits career progression for women with caring responsibilities. These factors, combined with the inadequacy of childcare provision, contribute to the gender pay gap, which is estimated to be ten per cent when incomes are adjusted to take account of average hours per week spent in paid employment" (TASC, 2010).*

While there appears to be some acknowledgement of the importance of women to the recent expansion of the Irish labour force, there is no attempt in economic policies over the crisis period to create a balance of policies reflecting a commitment to gender equality. Gender equality is not mentioned or addressed within the current NRP – neither in its policy analysis framework nor in the detailing of the policy measures to be addressed. The use of gaps in employment rates as an indicator of progress of women relative to men is no longer useful in the Irish context and should be reviewed at a European level.

The new Coalition Government[5] elected in March 2011 promised to introduce a stimulus package to generate employment by the end of its first 100 days in office. A number of specific initiatives were

[5] Coalition is made up of Fine Gael, Christian Democrats and members of European Peoples Party and Labour (Social Democrat - Member of Group of Progressive Alliance of Socialists and Democrats in the European Parliament)

announced in May 2011 with the stated aim of stimulating employment; the main one in 2011 was the Jobs Initiative. The Jobs Initiative is designed to be "fiscally neutral" – i.e. will not place additional strain on the budget deficit. The stated aim of government for the overall jobs initiative is to target young unemployed people, particularly former construction workers. There is no reference to gender in the planning of these initiatives.

Apart from a statutory Minimum Wage and a maximum hourly week[6], Ireland can be viewed as country with a relatively low level of labour market regulation. There are a series of ministerial orders that cover, for example, night-time working, short-term working, zero-hours contracts, breaks and sick leave. Regulation generally encompasses entitlements to specific conditions of employment, as well as compensation when those conditions are not met. However, the regulation of the Irish labour market has come under threat as the crisis has persisted; protections previously or currently threatened include the Minimum Wage, the Joint Labour Committees (JLCs) and Employment Regulation Orders (EROs). While a reduction to the Minimum Wage level was reversed after it proved highly controversial, its level has been frozen throughout the crisis. At the same time, the collective bargaining system that has protected pay rates of (mainly) low paid-workers has come under fire, including from a High Court decision in July 2011. The majority of those affected are likely to be women. One of the most important changes being proposed, which will probably have a negative impact on working conditions for many low paid workers, is to allow companies to derogate from the terms of the EROs in cases of 'financial difficulty'.

The proposed changes have been strongly criticised :

> *"The JLC is an essential mechanism for protecting the incomes of the lowest paid and most vulnerable workers. This has been highlighted by the independent Report on the JLC Wage Setting Mechanism which has stated that cutting the wages of the low paid will not lead to a significant increase in employment".*[7] *(EAPN 2011)*

Low incomes and the Universal Social Charge (USC)

Low pay and low incomes often go hand-in-hand in Ireland, where an increasing proportion of those living in poverty are 'working poor'. The most up-to-date national data on poverty in Ireland is the EU Survey of Income and Living Conditions (SILC) data for 2010, which uses a poverty line set at 60 per cent of median income. According to this data, nearly 16 per cent of the Irish population are at risk of poverty, including 19.5 per cent of children. Lone parents, large families and people with disabilities are particularly at risk. The overall rate of those at risk of poverty has risen from 14.1 per cent to 15.8 per cent over just one year (from 2009 to 2010), those in 'consistent poverty' increased from 4.3 per cent in 2008 to 5.5 per cent in 2009 and 6.2 in 2010 and those experiencing 'deprivation' have increased from 13.8 per cent in 2008 to 17.1 per cent in 2009 and 22.5 per cent in 2010. Children are the most vulnerable to poverty in Ireland. In 2010, nearly one in five children was

[6] Under Irish legislation, the maximum number of hours worked per week is 48 and this is calculated as an average over 4, 6 or 12 months. The reference period for the calculation of 48 hours does not include annual leave, sick leave, maternity or adoptive leave.

