

June 2023

National Women's Council

**Submission to the
Department of Social
Protection**

Budget 2024



Ensure an adequate standard of living for all women

Our work and welfare systems were built for a different era and based on a largely male breadwinner understanding of both the labour market and social welfare systems – resulting in significant gender gaps in income, wealth, pensions, and access to employment and state supports.

Women bore the brunt of decisions to cut welfare payments during the austerity years because women are more likely than men to be lone parents, to be “economically inactive” and to benefit more from child-related supports¹. The gendered structural inequalities in our labour and welfare systems have been compounded further by the cost-of-living crisis, the Covid-19 pandemic, and the ongoing climate crisis, which have all hit and continue to hit women disproportionately hard.

While Budget 2023 included one-off payments which will help to support women and families through last winter, an over-reliance on this form of non-core spending will not protect women from poverty, or tackle income and wealth inequality in the long-term. The increase in base social welfare rates in last year’s Budget was not enough to offset a real drop in the pension rate and in working age payments², and lone parents and couples in retirement benefited relatively less from Budget 2023 than other household types. Women are less likely to benefit from the change in income tax bands in last year’s Budget, as it benefits high earners³.

We need a social welfare system that can support all women to achieve a minimum essential standard of living, now and into the future. This baseline level of social welfare support must be operated in tandem with improved public services infrastructure – to provide a state support system that both supports incomes and provides universally accessible public services.

All budgeting decisions under the remit of the Department of Social Protection – and in particular those addressing poverty, pensions and labour market activation – must be gender and equality proofed. To ensure this, equality budgeting be put on a statutory footing, and the Department of Social Protection should publish along with Budget 2024 a gender equality impact statement on its vote with disaggregated data highlighting Travellers, ethnicity, disability and other equality grounds.

The rest of this document is focused on recommendations in five key areas of the Department of Social Protection’s work:

- 1. End poverty**
- 2. Address Child Maintenance for Lone Parents**
- 3. Individualise the Social Welfare System**
- 4. Provide Decent Work for All**
- 5. Deliver Pension Justice for Women**

¹ Doorley, K. at al (2018). The Gender impact of Irish budgetary policy 2008-2018. Dublin: ESRI.

² [NWC Post-Budget 2023 analysis](#)

³ ESRI: [Distributional impact of tax and welfare policies: Budget 2023](#)

Section 1: End poverty

Recommendations

- **Establish the Minimum Essential Standard of Living⁴ as the benchmark for social welfare payments by 2026**
 - in the interim, increase social welfare rates by at least €25 in Budget 2024
- **Increase Qualified Child payments by €10 for children under 12 and €15 for children aged 12 and above in Budget 2023**
- **Increase Child Benefit in line with inflation**
- **Increase the income thresholds for the Working Family Payment**
- **Adjust income disregards, means tests and eligibility thresholds to reflect changes in the National Minimum Wage to maintain the value of these supports**
- **Increase the Fuel Allowance so that the rate is adequate to alleviate fuel poverty, and:**
 - Increase the payable period to 32 weeks
 - Extend eligibility to people in receipt of the Working Family Payment
 - Remove the wait period for people in receipt of Jobseeker's Allowance
 - Ensure the living arrangements of Traveller families are covered

Low-income households are disproportionately affected by inflation and rising costs-of-living because they spend more on necessities such as food and energy – and even before the pandemic, the invasion of Ukraine and the cost-of-living crisis, many people did not have sufficient income or wealth to live a decent life. This is exacerbated further when public service infrastructure is not effective in supporting them.

Lone parent households, 86% of whom are headed by women, are nearly three times more likely to be living in consistent poverty than the general population⁵. People unable to work due to long-standing health problems continue to be at a much greater risk of poverty than the general population⁶, even before the additional cost of disability is taken into account. Among Travellers and Roma, 31% are living in households affected by severe material deprivation⁷. Women living in rural areas experience further challenges with rural households having deeper levels of income adequacy than urban households⁹. Among those aged 65 and over, 15% of men and 25% of women are at risk of poverty. Women are also at

⁴ Vincentian MESL Research Centre (2023) [MESL 2023 Report](#)

⁵ CSO, [Survey on Income and Living Conditions \(2022\)](#)

⁶ CSO, [Survey on Income and Living Conditions \(2021\)](#)

⁷ EU Fundamental Rights Agency (2020). [Roma and Travellers in six countries](#)

⁸ ESRI (2021). [The dynamics of child poverty in Ireland](#)

⁹ Vincentian MESL Research Centre (2022) [MESL 2022 Annual Update](#)

greater risk of energy poverty due to their lower average incomes¹⁰ – with lone parents, older women living alone¹¹, disabled people and carers particularly affected.

