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One Family

Chapter 1 - General Questions

1 What elements of the taxation and welfare systems do you feel are working well?

Please elaborate below::

Under changes to the Back to School Clothing and Footwear Allowance taking effect in 2022, one-parent households will be subject to the same income thresholds as two-parent families. This is a policy change One Family has long been campaigning for and represents a correction to just one of the technical, structural inequalities experienced by one-parent families in the welfare system.

Over the last number of years there have been gradual increases to the Qualified Child Increase (QCI) payment, alongside the introduction of a higher rate for older children. This comes in response to advocacy from One Family and other organisations, and in particular research developed by the Vincentian Partnership for Social Justice which showed the increased expenses associated with having older children. (VPSJ, 2021a) While the recent increases have been very welcome, more is needed to ensure families have sufficient welfare income to meet their essential needs.

Incremental increases to the earnings disregard for the One Parent Family and Jobseekers Transitional Payments to €165 per week has helped lone parents take up work and increase their working hours. It is vital such changes continue to be implemented to keep track of inflation.

In 2021 the Minister for Social Protection amended the means testing requirements for Disability Allowance (DA). By implementing 'Catherine's Law' scholarship awards for PhD students are now exempt from the means test for Disability Allowance. This is an example of where an 'unfairness' in the system is highlighted by a service user or representative group and amended or removed quickly and such a response should be emulated to tackle other inequalities which exist throughout the welfare system; particularly those affecting the most vulnerable.

2 What elements of the taxation and welfare systems do you feel are not working well?

Please elaborate below::

Preventing Poverty and Deprivation
In general the welfare and taxation system is not preventing poverty and deprivation, particularly in many of the most vulnerable cohorts. In 2016, the United National Committee on the Rights of the Child expressed deep concern at the 'significant increase in the number of children living in consistent poverty' in Ireland and specifically referred to one-parent households. One-parent families are consistently over-represented in measurements indicating poor outcomes and well-being, such as poverty, deprivation, homelessness, fuel poverty, living standards. One-parent families are among those most at risk of poverty in Ireland; 31.8per cent of one parent families are at risk of poverty compared to 13per cent of the overall population and they are more likely to live in consistent poverty (21.6per cent compared to 5per cent of overall population) or to experience deprivation (47.8per cent compared to 15.6per cent of overall population). (CSO, 2021)

While One Family recognises that the welfare and taxation systems do not shoulder the total responsibility for tackling poverty, they are the first line of defence. In recent years, progressive measures introduced to protect households with older adults from poverty have seen significant success. (VPSJ, 2021a) A report published jointly by the ESRI and Community Foundation Ireland, which demonstrated the power of the State pension to protect recipients during the Great Recession and mitigate the significant increases in material deprivation seen in other age groups. (Roantree et al, 2021) This shows tackling poverty and income inadequacy is within the gift of the Government once there is political will. With regard to one-parent families, there have been multiple independent and Government commissioned research reports published since 2016 alone, detailing how the welfare system in particular could be improved. These reports include a 2017 Joint Oireachtas Committee on Social Protection report which made wide ranging

recommendations. This report is referenced in the Programme for Government commitments towards lone parent families. All of these reports indicate that the poorer outcomes experienced by one-parent families urgently need to be addressed.

One Parent Family Payment Reform

The Social Welfare and Pensions Act, 2012 introduced substantial changes to the One Parent Family Payment (OFP). Reforms applied to both new and existing applicants and saw the upper age limit for children moved from 18 to seven years. These changes were made alongside a commitment to reforms of childcare, which have not been implemented. As a result of this policy change, thousands of one-parent families were pushed into poverty.

The legacy of the 2012 changes to OFP are still being felt a decade later, as is evidenced by the high rates of poverty and deprivation experienced by one-parent families. Lone parents in Ireland are also now five times more likely to experience in-work poverty than other households with children. (SVP, 2019) Approximately half of all Working Family Payment recipients are lone parents, which indicate how reliant these families are on state income supports to stay in work. This is proof reforms of OPF have failed to activate lone parents into employment, instead they have succeeded in pushing more one-parent families into poverty.

Recognition and Understanding of Shared Parenting

There is limited demographic data on shared parenting in Ireland. There were approximately 218,817 lone parents and 356,203 children in one-parent families in Ireland in 2016; however, many of the families categorised as 'households headed by one adult' likely have some level of shared parenting. (SVP. 2019) This dearth of data on shared parenting families means they are almost wholly invisible in national and local policy. In 2017 One Family published the first national shared parenting study which found parents felt discriminated against because of their shared parenting family status. (One Family, 2012) The welfare system in particular is characterised by rigidity when it comes to shared parenting families. Parents are either viewed as part of a lone parent household or a single adult and there is no room for nuance. With the number of shared parenting and blended families on the rise, the welfare and taxation system need to be able to respond to their needs and prevent discrimination.

With many children now living part of the time with both of their parents even if it is not 50per cent of the time, both parents should have appropriate access to social welfare and tax supports. Innovation is required to develop a good system that reduces child poverty and supports shared parenting. This requires a strong understanding by DSP of what shared parenting is. For example, the current co-habitation rules that apply to parents in receipt of OFP and JST are inappropriate and discriminatory. People sharing parenting are often automatically assessed as co-habiting, which discourages shared parenting. These rules should be reviewed and amended in a way which facilitates and promotes shared parenting, for the benefit of children.

