

A  
BUDGET  
FOR  
CHANGE



# BUILDING BETTER SOCIAL PROTECTION FOR ALL

Sinn Féin Alternative Budget for Social Protection 2022





# BUISÉAD AR SON AN ATHRAITHE



Spokesperson  
for Social Protection

**Claire  
Karrane TD**



## Contents

<b>Introduction</b>	<b>4</b>
<b>Tackling Poverty</b>	<b>5</b>
<b>Right to retire on a State Pension at 65</b>	<b>9</b>
<b>Supporting Parents and Families</b>	<b>10</b>
<b>Recognising Care</b>	<b>12</b>
<b>Keeping People Warm in their Homes</b>	<b>14</b>
<b>Sinn Féin's Additional Allocations for Social Protection in 2022</b>	<b>15</b>



# Introduction

All of us, at some point in our life will come to rely on our social protection system. That point in time may be joyous, like having a baby, or during extremely difficult times, like getting sick or losing a job. Either way, in an instance, a person becomes totally reliant on a system that they may never have relied on before.

Many people had that very experience when the Covid-19 pandemic hit in March 2020. People became unemployed overnight and many households saw their incomes plummet. An immediate income support for workers and the self-employed who lost their jobs was introduced – the Pandemic Unemployment Payment (PUP). It was initially introduced at a rate of €203 (in line with the maximum rate of most existing social welfare payments) before being quickly increased to €350 on March 24th, 2020.<sup>1</sup>

The introduction of this payment told us two things – a basic payment rate of €203 is not adequate and that our social protection system can be responsive and is capable of major change very quickly. It also saw the Department of Social Protection and Revenue working more closely – a relationship we must sustain if we are to develop an enhanced system of social protection including a robust Child Maintenance Service.

Over the course of this year, we have seen workers and families struggle. Many continue to face financial challenges, including increased household debt and, as we come into the Winter period, households will come under even more pressure as energy prices soar.

Even before Covid-19, poverty was one of the greatest challenges we faced. The Poverty Ireland 2021 report from Social Justice Ireland<sup>2</sup> shows stark levels of poverty with 190,000 children experiencing poverty and 630,000 people living below the poverty line. Of this number, over 15% of all those in poverty were employed – and this was all pre-Covid.

Yet, we have a social protection system where all current payment rates are set below the poverty line. We need to change this, beginning with Budget 2022. The very least any social protection system should do is protect those who rely on it from poverty. Ours does not.

Recognising the additional costs and financial challenges facing Carers, Lone Parents and persons with a disability is essential to building a system that supports everyone.

We have long called for securing State Pension rights for workers who wish to retire at the age of 65. After a lifetime of work, people should be able to choose to retire at 65 and receive their State Pension or continue working.

Covid-19 has taught us lessons, and Budget 2022 is the first chance to show that we have learned these lessons. We must now seize this opportunity to reform and revitalise our social welfare system for the better, to appropriately support the lives of workers, families, and households.

1 Parliamentary Budgetary Office, The COVID-19 Pandemic: Employment and Unemployment Supports - [https://data.oireachtas.ie/oireachtas/parliamentaryBudgetOffice/2020/2020-04-26\\_the-covid-19-pandemic-employment-and-unemployment-supports\\_en.pdf](https://data.oireachtas.ie/oireachtas/parliamentaryBudgetOffice/2020/2020-04-26_the-covid-19-pandemic-employment-and-unemployment-supports_en.pdf)

2 Social Justice Ireland, Poverty Focus 2021 - <https://www.socialjustice.ie/sites/default/files/attach/publication/6489/2021-04-22-povertyfocusapril2021final.pdf?cs=true>

# Tackling Poverty

## ► Increase working-age Social Protection payments by €10

**€434m**

Sinn Féin want to reform our Social Protection system by ensuring that all social welfare rates are adequate and protect those who rely on them from poverty.

There has been no emphasis on social welfare supports in the last two Budgets with no increase in core rates since March 2019, despite a growing cost of living crisis. This means all current social welfare rates are even further behind where they need to be.

Working age payments need to be set to the Minimum Essential Standard of Living (MESL), based on longstanding work by the Vincentian Partnership for Social Justice (VPSJ).

We need to end the annual political football around a fiver at Budget time and instead benchmark our social welfare rates to the MESL, ensuring adequacy, protection from poverty and providing certainty.

Sinn Féin would increase all working-age social welfare payments by €10 this year as the first step to bringing all rates in line with the MESL, which is currently calculated at €252 per week

## ► Equalise the current rate of €112.70 per week for young Jobseekers with other Jobseeker's payments

**€64.8m**

At present, young people aged 18-24 years receive a reduced Jobseeker's rate of payment of €112.70 per week. Given the payment is means-tested, some young people, particularly those living at home, can receive much less than this. The only exceptions to this are for young people who live independently (which many cannot afford to do), or those who meet certain criteria around training and education, as set out by the Department of Social Protection.

