

**Pre-Budget Submission 2021**

**Supporting Financially Vulnerable Families**

**In a Time of Crisis**

July 2020

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**About Treoir**

Treoir is the national federation of agencies who provide services to unmarried parents and their children. Founded in 1976, membership is open to professional agencies, NGO’s, community organisations and others. These are a combination of statutory and non-statutory bodies, including specialist agencies, the HSE, maternity hospitals, and self-help groups.

In partnership with its member agencies Treoir promotes the rights of unmarried parents and their children by providing specialist information and advocating on their behalf.

**Treoir:**

* provides a National Information Service to unmarried parents and those working with them.
* co-ordinates the National Teen Parents Support Programme.
* promotes change to achieve constitutional and legal equality for unmarried parents.
* advocates for access to decent public services for parents and their children.
* Conducts research on the legal and socioeconomic position of unmarried parents.
* Collaborates with other agencies to promote equality and fairness for unmarried parents and their children.
* Makes submissions to government bodies, Oireachtas Committees and other fora.

**Treoir principles:**

* recognise the diversity of family life in Ireland
* recognise all families, including unmarried families, have a right to respect, care, support, protection and recognition from the state.
* promote the rights of children as outlined in the UN Convention on the Rights of the Child
* recognise all children have a right to know, be loved and cared for by both parents, where possible.

**Introduction**

The COVID-19 pandemic brought to the fore the significant challenges in terms of economic wellbeing and household security faced by unmarried parents and their children. The pandemic highlighted the importance of social transfers for lone parents and the potential of the state to proactively address poverty through innovative and far reaching measures. Covid-19 has taught us that when it comes to social policy, where there is a will there is a way.

According to Census 2016 the number of cohabiting couples with children in Ireland increased by 25.4 per cent to 75,587 and the number of one parent families with children by 1.5 per cent to 218,817. Prior to the crisis this had significant ramifications for the provision of public services and for the organisation of the labour market. Set against the current backdrop of the on-going disruption caused by the pandemic and the resulting unprecedented demands on the state, unmarried parents and their children are now in an even more precarious positon than before. Budget 2021 must protect this vulnerable group by way of measures that directly address uncertainty around living standards, food security, housing, childcare and work. The measures must explicitly work to mitigate the uneven impact of the Covid19 crisis on the lone parents, and especially women and children.

**DEPARTMENT OF EMPLOYMENT AFFAIRS AND SOCIAL PROTECTION**

Life on a low income is the norm for a large proportion of our society. Prior to the current public health crisis, one in every seven people in Ireland lived with an income below the poverty line; about 680,000 people. Lone parent families 85% of whom are headed by a female are particularly at risk of living either on or below the poverty line. Looking ahead, the ESRI predict these numbers to rise as the uneven impact of the Covid-19 crisis unfolds, with a particular impact on women and children.

The recent Department of Finance Stability Programme Update projections for unemployment point to an optimistic scenario where unemployment remains high for the next 12-24 months. When recovery comes, it is likely that many low income workers, and employees with precarious employment conditions many of whom are women, will be the last to experience it. Without a concerted policy effort, many families will be stuck in poverty for some time. The crisis has highlighted the presence and challenges of the poorest in our society in so many ways. It has unexpectedly demonstrated to many households the challenges of life on a low income; even when that income is set at rates well above core social welfare payments and the poverty line.

**If poverty rates are to fall during the lifetime of the 33rd Dáil, we need to see:**

* an increase in social welfare payments,
* equity of social welfare rates,
* investment in housing, childcare, and key public services
* adequate payments for children,
* refundable tax credits,
* decent rates of pay for working lone parents.

Recent studies from then ESRI, the Nevin Institute, and St Vincent de Paul highlight a persistent problem with poverty which will be exacerbated by the Covid-19 crisis.  As a society we must confront these new challenges and adequately resource new strategies to successfully target and reduce poverty. If we are to deal with the socio-economic impact of Covid19 on lone parent families we must invest in key public services and make policy decisions deliberately designed to reduce the cost of poverty, in all it dimensions.

