

DÁIL ÉIREANN

AN COMHCHOISTE UM OIDEACHAS AGUS COIMIRCE SHÓISIALACH

JOINT COMMITTEE ON EDUCATION AND SOCIAL PROTECTION

Dé Céadaoin, 18 Feabhra 2015

Wednesday, 18 February 2015

The Joint Committee met at 1 p.m.

MEMBERS PRESENT:

Deputy Ray Butler,	Senator Marie Moloney.
Deputy Joan Collins,	
Deputy Ciarán Cannon,	
Deputy Catherine Byrne,	
Deputy Willie O’Dea,	
Deputy Aengus Ó Snodaigh,	
Deputy Brendan Ryan,	

In attendance: Deputy Richard Boyd Barrett.

DEPUTY JIM DALY IN THE CHAIR.

The joint committee met in private session until 1.23 p.m.

Update on Employment Activation Measures: Department of Social Protection

Vice Chairman: I welcome Mr. John McKeon and Mr. Niall Egan from the Department of Social Protection.

I draw the attention of witnesses to the fact that by virtue of section 17(2)(l) of the Defamation Act 2009, witnesses are protected by absolute privilege in respect of their evidence to the committee. However, if they are directed by the committee to cease giving evidence on a particular matter and they continue to do so, they are entitled thereafter only to a qualified privilege in respect of their evidence. They are directed that only evidence connected with the subject matter of these proceedings is to be given and they are asked to respect the parliamentary practice to the effect that, where possible, they should not criticise or make charges against any person, persons or entity by name or in such a way as to make him, her or it identifiable.

The opening statements submitted to the committee will be published on the committee website after this meeting. Members are reminded of the long-standing parliamentary practice to the effect that they should not comment on, criticise or make charges against a person outside the House or an official either by name or in such a way as to make him or her identifiable. I ask members, witnesses and visitors to ensure their mobile phones are turned off as they interfere with the sound recording of the committee and the live broadcast.

Today's meeting provides an update on employment activation measures. Last October, the committee heard details from the Department of Social Protection on the progress being made on the Pathways to Work strategy. I am pleased we are having a further update on employment activation measures today and invite Mr. McKeon to make his presentation.

Mr. John McKeon: I thank the committee for the opportunity to appear before it today, both for the opportunity to discuss activation in this session and subsequently to discuss developments relating to payments and services for lone parents. I am joined by my colleagues Niall Egan, a principal officer in the Department with responsibility for jobseeker and lone parent income policy, and by Erica Klein, assistant principal officer with responsibility for one-parent family payments. In this first session, I propose to provide a short update on activation developments. As committee members will be aware, I made presentations on this topic on a number of occasions, most recently on 28 January. Unfortunately, time constraints on that occasion limited the time for discussion, so rather than take up much of the committee's time today by repeating what I said then, my presentation today is a shortened version of that provided on 28 January. I understand the committee clerk has circulated copies of that presentation and I and my colleagues will be pleased to address any questions on today's statement or that of 28 January.

As members of the committee will be aware, the Pathways to Work strategy set out a comprehensive reform of the State's approach to helping unemployed jobseekers return to work. It was initiated in 2012 as a strategy for the period 2012 to 2015 and is designed to complement the Action Plan for Jobs as part of a twin-pronged approach to tackling the jobs crisis that emerged in the final years of the last decade. The Action Plan for Jobs is focused on stimulating employment growth. Pathways to Work is focused on making sure that as many as possible of these new jobs, and other vacancies that arise in the economy, are filled by people who are

unemployed jobseekers.

I do not intend to outline the wide range of reforms implemented as part of Pathways to Work as these have been outlined to the committee previously, but they include, for example, the merger of the community welfare service, the FÁS employment service and the Department of Social Protection in order to provide a one-stop shop experience for job seekers; the development and implementation of a case management approach based on client profiling; one to one engagement between clients and case officers; personal progression planning; the streamlining of decision-making to reduced decision times from weeks to days; the development and launch of new services and schemes such as JobsPlus and JobBridge; and the introduction of a social contract of rights and responsibilities, including penalty arrangements for those not engaging with activation services. Reform also involves, certainly over the past year, a significantly increased level of engagement with employers.

As stated in previous presentations, while it is very difficult to ascribe a cause and effect relationship between the reforms implemented and the reduction in unemployment, there are definite signs that Pathways to Work has had an impact. In particular, it is notable that the jobless growth phenomenon that was typical of economic recoveries following other recessions is not being repeated. In fact, jobs growth in Ireland led rather than lagged economic growth. Other signs that the approach has had an impact are that some of the key targets set out have been achieved ahead of time. For example, over 60,000 long-term unemployed people have moved into work since the Pathways to Work strategy was launched, the persistence rate from short-term to long-term unemployment has also fallen from 33% to 29% and the progression rate to employment for people more than two years unemployed has already reached its end of 2015 target of 40%. I have provided an up-to-date statement of performance against the individual metrics as an appendix to my statement.

Looking ahead, while the initial focus of the Department of Social Protection's reform programme focused on improving services, via Intreo, to those newly unemployed people identified at high risk of becoming long-term unemployed, its focus in the Pathways to Work 2015 is to augment this approach by increasing the intensity of engagement with people who are long term unemployed and the level of engagement with employers. Persuading employers to offer employment opportunities to people who are long-term unemployed, predominantly males over 35 years of age, is a particularly difficult challenge.

In 2015, this will involve implementing a structured process of engagement of people who are long-term unemployed, which will see approximately 8,500 people being referred to the Intreo activation process each month; rolling out JobPath, a payment by results contract model with third party providers of employment services specifically targeted at long-term unemployed jobseekers; establishing a professional account management and sales capability within Intreo, targeted at employers; introducing new schemes, including FirstSteps and JobsPlus Youth, to give effect to commitments made in the Government's youth guarantee implementation plan; developing new IT capability, including an upgraded jobs website, to respond more effectively to employer and jobseeker needs; expanding the number of places on JobsPlus, the jobs subsidy specifically designed to support long-term unemployed jobseekers; introducing the back to work family dividend to address work incentive and welfare trap issues; and providing access to employment services and supports to lone parents transitioning from the one-parent family payment. In addition, it is planned to improve the evaluation of process and programme effectiveness and inform future developments by commissioning quantitative and qualitative assessments of the impact of Pathways to Work, changes in job seekers' progression

to employment and also job seekers' satisfaction with the services. These evaluations will be conducted with the input and advice of the Labour Market Council, which is a forum of labour market experts and stakeholders established by the Tánaiste in late 2013.

I hope this summary of past and future developments has provided the members of the committee with some insight into the Department's activation programmes. My colleagues and I will be happy to take any questions that committee members might have.

Deputy Willie O'Dea: Can I ask whether we are time-constrained today?

Vice Chairman: Yes; we are hoping to finish within the hour on this topic and then move on to the next topic of one-parent families at 2.30 p.m.

Deputy Willie O'Dea: I notice there are a number of representative groups here to discuss one-parent families. I do not propose to delay proceedings.

Vice Chairman: If I can just be clear from the outset, we are here until 3.30 p.m. That is one hour for each topic. If members would co-operate with me on that, hopefully we will get our business done as efficiently as possible and each topic will have a full hour.

Deputy Willie O'Dea: We did discuss this topic quite recently, as Mr. McKeon has stated. He has given us an abridged version of the up-to-date position. What exactly has changed since the last day? A number of questions were raised and recommendations made. What, if any, changes have occurred since we last discussed this, albeit quite recently?

Deputy Aengus Ó Snodaigh: We have had a number of thrash-outs of the various job activation schemes over the last couple of years. I have explained my opposition to some and my support for others. I have a few specific questions. One is about the staff allocation to JobPlus and JobPlus Youth and also to JobBridge. One change since the last time the witnesses were here has been the announcement of JobPlus Youth and First Steps. Can you explain why First Steps is not called JobBridge Youth, given that it is very similar? A question also needs to be raised in relation to the work placement programme which predated this with Tesco and Diageo. It now seems that the likes of those companies will be availing of the new JobBridge for young people to displace existing jobs. It is not just Tesco - there are other companies out there that I have complained about - but we already know that Tesco Ireland is contemplating major lay-offs. Has it been taken into account that while Tesco is contemplating laying off staff, it is availing of JobBridge or an equivalent scheme? Does that factor into any of the discussions within the Department, and does it set off alarm bells that jobs will be displaced, with the State subsidising a company with high, albeit decreasing, profits? I believe Tesco made £1.4 billion in profit last year. I do not have a clue what Diageo's profit was but I know the CEO is on a wage of £7.4 million per annum. In the past, those companies would have taken people on at entry level at a lower rate, rather than taking on people for a number of months fully subsidised by the State. In some ways JobBridge, or its equivalent, would be displacing jobs which might have been low paid or low entry-level. We all know of young people coming out of school who, in the past, would have been able to get into employment on a paid level on very low wages and work their way up. Now, more and more, they are expected to take on up to nine months' work for no pay but a social welfare top-up, and the company does not have to pay a penny or contribute in any way. In the past, companies would have had to make the payment and train the staff at that entry level.