Current reduced rates of Jobseeker's for young people are well below a minimum standard of living and leave many young people who are seeking work in poverty, or at serious risk of poverty, and force people all over the State to rely on support from their families, where that is possible.

Sinn Féin would remove age discrimination from our social protection system and deliver equal treatment for young jobseekers from the Jobseeker's rate of €112.70 per week up to the full standard rate.

## ► Increase Disability Allowance and Blind Pension by €10 per week\*

**€86.4**

\*Included in the overall working-age payments increase of €434m in Sinn Féin's Alternative Budget 2022

Sinn Féin want to see a focus on Disability Allowance and the Blind Pension given the obvious increased costs incurred by disabled people.

Earlier this year, the European Disability Forum's Human Rights Report found that 38.1% of people with disabilities in Ireland are at risk of poverty and social exclusion, the fifth worst in the EU<sup>3</sup>. This is not news to anybody living with a disability and now is the time to act.

This requires increases to the Disability Allowance and Blind Pension as a step to appropriately recognise the cost of disability in the State. We would increase the weekly Disability Allowance and Blind Pension by €10 in Budget 2022.

While the government are yet to publish their report on the cost of disability, there is a clear need to provide supports which recognise this additional cost.

## ► Continued provision of Rent Supplement for survivors of domestic violence

**€0.1m**

It is well known that one of the biggest barriers to survivors leaving a domestic violence situation is where they will go and where they will live. This is particularly concerning where children are involved. We need to remove these barriers for survivors as a matter of urgency, by ensuring access to assistance with rent to allow them to privately rent. This is even more important now as rents continue to rise across the State and instances of domestic violence have increase across the last year.

While we welcome that the Minister announced that Rent Supplement would be continued for the remainder of 2021 for domestic abuse survivors, Sinn Féin would maintain it beyond that, given its importance as a support.

The provision of Rent Supplement for survivors of domestic violence was estimated to have cost €73,000 in 2020<sup>4</sup>. It is key that payment of Rent Supplement for survivors of domestic violence is continued in 2022 and maintained beyond that.

3 European Disability Forum, European Human Rights Report 2020: Poverty and Social Exclusion - <https://www.edf-feph.org/publications/european-human-rights-report/>

4 The Houses of the Oireachtas, Social Welfare Schemes, Dáil Éireann Debate, Tuesday - 22 June 2021 <https://www.oireachtas.ie/en/debates/question/2021-06-22/429/>

## ► Resource MABS to recruit 10 Public Personal Insolvency Practitioners

€0.83m

Practical supports are needed to tackle the issue of household debt, which go far beyond financial assistance alone.

Last year Sinn Féin conducted an online survey on Household Debt. It was clear from those who responded that Covid-19 has had a severe impact on many households as regards their financial situation. Covid-19 saw thousands of workers losing their jobs resulting, in many cases, in reduced income, while the same payment obligations and bills remained.

We need to get on top of this crisis now and we need to act to ensure that practical supports are there to assist households in tackling their debt.

No family should feel that their debt problem cannot be tackled. The provision of additional resources to the Money Advice and Budgeting Service (MABS) to recruit 10 Public Personal Insolvency Practitioners is important to ensure access to those who need these services.

## ► Establish a Child Maintenance Service

€0.4m

The Survey on Income and Living Conditions (SILC) 2018 and 2019 results showed that lone parents in Ireland have the second highest rate of income poverty, persistent poverty, and severe deprivation among all EU-15 countries<sup>5</sup>.

All research shows that the payment of child maintenance plays a role in reducing poverty.

Currently, there is no set procedure in place for the collection of child maintenance. The pursuit of child maintenance is left firmly up to the custodial parent with no assistance from the State.

From our discussions with lone parents and lone parent organisations we know that seeking child maintenance is costly, complex, time consuming and can be extremely stressful for lone parents – so much so, that it deters lone parents from seeking it. We also know that securing maintenance and actually receiving it are two very different things.

There is no excuse for us not to have a proper Child Maintenance Service, similar to that in place in the North of Ireland.

Sinn Féin would establish a child-centred Child Maintenance Service through which lone parents are assisted and supported throughout the entire process, and where Child Maintenance is treated as a means to help lift children out of poverty and not as a source of household income.

5 One Family, Facts and Figures - <https://onefamily.ie/media-policy/facts-figures/>



## ► Establish a Social Welfare Adequacy Commission to advise government on payment rates

€0.3m

Social welfare increases should be evidence based and we have been clear that our preference is for all payments to be linked to the MESL.

