

National Women's Council of Ireland (NWCi) and Think Tank on
Social Change (TASC)

**Ireland in Crisis 2008-2012:
Women, austerity and inequality**

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Imposed Structural Adjustment

- First EU country officially in ‘recession’ - following Greece, IMF/ECB/EU ‘bailout’ has been imposed by the ‘TROIKA’
- Collapse of property market, construction industry and banking sector
- Government *unequivocal* guarantee of all banking debt turning *private* debt into massive *public* debt
- Successive budgets introduced severe cuts in income, pensions and public services

Contrasting images on arrival of IMF





The 'Troika'



Gender perspective on trends

- Steep fall in employment first construction and then moving through to services, e.g. retail and hospitality
- Reversal of (Lisbon) EU employment rate targets (achieved in 2007)

Employment Rates (15-64 years)	women	men	Gender Gap
Phase 1 2008 - 2010	60% <i>to</i> 56%	76% <i>to</i> 64%	15 points
Phase 2 2010 - 2012	56% <i>to</i> 55%	64% <i>to</i> 62%	7 points

- Highest rates among of unemployment among under 25s
- Middle and older age women retaining attachment to paid employment

2012: 87,100 emigrated: 44% women; 53% Irish nationals; nearly 50% under 25 years. Over 50% of 57,000 immigrants were women. Net migration 34,400.

Mismanaging the crisis

Targeting

- Low income households
- Lone parents
- Creating new inequalities in public sector

Women affected disproportionately on each front

Low Income Households

Risk of poverty

- » Overall risk 16%
- » Children 19%
- » Lone parents 35%
- » People with disabilities 38%

Between 2008-2010

Rate of those 'at risk' has increased from 14% to 16%

'Deprivation' has increased from 14% to 22%

- 20% of households 'at risk' have head of household in *paid employment*
- More households 'at risk' are *in debt*: those in arrears on bill payments increased 20% to 34%

Gender - poverty

As the crisis has intensified the profile of those living in poverty has changed.

Poverty levels are particularly high among 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).

Low income households

- A very 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) is paid on gross incomes and is a new and *highly regressive* tax/ levy - entry to tax system has fallen from €18,000 to €10,000.
- 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.

Poverty threshold, Minimum Wage and Universal Social Charge

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

Low pay and imposed 'flexibility'

Research by MANDATE (Camille Loftus)

- 40% of low paid workers state that their pay has dropped over 2011-2012.
- Report highlights *the extraordinary level of working time flexibility demanded by retail employers.*

One Parent Families

IRELAND has the joint (with Latvia) highest share of children living with one parent in the EU

Figures from Eurostat (2012) showed that 23% of young people aged under 18 in Ireland lived with a single parent.

Ireland is second only to US according to OECD at 26%

This compared with an EU average of just 14%

At the other end of the scale, only 5% of children born in Greece lived with one parent.

Targeting Lone Parents

Contradictory policies of attachment to labour market

New government stated aim is to transfer lone parents from One Parent Family Payment onto Jobseekers Allowance once their youngest child reaches seven years of age (current age is fourteen years) thus moving to a system of *compulsory attachment* to the labour market by 2015.

In a parallel 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 stated that this will be reduced further to €60 per week by 2015.

Rationale for restricting eligibility?

It has been stated that new restrictions on eligibility for OPFP based on the planned reduction in age from 14 to 7 years old (of the youngest child) is in line with international best practice.

Significant differences which place a higher burden on Irish one parent families:

- Lone parents will be obliged to be available for full-time paid work under Jobseekers Allowance
- Childcare costs are extremely high based on private market or diminishing subsidised creches in disadvantaged areas.
- Crowding onto an already overstretched Live Register and employment support system is unlikely to create opportunities for paid work.



S.P.A.R.K. (Single Parents Acting for the Rights of Our Kids) protesters demonstrate against Budget cuts that discriminate against one-parent families and groups of single parents living in Ireland.

Consequences of targeting Lone Parents

- 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.
- 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).

Consequences of targeting Lone Parents

Single parents struggling to hold down a job and look after their children have had *support payments for children* cut by €30 per child.

