

# Pre-Budget Submissions 2008

## POVERTY ISSUES

### Families relying on Social Welfare only:

#### 1. One-parent Family Payment (OFP)

a) The level of payment of OFP is insufficient to lift lone parents out of poverty. We recommend an increase of €20 per week on the adult portion of the Payment in line with the Government commitment that pensions would go up to €300 in the lifetime of this Government.

b) In addition we recommend an increase of a minimum of €10 on the Qualified Child Addition.

c) The earnings disregard of OFP has not kept pace with Average Industrial Earnings (AIE). When the current level was introduced it represented 39% of AIE and now is at 23%. We recommend that this be rectified and the current rate of €146.50 be increased to €250.

d) The ceiling for receipt of OFP has previously been set at 80% of AIE but has in recent years slipped back to 63%. A ceiling of €500 would restore it to 80% of AIE.

#### 2. Rent Supplement

a) Maintenance received by lone parents in respect of their children is fully assessed for Rent Supplement purposes. As with OFP we recommend that maintenance in respect of children be disregarded in assessments for Rent Supplement

#### 3. Back to School Clothing and Footwear Allowance (BSCFA)

a) In the vast majority of cases where the State is supporting families, (medical cards, local authority housing, social welfare) one and two parent families are treated equally. It is difficult to understand the rationale therefore of having different income tests for one and two parent families under the BSCFA. This must be rectified immediately as it is causing serious poverty issues for lone parents.

b) The income test should be increased to the same level as that for Family Income Supplement.

c) The transitions of students from primary to second level education and from Transition Year to the Leaving Certificate cycle incurs considerable costs for parents that is not reflected in the BSCFA. We recommend two significant payments to parents at these times to offset these costs. This would act as an incentive for students to stay in school and further or complete their education which will enhance the implementation of the *Government Discussion Paper: Proposals for Supporting Lone parents*<sup>1</sup>

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<sup>1</sup> *Proposals for Supporting Lone Parents, Government Discussion Paper: 2006*

## **Families in low paid employment**

### **Family Income Supplement (FIS)**

a) As with the End Child Poverty Campaign and the Society of St. Vincent de Paul, we recommend that the income ceiling for a family with one child in receipt of FIS should be increased from €480 to €540 per week.

b) The percentage of earnings differential should be increased from 60% to 70%.

## **Childcare**

We support the statement in the ***National Action Plan for Social Inclusion 2007 –2016*** that “*every family should be able to access childcare services which are appropriate to the circumstances and needs of their children*”. These services should be of excellent quality, flexible and affordable.

## **Families generally**

We recommend an increase of €10 in Child Benefit.

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## **Issues on which Treoir, Open and One Family Agree:**

- A €20 increase in the basic adult social welfare rate
- Increase the earnings disregard and ceiling on One Parent Family Payment to €250 and €500 respectively
- Increasing the Family Income Supplement ceilings by €60 and increasing the payment rate to 70%
- The income test for Back to School Clothing and Footwear Allowance should be increased to the same level as that for Family

Income Supplement and one and two parent families should be treated equally for means test purposes