



Mr Chairman, Deputies and Senators thank you for the opportunity to speak to you today regarding *Family Carers Ireland's* suggestions for a radical review of policy in relation to income protection for family carers, in particular Carer's Allowance.

Why a new approach is needed

Carer's Allowance was first introduced in 1990. It has benefitted from periodic improvements since then but we believe that the fundamentals of the scheme, which have remained unchanged for 32 years, now fall well short of current best practice.

The state recently launched a pilot basic income scheme – specific to the arts sector – which will provide a basic income of €325 per week over three years. By way of comparison, had the state decided to introduce an 'Artists Allowance' modelled on the 'Carers Allowance' artists would be eligible to receive a (means-tested) maximum of €224 per week with a requirement that they demonstrate they are working full-time at their artistic endeavours and a prohibition on them spending more than 18.5 hours on income-generating activities. The pilot scheme was presented to enable artists "to focus on artistic production/practice without having to enter into employment in other sectors to sustain themselves" – which suggests that artists have somewhat higher levels of sustenance needs than family carers – and also "to recognise the value of time spent on creative practice".

Whilst in no way begrudging artists the benefit of what appears to be an innovative and enlightened approach to income support we are calling for a fundamental reappraisal of how we as a country "recognise the value of time spent" on family caring.

The State has reached a critical juncture in its treatment of family carers. Even before Covid, it was agreed that a broader discussion was needed on the role of family caring, including the rights and needs of family carers and the financial supports available. The report of the Citizen's Assembly is resolute in this regard expressing a high level of ambition for change. It recommends the reform of Carer's Allowance including changes to the means test and individualisation; increasing the hours carers can work or study; reimbursing the costs associated with care; increasing the Carers Support Grant and providing a dedicated pension solution for carers. Of particular significance is the Assembly's recommendation to replace Article 41.2 of the Constitution to recognise the care provided by both men and women, while obliging the State to take reasonable measures to support carers.

What needs to change

The classification of Carers Allowance as a 'social assistance' payment, and therefore comparable to Jobseekers Allowance or Supplementary Welfare Allowance, is problematic. The classification doesn't recognise the uniqueness of family carers within the social welfare system and is hampering efforts to make Carer's Allowance more accessible to full-time carers who we believe should qualify. Consistent references to the Carer's Allowance means-test as being the most generous in the social welfare system presupposes that it should be benchmarked against income supports for people of working age, which we believe is not the correct categorisation or comparison.

We acknowledge and welcome the increase in the income and capital disregards for Carer's Allowance announced in last year's Budget, however the implementation of these increases has been

problematic for a number of reasons which Damien, Anna and Niamh will explain in their personal statements shortly.

Family Carers Ireland believes that the Carer's Allowance scheme is archaic, gender-biased, overly restrictive, and is no longer fit for purpose.

- When the Carer's Allowance was introduced in 1990 it was conceived as an income support for people living with and caring for a 'relevant pensioner'. It was not designed to meet the very different life circumstances and needs of lifetime carers who care for prolonged and lengthy periods, and who need access to an integrated income support system that encourages rather than restricts their participation in work and education;
- Restricting the hours a carer can work or study is paternalistic and at odds with the Departments mission to promote active participation and inclusion. Imposing the 18.5-hour ceiling traps carers, forcing them to remain dependent on social welfare and unable to prepare for life after care. The inclusion of travel to and from college, as well as course work and class contact hours, means the vast majority of education courses exceed the 18.5 hour ceiling. Even more bizarrely, a family carer can spend more than 18.5 hours reading non-educational books or indeed writing fiction rather than coursework with no adverse effect on their eligibility for the scheme.
- Income support for family carers reinforce the already entrenched gender stereotype of women as the primary caregiver in several ways. The absence of pay-related benefit discourages the higher paid partner from leaving work to care. Means-testing Carer's Allowance based on the household income rather than on the individual income of the family carer reinforces the male breadwinner model, and forces carers, the majority women, to be financially reliant on their partner. As a result the vast majority of recipients under the three care-related social protection schemes are women, ranging from 77 percent of claimants receiving Carer's Allowance to 83 percent of those on Carer's Benefit.
- The taxation of Carer's Allowance, while other payments such as Jobseeker's Allowance, Disability Allowance and the Foster Carer's Allowance are exempt from tax, seems a fairly arbitrary penalty imposed on family carers.

