

Labour Women Pre Budget Submission Budget 2013

Contents

Introduction	2
Taxation.....	2
Child Care - Tax Relief	2
Maternity Benefit Tax Relief	2
Agricultural Relief.....	3
Home-sharing.....	3
Social Protection	3
Pension Justice for Carers	3
Child Benefit.....	4
Qualified Adult Dependents	4
Habitual Residence Condition.....	4
One Parent Allowance	4
Pension.....	5
PRSI	5
Primary education.....	5
Secondary education	5
Further Education	6
Carers	6
Public Sector Employment.....	6
Background on Female workforce in Public Sector	7
Recommendations	9
Health.....	9
Gender Mainstreaming.....	9
Health Service Reform	10
Breast Check	10
Minimum Pricing of alcohol.....	10
Returning to work	10
Respite Facilities for people with disabilities.....	11

Introduction

The current economic recession is having a direct effect on women in a number of spheres. More women are unemployed and long term unemployed. In addition many women have experienced wage cuts or reduced working hours. According to a recent study carried out by the European Commission women in Ireland earn on average 17.1 per cent less than men. In addition women are significantly more likely to head lone parent households and are also significantly more likely to be full time carers. While the current economic climate is affecting all sectors of society, there is a differential effect on women.

Labour Women is committed to working within the Labour Party to support the party's commitment to tackling the systemic subordination of women across the economic, political, cultural and affective spheres of Irish society and to build the commitment to gender specific analysis of policy and practice within the party. To this end Labour Women has produced a pre-budget submission highlighting measures, which could be taken to move closer to a society where men and women are truly equal.

Sinead Ahern - Chairperson Labour Women

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Taxation

Child Care - Tax Relief

As a result of the State's failure to provide tax relief for childcare, many women are forced to have children cared for in the black market by unqualified people in premises that are not inspected or subject to the relevant regulations. Primary carers have no choice, as for many, the costs of childcare on the regulated market, is prohibitive, without significant tax relief. A comprehensive cost analysis should be completed by the government investigating the number of children cared for on the black market. It is anticipated that the introduction of a tax relief for childcare would be almost revenue neutral, as it would eradicate the use of unregulated tax evasive practices thus assisting in ensuring that childcare service providers comply with the relevant regulations and are subject to the necessary inspections.

Maternity Benefit Tax Relief

A serious inequality exists in Ireland in relation to the provision of paid maternity leave to women working outside of the public sector; this has a serious effect on female entrepreneurship. Women working in the private sector and self-employed women are often unfairly disadvantaged in relation to the provision of maternity benefit when

compared with their counterparts in the public sector. Moves should be made to investigate the cost of incentivizing private sector employers by means of tax reliefs to agree to pay full salaries to women employees during the currency of their statutory maternity leave. Self-employed women should be afforded a "year of birth / adoption" tax credit that can be carried forward indefinitely until the credit has been used up. It is anticipated that this will be revenue neutral in the medium to long term as it will keep women in the work force and will foster enterprise in women who may otherwise be reluctant to start-up businesses.

Agricultural Relief

It is submitted that the reduction in the value of agricultural property from 100% to 10% for the purposes of agricultural relief is too generous. This reduction should be changed from 100% to 15%.

Home-sharing

It is submitted that income received under home-sharing schemes providing care for people with intellectual and physical disabilities should be formally exempt from Income Tax on the same basis as payments to foster parents, this tax relief is already in place on an informal basis, thus it will not cost the State anything. The provision of a formal basis for the tax relief will ultimately result in an increase in the provision of home-sharing, a service that runs at a cost of approximately 10% of residential care, resulting in an often preferable service. Including a tax relief on monies received under these schemes will assist in enabling the scheme to be provided on a nationwide basis reducing care costs, improving and increasing, service provision. The majority of the host parents receiving payments under the scheme are women who may not be in a position to work in another capacity outside the home. The scheme provides a desirable low cost service and an independent income to a lot of women, ultimately the recognition would result in a net saving. In cases where this results in reduced needs for staffing in respite or residential services, staff should be re deployed to day or community services or to supporting clients availing of individualized service provision.