**Policy Solutions**

Lone parents and unmarried couples with one or more children in low paid employment, engaged in part-time work or unemployed, experience very high levels of consistent poverty. The multifaceted nature of poverty and the impact of Covid19 make it is imperative that going forward allowances, payments, and benefits related to children and families are under constant review.

In the present environment, cuts to income will hamper long-term economic growth, our ability to provide essential public services such as housing, childcare and healthcare. Thus cutting back on the Covid Pandemic Unemployment Payment (PUP) too soon will worsen the economic impact of the virus. In effect, PUP is an investment in protecting the spending power of Irish households and supporting employment and economic growth. Going forward the aim must be to fight child poverty and sustain living standards for lone parent households.

Cuts to PUP for those who worked part-time hours before the crisis from €350 to €203 a week, or 43 per cent will have a significant impact on lone parents. The tacit recognition of the inadequacy of €203 a week to live on with the introduction of the €350 PUP in March is now being rolled back. Going forward the introduction of a living wage is a more suitable policy approach, especially considering that the initial level at which the PUP was set, was an acknowledgement of the inadequacy of both unemployment supports and wages for hundreds of thousands of Irish employees. Moreover there would be less need for supplementary welfare payments such as the Family Income Supplement, if a living wage were introduced.

**Recommendations**

* Treoir is calling on the Government to increase all social welfare payment rates for lone parents in budget 2021 by at least a higher percentage than the expected price increase for next year.
* This increase should happen on 1 January 2021.
* The government should provide additional resources to lone parents adversely affected by the Crisis who are already in receipt of the One Parent Family Payment.
* A **Covid-19 Emergency Payment** could be used to alleviate poverty rates experienced by one parent families where the parent has been unable to return to work, is in receipt of rent supplement, in emergency accommodation or a refuge.
* The Emergency Payment to remain in effect until the Crisis ends or circumstances change.
* Adopt targets aimed at reducing child poverty in lone parent households.
* Carry out impact assessments on policies and ensure they are gender and poverty-proofed.

**Maintenance Recovery Unit**

The Department of Employment Affairs and Social Protection (DEASP) currently requires recipients of OFP to get maintenance from the father of the child. Treoir believes maintenance recovery should not be the remit of the DEASP as it can create conflict which is counterproductive to building relationships between unmarried parents, which ultimately is in the best interest of the child.

We believe the Maintenance Recovery Unit should be relieved of its remit. As per the commitment in the *Programme for Government* we are calling for reform of the entire maintenance collection system.

**Recommendations:**

* The DEASP should no longer be involved in maintenance recovery.
* Setup an independent review group which includes NGO’s to look at best international practice and make recommendations to government on reform of the current child maintenance system addressing calculation, facilitation, enforcement, and collection.
* The requirement of lone parents in receipt of OFP to pursue maintenance should be abolished.

**Income Adequacy**

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**Working Family Payment**

Change to the eligibility criteria of the One Family Payment (OFP) has resulted in the reduction of income for lone parents in employment. A lone parent whose youngest child reaches the age of 7 loses OFP and may instead qualify for Jobseekers Transitional Payment (JST) if their youngest child is aged between 7 and 13, or Jobseekers Allowance (JA) if the child is 14 years or over.

Treoir believes the support available to lone parents who are progressing to sustainable employment needs to be more appropriate to their needs. While Working Family Payment (WFP) is available to OPF recipients who work a minimum of less than 38 hours a fortnight, it is not payable with JST or JA. This is a consequence of the reforms of the One Family Payment. Thus, a JST recipient working 19 hours a week on the minimum wage will experience significant hardship if their employer is not able to offer them extra hours. Moreover, in its current form the WFP working hours threshold may not adequately reflect current working trends. For instance, an OPF recipient who can only secure 18 hours work a week will not qualify for WFP.

**Single Person Child Carer Credit** (Department of Finance)

In January 2014, the Single Person Child Carer Credit, which is only available to the primary carer of the child, replaced the One Parent Family Tax Credit (OPFTC). This OPFTC had been available to both parents where they were not living together since the early 1970s. Treoir’s National Specialist Information Service continues to receive calls from unmarried parents who highlight the negative consequences of not being able to avail of this tax credit. The impact of this is that it:

* Dis-incentivises shared parenting, which research shows is good for children.
* Reduces the overall income for parents who live apart and there are two household to be maintained. Reduction in the income of a mother or father negatively impacts on children.
* Leads to tension between parents over the ability to pay the expected maintenance, which is not in the best interest of the child.