[7] Duffy, Kevin and Walsh Frank, (2011) *Report of Independent Review of Employment Regulation Orders and Registered Employment Agreement Wage Setting Mechanisms*, Report to the Department of Jobs, Enterprise and Innovation, April.

at risk of poverty and over 8 per cent were living in consistent poverty, an increase of a third over the 2008 level. The reduction of the child benefit payment by 15 per cent in 2011 (on top of a 10 per cent cut in 2010) means a further increase in child poverty rates. As the crisis has intensified the profile of those living in poverty has changed. Poverty levels are particularly high among older people, lone parents, large families and households in which there are no adults in paid employment. Nearly 20 per cent of those in households classified as at-risk of poverty according to EU-SILC 2010 data have a 'head of household' in paid employment. Clearly, paid employment is no guarantee of exiting from poverty (CSO 2012).

Ireland is a country with high rates of poverty, but it is also a highly unequal society – a point that has been highlighted by various national and international organisations including the OECD and the UN. The difference between those on the lowest incomes and those on the highest incomes is wider than in any other EU country. In fact, there was an increase in income inequality between 2009 and 2010, as shown by the quintile share ratio. The ratio showed that the average income of those in the highest income quintile was 5.5 times that of those in the lowest income quintile. The ratio was 4.3 just one year earlier.

The most significant change affecting those on middle and lower incomes – predominantly women – is the introduction of a new charge on gross incomes which has badly hit disposable income. The Universal Social Charge (USC) to be paid on all gross incomes is a new and *highly regressive* tax/ levy. Despite its appearance as a progressive tax, and arguments to this effect (Callan 2012), its impacts, even at very low income levels, have been severe. While there are few steps up the payment ladder, the highest rate of payment comes into force at a rate barely above the minimum wage. This cynical rediscovery of the principle of *universality* (associated as it is with the most progressive aspects of systems of social protection), and its application to this most regressive charge/tax, represents a new low in Irish economic policy.

This charge which came into effect in January 2011 and in 2012 is paid as follows

- 2 per cent on those with income of €10,037
- 4 per cent on additional income between €10,037 to €16,016
- 7 per cent on additional income above €16,017

It is only when these figures are closely examined that the truly regressive nature of this charge becomes clearly evident. There is an exemption level (which was raised in the 2012 budget after some pressure). However, once a person's income goes *even one euro* over the exemption level of €10,036 they pay two per cent on **all their income** and graded amounts of four per cent and seven per cent after that. The USC is paid on gross income, including pension contributions. Medical card holders, who were normally exempt from such levies and taxes, are now obliged to pay the USC. Only who that are fully dependant on welfare payments are exempt.

The *highest* rate of payment of seven per cent is then imposed on any income above €16,016. Given that the Irish minimum wage is €8.65 per hour or €329 per week or €17,092 per year, in practice the highest rate of seven per cent is paid on those earnings that are barely above minimum wage. The levies that the USC replaced were liable to be paid at income levels of €15,000 pa (Income Levy) and €26,000 (Health Levy) – compared to the USC that kicks in at just over €10,037 per annum. This represents a new departure in Irish taxation policy and a fundamental change to the Irish social contribution system – one that is deeply regressive. This payment system deepens inequality in an already highly unequal society, and increases gender inequality by targeting those on the lowest incomes.

Chart 1 Poverty threshold, Minimum Wage and USC

Universal Social Charge	**Universal Social Charge**	**Minimum Wage**	**At risk of poverty threshold**	**Average adult welfare payment**
Exempt from payment	Only when total income is under 10,036			
Liable for payment at 2% on ALL income	10,037	17,092	10,831	11,440
Liable for payment of 4% on additional income	10,037 to 16,016	17,092	10,831	11,440
Maximum Payment rate of 7% on rest of income	16,017	17,092	10,831	11,440

Source : Authors

Government policy is pushing people further down under the poverty threshold. The exemption threshold is less than the ‘at risk of poverty’ threshold (€10,831) stated in the latest SILC data and is generating poverty traps around the payment percentage bands of just above €10,000 and again at around €16,000. The government makes much of the exemption levels but the reality is that the picture is very grim.