3 Good quality public services, welfare provision and infrastructure are financed mainly from taxation and PRSI. What are the features that you think our taxation and welfare systems should have in order to meet these needs?

Please specify::

One Family believes the welfare and taxation systems, and indeed Ireland's wider public services should be guided by the following principles:
1. Fairness and justice: ensuring the taxation and welfare systems are fair, just and don't discriminate against people on the basis of their family background. Staff at all levels should be trained and sensitive to issues affecting one-parent families such as domestic abuse, acrimonious separation, shared parenting and child poverty.
2. Targets and prioritises the most vulnerable: the taxation and welfare systems should be equitable. In order to achieve equity those who are most vulnerable to poverty, deprivation, housing insecurity etc. should receive an additional level of targeted supports tailored to their needs.
3. Dignity and respect: all customers using the welfare and taxation systems must be treated with dignity and respect. In One Family's experience the welfare system, in particular, this is not always the case. Parents report being treated with suspicion, as undeserving of statutory supports or of 'gaming the system'.
4. Minimises duplication and overlap: reducing the burden of bureaucracy on customers and ensuring different departments and schemes act in harmony should be a primary goal of the welfare and taxation systems. Whether its preventing multiple means tests for a single child maintenance payment or ensuring housing and education supports are available concurrently, the welfare and taxation system must work well for the customers they serve.
5. Interacts with wider policy context: the welfare and taxation systems must be responsive and complimentary to the broader national policy context. In the case of poverty reduction, it is counterproductive for those most vulnerable to poverty to be penalised or have their supports reduced when this will ultimately mean the driving up of poverty figures and those people will likely come to cost the State much more in terms of expensive intensive interventions later on.

4 In your view, what main reforms are necessary so that the Irish taxation and welfare systems can embrace the opportunities and meet the challenges that Ireland may face over the next 10-15 years?

Please outline your views::

Benchmark Social Welfare Payments

Extensive research carried out by the Vincentian Partnership for Social Justice has shown that social welfare rates for one-parent families fall below a level required to meet a minimum essential standard of living. wn that social welfare rates for certain family types can fall below a level required to meet minimum essential standards of living. (VPSJ, 2021a) A Minimum Essential Standard of Living (MESL) is one that meets the minimum needed to live and participate in Irish society and is a standard of living that no one should be expected to live below. The MESL analysis finds that one parent household compositions continue to demonstrate the greatest rates and depth of income inadequacy. (VPSJ, 2021b) In 2021, the gap between the social welfare income of a one parent household with two children (primary and secondary school) is €80 per week. (VPSJ, 2021a) If the Government is truly committed to supporting one-parent families, as is outlined in the Programme for Government, and to lowering child poverty rates it must ensure the social protection it provides is fair and adequate to meet families' needs.

One Family Recommendation: Set a target of reaching an adequate level for all primary payments and qualified child payments by 2025, in line with the Roadmap for Social Inclusion 2020-2025.

Reform Child Maintenance

Child maintenance poses significant administration blocks within the welfare system. Regulatory and administrative complexity presents a significant structural block to one-parent families accessing the level of income support they need. (One Family, 2021a) The lack of an independent child maintenance agency in Ireland is something One Family have long campaigned for. In its absence, child maintenance is a largely private arrangement fraught with difficulty. How child maintenance interacts with the welfare system needs urgent reform. Child maintenance should be viewed solely as a means to support the child, not as income for a parent.

Issues relating to the administration of child maintenance payments within in the social welfare system:

i. There is a lack of consistency in how policies relating to child maintenance are applied. The varying, sometimes haphazard, way in which policies are applied to different claimants can cause financial hardship, emotional distress and weaves inequity into the fabric of the Department of Social Protection's (DSP) child maintenance procedures.

ii. DSP regulations require the parent seeking income support to present proof of maintenance agreements or demonstrate 'efforts to seek maintenance' from the 'liable relative'. This may require a parent to issue court proceedings which is highly problematic given the significant delays in getting court dates, the fact that a summons is issued which is an aggressive tool and courts are not adequately resourced to determine fair child maintenance arrangements. Failure to provide proof of "efforts to seek maintenance" can lead to payments being suspended, cancelled or not awarded.

iii. There is a significant rate of non-compliance with child maintenance orders. Yet in our experience working with families, child maintenance is often assessed as means regardless of whether it is paid or not. This can leave a claiming parent with reduced social welfare rates, if the liable relative does not pay and DSP does not immediately make up any reductions in social welfare payments as a result of child maintenance being assessed.

iv. In the shift from OFP to JST, the Department expressly ends the child maintenance payment requirement of the other parent who had been identified as a liable relative. This confuses often fragile maintenance agreements and can disrupt established maintenance payment arrangements.

v. The treatment of mortgage or rent payments made by the non-resident parent as maintenance by DSP means some claimants are forced to forgo these payments in order to access social welfare supports. This can cause claimants to go into mortgage or rent arrears and increase housing insecurity.

vi. Maintenance recovered by the Maintenance Recovery Unit of DSP is absorbed by the Department. Recompense is not extended to resident parents in receipt of State supports. Any income received by DSP, where agreed maintenance payments are paid, must be forwarded to the resident parent, for the direct benefit of the child.

