June 2022

# Shaping Our Future: Tackling the cost of living for women in Budget 2023



# Addressing cost of living through public services and income supports: 10 Priority Asks for Women in Budget 2023

#### 1. Access to universal public childcare

Deliver a universal, public childcare model starting with an additional investment of €250m in 2023 to address affordability for low-income families and workforce pay

#### 2. Tackle the cost of violence to women

Fully fund the implementation of the Third National Strategy on Domestic, Sexual and Gender Based Violence, including the accommodation plan and refuge spaces

#### 3. End poverty

Increase social welfare rates, including pensions, by €20 to address the impact of inflation and ensure progress towards a Minimum Essential Standard of Living

#### 4. Ensure income doesn't impact contraceptive choice and bodily autonomy

Extend universal, free contraception so women have real contraceptive choice and access to the most effective forms, targeting women from 26-35 in 2023. Additional investment: €45m

#### 5. Address lone parent poverty

Establish a Statutory Child Maintenance service to ensure adequate and stable income for lone parents - New minimum investment: €2m.

#### 6. Support marginalised women's voices and organisations

Support the participation of marginalised communities/women across the island through increased funding to women's civil society organisations

#### 7. Access to housing and accommodation

Invest in a major State-led housing programme for provision of public, affordable and cost rental homes and accommodation to mitigate against the high cost of housing – double investment to €3bn

#### 8. Tackle rising energy costs and climate change

Provide deep retrofits for low income families and invest in urban and rural public transport

#### 9. Protect low income workers

Increase the Minimum Wage by €1 per hour to protect low-income workers against the rising cost of living

#### 10. Support all families to work and care

Support low-income workers to care by increasing Maternity, Paternity and Parent's Leave payments to €280p.w. to bring more in line with EU norms - Additional investment: €40.7m

# Introduction

The National Women's Council (NWC) is the leading national representative organisation for women and women's groups in Ireland, founded in 1973. We have over 190-member groups and a large and growing community of individual supporters. The ambition of the National Women's Council is an Ireland where every woman enjoys true equality and no woman is left behind.

Throughout the pandemic, women sustained our societies through their paid and unpaid care labour and their work in essential services across the country. They continue to do so as we manage the aftermath of the pandemic, the economic and social consequences of the invasion of Ukraine and the impact of spiralling inflation on those on low incomes.

At 8.2% in May, inflation is at its highest level in 40 years. The impact has not been felt equally. Inflation cuts deepest on those with the least, with people in the bottom 20% of the income distribution experiencing the greatest impact on their living standards. In general, women have fewer resources, less wealth, lower incomes, greater unpaid care responsibilities which limits their choices around paid work and greater reliance on low paid and precarious work. People most affected by rising cost of living are those who have not recovered from the impact of austerity era cuts. Lone parents have less wealth, savings, land, business wealth or vehicles; are less likely to own a home or to be able to access credit. Disabled people and Travellers who are already more likely to be living in poverty are also more negatively affected. Soaring rents deepen inequalities between renters and homeowners.

Addressing the high cost of living requires a whole of government approach. It must include investment in free/low-cost quality universal basic services such as care, health and housing, to bring costs down and create resilient and sustainable societies capable of weathering future shocks. It must also provide adequate income supports to keep people out of poverty in the short term. Investment in social protection, through pensions, unemployment, disability or parental income supports, plays an important role in reducing poverty and inequality but also leads to increased household spending and in the long run, to higher tax revenues. Investment in universal services such as care, allowing more women to take up paid employment and raising wages in the care sector would result in gains to the economy as well as society and support a more gender equal Ireland.

Compared with other rich EU countries like Germany, France, Belgium, Austria and Denmark, Ireland has the lowest level of public spending per person.<sup>3</sup>. There is international recognition of the need for a sustainable, socially just, feminist recovery delivered through investments in social protection systems and the care economy.<sup>4</sup> There continues to be scope to borrow to invest in care, housing and in the green transition. There continues to be scope to increase revenue through taxation to fund a living wage and adequate social protections and given the self-sustaining nature of investment in public services and social infrastructure, it is economically prudent to resource these investments

Budget 2023 must relieve the pressure of rising costs on low income households through social welfare increases, targeted supports to those most at risk of poverty and increases to the minimum wage. In addition, it must lay the groundwork for a significant, sustainable and ongoing investment in public services and social infrastructure that can reduce the impact of high, out of pocket costs. It must ensure a balanced, inclusive and green recovery by shifting the focus from propping up low paid work to supporting decent, well-paid jobs. Crucially, policy and economic decisions must be gender, equality and poverty proofed to ensure that public spending delivers public good for all. The report of the Citizens' Assembly on Gender Equality with its strong emphasis on care, continues to provide a framework to guide Budget 2023 investment.

<sup>&</sup>lt;sup>1</sup> TASC (2022). The State we are in: Inequality in Ireland 2022.

<sup>&</sup>lt;sup>2</sup> CSO (2022). Household finance and consumption survey.

<sup>&</sup>lt;sup>3</sup> ICTU (2022). The Social wage

<sup>&</sup>lt;sup>4</sup> UN Secretary General António Guterres (2022). <u>A Sustainable Feminist Recovery</u>

# **Deliver Universal Basic Services**

Ireland currently compensates for high market income inequality by redistribution through taxes and social transfers with relatively poor investment in quality, universal, public services. As a result, we have deficits in our public services, including unaffordable childcare, a two-tier health system; a housing crisis and some of the highest levels of unmet need for services in the EU. These essential services need to be placed outside the market and delivered on a public basis.

The provision of Universal Basic Services (UBS) is the most effective way to meet society's collective needs. Investment in UBS is an investment in a properly functioning and equal society and economy, and indeed, these services are essential assets for weathering future crises. The priority in Budget 2023 should be to move towards a system of UBS by focusing on investment in:

- The care economy
- Universal health
- Housing

# **Invest in the Care Economy**

The pandemic reinforced the centrality of care to a functioning society and economy. However, care continues to be under-resourced. Women continue to bear primary responsibility for unpaid care while workers, predominantly women in the sector are among the lowest paid in the economy, a key contributor to the gender pay gap. The European Commission notes that the share of people inactive due to caring responsibilities remains well above the EU average.<sup>5</sup>

The most effective and efficient way to tackle persistent gender inequalities in care is sustained investment in public services and social infrastructure, including a public early years and school age childcare system and universal adult social care. Investment in care has been shown to act as a better post-pandemic economic stimulus than investment in traditional economic recovery approaches, such as construction. Producing significantly less emissions than construction, care jobs are also green jobs<sup>6</sup> so investment in care also helps us meet our climate goals.

Despite the importance of the care economy to a sustainable recovery, Ireland failed to use EU pandemic recovery funding to invest in care. While Ireland's National Economic Recovery Plan notes that changing demographics will mean additional demands for skills related to healthcare and social care, without significant investment in the care economy, it is not clear how these skills gaps will be addressed. Funding the care sector would generate significant economic growth in the domestic economy, which was more negatively impacted than the multinational sector by the pandemic. Because the sector is comprised predominantly of low paid women workers, investing in care could reduce the gender pay gap significantly (by an estimated 5% in a UK context<sup>7</sup>), helping to address gender equality and deliver better pay and conditions for the many young and migrant women in the sector.

#### Public Early Years and School Age Education and Care

Affordability of childcare remains the single largest barrier to women taking up paid work and represents a particular barrier to lone parents. <sup>8</sup> Government's fees 'freeze' represents the first time the State has exerted a level of control over childcare fees and NWC welcomes that, as of May 2022, 92% of Early Years and School-Age Childcare providers have agreed to operate a freeze on parental fees. <sup>9</sup> However,

<sup>&</sup>lt;sup>5</sup> EU Commission (2021). <u>Summary of the assessment of the Irish recovery and resilience plan.</u>

<sup>&</sup>lt;sup>6</sup> WBG (2020). <u>A care led recovery from Coronavirus.</u>

WBG (2020). A care led recovery from Coronavirus. https://wbg.org.uk/wp-content/uploads/2020/06/Care-led-recovery-final.pdf

<sup>&</sup>lt;sup>8</sup> Sweeney, R., Singleton, S. & Murphy, E. (2022). <u>NWC submission to the Commission on Taxation and Welfare</u>

<sup>9</sup> DCEDIY (2022). Over 90% of Early Learning and Care and School-Age Childcare providers introduce fee freeze for parents

childcare fees in Dublin average €221.58 per week for full day care. <sup>10</sup> Budget 2023 must deliver significant investment in affordability measures for parents and establish a progressive fee structure through capping childcare fees. Investment in universal childcare is vital to deliver affordable childcare for everyone. As a first step towards this, Budget 2023 should focus the bulk of investment in delivering free/low-cost childcare to lone parents, low income and marginalised families to address the impact of the rising cost of living through the current National Childcare Scheme. This will benefit families with reckonable incomes up to €60,000.