Deputy Joan Collins: I wish to ask specifically about one-parent families. Has there been

a decrease in the number of one-parent families in the workplace? What are the figures in this regard? Has there been a decrease or an increase? In relation to activation programmes for one-parent families in the future, what does the Department envisage? We have seen figures recently to the effect that the number of lone parents in the workplace has decreased. The fact is that child care support is not there at the moment to facilitate many lone parents to get back into the workplace. I know the witnesses cannot comment on the Department of Children and Youth Affairs, but do they think that is a factor?

Mr. John McKeon: I will try to take the questions in order. If I skip any, please tell me. I am not trying to avoid answering any questions - I will try to answer them all - but when there are so many, sometimes it is hard to keep track of what I have answered. The last day I gave an update on the labour market situation in terms of unemployment rates and so on. Since then, the Central Statistics Office has released the live register figures. It showed that the unemployment rate had dropped from 10.6% to about 10.5%. One of the interesting things the EUROSTAT publication estimated, based on the CSO figures, was that unemployment was now about 21%, whereas the last day I reported it was 23%. They are statistical measures in terms of updates.

Since then, there have been no new policy developments that were not signalled. There have been, as Deputy Ó Snodaigh pointed out, announcements and launches by the Tánaiste of some of the initiatives which we signalled on that day, particularly First Steps and JobPlus Youth. They are designed to deliver on the Government's commitments under the implementation plan for the Youth Guarantee. First Steps is a programme targeted at supporting disadvantaged youth in taking their first steps into the labour force. That is why it is called First Steps rather than JobBridge - to make the point that this is for the many young people who are disadvantaged, may have left school early, may have been on Youthreach programmes, may have been released from the Probation Service or may have addiction problems. These are the young people we are talking about - young people who, even during the Celtic tiger years, would probably have been unemployed. The initiative tries to target that group of young people in terms of work experience. That is what First Steps is about. It is similar to, but different from JobBridge. It is similar in that it is a work experience or internship type of opportunity. It is different in that training will be given to the young people in advance of a placement with an employer. It is different in that the placement with the employer is four days a week and not five days a week. The young person will have a dedicated case worker assigned to him or her from the Department to work with him or her on the fifth day of each week on training and education options and lessons from the internship. The other thing that is different about it is that the employer does not get to select the candidates. With the JobBridge scheme, which is voluntary, the employer advertises the position on the JobBridge website, people apply and the employer chooses the candidate. In this scenario, we select young people who we identify as being particularly disadvantaged and who we feel would benefit from a work placement. The employer is asked to sponsor these young people.

We are always conscious of displacement. A standard requirement of the JobBridge scheme, which will also be part of this scheme, is that any opportunities offered are not to displace existing workers or to be used to fill vacancies created by redundancies. This is a particular concern for us. The rules of the scheme do not allow this to happen. Unfortunately, there have been some instances of this, but we take action when we believe employers are doing it. I would emphasise that this scheme is for young people who are particularly disadvantaged. To be fair to the employers mentioned earlier, I was involved with both of them and the schemes they ran. They took on young people who, not to put too fine a point of it, might not otherwise have got past their reception desk. They gave them a chance. Most of these young people have gone into

employment having had a lot of intense support. This is a good thing. We have to be conscious of this.

I will ask Mr. Egan to deal with the questions on one-parent families.

Mr. Niall Egan: The figures for 2011 show that 49% of recipients of the one-parent family payment were in employment. This figure has decreased. It decreased in 2013 and, based on the information we have, it was down to 36%. I have to give a caveat for this information, which is that we gather it at a particular point in time but on a regular basis. The figure increased in 2014 and in 2015. As the end of January 2015, 45% of recipients were in employment. There are a number of reasons for the fluctuations. The key large change is the economic crisis. It affected everyone, including lone parents in employment. Many lone parents lost their employment. Another key factor is what happened at the start of 2012. Previously, recipients of the one-parent family payment could participate on a community employment scheme, receive their one-parent family payment and also get a current payment of the community employment allowance. This was stopped. A direct result of this was a significant decline in the number of lone parents participating in community employment. This was a key factor.

Questions were asked about activation supports for lone parents. There are about 70,000 recipients of the one-parent family payment. Everyone who is familiar with that cohort realises the diversity in the range of people in it. It includes very well educated individuals with doctorates as well as people with very poor literacy and numeracy skills. There is no set single programme that is suitable for one-parent family payments recipients. This makes it difficult to engage with them. However, what is available is the range of supports we have on foot of the reforms that we will speak about later. This is the broad range of supports available through the Department of Social Protection and the Department of Education and Skills. These have largely been designed for job seekers but they will now be available to others and will cover a range of people.

Child care is an issue. It falls within the remit of the Department of Children and Youth Affairs. Working with the Department of Children and Youth Affairs and in order to encourage lone parents into valuable schemes such as community employment, we have introduced a community employment scheme for child care. This has significantly improved the number of lone parents availing of community employment. We have also introduced an after school child care scheme on top of the available supports the Department of Children and Youth Affairs makes available. Is it enough? I would argue it is not. However, it is a start and it is something the Department of Children and Youth Affairs has announced it will examine.

As lone parents are such a diverse group, the Department has, through the Irish Research Council, undertaken specific research on what works in terms of activation, both internationally and in an Irish context. This looks at specific measures for lone parents as well as the supports required. Dr. Michelle Murphy from NUI Galway is undertaking this research. This will be a key piece of research which will help us to tailor our supports for lone parents.

Deputy Brendan Ryan: The improvement in the unemployment figures over the past number of years is to be welcomed. However, a worrying aspect during that period is the speed with which the long-term unemployed are finding work or getting back to employment. The delegates spoke of an increased engagement with this cohort of people and with employers in order to get those people back into the workforce. Will the delegates elaborate on this process? How is it going and what is its level of success? What are the difficulties with it? What is the level of awareness by employers of the very good incentives available to take on people from

this cohort?

Deputy Catherine Byrne: Whether it is lone parents or unemployed people, some of the programmes on which the delegates spoke are designed to bring people back into education and training and, particularly, into an employment programme that will ultimately give them secure employment and financial independence. This is very important. Whether one is a lone parent or an unemployed person, accessing training and education helps. The more available these programmes are, the better the chance we have of bringing people out of what is known as the cycle of poverty. One thing Mr. McKeon stated in his presentation jumped off the page at me. This is in the document dated 18 February. It states, “However, notwithstanding the availability of this support, and as members of the committee will be aware, lone parent families continue to experience high rates of ‘consistent poverty’ compared to the population generally.” Will Mr. McKeon expand on what he means by “consistent poverty”?

Deputy Michael Conaghan: In areas where there is very high unemployment, there are also a wide range of schools and colleges, particularly VEC schools and colleges, which are making very significant efforts to reach out and attract people, and there is a significant response. Education and training are two very much linked interventions in people’s lives. I get the impression from talking to some of the VEC colleges in Ballyfermot, Inchicore and Crumlin that they believe there could be additional recognition and support from the Department of Social Protection. I am not fully aware of the support the Department gives. However, they feel there should be additional recognition and support. A lot of resources are being put into that kind of intervention by the VECs, particularly the City of Dublin VEC. Sometimes, perhaps, they are not getting the appropriate recognition, response or support from the Department of Social Protection. The Department of Education and Skills, under the new Minister, is very much engaged with this issue and is reviewing how she can be of additional support to them.

However, people who are unemployed are flocking to these colleges. This is a great opportunity and we should not miss it. Sometimes, people put themselves forward and it does not work in the first instance. They may be reluctant to go back again. Perhaps there should be more discussion with VECs, colleges and schools, or someone should be appointed to liaise with them, assess what they are doing and its success and how it can be enhanced.

