

# National Employment Action Plan

## Comments on the European Commission Recommendations

### Introduction

In 2003 **EAPN Ireland** coordinated a submission to the National Employment Action Plan (NEAP) on behalf of the **Community Platform**. Much of that submission remains valid.

The European Commission recommends that Ireland give immediate priority to:

- *Increase access to active labour market measures for a larger share of the unemployed and inactive population and ensure their efficiency; strengthen incentives to make work pay;*
- *Increase the supply and affordability of childcare facilities and take urgent action to tackle the causes of the gender pay gap.*
- *Implement a coherent lifelong learning strategy to reduce early school leaving and increase participation in training, especially for the low-skilled and for older workers.*

The similarity to last years recommendations<sup>1</sup> is striking, showing the lack of progress made in relation to childcare, the gender pay gap, and lifelong learning.

Rather than putting together a comprehensive submission the Community Platform asked EAPN Ireland to seek input from organisations with a particular expertise to focus on the Commission recommendations.

The attached documents form an integral part of this submission:

- **Pavee Point** (Appendix I) look at the deep inequities in the labour market that demand a rigorous and systematic approach to their redress
- The **National Womens Council of Ireland** (Appendix II) address the issues of childcare and the gender pay gap, providing a series of detailed recommendations on Atypical Employment, Valuing Care Work/Work Life Balance, Maximising Independent Entitlement, and Low Pay
- **One Family** (Appendix III) look at each of the guidelines with regard to the interests of lone parents.

Recommendations from the **Irish National Organisation of the Unemployed, OPEN – the national network of lone parent groups, Age Action Ireland** and the **Dublin Employment Pact** have also been integrated into this submission.

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#### <sup>1</sup> Job creation

1. Take further comprehensive action to address regional imbalances in employment, unemployment and job creation, including through assistance from the structural funds.

#### Lifelong Learning

2. Increase in-company training and expedite the implementation of a coherent lifelong learning strategy, with overall targets. Promote the active involvement of the social partners in pursuing these objectives.

#### Gender equality

3. Strengthen efforts to mobilise and integrate into the labour market economically inactive people, in particular women, by continuing to remove tax barriers, increasing the number of affordable childcare places and addressing the factors underlying the gender pay gap.

## Active Labour Market measures

The expected reorientation of Community Employment (CE) and phasing out of Jobs Initiative (JI) scheme and some Social Economy (SE) projects has potentially devastating consequences for many essential social services currently provided through CE, leaving communities without the services and reducing potential local employment opportunities. CE has been highlighted as a positive means of engaging lone parents in meaningful work experience by the National Economic and Social Forum, in a 2001 report drafted by social partners and Government<sup>2</sup>.

Additional support for the progression of CE participants experiencing particular employability barriers into the labour market (High Supports process) is extremely important, but the budget allocated needs to be much higher than the €1.2million allocated, which is expected to reach only 550 people in 2004.

JI has reached a stage where many of the participants have been there beyond the originally intended 3 years. Much of the work they are doing should be mainstreamed rather than being scrapped.

The plan to reduce funding for SE projects to 75% runs the risk of endangering their long-term viability. For example childcare SE projects serving disadvantaged communities could only make up the additional 25% by charging fees which the people in the community can not afford.

The **National Employment Action Plan preventative strategy** needs a commitment that sufficient resources, initiatives and schemes be in operation to provide suitable choices to unemployed people. These include relevant job vacancies, places in employment support programmes /schemes, adequate places on training and education courses etc. Unfortunately, due to changes made in Budget 2004 eligibility to some supports is more restricted, thereby limiting the number of options. Throughout the implementation of this strategy, nobody should be coerced into inappropriate work / training. In order to increase participation of those currently inactive, more extensive outreach to these specific groups is needed. Such groups include people with disabilities, women, rural unemployed, lone parents and Travellers. This outreach should be undertaken if the Government is serious about reaching the NAPS target of 'reducing the level of unemployment experienced by vulnerable groups towards the national average by 2007'.