Budget 2022 made crucial investments in improving workforce pay but fell short on addressing affordability and in committing to a universal, public model. Notwithstanding the increased investment, Ireland is some way away from the UNICEF target of spending 1% of national income on the early years sector and the current rate of increase, it would take several years if not decades to reach that target.<sup>11</sup>

Investment in a universal, **public** model is crucial to deliver truly affordable, sustainable childcare for children, parents and workers. EU countries with comprehensive public provision have childcare services that are more affordable, accessible, and of higher quality than countries with private service provision.<sup>12</sup> Across the EU, the most important factor in lowering the pay and conditions of care workers is the extent to which it is marketised.<sup>13</sup>

Ireland's market driven approach also means that marginalised communities remain particularly underserved. There are currently no private providers operating in 'very and extremely disadvantaged' areas and were it not for community-based services, families in these areas would have no access to local childcare. There is only one (community-based) childcare service located in 'extremely disadvantaged' areas, despite 2.9% of the population living in these locations. With women and children making up the majority of Ukrainian's arriving in Ireland, Ireland's pre-existing gaps in the provision of childcare are even more pronounced.

Investment in a public model also represents the best value for public money given shocking reports of large chains paying million-euro dividends to shareholders in 2020, despite receiving millions from the State in Covid-19 grants.<sup>15</sup>

The Expert Group on a future funding model for childcare noted that there Ireland is a clear outlier in having virtually no public provision of Early Years and that public provision may be the only way to deal with some gaps in the sector. The Expert Group notes that the introduction of a public model would need a clear political decision to underpin it. **NWC calls on government to provide political leadership on a public childcare model.** 

#### **Recommendations**

- Increase investment in early years to 1% of national income by no later than 2030, in line with UNICEF target and Citizens' Assembly recommendations
  - In Budget 2023, invest a minimum of €200m in affordability measures, with the emphasis on reducing costs for low income families
  - Extend the maximum 45 hours subsidy under the NCS to parents not in work in recognition that these are the most disadvantaged families and childcare should be a child's right, rather than being dependent on a parent's principal economic status
  - Invest an additional minimum €50m to progress efforts to deliver decent wages and conditions to the workforce

<sup>&</sup>lt;sup>10</sup> Pobal (2022). Annual Early Years Sector profile report 2020/2021.

<sup>&</sup>lt;sup>11</sup> NWC (2021). NWC Gender analysis of Budget 2022.

<sup>&</sup>lt;sup>12</sup> Oireachtas Library and Research Service (2020). <u>Public provision of ECEC: an overview of international evidence.</u>

<sup>&</sup>lt;sup>13</sup> TASC (2020). Cherishing All Equally – the Care Economy.

<sup>&</sup>lt;sup>14</sup> Pobal (2022). <u>Annual Early Years Sector profile report 2020/2021</u>.

<sup>&</sup>lt;sup>15</sup> Daly, L. (2022). <a href="https://www.thetimes.co.uk/article/dividend-is-a-bit-of-a-brass-neck-for-giraffe-h8slmsnvh">https://www.thetimes.co.uk/article/dividend-is-a-bit-of-a-brass-neck-for-giraffe-h8slmsnvh</a>

#### Adult social care

Homecare has been progressively privatised in Ireland to a largely unregulated, home care industry. Domestic and personal care workers are often migrant women workers, and women of colour, subject to the most extreme instances of precarious work and exploitation. As well as lower pay, workers in the private sector have weaker rights and are required to accept more unstable and ad hoc working hours than those working for non-profit or public sector providers. <sup>16</sup> Perhaps only a quarter of care assistants are members of a trade union, and precariousness is also high in the sector. <sup>17</sup>

NWC's feminist analysis of care includes not only the perspectives of the women who provide care but also the women who need such supports. The absence of a sufficient state response to supporting disabled people to live independent lives, forces them into a position of dependence and leaves family carers to provide often very high levels of care. Investment in universal, social care services are vital to ensure older people and disabled people have the necessary supports to reduce dependence on family and friends and to maintain a private life with dignity. The European Commission notes that Ireland is over-reliant on institutional care, while home care, which is a key part of long-term care services in many other EU Member States and is more efficient and appropriate for addressing much of our care need, has been historically underprovided.<sup>18</sup>

An increase in investment in social care, equivalent to 0.4% of national income is needed to fund better pay for workers and an increase in services/supports.<sup>19</sup>

#### **Recommendations**

- Increase investment in universal social care services by 0.4% of national income on a phased basis
  - Invest in a pay structure and benefits (including sick pay and pensions) for all care workers, as recommended by the Citizens' Assembly
  - Provide a statutory right to home care and a budget for a person-centred home care scheme with equality of access and availability across the country
  - Increases funding for Personal Assistance Services as a move towards providing a statutory right to a Personal Assistance Service for disabled people
- Resource a Commission on Care as outlined in the Programme for Government
- Resource the implementation of the Irish Sign Language Act 2017

# Improving reproductive health services

#### Contraception

The free contraception scheme for women aged 17-25 in Budget 2022 was a welcome development and must be built on to ensure access to free contraception for all ages. In the NHS (UK), free contraception is available to all, including adolescents.<sup>20</sup> Enabling universal access to free and accessible contraception is fundamental to reproductive health and rights and critical for achieving gender equality, reducing poverty, protecting against adverse health conditions and prevention of unplanned pregnancies.<sup>21</sup>

Cost and accessibility of contraception are barriers to women of all ages.<sup>22</sup> Almost one fifth of pregnancies in 26–35 year-olds are reported as crisis pregnancies.<sup>23</sup> With the significant rise in living costs, there is an urgent need to ensure that older women are not priced out of the most effective forms

<sup>&</sup>lt;sup>16</sup> Mulkeen, M. (2016). Going to market! An exploration of markets in social care. Administration, 64(2), 33–59

<sup>&</sup>lt;sup>17</sup> Sweeney, R., Singleton, S. & Murphy, E. (2022). NWC submission to the Commission on Taxation and Welfare

<sup>&</sup>lt;sup>18</sup> European Commission (2021). <u>Analysis of the recovery and resilience plan of Ireland</u>

<sup>&</sup>lt;sup>19</sup> Sweeney, R., Singleton, S. & Murphy, E. (2022). <u>NWC submission to the Commission on Taxation and Welfare</u>

<sup>&</sup>lt;sup>20</sup> NHS (2021) Where can I get contraception?

<sup>&</sup>lt;sup>21</sup> Laurel W. Rice et al (2020) Universal access to contraception: women, families, and communities benefit

<sup>&</sup>lt;sup>22</sup> Dublin Well Woman Centre (2020) The Contraception Conversation.

<sup>&</sup>lt;sup>23</sup> HSE (2012) <u>Irish Contraception and Crisis Pregnancy Study 2010 (ICCP-2010)</u> A Survey of the General Population.

of contraception such as LARCs which require a significant upfront investment.

#### **Abortion Care**

Over three years on from the introduction of abortion services in Ireland there are still significant barriers to accessing abortion, particularly for those from marginalised communities such as disabled and migrant women. While some of the barriers stem from the restrictive nature of the law, others such as poor geographical coverage,<sup>24</sup> problems in the pathway between primary and hospital care and theatre space for surgical abortions<sup>25</sup> could be addressed through better resourcing of our reproductive health services, including training, promotion of MyOptions and interpretation services.

#### **IVF**

Infertility services in Ireland are not publicly available and are extremely expensive - fertility clinics list a single round of IVF as costing between €4,500 and €5,000.<sup>26</sup> Infertility can compound health needs and is associated with a range of psycho-social, mental health and relational impacts.<sup>27</sup> Public funding is essential to achieve equitable access for all women requiring treatment and a public model of fertility care must be expedited.