A series of measures intended to generate public expenditure cuts with the objective of reducing the public deficit by €6 billion were introduced in the public sector including direct pay cuts and a reduction in pension entitlements into the future. These changes have involved creating a new single scheme for all entrants to the public service from 2010 with significantly lower entitlements. On average OECD countries spent seven per cent of GDP on public pensions (old age and survivors) in 2007. Ireland spent only half this average at just 3.6 per cent of GDP compared with France (12.5 per cent), Sweden (7.2 per cent) or Spain (eight per cent). Despite the ageing of the population this proportion is forecast to rise by a mere 0.1 per cent in 2012 (Adema et al., 2011:17 and 42).

Community-based childcare services have been reduced, the early childhood supplement has been abolished, and the commitment to a year of pre-school education for all three to four-year-olds has been spread over two years rather than one. This latter change undermines the ability of lone parents, amongst others, to take advantage of that promised year of a free pre-school place to strengthen their attachment to the labour market. An OECD report (2010) showed that households with young children in Ireland spend on average 41 per cent of their income on childcare. Unless the availability and cost of childcare are addressed, these policy changes will have a negative impact on women’s income, particularly in low income households, and do nothing to increase their participation in paid employment.

Chart 2 Summary changes in welfare, taxation and other measures

Welfare Cuts

Reduction in child benefit (paid directly to women) by €10 per month (additional decrease for 3rd child).
Carers Allowance (claimed mainly by middle to older aged women) reduced by €8 per week for carers less than 66 years of age. Some 79 per cent of carers are women.
Disability payment and Blind Pension reduced by €8 a week.
Increase of €2 per week contribution from those with a Rent Subsidy
Reduction of €8 a week for those on Jobseekers Benefit.
Reduction of Jobseekers Allowance to €100 for those aged 18 to 21 years.
Reduction of Supplementary Allowance for aged 22 to 24 from €186 to €144 per week (former Paupers Relief/Outdoor Relief).
Reduction of One Parent Family Payment (OPFP) by €8.00 per week and the 'earnings disregard' by €16.50 per week.
Reduction in heating fuel subsidies
Reduction in supports to Travellers education

Increased taxes on low incomes

- Employee and personal credits reduced by €180 a year
- Single person to pay tax at €32,800 rather than at €36,400
- New €100 household charge

Deteriorating working conditions – public services

Reduced public service salaries

- 5 per cent on the first €30,000 of salary
- 7.5 per cent on the next €40,000 of salary
- 10 on the next €55,000

Reduced Pension entitlement

- Raising the minimum public service pension age from 65 to 66 years
- Setting a maximum retirement age from 65 years to 70 years
- Pensions to be calculated on 'career average' earnings rather than final salary as currently
- Non-targeted early retirement scheme

In another measure targeted at lone parents on welfare the critical *earnings disregard* that enabled many to reattach to paid employment has been drastically cut by €16.50 (to a weekly amount of €130) creating new and deeper poverty traps for lone parents, the large majority of whom are women. Furthermore, the Department of Social Protection has signalled that this will be reduced further to €60 per week by 2016 (OPEN 2012). Due to this reduced level of the *earnings disregard,* lone parents who had been in a position to take-up Community Employment (CE) places and retain their OPFP, are no longer able to do so and evidence is already mounting that this has brought about a significant reduction in applications for places. It is estimated that 70% of CE participants are lone parents and the result is a "staffing crisis" in, for example, childcare services in disadvantaged areas which have been heavily reliant on the CE programme (Irish Times 2012). This policy is at odds with government stated aim to transfer lone parents onto Jobseekers Allowance once their youngest child reaches seven years of age (the current age is fourteen years), thus moving to a system of *compulsory* attachment to the labour market by 2015. Lone Parent organizations are strongly opposed to the compulsory nature of this policy and the lack of choice it entails. Controversy has also arisen due to the conditions of eligibility attached to the new internship Programme *JobBridge* established earlier in 2011. Under JobBridge around 5,000 social welfare recipients receive €50 per week in addition to their welfare payment, once they have secured an internship that provides 'work experience and training'. Lone parents were excluded from JobBridge until, under pressure, the Minister conceded in May 2012 that 1,000 *new* places would be open to those on OPFP (Irish Independent 2012). Additional policy measures are having hugely negative impacts on living conditions among other vulnerable sectors: reduced child benefit payments to larger families; cut-backs to the Community Development Programme (CDPs) in disadvantaged areas cut-backs in Travellers education supports; reductions in special needs assistants to children with disabilities in education; reduction in home help services for elderly and those with disabilities.

