

Property, Family and the Irish Welfare State

Michelle Norris

Property, Family and the Irish Welfare State

palgrave
macmillan

Michelle Norris
School of Social Policy
Social Work and Social Justice
University College Dublin
Dublin, Ireland

ISBN 978-3-319-44566-3 ISBN 978-3-319-44567-0 (eBook)
DOI 10.1007/978-3-319-44567-0

Library of Congress Control Number: 2016948410

© The Editor(s) (if applicable) and The Author(s) 2016

This work is subject to copyright. All rights are solely and exclusively licensed by the Publisher, whether the whole or part of the material is concerned, specifically the rights of translation, reprinting, reuse of illustrations, recitation, broadcasting, reproduction on microfilms or in any other physical way, and transmission or information storage and retrieval, electronic adaptation, computer software, or by similar or dissimilar methodology now known or hereafter developed.

The use of general descriptive names, registered names, trademarks, service marks, etc. in this publication does not imply, even in the absence of a specific statement, that such names are exempt from the relevant protective laws and regulations and therefore free for general use.

The publisher, the authors and the editors are safe to assume that the advice and information in this book are believed to be true and accurate at the date of publication. Neither the publisher nor the authors or the editors give a warranty, express or implied, with respect to the material contained herein or for any errors or omissions that may have been made.

Cover illustration: © Justin Hannaford / Alamy Stock Photo

Printed on acid-free paper

This Palgrave Macmillan imprint is published by Springer Nature
The registered company is Springer International Publishing AG
The registered company address is: Gewerbestrasse 11, 6330 Cham, Switzerland

Acknowledgements

This book is the result of many years of thinking about housing policy in Ireland and Europe and its relationship to the welfare state. I would like to thank everyone who contributed to refining my thinking on these issues. This includes colleagues I have collaborated with from universities across the world, particularly those I have met through my involvement with the European Network for Housing Research and my students and colleagues at the School of Social Policy, Social Work and Social Justice, University College Dublin.

Among my students, Dr Aileen Hayden deserves special mention because supervising her PhD thesis on the history of sales of local authority social housing to tenants was one of the factors which inspired my interest in the history of Irish housing policy and ultimately led me to write this book.

Among these, my long-time UCD colleague and friend Professor Tony Fahey has played a particularly important role in informing my thinking, so I would like to single him out for particular thanks. This book includes several ideas I have “borrowed” from him and numerous others which have been inspired by the many debates about Irish social policy which have managed to fit in between debates on Irish party politics, academic politics and even some academic work.

I would also like to thank Dr Gerard Mills from the UCD School of Geography for drawing the maps included in the book and Dr Aidan

Kane from the Economics Department at the National University of Ireland Galway who very kindly generated data for me from his Duanaire database of Irish historical public spending data and answered all of my queries with great patience. His work in compiling this database is really valuable and will enable historians, economists and policy analysts to systematically trace trends in public spending in Ireland.

This book would not have been possible without the constant encouragement I have received from my family throughout my career. I would particularly like to thank parents Nell and Billy Norris, and my husband Colm for their unfailing support.

This book is dedicated to my much missed grandfather Dennis Kinsella and father-in-law Jerry O'Shea, who both passed away during its completion.

Contents

1	Introduction	1
2	Establishment: 1870–1921	21
3	Construction: 1922–1947	69
4	Saturation: 1948–1968	113
5	Retrenchment: 1969–1989	157
6	Marketisation: 1990–2007	203
7	Conclusions	261
	Index	273

Abbreviations and Terminology

Ireland experienced three changes of currency during the period under review in this book. Prior to Irish independence, pounds sterling were used; after independence, the Irish pound (called the punt) was adopted which was replaced by the euro in 1999. In the interests of simplicity, the currency employed in the particular period under discussion is used throughout this book and all financial data are presented in current prices. Where foreign currencies are used, these are clearly identified in the text.

Also for simplicity, the different elements of the Irish local government system (local authorities) are referred to throughout this book using the modern nomenclature (city councils, which are responsible for cities; county councils, which have mainly rural operational areas; and town councils, which managed small urban centres until their abolition in 2013).

In Ireland, ministries are generally referred to as government departments (Department of Finance is the finance ministry, etc.), and this convention is adhered to in this book.

The following abbreviations and Irish-language terms are used in the text:

CDB	Congested Districts Board
DDDA	Dublin Docklands Development Authority.

x Abbreviations and Terminology

Dáil Éireann	lower house of the Irish parliament.
EU	European Union.
EU15	The 15 countries which were European Union members prior to 2004. These are Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, Sweden and the UK.
EU27	The 27 countries which were European Union members prior to 2013. These are the EU15 and Bulgaria, Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Romania, Slovakia and Slovenia.
ICMSA	Irish Creamery Milk Suppliers' Association.
IFA	Irish Farmer' Association
IFSRA	Irish Financial Services Regulatory Authority.
IMF	International Monetary Federation.
MITR	mortgage interest tax relief
NFU	National Farmers' Union.
PDs	Progressive Democrats political party.
RAS	Rental Accommodation Scheme.
Táiniste	equivalent to deputy prime minister.
Taoiseach	equivalent to prime minister.
TD	equivalent to member of parliament.
SDA	Small Dwellings Acquisition Act mortgages.
TTL	Town Tenants' League.