Deputy Ray Butler: An issue that often raises its head in my constituency office, and, I imagine, in other constituency offices, relates to a scenario when a husband or wife wants to go back into the workforce. One of them may be working and, basically, the other parent cannot sign on the live register. Previous Governments had certain schemes but those schemes were got rid of. If a person cannot sign on, either for credits or payment, there is no scheme he can get on to improve his skills or re-educate himself. This is a major issue. Almost twice a week in our constituency offices we are reminded that there are no such schemes.

These people have given the State a great service. They have raised their children and they are keen to go back into the workforce but there is nothing there for them. They cannot get on any schemes because they are not allowed to sign on or register for credits. They are in no man’s land. It is a scandal. We need to look into this and see whether we can bring back the schemes that were in place previously. We need to get these people re-educated and back into the workforce. They have given the State a great service and they want to go back into the workforce.

Mr. John McKeon: I will try to address the questions in order. Reference was made to long-term unemployment. Long-term unemployment is decreasing; in fact, it is decreasing

at a slightly faster rate than unemployment generally. The long-term unemployment rate has dropped from 9% one year ago to approximately 6% now. There are problems with long-term unemployment. The cohort who are long-term unemployed is partly made up of people who have been unemployed for between three and five years. There has been a marginal fall in the number of people who are three years unemployed and a small increase in the number of people who are five years unemployed. Most of these are male and over 35 years of age. The figures for this cohort are particularly worrying. This is why Pathways to Work 2015 is focused on initiatives to help in this area and to continue some of the work we started last year.

Committee members raised the question of engagement with employers and the long-term unemployed. Several things are happening in this area. I will outline what we are doing in the area of engagement with employers. We have spent much time in the past two years trying to get our message out to employers. We held mass briefings for employers and spent a good deal of time with the various employer representative bodies and individual employers briefing them on the various supports that are available. Arising from that process, we have made changes to some of the supports. Members will be aware that previously there was a PRSI exemption scheme and a revenue tax assist scheme for employers who took on people who had previously been long-term unemployed. At most, we had 1,200 people on that. Arising from the feedback from employers, we changed this to the JobsPlus scheme. Now, we have over 4,000 people on JobsPlus. JobsPlus has changed the system. Previously, a rather convoluted application process was necessary to reclaim PRSI paid or to offset the employment costs of long-term unemployed people against corporation tax. We have changed this into a payment to employers for every month that they employ a person who was previously long-term unemployed, up to a maximum of two years. The amount paid varies from a little over €300 per month to a little over €400 per month, depending on the prior duration of unemployment of the person concerned. Interestingly, the cut-off point in this case is that if someone has been unemployed for 12 months but less than two years, the subsidy paid by the State is €7,500 over a two-year period. However, if someone has been unemployed for more than two years, it is €10,000 over a two-year period. The figures for the take-up for JobsPlus indicate that a little over 61% of the job seekers who have benefitted from the scheme have been unemployed for more than two years. Let us consider the figures in this area prior to JobsPlus, particularly the cohort of long-term unemployed and the profile and distribution of long-term unemployed who went back to work. A total of two thirds of those people had been unemployed for between one and two years and one third had been unemployed for a period greater than two years. JobsPlus has turned that around. It appears to be having the effect of increasing the number of unemployed people who are hired by employers, with a particular focus on the long-term unemployed.

I will provide a little more detail about what the Department is doing with employers. It is something of a new departure for the Department. We are setting up an account management structure. We have already appointed a number of managers within the Department, whom we call employer engagement managers. Depending on the size of the geographical division, we have either one or two full-time employer engagement managers in each of our regional divisions. Their job is to go out and find jobs for job seekers and promote the placement of job seekers with employers. We are building on this and setting up what we term an account management structure. This is similar to the way a commercial firm in a business-to-business market operates in that all of the major employers in the State are allocated a dedicated account manager. That account manager's job is to work with the employer to anticipate employment requirements and plan in advance in order that we will get job seekers, particularly those who have been long-term unemployed, placed with those employers. We will be starting the recruitment process for that account management role shortly.

There was a question about job seekers. It is a fact that has been on the record for a long time that the number of caseworkers in the Department was insufficient to deal with the vast number of people who were unemployed. At one stage, at the height of unemployment, we had approximately 800 unemployed people for every caseworker. European norms would be approximately 200:1. In fact, many European countries operate at approximately 100:1. We have done two things in response. First, we have doubled the number of caseworkers from 300 to 600, which has brought the ratio down to approximately 500:1; second, we went to tender for the contracted employment model or the job path contract employment support model. We are finalising the contracts at the moment. When that gets up and running it will bring the ratio down to the European norm of approximately 200:1. The model is particularly focused on people who are long-term unemployed. That is the position on working with employers and working with people who are long-term unemployed.

There was another question about the supports for people in education and training. The Department provides many supports for people in education and training. There are a number of specific and special income support schemes, including the part-time education option and the back-to-education allowance.

Department caseworkers operate a referral mechanism for people who are unemployed. People are referred to the training part of what is now the education and training boards, which used to be FÁS. When people go on those programmes they get a training allowance and so on. I would be disappointed if people are not benefiting from that in the way they should and I would welcome reports of individual instances in which people believe they are not getting the support they should. It would not be the first time I have heard of it. The last time I was before the committee I made the point that we carried out nearly 300,000 one-to-one interviews with job seekers last year. Among that number of 300,000, there are always going to be cases that are less than perfect. I trust, however, that it is only a small minority of cases. Anyway, if people can give me examples it will help us to improve our service.

I will ask my colleague Mr. Egan to take the question on lone parents and consistent poverty presently, but first I will address the question about the husband-and-wife or partner situation. Where two people are unemployed, both parties can access the services of the State for training, education and casework. This requires them to split the claim and that is something we encourage people to do, rather than entering the classic scenario of one breadwinner, whether that is the male or female partner. In the latter scenario, the person would typically claim the payment and then claim a qualified adult payment for the partner. However, it is possible to split a claim such that both people can be individual claimants in their own right and both can get the supports that are available. It is not something people seem to know about, although we keep telling them. It has been expressed to me before that there are cultural issues and so on behind this. Anyway, we tell people about it and it is something we promote.

What about where one partner is working and the other partner is not? The first thing is that they do not have access to the full range of services, but that is not to say they do not have access to any services. We take walk-in clients in our Intreo case centres. We take walk-in clients in the local employment services as well and we support them with personal progression planning and identifying the options available. They have access to the part-time and evening education options and so on in the education and training boards. It is not that they are excluded from everything. However, we have to be honest about the nature of some of these schemes. There are many more people on jobseeker's payments than we would like to have. The State imposes on them an obligation to be genuinely seeking, and available for, work. We have limit-

ed resources. When we impose an obligation on one category of job seeker to make themselves available for work if they want their income support payment, our priority in allocating those scarce resources has to be that cohort. It has to be the people to whom we say "If you do not co-operate, you do not get a payment." We have to make options available for them to satisfy their job search obligation. We have to be conscious of that. It is not to say that as the situation improves and the numbers on the live register fall, such issues would not be considered in the allocation of resources. They would be considered, because we would be very conscious of the qualified adult situation. We can address that partly through claim splitting, but we are conscious that there are people who want to be in the labour market but are not. As resources allow, we in the Department are looking to extend a wider range of services to them.

Deputy Brendan Ryan: How easy is it to split the claim?

Mr. John McKeon: It is very straightforward. I give presentations to job seekers from time to time and anecdotally, although I hate to say this, when I raise the issue, a very small minority might respond, particularly women, by saying their husbands will not let them do that, which is terrible. We support and encourage it.

Deputy Brendan Ryan: It is quick.

Mr. John McKeon: It is quick, yes.

Mr. Niall Egan: As regards Deputy Byrne's query about the rate of consistent poverty for lone parents, the one-parent family payment scheme has been around since 1997, but despite that time and the large investment in it - it peaked at approximately €1.2 billion in 2009 - lone parents have always been more at risk of consistent poverty than the population at large. For the past couple of years they have been more than twice as likely to be at risk of consistent poverty than the population at large, despite the structure of the one-parent family payment. That issue has been around almost since the scheme was created. We cannot keep going as we are with the one-parent family payment. Something has to change in respect of the reforms. We will talk about that later.