**Recommendations**:

* Implementation of the recommendations of the Joint Oireachtas Committee on Social Protection Report on the Position of Lone Parents in Ireland (2017).
* Reinstate supports for one-parent families to address the current high rates of child poverty.
* Extend WFP to lone parents in receipt of Jobseekers Transitional Payment.
* Extend the cut off for the Jobseekers Transition Payment until their youngest child reaches 18, so that lone parents can access work fulltime or part-time, in-work income supports, and training opportunities.
* Link earning disregards and in-work income supports to increases in the National Minimum Wage, maintaining the value of these supports year on year.
* Reduce the hours' requirement for the Working Family Payment for lone parents to 15 hours per week.
* Extend the Single Parent Child Carer tax credit to both parents who live separately to support shared parenting. (Department of Finance)

**Back to School Clothing and Footwear Allowance**

The current income limits for the Back to School Clothing and Footwear Allowance (BTSCFA) negatively impact lone parents. The BTSCFA sets out different limits of average weekly family income for couples and for lone parents. Instead, the income limits for the calculation of the Working Family Payment (WFP) are based on the number of children in a family and it does not differentiate between households with two adults, and lone parent families. For instance, the BTSCFA income limit for a family with one child is €603.70 (for a couple) and €438.30 (for a lone parent). In contrast, the WFP income limit for a family with one child (whether a couple or a lone parent) is €521.

**Recommendations:**

* Equalise income thresholds for one and two parent families.
* In light of Covid-19’s impact on family income restore the Back to School Clothing and Footwear Allowance to the 2011 level of €200 for children under 12, and to €305 for children over 12.

**Widowed or Surviving Civil Partner Grant**

This grant is a once-off payment of €6,000 available to widows, widowers or surviving civil partners who have one or more dependent children living with them. Cohabitant parents do not qualify for this payment. In a 2018 landmark ruling in Northern Ireland, the High Court held that an unmarried mother whose partner of 23 years died was discriminated against on the grounds of marital status when she was refused a widowed parent’s allowance.[[1]](#footnote-2) The decision may have implications for Irish Courts considering children’s rights are enshrined in the Constitution.

**Recommendation**

* Extend the eligibility of the Widowed or Surviving Civil Partner Grant to cohabitants and to surviving guardian who have one or more dependent children living with them.

**The Social Wage**

For unmarried parents, the legacy of years of austerity continues to have a negative impact on their quality of life and on the life chances of their children. This is particularly the case when it comes to access to housing, childcare, social welfare, labour market participation, and access to the courts and legal representation. Otherwise known as the social wage, state provision of decent public services is dependent on the government’s willingness to collect sufficient revenue through general taxation and social insurance. In Ireland, unlike other EU countries, employer social security contributions are very low. As noted by TASC, the knock-on effect of this is that the state does not raise enough money through income tax and employer PRSI, to provide European standard public services.

**Recommendations**

* As the social wage is a critical mechanism in providing a safety net for lone parents, Treoir is calling on the government to follow through on its commitment in the *Roadmap for Pensions Reform 2018-2023* to issue a consultation paper on appropriate rate setting for the Social Insurance Fund.

**HOUSING**

The Covid-19 pandemic gave increased urgency to the ongoing shortage of housing. The suite of emergency measures to deal with this are welcome but the ongoing reliance on the private rental market is not economically, morally or socially sustainable and is not a solution to the state’s housing crisis. As this social catastrophe shows no signs of abating Government policy must shift from an almost total reliance on the private rental market, to one of large scale state interventions.

Department of Housing, Planning and Local Government homeless statistics show that 62% of homeless families are headed by one parent and that there has been a 300% increase in the number of homeless families in the past four years.[[2]](#footnote-3) The rise in family homelessness is driven by structural economic factors. According to Focus Irelandthe overwhelming number of families becoming homeless had their last stable home in the private rented sector, and the crisis in this sector is the immediate cause of their homelessness – landlords selling up or properties being repossessed, shortage of properties to rent, scarcity of properties accepting rent supplement, and high rents.

