



Social Assistance: current and future design

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For discussion

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Key points

- Social assistance has an important role in poverty alleviation and also in incentivising work. The current system meets both of these objectives for many cohorts, however, it does not reach others and has some disincentives.
- Child benefit is the primary example of a universal payment in the State. Options for its reform have been considered at length previously, however, there is evidence to suggest that mixes of universal and targeted supports can have a positive effect. Options for reform are presented.
- Individualisation as a concept and, more specifically, in the context of activation is becoming more important as family choices have evolved. Further individualisation of the social protection system would be more responsive to equal gender roles and rights, and the sharing of family responsibilities, although this is not without cost.
- Future decisions around reforms to the social insurance system will have an impact on the provision of social assistance also. The effects of social assistance in-work benefits, and progression more generally, can help inform this process.
- Overall, the Commission has an opportunity to consider whether children and families – especially those at greatest risk of poverty – are being supported satisfactorily by the current system.

Note: Whilst every effort is made to ensure the accuracy of the information contained in this document, this material is provided as a guide only and is not professional advice, including legal advice. It should not be assumed that the guidance is comprehensive and the authors cannot be held responsible for any errors or omissions.

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1. Introduction

This paper is applicable to the first and second Terms of Reference of the Commission which require the Commission to review how best the taxation and welfare system can support economic activity and income redistribution while continuing to support those most vulnerable in our society in a fair and equitable way. The relevant excerpts from the Commissions Terms of Reference are as follows:

Extracts from Commission terms of reference:

“review how best the taxation and welfare system can support economic activity and income redistribution, whilst promoting increased employment and prosperity in a resilient inclusive and sustainable way and ensuring that there are sufficient resources available to meet the costs of public services and supports in the medium and longer term.”

“examine what changes, if any, should be made to the social insurance system, including structure and benefits coverage, while ensuring sustainability..... It will also include examination of how welfare policy can work in tandem with the taxation system to support economic activity, and while continuing to support those most vulnerable in our society in a fair and equitable way....”

Recalling previous papers on social assistance discussed at meeting 4¹ and meeting 10², and related discussions on social insurance, this paper looks at three major issues in the present design of the social assistance system.

The first of these relates to the design of **Child Benefit**. Child benefit is an example of a universal payment within an Irish context. There are number of ways in which the mix of child income supports can be delivered, in conjunction with access to affordable and adequate services, and these are explored further in section 3. This raises a perennial question within the construct of any social protection system, that is whether supports should be targeted or universal and to what degree.

Individualisation from a social protection perspective is also considered, following on from the consideration of individualisation from a taxation perspective at meeting 14³. These are two distinct areas. Much of the recent research in the area of social protection is pointing towards the benefits of further individualisation of the current system, echoed by commitments in the Roadmap for Social Inclusion.

¹ [How the taxation and welfare systems interact to facilitate employment](#)

² [Employment disincentives in the welfare and tax systems](#)

³ [Personal taxes on income](#)

The paper then moves to examine social assistance **in-work supports** following the paper presented at meeting 10.

The paper begins, however, with a brief overview of some data on the scale and impact of the existing system.

2 The current system

2.1 The role of social transfers

It is useful to recall the role of social transfers in alleviating poverty when considering any changes to the system of social assistance. Social transfers provide a valuable benefit to young families and older people. In addition they cushion people from the worst effects of reductions in income due to life contingencies such as unemployment, old age, illness or disability. The poverty alleviating effects of social transfers⁴ are reduced when the burden of taxes fall too heavily on low-income families.

The role of social transfers has been particularly highlighted throughout the pandemic, where the exceptional deployment of transfers to meet the sudden loss of employment income experienced by workers when their sectors of the economy closed served to address the immediate income needs of those workers. Research by the ESRI found that in the absence of the Pandemic Unemployment Payment (PUP) and Employment Wage Subsidy Scheme (EWSS), household income would have dropped by an average of 7% during the pandemic. The introduction of these two payments more than halved the average income loss to 3%⁵.

In 2020 social transfers reduced the at-risk-of-poverty rate⁶ from 40.6% to 13.2%, representing a poverty reduction effect of 67%^[1]. In 2020, 13.2% of the population were at risk of poverty, 15.6% experienced enforced deprivation and 5% were living in consistent poverty (both at risk of poverty and experiencing enforced deprivation). Using consistent poverty, the official Government poverty measure, unemployed individuals (16.6%), those who were not at work due to illness or disability (17%), households where no one is working (12.3%) and lone parents (21.6%) had the highest poverty and deprivation levels. The lowest consistent poverty levels were among those who were employed, those who were retired and in households where there were no children. The consistent poverty rate

⁴ Social transfer income supports can be delivered through social insurance, targeting,

⁵ [Covid 19 and the Irish Welfare System](#)

⁶ The At Risk of Poverty (AROP) rate is the share of people having an equivalised disposable income after social transfers that is below 60% of the national median equivalised disposable income after social transfers.

^[1] <https://www.cso.ie/en/releasesandpublications/ep/p-silc/surveyonincomeandlivingconditionssilc2019/>

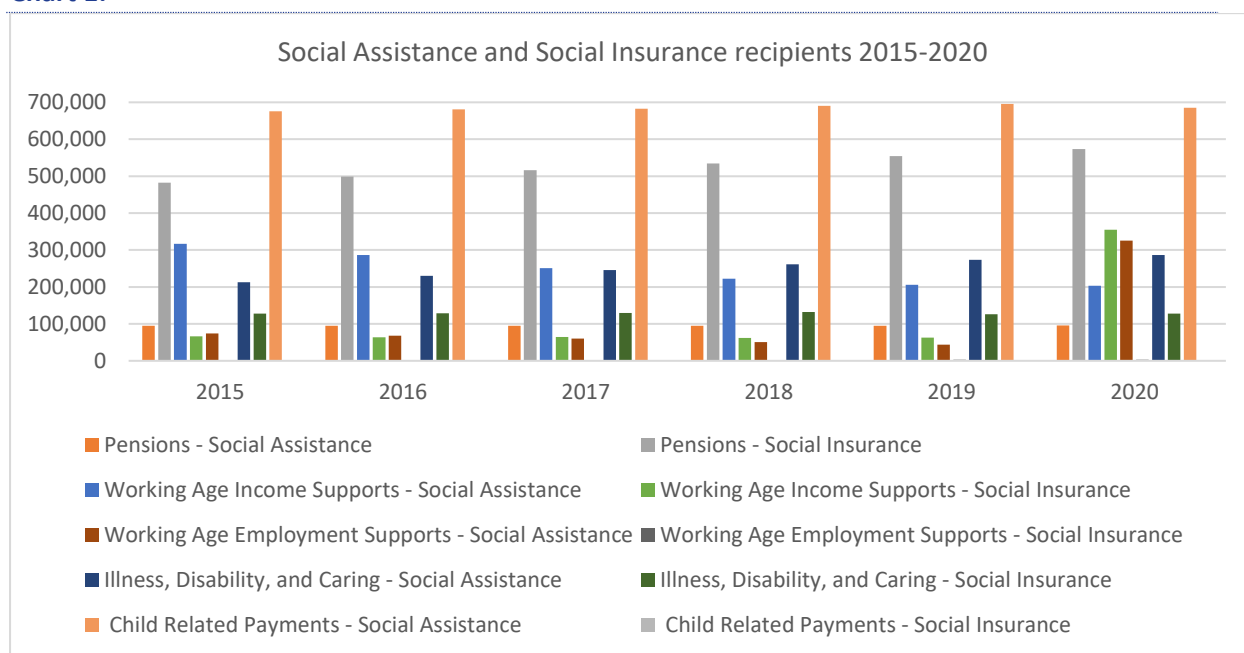
for children (those under 18) was 8% in 2020, compared to 4.8% for adults aged (25-64) and 0.9% for retirees (aged 65 and over)⁷.