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<sup>2</sup> The NESF made the following recommendations in relation to ALMPs:

*Greater levels of flexibility should be introduced in the design and delivery of active labour market programmes by FÁS and other agencies for lone parents. In particular, the learning from Community Employment should be taken into account.*

*A package of supports including pre-training, taster courses and personal development should be put in place for lone parents who participate in active labour market programmes.*

*Targeted active labour market programmes should be made available and accessible to lone parents, following an assessment of their needs through the Local Employment Service network, where it exists. Progression should be built into the options developed with individual lone parents by the main delivery agencies.*

## ‘Making Work Pay’

Financial disincentives still exist that discourage the take up of low paid employment. These include:

- Failure to remove all minimum wage earners from the tax net
- Unrealistically low threshold of €317 for the retention of secondary benefits
- Fear of losing the medical card especially for Travellers, lone parents and people with disabilities

The proportion of those in poverty in a household headed by a person in the labour market has increased drastically from 6% in 1998 to 19% in 2001. Having a job is not, of itself, a guarantee that one can escape poverty. Therefore there is a need to focus on a living wage rather than a minimum wage – a wage that is adequate and reflects the costs of living. The take up of employment should guarantee an increase in the household income and be sufficient to avoid poverty.

The **National Minimum Wage Act** must be enforced and monitored while the age restrictions and conditions within the act must be abolished as it discriminates against young workers. Those working within the work permit system are frequently being offered just the national minimum wage regardless of the work undertaken. Therefore work permit applications should be assessed for the appropriateness of the payment levels in light of the work to be done.

The changes in the eligibility criteria for the **Back to Work allowance** and the **Back to Education** (3<sup>rd</sup> level option) allowance will adversely affect those trying to move from welfare. The schemes were designed to assist peoples move into employment or education, however, these changes will keep people dependent on welfare for longer.

In keeping with government policy, **older people** should be encouraged, where they so wish, to extend their working lives without financial penalty and in conditions that suit their personal lifestyle wishes. As a prerequisite for this, age discrimination in the workplace needs to be tackled and the participation of older workers encouraged. We recommend:

- The abolition of the upper age limit in the Employment Equality Act, 1998.
- The introduction of active ageing policies to include phased retirement and greater work life balance arrangements for older workers.
- Full PRSI credits to apply to periods spent in full time caring roles.

## Gender Pay Gap

To address the gender pay gap of 13.4% in Ireland,

- care work must be recognised and valued as work
- increase the incomes of those working for low pay
- achieve greater work life balance and greater sharing of caring work between men and women
- to increase the supply of affordable and quality childcare

(See appendix II for more detailed recommendations on Atypical Employment, Valuing Care Work/Work Life Balance, Maximising Independent Entitlement and Low Pay)

## Childcare

Childcare remains the single most significant barrier to women's equal participation to men in all aspects of society, including employment. The arrival of children means that a woman typically has nine years less experience than a father with identical qualifications and expertise by the age of 47yrs. The absence of adequate childcare and eldercare provision makes it difficult for many women to access full-time employment or training. Women carry the main responsibilities attached to caring and are still required to balance paid employment and caring work. In many cases the cost of childcare does not justify employment. Take up of part-time and full-time employment by women is directly linked to the lack of affordable and quality childcare and eldercare available. Women with caring responsibilities have restricted choices, which are affected by the structural inequalities that exist in an economic environment where care work is undervalued. This is especially acute for lone mothers who are trying to balance the dual roles of sole parent and sole breadwinner in their families.

**A state subsidised system of mixed delivery of childcare** (community based, public, small scale private and home based care) is essential to enable women to participate actively in economic life. Childcare costs should be on a sliding scale and directly related to parents ability to pay. The first steps in the development of the model would be to

- Establish a public pre-school childcare place for all children (Cost €190mil)
- An annual childcare subsidy towards wages and running costs in registered childcare facilities (public, private, and community).
- Establish a target to meet 80% of cost of childcare for low income and disadvantaged parents.