#### **Recommendations**

- Provide additional funding to extend the free contraception scheme to women from 26-35, including investment in additional GP training and a public information campaign to promote awareness and uptake of the extended scheme – €45m
- Resource an expansion of training/support for service providers, nationwide promotion of MyOptions & accommodation needs in maternity hospitals
- Allocate ringfenced funding to enable the development of the Assisted Human Reproduction Regulatory Authority and the tertiary service for publicly funded IVF to build on the progress of the establishment of six regional fertility hubs in 2022

### **Delivering Universal Healthcare**

The provision of universal healthcare is a feminist issue due to the structural inequalities that women face, particularly disabled women and women of minority ethnicity. The cumulative impact of a disproportionate share of unpaid care work, concentration in low paid and precarious work and lower lifetime earnings means women are at far greater risk of poverty than men, and this carries a significant health burden. Economically disadvantaged women are more likely to face health problems during their lifetimes and die younger because of systemic health inequalities.<sup>28</sup> They are particularly reliant on the public healthcare system and face significant barriers to timely care in a privatised health system. Accelerating progress on Sláintecare is therefore vital for meeting the health needs of women. Well-designed universal healthcare programmes have been proven to have positive impacts on women's access to health services that match their needs. <sup>29</sup>

As we emerge from the pandemic it is critical that we build on the lessons learnt from the universal vaccine programme and Covid19 response and expedite the transition to a free at the point of access model, providing the appropriate resourcing to enhance service capacity and meet diverse needs.

#### **Recommendations**

Increase investment in the Slaintecare Healthy Communities Programme to ensure that the

<sup>&</sup>lt;sup>24</sup> Only 1 in 10 GPs provides abortion care and only 11 of our 19 maternity hospitals provide the service in line with the law

<sup>&</sup>lt;sup>25</sup> National Women's Council (2021) <u>Accessing Abortion in Ireland: Meeting the Needs of Every Woman</u>

<sup>&</sup>lt;sup>26</sup> A round of IVF at Sims Clinic starts at €4,600. At Cork's Waterstone Clinic, it's €5,000, €4,500 at Merrion Fertility & €4,600 at ReproMed.

<sup>&</sup>lt;sup>27</sup> Women's Health Council (2009b) *Infertility and Treatment a review of pyscho-social issues*. Dublin: The Women's Health Council

<sup>&</sup>lt;sup>28</sup> NWCI (2019) Evidence Base for the Development of the Women's Health Action Plan

<sup>&</sup>lt;sup>29</sup> Quick, J, Jay, J, Langer, A (2014) Improving Women's Health through Universal Health Coverage. PLoS Medicine 11(1)

remaining 33 SICAP areas are brought into the Programme.<sup>30</sup>

- Community-based health promotion and early intervention initiatives should be delivered by Women's Collectives & Family Resource Centres given their reach and effectiveness €20m
- Fund the Enhanced Community Care programme to support primary care services with
  accessibility and inclusion, including interpretation & translation services, wheelchair
  accessibility, plain English information, telemedicine & digital services in line with the needs
  identified in the Women's Health Taskforce research with marginalised groups.
- Continue to progress free GP care by an extension of the age-range to all under 12s.
- Provide ringfenced funding for the National Traveller Health Action Plan, including expansion of Traveller Primary Healthcare Projects & pathways into specialist services where needed
- Resource the transition away from private provision in public hospitals, in line with recommendations in the de Buitléir report.

# **Prioritising Mental Health**

The OECD highlights an "urgent need to deliver stronger, more integrated policies to support mental health" to mitigate the effects of the pandemic.<sup>31</sup> Sláintecare's target for mental health funding is 10% of the overall health budget, yet Ireland allocates just 5.2% and on a population basis, this is lower than 2009.<sup>32</sup>

Women experience poorer mental health<sup>33</sup> and higher rates of anxiety and depression.<sup>34</sup> Eating disorders disproportionately affect women, particularly young women. The National Clinical Programme for Eating Disorders (NCPED) aims to establish a network of 16 teams but only 3 are in operation.

Investment is also needed to improve perinatal mental health services. 1 in 5 women will experience mental health problems during pregnancy and post-birth, yet support for mothers is lacking. Despite commitments to develop Ireland's first Mother and Baby Unit, there has been no allocation of funding to progress this. Budget 2023 must invest in gender-sensitive mental health services.

#### Recommendations

- Allocate 10% of the overall health budget to mental health, with a focus on expanding Primary Care Psychology and CAMHS
- Invest in inpatient psychiatric support and outpatient community support for acute mental health conditions that have higher mortality rates and which disproportionately impact women
   = 10m
- Resource the NCEPD to enable an increase in inpatient bed capacity for eating disorders from 3 to 26, as well as care through community-based teams<sup>35</sup>
- Undertake a feasibility study to establish a Mother and Baby Unit at St. Vincent's University Hospital & provide funding to begin the build €12m capital costs & €1.5m staffing
- Invest in perinatal mental health services including facilities and staff in all hub and spoke sites -€2.053m

# **Advancing Breastfeeding Support**

Ireland's breastfeeding rates are amongst the lowest in the world.<sup>36</sup> Research shows there is a lack of

 $<sup>^{\</sup>rm 30}$  this would build on the €13 million invested thus far.

<sup>31</sup> OECD (2021) Tackling the mental health impact of the COVID-19 crisis: An integrated, whole of-society response

<sup>32</sup> IHCA (2021) IHCA Mental Health Pre-Budget Submission 2022.

<sup>&</sup>lt;sup>33</sup> Department of Health (2021) <u>Healthy Ireland Survey 2021</u>.

<sup>&</sup>lt;sup>34</sup> COVID-19 Mental Health Survey by Maynooth University and Trinity College finds high rates of anxiety'

<sup>35</sup> HSE (2022) https://www.hse.ie/eng/about/personalpg/pg/2022-pg-responses/march-2022/pg-14063-22-mark-ward.pdf

<sup>&</sup>lt;sup>36</sup> National Women and Infants Health Programme (2021) Irish Maternity Indicators System National Report; Unicef <u>Urgent Action on</u>
<u>Breastfeeding Needed</u>

Support given to women which can inhibit take up rates and contribute to early attrition - only 1 in 4 mothers reached their feeding goals at the hospital and did not require any further support.<sup>37</sup> Investment in supporting women to breastfeed results in lower future health costs.<sup>38</sup> The announcement of 24 new lactation consultant posts at a cost of €1.58m in May 2021 was welcome, however, to date these posts have not been filled.<sup>39</sup> If we are to ensure all women who wish to breastfeed are supported to do so, we urgently need to resource the implementation of the Breastfeeding Action Plan and undertake a recruitment drive.

#### Recommendation

• Provide ringfenced funding to progress the Breastfeeding in Ireland strategy, with a focus on resourcing additional 46 WTE lactation consultants- €3,036,000.

# Housing and accommodation

Housing costs in Ireland are a staggering 78% more expensive than the EU average and this is a key factor in the rising cost of living.<sup>40</sup> Average house prices continue to rise and are up 77% since 2012. Average rents of €2000 plus mean the capital is the third most expensive city for renters in the EU.

The housing and homelessness emergency continues to have a devastating impact on women and families throughout Ireland. Ireland has one of the highest rates of female homelessness in the EU with figures likely an underestimation as women living in refuge accommodation, direct provision and disabled people living in institutionalised settings are not included. In addition, women with children are more likely to move around, staying with family and friends rather than going to homeless accommodation in the early stages of homelessness. Traveller families forced to live on roadsides are also excluded from official statistics.

Lone parent families, 86% of whom are headed by women, are the highest proportion of families living in emergency accommodation, the vast majority having been made homeless from the private rental sector. The use of family hubs has normalised family homelessness, which will lead to families being institutionalised and Ireland once again punishing women and children for poverty and inequality. Lone parents are particularly at risk from housing insecurity as are non-white, especially black, and Traveller women and men.<sup>41</sup> A 2016 national study on women's homelessness found that 10% of participants identified as members of the Traveller community.<sup>42</sup>

Women are more reliant on the social housing system. They are more likely than men to rent from a local authority or voluntary body and outside of single adults, lone parents are the most common family type on housing waiting lists.<sup>43</sup> Around three fifths of those in receipt of Housing Assistance Payment (HAP) are women.<sup>44</sup> HAP tenancies are a more precarious form of housing than traditional social housing as the agreement is with the landlord, not local authority. SILC data shows that people renting continue to be more at risk of poverty with those in receipt of HAP, Rent Supplement or RAS most at risk of poverty when rent is deducted from income. When rent is deducted from income, half of one parent families are at risk of poverty (50%).<sup>45</sup>

Homelessness and availability of affordable and social housing remain structural challenges in Ireland,

Shaping Our Future: Tackling the cost of living for women in Budget 2023. National Women's Council

<sup>&</sup>lt;sup>37</sup> Bainne Beatha (2020) <u>Stories of Breastfeeding in Irish Maternity Hospitals</u>

<sup>&</sup>lt;sup>38</sup> UNICEF UK. 2012. Preventing disease and saving resources: the potential contribution of increasing breastfeeding rates in the UK of in. cited in HSE, ALCI and Breastfeeding.ie Evidence for breastfeeding Fact sheet for Health care professionals

<sup>&</sup>lt;sup>39</sup> Minister Mary Butler, <u>Seanad Debate: Health Services Staff</u>, 18 May 2022

<sup>&</sup>lt;sup>40</sup> Eurostat (2022). Comparative price levels in Ireland 2020.

