



National Women's  
Council of Ireland

Comhairle Náisiúnta  
na mBan in Éirinn

## **Pre-Budget Submission**

***Invest in equality, invest in the future***

**November 2002**

## **Introduction**

Ireland is not just an economy, it is also a society. The Government must adopt a holistic approach to the process of deciding priorities for Budget 2003 which takes into account the needs of this society as much as those of the economy. Economic benefits will accrue from a society where all have sufficient resources to fulfil their potential and to participate actively as citizens. Allocating resources to those who are currently in need would constitute an economic investment in future generations that would be just as effective as initiatives such as the Pensions Reserve Fund.

The economic downturn is exacting its worst toll on the poor, on those on social welfare with diminishing hopes of securing employment, on women in low-paid jobs who are now facing redundancy and on carers who are carrying out vital work on low incomes at a time of escalating prices. The National Women's Council of Ireland's pre-budget submission is targeted at those women. The measures recommended would reduce significantly the risk of poverty faced by women who, because of their caring responsibilities, still experience considerable inequality both within the social welfare system and in Irish society more generally.

While the Government has fewer resources than previous years, it still has scope to distribute its resources strategically, focusing on those who are experiencing serious inequality and disadvantage.

## **1. Income Adequacy**

**Recommendation: increase the lowest social welfare payment by 11.20 euro per week.**

Those on social welfare have benefited least from the gains of the Celtic Tiger as the gap between rich and poor has widened. At a time of economic downturn, the Government should direct scarce resources towards those most in need, those without the capacity to withstand further economic hardship. Accordingly, the NWC is calling on the Government to implement the social welfare-related recommendations of the Benchmarking and Indexation Working Group. The Government is committed under the Review of the National Anti-Poverty Strategy to achieve a target of 150 euro (in 2002 terms) for the lowest social welfare payment by 2007. The NWC calls on the Government to increase the lowest rate to 130 euro as a first step in implementing the social welfare-related

recommendations of the Benchmarking and Indexation Working Group and achieving the NAPS target.

## 2. Parental Leave

**Recommendation: introduce a payment for parental leave at the rate of Maternity Benefit.**

Unpaid parental leave does not offer real support to parents with caring responsibilities. In fact, research commissioned during the Department of Justice, Equality and Law Reform's Review of the Parental Leave Act in 2001, found that only 20% of eligible employees had taken this leave since it was introduced in December 1998. 63% of employees said that the absence of a payment was the biggest single disadvantage to parental leave. 42% of those surveyed went further, describing the absence of a payment as a distinct barrier preventing them from availing of parental leave.

The absence of a payment for parental leave particularly discriminates against lower-paid workers, the majority of whom are women, who do not have the resources to take a period off work without pay. Parental leave is the only leave specifically available for parents. If the Government is serious about enabling parents to reconcile employment and their caring responsibilities, it needs to introduce effective family-friendly options. A payment for parental leave at the level of Maternity Benefit would represent a real step towards meaningful family-friendly arrangements for parents in the workforce.

## 3. Caring

**Recommendation: increase Child Benefit to 180 euro per month for the first and second child and 210 euro per month for the third and subsequent child.**

Children continue to be at higher risk of poverty in Ireland than in most other EU countries. It is vital that the Government should increase Child Benefit as a means of alleviating the risk of poverty run by children.

In Budgets 2001 and 2002, the Government adopted a strategy of using Child Benefit as a means of tackling the escalating cost of

childcare. In recognition of both aims, the NWCI is calling on the Government to increase Child Benefit to 180 euro per month for the first and second child and 210 euro per month for the third and subsequent child.

**Recommendation: introduce retrospective social insurance and pension credits for unpaid caring work.**

There is little recognition in the social welfare system of women's unpaid caring work. In fact, women who take time out of the paid workforce to care for children, dependants with disabilities or older people find it difficult to qualify for social welfare entitlements as their unpaid caring work is not recognised as a form of work. The provision of social insurance credits for unpaid carers would provide some recognition for women who engage in unpaid caring work. These credits would enable such women to qualify for Maternity Benefit, Disability Benefit and contributory old age pensions.