Criticising the negative impact of these cut-backs together with loss of funding to significant community-based programmes, the Report by the UN High Commissioner on Extreme Poverty on her visit to Ireland noted that:

> *"By adopting these measures, Ireland runs a high risk of excluding those most in need of support and ignoring the needs of the most vulnerable. In particular, due to multiple forms of entrenched discrimination, women are especially vulnerable to the detrimental effects of reductions in social services and benefits." (UN 2011)*

With the recession and accompanying austerity measures, the indebtedness of private households has risen. Tens of thousands are unable to pay the loans they have taken out to buy their houses and the interest payment on the loans. Of particular note is the indebtedness of the poor and lower middle class households. 20 per cent of Irish households did not have a bank account in 2008 – one of the main indicators of financial exclusion (Russell et al.2011a). Financial exclusion in terms of the absence of a bank account compounds social exclusion. Bank-less or unbanked people have no cheque book or credit card, cannot effect electronic transfers, have no access to mainstream credit such as a bank overdraft, cannot earn interest on any savings and cannot pay for services using a direct debit facility (CSES, 2010). The year 2008 is significant as this is the year, as described above, when Ireland was still experiencing at least some of the development boom. Kempson (2008) clearly identifies gender as a most important characteristic at different levels of financial exclusion in Europe and in Ireland. She argues that '*women were more likely to be completely financially excluded than men.'*(2008:31).

Persistent arrears on payments are a key indicator of over-indebtedness. The proportion of those at risk of poverty who are in arrears with household bill payments has increased from 20 per cent to 34 per cent between 2008 and 2010 (CSO 2012). The kinds of arrears faced by over-indebted households, such as those headed by lone mothers with children, are gas/electricity bills and rent for housing. A study of indebtedness was commissioned by OPEN (a lone parents' network), the Society of St Vincent de Paul (Caritas) and the Money Advice and Budgeting Services to find out, amongst other items, who were using the financial advice services. The majority of clients, it emerged, were lone parents: 70 per cent in the year 2000 and 73 per cent in 2004. Mother-headed households in the study tended to borrow for their children's needs and to pay daily outgoings and utility bills. Their problem was not one of over-consumption of goods and services, but of survival on low incomes. Their debts consisted mainly of arrears owed, in many instances, to other state bodies such as the housing authorities, and the electricity and gas companies. It can also be argued that moneylenders – legal and illegal – have a clear field in poor neighbourhoods (Conroy and O'Leary, 2006).

In an interesting analysis of Budget 2011 from a gender perspective, TASC carried out a study, financed by the EU Progress Programme, which demonstrated clearly the extent to which women and children were disproportionately affected by the negative policy changes. The audit – entitled *Winners and Losers? Equality Lessons for Budget 2012* – was based on a sample of over 7,000 households and revealed that households of lone parents and children experienced the most adverse effects – their gross average income fell by five per cent as a result of this one budget in 2011.

> *"Overall, those on the lowest incomes were hardest hit by the measured budgetary changes. They were adversely affected by the cuts to social transfers and by changes to taxation, specifically the introduction of the Universal Social Charge, widening of tax bands and reductions in tax credits. As women are concentrated in lower income groups, they suffered a disproportionate impact."* (TASC 2011).

In a strongly argued report, TASC highlights the different implications that expenditure and taxation policies have for women and men because of their different roles in paid and unpaid work and makes the case for gender budgetary analysis to become part of government policy – a process that could be framed and implemented at EU level.