Social Protection

Pension Justice for Carers

In 2012 changes occurred in the payment to the state contributory pension. This has resulted in a significant decrease of 977.60 to respectively in a full year for those individuals who have an average of 48 or fewer yearly PRSI contributions. The home makers scheme, in operation since 1994 makes it easier for individuals who have an interrupted work by disregarding years spent in the home caring for children under 12 years or ill/disabled dependents. However, for workers with an interrupted career pattern e.g. because they took on caring responsibilities prior to 1994, they may not have enough social insurance contributions to get a full state contributory or transition pension and/or face a significant reduction compared to what they expected to receive. This includes individuals forced to leave the workforce due to the marriage bar. We recommend extending the home makers scheme to 1994.

Gender Auditing

Cuts to social protection payments may be gender disproportionate eg cumulative effect of cuts to Child Benefit, Lone Parents, Back to School Allowance & Rent Allowance are much heavier on women than on men and the budget needs to take account of this gender differential through a specific audit of the gendered effects of any rate cuts.

Child Benefit

The universal nature of child benefit recognises the cost to families who have children vs. those who do not have children. It also recognises the benefit and value to all of society of children who will be the workers/tax payers of future. The rises in the rate of child benefit during the celtic tiger years compensated for the failure of the State to provide for childcare or to provide support through tax credit or Vat exemption for working parents.

Means testing is administratively cumbersome and costly. It creates a potential poverty trap and is a further disincentive to co-habitation by unmarried parents where co-habitation would be otherwise socially desirable.

There have already been significant cuts to the child benefit rates for all children and especially severe cuts for larger families with 3rd and subsequent children.

We recognise that taxation has the potential to discriminate against married couples (who can be jointly assessed as opposed to unmarried couples who are separately assessed) and working women who are the ones who are most affected by the failure of the State to subsidise childcare (as non-working mothers will be able to avail of their individualised tax credit to offset Child Benefit). There are also collection issues for the PAYE sector. Nevertheless, taxation of child benefit remains the fairest and most progressive method of achieving savings in this area.

Qualified Adult Dependents

95% of qualified adults are women and for all payments except Jobseekers it is a proportion of full adult allowance. This reinforces culture of dependency and acts as disincentive to register for benefits in women's own names. This in turn results in reduced access to labour activation supports. We recommend that qualified adult dependant allowances be phased out and replaced with an individualised payment system for all social protection payments.

Habitual Residence Condition

This condition is particularly discriminatory against marginalised nomadic people (Travellers and Roma) who already experience difficulty in accessing payments. It has a particular impact on domestic violence victims who may be even more reluctant to seek refuge from abuse where their access to payments is affected by this condition. As the numbers who are affected are relatively small but the effect on them disproportionately severe, this condition should be relaxed.

One Parent Allowance

The cuts announced last year were delayed for existing claimants (they were implemented for new claimants) pending the introduction of community supports and "Scandinavian" style childcare which is not yet in place and the cuts should continue to be delayed pending the putting of these support in place.

Pension

The elderly more likely to be women as they live longer - 55% of over 68s are women and 66% of over 85s are women. The gender gap in provision remains stubbornly high (80% of men qualify for State pension while less than 60% of women do and less than 50% of women in employment have private provision. There are historical issues dating from the marriage bar in the public sector and women who were forced out of the workplace by the marriage bar deserve pension justice. This is a reducing number of women. Those women should be paid an individualised pension at the full pension rate. The possibility of financing this through the means testing of Old Age Household benefits such as the TV licence, free travel, telephone & electricity allowance should be examined.

PRSI

There is a significant deficit in the social insurance fund. This can be addressed either by a rise in contribution or by a cut in payments rates. Cutting rates is bad for the local economy. Social welfare dependents spend 110% of their income in the local economy compared to employees who only spend 72% of their income locally. Increasing the contribution burden on employees who are already hard pressed creates another poverty trap and increasing cost to employers does not encourage job creation.

Education

Primary education

Provision of pre-school ECCE for under 3 year old enables women to return to work, education or retraining without incurring expensive child care costs. It also benefits children in providing them with a good start in education. Moves should be made to extend this scheme. In addition in the longer term public preschools should be developed in co-operation with primary schools with a view to eventually providing pre-school in state rather than private preschools.