Older women, like lone parents, still remain one of the groups at most risk of poverty. Many continue to survive on non-contributory old age pensions because they do not have enough social insurance contributions to qualify for a pension in their own right. The introduction of retrospective social insurance credits would enable many such women to qualify for contributory pensions in their own right. It would significantly reduce the risk of poverty experienced by older women living alone or those with no access to the household income.

The NWCI is calling on the Government to introduce retrospective pension and social insurance credits for periods of up to 20 years spent engaged in unpaid caring work.

**Recommendation: abolish the means-test for Carer's Allowance.**

There are at least 120,000 carers in Ireland, the majority of whom are women, who spend their lives caring for older people and dependants with disabilities and chronic illnesses. They undertake vital work, which would otherwise have to be undertaken by the overloaded health and social service systems. It is time that caring was seen as a form of wage. There are a number of barriers currently in place, which prevent caring receiving any kind of recognition. Many carers are prevented from qualifying for Carer's Allowance because their household means are too high although they themselves may have no access to resources. The value of

their contribution is directly affected by their spouse's income rather than by the degree of work involved in their caring responsibilities. By abolishing the means-test for Carer's Allowance, the Government would recognise the value of caring work and enable carers to qualify for a payment in their own right.

## **4. Social Welfare Reform**

The NWCi is calling on the Department to use this Budget to begin the process of implementing social welfare reform so that individual entitlement to social welfare payments can be assured. Achieving economic independence is critical for women to move out of poverty and for the Government to achieve the NAPS targets on women's poverty. Eliminating the inequalities which women experience as a result of the male breadwinner model of the Irish social welfare system would be the first step in this process.

### **Recommendation: abolish the limitation rule.**

The NWCi is calling on the Government to abolish the limitation rule. Under this rule, even if both adults in a household are eligible for a social welfare payment in their own right (for example, both are unemployed), the actual payment received is reduced to 1.7 times the rate of two adult payments. This rule acts as a serious barrier for women within the social welfare system. It leads to a greater number of women being classed as adult dependants and not declaring their own personal eligibility for a social welfare payment. Consequently, it seriously undermines women's possibilities for financial independence. It also helps to prevent many lone parents from entering long-term, stable relationships because of the financial penalties, which they may incur as a result. Abolishing this archaic rule would reduce the risk of poverty experienced by many women on social welfare and their children.

### **Recommendation: enable spouses of self-employed / farmers to be insured as employees.**

Many spouses working on family farms are not covered by social insurance and are not eligible as a consequence for social insurance-related benefits such as Maternity Benefit, Carer's Benefit or old-age pensions. The work carried out by these women is given no value within the social insurance system. The requirement that farmers form partnerships to enable their spouses to qualify for social insurance is ineffective and unworkable, given the low

percentage of family farms now constituted as partnerships. The Government must resource a programme to enable and oblige farmers and the self-employed to insure spouses working in family businesses as employees. This programme would reverse the inequality experienced by women whose work currently counts for nothing and would reduce the risk of poverty experienced by such women in situations of old age and marital breakdown.

**Recommendation: introduce part-time Unemployment Benefit and Unemployment Assistance for parents of children under 12.**

Many women with caring responsibilities for young children are available only for part-time work, normally during those hours when their children are at school. However, those women are penalised within the social welfare system as it fails to recognise the reality that part-time employment is often the only realistic option for women with caring responsibilities. Women searching for, but unable to find, part-time jobs are not entitled to unemployment payments within the social welfare system. At present the system recognises part-time unemployment only when a person who is looking for full-time work finds part-time work. The system limits part-time employment as an option by requiring a person to prove a loss of substantial earnings to continue a part-time Unemployment Benefit claim after the initial claim period has elapsed. If women with young children under 12 were eligible for part-time unemployment payments, this reform would facilitate more women to make the transition from home duties to employment. It would also enable more women to participate in a wider range of Active Labour Market Programmes, providing women returners with the training options needed to return to better-paid, sustainable employment. The Government would ultimately recoup this outlay in the increased tax revenue, which it would gain from greater female participation in the labour force. The NWCI is calling on the Government to introduce a part-time Unemployment Benefit for parents with children under 12.