Vice Chairman: I do not want to want to cross over into that area now. Could the witnesses give an up-to-date figure for participants on the Gateway scheme and how close the Department is to the target of 3,000 formerly unemployed people working with the local authorities? In respect of the Gateway scheme, there are people who want to work and those who do not want to work. That is a harsh reality. A scheme such as this is ideal for the numerous people who cannot find work and want to work. I know they are required to be unemployed for two years, and 20% of places are kept for people who refer themselves. I am anxious to see people who have been unemployed for three or six months and would love to refer themselves to the local authority get work experience there. The local authorities have the wherewithal to manage these people who want to contribute. The Department should do a little more for those within the 20%. I appreciate that it is dealing with the long-term unemployed to make them a priority, but would it consider relaxing the criteria for the 20% who refer themselves to allow people who have been unemployed for six months get onto the scheme? It would be in the interests of the local authorities and of the people who want to get the work.

What penalties does the Department impose on people who are invited onto the Gateway scheme, which is compulsory, if they refuse to cooperate? Have there been sanctions affecting payments for many people, or have they been disqualified from receiving their payments for a period of time or indefinitely? I know that the early trend showed a significant number who

gave up their payments when they were called for Gateway. We all know that people operate in the black market, or have jobs and claim social welfare. Does the Department have any figures for those who volunteer to give up their payments when called on to the Gateway scheme?

Deputy Richard Boyd Barrett: I thank the Vice Chairman for allowing me to come to the committee meeting and ask some questions, because I am not a member of the committee. What is the global figure for all participants in all the different activation schemes? There is some debate about the relationship between the number on schemes and the apparent fall in unemployment.

Does the Department in any way track the relationship between emigration and the fall in the unemployment figures? I presume that people who leave the country do not appear anywhere else on the system. Does the Department track that to show how falls in the unemployment figures relate to emigration or actual engagement with labour activation or employment?

I have a few very vociferous constituents who feel there is a problem with the JobsPlus scheme. The argument goes that when people who are trying to get back into work contact employers to go on the JobsPlus scheme, the employers say they must be joking, and why would they take them on when they could use JobBridge. I hear that quite often. How does the Department respond? I hear the witnesses say the figure is 4,000, which is not bad, but I get quite a few reports of people who would like to go on JobsPlus but find that a lot of employers do not entertain that because it is a better deal for them to pay people nothing and effectively get free labour through the JobBridge scheme.

While I take the point about positive discrimination towards the long-term unemployed on JobsPlus, there is another side to that equation. A similar argument is as follows: why would an employer take somebody on for €7,500 in the first year of unemployment instead of taking the €10,000 that is provided if the person is unemployed for more than two years? People come to me who have tried to get on the JobsPlus scheme but because they have been unemployed for less than two years the employers ask why they would take them on when they can get €10,000 for people who have been unemployed for more than two years. It is an understandable grievance on the part of somebody who is more recently unemployed who cannot get back to work because of the way the incentive works.

One-parent benefit has featured a little, but not as much recently-----

Vice Chairman: The Deputy was not here at the beginning of the meeting when we said we would deal with that later in its entirety. Unless his question is about job activation, he might wait.

Deputy Richard Boyd Barrett: It is to do with employment and how it is defined. Carers for adults who, as a result of the changes in the one-parent family scheme-----

Vice Chairman: Unless the Deputy's question is specifically to do with an activation scheme, he might wait until 2.30 p.m., when we will discuss the one-parent benefit. I want to get there as quickly as I can. If the Deputy can hold that question, it will be more appropriate in the next session.

Deputy Richard Boyd Barrett: Does the Department acknowledge the fall from 41% to 34%? I have heard a figure of 60%, on which Mr. McKeon might comment. He seems to acknowledge that the removal of the concurrent payment has led to deactivation, not activation, but the Department is claiming that it has come back up a little. Is there an acknowledgement

that it was a retrograde move that has to be remedied if it has driven people from community employment schemes? Does the Department see any correlation between this and the rather startling figures recently recorded in various reports for the increase in the levels of deprivation and child poverty? Lone parents have been driven out and impoverished as a result of changes that were supposed to improve their circumstances.

Vice Chairman: I call Senator Marie Moloney as she has to leave for a vote. She will be followed by Deputies Aengus Ó Snodaigh and Catherine Byrne.

Senator Marie Moloney: I apologise, as I will have to leave shortly for a vote. I ask the delegates to bear with me as I am not feeling the best today. It is quite possible that my questions were dealt with while I was out of the committee room, in which case I will read the answers in the transcript.

The issue of displacement was touched on before I left the committee room. At a previous Oireachtas committee meeting I discussed at length the fact that I was aware of companies that had full-time employees, took on individuals on JobBridge placements and reduced the full-time employees to part-time workers. The Department gave us a categorical undertaking that no company would be allowed to do this and that if one was found doing so, the JobBridge places would be pulled from it. I hope that is the way it is and that it will so continue. I am aware, however, of a number of companies that took on a person on a JobBridge placement and subsequently took on the same person under the JobPlus programme. Although I know that Deputy Richard Boyd Barrett is knocking it-----

Deputy Richard Boyd Barrett: Questioning it.

Senator Marie Moloney: -----in a way, it has potential and merit. A lot of people are very happy with having had a JobBridge placement because they have subsequently secured a full-time job. The employer was also able to avail of the JobPlus programme following the JobBridge placement.

As I came into the committee room, I heard the delegate speak about the Gateway scheme; therefore, that issue may have been dealt with. Do we have figures for the scheme at this stage and is it successful? Some councils have started to hire people permanently. I want to know if those involved in Gateway are being given the first bite at the cherry. Are jobs being offered to them?

Deputy Aengus Ó Snodaigh: The delegates never got to answer my first question about the staff allocated to the JobBridge and JobPlus programmes. Although I am not knocking JobBridge, JobPlus is specifically a job creation mechanism; it is a State subsidy for job creation. If it is skewed within the Department such that more staff are allocated to dealing with subsidised work placements under JobBridge than to the job creation mechanism, that is an anomaly.

My other question concerns First Steps. I ask the delegates to bear with me because this is the first time it has been mentioned at this committee. It is not included in Pathways to Work 2015-----

Vice Chairman: I am trying to limit the discussion to questions; therefore, the Deputy should try to avoid making statements. In deference to those members who have not yet received answers, I want to make sure there is time for them. The Deputy is raising new questions.

Deputy Aengus Ó Snodaigh: They are new questions to do with a brand new programme that was announced two weeks ago and did not appear in Pathways to Work which was launched last year. We did not have sight of it. Advance training is mentioned, but we have no idea what exactly it means, how long it will last, or whether it will be mandatory. Why was the decision taken to set this up scheme, rather than continue with the worthwhile work placement programme which was linked with Tesco and others and was working well? Why create a “Job-Bridge lite”?

My final question follows on from what the Senator mentioned about Gateway. Has the moratorium been fully lifted in local authorities? The work being carried out by Gateway participants in filling sand bags, cleaning streets and picking weeds was previously done by parks department and maintenance staff. In other cases librarians’ work is being carried out by JobBridge interns. As these jobs have not been filled for a number of years, there is jobs displacement, although it has not taken place only in the last month or two. If councils are now using Gateway, will they continue to be allowed to use it or will they reactivate the positions previously filled by parks department staff, road cleaners and whatnot?

Deputy Catherine Byrne: I thank Mr. Egan for his reply. We will expand on the consistent poverty issue in the next session.

Do the officials have statistics for the numbers of people who are lone parents or are in one-parent families who have gone back to education? I have been conducting a study and to quickly run by the figures-----

Vice Chairman: Would this question not be more appropriate to the next session?

Deputy Catherine Byrne: It has to do with education. Will that issue be dealt with in the next session?

Vice Chairman: The next session is about one-parent families when we can discuss any aspect of that issue.

Deputy Catherine Byrne: I will hold onto my question for the next session.

Mr. John McKeon: The questions on Gateway will probably be the quickest to answer as, although I have loads of figures, unfortunately, I have just noticed that I have no figures for the Gateway programme. I will, therefore, send a written response. I do not want to quote the numbers from memory, but the numbers are on track to reach 3,000. There was a fairly slow take-off, but the figure has accelerated.

On changing the eligibility criteria, there was a policy decision taken, but we can certainly feed back the committee’s views and talk to the Tánaiste and Minister for Social Protection, Deputy Joan Burton, and the Minister of State, Deputy Kevin Humphreys about it. The rationale for picking the particular threshold was to focus on persons who were long-term unemployed. It is very difficult to make exceptions to which we can hold hard. Once we make an exception, the whole thing begins to unravel. That would certainly be my advice from an operational perspective. There are trade-offs to be made.