As outlined in meeting 7⁸ the impact of social transfers in reducing poverty in Ireland is one of the highest in the EU. This reflects the progressive and targeted nature of social transfers. Research suggests that the level of service provision has a significant impact on the expenditure needs of people on low incomes⁹. Social transfers also provide support across the life-course, from helping to protect children from the risks of inter-generational poverty and disadvantage, to ensuring an adequate standard of living across all life-cycle groups.

2.2 Scale of Social Assistance

Social assistance is intended to address gaps in the social welfare system not covered by social insurance and it is one of the primary poverty alleviation mechanisms in the State. The current system of social assistance includes incentives to take up work. Some information about working age social assistance supports was provided in meeting 10¹⁰, and further information comparing social assistance and social insurance is set out in Chart 1 below. Additional data is at [appendix 1](#).

Chart 1:



Source: Data: DSP annual statistics report 2020. Graph: CoTW secretariat

⁷[https://www.cso.ie/en/releasesandpublications/ep/psilc/surveyonincomeandlivingconditionssilc2020/povertyanddeprivation/\(table3.1\)](https://www.cso.ie/en/releasesandpublications/ep/psilc/surveyonincomeandlivingconditionssilc2020/povertyanddeprivation/(table3.1))

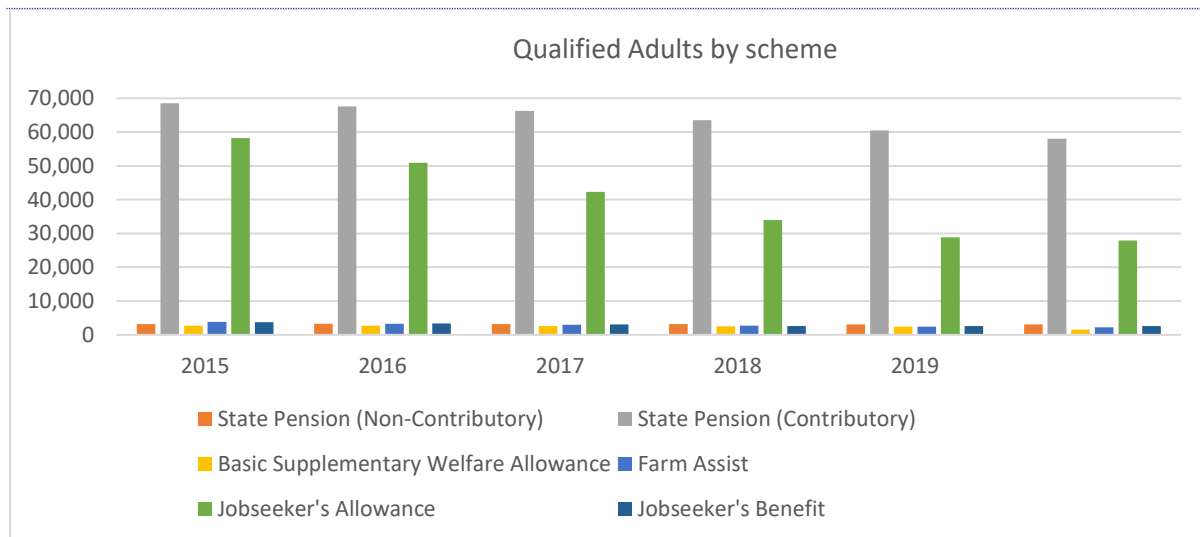
⁸ [Market income and redistribution by taxation and welfare systems](#)

⁹ [Social transfers and deprivation in Ireland](#)

¹⁰ [Employment disincentives in the welfare and tax system](#)

Taking the specific example of qualified adult payments¹¹ it can be seen in chart 2 that two specific payments - contributory pension and Jobseekers Allowance account for the majority of qualified adult payments.

Chart 2:



Source: Data: DSP annual statistics report 2020. Graph: CoTW secretariat

Over time as more contributory and personal pensions are drawn down the numbers in relation to non-contributory state pension should reduce. Reducing the numbers associated with Jobseekers Allowance likely requires further individualisation (and accordingly activation) of these dependents.

2.3 Interaction of Social Insurance and Social Assistance

Social assistance and social insurance work in tandem. Changes to the social insurance system may affect the social assistance system and vice versa, and given the importance of social transfers as outlined above, any such changes to the systems must be carefully implemented if the progressive and targeted nature of social transfers is to remain a feature. As was outlined at meeting 10¹² most countries have a mixed model of social protection, and Ireland is no different. From country to country the mix of social insurance and social assistance varies depending on preferences for different social and labour market models.¹³

¹¹ A qualified adult payment is an amount paid in addition to a primary social welfare payment in respect of the spouse/civil partner/cohabitant of the recipient of the primary payment.

¹³ See André Sapir, Globalisation and the Reform of European Social Models; competing typologies are also available – see Esping-Andersen's trio of corporatist regimes (work-oriented and based on individual

The Commission will also recall discussions at meeting 10 regarding the expansion of the social insurance model in Ireland and design choices for the delivery of income support. Such an expansion was advocated for by NESC in its paper ‘The Future of the Irish Social Welfare System: Participation and Protection 151/20¹⁴.’ NESC contends that Ireland should move towards a more social insurance-based system that includes additional tapering in the withdrawal of payments to reduce poverty and unemployment traps, and ease the transition to work.

Regardless of any move to extend the coverage of social insurance, for example by lowering the contribution thresholds, there remains a need for a mixed model of social protection. That is, social assistance will remain a feature for vulnerable groups who do not have any, or sufficient, social insurance contributions and yet continue to have need for financial support. This includes for example, lone parents, those with a disability, migrants, and those who have not the contribution history required to qualify for benefits such as Jobseekers Benefit or the full Contributory Pension. Accordingly, careful co-ordination between the two systems is required to ensure that those who are in need, do not fall between the two systems.

This will be particularly important given the increase in so called informal working arrangements. In 2020 the OECD found that in many countries, non-standard workers – that is part-time workers, self-employed and workers hired on fixed-term contracts – have less access to social protection compared to full-time employees with open-ended contracts. Relative to permanent employees, the OECD find that temporary workers face a higher risk of losing their jobs and have lower chances of being enrolled in short-time work schemes. The OECD estimate that non-standard employees in low-paid jobs account for close to 20% of all employees in Ireland. While the current relatively low entry thresholds for employer contributions in Ireland means the current Social Insurance system is not as exclusive as elsewhere, care will need to be taken to ensure that the system remains agile to prevent further reliance on Social Assistance.