## **5. Minimum Wage**

**Recommendation: remove those on the minimum wage from the tax net and index the rate to average wages.**

The Government has repeatedly promised that it will take those on the minimum wage out of the tax net. Tax reform should be

targeted at those on low pay who have played a vital role in boosting Ireland's economic performance and who need to see concrete benefit from participating in paid employment. Taking the minimum wage out of the tax net is of major importance to women as they form 70% of those in part-time work and are more likely to be in low-paid employment (WERRC, April 2001). The low pay earned by women in part-time work contributes to the gender pay gap with women's hourly earnings still remaining 15% below those of men. Removing the minimum wage from the tax net would be a first step in recognising the contribution made by the low-paid workers to the economy and reducing their risk of poverty.

The rate at which the minimum wage is set is a key factor in helping low-paid workers to exit from poverty. However, the current rate of the minimum wage is much lower than originally intended. When the Government decided to implement the minimum wage in May 2000, it set the rate at £4.40 – the rate recommended by the National Minimum Wage Commission two years earlier. This rate did not take into account either the wage increases or inflation, which had occurred between 1998 and 2000. The current rate of 6.35 euro, introduced in October 2002, is below the rate originally recommended of two-thirds of the median of average wages. The NWC is calling on the Government to peg the minimum wage to two-thirds of the median of average wages, as originally intended, and to index the rate to increases in average wages.

## **6. Health**

### **Cancer treatment for women**

**Recommendation: ensure proper diagnosis and treatment for women throughout Ireland.**

Breast cancer is a major health problem in Ireland and the commonest cause of cancer death in Irish women (excluding non-melanoma skin cancer). The lifetime risk of developing a breast cancer is 1 in 13 (National Cancer Registry, Ireland). Irish women's risk of developing breast cancer is 20-30% above the EU average (Women's Health Council: Picture of Health 1999).

### **Screening Programmes**

The Government's commitment (Quality & Fairness A Health System for You, 2001) to the full extension of the breast screening and

cervical screening programmes is welcome but an implementation plan and adequate resources are vital to ensure that these crucial screening programmes are rolled out nationally within the lifetime of the NDP.

### **Specialist breast clinics**

Irish women need access both to the best diagnostic and treatment centres. This requires rapid referral to a specialist breast centre where a multidisciplinary team includes a breast surgeon, medical oncologist, radiation oncologist, pathologist, plastic surgeon and breast care nurse. The recommendations of the sub-group to The National Cancer Forum in the report Development of Services for Symptomatic Breast Disease 2000 that 13 specialist breast cancer clinics be established is a key support to reducing women's mortality from this killer disease. Moreover it is vital that these clinics are accessible to all women throughout the country to avoid the difficulties in relation to care responsibilities and travel currently faced by women travelling long distances for treatment.

**Recommendation: extend the medical card to all dependent children under 18 and enable families on social welfare to retain eligibility for the medical card when entering employment.**

Poverty and ill-health are linked. However, many low-income families are unable to access affordable health-care because they are above the income threshold for a medical card. Furthermore, fear of losing their entitlement to a medical card for families is preventing many women in receipt of social welfare from making the transition to employment. The low-income threshold for the medical card, therefore, is directly acting against one of the Government's key priorities which is to enable those on social welfare to move into employment. The absence of free medical treatment for children has serious consequences for many women, the majority of whom put their own health at risk in order to pay for their children's medical costs. The extension of the medical card to all dependent children under 18 would recognise the significant expenses being borne by many families in paying for their children's medical treatment. Similarly, enabling those on social welfare to retain eligibility for the medical card for the first year in



employment and when participating in education and training would support many to make a successful transition from welfare to work.