In respect of the total numbers on schemes, Table 10 in the live register statement from the Central Statistics Office produces them. It shows that the total number on schemes in December 2014 was 86,027. The figure was 86,162 at the end of December 2013; therefore, there has been a small decrease. This shows that the reduction in the level of unemployment during this

period was not due to people being shifted into an employment programme. The employment programme numbers have been relatively steady for the past few years. It includes full-time FÁS training for unemployed persons but not some of the part-time and evening training programmes which would not impact on the numbers on the live register. We rely on the numbers produced by the Central Statistics Office which is independent of the Department.

We keep an eye on the emigration figures. It is true that if we had not seen an increase in emigration in the last period - certainly up to last year - there would, without a shadow of doubt, be more people on the live register. That cannot be gainsaid. However, particularly in the past two years, the numbers emigrating have been falling. From a statistical point of view, the reduction in employment has happened, notwithstanding the fact that the outflow due to emigration has reduced.

Vice Chairman: Does Mr. McKeon have numbers?

Mr. John McKeon: I have some. The net emigration figure in 2011-12 - the emigration figure minus the immigration figure - as estimated by the CSO for the year to April 2012 was 35,000. In the year to April 2014, it was 20,000. The net figure has dropped approximately 15,000 in two years and unemployment fell during those two years. The CSO produces its emigration forecast around mid-year every year for the period April to April. At an absolute level, there has been net emigration since 2010 of approximately 145,000 people but during the period when unemployment has been falling, the numbers emigrating have been falling. In statistical terms the fact that the number of people emigrating is falling is adding people into the labour force which tends to increase the unemployment rate if employment is not growing. The fact that the emigration has been falling----- Anyway, it is important for all of us to realise that there are two great factors in our lives. One is growing this economy in order that we can pay for the services people want. The other major factor is brought home to every Deputy who goes home every weekend, that is, the fact that we run this country for the people who live in this country. Approximately 80% of boat owners have boats of less than 10 m. The greatest number of people involved in direct fishing are actually small operators living in coastal communities. The reality is they are trying to get from €5,000 to €7,000 and not have the dole man come after them. They are not thinking about grandiose plans of billions of euro. They are simply wondering how they can make the bills next year and how they can hold their communities together. I see no mention in the document about what we are going to do for these people.

I am particularly surprised that there is no reference in the BIM annual report to the work done by this committee on the coastal communities in which we highlighted the specific issues faced by this major sector in terms of human beings trying to eke a living out of fishing and the sea and indeed seaweed, which is not mentioned either. I see no mention of whether it is Bord Iascaigh Mhara's intention to act on the strong cross-party recommendations, which had the backing of every political party and none, in the form of Deputy Pringle, represented in the Oireachtas. Where are we on that issue? In terms of actual human beings that is the greater number in the game.

In this country we seem to be so hell-bent on the macroeconomy that we forget this is all about ordinary human people trying to survive and make a little more. They are beset by more and more regulation. Even if BIM implements all this, if we do not do something about the small people on the ground nothing will change. Our communities are being destroyed. I am disappointed that there seems to be little in the BIM report that would do anything in line with the report put together by the Oireachtas. I am surprised that there was no reference in the statements today to the important work done by the joint Oireachtas committee over a long period,

work which has all-party support.

Senator Marie Moloney: What is the percentage of Irish people leaving the country?

Mr. John McKeon: I do not have that data with me but it is all available. The Central Statistics Office publishes that data.

Vice Chairman: I ask Deputy Byrne if her question is specifically about emigration?

Mr. John McKeon: Many people who emigrated were emigrating from jobs. I do not recall the proportion but in the year to April 2013, a good proportion were people emigrating from work, in that they were not emigrating from unemployment.

Deputy Catherine Byrne: Where is that information available?

Mr. John McKeon: The Central Statistics Office has that information. A more detailed study was undertaken by University College Cork. I recommend the UCC website as having the best information on the figures.

Deputy Catherine Byrne: I thank Mr. McKeon.

Mr. John McKeon: I will answer Deputy Ó Snodaigh's question about JobBridge versus JobsPlus. We cannot always control what employers do. We would try to position the two schemes as complementary in the way Senator Moloney suggested, in that they are not competitive. I refer to the numbers in the past year since JobsPlus has been in operation. The numbers of people on JobBridge have fallen slightly by about 300 or 400, whereas the numbers of people on JobsPlus have increased from basically zero to just over 4,000. This does not indicate that people are still being pushed into JobBridge. The number of people who have come from JobBridge into JobsPlus is about 20% - I do not have the exact number but I can send it to the committee for circulation. About 20% or thereabouts of people on JobsPlus were previously on JobBridge with the same employer. We regard the schemes as complementary.

I understand the question as to why would an employer take on someone who has been 12 to 24 months unemployed for €7,500 when they can get someone who is two years unemployed for €10,000. It comes back to the numbers and where we have the critical requirement to respond and the cohort that we need to support - the longer-term unemployed. I will quote some numbers which I know were accurate a couple of years ago and I do not believe they have changed much in the interim.

Vice Chairman: I must draw Mr. McKeon's attention to the time remaining and I ask him to deal with the questions to hand.

Mr. John McKeon: We will deal with them. For example, a person who became unemployed in 2012 had a 50% chance of getting employment within the next 12 months. If that person was not successful in finding employment in that period, his or her chances of getting employment in the 12 to 24 month period was about 20%; if not successful in the 12 to 24 month period, his or her chances in the next 24 to 36 month period, was in low single digits - low as in 1% approximately. That is the reason it is structured in a particular way. We have a large number of people in that cohort and as things stand, if there is a two-year gap in a person's CV, the chances of an employer giving that person an opportunity are remote. There are trade-offs but that is the nature of our business in the sense that decisions have to be made and it is not possible to have a perfect continuum. That is the background.

With regard to Senator Moloney's question about displacement, we respond to parliamentary questions and representations from Deputies and we also have an online facility where people can report instances and we act upon them. On the question of the number of staff deployed on JobBridge and JobsPlus, I do not have the information on the precise number with me. JobBridge is operated by a small policy-based team known as the JobBridge policy unit which is comprised of three people. JobsPlus has approximately the same number of people, three or four people working at the centre. Both schemes are supported by our divisional and operational structure for processing applications. JobBridge takes a bit more operational time because we do inspections to ensure that any issues of displacement are captured or allegations of abuse are investigated. We carry out random samples. However, in cases of abuse we send out inspectors to meet the intern and the employer and to check the records. This takes a bit more governance.

On the first step issue, this was not pathways to work nor was it the youth guarantee implementation plan. We called it the youth development internship. We have changed the name from youth development internship which is a bit of a mouthful. It is, in effect, an extension of the programmes we ran with Tesco and with Diageo, to make it more widely available. The Tesco programme had about 40 or 50 people and the Diageo programme had approximately 20 people. We are extending the programme to about 1,500 people. The core of the programme is built on what was learned from those two programmes.

Deputy Aengus Ó Snodaigh: Is it a mandatory programme?

Mr. John McKeon: It is mandatory. We identify young people whom we believe to be disadvantaged and who could benefit from the programme. A case worker interviews them. It is down to the individual judgment of a case worker and where the case worker determines that this is an appropriate intervention for the young person, then it is mandatory. There are two elements to the training. It is proposed to hold a one-week job preparation programme to help young people with work etiquette and job requirements, for example. A continuing element of the programme is that the employer will provide on-the-job training.

Senator Marie Moloney: I have one question. Is Garda vetting holding up job activation?

Mr. John McKeon: A number of years ago there was a backlog in Garda vetting. I am not aware of any current backlog that impacts on us.

Deputy Richard Boyd Barrett: The issue will be in the Dáil today.

Mr. John McKeon: If it has not come to my attention there is a good chance it is not an issue.

Vice Chairman: It was a big issue a number of years ago.

That concludes our discussion in this part of the meeting. I thank the representatives of the Department of Social Protection for their assistance. I look forward to the assistant secretary sending us some of the details he was not in a position to provide today.

Mr. John McKeon: The clerk was taking better notes than I was. I ask if the committee could send me a note of what items I had promised to provide, in order to keep me honest.