Secondary education

Increasing investment in science and higher-level maths in all girls' schools would encourage more females to take these subjects which are pre requisites for many professional and vocational careers. At present females are underrepresented in sectors such as scientific research and development, engineering, etc. The "learn to read" campaign currently being piloted in primary schools in order to promote literacy should be extended to maths.

The lack of PE in many girls' schools is having a detrimental impact on young girl's weight the future health implications and costs associated with obesity in women far outweigh any investment in PE in secondary schools. One reason that young women do not participate in Physical Education is the emphasis on field and team sports such as football and soccer. A

feasibility study investigating expanding options for PE at secondary school level to alternative activities should be carried out. This study should include examining the possibility of training PE teachers to teach an expanded range of activities.

Schools in nearby locations could/should share Science and PE resources to reduce costs and make most efficient use of these resources. In addition schools should be encouraged to offer off peak reduced cost memberships to school children aged 16 or over. An important suggestion is that PE should be counted for CAO points as is the practice in many European countries such as France.

Further Education

There has been significant growth in FE in recent years as many women that are unemployed seek to retrain for the future jobs market. The FE colleges have responded by developing courses that meet the needs of the labour market. However the increasing cost of PLC courses, which included the Government levy of 200 euro, acts as a disincentive to take up these courses especially for low-income women. Moves should be made towards modularizing these courses to allow women who have child care or other caring obligations or part time employment to engage in training. In addition students should have the facility to pay for their courses on a module-by-module basis or using an instalment system to ameliorate the difficulties posed by the large up-front cost. A micro financing system should be explored which allows individuals to defer the cost of education or training until such time as they find employment.

In addition the BTEI scheme has become restrictive. It applies only to those over 21 years and 6 months on social welfare. This age should be dropped in order to reduce the number of women aged between 18 and 21 who are neither employed nor accessing training. Women that have a FETAC level 5 certificates cannot take up another course at this level. Therefore their only option is to take on a level 6 courses that may be unsuitable or remain inactive which restricts their ability to gain employment in the future. Targeted career guidance should be provided to help jobseekers choose access courses which form part of a coherent plan to return to the work force.

Carers

Women that take on the role of full-time carers are not classified as unemployed and thus when they seek to retrain they are not considered for any of the current schemes such as VTOS or BTEI. Individuals in receipt of carers allowance should be able to avail of these schemes.

Public Sector Employment

Deep public spending cuts would lead to heavy job losses for women and substantially reduce their income in retirement, according to a report published by the TUC in March 2010. There are similar repercussions for Irish female public sector workers. Another raft of public sector job losses could leave many families with both parents out of work and affects particularly those areas devastated by private sector job losses.

Background on Female workforce in Public Sector

Women are dominant in public sector health and education jobs where they represent around 70 per cent of workers. Across the EU female graduates outnumber male graduates by a ratio of approximately three to two. However, gender differences remain with regard to fields of study with women predominating in the health and welfare fields and men predominating in the engineering, manufacturing and construction-related fields. In Ireland the education and health sectors employ the highest proportion of women, with an 80 per cent share of the total at work in health, 85 per cent in primary education and nearly two-thirds in second level education (62 per cent).

In 2007 the Irish education and health sectors employed 30.8 per cent of all women who were aged 15 or over and in employment compared to 27.8 per cent of women in the EU. In contrast, in 2008, 21.1 per cent of Irish women in employment were employed in clerical and secretarial occupations, compared with 5.1 per cent of men.

Professional occupations were the most gender balanced in Ireland with women representing 49.8 per cent of those employed. Public administration and defence, wholesale and retail trades, financial services and general services sectors had the most gender equal workforces in 2007. In 2007, 64.7 per cent of Irish civil servants in general service grades were women. At clerical grades, 77.5 per cent of staff were women. Even for low-skilled jobs, public service wages generally have been higher than in the private sector and have played a role in reducing gender pay discrimination, particularly in countries with low or no floors for wages in the private sector. In contrast, just under a quarter of those at secretary general level were female. Women still face difficulties when it comes to career advancement. The EU average for women in managerial positions is only 33 per cent and the figure is even lower in Ireland at just 30 per cent.

In 2010 the gender pay gap in Ireland stood at 12.6 %. This figure is below the EU average where women earn on average 17.4 per cent less than men for every hour worked. The gender pay gap is partly due to the fact that women are concentrated in less valued jobs and positions than men. They're also more likely to work part-time and to interrupt careers for family reasons, which impacts on pay, career advancement and accumulated pension rights.