## **Lifelong Learning**

### **Investing more and more effectively in human capital and lifelong learning**

The Country Specific Recommendations state that Ireland must concentrate on the area of investing more and more effectively in human capital and lifelong learning, and specifically should give immediate priority to:

- *Implement a coherent lifelong learning strategy to reduce early school leaving and increase participation in training, especially for the low-skilled and for older workers.*

This weakness identified in the Irish Employment Action Plan is significant given the resources devoted in recent years to developing R&D capability and in-work training options (Science Foundation Ireland, Skillsnet, the National Training Fund, etc.). In addition, as the Plan points out, there have been major advances in recent years, with 22% of the population now holding a degree or sub-degree qualification, 20,000 students attending full time VEC further education courses, and the school retention rate to the Leaving Certificate now at 83%. The expansion of the FETAC and HETAC systems and the introduction in 2003 of the NQSAI system represent major progress towards a comprehensive lifelong learning system.

But it is significant that the weaknesses identified by the Commission have also been identified by several key recent reports from Forfás, the Expert Group on Future Skills Needs and the Enterprise Group. According to these, the skill levels required of Irish workers are ever increasing and, with 80% of the workforce of 2015 already in work, much greater resources will have to be invested effectively in upskilling, training and education provision. Given the extensive provision already available for skilled and

professional grades, the emphasis of this provision must be on the low skilled, not least through more effectively combining training and education options for those in work.

Early school leaving, educational completion rates, 3<sup>rd</sup> level access, and a large under-skilled employed population are still acute challenges. In 1998 of the total adult population 35% - many of them older workers - had left school before 16 years of age. In Dublin the figure was 49%, rising as high as 70% in disadvantaged areas. . Nationally 43 % of lone parents have no formal education qualification. Nearly 20% of all second level students still leave school without completing a Leaving Certificate, an unsustainable proportion in a context of a growing knowledge based economy. Despite the proven success of programmes to counter early school leaving, these remain severely under-resourced, as is provision in the critical area of early childhood learning.

As regards participation in third level education, 46% of school leavers now progress to higher education, though this is still weighted heavily towards higher socio-economic groups. In Dublin, for example, with 38% - the lowest rate of school leaver continuation to third level in the country, the figures vary enormously between affluent areas with high admission rates (77% in Dublin 18) and disadvantaged areas with low admission rates (7% in Dublin 10). There is also a serious and growing discrepancy between male and female participation and performance at third level education, of 13.6% and 10% respectively.

Other major issues of educational disadvantage and social exclusion involve the most marginalised groups. Despite much progress in the area of primary education, the progression rate in second level education of traveller children is still extremely low. There is also an acute need to address the issue of educational provision for former prisoners. Programmes targeting these groups must be substantially expanded.

The high rate of both younger and older workers with poor qualifications or unable to progress from low skilled jobs, means that this area of provision must become the priority for in-work training programmes. The National Training Fund still remains largely unexploited and little used. This is despite the fact that pilot models for combining education and work supported under *Sustaining Progress* – such as “Linking Education and the Workplace” and “Job Rotation” – have remained at the pilot stage.

The danger of a diverging knowledge divide has become more acute with the growing role of information technologies (ICT) in all areas of economic and social life. A “Digital Divide” – the disparity between groups and individuals in competence and confidence in the use of ICTs – has opened up between social groups. This has been assessed at 70% competence among the lower professional class compared to 18% among the unskilled manual class. This divide is again very precisely located and requires targeted measures on a community and area-based approach. Again, training provision in this area has remained underdeveloped and often just at a pilot stage.

A result of these various trends is that while levels of educational participation and achievement, in-work upskilling and life long learning are expanding, there is a sizeable proportion of people still leaving school early, with poor literacy, numeracy and ICT skills, and entering low skilled/unskilled work. In addition there are many people who previously left school early and, now in work, have little access to training, education and upskilling opportunities. Given national strategies and the actual development towards a high quality employment market, the employment prospects – not to mention future progression opportunities – there must be a renewed focus on this section of the population, especially diverting resources to accredited community based education and

training opportunities, in-work upskilling programmes for low skilled workers, and a major drive on tackling the digital divide.