Sinn Féin would establish a Social Welfare Adequacy Commission to research and make recommendations to Government annually ahead of the Budget to ensure social welfare rates are adequate by providing a minimum essential standard of living and protection from poverty. We have introduced legislation on this on two occasions and most recently, last November.



## Right to retire on a State Pension at 65

- ▶ Restore Right to retire for 65-year olds by re-introducing the State Pension (Transition) €127m
- ▶ Increase State Pension payments by €5 per week €175m

Sinn Féin strongly support the right to retire at 65 and have long called for choice at retirement.

Workers should have a right to retire at 65 with their State Pension or to continue working should they wish to.

If the government had proceeded as planned, today the State Pension age would be 67. Voters clearly rejected pension age hikes at last year's General Election. Due to immense pressure from Sinn Féin and other organisations, the scheduled pension age increases were reneged.

The Pensions Commissions was established to further review the State Pension and other pension-related matter. Unfortunately, it appears from the Pensions Commission report leaks that those increases are still planned, albeit delayed.

For those who do retire at 65, the current Benefit Payment for 65 Year Olds is set at standard Jobseekers rates and is not adequate for those who are retiring after a lifetime of work.

We would restore the State Pension (Transition) at the State Pension rate and increase State Pension payments by €5 per week.

# Supporting Parents and Families

## ► Increase the Qualified Child Increase for over 12s and under 12s by €5 and €2.50 per week

**€60.1m**

Sinn Féin would ensure that Social Protection payments are designed to assist parents and support families with child-related costs, being mindful that there are higher costs associated with children over 12 years of age. This is also a targeted measure aimed at reducing child poverty.

Lone parents are particularly affected by inadequate social welfare rates, and there is a consistent rate of poverty which is far higher among lone parent families than two parent families<sup>6</sup>. Social welfare payments to these households are largely inadequate in their current form and so, we need to look beyond their core social welfare supports alone.

Increasing Qualified Child Increases must be made with the aim of providing payments which acknowledge varied household needs, including the additional cost of older children within families. This is reflected in our call for increasing the Qualified Child Increase for over 12s and under 12s by €5 and €2.50 respectively.

## ► Provide an additional two weeks Parent's Leave and Benefit

**€14.6m**

Evidence tells us children do better when they spend their first year of life with a parent. Maternity Benefit is currently available for just 26 weeks and Paternity Benefit for two weeks.

Sinn Féin would extend this leave by a further two weeks in Budget 2022, as the next step towards securing extended statutory leave and benefit entitlements so that children can be with a parent for the first year of their life.

<sup>6</sup> Central Statistics Office, Survey on Income and Living Conditions (SILC) 2017 - <https://www.cso.ie/en/releasesandpublications/ep/p-silc/surveyonincomeandlivingconditionssilc2017/povertyanddeprivation/>



## ► Introduce Parental Bereavement Leave & Benefit

€0.63m

The loss of a child is devastating for parents and at that most horrific time in a parent's life, our Social Protection system needs to step in to provide support.

At present, parents who lose a child are entitled to just 3 days statutory leave in a 12-month period, with compassionate leave at the discretion of employers.

As an initial introduction of such a scheme for parents, we propose two weeks statutory paid leave for a parent(s) who lose a child, paid at the rate of existing maternity, paternity and parent's leave and benefit, €245 per week.

The Benefit would be payable to parents who lose a child under the age of 18 years, including following a stillbirth from 24 weeks of pregnancy, irrespective of the length of their current employment.

## Recognising Care

- ▶ Increase the annual Carer's Support Grant to €2,000

€21.5m

- ▶ Increase means-test income threshold for entitlement for Carers Allowance

€50m

- ▶ Progress the alignment of the capital disregard for Carer's Allowance with that of Disability Allowance from €20,000 to €50,000

€5m

- ▶ Introduce a Long-term Carers Pension

€3m

Family Carers do highly skilled, often exhausting work in caring for a loved one. They feel completely abandoned and ignored by successive governments, who have been failing for years to give them the support and recognition they deserve. They have been to the fore since Covid-19 hit, single-handedly supporting, keeping our most vulnerable citizens safe and well throughout multiple waves of a global pandemic.

Overnight, they lost the very few supports they had such as respite and day services. It is important that we acknowledge the role of Carers, especially throughout the pandemic, and we must do this in the Budget.

We recognise that many Carers involved in full-time care do not qualify for a social welfare support i.e. Carer's Allowance or Carer's Benefit.

Sinn Féin would relax the means test for those applying for Carer's Allowance, so more Carers can receive support instead of being shut out by income thresholds, which have not been increased since 2008. This would also result in higher payments for current recipients on reduced payments.