Another area of complexity which points to the need for careful co-ordination, and which is due, in part, to the proliferation of arrangements over time in the social protection system, is the benefits provided to, and the treatment of children and families. Ireland has traditionally adopted an approach, for example, whereby most child income supports (except Working Family Payment - WFP) are dependent on receipt of social assistance. This contrasts to other countries¹⁵ which

contribution), social democratic regimes (universalist values) and liberal regimes (residualist systems where welfare is confined to those who are otherwise unable to manage).

¹⁴ http://files.nesc.ie/nesc_reports/en/151_Future_Social_Welfare.pdf#page=118 (page 79)

¹⁵ Examples include Germany, Norway and the Netherlands

provide support on the basis of family circumstances i.e. the number of children in a household and household income level.

2.4 Interaction of Social Assistance and tax

As noted in 2.1 above, and previously, Ireland is an exceptionally good performer in reducing market income equality through taxation and transfers. Approximately three-quarters of the reduction in market income inequalities through social transfers is due to cash transfers. This is one of the largest reductions in the OCED¹⁶. The key transfers are pensions, jobseeker's payments, disability payments and child benefit. Some jobseekers payments, disability payments and child benefit are all social assistance payments.

Ireland has a progressive tax system. It also currently has very low rates of taxes on income for those with less than average earnings. Higher marginal tax rates on very low incomes bring with them the risk of acting as a disincentive to work and while the potential disincentive effect of such rates can be cushioned by cash transfers care is needed in the design. A marginal effective tax rate (METR) indicates what proportion of an increase in earnings is taxed, either through an increase in tax and/or social insurance contributions, or a reduction or withdrawal of social welfare benefits. In terms of the overall financial reward for additional earnings, social assistance recipients (and welfare recipients more generally) and their spouses or partners may face the additional factor that some or all of a benefit paid to one partner may be withdrawn as the earnings increase.

The 1996 Report on the Integration of Tax and Social Welfare¹⁷ set out *"to identify the problems from the interaction of the tax and social welfare systems and to identify the steps necessary to achieve greater co-ordination/integration of the two systems"*. In addressing this, the report recognised past failure to co-ordinate tax and welfare policy and concluded that *"institutional frameworks must be found to ensure that this weakness is eliminated"*. The report concluded that taxation and social welfare policies should not be developed in isolation and should take account of each other. A number of other conclusions reached by the group remain outstanding such as reform of child income support and joint taxation of cohabiting couples with children. However, other conclusions have been implemented such as the extension of the medical card for those transitioning from welfare to work.

When considering the interaction of the tax and welfare system - in addition to reviewing the role of the taxation system in supporting the welfare system in reducing market income inequality, the issue of the taxation of social welfare payments arises. This matter was considered in previous Commission

¹⁶ http://files.nesc.ie/nesc_background_papers/151_background_paper_7.pdf

¹⁷ *Integrating Tax and Social Welfare* Expert Working Group Report, June 1996

on Taxation reports which were of the view that, on equity and labour market incentivise grounds, all social welfare payments should be taxed with a small number of exceptions¹⁸.

As part of the modernisation of the PAYE system (PMOD) a review of social welfare payments was carried out to determine those that should be taxable and exempt. As a result the Taxes Consolidation Act was amended in Finance Act 2018 to clarify what payments are exempt from the charge to tax¹⁹.

3 Child Benefit

3.1 Universalism versus targeting in child support

Universal benefits are benefits which are available to all recipients regardless of income, and at the same rate of payment, and are generally a feature of family or child income supports. Their distributive effectiveness has been examined by researchers, with some advocating that they had better outcomes, for example, for single parents' and others arguing that targeting achieved better redistributive results²⁰.

Influential research by Korpi and Palme (1998)²¹ argued, on one side that universal supports are spread too thinly and thus do not sufficiently support those who are most in need. On the other, it is argued that universal supports create broad social cohesion around the provision of supports, are politically attractive and are simple to administer and deliver. Researchers Van Lancker and Van Mechelen (2015)²² found that targeting low-income families resulted in higher levels of poverty reduction when the benefits are generous. They also found that best outcomes in countries where targeting takes place within universalism.

Over recent years various researchers and stakeholders have argued that a targeting within universalism is an effective tool to tackle poverty and also ensure that all families, in particular receive some support in recognition that they are rearing children.

¹⁸ Exceptions recommended by the 2009 Commission on Taxation included Family Income Supplement (now Working Family Payment), Respite Care Grant (now Carer's Support Grant), Domiciliary Care Allowance, Maternity Benefit, Adoptive Benefit and Health and Safety Benefit

¹⁹ See <https://www.revenue.ie/en/tax-professionals/tdm/income-tax-capital-gains-tax-corporation-tax/part-05/05-05-37.pdf> and <https://www.revenue.ie/en/jobs-and-pensions/taxation-of-social-welfare-payments/index.aspx>

²⁰ Ann Morissens, 2018, pp.359-381

²¹ <https://www.jstor.org/stable/2657333>

²² <https://www.sciencedirect.com/science/article/abs/pii/S0049089X1400218X?via%3Dihub>

The National Economic and Social Council's Developmental Welfare State (2005) advocated for a form of targeted universalism when developing income supports and public services. Since then, the NESC paper of 2020 notes that developments in childcare services, activation and other areas are evidence of the rebalancing towards services. However, there is also a recognition that wholly market-based provision is often inappropriate²³. NESC recommended in 2020 that, in future, policymakers should increasingly recognise the appropriate roles of cash benefits and services.

Most countries in the EU have a number of universal child supports which can be enhanced if families meet certain conditions such as having low income, or being a single parent. For example, in the Netherlands there is a universal child benefit (€224-€321 per month) which all families with children get and a supplementary child benefit (variable amount) which is targeted at families with income below a certain level. This is funded through a combination of social security contributions and general taxation. In Germany there is a universal child benefit (€204 per month) paid to families with children on a per child basis, and there is also a supplementary child benefit which is available to families with incomes below a certain level but who are in employment (up to €165 per month). Child benefit is entirely financed by tax revenue. No contributions are paid.

Very few other countries link their supplementary child income support (in Ireland, an increase for a Qualified Child) to receipt of social assistance. Most OECD countries have supplementary child income supports based on levels of income or on family status. Child-contingent cash transfers are just one of the tools to reduce child poverty, and maximising the effectiveness of these by removing the eligibility link between them and social welfare receipt is a consideration.

Universal benefits

Universal benefits for parents usually take the form of child allowance, often a lump-sum, sometimes progressive dependent on the number of children in a household, and which are sometimes complemented with age supplements. These benefits are available to all families regardless of their income with the presence of a child as the qualifying condition.

In some countries, the universality of child allowances has come under question. For example, in the UK, a High Income Child Benefit charge was introduced which imposes a tax on child benefits received for those with incomes above a certain level. The argument here is that income-tested child allowance releases resources for parents and children who need it the most.