## **Governance**

Governance structures in the Employment Action Plan need to be developed towards greater consultation and participation. Recent reports from the NESC have stated that the increasing sophistication of society and of economic life requires a break from hierarchical command structures of governance. A greater strategic role for state institutions and partnership bodies must be accompanied by increasing devolution to participative problem-solving structures incorporating a stronger role for civil society. Also, the NESC has advised that successes in the Irish system have been achieved by often unorthodox institutional adaptation and experimental problem solving and that these elements must be further strengthened. This includes more effective resourcing of innovative pilot projects and the mainstreaming of proven approaches.

The hierarchical approach has been at least one of the causes of failure in regard to developing effective responses in areas such as education and life long learning systems, opportunities for the lower skilled and older workers, childcare provision etc., many of which are best tackled locally and in full participative consultation with groups and organisations involved in these processes.

The Employment Action Plan should in future be open to a wide consultation process while being drafted, and also be opened to comment nationally as well as at a local level, before completion and submission to the Commission. It is particularly important that those groups who face particular barriers to participation in the labour market, including people with disabilities, women, rural unemployed, lone parents, older people and Travellers.

*EAPN Ireland*  
*July 2004*

## Appendix I:

# **Pavee Point**

## **The Employment Guidelines**

### **A European strategy for full employment and better jobs for all**

#### *Addressing inequities*

Within the Employment Guidelines it states that *'Member States shall aim to achieve full employment by implementing a comprehensive policy approach incorporating demand and supply side measures and thus raise employment rates towards the Lisbon and Stockholm targets'*. On a general level Ireland can be proud of its recent employment record with a rate of unemployment that many other EU countries would be happy to claim.

However, there are deep inequities within the Irish labour market that demand a more rigorous and systematic approach to their redress than has been forthcoming to date. In particular the demand side of the labour market needs to be focused on and pro-active measures introduced to ensure that there are accessible jobs for participants on schemes and unemployed people to progress to. Without this focus on the Irish labour market the country report's recommendation that *'investing more and more effectively in human capital and lifelong learning'* will not produce the appropriate results.

It should be noted that there are three broad segments to this market: the private; the public; and the voluntary/community segments. A range of incentives and affirmative actions measures should be introduced into each of these segments as part of the NEAP. It is in this context that the supportive role schemes like CE should be assessed. The reality is that many community organisations used ALMP to provide employment options for members of their communities as well as provide a range of services and facilities.

Clearly as part of the overall strategy good links between the three segments should be established: so that potential employees can explore their opportunities and access the best choice for themselves; while raising awareness amongst potential employers of their role to support employment growth for those who traditionally have not gained access to employment. Without such an approach it will not be possible to successfully address Guideline 7 which seeks to *'promote the integration of and combat the discrimination against people at a disadvantage in the labour market'*. Equality legislation on its own will not address this issue as it is primarily a redress mechanism: what is needed is a pro-active socially inclusive approach underpinned by equality principles.

#### *Self employment*

Given the levels of discrimination of the labour market self-employment is often the only route that is available to Travellers and other minority ethnic groups. Given under employment in rural areas self-employment or the generation of a portion of one's own income is and should be a vital component of employment generation in this context. Yet it is an area that has received very little policy focus or practical supports even though the Employment Guidelines contain such phrases as '*innovative and flexible forms of work organisation*'; '*job creation and entrepreneurship*'; '*design and dissemination of innovative and sustainable forms of work organisation*'

### ***Realising equitable social inclusion***

Working on equality and social inclusion issues must change current work practices and underlying policies. The NEAP process is currently very weak in this regard.

As part of this process equality proofing procedures must be implemented by the State at both the local and national levels. A key element of such procedures is the active involvement of the target groups and their representative organisations at all stages of this work. The other crucial components include:

- ›the introduction of data gathering and tracking procedures within mainstream administrative systems which should be published and made freely available;
- ›the identification in conjunction with target groups and their representative organisations of equality objectives that will achieve equality of outcome;
- ›the setting of targets that are challenging but realisable, and the development of strategies to achieve these targets;
- ›establishing the equality implications of any and all particular policy or practice prior to its implementation;
- ›putting in place progress indicators and monitoring procedures that will analyse and review progress; and
- ›finally equality and social inclusion work should be undertaken through both targeted and integrated actions with the lessons arising feeding into mainstream policy and practice.