Now is the time to reassess the value we place on unpaid care and to review how carers are recognised and supported financially by the state. We believe this review should lead to fundamental changes in Carer's Allowance, including the reclassification of the scheme, the abolition of the means-test or the establishment of a Participation Income for carers as recommended by NESI in 2020. We believe that the requirement to satisfy strict medical eligibility criteria and the requirement that applicants provide full-time care should be sufficient to protect the Carer's Allowance scheme from potential abuse.

We acknowledge that a fundamental review of income support for family carers would be a substantial and quite technical exercise which would require careful consideration and reflection. Our first call today is that such a process should be initiated and a reasonable timeframe set for its completion.

Budget 2023

Our second call, having regard to the fact that we must continue to live with the current Carers Allowance system for a few more years, is for a significant increase in levels of Carers Benefit and Carers Allowance in this year's budget.

Research by the Vincentian Partnership for Social Justice published in April, shows that even before the cost of living crisis, income supports for family carers were inadequate in supporting low-income households caring for a child with a profound intellectual disability to meet a Minimum Essential Standard of Living (MESL). These households, which are representative of many caring situations, incur additional weekly costs of €244 compared to a similarly composed household with no disability or care needs. The research also shows that the disadvantage experienced by caring households does not end

as income increases. Even caring households with higher income levels have significantly less disposable income to meet the need for contingencies such as car or house repairs, medical expenses, or unexpected bills. These families, who often rely on a single income due to their caring responsibilities, face a financial battle as they are ineligible for almost all carer supports, yet face the same crippling costs of caring without recognition or support from the state. It is untenable to think that families earning a gross household income of over €65k are considered sufficiently well-off to meet these additional costs themselves, regardless of their mortgage repayments, loans, children's education expenses, and other outgoings.

The gross inadequacy of Carer's Allowance when compared with the government's own benchmark for artist 'sustainability' is insulting and unjust:

- The maximum rate of Carers Allowance of €224 is just €3.50 more per week than it was in 2009, representing a loss of €25 per week in purchasing power when inflation is taken into account;
- The introduction of a Basic Income for Artists of €325 and the establishment of PUP at €350 highlight the inadequacy of Carer's Allowance to provide a basic standard of living, even before the additional costs of caring are considered;
- The Foster Carer's Allowance is not means-tested and rightly set at a rate of €325 for the care of children under 12 and €352 for older children, with the payment exempted from social welfare means testing and is tax-free. Furthermore, if the foster carer is caring for a child with additional needs their payment can increase to €549/€576 per week (depending on the age of the child) whereas a parent forced to give up work to care for their own child receives up to €352 less per week;
- The Capacity Act, due to be commenced next month is dependent on family carers assuming the role of a decision-supporter. While professionals appointed by the DSS to act as a DMR will be paid, family carers acting in this same role will not. The argument is that many family members undertake unpaid roles such as executor of an estate and the state does not want to undermine such volunteerism but family carers who are only earning €224 per week for a full working week are surely entitled to question why they should be expected to carry this extra burden with no acknowledgement. An appropriate increase in Carers Benefit/Allowance would avoid any such risk within the wider population.
- Despite the additional and often unavoidable costs faced by family carers, the Government's package of cost-saving supports did little to mitigate the cost of living increases for carers. Indeed, despite the fuel poverty many carers face, they are not eligible for the Fuel Allowance scheme.

For all of these reasons, we believe the government must urgently address the inadequacy and unfairness of carer supports by increasing the rate of Carers Allowance to €325 per week in Budget 2023.

Thank you for your time and attention this morning. My colleagues and I look forward to answering any questions you may have in due course.