

13th October 2023

National Women's Council

Post Budget Analysis Snapshot

*What does
Budget 2024
mean for women?*

Prior to Budget Day, the National Women's Council (NWC) called on the Government to ensure that this was a Women's Budget, a feminist Budget. To do this, it must be progressive – helping the farthest behind first – and it must invest in universal, affordable public services for everyone. Budget 2024 has significant positive elements, including some long-term changes that will make a real difference for many women – but the increases in social protection spending do not provide a roadmap for truly tackling gender inequality, income inadequacy and income insecurity for women.

Increased investment in Early Years Education and Care and reduction in fees to parents, as well as free school books to second level students are welcome measures that will make a lasting positive difference to the lives of women, children and families. The increased investment in tackling violence against women will further support the realization of a zero tolerance approach to gender-based violence. While the increased investment in this Budget is significant in developing some public services, there are others where there is limited or no expansion beyond sustaining existing services, such as health.

In Budget 2024, there is a heavy reliance on once-off expenditure in social protection payments, alongside permanent tax changes which will predominantly help middle- and higher-income earners. There are welcome permanent social protection changes such as the extension of Child Benefit, the increase in the Carer's Allowance disregard and the Working Family Payment threshold. However, modest increases in social protection payments and a focus on once-off measures will not tackle structural gender inequalities, or protect women from poverty and inequality in the long term.

Budget 2024 impact for women: investment in public services

Lack of affordable childcare is the biggest barrier to women's equal participation in society – and the increased investment in childcare in this Budget is particularly welcome. We see it as a stepping stone towards a fully publicly funded and delivered model of childcare. Women are more reliant on public services such as the public healthcare and social housing system, and investment in universal public services that support women is a critical element of tackling gender inequality. Lone parents, the vast majority of whom are women, are particularly disproportionately affected by these inequalities, as are many other marginalised women including Traveller and Roma women, migrant women and disabled women. Unfortunately, this Budget does not provide for significant new measures or investment in developing public services like healthcare and housing for women – with an emphasis instead on sustaining existing service provision. Nor, does it indicate an intention to broaden the tax base in a progressive way to further develop public services.

Budget 2024 impact for women: too many tax cuts and once-off expenditures

Similar to last year's Budget, while the once-off payments in Budget 2024 will be welcomed by many women and families to support them through this cost-of-living crisis this winter, their baseline income will be the same this time next year. The continuing reliance on once-off payments will not protect women from poverty and income inequality in the long term. Budget 2024's income tax cuts will predominantly benefit higher earners, the majority of whom are men. Investment in essential public services must go hand in hand with a social protection system that is capable of ensuring an adequate and secure income for all women.

Budget 2024: what's next?

Key to tackling structural gender inequalities is government investment in public services and social infrastructure, for advancing women's equality and for the evolution of our society into a fair and equitable one. Without active and significant public investment in our social infrastructure, public services and income adequacy and security for all we cannot end gender inequality and poverty. If not now to invest in public services and income adequacy for women, when?

Childcare

What did the National Women's Council call for in Budget 2024?

Commitment from Government to develop and deliver a **universal public model of childcare**, and sufficient investment in Budget 2024 to **cut childcare costs for families by a further 25%**.

What's actually in Budget 2024?

Budget 2024 has an increase in funding for early years education and school age childcare of 8% or €83m, from €1.025bn to €1.108bn. This provides, among other measures, for an average reduction in childcare fees for families of a further 25% (following an initial 25% reduction in Budget 2023) to be operationalised in September 2024.

- **Increase in core funding:** €44m full-year increase for provider costs such as administration, non-staff overheads, more childcare places, targeted funding for smaller services, educators' wages
- **National Childcare Scheme:** €41m for an increase in the universal subsidy from €1.40 per hour to €2.14, to be implemented in September 2024, and a range of other supports
- **Equal Participation Model** (the *Delivering Equality of opportunity in Schools*-type model for Early Years): €4.5m for initial rollout of phase one supports in September 2024
- **Access and Inclusion Model:** €14m expansion of AIM hours in-term and out-of-term
- **Capital funding:** €20m increase to tackle undersupply of childcare places in areas of need

What's the impact for women?