Recommendations: As an overarching recommendation One Family would like to see child maintenance removed from the welfare and taxation systems, and instead treat it as a non-means tested, non-taxable income for children, as with Child Benefit, to reduce poverty in one-parent families. In the meantime;

- Stop multiple means assessment of child maintenance across different DSP payments and other State supports.
- Stop assessing child maintenance as means where it has not been paid as this is a frequent occurrence – a new system is required to ensure families do not lose out.
- Stop requiring parents to go to Court to prove they have sought maintenance or that maintenance has ceased - accept self-declarations or another less onerous method of proof.
- Ensure that JST is underpinned by liable relative legislation in the same way that OFP is, to prevent the need for DSP to end child maintenance payments when claimants move from OFP to JST. Child maintenance should be available until a child reaches 18 or 22 if in education. They require child maintenance throughout this life-stage regardless of the 'activation' category their parent may be in.
- Ensure when the Maintenance Recovery Unit recovers a maintenance payment, the claimant parent is recompensed for any maintenance recovered before DSP absorbs any monies.
- Stop treating mortgage or rent payments made by the non-resident parent as maintenance when assessing eligibility for social welfare payments.
- Ensure DSP staff are adequately trained and resourced to deal consistently and fairly with the complexities of issues facing lone parent claimants, as recommended in the JOC Report on the Position of Lone-parents in Ireland.

Amend the Parents Benefit Scheme

The Parents Leave Act was introduced in November 2019 by the Department of Social Protection and the Department of Justice to provide greater gender equality in the provision of parental leave for parents of newborn babies. Under the legislation leave entitlement follows the parent rather than the child; meaning, children in one-parent families receive half the dedicated time with a caregiver as parents in two-parent families during a vital time in their early development. Mechanisms used in other jurisdictions, such as transferable leave to another caregiver such as a grandparent or permitting one-parent families to access the full leave entitlement should have been incorporated. While One Family is aware the Government must operate within the constraints of relevant EU Directives, given the high rates of poverty in this group and the obvious inequality built in to the current Scheme, reworking the Parent's Benefit Scheme to make it more equitable should be a priority.

Recommendation: Amend the Parents Benefit Scheme to give infants in one-parent families equitable access to time with their care giver as children in two-parent families.

Expand the Single Person Child Carer Credit

In 2014 the One-Parent Family Tax Credit was replaced with the Single Parent Child Carer Credit (SPCCC). The change meant two parents were no longer eligible for a tax credit in recognition of their role as a lone parent. Since that decision was made only one parent, the 'primary claimant' or parent who the child lives with for the majority of the time, is eligible to receive the credit. In cases where there is an equal custody arrangement, the parent in receipt of Child Benefit Payment will automatically be the primary claimant. The SPCCC is problematic for a number of reasons:

- As the SPCCC is linked to the Child Benefit Payment it means where parents are sharing custody equally, one parent automatically receives much more statutory income and taxation support than the other for no just cause.
- As Child Benefit is paid automatically in most cases to the mother, gender inequality is built in to the SPCCC.
- While the credit is transferable, it relies on the primary claimant agreeing to transfer the payment to the secondary claimant. This is unworkable for

many families, particularly where there is history of domestic abuse or acrimonious separation. Even where the SPCCC is transferred, the primary claimant reserves the right to withdraw this at any time. One Family is not aware of any other personal tax credit where an individual's access is controlled by another person.
• If a primary claimant is not eligible the SPCCC is not automatically transferred to the other parent, meaning many families lose the support altogether.
Budget 2022 saw the announcement of €50 per person increase to the Single Person and Married Couple tax credits; however, there was no similar increase to the SPCCC.

Currently two-parent families can earn up to €45,800 at the lower rate of tax, whether they have one income or two. The corresponding threshold for SPCCC recipients is €40,800. This means that in two households, both with one income, the recipients of SPCCC have an extra €5,000 of their income taxed at the higher rate, regardless of how many people are supported by that income. Furthermore, any parents who are not in receipt of SPCCC for reasons stated above, are not recognised by the system as a family at all and are subject to the single person tax band.
Recommendations:
• Amend the administration of the SPCCC to reflect the realities of sharing parenting and ensure that the SPCCC is available to both parents sharing parenting of their children.
• Equivalise the tax rate for recipients of the SPCCC with the single earner two-adult household tax rate.

Education and Training Supports
Lone parent participation in education decreased by approximately 20per cent between 2011 and 2016. (CSO, 2016) The reasons for this trend are complex and varied, but as with accessing employment, barriers to education are significant. As with employment, the time and work needed to balance parenting with attendance at classes and study can be prohibitive. Significant financial barriers also exist, with one in five lone parents in Ireland unable to access formal education for financial reasons. Only 15per cent of lone parents reported having a third level qualification in the last Census and 70per cent were educated to level 6 or less on NFQ. (CSO, 2016)

There are a number of technical issues relating to supports for one parent families accessing education and training. For example, parents whose child has reached 14 year of age and move from JST to JA must access the Back to Education Allowance. As a result of this forced transfer, access to a Student Universal Support Ireland (SUSI) maintenance grant is denied to these parents. (One Family, 2021b) In 2017 Maynooth University published an independent review of barriers facing lone parents when accessing higher education. It found, lone parents who transferred to BTEA were among the most economically vulnerable group among lone parent welfare recipients. (Byrne & Murray, (2017)

Another issue highlighted by the Maynooth Review is the extent to which housing insecurity acts as a barrier to lone parents accessing education. This is particularly true because of anomalies in the system, which block lone parents from accessing SUSI if they are in receipt of Rent Supplement and are on OPF/JST. The ability to access and stay in education should not be linked to housing tenure.