List of Figures

Fig. 2.1	Map of the operational area of the Congested Districts Board (1909) and the Irish counties	36
Fig. 2.2	Numbers of social housing units built by local government under the Housing of the Working Classes Acts and the Laborers' Acts, 1908–1918	38
Fig. 2.3	Expenditure on social housing built by local government under the Housing of the Working Classes Acts and the Labourers' Acts, 1887–1918	39
Fig. 2.4	Population of urban and rural districts of the Island of Ireland, 1841–1911	47
Fig. 3.1	Direct government spending on land reform, 1922/1923–1947/1948	82
Fig. 3.2	Land bonds outstanding at the end of each fiscal year and the component of which were a direct state liability, 1922/1923–1947/1948	83
Fig. 3.3	Number and value of mortgages advanced under the Small Dwellings Acquisition Act, 1928/1929–1948/1949	86
Fig. 3.4	Sources of finance for Small Dwellings Acquisition Act Mortgages, 1922/1923–1948/1949	87
Fig. 3.5	Direct government subsidies for homebuilding and reconstruction by tenure, 1922/1923–1944/1945	89

Fig. 3.6	Social rented, private and public utility society dwellings built and private dwellings reconstructed with direct state aid, 1922/1923–1944/1945	90
Fig. 4.1	Acres of land redistributed under the Land Acts, 1947/1948–1968/1969	123
Fig. 4.2	Land bonds outstanding at the end of each fiscal year and the component of which were a direct state liability, 1948/1949–1968/1969	126
Fig. 4.3	Direct government expenditure on land reform, 1949/1949–1963/1964	127
Fig. 4.4	Social rented, private and public utility dwellings built and private dwellings reconstructed with state aid, 1948/1949–1968/1969	131
Fig. 4.5	Direct central government subsidies for housebuilding and reconstruction by tenure, 1948/1949–1963/1964	132
Fig. 4.6	Value of Small Dwellings Acquisition Act Mortgages drawn down, 1948/1949–1963/1964	133
Fig. 4.7	Local authority social housing sold to tenants, 1954/1955–1966/1967	135
Fig. 4.8	Government borrowing for social housing development under the Labourers' Acts and the Housing of the Working Classes Acts, 1948/1949–1963–1964	136
Fig. 4.9	Population of urban and rural districts, 1946–1966	138
Fig. 5.1	Direct public spending on housing (€ million), 1970–1989	173
Fig. 5.2	Private and local authority social house building and sales of local authority social housing to tenants, 1969–1989	174
Fig. 5.3	Sources of mortgage lending (by value), 1970–1990	176
Fig. 6.1	House prices in Dublin and the rest of Ireland, 1990–2007	207
Fig. 6.2	New housing output in Dublin and the rest of Ireland, 1990–2007	207
Fig. 6.3	Households accommodated in social housing and housing allowance subsidised private rented accommodation, 1990–2007	237
Fig. 6.4	Take-up supports for low-income homebuyers, 1990–2007	239

List of Tables

Table 2.1	Key policy milestones in the establishment of Ireland's property-based welfare system, 1870–1921	24
Table 2.2	Land sales under the pre-independence land acts, 1870–1909	32
Table 3.1	Key policy milestones in the construction of Ireland's property-based welfare system, 1922–1947	72
Table 3.2	Occupations and farm size in 1926, 1936 and 1946 (percentage of working population aged 14 years and over)	94
Table 4.1	Key policy milestones in the saturation of Ireland's property-based welfare system, 1922–1948	116
Table 4.2	Number, tenure and standard of dwellings, 1946, 1961 and 1971	128
Table 5.1	Key public policy milestones in the retrenchment of Ireland's property-based welfare system, 1969–1989	161
Table 5.2	Social expenditure as a percentage of GDP, 1970/1971–1990	187
Table 5.3	Changes in real government expenditure, 1981–1991 (in 1991£)	187
Table 6.1	Key policy milestones in the emergence of the asset price keynesianist policy regime, 1990–2006	212
Table 6.2	Macro mortgage credit trends in Ireland, 1996–2006	222

xiv **List of Tables**

Table 6.3	Micro-level mortgage credit trends in Ireland, 1996–2006	224
Table 6.4	Non-section 23 property-based tax incentives, 1990–2007	232
Table 6.5	Mainstream social housing capital expenditure and output, 1990–2007	235
Table 6.6	Indicators of the economic and fiscal importance of construction and property development, 1996–2006	243