A lack of affordable childcare is the single biggest barrier to women's equal participation in life. The Early Years workforce, which is 98% women, is one of the lowest paid sectors in the economy.

The increased investment in reducing fees for families by an additional average of 25%, alongside the continuation of freezing of childcare fees that was introduced in September 2022 is a significant step forward. It is however unfortunate that parents won't see the benefits in reduced costs for another 11 months. This 25% average reduction will not apply to all women and families equally, because of the variation in childcare fees across the country depending on number of hours availed of, among other factors.

In order for this reduction in childcare costs to be properly implemented, recruitment and retention must be addressed right across the sector. Until funding is directly linked to wages, the expansion of AIM, the Equal Participation Model, parents' reduction in fees and increased childcare places will not be achieved. The provision of qualified, skilled educators working in the sector is critical to reaching this goal.

The announcement of the Equal Participation Model is a step in the right direction to support marginalised children and families. However, these measures will not fully address structural inequalities. The most effective, fair way to deliver for families is through a public model of early years education which would address inequalities, child poverty and social exclusion.

What's next?

A fully Public Model of Early Years Education and School Age Childcare is an absolute necessity if we want to build a childcare sector that works for children, parents, educators – and advances women's equality. The market model of Early Years Education and School Age Childcare will never be sustainable as long as the education of young children is seen as a commodity and the rights of workers are at the expense of profits.

Violence Against Women

What did the National Women's Council call for in Budget 2024?

Fully cost and allocate ring-fenced funding for the **implementation of Zero Tolerance – Third National Strategy on Domestic, Sexual and Gender-based Violence (DSGBV)**. Ensure the new DSGBV Agency (due to be established in January 2024) is adequately resourced to provide sufficient and ring-fenced funding for frontline services.

Resource court and non-court support for victim-survivors reporting domestic and sexual abuse, including free legal advice, training programmes for those coming into contact with victims-survivors, and increase the number of judges, in line with the OECD and the Judicial Planning Working Group report.

What's actually in Budget 2024?

- **Third National Strategy and DSGBV Agency:** €12m (25%) increase in funding for combatting domestic, sexual and gender-based violence, to support the Zero Tolerance Strategy and the establishment of the new Domestic, Sexual and Gender-Based Violence Agency
- **€2.2m to support victims of crime** including the implementation of the new Human Trafficking Action Plan

What's the impact for women?

NWC welcomes the investment in Budget 2024 on tackling violence against women – this funding must ensure real progress on implementation of the Third National Strategy next year. This requires appropriate resourcing of the new DSGBV Agency to not only carry out its own functions but to provide sufficient and ring-fenced funding for frontline services.

The extent of violence against women and decades of under-investment, have seen, regrettably, an upward trend of DSGBV. Women's Aid reported that in 2022 they received the highest ever number of contacts to their national and regional support services in its almost 50 years of history. The Third National Strategy provides a strong blueprint for the elimination of violence against all women and girls in Ireland. The establishment of the new DSGBV Agency will be critical to its full and effective delivery.

Specialist services have reported concerns regarding the precarious and short-term nature of funds allocated to combat DSGBV. Therefore, ongoing investment, including through secure, sustainable and multi annual funding arrangements must be achieved to ensure essential services and supports are appropriately resourced and can meet increasing demand.

What's next?

We need sufficient, multiannual and ring-fenced funding for frontline services and appropriate resourcing of all relevant government departments to successfully implement the Third National Strategy. Importantly, commitments under the Strategy by all responsible Departments need to be costed and made transparent so that the Strategy can be realised in full. This will allow for an informed assessment as to whether a sufficient allocation of funding has been made in 2024 on tackling violence against women and to inform future budgets. This is critical to ensuring that all women and girls in Ireland can live a life free from violence.

Social Protection

What did the National Women's Council call for in Budget 2024?