> *"TASC recommends that all budgetary measures under consideration be subjected to an equality audit, whereby a full distributional analysis is undertaken to identify how different groups in society are likely to be affected. This would inform a process of equality-proofing and gender-proofing the budget"* (TASC 2011).

An earlier TASC study on the 'solidarity factor' in public responses to economic inequality in Ireland reported that 87 per cent believe that wealth is unfairly distributed, 16 per cent believe the minimum wage should be increased, 29 per cent believe a maximum wage should be established and 49 per cent believe a combination of both policies should be implemented (TASC 2010).

Undermining the equality agenda

Up until 2007, Ireland was recognised across the EU as a country with strong and comprehensive equality legislation covering a broad range of grounds in relation to both employment and services backed up with an Equality Authority and enforced by an Equality Tribunal. This situation has changed radically since the onset of the recession in 2008. An entire architecture of public and statutory bodies established or supported to promote equality, monitor progress, enhance awareness and develop innovative practice has been restructured, closed down, subjected to drastic budget cuts or partially absorbed into departments of Government. Chart 3 below illustrates the scope and scale of closures which dismantled the structures, most of which had been built up between 1996 and 2008[8].

The budgets of the Equality Authority and the National Women's Council were cut, respectively, by 43 per cent and 38 per cent, causing both directors to resign. Clear consequences of the reduced resources have been seen in the 78 per cent reduction in cases taken by the Equality Authority over 2009-2011 (Equality and Rights Alliance, 2011).[9] A proposed merger of the equality and human rights agencies is likely to see a further erosion of its powers (and resources) of investigation and support for individual cases, as well as a reduced focus on development and implementation of equality policy. On a parallel track, the independence of important statutory agencies has been undermined and government departments have absorbed the work of key agencies such as the Combat Poverty Agency (CPA) and the National Consultative Committee on Racism and Interculturalism (NCCRI), while other organisations have seen their work drawn in under the Health Service Executive (HSE) or the Department of Health (for example, the Women's Health Council (WHC) and the Crisis Pregnancy Agency).

Chart 3 Disappearing equality institutions 2008-2012

Name of Institution	Fate of institution and its budget
Equality Authority	Budget cut by c.39 in 2009 from €5.5m. to €3.3m. At risk of disappearing as it is merged with the Human Rights Commission 2012
Women's Health Council	Closed down in October 2009, some functions taken over by the Department of Health and Children. 2008 Budget €0.7million
Crisis Pregnancy Agency	Closed down 2009, functions taken over by the Health Service Executive under the Department of Health and Children. 2009 Budget: €8.1 million
Irish Human Rights Commission	Budget cut of 32 per cent 2009. Cut from €2.3 mill in 2008 to €1.5mill in 2010 - in process of being merged with Equality Authority.
Equality for Women Measure co-funded by EU Operational Programme	Equality for Women Measure budget partly transferred elsewhere, and residue transferred to the Department of Enterprise from where it is managed by a state company – Pobal (2011)
National Consultative Committee on Racism and Interculturalism	Closed down in December 2008. Core budget: €0.5mill.Its functions, but not its staff, were subsumed into the Office of

[8] The authors have some clarifications to assist in interpreting Chart 3. While the evaluation and day-to-day management of the Equality for Women Measure is undertaken by Pobal, as described in Chart 3, the planning and delivery of the remaining reduced funds rests with the Gender Equality Division, re-established in the Department of Justice and Equality in 2011. The Gender Equality Division oversees the National Women's Strategy, engages with international fora and promotes equality policies in government departments.

[9] Changes in the definition of what constitutes a 'case' between 2008 and 2009 pose difficulties in establishing a coherent trend.