²³ http://files.nesc.ie/nesc_reports/en/151_Future_Social_Welfare.pdf (pg5)

Targeted benefits

Targeted family benefits suppose the presence of a child but have additional eligibility criteria such as low income or being a single parent. Denmark and Norway provide family benefits specifically targeted towards single parents. This is delivered through universal benefits and a supplement.

The UK and US target family benefits through a tax-credit approach. Germany provides a means-tested supplement. The UK and Ireland have universal child benefits and eligibility for other financial supports when income is below a certain level. This is the poverty-targeted policy model. This model differs from targeting universalism as it is targeted on the basis of low income rather than, for example, being a single parent and there is no additional supplement provided.

Impact of universalism and targeting

Countries that apply targeting within the universalism of their family benefits (such as Denmark, Finland, Iceland and Norway) tend to have lower rates of poverty due to targeting²⁴.

Universal benefits may gain the political support necessary to sustain redistributive budgets. Besides the stigmatising character of targeted benefits, these benefits are also associated with a major administrative workload, which often implies additional costs. Non-take-up is another problem associated with targeting and can result in a situation where vulnerable groups do not receive the benefits they are entitled to. Income-tested benefits may also lead to situations in which families no longer have sufficient incentives to enter or remain in the labour market.

The ESRI recently researched social transfers and deprivation in Ireland²⁵ through the lens of certain cash and non-cash payments which focused on the association between transfers and deprivation for social risk²⁶ and social class groups and the household's ability to achieve a basic standard of living. This research concluded that in terms of coverage, vulnerable social risk groups often had the highest chances of securing transfers and non-cash benefits when compared to working age adults. It also noted that transfers and support services have a variable but positive effect, in that they limit the chance of deprivation. It was also noted that vulnerable social risk and social class groups are the most likely to benefit from transfers and services, when compared to groups that are better insulated from poverty and social exclusion.

²⁴ <https://www.oecd.org/els/family/Poor-children-in-rich-countries-Policy-brief-2018.pdf>

²⁵ [Social transfers and deprivation in Ireland](#)

²⁶ Social risk groups are those that are at a higher risk of experiencing poverty and deprivation. They differ in the challenges they face due to their capacity to convert resources (such as capital and skills) into desired outcomes (goods and services). They include lone parents, adults with a disability, young adults, children, older adults and migrants.

3.2 Options to Reform Child Benefit

The various commissions and working groups which have examined child income support payments in the past have addressed the issue of retaining universal child benefit. While there has generally been agreement that an element of child benefit should remain universal, these examinations have focused on how the payment could be made more targeted, for example in the recommendations of the Commission on Taxation (2009) and the advisory group on Tax and Social Welfare (2012).

The Mangan Report (2012)

The advisory group on Tax and Social Welfare (2012) examined child benefit in detail. Known as the Mangan report²⁷, the report examined the idea of a two-tier child benefit. This report also examined options in relation to the taxation and means-testing of child benefit. The reports preferred option²⁸ - in addition to maintaining a universal child benefit in respect of all children – was a two-tier child income support payment.

Overall this group felt that the introduction of a two-tier payment, which would replace qualified child payments and extend to those not in receipt of social welfare had the potential to provide a means of better targeting with a smaller negative impact on work disincentives than current payments. It was acknowledged that a two-tier payment would result in a reduction in the level of the current universal payment but this would be offset through the targeting of the second tier to those within the lower to middle income distribution.

The report noted Ireland's universal child benefit payment of €140 a month (at the time) made it the fourth highest provider in the EU at that time (which remains the case today). While Ireland's social transfers ranked highly against other countries the report noted that the transfer figure did not take into account any of the services provided to families with children, which are provided at a significant level in other countries²⁹.

The arguments made in the report in favour of retaining a universal payment, and which remain pertinent today, can be summarised as follows:

- At a societal level, a universal payment makes a strong statement that children matter and that society values children and wishes to share in the cost of raising children.

²⁷ [Mangan Report](#)

²⁸ Some members of the Group considered that taxation of child benefit remained an attractive option. In particular, the information available on household incomes in Revenue databases is impressive.

²⁹ [ESRI research](#) (page 126) estimated average weekly hours formal childcare (children aged 0-12 years) to be 22.4 hours and the average subsidies to be €1,638

- A universal payment is easy to understand and administer and results in a high level of take up.
- A universal payment is employment and income neutral and therefore avoids labour market disincentive effects.
- A universal payment avoids branding the families that receive it as poor and as such is free of stigma. This in turn ensures a high level of take-up.
- It avoids fluctuations in the level of payment being provided to families and thus ensures certainty and can aid budgetary considerations within the family unit and increase the likelihood that the payment is used for the welfare of the children.
- It facilitates intra household distribution of resources.

The main arguments against retaining a universal payment were and continue to be:

- It is expensive;
- It is ill-targeted and on its own it does not provide adequate support to those children living in the poorest families; and
- It has multiple objectives and as such it can be difficult for all of these objectives to be met.

Therefore, while the Mangan report was in favour of retaining an element of universality, it recognised the need to examine the balance between universal and selective elements within the system of child income supports. More recently this was reflected in the NESC report of 2020 which is examined in further detail below.

Options to reform

(a) Two-tier child income support(s)

The NESC paper of 2020 made a recommendation to introduce a two-tier child income support that would comprise a universal child benefit paid in respect of all children, with an automatic supplement payable in respect of children in low-income families, whether these families are in receipt of a social welfare payment or in low-paid employment. This would seek to address some of the cliffs currently experienced by individuals transitioning from welfare to work and could act as an incentive to work also. NESC envisage this second tier of child income support as a merging of the Increases for a Qualified Child with Working Family Payment. Overall, the priority should be to direct resources to children in family units of all types rather than to particular family types – as is the case currently.

An overview of how child benefit is treated across the EU is at [appendix 2](#).

(b) Income/means testing

Means testing child benefit could result in some families not receiving any child income support from the State. Successive previous examinations of child benefit have favoured the retention of some level of universal child income support payment at an appropriate level. While income/means testing child benefit has potential to improve targeting of resources it also would have considerable administrative consequences, as the scale of means testing would be significantly greater than anything required by the current system. At present only recipients of social assistance income supports are means tested, social insurance recipients are not. Equally in-work benefits and the national childcare scheme are currently determined on the basis of an income test, not a means test.

(c) Taxation

A third option is the taxation of child benefit – which would mean that Child Benefit payments would be added to other forms of income when income tax is being calculated. This could, in theory, reduce the cost of provision while improving targeting. The impact of such a change, however, would require careful analysis and consideration. Taxing Child Benefit at existing levels would be likely to have, at least, some negative impact on families on low incomes. This could be alleviated by increasing the general level of payment, but it would be more likely that a blended approach would be optimal i.e. coupling taxation with an additional tier of child income support for those on lower incomes – detailed in (a) above.

If, for example, child benefit was to be treated as income for tax purposes, it may erode the adequacy of some households overall income if an additional tier of child income support is not provided. The Mangan report contained the results of SWITCH analysis which showed the impact of:

- (1) a two-tier system based on a 60% universal and 40% selective payment, and
- (2) the taxation of child benefit.