SUSI is also only available for full-time, in-person courses which many parents can't access due to their caring responsibilities. SUSI should also be made available to parents engaging in education, regardless of the age of their youngest child (up to when their child leaves second level education). It is important that once a lone parent is in receipt of One-Parent Family Payment/ Jobseeker's Transition and the SUSI maintenance grant has begun, that their payment continues until their course is completed to prevent parents dropping out.

As referenced previously, the rules for means testing for Disability Allowance were recently amended by the Minister for Social Protection to exempt PhD stipends, one the basis that it was unfair and disadvantaged a group (people with disabilities) who already faced considerable barriers in accessing education. The same means test, however, remains for one-parent families on OFP or JST. A similar PhD scholarship exemption from means testing should be implemented for all recipients of OFP and JST.

Recommendations:
• Make SUSI available to parents engaging in education until their youngest child completes second level education.
• Make SUSI available for part-time and blended learning courses.
• Ensure parents in receipt of BTEA can access SUSI.
• Make SUSI and BTEA available to ensure continuous access to education for parents irrespective of their housing tenure.
• Remove the requirement to means test PhD stipends for OFP and JST payments.

Chapter 2 - Fiscal Sustainability

1 What reforms to the taxation and welfare systems should be considered to ensure the system is sustainable and resilient and that there are sufficient resources available to meet the costs of public services in the medium and longer term?

Please specify taxation reforms you consider important::

Ireland's taxation system is largely progressive; however, our indirect taxation via our high rate of VAT is regressive. The average person pays a similar amount in income taxes as they pay in consumption taxes; however, people, on low incomes pay a much higher percentage of their income in consumption taxes than people on higher incomes. VAT in Ireland is temporarily capped at 21 per cent. At the normal 23 per cent rate, Ireland's VAT rate is one of the highest in the OECD. (OECD, 2021) In 2021 VAT accounted for €15,441 million or 22.5 per cent of the total tax take. (Department of Finance, 2021)

Consumption costs are currently causing low income households significant additional hardship, with families cutting down on essential expenditure such as groceries and heating. Prices in November 2021 were 5.3 per cent higher than the previous November, the largest annual change since June 2001. (CSO, 2021) During the Great Recession, VAT on hospitality was reduced to support struggling businesses; consumers are now struggling to meet costs. Reducing VAT and replacing it with further progressive income taxes at the higher end would increase Ireland's taxation progressivity, reduce poverty and bolster families against predicted further increases in consumption costs.

One Family Recommendation: Maintain the 21 per cent VAT rate to alleviate pressure on low income households from high consumer costs.

Please specify welfare reforms you consider important::

As previously mentioned, the welfare system should take a prevention and early intervention approach by investing in vulnerable cohorts to reduce and prevent poverty. (See response to Question 1, Chapter 2 above). The key reforms One Family would like to see implemented are contained in the Programme for Government endorsed Report on the Position of Lone Parents from the 2017 Joint Oireachtas Committee on Social Protection.

One Family Recommendation: Establish a high-level, inter-departmental group, reporting regularly to a Government sub-committee; tasked with implementing the recommendations of the Joint Oireachtas Committee on Social Protection's Report on the Position of lone Parents in Ireland (2017) and coordinating policy responses – including relating to welfare and taxation- aimed at reducing the poverty, deprivation and inequality experienced by one-parent families

2 Rate each issue below in terms of strategic importance to the taxation and welfare system over the next 10-15 years (1 being least important and 5 being most important):

importance options - Achieving good public health outcomes for our people:
4

importance options - Addressing the climate crisis:
4

importance options - Adequate social transfers and benefits:
5

importance options - Growing employment:
2

importance options - Sustainability of public finances:
5

importance options - Sustained economic growth:
2

3 Given approaching demographic pressures and future uncertainties, future funding of public services is a critical issue. In order to meet these challenges, what is the appropriate balance between the taxation of a) earned income, b) consumption e.g. VAT and c) wealth e.g. capital acquisitions tax?

Please outline your views::

As discussed, One Family favours progressive income and wealth taxes which see the greatest burden on those who can most afford to pay it, instead of regressive indirect taxation such as VAT. Taxation for low and middle income households should be accompanied by affordable public services such as Early Childhood Education and Care, School Aged Childcare, affordable housing and health.

Chapter 3 - Promoting Employment

1 What reforms to the taxation and welfare system should be considered to ensure that taxation and welfare work in tandem to support economic activity and promote employment while also supporting those most vulnerable in an equitable way?