<sup>&</sup>lt;sup>41</sup> IHREC (2018). <u>Disrimination and Inequality in Housing in Ireland</u>

<sup>&</sup>lt;sup>42</sup> Harvey, B (2021). <u>The Traveller community and homelessness</u>.

<sup>&</sup>lt;sup>43</sup> The Housing Agency (2021). <u>Summary of Social Housing Assessments 2020 Key findings.</u>

<sup>44</sup> DPER (2018). Social Impact Assessment Series Social Housing Supports

<sup>&</sup>lt;sup>45</sup> CSO (2021). SILC 2020

with clear detrimental impacts on health equity and social cohesion.<sup>46</sup> Ireland's strategy remains over-reliant on the private sector – both to build homes and to provide housing through the private rented sector. We need a housing policy that delivers secure, affordable accommodation for all and which leaves no one behind.

#### Recommendations

- Increase investment to support a major State-led housing programme for provision of public, affordable and cost rental homes – double investment to €3bn
- Introduce a Rent Freeze and a new system of rent controls to deliver affordable rents
- Ban evictions for at least 2 years to reduce numbers entering homelessness & develop a Secure
   Tenancy Model in the private rental sector to create genuine long-term tenancies
- Introduce a specific fund for local authorities to purchase private rental property with HAP tenants in situ, to provide security for tenants and build up state housing stock
- Establish & fully resource a statutory Traveller Agency with powers to approve and enforce Local Authority accommodation
- Resource implementation of the recommendations by the Independent Expert Group on Traveller accommodation (2019) to ensure adequate supply and standard of culturally appropriate accommodation for Traveller women
- Fully resource work to implement the White Paper on ending Direct Provision
- Retain all public/state-owned land in public control for the provision of housing
- Establish a specific CPO fund for Local Authorities and Compulsory sales orders and significant punitive vacant and derelict property tax
- Provide resources to gender proof all homeless and housing strategies & budgets and establish gender sensitive support services for women living in homelessness

# Ensure work & welfare provides an adequate income for all

# **End poverty**

Low-income households are disproportionately affected by the rising cost of living because they spend more on necessities such as food and energy and have less wealth to fall back on to help them weather the storm. Even before the pandemic, the invasion of Ukraine and the rising cost of living, many people did not have a sufficient income to live a decent life. Lone parent households, 86% of whom are headed by women, are three times more likely to be pushed into consistent poverty than the general population. Almost four in 10 lone parents have difficulty or great difficulty in making ends meet and one in four are in arrears on utility bills. People unable to work due to long-standing health problems continue to be at a much greater risk of poverty than the general population.<sup>47</sup> Among Travellers and Roma, 31% are living in households affected by severe material deprivation.<sup>48</sup>

The provision of affordable childcare and access to decent work are key measures to reduce the risk of poverty, among lone parents and disabled people, in particular. However, adequate welfare payments are essential for people 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 poverty. <sup>49</sup> 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

<sup>&</sup>lt;sup>46</sup> European Commission (2021). <u>Analysis of the recovery and resilience plan of Ireland</u>

<sup>&</sup>lt;sup>47</sup> CSO (2022). <u>SILC 2021.</u>

<sup>&</sup>lt;sup>48</sup> EU Fundamental Rights Agency (2020). Roma and Travellers in six countries.

<sup>&</sup>lt;sup>49</sup> Maître, B., Russel, H., Smyth, E. (2021). <u>The Dynamics of Child Poverty in Ireland: Evidence from GUI</u>.

part time work, combined with social welfare supports is enough to provide economic security to one parent families.

While Budget 2022 increased core social welfare payments, the increase was not sufficient to protect low-income households against the increasing cost of living and they will likely see a fall in income of 6.2% in real terms. <sup>50</sup> Pandemic income supports such as the Pandemic Unemployment Payment helped to cushion people from the worst economic impact of the pandemic – without these supports, twice as many unemployed people would be living in poverty.<sup>51</sup> Government must take decisive action again to support those most at risk pf poverty. Budget 2023 must deliver core social welfare increases that can cushion low-income households from the worst effects of inflation and help to advance us on a path to a Minimum Essential Standard of Living. Targeted supports must be delivered for those at greatest risk of poverty.

#### Address energy poverty

Spiralling energy costs have been a major contributor to inflation with costs increasing by 43.8% over the last year.<sup>52</sup> Women are at greater risk of energy poverty due to their lower average incomes.<sup>53</sup> Lone parents, older women living alone, disabled people and carers are particularly at risk. The lump sum payment of €100 for households in receipt of the Fuel Allowance is a welcome measure but not all lowincome households are eligible for fuel allowance, including carers. Since Ireland is already falling behind on meeting emissions targets<sup>54</sup>, it is vital that short term measures subsidising fossil fuels go hand in hand with measures to ensure that Ireland meets its emissions targets, as discussed in later sections.

#### Recommendations

- Establish the MESL as the benchmark for social welfare payments by 2026
  - Increase social welfare rates, including pensions, by €20 as an interim measure in Budget 2023
  - Increase Qualified Child payments by €12 for children under 12 and €7 for children aged 12 and above in Budget 2023
- 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 Allowance to lone parents
- Increase the rate payable for young Jobseekers aged 18-24 years in Budget 2023, with the aim of full restoration by 2026<sup>55</sup>
- Increase Child Benefit in line with inflation
- Ensure Child Benefit is a truly universal payment:
  - Grant Child Benefit to children whose parents are seeking asylum, as per White Paper -€2.68m
  - Remove the Habitual Residence Condition requirement to ensure that Roma children have access to income - €3.68m
- Extend Free Travel Scheme to people in the international protection process
- Resource the implementation of the Indecon report on cost of disability
- Increase the payable period for Fuel Allowance to 32 weeks and ensure the rate is adequate to alleviate energy poverty
  - Extend eligibility for the Fuel Allowance to people in receipt of Carer's Allowance & Working Family Payment & remove the wait period for people in receipt of Jobseeker' Allowance.
- Increase the income disregards for Carer's Allowance to €1,000 (couple) and €500 (single)

<sup>&</sup>lt;sup>50</sup> Committee on Budgetary Oversight (2022). <u>Stability Programme Update 2022: Minister for Finance</u>, 4<sup>th</sup> May 2022.

<sup>&</sup>lt;sup>51</sup> CSO (2022). SILC 2021

<sup>52</sup> TASC (2022). The state we are in: Inequality in Ireland 2022

<sup>53</sup> European Parliament (2017). Gender perspective on access to energy in the EU. Report for the FEMM committee.

<sup>&</sup>lt;sup>54</sup> EPA (2022). Ireland's Greenhouse Gas Emissions Projections 2021-2040.

<sup>&</sup>lt;sup>55</sup> As recommended by the Oireachtas Committee on Social Protection in their <u>pre-budget submission 2022</u>

- Establish individualised access to the social welfare system so women are paid in their own right and can access the supports that accompany an unemployment payment
- Ensure childcare supports, part time and remote opportunities are available to participants seeking active labour market supports

# **Establish a Statutory Maintenance Agency**

Child maintenance plays an important role in protecting against poverty. International experience indicates that where child maintenance is a reliable source of income, there was a 30% reduction in the poverty gap.<sup>56</sup> Unlike other jurisdictions, child maintenance in Ireland is seen largely as a personal, parental obligation and therefore, a matter of private family law. There is no state agency with responsibility for child maintenance payments and pursuit of maintenance is left up to the claiming parent. A 2022 survey of lone parents found that only 35% are receiving maintenance without arrears. Some families were awarded as little as €3.85 per week with average arrears of €8313.<sup>57</sup>

A Statutory 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. It has also been called for by the Joint Committee on Social Protection in its Report on the Position of Lone Parents in Ireland (2017) and the UN Committee on the Elimination of All Forms of Discrimination Against Women.