***July 2004***

## Appendix II

### NWCI Employment Action Plan Submission

#### **Re: Recommendation of the Commission to ‘increase the supply and affordability of childcare facilities and take urgent action to tackle the causes of the gender pay gap’**

Addressing the two issues which the Commission raise, **childcare** and the **gender pay gap** are critical in order to progress equality for women in Ireland.

The National Anti Poverty Strategy, 2002 established the importance of paid employment as a primary route out of poverty. This strategy affirms the Irish Government’s commitments to eliminating long-term unemployment by 2007. In the programme for Government 2002, the government commits itself to ‘introduce new supports for those experiencing or likely to experience severe employability barriers’. The Government has also signed up to Childcare targets in the Barcelona Council 2002, committing to provide childcare for ‘90% of children between 3years to school going age and 33% of children under 3years’. Despite these commitments, little has been done to address the barriers for women wishing to return to the workforce and in facilitating women who are in paid employment.

As outlined in NWCI *A Woman’s Model for Social Welfare Reform*, (NWCI 2003) the current combination of employment and welfare policies in Ireland are not leading in the direction of meeting the Governments commitments in relation to women. They fail to adequately recognise women’s unpaid caring work and the impact that this has on women’s employment choices. The current policies also ignore the reality of women’s participation in the labour market, failing to support and increase the quality of part time work, atypical work and other forms of employment where women are concentrated. The impact of the policies are thereby guaranteeing a higher-than-average likelihood that women will live in poverty, low pay and unemployment.

### **GENDER PAY GAP**

To address the gender pay gap of 13.4% in Ireland,

- care work must be recognised and valued as work
- increase the incomes of those working for low pay
- achieve greater work life balance and greater sharing of caring work between men and women
- to increase the supply of affordable and quality childcare

### Atypical Employment

#### Recommendations:

- Introduce a part-time unemployment benefit/assistance for parents with children aged 0-12, so that women seeking part-time work would have their part-time unemployment recognised.
- Introduce specific reforms around atypical work for job seekers, seasonal and casual workers.
- Introduce specific reforms of the social insurance contribution rules to ensure that relatives and spouses of self-employed / farmers can be insured as employees.

### **Valuing Care Work / Work life Balance**

The lack of access to family friendly policies at work can trap low-income women in the home, as they are unable to afford to go to work or else struggle to keep up full-time employment whilst caring for a family. Flexible work practices are especially not available in low paid and insecure employments where many women work. Typically those who do avail of them are penalized through lower promotional prospects, proportionately lower pay and are seen as being less committed to work. This is due to Ireland's work culture, the undervaluing of care work and because if they do exist, the practices are mainly seen as options relevant only to women. These issues are of grave concern to the NWCII because family friendly policies are seen as being the answer to enabling women to return to the labour market.

#### Recommendations:

- NWCII recommends that family-friendly options should become statutory with all employees having an enforceable right to such an option. This would have the effect of making family-friendly options integral to all workplaces, thus transforming the culture of work fundamentally.
- Promote the parenting role of fathers by providing paid parental leave benefit for parents for 15 weeks of young children and part-time paid parental leave benefit for parents of children up to age 11.
- Introduce a means tested full-time and part-time paid parental allowance.
- Ensure implementation of family friendly policies in all types of employment, which will not affect advancement opportunities, rate of pay or training opportunities.

#### Maximising Independent Entitlement

The Irish social welfare system is based on a male breadwinner model which increases the likelihood of women remaining as dependents within the system. Women's contribution to society through care work has gone unvalued leaving many women only recognised as qualified adults based on their husband contribution record. This has caused difficulties for many women returning to work in that these women are not recognised as part of the labour force and can be excluded from a range of subsequent employment schemes and training programmes, participation in which is dependent on the live register.

#### Recommendations:

- Structural reform of the social insurance system in relation to eligibility for credits by way of changing S57 S1 312 1996 to enable a re-entry credit for homemakers re-entering the system.
- Abolish the limitation rule within social assistance payments.