Please outline what reforms should be considered::

Improve in Work Supports for One-Parent Families
By moving parents from Jobseekers Transitional Payment (JST) to Jobseekers Allowance (JA) when their youngest child turns 14, the State ignores their caring responsibilities and reduces their income at a time when it becomes most expensive to care for their children's needs. Extending JST until a parent's youngest child is 18 years old is a key recommendation of the 2017 Joint Oireachtas Committee Report on Lone Parents, implementation of which is a key commitment in the current Programme for Government. There are many benefits to extending the children's age limit for JST from 14 until end of second level education including; supporting parents to remain in part-time employment if their don't qualify for Working Family Payment; increasing lone parent participation in education; and reducing poverty in one-parent families with older children, a group identified as being particularly vulnerable.
Recommendation: Extend JST to those in education, training or employment until their youngest child reaches the end of second level education.
Back to Work Family Dividend (BTWFD) is a temporary support for parents who close a social welfare payment. Parents who change from any Jobseekers/ One Parent Family Payment to Working Family Payment (WFP) are eligible for this payment (subject to qualifying conditions). The payment is for a maximum of 2 years. In Year 1, the payment is equivalent to a Qualified Child Increase for every eligible child dependent, and in Year 2, this reduces to 50per cent of the Qualified Child Increase Payment. This can be a significant loss of income for parents after two years, and eligible parents may transfer back to payments such as OPF/JST after two years. This causes unnecessary paperwork for the DSP and represents a significant loss for parent's ineligible for OPF/JST. Incorporating this payment into the WFP long term, would support parents to remain on this payment and in employment.
One Family Recommendation: Incorporate the Back to Work Family dividend payment into the WFP long term, supporting parents to remain on this payment and in employment.

Activation Measures
Since the 1990s unemployment policy has shifted towards 'activating' the unemployed to take up work. (McGuaran, 2013) Labour market activation policies tend to fall into two categories or include elements of both; Labour Force Attachment (LFA) or Human Capital Development (HCD). LFA policies focus on getting people into employment quickly, in the belief that access to paid employment is the most effective way to reduce social welfare dependency. HCD policies focus instead on education, training and improving employability, with a view to granting access to high- quality, sustainable employment. (Millar & Crosse, 2016)

Research suggests activation and employability programmes are effective at increasing the employment rates of participants in the medium to long term. However, there is a recognised need to lower caseworker- client ratios and increase government investment. (Roantree et al, 2021b) This is particularly true in the case of one-parent families where research shows caseworkers are often the key to lone parents progressing to employment. (Millar & Crosse, 2016)

For one-parent families, the goal of activation is both to provide a route to employment and also a means of decreasing child poverty. Due to the high level of care responsibilities lone parents have, access to the labour market is often reliant on access to both formal and informal childcare. Lone parents provide double the parental care of someone in a two-parent household and their employment options should reflect this; part-time and flexible employment should be available in tandem with financial supports to allow for an appropriate work- life balance. Furthermore, the focus is solely on activating the resident parent. In families where parenting is shared, the non-resident parent may be equally in need of activation supports but the current system does not recognise their role.

Purely LFA models of activation do not take a holistic approach to the needs and specific circumstances of one-parent families. Instead, a suite of supports which includes employment and financial supports, education and access to affordable, quality childcare is required. Furthermore, One Family opposes recent moves from a community based model of local employment services (LES) to a regional employment service model that pits community-led LES would have to compete for tender against private operators. Employment services should be provided in partnership between the State and community. Moving to a for-profit model increases the likelihood of vulnerable groups, such as lone parents, being funnelled into low-paid, insecure work with little prospect of career or development.
One Family Recommendations:
• Invest in a targeted and tailored programme of activation supports for lone parents to include support in accessing employment, financial supports, education and training and access to childcare.
• Move case-officer ratio towards international best practice of 100-150 per case work.
• Reverse changes to the LES model to preserve its community focus.

Low paid work
According to a report by the ESRI and Community Foundation Ireland, only full-time employment is effective in lifting families out of poverty. (Roantree et al, 2021b) These findings are hugely problematic for lone parents who bear primary responsibility for care and often cannot reconcile full time work with care. The social welfare system must must ensure that part-time work, combined with social welfare payments is enough to provide economic security to one parent families. In 2019, 21per cent of lone parent families in work are also at risk of poverty – more than double the lowest point in the last decade (9 per cent in 2012). (Eurostat a) This increase in poverty risk has gone alongside a rise in employment levels for this group, and data from the Department of Employment Affairs and Social Protection suggests that increasing employment for lone parents has largely been in low income and low hours workers.

The challenge of high rates of poverty among lone parent families can be seen in many other European jurisdictions, where increases in employment levels haven't reduced the risk of poverty, in large part due to the type of work lone parents – mainly women – are able to access (including the challenges of low pay, low hours and precarious contracts). Lone parents are predominantly women. In Ireland, women make up a higher proportion of minimum wage workers compared to other countries – in 2017 66.1per cent of those earning between 90 per cent - 110per cent of the minimum wage in Ireland were women. This compares to a European average of 57.5 per cent. (Eurofund, 2019)

According to the OECD, in countries with lower wage differentials, more flexible working provisions, and state subsidised childcare, lone parents are more likely to work and less likely to be in poverty. (OECD, 2011) While the situation for lone parents has flatlined rather than worsened since 2016, we can see that the risk remains stubbornly high. The in-work poverty rate for lone parent families stands at 8 percentage points higher than for single adults without children (though their risk has gone up this year), and 17 points higher than for two-parent families, whose in-work poverty rate is just under 4 per cent, and declining. (Eurostat b)
One Family Recommendations:
• Set a pathway to provide workers with a living wage by progressively increasing the NMW.
• Link earning disregards, means-tests and income tests for supports such as the Back to School Clothing and Footwear Allowance and Medical Card and in-work income supports to increases in the National Minimum Wage and core social welfare payments, maintaining the value of and access to these supports year on year.