Vice Chairman: I am sure the clerk will offer assistance. We will suspend to allow for the witnesses to withdraw and for the next witnesses to take their places.

Sitting suspended at 2.28 p.m. and resumed at 2.30 p.m.

One-Parent Family Payment: Discussion

Vice Chairman: The purpose of this part of the meeting is to discuss the one-parent family payment and the challenge of bringing children up without the support of a partner. During 2015 changes to the payment were announced and today we have an opportunity to consider issues arising in respect of the scheme. I am pleased to welcome Mr. Stuart Duffin and Ms Karen Kiernan from One Family, Ms Louise Bayliss and Ms Leah Speight from Single Parents Acting for the Rights of Children and the delegation from the Department of Social Protection. There will be three presentations and the time available for these will be capped at seven minutes each. I ask those making the presentations to try to adhere to the time limits.

Mr. Stuart Duffin: I thank the committee for inviting us to provide opinion and evidence and with the opportunity to exert influence on behalf of the parents with whom we work. One Family calls on the Joint Committee on Education and Social Protection to petition the Tánaiste and the Department of Social Protection to get matters right for lone parents. The issues relating to lone parents have been known since 2012 and lack of planning and implementation in respect of such parents is of major concern. It is quite astonishing that research relating to activation among lone parents - which will become available in June - is only being commissioned now, particularly when 39,000 lone parents are due to be activated on 2 July. The decision to restrict eligibility for the one-parent family payment for those parenting alone whose youngest child is aged seven or under was announced in budget 2012. On 2 July next, most of these 39,000 lone parents will be transferred to the jobseeker's transitional allowance payment. The major concern for us in this regard relates to the lack of planning, support and information provided and responsibility taken by the Department of Social Protection in terms of these action.

The Department must take responsibility for the impact of its policies. It must also put in place the necessary services and provide the information that is available from other Departments. Activating lone parents is an issue which does not just relate to the Department of Social Protection; it is one which requires a whole-of-government approach. In that context, the Departments of Education and Skills, Jobs, Enterprise and Innovation and Children and Youth Affairs must be involved. An integrated approach in respect of this matter has not really been planned. There is a need to develop a customer charter whereby parents will be given clear, sensible and correct information. I will not go into detail on the anecdotal evidence in our possession in respect of this matter. However, we have received a number of inquiries from parents to our askonefamily national helpline regarding incorrect information, etc. Suffice it to say that such information is confusing the whole issue.

I will now discuss some of the headline issues relating to lone parents. At present, 63% of lone parents are experiencing deprivation. By anybody's standards, this is obviously a key issue which we must address. Regardless of the issues relating to the payment and the question of supports, the level of deprivation must be tackled now. We are beginning to see evidence that work is not a route out of poverty but that for some people it is a way into persistent and consistent poverty. This is going to be a major issue going forward, particularly for those families that will be moving on the jobseeker's transitional payment. The number of people in receipt of the one-parent family payment who are involved in community employment has dropped from 33% to 9%. Community employment is a good activation measure because people only need to work for 19.5 hours per week and it facilitates parents who have caring responsibilities for

children. However, these individuals are financially restricted as a result of the fact that child care is expensive.

Another headline issue relates to lone parents entering third level education. As a result of the transition, these individuals may transfer to the back to education allowance but this has not been fully confirmed. What is going to happen after the transition on 2 July? What will happen on 3 July and during the remainder of the summer? Lone parents are actually considering not returning to third level to complete their fourth year of study because they simply cannot afford it. That runs contrary to the Government's policy of getting people to the highest level of education possible.

Another matter that arises is the fact that people are unable to take up training and upskilling options because of issues relating to time and cost. Why do classes relating to training and upskilling start at 9 a.m. rather than 10 a.m.? There are simple things which could be done in order to facilitate people in pursuing the options available to them.

Parents are also giving up part-time work on foot of the move to the jobseeker's transition payment and issues relating to family income supplement. The latter is a threshold payment and if one earns €1 above that threshold, one does not receive it. There is an issue with regard to how we can use family income supplement to better support parents who are working. Perhaps a sliding-scale mechanism or some other more creative approach could be used in this regard. The current situation is having an impact on many lone parents who are being obliged to make rational decisions with regard to whether they should be in work.

Members are aware of the issues relating to child care. Affordable, accessible and quality child care is needed in order to facilitate those who are already in or those who wish to enter employment. Child care is an economic development issue. It is also an economic policy issue and we should be examining it in the context of facilitating not only lone parents but also all parents who wish to work. Child care schemes are clumsy and complex. In addition, they are not understandable and coverage is poor. A major issue arises in terms of considering how we can create a child care strategy - and provide child care funding - which actually facilitates people who wish to work or pursue educational opportunities.

There are a number of urgent actions which the Government and the Department of Social Protection should take. The overarching aim must be to ensure that work pays. We also need to ensure that parents are treated with respect and dignity by the Department of Social Protection. In addition, we must use a variety of ways to ensure that parents will not be compromised financially, emotionally or socially in the context of the move to the jobseeker's transition payment. A key issue relates to the need to examine the position with regard to free part-time education options for those who are parenting alone. This is cheap activation - there are courses and programmes available - and it is a better way to ensure that parents become educated.

Ms Louise Bayliss: I thank the committee for the opportunity to address it. We welcome the opportunity to discuss the grave realities facing families. Single Parents Acting for the Rights of Children, SPARK, is a voluntary organisation that was established in December 2011 to campaign specifically in respect of the changes to the one-parent family payment. The reforms lone parents are facing in July are the final stage of reforms introduced in budget 2012. They are wide-ranging in nature but in essence they remove the status as carers for parents once their youngest children turn seven. This has huge implications for how one-parent families can manage both child-caring and chief-bread-winner roles. During the initial debate relating to the relevant legislation, the Tánaiste, Deputy Burton, allayed concerns from NGOs, Opposition

members and backbenchers by undertaking not to proceed with the legislation without a child care system similar to that which obtains in Scandinavia. We are now facing into these changes in the absence of the affordable child care and we are worried for our families.

One-parent families have traditionally suffered higher deprivation and poverty rates than the general population. The policy in this regard was designed to encourage more active inclusion of one-parent families through greater uptake of employment and educational opportunities. However, while this has been the motivation, the necessary child care supports have not been provided. Our families are the poorest in society and we are not in a position to withstand any further cuts to our incomes.

Child care is a huge barrier to all working parents in Ireland. According to the OECD, the average two-parent family spends 17% of its net income on child care. For two-parent families in Ireland that goes up to 34% and for one-parent families 53% of their net income goes on child care. This is the barrier we face.

These cuts are regressive and will see those earning least paying most. A lone parent with one child, working 20 hours per week on the minimum wage, will lose €50.72 this July and that is taking into account the back-to-work family dividend and increases in FIS payments. That will rise to €80.52, or 18% of their income, by July 2017 when they lose the back-to-work family dividend. The poorest will lose 18% of their income.

Jobseeker's transitional payment for parents whose children are aged over seven and under 14 has been introduced in lieu of child care. This is a welcome move but it is not enough and it is a regressive step for working lone parents as a working lone parent earning €150 per week will lose an additional €30 per week. This loss is in addition to cuts caused by changes to the income disregard, so there is a cumulative loss of €53 per week for a person earning €150 per week and transitioning to the jobseeker's transitional payment.

Lone parents transitioning to FIS will lose fuel allowance of €520 per year and 40% of their current one-parent family allowance payment. Lone parents who are full-time carers and not in receipt of domiciliary care allowance will lose €86 per week when they lose entitlement to one-parent family allowance. There are many claimants on primary social welfare payments who are entitled to this indefinitely.

Lone parents in full-time education may transfer to back-to-education allowance, although it is not guaranteed. If they can do so, they will lose their student maintenance grant, a loss of €2,375 per year or a total weekly loss of €45. Many will be forced to abandon their studies.

We believe there are many flaws in the policy. First, the objective of the policy is to encourage lone parents into job activation and education, yet it is making it harder for those already fulfilling that objective. Only parents who are already working, learning or caring will face any financial changes. Second, the State has a mechanism to hold an absent parent responsible for costs incurred in maintaining a one-parent family with its maintenance recovery unit. Once we change to jobseeker's allowance the State loses that mechanism. There is no longer a liable relative and the State cannot recoup the money once a child turns seven.