Big spending cuts and job losses here will hit women in the Public Sector, as they are twice as likely as men to work in the public sector. Indeed four in 10 women work in public-sector occupations. This has been particularly important issue for individuals and families in areas hit hard by private-sector unemployment. In a number of countries, public sector employees have lost the wage premium they traditionally had over the private sector, which was empirically justified by higher education levels in the public sector.

Women often work in the public sector because it offers relatively secure work, more flexible working patterns and a chance to build up a decent income in retirement. The gender pay gap is smaller and the public sector offers more opportunities to combine a proper career with caring responsibilities. Spending cuts inevitably threaten this - and set back the cause of gender equality.

Women's pensions would be hit particularly hard. Those public-sector pensions go largely to women. About 70% of current public-sector pensions are being built up by women. Cuts to public sector pensions would also increase the gender divide in retirement income and lead to greater poverty for female pensioners.

Cuts would also make the public sector a less woman-friendly place to work. While it is right to look to increase public-sector efficiency via a reform process, unplanned job cuts will mean fewer workers doing the same amount of work, leading to stress and pressure to work even longer hours, which affect predominately women.

Daniel Vaughan-Whitehead, a Senior advisor to the Conditions of Work and Employment Programme of the International Labour Organisation (ILO), and the Editor of the 2012 study Public Sector Adjustment in Europe, says that because women generally find more and better jobs in the public sector, they are particularly affected when that sector implements austerity measures. The Tasc budget statement also notes the negative impact on equality in society when public sector provision is reduced.

A venerable strand of labour market theory in sociology suggests that employer groups are better able to foment divisions amongst employees when the workforce is 'split' across ascriptive social categories like race and ethnicity. So what, if anything, makes the public/private divide in Ireland so amenable to this kind of manipulation? The recent growth in public sector occupations has largely taken the form of an increase in professional female occupations. The numbers of people employed in public administration, education and health grew by about 180 thousand between 1998 and 2007, but fully 130 thousand of those people were women working in education and health. Women comprise the great majority of public sector employees (about 70 per cent in 2007 if we treat those three sectors as a rough approximation; 64 per cent in 2006 according to an analysis of the National Employment Survey. Correspondingly, the public sector accounts for a substantial proportion of all female jobs (about a third in 2007). In this context, a comment reported from one of the recent teachers' conferences - "We are not overpaid babysitters" - is telling. I believe that when the history of the present moment is written, the anger directed at the public sector will be understood as part of a wider pattern of social contention surrounding the transformation of social care and education from a vocation - associated mainly with religious organizations and with women whose primary role was perceived to be that of unpaid worker in the home - to a set of modern professional services.

"EU-wide austerity measures, as a policy option to reduce public deficits, will, in addition to reducing jobs and growth, impact disproportionately on women who make up a large part of the public sector workforce. This view is shared by the European Parliament, as expressed in a resolution adopted on 17 June. Ahead of the Commission's new gender equality strategy 2010-2015, EPSU draws attention to the contradictions between the EU obligations on gender equality and gender mainstreaming and austerity measures, endorsed by the European Council of 17 June last. "The EU has been a driving force in improving equality between men and women. But it stops at the doorstep of economic and financial affairs. As the guardian of the Treaties, it is urgent the Commission carries out a gender equality impact assessment of the on-going cuts in public services. As a human right, for the benefit of all, achieving gender equality should supersede short-term financial gains for the few. Commission's own funded research concludes that keeping gender equality central to the

responses to the crisis can make a huge difference for jobs and growth. Why isn't the Commission making a good use of its own research funded by taxpayers? " says Gloria Mills, chair of the EPSU Gender equality Committee (Unison, UK). The views of the Commission are sought on the following topics:

- Integration of gender equality in EU response to the crisis in line with article 8 of the TFEU on gender mainstreaming of all EU policy areas; Relationship between cuts in public jobs and EU "2020" strategy for more jobs and growth;
- Relationship between cuts in public services and fighting poverty;
- Relationship between the Commission's strategy to close the 17% gender pay gap in the EU and freezes and/or cuts in public service wages;
- Compliance with EU obligations on social dialogue;
- Guidance to member states on compliance with EU directive 2004 on equal treatment between women and men in the access to and supply of goods and services."