Establish the Minimum Essential Standard of Living as benchmark for social protection payments by 2026 and increase social protection and pension rates by **at least €25 in Budget 2024**. Targeted increases to a range of social protection payments, and establishment of a Child Maintenance Agency.

What's actually in Budget 2024?

- **Core permanent changes:** €12 increase in social protection/pension rates; €4 rise in Qualified Child Increase (QCI); increase in Carer's Allowance income disregard to €450/€900, and Working Family Payment threshold; Child Benefit extension to 18 year-olds in full-time education; extend Parents' Benefit by 2 weeks; increase Domiciliary Care Allowance by €10
- **Once-off Payments "Cost-of-Living Package":** Christmas bonus double payment and January bonus double payment; Foster Care Allowance double payment; Child Benefit double payment (Dec 2023); €400 for those in receipt of Working Family Payment, €100 for QCI, €400 for Disability Allowance, Blind Pension, Invalidity Pension and Carer's Support Grant, €200 for Living Alone Allowance, €300 for those receiving Fuel Allowance (all Nov 2023)

What's the impact for women?

As with Budget 2023, this Budget has a focus on once-off cost-of-living payments. While these will be welcomed by many, these are not measures which tackle poverty and inequality – they instead provide a short-term bailout for people ahead of a tough winter. In contrast, the income tax changes (raising the threshold for the higher rate of income tax, and reducing the 4.5% rate of USC to 4% while raising it in line with the Minimum Wage) are recurring, and will benefit higher earners most. This will provide a significant windfall for the richest in society, who are disproportionately men – nearly half of women earn less than €20,000 a year, per Central Statistics Office 2019. Government must recognise both income adequacy and income security as vitally important for women.

Some of the core changes are to be welcomed for women, including the increase of the Working Family Payment threshold, the extension of Child Benefit, and the Carer's Allowance income disregard. However, the overall increase of €12 in social protection rates and the €4 increase in the Qualified Child Increase are inadequate to meet cost-of-living increases that women and families have faced since the pandemic – in particular groups like lone parents, Traveller and Roma women, disabled women and migrant women.

Women continue to have lower incomes, less wealth, fewer resources, all while shouldering the greater share of unpaid care responsibilities. Comparing the Department's modelling to 2022 Survey on Income and Living Conditions (SILC) data, the core social protection changes result in an absolute €10 increase per week (4.4% of income) for the lowest income decile, but a €31 for the highest (1.4% of income). The question Government should be asking is not whether low- and no-income households "do slightly better" in the moment relative to their existing income, but whether this Budget creates the social structures to tackle poverty and inequality, including gender inequality, in 2024 and the years ahead. For women, the answer in relation to Budget 2024 is an emphatic no.

What's next?

Benchmarking all social protection rates to a level that ensures an adequate income for all is the only way to provide proper security for women. Alongside this, the implementation of a benchmarked universal pension is the only way to address pension inequalities faced by women.

Climate

What did the National Women's Council call for in Budget 2024?

Increase research capacity to analyse the gendered effects of energy/transport poverty. Invest in public/active transport infrastructure, emphasising rural investment and safety and accessibility for women, disabled people, people in rural Ireland and marginalised communities. Prioritise the establishment and resourcing of **the Just Transition Commission**.

What's actually in Budget 2024?

- **Infrastructure, Climate and Nature Fund:** €3.15bn of this €14bn fund to 2030 earmarked for climate and nature projects specifically and to help the achievement of carbon budgets through capital projects where it is clear Ireland's climate targets are not being reached
- **Public Transport:** extension of the existing 20% reduction on public transport fares until the end of 2024; expanding the age range of the Young Adult/Student 50% fare reduction to 24- and 25-year-olds; extend Free School Transport Scheme for the 2024/2025 academic year
- **Energy and Energy Poverty:** 20% reduction in VAT for gas and electricity; 3 x €150 energy credits to assist households with paying energy bills; €380m from carbon taxation revenues for retrofitting and installation of solar panels; carbon tax increase to €56 per tonne

What's the impact for women?