### **Low Pay**

The recent trends in poverty in Ireland show that the way out of poverty is not guaranteed by obtaining employment. The proportion of employees living in income poverty has increased by 300% since 1998. In 2001 almost one in five (18%) of the income poor population was working for a living. Low pay is a cause of peoples poverty not only during their working lives but also increases the risk of poverty in retirement.<sup>3</sup> Low pay is a gender issue. The impact of low pay particularly effects

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<sup>3</sup> Partnership under Scrutiny – have low paid workers got a fair deal MANDATE 2004

women's lives, and is one of the reasons that women are at greater risk of poverty than in comparison to men.

#### Recommendations

- Achieve flat rate increases for low paid workers in the context of social partnership wage agreements
- Remove all minimum wage earners from the tax net
- Increase the level of the minimum wage
- Benchmark the minimum wage to average increases in industrial earnings

### **CHILDCARE**

Childcare remains the single most significant barrier to women's equal participation to men in all aspects of society, including employment. The arrival of children means that a woman typically has nine years less experience than a father with identical qualifications and expertise by the age of 47yrs. The absence of adequate childcare and eldercare provision makes it difficult for many women to access full-time employment or training. Women carry the main responsibilities attached to caring and are still required to balance paid employment and caring work. In many cases the cost of childcare does not justify employment. Take up of part-time and full-time employment by women is directly linked to the lack of affordable and quality childcare and eldercare available. Women with caring responsibilities have restricted choices, which are affected by the structural inequalities that exist in an economic environment where care work is undervalued.

#### **Recommendations**

A state subsidised childcare system of mixed delivery of childcare (community based, public, small scale private and home based care) is essential to enable women to participate actively in economic life. Childcare costs should be on a sliding scale and directly related to parents ability to pay. The first steps in the development of the model would be to

- Establish a public pre-school childcare place for all children (Cost €190mil)
- An annual childcare subsidy towards wages and running costs in registered childcare facilities (public, private, community).
- Establish a target to meet 80% of cost of childcare for low income and disadvantaged parents.

## **Appendix III**

### **One Family**

#### **National Employment Action Plan**

#### **Submission to EAPN Ireland**

**July 2004**

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#### Background

Progressing the work of Cherish, established in 1972, **One Family** provides voice, support and action for one-parent families through membership, professional services and campaigning. Our aim is to affect positive change and achieve equality and social inclusion for all one-parent families in Ireland.

We work to achieve our aims through

**Voice** we are the national membership organisation of one-parent families, supporting organisations and others concerned with the issues facing one-parent families.

**Support** we offer a comprehensive range of professional services to one parent families, to those experiencing a crisis pregnancy and to those working with one-parent families.

**Action** we campaign with and on behalf of our members to affect positive change for one-parent families.

**One Family** works with all types and all members of one-parent families, respecting the realities of family life in Ireland.

**One Family** welcome the opportunity to submit opinions and recommendations regarding EAPN Ireland's submission to the drafting of the neap and will do so commenting on each of the employment guidelines in turn where considered relevant to one-parent families.

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### **1. Active and preventative measures for the unemployed and inactive**

**One Family** considers that once commitments to the strengthening of the national Employment service in this NEAP, its geographical spread, resources and intervention approaches, continues, there are no further

recommendations in relation to this measure for unemployed parents in one-parent families.

## **2. Job Creation and Entrepreneurship**

**One Family** considers that there remains a great deal of work to be done to encourage entrepreneurship among parents in one-parent families, particularly those with caring responsibilities for young children and high living costs. The operation and take-up of the Back to Work Allowance (Enterprise) has returned primarily male participants and take up and continued participation by parents in one-parent families and females in particular have been low.

In order to make self-employment a realistic option for parents a considerable restructuring of the BTWEA is required, particularly in relation to its interaction with other benefits (this will be addressed under making work pay considerations). In particular, training, retraining and education incentives to parents wishing to start their own business are required. **One Family** recommends an additional six months of BTWEA for those wishing to start a business without formal business management training. During this six-month period eligible participants should receive BTWEA and in turn attend training in business start-up skills. This could involve a partnership approach between DSFA and the national Employment Service and a mainstreaming of some already piloted initiatives allowing basic business start-up training and business planning prior to commencement of trading.

