

PROPOSALS

TO THE

DEPARTMENT OF SOCIAL AND FAMILY
AFFAIRS

ON

BUDGET 2006



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Unmarried Parents and their Children**

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Pre-budget submission

The recommendations of the “*Government Discussion Paper : Proposals for Supporting Lone Parents*” are far reaching and radical and Treoir’s response to the report is being submitted again as part of our pre-budget submission.

Preparing a pre-budget submission at this time is difficult in view of the major changes proposed in the social welfare system. Some recommendations expressed below concern the present system and some concern the proposed system.

Summary of Recommendations

- 1 To address the high levels of poverty experienced by lone parents the proposed Parental Allowance should be set at a higher level than the present One-parent Family Payment. It has been highlighted, particularly by OPEN, that the proposals in the discussion document would result in lone parents being worse off if the level of payment is not significantly improved.
- 2 Treoir believes that parents should continue to have a **choice** with regard to parenting (full or part-time) or engaging in the labour market and is totally opposed to the introduction of a compulsory system.
- 3 However, in recognition of the fact that employment is one of the main routes out of poverty there should be no disincentives in the welfare system to taking up employment. The particular difficulties experienced in relation to loss of the secondary benefits such as rent supplement, medical card etc. must be addressed. If supports such as training, guidance and particularly child care were in place it is likely that far more lone parents would be enabled to engage in the labour market and compulsion would not be necessary.

- 4 The interaction between welfare and work is complex and this in itself can be a disincentive to take up work. Treoir believes that the system proposed in the Government discussion paper will not simplify and streamline the system and indeed may add another layer of complexity. Simplicity must be the hallmark of any new system.
- 5 Treoir recommends continuing the policy of increasing Child Benefit to adequately reflect the actual cost of rearing a child in Ireland.
- 6 Treoir recommends that women who qualify for maternity leave and do not qualify for maternity benefit should receive supplementary welfare allowance. The numbers affected are small but the lack of financial support for these women may lead to them having no option but to give up work.
Also women in receipt of Maternity Benefit should be enabled to avail of rent/mortgage interest supplement during the maternity leave period if the need arises.
- 7 Treoir recommends that it should be possible for a lone parent in receipt of maintenance payments for the child to benefit from the maintenance irrespective of whether it is paid to the mother or directly to the Department. (Currently there is no benefit to the family if the maintenance is paid directly to the Department of Social and Family Affairs).
- 8 There should be no disincentives in the social welfare system for parents to cohabit. We support the introduction of a Parent Allowance for families regardless of their marital status or living arrangements.

Treoir believes that in order for the proposals contained in the “Government’s discussion paper : proposals for supporting lone parents” to succeed it would require the co-operation and support of several government departments.

Teen Parents Support Programme

We welcome the recognition in the Government Discussion Paper of the TPSP as an effective model for working with very young parents and, in general, welcome its recommendation that the TPSP be extended. Some reservations regarding aspects of the recommendations have already been outlined elsewhere.

The links between teen parenthood, early school leaving, poverty and social exclusion are undisputed. A determined and joined up effort is now required to remove the obstacles which young parents face in remaining in or returning to education/training.

These obstacles include:

1. The lack of adequate support for childcare
2. 'Second chance' schemes whose eligibility criteria are which are not friendly to young parents
3. Regulations which penalise young parents in receipt of Rent Supplement.

The "Government Discussion Paper : Proposals for Supporting Lone Parents" cites the 'focused provision of childcare' as one part of an integrated programme to support the movement by lone parents into employment. With regard to young parents who still need to complete their education/training as an antecedent to employment, we recommend that:

Childcare

- In the absence of adequate universal state funded childcare such as exists in some EU countries, there is a need to fully finance childcare for school age mothers. A model such as exists in Northern Ireland where all mothers in secondary education are entitled to receive the full cost of childcare could be considered. This could be administered in the same way as the Early Childcare Supplement.
- *Where pregnant or parenting teens are under the compulsory school leaving age it is imperative that they receive childcare support immediately.*
- A childcare allowance (such as the Childcare Grant in the UK and Northern Ireland) should be introduced for young parents attending training and educational courses up to degree level.

'Second chance' Schemes

- That the qualifying conditions for 'second chance' schemes (i.e. age and the duration one must be out of school) be reviewed in light of the needs of teenage parents.
- That the income support arrangements for 'second chance' schemes be streamlined and harmonised so that and eligibility for secondary benefits are the same regardless of what scheme or training course is chosen
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Rent supplement

- That the treatment of Training Allowance as income for the purpose of eligibility for Rent Supplement be reviewed so as to remove the current disincentive for those on Rent Supplement to avail of education/training.

In addition we recommend that:

- Parents in receipt of OFP should be assessed as a family in their own right for the Higher Education Grant regardless of their age or place of residence.
- Where young parents are forced to leave home midweek to go to third level education it should be possible for them to leave their child in the family home without it affecting their OFP.

