

## Citizens' Assembly on Gender Equality

### National Women's Council: Women & Work - Session 2

#### Gender Proof the Social Welfare System

Our work and welfare systems were built for a different era on a largely male breadwinner understanding of both the labour market and social welfare systems.

- **Individual access to payments**

Welfare payments to two parent families comprise a payment for the main claimant and a Qualified Adult (QA) payment for additional adults in the household. Around 90% of QA's are women. QA's are dependent on their partners as they do not receive an income in their own right and are excluded from accessing many of the activation and training support schemes and services.

- **A participation income to value care**

A participation income (PI) is an alternative to our current welfare system which is overly focused on transitions from welfare to work at the expense of other forms of participation. A PI would recognise other meaningful contributions such as care or voluntary work, and other forms of work that contribute to the common good.<sup>1</sup>

- **Increase payments to protect against poverty**

The social welfare system should ensure that everyone, no matter what their stage of life, can live free from poverty. However, poverty remains unacceptably high. Lone parent households (86% of whom are headed by women) are among those most at risk of poverty (30%). The Minimum Essential Standard of Living (MESL) is an established, credible benchmark for social welfare adequacy. By working with members of the public to agree a 'basket' of essential goods, it calculates the income needed to achieve a socially acceptable minimum standard of living.<sup>2</sup> It focuses on 'needs' rather than 'wants' and is designed to protect the human right to live free from poverty and social exclusion.

#### NWC recommends:

- Establish individual access to the social welfare system so women receive a payment in their own right and can access activation and training supports
- Introduce a Participation Income to acknowledge the value of care, as well as paid work
- Benchmark social welfare payments to a Minimum Essential Standard of Living (MESL)

#### Recognition of caring responsibilities

Paid parental leave is a key support to help parents balance work and family life and to maintain their connection to the labour market. Ireland only recently introduced paid Parent's Leave for parents of young babies. The value of paid leave in Ireland, across maternity, paternity and parental leave schemes, is far behind our EU peers. Germany for example, provides paid leave at the equivalent of 73% of the

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<sup>1</sup> Murphy, M & McGann, M (2020). Reconfiguring welfare in an eco-social state: participation income and universal services [here](#)

<sup>2</sup> VPSJ (2019). Submission to DEASP: Social welfare benchmarking.

average wage; Ireland compares unfavourably at 27% of the average wage.<sup>3</sup> Uptake of Parent's Leave in Ireland is low among fathers and one of the reasons suggested for this is the low rate of payment.<sup>4</sup>

**NWC recommends:**

- Increase the duration of paid Parents Leave to 26 weeks per parent (or 52 weeks for lone parents), in addition to existing maternity leave, to give parents choices in their child's first years
- Increase the rate of Maternity, Paternity and Parent's Benefit to €295 per week
- Reduce working hours across the board to facilitate sharing of care between women and men, supporting both to play more of role in care (for example, through a four-day week)
- Introduce paid Carer's Leave (min 6 days)

**Universal pension for an adequate income for all men and women**

Women are more likely to provide care and to be in low paid, part time jobs on precarious contracts, making it difficult to collect enough PRSI contributions to be eligible for the full State pension or to have an occupational pension. Our pension system does not address the inequalities and discrimination experienced by older women who were expected by Irish society to shoulder the full burden of caring responsibilities but who were equally expected to do this work for nothing. NWC believes that the State has a responsibility to remedy the inequality experienced by women affected by the marriage bar.

**NWC recommends:**

- Introduce a universal State Pension system which will guarantee income adequacy for all
- Acknowledge the vital contribution of women's unpaid work throughout their lives by legislating for a full and retrospective Homecare credit to support women to access a full pension

**Gender sensitive taxation**

Ireland's expenditure on all types of social protection is one of the lowest in the EU. Only Lithuania, Latvia and Romania spend less than Ireland. Our expenditure on pensions is the lowest in the EU and is less than half of the EU average.<sup>5</sup> Ireland's low tax and low spend regime is one of the reasons why levels of poverty and inequality in our society remain so high. If we want decent public services and social infrastructure, we must increase our tax take in a fair, progressive, sustainable and gender sensitive way.

The gendered impacts of taxation are often overlooked but should be reviewed. For example, the State spends around €2.39bn a year on private pension tax relief. As men are higher earners, they benefit more, with the most well off benefitting the most – in 2014, 5% of the population shared 50% of the tax relief.<sup>6</sup>

**NWC recommends:**

- Carry out a review of all tax expenditures, assessing their cost and gender and equality impacts and ensure women's organisations, like NWC, are members of review groups
- Examine how employers' PRSI can be increased to the EU average to fund social infrastructure

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<sup>3</sup> OECD (2018). Family database. [here](#)

<sup>4</sup> DPER (2020). Spending review: Paid Parents Leave. [here](#)

<sup>5</sup> Eurostat (2019). Social Protection Statistics. [here](#)

<sup>6</sup> Collins, M.L. & Hughes, G. Supporting Pensions Contributions through the tax system. IEA Conference 2017

# NWC Key Recommendations

## 1. Gender Proof the Social Welfare System

- Individual access to payments so women have economic independence
- Increase payments to protect against poverty
- A Participation Income to value care, not just paid work

## 2. Paid parental leave - Longer duration and higher payments

## 3. Universal Pension – An adequate income for all older people

## 4. Taxation - Increase tax take for an equal society with decent public services