2 Does Ireland's taxation and welfare system strike the right balance between maintaining the incentive to increase earnings and alleviating some of the risks of low income (poverty and deprivation)?

No

Please explain your view::

The far higher rates of poverty and deprivation experienced by children and adults in one parent families is proof that the taxation and welfare system is not striking the right balance. In a balanced system, risk would be born out equally by the population. The additional caring responsibilities of parents in one-parent families are not adequately taken into account in the welfare and taxation systems. The welfare and taxation systems place value primarily on a person's ability to participate in the labour market. Social welfare is largely conditional on ability and availability to work. Unpaid care work is not only

undervalued but largely denigrated in a society where self worth is tied to employment. For lone parents this approach completely ignores their caring responsibilities towards their children. The result is the exceptionally high rates of poverty, deprivation and discrimination experienced by one-parent families.

One Family hears from parents of negative experiences in interacting with the welfare system in relation to employment. For example, when interacting with DSP many parents feel pressured to take low income, insecure jobs instead of being signposted and supported to take up retraining or other educational opportunities. This common scenario results in a short term reduction in unemployment statistics but does nothing for the one-parent family long term. Evidence shows one-parent families need quality, sustainable job opportunities, which can only be secured through education.

3 Are income supports equitable in terms of how they treat people of working age?

No

How is this balanced with the requirement to meet differing needs?:

As previously outlined, One Family recommends prioritising targeted measures to those most at risk of poverty and deprivation. Only when all groups are at an equal starting point can differing needs truly be addressed.

The welfare system is riddled with inequalities. For example, lone parents whose youngest child is 13 years old are treated differently to lone parents whose child is 14 years old. This distinction is arbitrary as there is no developmental change for the child or material change in the parent's circumstances to warrant the different treatment by the welfare system. As previously outlined, infants of lone parents receive half the State supported time with a working parent as infants in two-parent families. Again, the proof of differential treatment is in the high rates of poverty and deprivation in lone parent households. If the system treated people fairly the burden of poverty would not so disproportionately affect a small group of cohorts. Equity requires the kind of targeted approach One Family is proposing. One-parent families require additional supports in order to put them on an equal footing with other welfare and taxation system customers.

There is a lack of data and evidence, policy, institutional understanding and support for shared parenting in the welfare and taxation systems. Both mothers and fathers who are sharing parenting feel that society, including policy and law makers, treats them unfairly because of their gender. Examples include mothers feeling they experience more social and official scrutiny as a woman, and fathers feeling they aren't considered an equal parent. There will likely be demographic changes reported by the upcoming Census in terms of family make up, with more shared parenting families, separation, divorce and one-parent families. The welfare and taxation systems must be flexible and adapt to these changes.

One Family Recommendations:
• Recognise shared parenting by ensuring both parents who are sharing parenting have equitable access to welfare supports, tax relief and public services such as access to housing suitable to care for their children.
• Address systemic inequalities within the welfare system affecting one-parent families.

4 What changes to the social insurance system should be considered to ensure sustainability into the medium to longer term? (Please note the recommendations of the Pensions Commission and NESC Report 151 on the future of the Irish social welfare system)

Please specify changes to be considered?:

One Family supports of the recommendations of the NESC Report 151 on the future of the Irish Social Welfare System. In particular:
• Move towards a more social insurance based welfare system.
• Greater tapering in the withdrawal of benefits;
• Stronger anti-poverty measures;
• More appreciation of caring;
• And the importance of supportive services and community innovation.

Chapter 5 - Housing

1 Taking into account previous taxation related interventions in the housing market, what role do you think the taxation and welfare systems have to play in contributing to the long-term supply of housing?

Please outline your views::

Child homelessness has increased by over 200 per cent since 2014 and we know a disproportionate number of these children are in one-parent families. One-parent families consistently represent the highest proportion of families living in emergency accommodation. The proportion of families in emergency accommodation who are one-parent families has remained around 55 per cent consistently since 2018 until June of 2021 when the Department of Housing, Local Government and Heritage stopped disaggregating its homeless data by family type. Recent research published by the Irish Human Rights and Equality Commission (IHREC) and the Economic and Social Research Institute (ESRI) demonstrated that lone parent households reported some of the worse outcomes across a number of indicators; accessibility, affordability, security of tenure, cultural adequacy, quality and location. (Russel et al, 2021)

There is an over-reliance on the private rented sector to meet social housing need via the Housing Assistance Payment (HAP), which exposes one-parent families to high rents and insecure tenures. Reliance on HAP can act as a poverty trap for one-parent families, preventing parents from improving their employment circumstances for fear of losing HAP and being unable to afford their rent. As previously outlined, there are also a number of technical anomalies in how housing supports interact with other supports, such as the SUSI grant, which can see one-parent families forced to choose between housing and in this case education.
Families accessing HAP or RS schemes should be allowed to remain on the housing list in acknowledgement that their housing need as not been met. As

rent supplement is governed by supplementary welfare rules, all means are assessed. One of the conditions of OPF/ JST payments is that the recipient seeks maintenance, and many parents will fulfil this obligation by submitting a court order to social welfare. Social Welfare deducts the first €95.23 of maintenance from any rent supplement ordered, regardless of whether maintenance is received or not. It can lead to rent arrears and possible eviction/homelessness because of missed maintenance payments.