The provision of public service infrastructure, including affordable childcare and social care, housing and transport, are key measures to reduce the risk of poverty among women. However, adequate welfare payments are essential for women who are unable to work through age, ill health or other reasons. According to the ESRI, only full-time employment is effective in lifting families out of poverty¹². This is hugely problematic for lone parents who bear primary responsibility for care and often cannot reconcile full time work with care. The social welfare system must recognise lone parents' care responsibilities and must ensure that part time work combined with social welfare supports is enough to provide economic security to one parent families.

Targeted recommendations and supports for women most at risk of poverty

Lone parents

- **Extend Jobseekers Transitional Payment to lone parents in education, training or employment until the youngest child reaches the end of second level education**
- **Extend the Living Alone Increase to lone parents**

Disabled women

- **Prioritise investment in Personal Assistant Services, including enacting necessary legislation**
- **Provide cost-of-disability funding to address inequalities identified in the *Cost of Disability* report**

Asylum seekers and Roma

- **Ensure Child Benefit is a truly universal payment:**
 - Grant Child Benefit to children whose parents are seeking asylum
 - Remove the Habitual Residence Condition requirement
- **Extend the Free Travel Scheme to people in the international protection process**

Carers

- **Increase the income disregards for Carer's Allowance to €1,000 (couple) and €500 (single)**

Young women

- **Increase the rate payable for young Jobseekers aged 18-24 years in Budget 2024, with the aim of full restoration by 2026¹³**
- **Bring sub-minimum rates of minimum wage for people aged under 20 in line with the full National Minimum Wage rate for those aged over 20**

¹⁰ European Parliament (2017). [Gender perspective on access to energy in the EU. Report for the FEMM committee](#)

¹¹ Based on 2018 date published in CSO (2020). [Women and men in Ireland](#)

¹² Maître, B., Russel, H., Smyth, E. (2021). [The Dynamics of Child Poverty in Ireland: Evidence from GUI](#)

¹³ As recommended by the Oireachtas Committee on Social Protection in their [Pre-Budget Submission 2022](#)

Section 2: Address Child Maintenance for Lone Parents

Recommendations

- **Establish a statutory Child Maintenance Agency**
- **The State should take on the liability and ensure child maintenance is paid where a parent does not pay or does not have sufficient income to pay the required maintenance**
- **Effective substitute maintenance mechanisms should be based on advance payment by the State**
- **Responsibility for recouping payments from liable parents should be with the State, where applicable**
- **Child Maintenance should be decoupled from social protection payments and be treated as a non-means tested, non-taxable income for children**

Child maintenance plays an important role in protecting against poverty, and the current system must be reformed – including by the setting up of a **statutory Child Maintenance Agency**. As there is currently no such state agency, pursuit of maintenance is left up to the claiming parent – a Statutory Child Maintenance Agency would take the issue of child maintenance out of the adversarial court system, reduce the burden on women to litigate for child maintenance orders and act as an anti-poverty measure. Unlike other jurisdictions, child maintenance in Ireland is seen largely as a personal, parental obligation and therefore, a matter of private family law.

International experience indicates that where child maintenance is a reliable source of income, there was a 30% reduction in the poverty gap¹⁴, but in Ireland a 2022 survey of lone parents found that only 35% are receiving maintenance without arrears¹⁵. A Statutory Child Maintenance Agency has been called for by the Joint Committee on Social Protection in its Report on the Position of Lone Parents in Ireland¹⁶ and by the UN Committee on the Elimination of All Forms of Discrimination Against Women¹⁷. The Report of the Child Maintenance Review Group¹⁸ in November 2022 highlighted the need for “immediate and radical reform” of the current system in relation to Child Maintenance, and a majority of the group supported the setting up of a statutory Child Maintenance Agency.