We are also concerned about the treatment of child maintenance. If a court orders €100 to a child the State uses that to offset some of the payment to a jobseeker. The state provides €188 per week to all jobseekers, providing they comply with conditions. If a court has ordered child maintenance the State is now using this income, ordered for the benefit of a child, to offset the

cost of an adult jobseeker's payment. There was legitimacy in this when the State was supporting a parent in a carer's role, but it is questionable whether the State can use child maintenance payments to pay statutory payments to an adult.

We believe there are discriminatory aspects to the legislation which may be challenged on family status grounds. In a two-parent family on jobseeker's allowance only one parent is obliged to actively seek work. There is no obligation on the second parent to engage in work outside the house, regardless of the age of the dependent children. A one-parent family must look for work outside the home when their youngest child turns seven.

A lone parent who is also a carer will lose his or her primary social welfare payment and half-rate carer's allowance when the youngest child turns seven. However, an adult dependent claimant of a jobseeker is entitled to keep his or her primary payment and half-rate carer's allowance indefinitely, regardless of the age of the children or whether or not he or she even has children. Other categories of people on primary social welfare payments are entitled to keep their carer's allowance. These include widows, deserted wives and pensioners. There seems no justification for a parent of a seven-year old to be treated differently. The State, through the homemaker's contribution scheme, supports a parent in a two-parent family for one of them to stay at home until a child is 12. A parent in a one-parent family must become a job seeker once their child turns seven. In July 2015 an estimated 39,000 families will lose their entitlement to one-parent family allowance. We believe that our families will suffer greatly if these changes proceed.

We thank the committee for the opportunity to discuss this matter and to highlight the flaws inherent in the policy.

Vice Chairman: I thank Ms Bayliss. I ask Mr. Egan from the Department of Social Protection to make a presentation. I ask him to keep it to seven minutes.

Mr. Niall Egan: I echo the earlier remarks of my colleagues thanking the committee for the opportunity to appear before it today to discuss developments relating to one-parent family arrangements.

The one-parent family scheme has played an important role in providing income support to lone parents since its introduction in 1997. However, notwithstanding the availability of this support, and as members of the committee will be aware, lone parent families continue to experience high rates of consistent poverty compared to the population generally.

It is widely acknowledged that the best route out of poverty and social exclusion is through employment but it is also recognised that work, and especially full-time work, may not be an option for parents of young children. Accordingly, there is no job-seeking conditionality associated with the one-parent family payment scheme. The reforms which I will outline today seek to strike a balance between recognising that family commitments may constrain a lone parent's availability for work while at the same time start a process for engaging with, and providing support to, lone parents so that they can participate in education, training and work experience programmes. In this way it is hoped to create a pathway to employment so that once their children reach an appropriate age, lone parents can improve their own, and their children's, economic and social circumstances.

The genesis of these reforms was contained in the 2006 report, *Proposals for Supporting Lone Parents*. This report recommended that a time limit for receipt of the payment be intro-

duced. The report also advocated that lone parents should be engaged with in a systematic manner to facilitate their movement to education, training and employment.

The report also acknowledged that Ireland's supports for lone parents were out of line with international norms, where there has been a general movement away from long-term and non-conditional support towards a more active engagement approach. For example, in the United Kingdom the equivalent lone parent scheme, the income support for lone parents, ceases when the youngest child reaches the age of five.

Deputy Willie O'Dea: I am sorry to interrupt but I do not have a copy of Mr. Egan's script.

Vice Chairman: It is on the second page of the opening address.

Mr. Niall Egan: The reforms to the one-parent family payment were first announced in 2010 and the first reforms were introduced in 2011. Subsequent reforms were introduced in the Social Welfare and Pensions Act 2012. These reforms reduced the one-parent family payment qualifying age of the youngest child on a phased basis. The final phase will see the maximum age under the one-parent family payment scheme being reduced to seven years for all recipients from 2 July 2015. As a result of this change, once a recipient's youngest child reaches the new age limit, they will no longer be entitled to the one-parent family payment. Should they still have an income need, they will transition to another social welfare income support payment appropriate to their circumstances, for example family income supplement or the new jobseeker's allowance transitional arrangement, which was introduced specifically for one-parent families in June 2013.

There are two exemptions to these changes. The first is for lone parents who are in receipt of the domiciliary care allowance for one of their children. They will continue to be entitled to one-parent family payment until that child's 16th birthday. The second exemption is for those who are recently bereaved. In these circumstances the one-parent family payment will be payable for two years from the date of death of the spouse, civil partner or co-habitant or until the youngest child reaches age 18, whichever occurs first. It is anticipated that approximately 30,200 customers will transition on 2 July 2015. As has happened every July since 2013, affected lone parents will be contacted by their local Intreo office inviting them to attend detailed information sessions. At these sessions, lone parents will be briefed by departmental staff on their income support, training, education and employment support options and advised, on a case-by-case basis, as to the best available option for them.

In order to help lone parents with young children who are affected by this reform the Government introduced the jobseeker's allowance transitional arrangement. Under this arrangement, lone parents whose youngest child is aged between seven and 13 are exempt from having to be available for and genuinely seeking full-time employment. No lone parent with a child under 14 years of age will be required to take up employment in order to receive income support from the Department. We estimate that approximately two thirds of the 30,000 cohort who will be affected will move into this payment.

All jobseeker's allowance transition arrangement customers will have access to the Intreo services and will be given an opportunity, for the first time, to develop a personal development plan with an Intreo case officer. This will enable them to gain enhanced access to educational and employment supports. Individuals on the jobseeker's allowance transitional arrangement can move into employment, including part-time employment, if they wish, however, there is no requirement to do so in order to get the payment. The jobseeker's allowance transitional

arrangement thereby allows these customers to balance their caring responsibilities with progression into the active labour market. I wish to bring to the committee's attention the fact that the Social Welfare Bill 2015, which was published today, will, if enacted, make the jobseeker's allowance transition arrangement available to all new lone parents, whereas previously one must have been formerly a recipient of the one-parent family payment.

There are a wide range of other options available to lone parents, including, for example, the combination of family income supplement and the new back to work family dividend in situations where the parents work more than 19 hours per week. These will be explained to lone parents at the information session, which have already commenced in some parts of the country. It is important that lone parents attend these information sessions in order to receive the best information and advice available given their individual circumstances.

I want to take issue with a comment made about the lack of planning in the Department. This reform, as I acknowledged, has been on the tracks since 2010 and in its current guise since 2012. The Department has been working from July two years ago in terms of the previous transitions and almost 11,000 people have made the transition to date. As part of that reform, we have always engaged with lone parent representative groups. We have a good working relationship with them. We continuously brief them on new changes and amendments and on the impact they will have. We have asked them to pass that information on to one-parent families. We are always available. I have attended and responded to requests for briefing session from representative groups, but I stress that the work at the local level during the past two years is key to why this reform has gone the way it has gone to date. That comes down to the work of the local Intreo offices whose officers have gone out and ensured that lone parents attend the office and where they did not attend, they followed up by way of telephone calls and brought them in on a one-to-one basis to inform them of what is happening and what are the best options available to them.

I hope I have given the committee an insight into the steps Department is taking to streamline and improve services and employment outcomes for lone parents. We are very happy to take any questions members may have.

Vice Chairman: Thank you, Mr. Egan. I call Deputy O'Dea.

Deputy Willie O'Dea: I thank the Ms Louise Bayliss, Ms Leah Speight and Mr. Stuart Duffin, the representatives of the groups, for attending and for their excellent presentations. I also thank the Department officials for explaining where they are coming from in terms of the Department's side. There are a few aspects of this that I have difficulty understanding. Reference was made to the availability of the family income supplement for working lone parents and the family income dividend and so on, but regardless of that, and taking into account that they will have access to increased family income supplement and access to the family income dividend as a result of the legislation published today, the point is that they are still going to be worse off. Working lone parents will be financially worse off, by and large, as a result of these changes. That is the net point we are trying to make. The figures are there to demonstrate that.

I wonder about the motivation for this. We have raised this issue on numerous occasions both at this committee and in the Dáil and the Minister keeps talking about activation to encourage people, to take people out of the dependency on social welfare and into the workplace. As a result of the changes during the past few years, a lone parent who works fewer than 19 hours per week will now be €54 per week less well off - in respect of one child - than they would have been four years ago. Instead of getting €150 - forgive me if I am €1 or €2 out - in addition to

the lone parent's allowance, they will now get less than €100, about €96. How does that create an incentive? We have the family income supplement as an incentive for people to take up low paid jobs, as one gets the family income supplement payment in addition to one's pay. It widens the gap between what one comes home with in one's pocket and what one would have got if one had remained on social welfare. That is an incentive.