The analysis found that (1) would see poverty levels reduce marginally for both the whole population (0.2%) and children (1.06%) and that (2) resulted in poverty levels at the 60% median income threshold rising by 0.5% for the population as a whole and by almost 3% for children

There is also a legal issue³⁰ in relation to the requirement that cohabiting couples with children would not be treated less favourably than married couples with children. This could arise, for

³⁰ The income tax system allows for particular recognition of married couples which is not available to cohabiting couples who are not married. The current tax treatment that is only available to married couples includes the

example, if the child benefit income was deemed to be the income of the income earning spouse but could not be deemed to be the income of an income earning co-habitee. At present a core principle of child benefit is that it is paid primarily to the mother in a household and remains an independent source of income for many women³¹.

Overall the design of any system which introduced the taxation of child benefit would need to be carefully constructed. Also, careful consideration would need to be given to the future design of standard rate cut-off points in order not to over burden households whose only source of income is in social welfare.

4 Individualisation

4.1 Social welfare individualisation

The Irish social protection system is based on the individual but takes account of household structures. Social assistance payments are generally assessed on the basis of household income rather than just that of the individual. For those who are married, in a civil partnership or cohabitating, the means of the spouse, civil partner or cohabitant are also taken into account.

The corollary of this is that the presence of a spouse or partner, and any children, is a factor in determining the final payment rate through the payment of extra amounts for adult and child dependents. Individualisation (or partial individualisation) is also a feature of the tax system and this was discussed at meeting 14³².

There are ongoing developments in the area of social protection individualisation. The Roadmap for Social Inclusion includes an action to review the current system of classifying second adults in households as 'dependent adults' with a view to individualising welfare payments and supports³³.

NESC 2020 report

The NESC report reinforces the principle that the social welfare system should reflect changing patterns of household and family formation, with a commitment to equal gender roles and rights, and a sharing of family responsibilities and recommends the individualisation of qualified adult payments.

ability to be jointly assessed, the effective partial transferability of the personal tax credit, the increased standard rate cut of point and the ability to claim the Home Carer Credit (if applicable)

³¹ CSO Labour force survey data for Q3 2021 reports 214,000 women whose primary economic status as 'engaged in home duties'

³² [Personal taxes on income](#)

³³ [Roadmap for Social Inclusion](#) (action 36 – the timeline has been extended due to Covid)

The NESC paper proposes that the welfare and tax systems should be reformed to more closely reflect current family/labour-market patterns. This would involve further individualisation of social welfare such as requiring qualified adults who are on means-tested payments, with children older than seven, to participate in activation, education, training and job-seeking, as lone parents on Jobseeker's Transitional Payment³⁴ do now.

NESC acknowledges that, over time, policy has moved substantially in the direction of recognising the changing patterns of households and family formation. However, it remains the case that the core social welfare system is predicated on the adult-plus-'dependent'-partner plus-children model.

The approach proposed by NESC takes into account the caring role of Qualified Adults with young children, while also moving towards greater individualisation in the treatment of Qualified Adults. It would be important to ensure that adequate secondary benefits, income disregards and/or responsive in-work supports are in place if Qualified Adults are to be encouraged to increase participation.

Taking account of the ongoing work in relation to the Roadmap for Social Inclusion action, the NESC report, and discussions at meeting 14 regarding individualisation in the personal tax system, the Commission may wish to consider the extent that personal circumstances and family and relationship decisions, including around marriage and family life, should impact on the receipt of social protection benefits that individuals and households may be entitled to, relevant to employment, and to what extent such benefits should be individualised. The full cost of individualisation of social assistance benefits is unknown – much depends on the extent of individualisation undertaken. Notwithstanding this, the recent reforms to lone parents payments provides an example of how a move towards individualisation might be achieved

Reforms to lone parent payments

The following parameters were set as part of reforms introduced to lone parent payments from 2013-2016 which could, in theory, be applied to qualified adults;

- Lone parents (or in future, qualified adults) with any children under the age of 7 would not be required to engage in activation

³⁴ Jobseekers Transitional Payment (JST) is a social assistance payment made to individuals who are parenting alone whose youngest child is aged 7-13. JST recipients are exempt from conditions that require them to be available for full-time work and genuinely seeking work. They can also work any work pattern and still receive a payment subject to a means test. They are required but not mandated to engage with the activation services.

- Lone parents (or in future, qualified adults) in households with any child aged between 7-13 would be required to engage in some form of activation but would be exempt from other jobseekers conditions such as genuinely seeking work

- Lone parents (or in future, qualified adults) in households with older children would be fully individualised jobseekers

A review of the reforms of one-parent family payment³⁵ found that the policy reforms led to a net saving to the Exchequer of €261.5 million over the period from 2013 to 2016. This was due to reduced payments to the individuals who lost OFP.

It should be noted that while this report concluded that the reforms were successful in increasing employment and reducing welfare dependency, concerns remain that those who lost OFP and remained unemployed or in low paid or part-time employment did not benefit. The impact on individuals' financial incomes in the year post the OFP changes varied and the results indicate that 52% of individuals who lost OFP in 2015 faced no decline in incomes in the following year. 19.8% of those who lost OFP experienced increases in income of over 10%, but over 30% experienced income declines of over 10%. These individuals are likely those with very small earnings from employment.

The objective of the policy changes were to increase employment and reduce long-term social welfare dependency. The findings in this report support the rationale and continued relevance of the policy changes. However, the report found that unless accompanied by further increases in employment the objective of reducing poverty will not be met for many individuals.

As noted above, it is difficult to definitively estimate the cost of such a change in relation to qualified adults, as many qualified adults may be engaged in some work and it does not take account of the much larger design questions associated with individualisation such as what the rate of payment would be, how the household income would be assessed, how payments, for example for qualified children, would be allocated and what impact would it have on who is in receipt of other benefits e.g. child benefit, NCS.

OECD Research (2019)

Research conducted by the OECD³⁶ in 2019 found that over the previous ten years the share of children living with informally cohabiting parents increased from 10% to 16% across the OECD countries. Around 17% of children across the OECD live in single parent families and children living in a single

³⁵ <https://igees.gov.ie/wp-content/uploads/2018/05/Review-of-the-Amendments-to-the-One-parent-Family-Payment-since-January-2012.pdf>

³⁶ <http://www.oecd.org/els/family/child-well-being/Treating-all-children-equally-Policy-brief-2019.pdf>

parent family are three times more likely to experience poverty compared with a child in a couple family. In Ireland, the OECD research finds that 9.1% of children live with informally cohabiting parents and 21.2% live in a single parent family.

The OECD asserts that the partnership status of parents should not affect entitlements to child-related support within the tax/benefit systems. Overall, the OECD also maintains that tax/benefit systems need to be more responsive to the growing diversity and fluidity of family life challenges – to ensure that all children are treated equally in a transparent way.

Citizens Assembly on Gender Equality

The report of the Citizens Assembly on Gender Equality was published in April 2021³⁷. In terms of recommendations, the Assembly called for a fully individualised social protection system to reflect the diversity of today's lives and to promote an equal division of paid work and care. Social protection services should, among other things, set social protection payments and/or supports at a level that lifts people above the poverty line, prevents deprivation and supports an adequate standard of living.