#### Recommendations

- Establish a statutory child maintenance agency €2bn
- Child Maintenance should be a non-means tested, non-taxable income for children, as with Child Benefit, to support lone parents out of poverty.

# **Deliver pension justice for women**

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 Contributory Pension and so women are more likely to be reliant on the State Non-Contributory Pension than men. Only 28% of women of pension age have an occupational or private pension compared to 55% of men and there is a gender pension gap of 29%.58 Among women workers, 35% say they can't afford to pay into an occupational pension and 6/10 part-time workers report that their employer doesn't offer a pension scheme.<sup>59</sup> The state pension system therefore plays an important role in narrowing gender inequalities among older women and men, and is likely to continue to do so in the future.

The Commission on Pensions made some welcome recommendations for those who spend more than 20 years caring, however it is silent on the marriage bar and it continues the exclusion of women born before 1st Sept 1946 from the Home Caring Periods Scheme. The Citizens' Assembly on Gender Equality<sup>60</sup> understood that pensions inequality for women extends far beyond the cohort of women who are long term carers – it recommended both a pension solution for long term carers, a scheme to support those affected by the marriage bar and a Universal State Pension so that every resident of Ireland receives a pension upon reaching pension age. 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 2023

<sup>&</sup>lt;sup>56</sup> Family Policy and Shared Parenting in Nordic Countries',

<sup>&</sup>lt;sup>57</sup> SPARK (2022). Child maintenance survey.

<sup>&</sup>lt;sup>58</sup> Eurostat (2021) Closing the gender pension gap.

<sup>&</sup>lt;sup>59</sup> CSO (2020). Pensions statistics.

<sup>&</sup>lt;sup>60</sup> Citizens Assembly on Gender Equality (2021). Report of the CA

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 growth<sup>61</sup> but would disproportionately impact on women who are more reliant on the State pension.

#### **Recommendations**

- Implement the Commission on Pensions recommendation on retrospective contributions for those caring for more than 20 years to ensure a full Contributory State Pension
- 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

#### **Decent work for all**

With a record 2.5 million people in employment, the number of women in the labour force is at its highest level. Nonetheless, in Q1 2022, the participation rate for women was 59.6%, ten percentage points lower than men (70.2%).<sup>62</sup> Caring responsibilities continue to impact women's choices around paid work, education and training and are a driver of high levels of involuntary, part-time work.<sup>63</sup> Barriers to decent work remain for many women, including lone parents, disabled women, Travellers, migrant and ethnic minority women and young women. A new approach must focus on creating decent, sustainable well-paid jobs, not jobs at any cost.

#### Address low pay

For many women, paid work is no guarantee of income adequacy with women predominating in sectors characterised by low paid and precarious work.

6 out of 10 low paid workers are women<sup>64</sup> with young people<sup>65</sup> and lone parents<sup>66</sup> more likely to be low paid or National Minimum Wage (NMW) workers. The NMW is most prevalent in the hospitality sector<sup>67</sup> and women comprise 60% of workers in this sector.<sup>68</sup> Half of early years workers earn less than the Living Wage. <sup>69</sup> Migrant women face a 'double wage penalty', partly due to their over representation in low paid, care work.<sup>70</sup> Among undocumented workers, many of whom work in care and other essential sectors, 26% report earning less than the minimum wage.<sup>71</sup>

Previous increases in the NMW have reduced wage inequality<sup>72</sup> while having no negative impact on

<sup>&</sup>lt;sup>61</sup> Sweeney, R., Singleton, S. & Murphy, E. (2022). <u>NWC submission to the Commission on Taxation and Welfare</u>

<sup>62</sup> CSO (2022). Labour Force Survey Q1 2022.

<sup>&</sup>lt;sup>63</sup> Barry, U. (2021). The Care Economy, Covid-19 Recovery and Gender Equality.

<sup>&</sup>lt;sup>64</sup> Eurostat (2022). <u>Incidence of low pay</u>.

<sup>65</sup> LPC (2021). Annual report 2021.

<sup>66</sup> ESRI & IHREC (2021). Ireland's Young Workers 6 times More Likely to Be on Temporary Contracts than those over 25

<sup>&</sup>lt;sup>67</sup> LPC (2021). <u>Annual report 2021</u>.

<sup>68</sup> CSO (2022). <u>Labour Force Survey - Q4, 2021</u>.

<sup>&</sup>lt;sup>69</sup> Pobal (2021). Annual early years sector profile report 2020/2021

<sup>&</sup>lt;sup>70</sup> ILO (2020). The migrant pay gap: Understanding wage differences between migrants and nationals

<sup>&</sup>lt;sup>71</sup> MRCI (2020). Live here, work here, belong here. A survey of over 1,000 undocumented people in Ireland

<sup>&</sup>lt;sup>72</sup> ESRI (2019). The 2016 minimum wage increase led to a reduction in wage inequality.

employment rates.<sup>73</sup> The European Commission estimate that Ireland's gender pay gap could decline by almost 10% if the NMW were to reach 60% of median wages. <sup>74</sup> An increase of 70c in the NMW would be needed just to maintain its current level in real terms.<sup>75</sup> Further increases are required to progress towards a living wage. Given the urgency of ensuring workers have adequate incomes, a timeline of 2026 to implement a living wage is too slow.

Increases in the NMW should not impact on eligibility for secondary welfare supports such as the Working Family Payment, medical card, One Parent Family Payment, or the National Childcare Scheme. Eligibility for these payments such as income disregards and means tests should be altered in line with NMW increases so that workers receive the full benefit from increases in pay.

#### Support all families to work and care

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. NWC welcomes that Parent's Leave will be extended to 7 weeks per parent in July 2022, in line with the EU Directive on Work Life Balance. However, when Maternity, Paternity and Parent's Leave are taken into account, paid leave still does not cover the first year of a child's life for a two-parent family. The gap is particularly pronounced for lone parents.

Ireland has the lowest payment for Maternity Benefit in the EU, replacing less than a third of average earnings. Payments in most OECD countries offer at least 50% of average earnings with many offering 100%. <sup>76</sup> Having an adequate state payment for family leave is particularly important for low paid workers. Three quarters of women earning less than €20,000 and more than half of those earning €20,000-€30,000 do not receive any maternity income support from their employers.<sup>77</sup> The income replacement rate of paid leave is a key factor in whether it is possible to take the leave, particularly for lone parents who are solely responsible for their household income and for fathers in low incomes families. 78 Family leave payments must be increased to keep up with inflation but also to begin the process of bringing the payment more in line with EU norms.

#### A framework for delivering better pay and conditions for workers

Collective bargaining is one of the most effective ways to create more equal redistribution of wealth, reduce gender inequality and address low pay. Countries with a high coverage of collective bargaining tend to have a reduced gender pay gap, shorter working hours for both women and men, more flexible work options under secure employment conditions, better protection for non-standard workers, as well as. 79 However, the proportion of employees covered by collective bargaining agreements in Ireland is low. The proposed EU Directive on Adequate Minimum Wages will require Ireland to take measures to promote collective bargaining to reach a threshold of 70% collective bargaining coverage.

Public procurement can be a key lever in driving better terms and conditions for workers, given its significance in terms of government spending. Public procurement within the Public Service represents an estimated €15 billion a year, of which approximately €6.5 billion is on capital works and €8.5 billion is on goods and services.<sup>80</sup> Public procurement policies should promote decent work by making public contracts only available to those companies that pay decent wages, are addressing their GPG, respect workers' right to collective bargaining and are committed to sustainability.

#### Recommendations

Increase the NMW by €1 per hour in Budget 2023 as a step along the way to a living wage

<sup>&</sup>lt;sup>73</sup> ESRI (2019). The impact of a minimum wage increase on temporary contract workers.

<sup>&</sup>lt;sup>74</sup> EU Commission. Commission staff working document impact assessment. Accompanying the document Proposal for a Directive of the European Parliament and of the Council on adequate minimum wages in the European Union SWD/2020/245 final.

<sup>75</sup> TASC (2022). The state we are in: inequality in Ireland 2022

<sup>&</sup>lt;sup>76</sup> OECD (2021). <u>OECD Family Database: PF2.1. Parental leave systems.</u>

<sup>&</sup>lt;sup>77</sup> CSO (2020). Employment Analysis of Maternity and Paternity Benefits.