It is imperative emergency measures introduced during the pandemic are maintained and homeless figures are not allowed to increase. In most mainland European countries, housing and access to it is considered a basic human right and an important foundation block in sustaining family and community life. Irish society must move from a culture where housing is seem as a commodity and a source of investment to one where the right to a home is a basic human right enshrined in the constitution.

**Recommendations**

* Treoir is calling on the Government to dramatically reduce the state’s excessive reliance on HAP. Since its introduction in 2014 the state has spent over €750 million on the scheme which inflates rents in the private rental sector and transfers large sums of public monies to landlords.
* As per commitments in the *Programme for Government: Our Shared Future,* Treoir is calling on the government to honour its commitment on the delivery of public and affordable housing.
* Treoir is calling on the Government to maintain the current ban on evictions; to ensure via legislation tenants have security of tenure; to extend the ban on rent increases; and to increase progress towards a cost-rental system.
* Introduce an emergency fund to assist lone parents with rent arrears as per the recommendation from The National Economic and Social Council (NESC).

**Maintenance and Rent allowances**

As already noted, rents have increased throughout the country with higher rates in Dublin and other urban centers. Unmarried liable relatives who pay maintenance towards their dependent children are allowed €95.23 per week in rent payment in assessing the amount of maintenance due. In the current context, this allowance for rental expenditure is wholly inadequate. Treoir has received numerous calls from liable relatives who are struggling to maintain their rental accommodation while paying the assessed maintenance by DEASP using the current rent allowances framework. Frequently we come across cases through our National Information Service where single fathers who share custody arrangements are not awarded Rent Supplement at family rates. A single father may not qualify for social housing with the result that he may not be able to have his child stay with him.

**Back to Education and SUSI**

Students experiencing a crisis pregnancy have limited options. They can opt for One Parent Family payment (if choosing to live separately) or Working Family Payment (if cohabiting). However, as many students do not meet the criteria for this they are left to rely on college grants (if available), managing college duties and weekend work to survive. A minority of students may obtain the exceptional needs social welfare payment, depending on the Community Welfare Officer. However, the reality is that there is a significant gap in support for this cohort.

A lone parent returning to education and getting a social welfare payment may qualify for the Back to Education Allowance (BTEA) or the student grant depending on the circumstances. However, it is not possible to get the Back to Education Allowance and a full student grant at the same time and BTEA recipients are not eligible to receive the Student Universal Support Ireland (SUSI) maintenance grant. Without this financial support, lone parents in full time education are forced to drop out of college.

Lone parents with third level education are three times more likely to be in employment, but 1-in-5 lone parents could not access formal education due to cost. This was the third highest rate among all EU-15 countries. Worryingly, census data shows that participation of lone parents in education has decreased by approximately 20% in the 5 years from 2011 to 2016. [[3]](#footnote-4)

**Recommendations**

* Grant lone parents in full-time education the Back to Education Allowance without discretion
* Review the eligibility rules of the SUSI grant to better facilitate lone parents who are part-time students to provide financial support for flexible care duties.
* Address the anomaly by which lone parents in receipt of Rent Supplement and OFP/JST, who want to take up education or training, are not eligible for SUSI maintenance.
* Allow those under 23 who are not dependents, i.e. teen parents, to apply independently, without their parents being assessed. Currently they require documentation to prove they are estranged from their parents when they may be living independently. Under the current rules they are recognised as a separate family unit by the Department of Social Protection, but not by the Department of Education.

**CHILDCARE**

The Covid-19 pandemic highlighted that affordable, reliable and decent childcare is still not universally available to parents. As with so many other key services the state’s reliance on the private market has led to anxiety and uncertainty amongst parents about whether or not they will have access to affordable and dependable childcare in the coming months. The current situation is extremely worrying for lone parents, especially for those already struggling and dependent on part-time work to supplement their household income.

