

# PRE-BUDGET SUBMISSION

The national federation of services for  
unmarried parents and their children   
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## INTRODUCTION

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Founded in 1976, Treoir is the national federation of agencies who provide services to parents who are not married to each other and their children.

Its main aim is to promote the rights and welfare of unmarried families in Ireland. Membership of Treoir is open to professional agencies providing services to unmarried parents. They are a combination of statutory and non-statutory bodies, including specialist agencies, health boards, maternity hospitals, adoption societies and self-help groups.

The following are the core principles under which Treoir operates:

- *Treoir recognises the diversity of family life in Ireland*
- *Treoir recognises that all families, including unmarried families, have the same rights to respect, care, support, protection and recognition*
- *Treoir supports and promotes the rights of all children as outlined in the United Nations Convention on the Rights of the Child*
- *Treoir believes that all children have a right to know, be loved and cared for by both parents.*

It is well documented that lone parent families (and unmarried families in particular) are at a risk of poverty higher than any other group in Irish society, suffer greater indebtedness (from ordinary living expenses) and experience more than one form of deprivation<sup>1</sup>. Social transfers play an important role in reducing the risk of poverty for lone parents and it is therefore crucial that they are adequate.

Treoir supports the Government Proposals for supporting lone parents<sup>2</sup>, in particular the removal of the cohabitation bar for unmarried parents and the support of the Teen Parents Support Programme.

Treoir proposals for change in Budget 2008 centre on reducing the risk of poverty for unmarried families by increasing welfare payments and removing the disincentives to return to work or education.

## **A. UNMARRIED FAMILIES RELYING ON SOCIAL WELFARE ONLY**

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

a) The current 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. We believe that the High level Goal of the ***National Action Plan***<sup>3</sup> of “*maintaining the relative value of the lowest social welfare rate at least at €185.80, in 2007 terms, ....subject to available resources*” is totally inadequate. ***Minimum Essential Budgets for six households***<sup>4</sup> clearly indicates that a lone parent and two children on

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<sup>1</sup> ***EU-Survey on Income and Living Conditions, 2005***, CSO, 2006

<sup>2</sup> ***Proposals for Supporting Lone Parents, Government Discussion Paper: 2006***

<sup>3</sup> ***National Action Plan for Social Inclusion 2007 – 2016***, Government of Ireland 2007, Dublin

<sup>4</sup> ***Minimum Essential Budgets for six households***, The Vincentian Partnership for Social Justice, 2006

National Minimum Wage with housing costs excluded require €545.01 per week.

b) In addition we recommend a targeted increase of a minimum of €13 per week on the Qualified Child Allowance.

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**

Currently the first €95.23 of maintenance received by lone parents in respect of their children is fully assessed for Rent Supplement purposes. 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 for the purposes of the means test. 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 for this Allowance should be increased to the same level as that for Family Income Supplement.

- c) The rate of payment should be increased to €250 and €350
- d) 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>5</sup>

## **B. CHILDCARE**

1. 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.

### **Young parents and childcare**

- Where parenting teens are under the compulsory school leaving age it is imperative that they receive childcare support immediately.
- 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 fully re-imbursed the full cost of their childcare could be considered.

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<sup>5</sup> ***Proposals for Supporting Lone Parents, Government Discussion Paper: 2006***

- 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.

### **C. 'SECOND CHANCE' SCHEMES**

- The qualifying conditions for 'second chance' schemes (i.e. Back to Education Allowance, VTOS, in relation to age and the duration one must be out of school) should be reviewed in light of the needs of teenage parents.
- The income support arrangements for 'second chance' schemes should be streamlined and harmonised so that eligibility for secondary benefits are the same regardless of what scheme or training course is chosen, especially with regard to Rent Supplement.

### **D. TEEN PARENTS SUPPORT PROGRAMME**

We recommend that additional funding be made available to expand the Teen Parents Support Programme to those areas in the country with the highest rate of teen births which are not currently covered.

### **E. FAMILIES IN EMPLOYMENT**

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

a) Treoir supports the End Child Poverty Campaign and the Society of St. Vincent de Paul, in recommending 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%.

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