Sinn Féin are conscious of the great worries, dilemmas and difficulties faced by Family Carers who are concerned about the financial security of their child(ren) with a disability after they themselves pass away. The Government must ensure that the Departments of Social Protection, Finance and Justice work together to collect the data and conduct the work necessary to address barriers in areas such as the treatment of capital in means assessments and the uncertainty, complexity and costs for families associated with Special Needs Trusts planning. These Departments should issue a report, including solutions in advance of the next Budget and in the interim as one step, we propose allocating €5 million in order to progress the alignment of the capital disregard for Carer's Allowance with that of the Disability Allowance i.e. from €20,000 to €50,000.

We would increase the annual Carer's Support Grant by €150 to €2,000, a vital financial support for Family Carers.

As well as this many Family Carers, often women, have fallen in to a 'pension gap'. This is where they do not qualify for the Contributory State Pension due to years away from the workforce or qualify only for the Non-Contributory Pension, which is means-tested and a reduced rate of the State Pension.

This gap has caused huge financial difficulties for Family Carers in their old age. It is also hurtful and insulting to suggest that the hard work of Carers does not warrant a State Pension. We must ensure that any approach to the State Pension supports and rewards and recognises the work of Family Carers.

Sinn Féin propose the introduction of a new pension for Long-Term Carers for 65 year-olds, in line with our calls for the standard State Pension. This new payment would involve the provision of a pension for new applicants who have been Family Carers for more than 20 years.

It is time to recognise the vital work family carers do and deliver Social Protection support that they urgently need.



# Keeping People Warm in their Homes

## ► Extend the Fuel Allowance season by an additional two weeks

**€21m**

We know that energy poverty is a growing problem across the State. Households are struggling – families are rationing fuel and making choices between putting food on the table and turning on the heating.

It has been reported<sup>7</sup> that households face bills of an additional €400 this Winter as energy prices continue to soar. We also know that the scheduled further carbon tax increases, will continue to disproportionately impact on low income households.

Households most at risk of energy poverty must be protected. We would extend the Fuel Allowance season by an additional two weeks, from 28 weeks to 30 weeks, in Budget 2022.

Our social protection measure to increase all working age social welfare payments are aimed at building the cost of living into our social welfare system as a whole. This includes utilities and seeks to ensure that households can safely meet their energy costs.

## ► Increase Fuel Allowance Eligibility Criteria

**€30m**

At present, access to the Fuel Allowance is very limited, with rigid income threshold limits. Eligibility for the Fuel Allowance must be expanded in Budget 2022 to acknowledge the difficulties many households face with rising heating costs and increased carbon taxes.

We propose increasing the assessable income limit for Fuel Allowance means test by 10% to meet higher demands this Winter. For this purpose, we have allocated €30 million in addition to the approximate €300 million annual cost of Fuel Allowance.

## ► Establish a discretionary utility debt fund

**€5m**

In addition to the above measures, there must also be recognition of the many households locked out of the Fuel Allowance who are struggling with rising utility bill costs.

The establishment of a Covid-19 discretionary fund would assist households with heating and electricity costs, especially those who find themselves struggling with debt this winter season. We propose an initial discretionary fund of €5 million.

<sup>7</sup> Independent.ie, Households face paying €400 more this winter as energy crisis intensifies - <https://www.independent.ie/business/personal-finance/households-face-paying-400-more-this-winter-as-energy-crisis-intensifies-40862452.html>

# Sinn Féin's Additional Allocations for Social Protection in 2022

## Our Proposals:

Measure	Cost (€m)
Increase working age social welfare payments by €10 per week (including Disability Allowance and Blind Pension)	434
Equalise young Jobseekers rates with standard Jobseekers payments	64.8
Continued provision of Rent Supplement for survivors of domestic violence	0.1
Resource MABS to recruit 10 Public Personal Insolvency Practitioners	0.83
Establish a Child Maintenance Service	0.4
Establish a Social Welfare Adequacy Commission to advise government on payment rates	0.3
Right to retire for 65-year olds by re-introducing the State Pension Transition	127
Increase the State Pension by €5	175
Increase the Qualified Child Increase for over 12s and under 12s by €5 and €2.50 per week	60.1
Provide an additional two weeks Parent's Leave and Benefit	14.6
Introduce a Parental Bereavement Leave and Benefit	0.63
Increase the annual Carer's Support Grant to €2,000	21.5
Increase means test threshold for entitlement to Carers Allowance	50
Progress the alignment of the capital disregard for Carer's Allowance with that of Disability Allowance from €20,000 to €50,000	5
Introduce a Long-term Carer's Pension	3
Extend the Fuel Allowance season by an additional two weeks	21
Increase Fuel Allowance Eligibility Criteria	30
Establish a discretionary utility debt fund	5
<b>Total Social Protection costing in Alternative Budget 2022</b>	<b>1,013.66</b>



Published by Sinn Féin  
October 2021