Many family law orders allow for the family home to be retained until the youngest child turns 18. This means a non-resident parent may retain an interest in the family home but derive no material benefit. They may also be ordered to discharge the mortgage, leaving insufficient resources for their own housing needs. They are not entitled to social housing or HAP. Conversely, if the resident parent leaves the family home, they are deemed to retain a beneficial interest in the family home and aren't entitled to housing support (unless domestic abuse is proven). If a court orders a non-resident parent to discharge the mortgage, this mortgage payment is treated as maintenance received by the resident parent. DSP allows for a housing disregard of €95.23 per week, but as the housing disregard has not increased in over 20 years, it doesn't accurately reflect current housing costs. In many cases, the resident parent will forgo the mortgage payment as a result. This will eventually lead to a possession order, entry to the private rental market and places the family at risk of homelessness.

There is no recognition of the needs of families where parenting is shared; as a result, these families often face unique challenges in relation to housing. We know from the official homelessness statistics, released each month by the Department of Housing, Local Government and Heritage, that one-parent families make up the majority of homeless families; however, what is not counted and therefore overlooked is the proportion of fathers counted as a 'single adult'. To maintain functioning shared parenting, fathers need access to safe, suitable accommodation to care for their children. These parents are overlooked in Government housing policy. We are aware of barriers to fathers accessing family hub emergency accommodation with their children as access depends on their legal custody status rather than their day to day caring responsibilities.

One Family Recommendations:
• Use taxation to support the increased supply of new Local Authority and Approved Housing Body built social housing, setting a target for permanent social housing to comprise 20% of overall housing stock and allow HAP tenants to remain on the social housing waiting list to acknowledge their permanent housing need has not been met.
• Remove inequalities in the welfare system (listed above) which affect one-parent families' ability to access housing.
• Relax rules, to allow separating families the same access to Government schemes as first-time buyers. Remove the requirement for court order or formal separation agreement as proof of separation in light of current family court delays. Ensure people who are separated or divorced are aware of their entitlement to supports and that those administering schemes are aware of the eligibility of separated or divorced families for housing supports. Develop a targeted approach to housing and rent support for people who are separated or divorced.

2 Should the taxation system have a role in supporting or promoting any specific form of housing tenure (e.g. home ownership, rental), or should it remain neutral?

Yes, taxation should have a role

Please elaborate further::

In general the taxation system should remain neutral but responsive to arising issues and evolving pressure points in the housing system. For example, there is a currently a crisis in the private rental market and consideration should be given to reinstatement of the Rental Tax Credit.

3 What in your view is the role that taxation should play in housing affordability?

Please outline your views::

In 2009 the average household claim for MIS cost €4,079 per household, whereas the average payment under Rent Supplement was €5,490 per household. It is more cost efficient to keep people in their own homes. Due to low interest rates, and higher rent, this gap is likely now wider.In 2014 MIS closed to new occupants meaning a resident-parent, who may have not been working or on minimal hours because of childcare, has no help to pay the mortgage. This ultimately leads them into the private rental market and puts them at greater risk of homelessness.

One FamilyRecommendation: Reinstate Mortgage Interest Supplement.

4 Following the introduction and recent amendments to the Local Property Tax (LPT) and the commitment in Housing for All to introduce a new taxation measure to activate vacant land for residential purposes, do you consider there is a role for a Site Value Tax in Ireland?

Yes, Site Value Tax has a role

Please elaborate further::

There is an urgent need for housing and the State should be intervening in any way it can to prevent child and family homelessness.

Chapter 7 - Tax Expenditures

1 How do you think the process of reviewing taxation measures and taxation expenditures is currently functioning?

Please outline your views::

When the move from the One-Parent Family Tax Credit to the SPCCC was implemented in 2014, it happened very quickly and without consultation. The changes meant only one parent could access the credit and came into effect very quickly and without consultation. This is not good practice. Reviewing taxation measures should be done in consultation with those who will be most affected by changes and their representative organisations.

How well defined do you think the benchmark taxation system is in Ireland?:

The process of taxation expenditure review should undergo poverty and equality proofing.

2 How do you think the process of taxation expenditure review could be improved?

Please specify::

3 Please give examples of taxation expenditures that you believe run counter to public policy/are badly designed?

Please specify::

Please explain your rationale? :

4 Please provide examples of taxation expenditures that you believe work well, either in Ireland or internationally?

Please specify::

Chapter 8 - Public Health

1 How well do the taxation and welfare systems support good public health outcomes, addressing health challenges including but not limited to those caused by or related to tobacco and alcohol use, obesity, poverty and/or environmental issues?

Please outline your views::

2 What changes would you like to see to better promote the goal of good public health?

Please specify::

For most people, to quality for a medical card they must meet specific income criteria and have a weekly income below a threshold for their family size. The threshold for a one-parent household with one child is just €202. This is extremely low and excludes many families in need of support with health costs.

In 2016 an all-party committee on the Future of Healthcare published the Sláintecare Report which set out a roadmap for transforming Irish healthcare and investing in a publically funded, freely accessible health system for all. One of the core strategic actions to be implemented under Sláintecare is to expand eligibility for medical cards on a phased basis to move towards universal healthcare. As previously outlined, one-parent families are amongst the most at risk of poverty and deprivation in the State, therefore they should be among the first in line to benefit from the expansion of the medical card scheme.