Recommendations

- Maintain employment and salary achieved by women in the Public Sector as agreed in Croke Park deal:
- Gender proofing of budgetary measures in line with EU Commission's new gender strategy (Reducing public sector salaries hits female work force particularly and reduces equality agenda and gains made over past decades.)
- Protect pensions of women in public sector. Female pensions are still very low due to nature of part time working and periods of absences due to child rearing.
- Put in place a range of innovative work flexibility for women as recommended by IPA to take account of child bearing and caring responsibilities. A culture change needs to be adopted to ensure take up of flexible work practices where they do exist. This can increase efficiency.
- Facilitate Senior Managers to job share to increase numbers of female managers and improve gender balance at Senior levels.
- Ensure locums for maternity leave is mandatory in the public sector. This practice is increasing particularly in the health service. This puts an unfair burden on workers and increases stress and inefficiencies.
- Introduce mandatory 50:50 gender quotas for higher level positions across public sector to ensure that women participate in decision making at higher levels.

Health

Gender Mainstreaming

The report of the Expert Group on Resource Allocation and Financing in the Health Sector did not take gender-based factors in health care needs into account. For example sexual and domestic violence and the associated health needs predominantly affect women. This must be considered when planning for health care provision. In addition the current mental health strategy "Vision for Change" does not take into account gender differences in mental

health needs.

Health Service Reform

Labour Women advocates continued focus on meeting government commitments on health outlined in the programme for government. Specifically we are calling on the government to develop a programme of universal health insurance based on ability to pay with access to services based on need rather than income or insurance status. In addition we are calling on the government to honour their commitment to universal health insurance. Health in all policies

Labour women advocates putting health at the centre of all budget decisions including health, taxation, social welfare and capital expenditure.

Breast Check

Ireland has an aging population and women over 64b have the second highest incidence of breast cancer in Ireland. In order to comply with international best practice the age bracket covered by the Breast Check scheme should be extended to 69. In addition education will be extremely important to increasing uptake of the Breast check scheme. Working with existing community networks e.g. ICA etc. could be a useful means of increasing awareness

Minimum Pricing of alcohol

There is considerable evidence on the relationship between price and harm (Wagenaar et al, 2009; Babor et al, 2010). Studies have shown that the price of the cheapest type of alcohol, the floor price, is of particular importance (Gruenewald et al, 2006). Changing the price of more expensive types of alcohol has less effect on alcohol-related harm. We believe that minimum pricing will have a considerable benefit in reducing the harm, which comes from the consumption of the cheapest forms of alcohol. The University of Sheffield estimated that 64% of alcohol below 50 p is consumed by those drinking more than 50 units (35 for women) per week. Only 9% of cheap alcohol is consumed by those who drink moderately (Meier et al, 2009). Minimum sales price has particular potential to reduce the consumption levels of those who drink most heavily and whose consumption leads to the greatest harm. Alcohol-related problems cost Ireland an estimated €3.7 billion in 2007 - that's a cost of €3,318 on each person paying income tax in Ireland. Treating alcohol-related injuries and diseases cost the healthcare system an estimated €1.2 billion - around 8.5% of the total annual healthcare budget. Each night, 2,000 hospital beds are occupied for alcohol-related reasons. Alcohol was identified as a potential trigger for abuse in one third of domestic abuse cases. Alcohol is considered a contributory factor and stressor in domestic violence.

Returning to work

Community welfare officers, job centre staff and social welfare staff should be trained to advise jobseekers on the existence of the current provision enabling both unemployed individuals and lone parents who have been out of work for at least a year to retain their entitlement to a medical card for three years

Respite Facilities for people with disabilities

Women constitute over 70% of full time carers. Best practice for people with intellectual disabilities suggests that where possible both residential and respite care should be provided in the community rather than in institutional settings. In addition significant resources are devoted to providing facilities such as 24 hour waking nursing care in respite services for individuals who do not have significant medical needs. Significant savings as well as improved outcomes can be achieved through a national policy to move towards community provision of respite and residential services e.g the 'share a break" and "room to share" programmes which have been in operation in the midlands for the last decade.