In 2019 Treoir gave a guarded welcome to the National Childcare Scheme. We did however express concerns that while the Scheme was designed to be accessible to families with incomes of up to €90,000, those at the bottom end of the income scale on €26,000 and less, would actually lose out. Under the Scheme important anti-poverty after-school measures aimed specifically at low income families such as the Community Childcare Subvention programme and the Childcare, Employment and Training Scheme (CETS) were due to be withdrawn in 2020. While some changes were made, the fact remains that the National Childcare Scheme especially now, is simply not fit for purpose.

**Recommendations**

* Extend anti-poverty after school measures aimed at low income families indefinitely.
* Introduce a single childcare subvention scheme for single parents who need childcare for children aged up to 12 years to participate in education, training and work.
* Introduce additional after-school childcare in the community to support lone parents.
* Replace the National Childcare Scheme with a publically funded model and introduce universal access for all children based on need and not parental income.

**DEPARTMENT OF EMPLOYMENT AFFAIRS AND SOCIAL PROTECTION**

**The Labour Market**

Unmarried parents with children often have difficulty accessing the labour market. This may-be due to a skill deficit, a lack of work experience, lack of confidence , low educational attainment , poverty and/or a general lack of childcare and other supports. This means they are particularly vulnerable to the economic fallout from Covid-19 due to a lack of access to childcare, and the specific impact of the pandemic on the retail and hospitality sectors, where they tend to be heavily concentrated.

Employment and connection to or involvement in the labour market is constantly cited by government ministers as a route out of poverty. However for this to be the case it is imperative that work pays. Precarious low paid employment is not good for workers, and neither is it good for the state as it ends up paying millions of Euro in social transfers through Family Income Support. Considering the over concentration of women in the ranks of the low paid and the importance of employment for lone and unmarried parents to provide for their families, Treoir is calling on the government to introduce the following measures.

**Recommendations**

* Introduce legislation to prevent employers dismissing lone parents who are unable to return to work due to lack of childcare.
* Retention of the Covid-19 PUP payment for lone parents in receipt of One Parent Family payment who are unable to return to work.
* Benchmark the National Minimum Wage and social welfare to the cost of a Minimum Essential Standard of Living so that everyone can access an adequate income.
* The abolition of staggered rates of the NMW for people under the age of 20 to be replaced by a single hourly rate for everyone in line with the Living Wage.
* The Government to strengthen the role of the Low Pay Commission in relation to in-work poverty and to review the low pay of women.
* The rigorous implementation of the recommendations in the *Social Inclusion Strategy: A Roadmap for Social Inclusion 2020-2025.*

**DEPARTMENT OF JUSTICE AND EQUALITY**

**Legal Aid**

Access to accessible and timely legal aid is of critical importance for unmarried parents. Cuts to the legal-aid system have led Dr Geffory Shannon to describe the family law system as impoverished and without the capacity to meet the needs of the most vulnerable members of society. Budget 2019 increased the allocation to Criminal Legal Aid by €12 million to €61.3 million, while Civil Legal Aid increased by just €500,000. The lack of investment and under resourcing of civil legal aid has serious implications for the operation of the family law system and the functioning of the Family Mediation Service. Both services are crippled by an acute lack of resources, long waiting lists, and out of date eligibility criteria. The Family Mediation Service has a critical role to play in minimising conflict between parents and in fostering and supporting shared parenting. A properly functioning national mediation service has the potential to take pressure away from the family court system and to be a critical element in fostering familial harmony and shared parenting.

**Recommendations**

* Review the eligibility criteria for civil legal aid to bring it into line with the current cost of living and increases in Housing Assistance Payment (HAP) and other emergency Covid19 payments.
* Implementation of the recommendations of the Joint Oireachtas Committee on Justice and Equality on Reform of the Family Law System.
* Increase the civil legal aid budget by least €10 million and clear waiting lists for family mediation and ensure the service is properly resourced.

1. UKSC 2017/0035, See also Irish Times 30/8/2018 “Unmarried Mother wins right to Widows Allowance” [↑](#footnote-ref-2)
2. Focus Ireland (2019) Latest Figures on Homelessness in Ireland https://www.focusireland.ie/resourcehub/latest-figures-homelessness-ireland/ [↑](#footnote-ref-3)
3. Census 2016 Profile 4 – Households and Families. CSO Statbank <http://www.cso.ie/en/databases/> [↑](#footnote-ref-4)