<sup>&</sup>lt;sup>78</sup> Oireachtas Library & Research Service (2021). L&RS Bill Digest: Family Law Bill 2021

<sup>&</sup>lt;sup>79</sup> European Trade Union Confederation (ETUC). Collective bargaining and gender equality.

<sup>&</sup>lt;sup>80</sup> DPER (2020). DPER Briefing Note Public Procurement 21/05/20

- Income disregards, means tests and eligibility thresholds should be adjusted to reflect changes in the NMW to maintain the value of these supports
- End discrimination against young workers abolish sub-minimum rates of the NMW for adults under 20
- Increase the Maternity, Adoptive, Paternity and Parents Benefit payments to €280 per week to bring more in line with EU norms - €40.7m
- Increase the duration of paid Parents Leave to 9 weeks per parent (18 weeks for lone parents) as a step further in having paid leave cover the first year of a child's life – €19.5m
- Increase paid paternity leave to 4 weeks €13.5m
- Convert existing unpaid parental leave to paid leave to allow parents of children over 2 years to have access to paid parental leave
- Support advancement of a living wage, reduced GPG and better conditions for workers by attaching social criteria, clauses and conditionality to government procurement processes and **Employer incentive schemes**
- Legislate for collective bargaining rights
- Fund school infrastructure in physics and maths so women and girls can access higher paid work in areas like IT, engineering and green technology
- Ensure that the five days of medical care leave proposed in the Work Life Balance Bill is paid at the rate of Illness Benefit
- Resource a time use survey to gather updated data on time spent on unpaid work €240k

# Tackle the Cost of Violence to Women

Violence against women goes to the heart of women's equality in our society. 1 in 4 women will experience domestic and/or sexual violence in Ireland. Disabled women and girls face greater risk of violence, with disability being the second most common risk factor for rape, after gender.<sup>81</sup> Women's Aid received 26,906 contacts in 2021, down slightly on the figure in 2020, but still 30% more than in 2019 and the second-highest number ever. 82 82% victims of reported sexual violence incidents in 2021 were female and more than half (56%) were aged under 18 years when the offence took place. Almost all (98%) suspected offenders of detected sexual violence reported in 2020 were male.<sup>83</sup>

The European Institute of Gender equality (EIGE) has estimated that the cost of gender-based violence for Ireland is €4 billion per year.<sup>84</sup> This cost incorporates the physical and emotional impact on the victims leading to a reduction in the quality of life as a consequence of violence, a variety of costs associated with lost employment and the costs of public services covering specialist services, health services, personal costs, criminal and civil justice systems legal costs, housing costs, and child protection services.

In addition, as recognised by Tusla's 'Review of the Provision of Accommodation for Victims of Domestic Violence'85 Ireland has still not met the minimum requirement of having 1 refuge space per every 10,000 people. The review recommended 60 new refuge places needed as a minimum priority and identified 10 locations where 82 family refuge spaces would have the most impact if prioritised. To meet these international obligations, significant reform of existing structures and systems is urgent.

The Third National Domestic Sexual and Gender Based Violence (DSGBV)Strategy will be imminently published with an implementation plan structured on the four pillars of the Istanbul Convention;

<sup>81</sup> Rape & Justice in Ireland: A National Study of Survivor, Prosecutor and Court Responses to Rape 2009

<sup>82</sup> Women's Aid (2022). Women's Aid annual impact report 2021.

<sup>83</sup> CSO (2022). Press Statement Recorded Crime Victims 2021 and Suspected Offenders 2020

<sup>84</sup> EIGE (2022). Costs of gender-based violence in the European Union.

<sup>85</sup> Dept of Justice (2022). Ministers McEntee and O'Gorman welcome publication of review of accommodation for victims of domestic violence

prevention, protection, prosecution, and policy co-ordination. The success of the Strategy will be dependent on significant state investment to achieve its ambitions and effectively address DSGBV.86 It will also require targeted investment to frontline services to match the increasingly complex demands that are experienced by victims and survivors,

#### Recommendations

- Establish & resource national structures to lead the ending of Sexual Domestic and Gender Based Violence
  - Assign and resource a Cabinet level Minister with overall responsibility for DSGBV
  - Establish a Statutory DSGBV agency under the aegis of the Department of Justice
  - Develop dedicated and purpose-built regional and local structures
  - Establish & resource a Victims/Survivors Commissioner
  - Resource the full implementation of the 3<sup>rd</sup> National Action Plan on DSGBV
  - Establish & resource a national fund for education and training on all forms of DSBGV in primary, secondary, higher and further education
  - Fund the implementation of the O'Malley report in full
  - Formal recognition of & multi-annual funding for the Observatory on Violence Against Women and Girls as the only collective structure that addresses all forms of VAWG
  - Fund the full implementation of the Safe, Respectful, Supportive and Positive -Ending Sexual Violence and Harassment in Irish Higher Education Institutions Framework
- To combat and support women who experience gender-based violence, ring-fenced funding should be provided for:
  - Multi-annual funding to frontline support and advocacy services working to support victimsurvivors of DSGBV
  - Appropriate refuge, housing and accommodation to meet the needs of women and families seeking safety in accordance with the Istanbul Convention, including services that can support disabled, Traveller, Roma and migrant women. Also, provide services that can support women with active addiction
  - A minimum of 1 refuge space per 10,000 population with a particular focus in 2023 on those counties with no refuges
  - 10 days paid leave for victim-survivors of abuse and violence
  - Exit services and supports for those who are in, or who wish to leave, prostitution or the sex
  - Gender-specific, safe accommodation for victims of trafficking
  - Violence against women services to take additional measures to be inclusive of the needs of all women, including: disabled women and girls and Traveller, Roma and other minority ethnic women
  - Programmes and reforms to address systemic sexism, ableism and racism across the public, NGO, and private sector
  - The development and implementation of Domestic Homicide Reviews
  - **Expansion of the Divisional Protective Service Units**
  - Reform of the Habitual Residence Condition test to ensure that victim-survivors of DSGBV can access housing supports and social protections promptly
  - Establishment of a DSGBV Data Gathering Strategy for all state Bodies and institutions
  - The introduction of an identifier so that cases/experiences of DSGBV can be tracked throughout state agencies and the justice system

<sup>&</sup>lt;sup>86</sup> Third Domestic, Sexual and Gender-Based Violence Strategy - Draft for public consultation

# **Enable Women's Participation and Decision Making**

Budget 2023 is an opportunity to invest in women's leadership and participation. Ensuring that the voices of women are heard in decision making and that their participation is supported and resourced at all levels of society is key to tackling gender inequalities from the ground up. Women demonstrate leadership in often invisible, unpaid and undervalued ways yet, many of the critical decision-making areas in Irish society remain bereft of women.

The Programme for Government identifies a need for greater diversity and gender equality in local government and commits Government to proactively support "measures to increase the participation of women and wider diversity in local government, through awareness and capacity building, candidate training, research and other incentive schemes and programmes". At the national level, this should include increased funding for NWC, recognised by Government as a key body advocating on women's concerns and perspectives, to continue to advance women's equality.

Women are consistently underrepresented in local and regional decision-making structures. They make up 26% of councillors compared to the EU average of 32%. 16 councils across Ireland have less than five women councillors and the vast majority of these are county/rural-based councils. We are two years out from the next Local Elections 2024 and urgent action is required now to ensure that we have equal numbers of women and men on ballot papers in every local electoral area in the country. This includes practical supports for councillors with caring responsibilities through including childcare as an eligible expense.

Women councillors have sought to increase their influence through the development of local and regional caucuses across Ireland. Increased funding from the Department of Housing, Local Government and Heritage needs to be sustainable into 2023 and beyond.

Women in rural communities experience additional barriers to participation, due to an underinvestment in social and public infrastructure. Underinvestment in the community development sector and local women's organisations have exacerbated social exclusion across the island. Years of underinvestment has significantly diminished NWC members capacity for collective action, political analysis and for grassroots community development that can address the persistent inequalities in local communities and support women's representation and participation. Multi annual funding for independent community development is vital for the sustainability of community services and supports. Investment into rural communities, in particular, should be monitored and reported on with gender and equality disaggregated data.