## **7. Support for the Women's Sector**

### **Recommendations:**

- **Introduce a budget-line within the Department of Justice, Equality and Law Reform to provide multi-annual funding for women's groups**
- **Provide resources to support the range of activities undertaken by women's groups such as:**
  - **Provision of support services to homeless women;**
  - **Research on the education and training needs of older women;**
  - **Advocacy by older women on their health needs.**

In spite of the interest, which the Government has taken in the issue of volunteering, 90% of all women's groups receive less than 1,270 euro per year. It is impossible for many groups to plan a programme of activities in circumstances where they are operating without proper funding. Increasingly, such groups are being required to take on a range of responsibilities within their local areas, including representational duties, advocacy, research and capacity-building. If women's equality is to be secured, it is vital that such work be resourced and sustained through the provision of secure multi-annual funding. The NWCI is calling on the Government to introduce a separate, equality-focused budget-line for the women's sector, which would guarantee multi-annual funding for women's groups of a minimum of 6,300 euro per year.

## **8. Violence against Women**

### **Recommendations:**

- **Provide 22.86 million euro as dedicated funding, to ensure the continuance and development of community and voluntary organisations providing direct services to women experiencing male violence.**

- **Resource the National Steering Committee on Violence against Women to implement the Report of the Task Force on Violence against Women.**
- **Provide funding for the publication of the report by Kelleher Associates.**

Community and voluntary organisations providing crisis and support services to women experiencing male violence identify funding as the substantive barrier to carrying out their work. The NWCI is calling on the Government to resource this important work by providing 22.86 million euro to organisations offering support services to women experiencing male violence. It is also asking for resources to fund the implementation of recommendations arising from recent research for the National Steering Committee on Violence against Women by Kelleher Associates.

## **9. Asylum-Seekers**

### **Recommendations:**

- **End direct provision so that all asylum-seekers are treated in the same way as Irish citizens on social welfare.**
- **Introduce the right to work for asylum-seekers who have been in the country of more than six months and are awaiting a decision on their application. FÁS should also be resourced to provide a specialised service to support asylum-seekers in accessing the labour market.**
- **Give all asylum-seekers the right to participate in state-funded education and training opportunities at all levels**
- **Resource refugee / asylum seekers' interest organisations, with particular targeting of refugee women's support groups to ensure their representation and participation.**

The system of direct provision denies asylum seekers fundamental human rights. It is ultimately discriminatory in nature and promotes the physical, economic and psychological marginalisation of asylum-seekers. Such isolation is reinforced by a prohibition on work and training, through forced dependency and redundancy (Comhlámh, 2001). Women asylum-seekers with babies and children face particular difficulties in adequately feeding and caring for them under such inappropriate circumstances. Women asylum-seekers on their own can feel particularly vulnerable and isolated.

## 10. Transport

### **Recommendations:**

- **Introduce a voucher system enabling older people to use private transport providers in rural areas.**
- **Resource Dublin Bus to offer free travel to pensioners during peak hours.**

Women in rural areas have consistently identified transport as a major barrier preventing them from accessing essential services such as hospitals, schools, childcare and employment. The situation is particularly difficult for older women, trying to survive on old-age pensions, who do not have the resources to use private transport providers. Many older women experience severe problems in accessing hospitals, post-offices, shops and other essential facilities. As a first step in the development of a comprehensive rural transport policy, the NWCI is calling on the Government to introduce a voucher system which would enable older people to use their travel passes with private transport providers.

Older people have consistently raised the problem of the current restrictions being placed on their use of their travel passes in Dublin. Since they are not entitled to use their passes during peak hours, many older people are obliged to pay full fares when attending hospital appointments where they have no control over the time of the appointment. Resourcing Dublin Bus to allow older people to use their travel passes at peak times would be of great benefit in enabling older people to access essential services.

## 10. Accommodation

Research being carried out by Threshold and the NWCI on the linkage between gender and accommodation disadvantage has revealed a significant level of accommodation disadvantage among lone parents, older women, recovered drugs users, Traveller women and asylum-seekers. It is vital that the Government implement the targets in the National Development Plan concerning the provision of social housing. It is also crucial that the Government should resource a system of rent control.