Welfare and tax interaction

As noted at meeting 14³⁸, there is no common unit of assessment across the tax and social welfare codes. The most notable difference relates to the treatment of cohabiting couples who are treated in the same way as married couples for social welfare purposes but as individual taxpayers under the tax system. There are valid reasons why this is the case - the unit of assessment under the social welfare code can vary depending on the scheme but it tends to be organised primarily around a claimant who is resident with immediate family (consisting of the claimant, his/her spouse or partner and dependent children) in order to take account of the entire structure of a household when determining the level of assistance provided. In contrast the unit of assessment under the tax code is always on an individual basis with married couples having the option of availing of joint assessment thereby benefiting from the sharing of tax credits, some transferability of tax bands and the availability of the "home carer credit" in certain circumstances.

Future direction

In light of the differences between both the tax and welfare system in terms of treatments of households and recognising the changing pattern of households and family formation, future, enhanced, coordination of the two systems may support increased economic activity and employment

³⁷<https://www.citizensassembly.ie/en/news-publications/press-releases/recommendations-of-the-citizens-assembly-on-gender-equality.html>

³⁸ [Personal taxes on income](#)

by increasing labour market participation, by removing potential disincentives associated with marginal effective tax rates, and improving incentives that ‘make work pay’. The relationship between changes to the core rates of working age social welfare payments and the entry points and thresholds in the income tax system (including PRSI) is particularly important and relevant to those on low pay. Tax and welfare changes which are part of the annual budgetary process are typically made in tandem to ensure that the financial incentive to work is not eroded over time, for example if there were to be increases only in the social welfare payments without a corresponding change to the tax rate bands that could narrow the short-term financial advantage of being in work.

5 Incentivising work

5.1 In-work supports

As discussed at previous meetings of the Commission³⁹, financial incentives are not the sole driver of the decision to take up work. Other factors matter as well, including social and personal motivation on the part of jobseekers, and the activation and support measures delivered primarily by the DSP.

The incidence of disincentives to work in the Irish social welfare system is low. A 2015 ESRI publication⁴⁰ entitled Making Work Pay found that:

“more than eight out of ten unemployed jobseekers would see their income increase by at least 40% upon taking up employment. Fewer than 3% would, in the short-term, be financially better off not in work. The risk of facing weak financial incentives to work is higher for unemployed persons with a spouse and children, as the income support goal of the welfare system means that they tend to have higher welfare payments. However, even among that group, fewer than 1 in 15 would be financially better off not working.”

Incentivising work can be broken down into three stages;

1. People should be encouraged to take up some work – even if it is only a few hours per week to prevent further drift from the labour market and reduces their dependence on welfare.
2. Parents living off a mixture of work and welfare should be incentivised to increase their work intensity with a view to moving off welfare entirely.

³⁹ Including meeting 10 (Employment disincentives in the welfare and tax systems) and meeting 11 (Activation and the Public Employment Service)

⁴⁰ <https://www.esri.ie/system/files/media/file-uploads/2015-07/BP201602.pdf>

3. All adult dependents should be incentivised to engage in labour market preparation (through activation) and labour market participation with a view to transitioning from income supports entirely.

Taking up work

A review of the Operation of the Working Family Payment (WFP) published by the DSP in 2018⁴¹ found that there are virtually no disincentives built into the current system at the first stage (1 above). All working-age means-tested schemes have earnings disregards ranging from €60 (€20 per day up to a maximum of three days) for those on Jobseekers Allowance, to €165 for an individual who is parenting alone⁴². Therefore, an individual will not lose a single euro of their social assistance payment by doing a small amount of work. Conversely, the cap on the number of days a person can work while in receipt of a jobseekers payment can act as a disincentive to increase labour market participation.

In-work supports

In-work support is provided through the WFP and also Jobseeker's Allowance. While WFP is specifically designed as an in work support, Jobseekers Allowance – a social assistance jobseekers payment – also acts as an in-work support. The construct of the scheme is such that it allows for work of up to a maximum of three days to be undertake without total loss of benefit.

Policymakers are faced with trade-offs in the design of income supports for families in and out of work. There are essentially three key parameters:

- the level of income support for those without earnings,
- the rate at which such support is withdrawn through benefit reductions and/or taxes, and
- the aggregate cost to the Exchequer of income support.

However, economic reality dictates that only two of the three parameters can be chosen by policymakers – the third is then automatically determined. For example, if policymakers choose an income support level and a benefit withdrawal rate, then the aggregate cost is automatically determined by the labour supply choices of individuals and families facing the given system.

Key concerns in the design of income, and in-work, supports include the adequacy of the support provided and its withdrawal for incentives to work. The Commission will recall at meeting 4⁴³ information on the metrics used to measure incentives such as the replacement rate (RR), the participation tax rate (PTR) and the marginal effective tax rate (METR) was provided.

⁴¹ <https://assets.gov.ie/119401/21ead7ce-35b3-45bf-9da2-a286ae335bcf.pdf>

⁴² Disregards were covered in detail at [meeting 4](#)

⁴³ 'How the taxation and welfare systems interact to facilitate employment

The recently published [Pathways to Work strategy](#) contains actions to consider how the WFP in particular might be used to provide support to groups beyond what it currently caters for i.e. individuals of working age without children – essentially modifying jobseekers assistance using Revenue earnings data to adjust payment levels in line with weekly earnings, to guarantee a basic income floor. This combined with another commitment in relation to using the experience from the PUP to inform the design of any pay-related social insurance based short-term jobseekers payment corresponds to the narrative by NESC that low-paid working people with children have access to WFP but there is no such support payment for low-paid workers without children. NESC suggests that consideration could be given to amending the WFP to include this group.

In-work benefits: WFP and Jobseekers Allowance

Working Family Payment

The WFP ([meeting 2](#)) is the primary in-work supports for low income working families. WFP is paid at a rate of 60% of the difference between a households' income and the relevant income threshold. The 60% rate applied to the difference between family income and the income limit, performs two functions. First, it acts as a multiplier providing income support to low paid families by closing a portion of the gap between gross income and the income limit. Second, it also acts as a withdrawal rate which serves to gradually withdraw the benefit as net income gets closer to the income limit.

To illustrate the trade-off between policy objectives, WFP therefore has two key parameters by which the balance between providing support and providing strong financial incentives to work can be altered. Reducing the multiplier/withdrawal rate will reduce METRs, thereby strengthening the incentive to progress in work. However, it would also reduce the level of support offered to low income recipients, thus impacting on the poverty alleviation purpose of the payment.

Alternatively, the income limits can be changed. Increasing the income limits, for example, would increase the support offered to low income families at the cost of increasing the income range over which WFP is withdrawn. Recent successive budgets have increased the income thresholds for WFP by €10, however, this has largely been to offset increased in the National Minimum Wage so as to ensure that the full benefit of any increases is realised by WFP recipients⁴⁴.

⁴⁴ For example, an increase received by families of €0.30 will be offset by the taper resulting in the effect that for every hour worked the individual will see their WFP payment decrease by 60% of the increase in the NMW e.g. for every additional €0.30 earned per hour a WFP recipient will lose €0.18

Any scheme that meets both of criteria of providing support to low income workers – beyond those currently covered - and providing strong financial incentives to work is likely to encompass more households, and support households further up the income distribution.