¹⁴ Hakovirta, M., & Rantalaiho, M. (2011). [Family Policy and Shared Parenting in Nordic Countries](#). European Journal of Social Security, 13(2), 247–266.

¹⁵ SPARK (2022). [Child maintenance survey](#)

¹⁶ The Joint Committee on Social Protection in its [Report on the Position of Lone Parents in Ireland](#)

¹⁷ [UN Committee on the Elimination of All Forms of Discrimination Against Women](#)

¹⁸ [The Report of the Child Maintenance Review Group](#)

Section 3: Individualise the Social Welfare System

Recommendations

- **Adopt a fully individualised social welfare system so that women are treated as individuals, rather than dependents of their partners**
- **Eliminate the Limitation Rule for Jobseeker's Allowance**
- **Change eligibility rules to enable qualified adults to access a range of active labour market programmes**
- **Resource a national survey to ascertain skills, education, health, care and employment experience of qualified adults to address data gaps**

The 'male breadwinner' nature of our social welfare system is evidenced by the concept of the 'qualified adult' or adult dependent. Under this system, welfare payments to two parent families comprise a payment for the main claimant and a Qualified Adult payment to additional adults in the household. Child dependent payments are also payable to the main claimant. This system creates a relationship of dependency for Qualified Adults. They do not receive an income in their own right and are excluded from accessing many active labour market programmes that require a core social welfare payment as a condition of eligibility.

Data from the Department of Social Protection shows that of the 124,521 people who received a top up for a Qualified Adult in April 2021, 83% are men. Women represent the vast majority of those who are dependent adults in our social welfare system. Though appearing to be 'gender neutral', the gendered effects of this system have clear implications for women's economic independence.

The Department of Social Protection's Roadmap for Social Inclusion 2020-2025 commits to examining the feasibility of individualising payments, through the provision of a direct payment to the second 'dependent' adult in a household, with a view to reducing co-dependency and improving employment and earnings outcomes. The Citizens' Assembly on Gender Equality also recommended that we adopt a fully individualised social protection system to reflect the diversity of today's lives and to promote an equal division of paid work and care¹⁹.

The Covid-19 income supports have demonstrated that it is possible to administer payments in an individualised way. We now have an opportunity to abolish the system of dependency and implement an individualised approach, based on equality where women and men are paid in their own right and have individual entitlement to all of the benefits and supports that accompany an unemployment payment.

¹⁹ Citizens' Assembly on Gender Equality (2021). [Report of the Citizens Assembly](#)

Section 4: Provide Decent Work for All

Recommendations

- **Move to a social welfare model that acknowledges and values care**
- **Pilot a Participation Income (PI) which recognises other meaningful contributions such as care or voluntary work**
- **Extend Jobseeker's Transitional Payment to lone parents in education, training or employment until the youngest child reaches the end of second level education**
- **Allow those working part time to be eligible for Jobseeker's Payments**
- **Increase Maternity, Adoptive, Paternity and Parent's Benefit payments to at least €295 per week, with a view towards implementing a percentage-of-earnings model**
- **Convert existing unpaid Parental Leave to paid leave**
- **Make Medical Care Leave paid, at the rate of Illness Benefit at least**
- **Domestic Violence Leave should be paid in full at 100% of the person's normal rate of pay**
- **Ensure increases in the National Minimum Wage do not affect eligibility for welfare supports**
- **Resource a time use survey to gather updated data on time spent on unpaid work**

As we hit record employment rates, it is important that no woman is left behind in having access to decent work.

The current work and welfare system does not properly accommodate care, which would represent a decent and green alternative for both women and men as well as helping to address unmet need for care services. Failure to recognise and value care impacts most negatively on lone parents.

The Department of Social Protection has a key role in creating the conditions in which women can access decent, secure work that is compatible with care responsibilities. DSP must ensure that people can combine care and work in a way that facilitates them to obtain decent work and that people have a secure, alternative source of income that gives them a realistic option of refusing work that does not pay. Investment must also include raising the pay and terms of conditions of the care workforce.

Payments for family leave in Ireland are much lower than EU norms and there is a larger gap between the end of paid leave and the start of Early Years services. Payments in most OECD countries offer at least 50% of average earnings, with many offering 100%²⁰, while in Ireland less than a third of average earnings are replaced. Family leave payments must be increased and linked to earnings to keep up with inflation but also to begin the process of bringing the payment more in line with EU norms.