## **3. Address change and promote adaptability and mobility in the labour market**

Ireland's performance in relation to variety and flexibility of working arrangements has been poor in meeting the needs of those with children in accessing or remaining within the labour market. The lack of part-time, family friendly, flexible working hours and arrangement and family-friendly and flexible work places present a significant barrier to the participation of parents in the labour market. This is heightened in relation to parents in one-parent families.

In order to meet the guidelines' focus on diversity of contractual and working arrangements, significant developments are required including the encouragement of diverse and flexible working arrangements through the business sector and employers in social partnership.

In order to provide equality of access and opportunity for parents to the labour market who diverse working hours, the additional employment costs to employers wishing to offer job share, flexi or part-time work should be reduced where the potential staff member is entering the labour market from a period of inactivity or unemployment.

#### **4. Promote development of human capital and lifelong learning**

Ireland's levels of educational disadvantage remain a considerable barrier to the full labour market participation of many one-parent families. Particularly for those whose education was interrupted due to parenting responsibilities, there remain significant barriers to completing or returning to education. These barriers are primarily in relation to cost of education and childcare.

**One Family** recommends the provision of a Stay in School Payment towards the cost of books and materials similar to the Back to Education Allowance to enable younger parents to stay in school or college and an allowance towards the cost of childcare.

**One Family** also recommends the abolition of the age limit for the Back to Education Allowance for parents in one-parent families who did not complete secondary education and wish to do so. The current qualifying age of 21 years presents a barrier to participation for those who parent at a young age.

**One Family** recommends that the provision of courses under the VTOS scheme be increased and varied to ensure that parents in one-parent families have access to a full range of education programmes regardless of their geographical location.

## **5. Increase labour supply and promote active ageing**

**One Family** considers that the Irish NEAP should include a focus on particular group whose access to full participation in the labour market is particularly marginalised. This would include parents in one-parent families.

## **6. Gender Equality**

Given the gender demographics of one-parent families, 85% of whom are headed by females, it is necessary to focus on the issues of inequality in labour market participation for one-parent families as also having a gender inequality dimension. The issues and barriers relating to lack of family friendly work practices, work places, lack of career progression for caring parents and the lack of alternative and affordable childcare remain significant barriers for mothers in one-parent families.

A concerted effort in reconciling work and family life and considering the barriers for parental participation in employment and training with a focus on gender equality will provide a more equalised access to the existing range of ALMPs for one-parent families.

## **7. Make work pay through incentives to enhance work attractiveness**

Unfortunately since the submission of the last NEAP many of the initiatives which increased the making work pay element of ALMPs have been rescinded upon in Budget 2004.

In order to make work pay this NEAP requires attention to the failure to increase the level of income allowable for the retention of secondary benefits for those participating on ALMPs. The fact that the level of income has remained frozen over a number of years had significantly reduced the attractiveness of work for those in receipt of social welfare payments. Coupled with the lack of increase to the earnings disregard for those in receipt on One-Parent family payment in employment and the removal of the half-rate OPFP for those over the earnings disregard in Budget 2004, access to participation

in employment is moving further from the reach of parents in one-parent families.

Of crucial importance in the making work pay issue is the high cost of childcare and housing, particularly for those in the private rented sector. Changes to the rent supplement and as mentioned, the failure to increase income limits to allow retention of secondary benefits, including rent supplement is making it increasingly difficult for one-parent families to access and remain in employment which will provide sufficient replacement income. In addition to the removal of the crèche supplement, these changes and lack of limit increases are increasing the barriers to participation.

The lack of any concerted effort to provide quality affordable childcare for working parents and particularly those in one-parent families needs to be urgently addressed if any progress on participation is to be expected.

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**ENDS**

<p>This submission is made on behalf of One Family – voice, support and action for one-parent families. Queries should be directed to Anne Bowen, Social Policy &amp; Communications Officer, T: 01 662 9212 F: 01 662 9096 E: <a href="mailto:policy@onefamily.ie">policy@onefamily.ie</a></p>
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