One Family Recommendation: Increase the income threshold to the equivalent of the highest means-tested welfare payment. Equivalise allowance for dependents in line with other social welfare payments and extend the retention period beyond three years to meet the Sláintecare implementation targets for universal healthcare.

Chapter 9 - Administration

1 How can modernisation of the taxation and/or welfare administrations evolve to best meet customer needs in a satisfactory manner while respecting data rights and ensuring secure and reliable tax collection?

Please outline your views::

One Family is aware of persistent systemic issues with customer service in the DSP relating to one-parent families. Parents are very often not satisfactorily informed of their entitlements. Essentially, it is up to customers to find out pertinent information from DSP. While some staff are very helpful, others are less so and so it becomes the luck of the draw whether parents are informed of and ultimately can access some supports. Examples include;
• parents moving from OFP to WFP instead of JST when their youngest child turns 7 years old;
• Parents starting a new job but have never been told about Back to Work Family Dividend.
• Parents unaware they can access Supplementary Welfare Allowance or the SPCCC.
• Parents not being informed they would be better off staying on JST than moving to WFP due to the secondary benefits and access to employment opportunities it permits.
• Child maintenance is an example of how the system relies on individual judgement rather than a systematic response. There are massive inconsistencies in the requirements demanded of parents, for example in respect of whether they need a court ordered maintenance payment or whether maintenance is assessed as means by various different departments.
One Family hears about these examples because parents contact us because they simply can't make ends meet. It is a vital component to keeping people in work that they are aware of their entitlements and the supports available to them.

One-parent families also report being treated with suspicion and being required to jump through administrative hoops (such as providing bizarre levels of documentary evidence they are parenting alone) and being subjected to unpleasant social welfare inspections. For example, we are aware of some parents who were subjected to social welfare inspections at the height of pandemic lockdowns placing them in an extremely difficult position. Such stories can be dismissed as 'one-offs' but we hear many accounts of equally unacceptable treatment and bias. Such systemic discrimination and prejudice must be tackled with education for staff working with one-parent families.

One Family Recommendations:
- Provide training for DSP staff interacting and working directly with lone parents. In particular, case workers should be trained to understand the specific challenges and responsibilities of lone parents and to respond with empathy and respect.
- Ensure customers are fully informed of all welfare and taxation entitlements. Consider an automated alert (via online portal or post) for customers so their access to services is not depended on their interaction with individual staff members.

What do you see as the implications of modernisation for taxpayers either positive or negative?:

2 What improvements in service quality and delivery could be achieved by integrating (elements of) the taxation and welfare administrations?

Please specify::

Integrating the systems has worked well; however, opportunities to further integrate should be looked at. In particular greater automation and less duplication in the administration of the welfare system would be welcome. Information should follow the customer and their entitlements should be easily accessed in person or via an online portal. The information they provide should be uploaded and available for future interactions across Government departments and agencies to avoid repeated requests for the same information.

Are there any risks arising from such integration? :

Chapter 10 - Submit Your Ideas

1 Taking into account the Terms of Reference, submit any other thoughts, ideas or feedback on taxation and welfare in Ireland:

Please outline your views::

The recent Citizens Assembly on Gender Equality called for better public services and improved social protection and asserted that citizens were prepared to support and pay higher taxes to fund this, based on the principle of abiility to pay. This is something One Family echoes and supports.

There are a number of inefficiencies in the administration of supports to customers in the welfare system. Lone parents are often required to provide the same information to multiple agencies and departments. Developing a more coherent system where agencies of the State communicate and share information would reduce costs and remove the burden on customers.

The clearest reform to make to ensure sustainability and a good use of resources is for the welfare and taxation systems to be better integrated with broader Government policy on poverty prevention. Preventing poverty is far less costly for the State than trying to alleviate it later on. Later intervention is known to be more expensive for the State than prevention and early intervention. This is especially true when it comes to children; ensuring children's essential needs are met in early life can reap massive return on investment rewards for the State in terms of lower welfare, health, social care and crime expenditure into adulthood. (Harvey, 2014)

Research by the Society of St Vincent de Paul in 2020 calculated the annual public service cost of poverty in Ireland to be around €4.5 billion (at least €3 billion and at most €7.2 billion). (SVP, 2020) The burden of these costs is borne by those in poverty; however, everyone in society pays for poverty. The report estimates that €1 in every €20 collected by the State from taxes, social insurance and changes ends up allocated to make up for the way poverty damages people's lives. Poverty and taxation measures should be thoroughly poverty proofed to ensure they aren't perpetuating or worsening the problem. Serious consideration should be given to investing in bolstered income and other supports for those groups most vulnerable to poverty (including children and one-parent families).

One Family Recommendations:
• Further develop IT and administration systems to ensure information follows the customer. Once documentation or verification of circumstances is provided by a customer once it should be uploaded to the system. Entitlements should be automatically added to a customer's account.
• Poverty proof all welfare and taxation measures and invest in ensuring those most vulnerable to poverty (including children and one-parent families) have access to an income which meets their MESL, housing, health, educational and other supports to reduce the cost of poverty later on.

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