(NCCRI)	the Minister for Integration.
Gender Equality desk at the Department (Ministry) of Justice, Equality and Law Reform	Budget reduced and desk closed down in its then format, 2009
National Women's Council of Ireland with 158 member organisations	Budget cuts of 15 per cent 2008-2011 and 38 per cent for 2012 Director resigned 2012.
National Office for the Prevention of Domestic, Sexual and Gender-based Violence – COSC	Established 2007, budget increased in 2012
Rape Crisis Network Ireland	Core Funding by the Health Authority removed 2011
SAFE Ireland network of Women's Refuges and Support Services	Core Funding by the Health Authority removed 2011
Combat Poverty Agency	Closure announced in 2008. Amalgamated with some staff into the Department of Social Protection on July 1st 2009. Income 2008 from public sources: €5.5mill.

Source: Compiled from Annual Reports of Crisis Pregnancy Agency and Women's Health Council, Publications and Archives of institutions, 2011, Combat Poverty Agency Annual Report, 2008, IHRC Press Release 10.07.2009. Pre-Budget Submissions of National Women's Council and SAFE Ireland.

Resources to support gender and equality have continued to be reduced, reflected in particular in the reduced budget for the Equality for Women Measure (EWM) – first announced in 2008. A €9 million budget for gender equality in 2008 was used for non-gender actions such as payments to the police force. In 2009 a budget of €5 million in April was provided for equal opportunities measures, positive actions and structures to promote gender equality. Almost €4 million was subsequently diverted to non-gender related areas (NWCI, 2009:70). The National Women's Council of Ireland, which identified the transfers from approved EU allocations, described the appropriation of gender funds as a 'ransack' of the equality budget (NWCI, 2009a). The outcome of this process has been that the equality-related infrastructure has been very substantially and disproportionally weakened (ERA, 2011).

Addressing the UN, the Irish Human Rights Commission stated:

> *" Ireland has undergone a severe economic crisis since late 2008. This should not be used as an excuse to reduce the promotion and protection of human rights…Disproportionate cuts to the human rights and equality infrastructure that have taken place since 2008 will have long-term negative impact on human rights and equality in Ireland (IHRC, 2011:3)".*

Following a Mission to Ireland undertaken by the UN Independent Expert on Human Rights and Extreme Poverty, Magdelena Sepulveda Carmona's report argues that *"these cuts have substantially reduced Ireland's capacity to protect the most disempowered segments of Irish society"* (UN 2011).

The critical importance of organisations to protect against discrimination and promote equality was highlighted in a recent report (carried out by the Equality Authority and the Health Service Executive Crisis Pregnancy Programme) on discrimination in the workplace, focusing specifically on the treatment of women in paid employment during pregnancy. Their research revealed that *"…unfair treatment, financial penalties, denial of promotion and even dismissal, caused 30 per cent of working women to experience severe stress and 'crisis pregnancies'"*. (Russell and McGinnity, 2011). Those most at risk of unfair treatment were found to be young women expecting their second child and working in the retail or wholesale sectors. The study found that, in companies with equality policies, pregnant women were far less likely to experience discrimination. The dismantling of the equality infrastructure has eroded the resources devoted to gender equality and distanced Ireland from the European Gender Equality Pact.

Conclusions

Economic policy has been dominated by the single priority of reducing public expenditure, with little evidence of a gender-informed strategy to combat unemployment, tackle poverty or address inequality. Employment policy has shifted from a 'pre-recession' emphasis on increasing the supply of labour (through a higher women's employment rate and net in-migration) to a focus on registered long-term unemployment leading to a definite gender-bias and penalising a specific category of women: lone parents in receipt of welfare payments.

Equality cast aside as a marginal issue in the big picture of crisis

Gender equality has received little to no attention in the Irish policy-making process over the recent period of economic crisis. There is a strong statement in the National Reform Programme that the challenge of employment policy is

> *"…targeting cost-effective activation programmes to those most at risk of losing contact with the labour market and drifting into long-term unemployment, and of increasing labour market participation of those cohorts with lower than average participation rates, including lone parents and people on illness/disability payments and to reintegrate into the labour market the group of women who have interrupted their careers for child rearing"* (INRP 2011).