²⁰ OECD (2021). [OECD Family Database: PF2.1. Parental leave systems](#)

While lone parents, working class mothers²¹, migrants and ethnic minority women²², Traveller women²³, disabled women²⁴ and young women already all experience heightened barriers to labour market participation, for many women paid work is no guarantee of income adequacy. Women predominate in sectors characterised by low paid and precarious work. 6 out of 10 low paid workers are women²⁵ with young people²⁶ and lone parents²⁷ more likely to be low paid or National Minimum Wage (NMW) workers. DSP has a key role to play in supporting people to access decent work opportunities, and all labour activation policies must be gender and equality-proofed.

A **Participation Income** (PI) is an alternative to our current welfare system, which is overly focused on transitions from welfare to work at the expense of other forms of participation. A Participation Income would recognise other meaningful contributions such as care or voluntary work, and other forms of work that contribute to the common good²⁸. Countries like The Netherlands have taken steps towards a system that takes care and other socially useful forms of contribution into account: the Dutch system acknowledges part time work as a legitimate choice and it also gives people who are caring for children under 12 the right to access unemployment benefit²⁹. The National Economic and Social Council (NESC) have recommended piloting a Participation Income system.

²¹ Only 27% of mothers with lower secondary level education are in the labour market in Ireland compared to an EU average of 42%. NESC (2019). [Gender, family and class issues in Ireland's social welfare system](#)

²² Migrants are more likely to experience unemployment. Ethnicity also plays a role with Black migrants experiencing higher unemployment than white migrants and working in lower skilled jobs, despite having higher educational attainment than those born in Ireland. [ESRI \(2020\)](#).

²³ Traveller women are all but excluded from the workplace, with 80% of Traveller women unemployed. IHREC and NESC (2017) [Who experiences discrimination in Ireland?](#)

²⁴ The labour force participation rate of disabled women is only 26% (compared to 35% for disabled men). [CSO \(2017\). Census 2016](#)

²⁵ Eurostat (2022). [Incidence of low pay](#)

²⁶ LPC (2021). [Annual report 2021](#)

²⁷ ESRI & IHREC (2021). [Ireland's Young Workers 6 times More Likely to Be on Temporary Contracts than those over 25](#)

²⁸ Murphy, M & McGann, M (2020). [Reconfiguring welfare in an eco-social state: participation income and universal services here](#)

²⁹ NESC (2020). [The Future of the Irish Social Welfare System: Participation and Protection.](#)

Section 5: Deliver Pension Justice for Women

Recommendations:

- **Make concrete steps to move towards a Universal State Pension system**
 - In the interim, increase the state pension by at least €25 in Budget 2024 towards a target of benchmarking the current state pension at 34% of average earnings
- **Implement the Commission on Pensions recommendation on retrospective contributions for those caring for more than 20 years to ensure a full State Pension (Contributory)**
- **Benchmark and index pensions to maintain the relative value of the State pension compared to earnings growth and price inflation**
- **Acknowledge the previous injustice of the ‘marriage bar’ with a once-off, ring-fenced retrospective scheme**
- **Retain the current pension age of 66 years**
- **Ensure the Total Contributions Approach (TCA) is limited to 30 years for the maximum pension**
- **Ensure women born before 1st Sept 1946 can benefit under the Homemakers and Homecaring Periods schemes**

As women are more likely to be in low paid, part time jobs on precarious contracts, this makes it difficult to collect sufficient PRSI contributions to be eligible for the full State Pension (Contributory) and so women are more likely to be reliant on the State Pension (Non-Contributory) than men.

It is NWC’s view that a universal state pension is the best way to support women and those who encounter barriers to the labour market, including disabled people, carers, lone parents and Travellers. In the interim, there are measures that can be taken in Budget 2024 to advance pension justice for women.

NWC maintains that the pension age should not be increased. Increasing the retirement age will have only a modest impact on containing spending growth³⁰ but would disproportionately impact on women who are more reliant on the State pension.

³⁰ Sweeney, R., Singleton, S. & Murphy, E. (2022). [NWC submission to the Commission on Taxation and Welfare](#)