Notices to 4,500 lone parents of the changes were sent on Feb 2 2012. The cut will affect existing as well as new one-parent family claimants enrolled in community employment schemes.

The notice says: "As a result of the budget measure, your qualified child increase on the Community Employment scheme will cease from 20th February 2012." (Irish Examiner February 06, 2012)

Various estimates show that households with young children in Ireland spend up to 40% of their income on childcare.

Critical Voice of Lone Parents

No other group of mothers/parents is being singled out for 'activation' when their children turn 7.

- Between 48%-60% of lone parents on social welfare are in employment, education or training.
- Unemployment among lone parents will increase if these changes go ahead, hardening negative attitudes in wider society.

Targeting public sector - two tier system

Existing Public Sector

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

Freeze on recruitment across the board and implementation of a non-targeted early retirement scheme resulting in 12% reduction in employment.

New Entrants

- Pension age raised to 66 years - maximum retirement age set at 70 years
- Pensions based on “career average” earnings rather than final salary

Two-tier public sector

New inter-generational and gender inequality

- Targeting of new entrants : teaching + nursing
- Lack of policies to protect low paid public sector workers
- Increasing outsourcing and casualisation of services
- No data on gender and grade breakdown of indiscriminate early retirement take-up

EQUALITY INFRASTRUCTURE

- Dismantling of institutional architecture to promote equality
- Reduction/ending of funding for monitoring of incidents and patterns of gender violence
- Reduction in budgets of public bodies responsible for equal opportunities

Examples of Disappeared/ing Bodies

- Equality Authority
- Human Rights Commission
- Combat Poverty Agency
- Women's Health Council
- National Committee on Racism/Interculturalism
- Crisis Pregnancy Agency

Visibility Reduced

Reduction in visibility of equality and gender means:

- More and more statistics have no gender breakdown
- Critical gender analysis is not undertaken
- Journalistic reporting is undermined

2011 (06) 2012 (07) 2012

Back to Work Schemes

Back to Work allowance scheme - Employee

Strand1	405	44	43
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Back to Work Enterprise allowance scheme -self employed strand	9,923	11,062	11,047
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Short-term Enterprise Allowance	1,276	1,175	1,154
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Total Back to Work payments	11,604	12,281	12,244
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Other Activation Programmes

DSP Part-time Job Incentive	161	190	190
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TUS – Community Work Placement Initiative(2011)	76	4,363	4,473
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JobBridge (2011)	292	4,899	4,995
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Total Other Activation Programmes	529	9,452	9,658
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Community Employment Schemes(exc Superv)	21,975	21,545	21,459
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FAS Full Time Training for Unemployed People	8,223	8,783	7,356
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Back to Education Courses

Vocational Training Opportunities Scheme(VTOS)	N/A	N/A	N/A
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Back to Education Allowance (BTEA)	3,715	4,855	3,529
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Total Back to Education Courses	8,715	9,855	8,529
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Total Activation Programmes	51,046	61,916	59,246
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The Debt Trap

- Mother-headed households more likely to be in debt for gas, electricity and rent
- Mother-headed households more likely to pay extortionate interest rates on home-delivered loans
- Women more likely to have no Bank Account

Proletariat the Precariat...

- Guy Standing invented the term precariat
- It embraces the part-time, temporary, on-call, agency working, insecure and hourly paid
- Labour market uncertainty

Conclusions

Narrowing *downwards* of gender gap in employment in Ireland is primarily the result of :

- falling employment rates among both women and men : collapse of construction - steeper fall among men

Gender employment gap is proving NOT to be a useful indicator of equality during recession

Conclusions

- Equality cast aside as a marginal issue in the big picture of crisis
- Lone parents, low paid and poor – special targets for raising cash to recapitalise the banks
- Gender and new inequalities like migration/emigration

Conclusions

- New inter-generational and gendered inequalities
- Disappearing equality bodies remove effectiveness of implementation and evaluation

Conclusions

- Ireland in political and economic crisis since Autumn 2008
- 2012 the crisis continues

CANCELLED

ROLL
DREAMS

Protests
against global
financial
capitalism



Protests in Dublin