What is lacking in Irish economic and employment policy is any indication that this statement is being translated into specific policies, even though it could be interpreted as reflecting an understanding of the different economic positions of women and men in Irish society and an intention to bring that understanding to bear in the formulation of policy. However, in practice there appears to be an absence of policy measures aimed at women who have interrupted their careers for child-rearing, and few social supports (particularly childcare) for lone parents, over 90 per cent of whom are women, to enter the paid labour force.

The NRP clearly reflects the absence of gender as a framework for policy-making, or even as a consideration informing the policy process. This is an indication of the extent to which equality, anti-discrimination and gender issues have been, and are likely to continue to be, completely marginalised within the economic crisis management approach adopted by this and the previous government. The NRP reflects this economic situation. Neither gender equality nor equality of opportunity are mentioned anywhere in the document - unlike previous employment action plans. On the contrary, progressive social and economic policies, including gender equality policies and practices, have suffered as resources continue to be severely curtailed.

Gender impact and equality audits of past and forthcoming budgets (as have been pioneered by TASC) should be systematically undertaken to establish their impacts on women and children.

Low paid and poor – special targets for raising cash to recapitalise the banks

Many of these policies have had negative consequences from a gender, equality and social inclusion perspective to many of these policies. Reducing public sector pay and employment has been a particular focus of macroeconomic policy. Significant pay and pension cuts have been implemented even for those in low paid jobs and a new two-tier pension system has been established with reduced entitlements for new recruits. A majority of those losing jobs under the non-targeted early retirement scheme across the public sector are likely to be women, and it is also mainly women in households and communities that are picking up the pieces left after the withdrawal of important services.

Fiscal consolidation has had negative impacts on those on low incomes and experiencing difficulties accessing paid employment. There has been a significant increase in the level of consistent poverty and more than half of those who are registered unemployed are now long-term unemployed. The European Anti-Poverty Network is highly critical of the failure to put in place 'a comprehensive jobs strategy' and argues that current policy has meant *'significant increases in taxation on the lowest paid, many of whom are experiencing a reduction in working hours'*. Reductions in social welfare payments and a *"consistent move towards a compulsory (and cost-neutral) approach to activation which fails to address the level, quality and relevance of training provision as well as the costs to participants of engaging in training and activation opportunities"* are also strongly criticised. Through the imposition of what we argue is a new highly regressive tax (USC), a pension levy on the public sector as well as a series of cutbacks in entitlements and in service provision, the government has attempted to regain control over the public finances. This austerity policy has been undermined by the dramatic reduction in taxation revenue from a collapsed property industry. This is coupled with the massive drain on resources due to recapitalising the failed banking sector, as well as a contraction in demand.

Women, who make up the majority of those on low pay, those living in poverty and workers in the lower paid sections of the public sector, have been badly affected. Reductions in the earnings disregard of lone parents pushes them further into poverty traps. Education and health services have been cut, community and local area programmes have lost resources, and budgets for important equality agencies and equality initiatives have been severely cut. Women are becoming more indebted in a society with one the largest proportions of unbanked adults.

Gender and new inequalities

As the crisis has spread from construction across the services sector, women's emigration levels have increased to a similar level as men's. The overall level of emigration from the economy has reached a level not seen since the 1980s, with nearly 40,000 mainly young women and another 40,000 young men leaving Ireland in 2010. Migration into Ireland continues confirming Ireland's status as an increasingly diverse society. Men have been particularly severely hit by the dramatic rise in unemployment across all age groups, which is already turning into long-term unemployment.

The collapse of the construction industry has become the central focus of new policy initiatives aimed at maintaining existing employment levels and generating new job opportunities for example in construction.

The economic crisis in Ireland is persistent and has brought with it new levels of inequality as incomes fall, public services are reduced, household debt levels rise and unemployment and emigration reach record highs. Forecasts for the Irish economy, for the most part, point to an economy in a continuing state of crisis. Ireland is clearly among those whose economies are experiencing a sustained recession affecting both men and women, with few signs of recovery on the horizon. Gender equality policy has become a victim of the recession and crisis management of the Irish economy.

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