NWC welcomes the retention of reduced public transport fares, the expansion of the 50% fare reduction to 24 and 25 year-olds, which will allow more women to avail of public transport, and the extension of the Free School Bus Scheme for an additional year. However, our public transport infrastructure continues to ignore the specific needs of women, particularly around safety, accessibility and “companion journeys” such as driving children to school. Research on women's use of public transport must be expanded and taken into consideration to create fully inclusive public transport.

The once-off energy credits for household energy bills will be welcomed by many people ahead of the winter, though it is disappointing that they are universal and not targeted. Women, particularly older women, and Traveller and lone parent households, are particularly at-risk of energy poverty. Fossil fuel divestment and green energy security is essential to protect people from energy poverty long-term.

It is very disappointing to see no mention of resourcing towards the Just Transition Commission in this Budget, which will be essential to ensuring that women and girls in all areas of Ireland, particularly rural Ireland, are not left behind in our green transition.

What's next?

There is great potential in the Government's new Infrastructure, Climate and Nature Fund, but projects and investments made using this fund should be gender, equality and poverty-proofed.

The establishment and resourcing of the Just Transition Commission must be prioritised, alongside a divestment from any fossil fuels as part of Ireland's energy infrastructure.

Our net-zero future will not promote gender equality unless Government funds and implements research on the gendered impact of transport, energy use and the climate crisis into all policy decisions. There can be no Just Transition or climate justice without gender equality.

Health

What did the National Women's Council call for in Budget 2024?

Accelerate progress towards a **universal model of healthcare provision**. **Continue the roll-out of the universal free contraception scheme**, targeting women aged 30-35 in the next stage, and allocate ringfenced funding to develop the Assisted Human Reproduction Regulatory Authority and expand access to public tertiary infertility services, including IVF. **Invest in mental health** so that all women and girls have access to gender-sensitive mental health services, with a particular focus on the delivery of a Mother and Baby Unit in 2024.

What's actually in Budget 2024?

A projected €1.5bn overspend in health has resulted in a limited investment for 2024:

- An **€808m increase in core funding** to address demographic and service pressures
- **Free Contraception Scheme extended by one year to women aged 31**
- An additional **€2.3m** in the Healthy Ireland Fund, and an additional **€700,000 to support the implementation of National Sexual Health Strategy** and provision of at-home STI testing kits
- Delivery of **dual diagnosis hubs** which will support the recovery of young people with drug dependency and mental health difficulties
- **Increased investment in the provision of care for older persons**, including **€300,000** for targeted weekend activities for individuals with early dementia diagnosis, **€3.7m** for Day Services and for Meals on Wheels and **€1.2m for the Commission on Care for Older Persons**
- **Increased funding for mental health**, including additional staff for Child & Adolescent Mental Health Services (CAMHS), the piloting of a new central referral mechanism and the development of a new mental health app for young people

What's the impact for women?

The extension of the free contraception scheme to women by one year – from 30 to 31 years of age will ensure women do not age out of the scheme since its previous extension in September. It is critical, however, that there is a clear commitment to not only sustain progress made to date but continue to extend the scheme to ensure free contraception is available to all women of all ages. Similarly, additional investment is needed in IVF, building on recent developments to enhance access for women and expedite delivery of a fully public model.

Overall, the limited investment of new monies to health will impact on the Government's ability to develop or enhance essential services and improve access, experience and outcomes for women and girls in health services. The lack of funding for new mental health services is also a concern. While CAMHS has received some funding, no specific measures were announced to resource the implementation of gender sensitive mental health services. This includes the establishment of a Mother and Baby Unit (MBU), to support women with severe or complex mental health difficulties - which despite previous commitments from Government, has not progressed.

What's next?

We need to sustain the good progress achieved to date and ensure the continued extension and expansion of the free contraception scheme and IVF. The full implementation of the Independent Abortion Review is critical to addressing the ongoing barriers to abortion care. There is also a fundamental need to deliver gender-sensitive mental health services, establish a Mother and Baby Unit and ensure a key focus of the new Commission on Care is on the particular needs of older women.