WFP is not designed as a primary social welfare payment, but as an in-work support to low-waged employees who have children. It is important that in-work benefits like WFP do not inadvertently subsidise unsustainably low earnings or encourage employers to offer minimal hours of employment. The tax and social protection systems have a fundamental part to play in addressing the challenges of creating jobs, reducing unemployment and in ensuring work pays. The longer term goal of in-work supports, as incentives to take up and progress in work, could be compromised if the nature of the work taken up is not sustainable. Unsustainable levels of subvention from the State may also occur.

Jobseekers Allowance

For low income workers with less than the minimum hours of employment for WFP (38 hours per fortnight) and who are working on a casual basis (up to and including three days per week – the three day rule) the jobseeker's allowance scheme provides in-work income support through disregards and tapered withdrawal.

Once three days is exceeded, the household may qualify for the WFP (see hereunder). It is possible that an individual could fail to qualify for either scheme, however, this issue is much less problematic for couples because the three days rule does not apply to the qualified adult attached to the jobseekers claim. Couples will only fall into the "gap" between the schemes when both work more than three days, but their combined workload does not amount to 19 hours per week. This is a highly unlikely scenario.

If further individualisation of the social welfare system is implemented, this will impact on qualified adults and families, and will need to be managed - for example through transitional arrangements. For example, many current qualified adults, who are currently working, would be subject to activation.

Jobseekers allowance versus WFP

Ideally, WFP should raise all eligible families out of poverty. However, due to the construct of the interaction between Jobseekers Allowance and WFP, couple households with 1-3 children and where only one adult is working are always better off on Jobseekers Allowance, which works well for many families with caring responsibilities where one adult works full-time and another part-time.

If WFP was to be amended to make it a more generous option than current jobseekers allowance and therefore incentivise employment of more than three days a substantial increase in the WFP income thresholds for families would be required to compensate for the loss of, for example, qualified child

payments. Changes to, for example, a rate of WFP paid may also have an impact on the level of support provided through a secondary benefit such as the National Childcare Scheme.

Reforming WFP and extending a WFP style payment to households without children as suggested by NESC would not be without its challenges as it has the potential to create losers, in terms of income and secondary benefits, across a range of social assistance schemes if the transition to a more streamlined delivery of supports is not managed incrementally and carefully. The quick withdrawal of an in-work support or social assistance payment would add to, rather than alleviate social welfare cliffs. Withdrawal of supports combined with increased taxation on income can also serve as a disincentive to increase hours of employment which in turn impacts on the imperative that in work supports “make work pay”.

Parenting alone

A primary example of ‘losers’ in this scenario would be One-Parent Family Payment recipients who are working and also in recipient of WFP. They will be financially disadvantaged if WFP is withdrawn in favour of a new support which combines WFP and qualified child payments as is recommended by NESC⁴⁵. The impact of the replacing both payments with one new payment will have a double negative impact on this, often, financially vulnerable group. This group would receive the full rate of new child income support, which will likely replace the loss of the qualified child payment. However, their income from WFP would not be replaced.

5.2 Options for reform

The challenges associated with reforming the current system of in-work supports have been outlined in the previous section. However, that does not mean that there are no options for reform nor that the system cannot be improved upon.

The interaction of Jobseekers Allowance (specifically the constraint regarding working three days) and WFP are significant. A person who moves from working three days to four days, while increasing work income, possibly faces a substantial loss of welfare income – if they are not eligible for WFP – potentially resulting in a lower income overall. An alignment of Jobseekers Allowance and WFP, through for example a single working age payment that makes every hour of work pay through the tapered withdrawal of supports may go some way to resolve this. DSP previously examined, in 2010, the desirability and feasibility of introducing a single working age payment for people of working age in Ireland, and the extent to which such a payment would facilitate people to take up employment or increase their prospects of taking up employment in the future. The analysis concluded that

⁴⁵ http://files.nesc.ie/nesc_reports/en/151_Future_Social_Welfare.pdf (page 87)

Jobseeker's Allowance could be the overarching payment for people of working age but it would need to be structured in such a way that conditions could be tailored according to individual circumstances⁴⁶. Notwithstanding the challenges identified by DSP at that time, reforms of WFP since then, combined with better information sharing between DSP and Revenue, mean a single working age payment could be more responsive to changes in income now.

5.3 In-work supports and progression

The range of income support schemes provided by the DSP in tandem with the wide range of personal supports delivered through the public employment service, largely ensure that beneficiaries are given sufficient support to access and sustain employment. Notwithstanding this, the nature of supports provided can change over time depending on an individual's personal circumstances and/or family situation. The transition through, and interaction between, these supports can present challenges and impact negatively on the progression from welfare to work. It can be equally challenging for the DSP to ensure that changes made to a specific scheme do not have unintended consequences on another. It is also important to note that progression is also generally envisaged within employment – there is an assumption that in-work benefits would not be provided indefinitely and income would improve through further activation /training and employer provided training.

Progression policy responses should encourage both increased engagement with work and increased working rates. Responses should ensure that a combination of in-work supports and employment income truly make work pay, however, in-work benefits should be withdrawn at some point – as an individual progresses to higher levels of pay – high incidences of low pay in an economy hampers this.

National minimum wage progression

In an Irish context, the ESRI has published research⁴⁷ (funded by the Low Pay Commission) which examined transitions in and out of national minimum wage employment and which provide some useful findings in relation to progression. The research showed that, consistent with international evidence, minimum wage employment often acts as a stepping stone to higher paid work – 30% of those examined progressed while 18% remained on the NMW.

⁴⁶ Notwithstanding, the analysis also found that the effect of aligning working age social assistance payments to the rules of Jobseeker's Allowance showed that there were losses in all categories at almost all income levels, with losses greatest for Carer's Allowance, One-Parent Family Payment and Disability Allowance at the time the analysis was undertaken. In certain cases, entitlement to a payment would cease at significantly lower income levels than currently, and in some cases entitlement to a payment would cease or be substantially reduced.

⁴⁷ [An examination of the labour market transitions of minimum wage workers in Ireland](#)

The results showed that exits from NMW status to higher waged employment were achieved primarily through ‘within-employer’ wage progression rather than ‘between employer’ job changes. Over 90% of employees who transitioned to higher paid employment did not change occupation or employer.

The analysis showed that Irish nationals, older workers, those with higher levels of education, full-time employees and those on permanent contracts are more likely to exit minimum wage employment to higher paid employment compared to non-nationals, younger persons, those with lower educational attainment, part-time workers and those on temporary contracts.

The research also found a higher transition rate to unemployment or inactivity among minimum wage employees compared to higher paid employees. Minimum wage workers were 10% more likely to become unemployed or inactive compared to workers in the highest income decile. The research also showed that NMW workers are often not the principal earner in a household, thereby shielding them from deprivation. Further information is at [appendix 3](#).