There are a diverse range of organisations and groups delivering key frontline services and advocacy for women and there are a number of funded programmes that engage with and deliver vital services directly to women in local communities including the Social Inclusion Community Activation Programme and the budget dedicated to Family Resource centres. However, demands on these funds has grown exponentially, most recently, as a result of the Covid pandemic and the Ukrainian crisis. Additional resources should be ringfenced to meet additional demand. Despite welcome increases in the last few years to the Women's Collective Ireland, full restoration of all funding reductions has not been delivered.87

Jobs in the community sector, predominantly held by women, continue to be insecure and low paid. Women working in this sector are significantly behind their female peers in the public and private sectors and even further behind their male peers, a situation which exacerbates the gender pay gap. Women leaders in the voluntary, community and charitable sector are being paid an average of 15.2% less than their male counterparts.88 Budget 2023 must recognise the role women and women's groups continue to play in the wider community and voluntary sector and in the social fabric of communities, and resource them accordingly.

<sup>&</sup>lt;sup>87</sup> Harvey, B. (2021). Budget 2022 What It means for funding for voluntary and community organizations (sic), The Wheel October 2021

<sup>88</sup> The Wheel (2020). An exploration of the GPG for managers in voluntary, community and charitable organisations.

The benefit of women's voices in peacebuilding and reconciliation, is well documented. Evidence demonstrates that women in peace processes are more likely to focus on reconciliation, economic development, and transitional justice - all critical elements of a sustained peace. Despite this, women's contribution to conflict prevention and peace remains undervalued and under resourced. NWC calls on the government to ensure there is specific ring-fenced funding with PeacePlus IV programme by establishing a 'Women's Fund'.

#### Recommendations

#### Invest in women's leadership and participation

- Increase funding to NWC to advance full equality for women
- Ringfence specific funding in the PeacePlus IV programme in the form of a 'Women's Fund' for women's organisations working in the areas of peacebuilding, reconciliation, and north south cooperation on the island.

#### Invest in inclusive and representative Local Government

- Reform remuneration for Councillors by allowing childcare/care costs as an expenditure category for Councillors who have childcare, family or caring commitments - €5M
- Increase funding for the development of local and regional caucuses -€100,000
- Commit funding for a comprehensive gender and equality audit of all local, rural and community decision making structures

#### Invest in a sustainable community sector

- Increase funding to women's community organisations to meet their full costs
- Ensure funding for services and programmes provides meaningful employment with decent terms and conditions for workers
  - Pay scales commensurate with experience & qualifications in alignment with public sector peers
  - Pension provision, paid sick leave, and paid maternity leave
- Provide multi-annual state funding to support community organisations to enable long term planning and staff recruitment and retention<sup>89</sup>

# **Deliver Feminist Climate Justice**

Ireland's Climate Action Plan 2021 commits us to reducing overall greenhouse gas emissions by 51% by 2030 and to reach net-zero emissions by 2050. As the IPCC states: limiting global warming to 1.5°C will "require rapid, far-reaching and unprecedented changes in all aspects of society" across land, energy, industry, buildings, transport, and cities. Yet, despite the restrictions on economic activity imposed by the pandemic, Ireland still did not meet its 2020 targets. Any reduction in emissions was short lived with no underlying structural changes to support a long-term reduction in emissions.

International research has established that as climate impacts increase, existing inequalities, deprivation and exclusion will be worsened, with the worst impacts on women.<sup>90</sup> Climate change mitigation and adaptation policies also have gender-differentiated impacts and must include a gender equality analysis if they are to be effective and fair.<sup>91</sup> In its submission on Ireland's Recovery and Resilience Plan, NWC welcomed the stipulation that States must devote a minimum of 37% of expenditure to climate with the remaining 63% complying with the 'do no harm' principle. However, despite an obligation to consider

<sup>89</sup> Multi-annual funding is a framework objective in Sustainable, Inclusive and Empowered Communities: A five-year strategy implementing in the new Programme for Government.

<sup>90</sup> European parliament-The Gender Dimension of Climate Justice 2015

<sup>91</sup> European Committee of the Regions (2022). Gender equality and Climate change: towards mainstreaming the gender perspective in the **European Green Deal** 

gender equality in formulating the RRP, Ireland's plan represents a missed opportunity to link efforts towards a green and gender equality society and economy.

The failure to prioritise investment in the care economy in Ireland's RRP is a key omission. Ireland's plan also fails to include additional measures to ensure that women can take up employment in the sectors prioritised in the plan, such as the energy, transport, and building sectors. Without specific measures to support women, more men than women will benefit from the jobs and economic investment in these sectors, perpetuating existing gender segregation and labour market inequalities. Our transition to a greener economy must be a just transition. All measures must incorporate climate justice investments to ensure rural communities, households experiencing energy poverty or those on low incomes, and who are the least responsible for and have the least capacity to adapt and respond to climate change, do not experience further inequality and poverty. Investment in high-quality social, physical and digital infrastructures, including public services, are a prerequisite for a shift to a greener economy that is capable of promoting decent and sustainable work.92

#### **Tackling Energy Poverty Equitably**

As noted by the European Commission, Ireland lags behind our EU peers on achievement of climate action goals since emissions trends are not in line with our climate objectives. In this Budget, a particular focus must go on retrofitting of homes for those in marginalised communities as a key action in targeting energy poverty and emissions in a just and sustainable way. Addressing energy poverty, through state led support for retrofits for low-income households can help Ireland achieve emissions targets and promote gender equality since women, and lone parents in particular, are at greater risk of energy poverty due to their lower average income. 93 They are also more impacted by current cost of living increases as they spend a greater share of their income on heat and energy. The Government's last energy poverty strategy expired in 2019 and, despite promises, has not yet been updated, this must be addressed urgently.

A just transition requires significant investment in creating the conditions for a low carbon economy, including public transport. Transport was responsible for 17.9% of Ireland's greenhouse gas emissions in 2020. Outside of major cities, the lack of public transport leaves families with little choice but to rely on cars and this reliance can drive energy poverty and emissions. Accessible public transport is a lifeline for many women in Ireland, particularly those in rural areas, government needs to ensure that services are adequately funded to meet demand. In 2019 passengers made 2.5 million journeys via Local link, which provides rural transport services, a 25% increase in demand from 2018, and yet funding was limited to an 18% increase. In Ireland, 20% of journeys are "companion journeys" which include driving children to school, a responsibility primarily of women, so making if safer, easier and cheaper for children to get to school without needing a car would have a significant impact on household costs, oil imports and pollution.<sup>94</sup> We should provide free school buses for all children who live more than 1km away from school<sup>95</sup>. Germany has reduced public transport costs by 90% across all transport. Ireland by comparison introduced a much more limited scheme, with a 20% reduction in public transport costs, we must continue to reduce the cost of public transport and develop a cost-benefit analysis of introducing free public transport.

#### Building Leadership

There must also be targeted investment for community groups and organisations working with already marginalised communities to build capacity at community level for meaningful engagement and public participation in just and equitable environmental decision-making. Ireland has an opportunity to show leadership here by ensuring a coherent policy framework that integrates climate policy with gender and broader equality goals.

<sup>&</sup>lt;sup>92</sup> Global Commission on the Future of Work (2019). Work for a brighter future. ILO.

<sup>93</sup> European Parliament (2017). Gender perspective on access to energy in the EU. Report for the FEMM committee.

<sup>94</sup> CSO (2020). National Travel Survey 2019.

<sup>95</sup> FOE (2022). 5 point plan to cut bills save energy and reduce pollution - may 2022.pdf (foe.ie)

#### **Recommendations:**

- Ensure all climate policies & investment are gender, equality and poverty proofed
- Support women's political participation and leadership as a key driver of effective climate action; support women's participation at community, local and national level in all climate action fora
- The National Retrofit Plan should be poverty and equality proofed
  - Prioritise worst-performing buildings and those occupied by low-income, vulnerable and energy poor households in all types of housing tenures
  - Targets should be set for eliminating fuel poverty
- Invest in public services, including a public care infrastructure, as a key element of a green transition
- Prioritise rural and urban public transport infrastructure, including cycling, over roads building
  - Increase the Local Link allocation
  - Provide free school buses for all children who live more than 1km away from school
  - Develop a cost-benefit analysis of introducing free public transport
- Invest in a just transition plan for rural development including ending intensive livestock production
- Introduce 'polluter pays' environmental tax measures, remove fossil fuel subsidies and divest from fossil fuel investment

# The resources to fund an equal and sustainable recovery

The historical agreement by the EU to borrow collectively to fund the pandemic recovery was a clear recognition of the need to invest to address the social and economic impact of the pandemic. NWC welcomes the recent announcement by the European Commission that the general escape clause of the Stability and Growth Pact has been suspended for another year to help lessen the impact of rising energy costs and to expand public investment for the green transition. The Commission notes that Ireland's debt ratio has declined significantly and continues to display strong downward dynamics.<sup>96</sup>

The state has the capacity to borrow now to invest in the green transition and in essential social infrastructure, such as care. While borrowing should continue to be a key component of Ireland's economic policy over the next year, we also need to increase our tax take. Tax plays a key role in shaping Irish society through funding our public services and social infrastructure, supporting economic activity and progressively redistributing resources. Ireland needs to increase its tax take in a fair, progressive, sustainable and gender sensitive way.