Welfare to work progression

The Commission previously considered activation at meeting 11⁴⁸. The activation process is an integral part of progression from welfare to work. Data has already been provided in relation to public employment service activity, referrals to education and training and public employment programmes – all key drivers assisting individual’s progress from welfare to work. While jobseekers payments, both social assistance and social insurance, include activation conditionality – many of the supports offered while an individual is making the transition from welfare to work are social assistance schemes.

6 Conclusion and questions

This paper has sought to bring together a number of elements of the social assistance system through the lens of its role in poverty alleviation and adequacy for the Commission to consider its future role and direction if reforms to the social insurance system are to be recommended. The paper also puts forward a number of options for reform to the social assistance system which are designed to assist the Commission in its deliberations of the following questions.

- Should further individualisation occur within the social protection system to take account of personal circumstances and family and relationship decisions?
- Should child benefit be reformed to become a two-tier payment akin to recommendations in NESC 151/20?

⁴⁸ [Activation and the Public Employment Service](#)

- Does the Commission have a view on the taxation of means-test social assistance payments in terms of their adequacy and poverty alleviation objectives?
- Does the Commission have a view on how the current in-work supports provided could or should be amended to better achieve their objectives? To what extent does the Commission consider that personal circumstances and family and relationship decisions, including around marriage and family life, should impact on the receipt of social protection benefits that individuals and households may be entitled to, relevant to employment – in particular the treatment of qualified adults.

Appendix 1 Social Assistance and Social Insurance recipients

Table 1:

Scheme	2015	2016	2017	2018	2019	2020
Pensions - Social Assistance	95,179	95,221	95,140	95,263	94,854	95,465
Pensions - Social Insurance	482,152	498,601	516,241	534,106	554,485	573,202
Total Pensions	577,331	593,822	611,381	629,369	649,339	668,667
Working Age Income Supports - Social Assistance	317,127	286,277	250,584	221,941	205,872	203,271
Working Age Income Supports - Social Insurance	66,525	63,576	64,328	62,262	63,005	355,280
Total Working Age Income Supports	383,652	349,853	314,912	284,203	268,877	558,551
Working Age Employment Supports - Social Assistance	74,306	67,801	60,559	50,864	43,986	325,504
Working Age Employment Supports - Social Insurance	1,612	1,873	394	2,426	2,956	3,227
Total Working Age Employment Supports	75,918	69,674	60,953	53,290	46,942	328,731
Illness, Disability, and Caring - Social Assistance	212,691	229,907	246,023	260,932	273,858	286,840
Illness, Disability, and Caring - Social Insurance	127,613	128,509	129,404	132,126	125,910	127,565
Total Illness, Disability, and Caring	340,304	358,416	375,427	393,058	399,768	414,405
Child Related Payments - Social Assistance	675,671	681,206	682,924	690,094	695,998	685,529
Child Related Payments - Social Insurance	983	1,048	1,036	1,129	1,164	1,179
Total Child Related Payments	676,654	682,254	683,960	691,223	697,162	686,708
Supplementary Payments, Agencies, and Miscellaneous Services - Social Assistance	59,963	46,436	33,399	22,948	15,969	18,032
Total - Supplementary Payments, Agencies, and Miscellaneous Services	59,963	46,436	33,399	22,948	15,969	18,032
Social Assistance	1,434,937	1,406,848	1,368,629	1,342,042	1,330,537	1,614,641
Social insurance	678,885	693,607	711,403	732,049	747,520	1,097,626
Total Recipients	2,113,822	2,100,455	2,080,032	2,074,091	2,078,057	2,712,267

Source: DSP annual statistics report 2020

Appendix 2 –EU treatment of child benefit

Table 2: Design and treatment of child benefit in EU member states

	Design	Maximum monthly rate**
Austria	Universal	€121.90
Belgium	Universal	€95.81 - € 142.80***
Bulgaria	Means-tested	€20
Croatia	Means-tested	€40
Cyprus	Means-tested	€39.58
Czech Republic	Means-tested, targeted*	€30
Denmark	Means-tested	€164
Estonia	Universal	€60
Finland	Universal	€94.88
France	Means-tested	€131.95
Germany	Universal	€219
Greece	Means-tested	€70
Hungary	Universal	€33
Ireland	Universal	€140
Italy	Means-tested	€258.33
Latvia	Universal	€11.38
Lithuania	Means-tested	€70
Luxembourg	Universal	€265
Malta	Means-tested	€104.35
Poland	Means-tested	€21
Portugal	Means-tested	€49.95
Romania	Universal	€44
Slovakia	Universal	€25.50
Slovenia	Means-tested	€117.50
Spain	Means-tested	€28.41
Sweden	Universal	€124
The Netherlands	Universal	€78

Source: MISSOC, Family benefits.

*Entitlement to Child Allowance in Czech Republic is limited to families with an income under 2.7 times the family Living Wage.

**Monthly rate based on first child, aged 4 years old, in low-income two-parent family. Rates above are flat where universal, or maximum rate in means-tested systems.

*** Rates in Belgium vary by region. Above rates apply to child born before 01/01/2019; rates for children born on or after this date range from €150 - €163.20.

Appendix 3 – National Minimum Wage statistics

Source: [An examination of the labour market transition of minimum wage workers in Ireland.](#)

This report was published by the ESRI in 2018 and utilised data from the Quarterly National Household Survey to assess the degree to which individuals in receipt of the national minimum wage (NMW) transition in and out of NMW

TABLE 2.4 SOCIO-ECONOMIC CHARACTERISTICS OF PEOPLE BY MOVEMENT AT THE MINIMUM WAGE

	Stayers %	Moving out of MW %	Moving into MW %
Nationality			
Irish	72.0	80.2	78.9
Non-Irish	28.1	19.8	21.1
Total	100.0	100.0	100.0
Gender			
Male	43.8	43.2	44.5
Female	56.2	56.8	55.5
Total	100.0	100.0	100.0
Age			
15 to 29	55.6	45.7	52.4
30 to 39	[19.0]	20.7	17.9
40 to 49	[13.3]	16.8	14.3
50 plus	[12.0]	16.8	15.4
Total	100.0	100.0	100.0
Education			
Lower secondary	26.0	23.7	29.3
Upper secondary	54.1	53.9	52.4
Tertiary	[19.9]	22.4	18.3
Total	100.0	100.0	100.0
Marital status			
Single	65.7	62.8	69.0
Married	27.8	31.6	26.0
Widowed/divorced/separated	*	[5.5]	[5.0]
Total	100.0	100.0	100.0
Household type			
One adult	*	6.9	[6.0]
One adult and child(ren)	*	[5.4]	[4.8]
Two adults	[16.0]	16.2	15.8
Two adults and children	31.2	25.8	25.7
3+ adults and children	22.9	19.3	22.4
3+ adults, no children	20.4	26.5	25.3
Total	100.0	100.0	100.0

Source: Quarterly National Household Survey.

Notes: Parentheses [] indicate where there are 30-50 persons in a cell, estimates are considered to have a wider margin of error and should be treated with caution. * indicates the sample size was too small to report the statistic.

⁹ www.cso.ie/en/releasesandpublications/er/q-nmw/qnhs-nationalminimumwageseriesq42016.