#### Tax expenditures and cuts

The State spends approximately €2.4bn per annum in private pension tax relief. This is well above the OECD average with Ireland spending the equivalent of 3.23% of total annual tax revenue compared to an OECD average of 1.23%.<sup>97</sup> Tax expenditure on pensions is highly regressive. In 2014, 72% of pension tax relief went to the top 20% of earners and 5% of the population are getting 50% of the tax relief. 98 Men benefit from two thirds of the fiscal support offered by this system<sup>99</sup>, which means that State funding actively drives the gender pensions gap. These tax reliefs should be ended and the expenditure saved invested in a universal state pension.

Equally recent tax cuts have not been well targeted. The VAT cut to gas and electricity, at an estimated cost of €46m, will benefit those on higher incomes the most since consumption of energy increases in line with income decile.

<sup>&</sup>lt;sup>96</sup> European Commission (2022). <u>EU Semester Spring Package: Sustaining a green and sustainable recovery in the face of increased</u>

<sup>97</sup> Collins, M. (2020). Private Pensions and the Gender Distribution of Fiscal Welfare. Social Policy & Society: (2020) 19:3, 500–516

<sup>98</sup> Collins, M.L. & Hughes, G. Supporting Pensions Contributions through the tax system. IEA Conference 2017

<sup>99</sup> Collins, M. (2020). Private Pensions and the Gender Distribution of Fiscal Welfare. Social Policy & Society: (2020) 19:3, 500–516

The further extension of the reduced VAT rate for the hospitality sector until 28 February 2023 will cost the Exchequer an additional €250m on top of the €652m cost of the measure for the November 2020-August 2022 period. 100 The costly extension comes while Ireland's hospitality sector is outperforming most other European countries<sup>101</sup> and Ireland is in need of revenue to fund public services.

Tax expenditures should be monitored for their gender and equality impact and to ensure that public benefit is gained from public spending.

#### **Green taxes**

There is currently a misalignment between our climate and social goals and our tax policy. Fossil fuel subsidies were estimated at €2.2 billion in 2020. While this represents a drop from €2.8 billion in 2019, the decrease was mainly due to the reduction in the use of international aviation fuel during the pandemic rather than any systemic change. 102 The majority of this is revenue foregone through exemptions to environmentally harmful fossil fuel, agriculture and transport activities. Households bear the burden of environmental taxes, paying 61% of the taxes while being responsible for 22.1% of emissions. 103

The transition to renewable energy must be socially fair. Revenue from carbon taxes should be ringfenced to ensure a just transition and that rural communities, households experiencing energy poverty or low-income households do not experience further inequality and poverty.

#### **Employers PRSI**

On a measure of tax collected per person, Ireland scores second lowest among an 11 country EU peer group. One of the key drivers of this difference is the much lower PRSI paid by employers in Ireland which is currently around half of the EU average. 104 Increasing employers' PRSI to the European average would generate almost €9bn a year. 105 Even a 1% increase in PRSI would increase revenue by €850m a year. 106

#### Wealth tax

Low taxes on wealth and on corporation's results in decreased revenues, limiting the available investment for public services and social infrastructure. 107 Funds generated by a wealth tax could play a transformative role in funding the services and supports needed for a more gender equal society. During the pandemic, the wealth of Ireland's billionaires increased by €18.3 billion (58 per cent) to €49.7 billion. Research from Oxfam shows that a 1.5% tax applied in Ireland would raise €4.05 billion. 108

#### Corporate tax

NWC welcomes global efforts to make corporation tax fairer through the development of a global minimum corporate tax rate. Despite a headline corporate tax rate of 12.5%, a small number of highly profitable companies engage in aggressive tax planning which enables them to pay low effective rates of corporation tax. NWC welcomes the recent move toward a global minimum effective rate of taxation of 15%, though a minimum effective rate of 25% would have been preferable. As well as addressing the low effective rate paid by some large corporations, Government must reduce reliance on windfall corporation tax receipts that has built up in recent years.

<sup>&</sup>lt;sup>100</sup> DPER (2022). Minister Donohoe announces extension of 9% VAT rate for the tourism and hospitality sectors

<sup>&</sup>lt;sup>101</sup> Irish Times (2022). <u>Irish hotel business bounces back to over 80% of pre-Covid levels</u>

<sup>&</sup>lt;sup>102</sup> CSO (2022). Fossil fuel subsidies 2020.

<sup>&</sup>lt;sup>103</sup> Hilliard, M. (2019). Households pay most green taxes but emit one fifth of emissions – CSO. Irish Times.

<sup>&</sup>lt;sup>104</sup> NERI (2021). Submission to the Commission on Pensions.

<sup>&</sup>lt;sup>105</sup> Department of Finance (2020). Political party costings. Labour party costings.

<sup>&</sup>lt;sup>106</sup> Department of Finance (2020). Political party costings. Labour party costings.

<sup>&</sup>lt;sup>107</sup> https://nwlc.org/wp-content/uploads/2019/11/NWLC-ReckoningTheHiddenRules-accessibleNov12.pdf

<sup>108</sup> Oxfam (2022). Inequality Kills: The unparalleled action needed to combat unprecedented inequality in the wake of COVID-19.

#### Recommendations

- Fund investment in greening the economy and in public services through borrowing while interest rates remain low
- Set out a pathway to increase tax take in a fair, progressive, sustainable and gender sensitive
  - Standard rate pension tax relief +€423m<sup>109</sup>
  - Introduce a wealth tax of 1.5% on those with wealth above €4.36 million in assets<sup>110</sup>
  - Review of all individual/sectoral tax expenditures, assessing their cost and gender & equality impacts and include the cost of tax expenditures as part of the annual budgetary process
  - Examine how employers' PRSI can be increased to fund social infrastructure
  - End lower rate of excise duty for aviation, autodiesel, marked gas oil, fuel oil & kerosene -+€1bn minimum 111
  - End subsidies for Petroleum Exploration & Production Promotion & Support and Revenue Foregone on Royalties on Gas and Oil Production – +€26m<sup>112</sup>
  - Investigate the potential returns from a windfall tax on excess profits of energy companies
  - Ensure the reduced VAT rate for the hospitality sector is deactivated in Feb 2023
  - Support global efforts to make corporation tax fairer through the development of a global minimum corporate tax rate
- Ensure Financial supports to businesses are conditional on social clause conditions including addressing the Gender Pay Gap, commitment to the living wage and support for collective bargaining

# **Embed Gender and Equality Proofing in spending decisions**

It is essential that investment of public funding promotes equality rather than further embedding inequalities. NWC is concerned at a lack of attention to gender, equality and poverty proofing in recent decisions on spending, including the failure to allocate EU Recovery and Resilience funding to the care economy and the reduction of VAT on energy which will have a regressive effect, benefiting those on higher incomes more.

Comprehensive gender budgeting must encompass equality for diverse groups of women and men. It must take into account how intersecting oppression and discrimination impacts on women's experiences of a policy or budgetary decision.

#### **Recommendations**

- Publish a gender equality impact statement with Budget 2022 with disaggregated data on Travellers, ethnicity, disability and other equality grounds
  - Publish gender and equality disaggregated data on the beneficiaries of projects and investments
  - Ensure that all major capital infrastructure investment has been gender impact assessed
- Provide funding to support NWC & other civil society organisations as recommended by the OECD<sup>113</sup> and UN

<sup>&</sup>lt;sup>109</sup>Revenue (2020). Post budget ready reckoner.

<sup>110</sup> Oxfam (2022). Inequality Kills: The unparalleled action needed to combat unprecedented inequality in the wake of COVID-19.

<sup>&</sup>lt;sup>111</sup>CSO (2022). Fossil fuel subsidies 2020.

<sup>112</sup> CSO (2022). Fossil fuel subsidies 2020.

<sup>&</sup>lt;sup>113</sup> OECD (2019). OECD Scan: Equality Budgeting in Ireland