In addition, the availability of the family income dividend will enable people, in certain circumstances, who go into low paid jobs to retain the child dependant element of social welfare benefit for a year, going down to 50% after one year, but at least they will be getting something for two years. The fact that they will be getting something is an incentive. That is my interpretation of an incentive or a measure to activate a person. When one starts to do the opposite to that, one creates what I would regard as a disincentive. One of the witnesses said when responding to earlier questions that quite a number of lone parents dropped out of the community employment schemes because the financial provision changed for the worse. That is what happens in the real world. When people get more of an incentive they are inclined to act accordingly and when there is a disincentive they act in precisely the opposite way. That is human nature.

Vice Chairman: I remind the Deputy that he has used his allocated three minutes and I ask him to put his question.

Deputy Willie O'Dea: I could talk about people who work more than 19 hours per week and how much money they will lose.

Vice Chairman: To be fair to other members, the Deputy might put his question.

Deputy Willie O'Dea: I have a few brief questions. How exactly will these changes benefit lone parents who are not working? How will they ease their access to employment and training measures? It was mentioned that those on a jobseeker's transition payment would be able to engage with an Intreo officer but it could also have been arranged for lone parents to be able to engage with an Intreo officer and they did not have to be in receipt of jobseeker's transition payment to avail of that facility.

How will the back to education allowance be affected? I do not have time to read a communication in this respect that was brought to my attention by my colleague, Deputy Barry Cowen, this morning. I have received communications and letters from lone parents who are in the third level system who advise that they will have to drop out as a result of the changes that have been made.

What will be the effect of these changes on carers? A carer who is a lone parent currently gets their one parent's allowance and a half-carer's allowance. When they lose their lone parent's allowance when their child is over the age of seven, they will simply get the full carer's allowance, which is estimated to be €80 or €90 per week less. That is a straight loss of income for people who are performing this very valuable caring role.

Vice Chairman: We will get an answer to those questions.

Deputy Willie O'Dea: I have many more questions but time is against me. That is why I asked at the start if we had enough time but apparently we do not.

Vice Chairman: I want to be fair to every Deputy and I now call Deputy Ó Snodaigh.

Deputy Aengus Ó Snodaigh: There is quite an amount to consider and it is a pity such a short time has been provided. Mention was made of the 2006 report. That report was not implemented, even by the previous Government, with all its faults, because it set a different timescale. The fact that a Minister in this Government pursued it with gusto, in particular in 2012, highlights the ill-thought out strategy around the cuts to the one-parent family payments. My key issue is that in a response by the current Minister last month she outlined the numbers that would be affected substantially by these changes. Some 800 one-parent families who are in receipt of a carer's allowance will lose €86 per week. Even for those of us who are in full employment, and who have other family members in employment, €86 a week is a substantial amount. The Minister went on to say that up to 6,400 one-parent families will lose up to €36.50 per week, another group of 4,500 one-parent families will lose up to €57 a week. That is not taking into account, as was mentioned by the group representing the parents, the cumulative effects of other cuts prior to this and other consequences. Rents have increased and the cost of going to college and the cost of child care - which is what this is about - have increased.

I have a question for the Department officials. It is a policy matter and the official might be able to say he is sorry but he cannot answer it, but when this measure was introduced the Minister promised that she would not proceed with any of the changes unless we had the Scandinavian model of child care. Where stands that from the Department's point of view, because one was supposed to follow the other? Has any consideration been given to suspending the measure this year given that the policy position has not been achieved? That is key. If the Minister is not willing to row back, there is nothing to prevent her suspending the measure until such time as her ideal has been achieved.

It was stated that the system was out of step with international norms. Why is the international norm not out of step with what we did? We should never be in a race to the bottom. It should be the opposite in that we should be setting standards. The representatives of lone parents would probably be the best people to answer the next question. Based on their work, how many women or men who are in this predicament are trying to stay out of work? Even the Government report dating to 2006 highlighted the fact that the vast majority of people who are parenting alone wanted to go back to work, or in fact found work, before their children reached the age of seven anyway. That information is key in terms of how we approach the matter.

Deputy Joan Collins: The 2006 report must be seen against a backdrop of nearly full employment or when we all thought we had full employment and that things would never change. Things have changed drastically and that must be taken into consideration. I would like the committee to seriously tease out whether we are putting a cohort of people into more deprivation than is the case currently. The SILC report referred to a rate of 63% in 2013. I asked Mr. Egan about the reduction in employment rates. He said in 2013 it was 36% but it has increased slightly. He said the number of lone parents on community employment, CE, schemes reduced from approximately 10,000 jobs to 1,800 jobs. They were majorly impacted from that point of view. Mr. Egan said the numbers have gone up again.

There are questions to be asked about the quality of jobs done by lone parents but we have not heard anything about that. Questions must also be asked about why the Government introduced legislation in 2012 that put people in work in a position where they could lose up to €53. I find that phenomenal. We are not even talking about the cohort of lone parents who are not working as they have not been able to find work. We are talking about people who will lose out substantially in their weekly income because of those changes. That beggars belief. The committee must tease out the matter with the Department in terms of whether we can stand over it.

I would like the committee to consider whether to recommend to the Minister that the initiative would go ahead and how long the change should last. The issue must be linked to child care. It was not part of the legislation, but we were emphatically told in the Dáil Chamber by the Minister, Deputy Burton, that none of the changes would be introduced unless affordable child care was specifically introduced in the budget. That has not happened. I do not understand how we can put so many lone parents into a situation where they are caught between a rock and a hard place. We cannot stand over that. We must take hard decisions in the committee today or else have a specific meeting to discuss the issue more broadly. Half an hour will not be sufficient to deal with these issues.

Senator Marie Moloney: I wish to address a couple of matters. I am of the firm belief that nobody should be better off unemployed than working, yet it appears that is the case. On the one hand the Department recognises the importance of having a parent in the home until the age of 12 by awarding a homemaker's credit to a parent who chooses to be at home to look after the children, but, on the other, we say there is no need for a parent to be at home when a child has reached the age of seven and that the parent can go out to work. Is it possible that a one-parent family could get a transition payment and a half rate carer's payment? It has been said that they do not have to be available for work. In that case, would the transition payment and the half-rate carer's payment be available to them under the new scheme?

If a domiciliary care allowance has been granted to a parent for a child, he or she is exempt, but what about a parent who has a child over 16 on disability allowance? A 16 year old is only a child. Likewise, what about someone who is caring for an adult? Why is he or she not exempt just because he or she does not have a domiciliary care allowance? Surely the same rules should apply to anyone who is caring?

In her presentation, Ms Bayliss, mentioned the liable relatives. That is something that is always left out of discussions when we talk about one-parent families. Nobody ever seems to think there is another parent of the children. That seems to go amiss generally, but reference was made to it. Could the officials let us know what are the statistics in terms of chasing up people for maintenance, and what happens when the parent living with the child transfers to a transition payment? Does the liability on the other parent fall at that stage or will the Department still chase him or her for maintenance?

The elephant in the room is child care. It is the most important issue to address not just for lone parents, but for working families. Child care in this country is unaffordable for every family and the matter must be addressed. Could the officials indicate whether there is ongoing discussion between the Department of Children and Youth Affairs and the Department of Social Protection and, if there is, could we have an update on when we will move to safe and affordable child care in this country?

Vice Chairman: I will continue to allow members to ask questions. I hope the witnesses can keep up with the responses as this is the most effective use of the time. Members might have an opportunity to ask a second round of questions.

Deputy Brendan Ryan: The Department might have provided the figure but I ask for it again on the percentage split between lone parents who work and those who are not in work.

Ms Bayliss has made a strong argument and she has given statistics on working parents. Am I correct in saying that those who are not working will not be affected by the change? Given that the purpose of the change was to incentivise people to go to work and find jobs, has the

Department seen the figures that have been presented by SPARK in that regard? It appears to be the case that a parent with one child who is working 20 hours a week would lose €50.72 per week. Does the Department accept those figures are correct? Does it also accept that if the purpose was to incentivise people to go back to work, the effect has been to hit people who are already at work? Surely that would not have been the purpose of the changes in the first place. My other question is whether people can transfer to back to education.

Deputy Catherine Byrne: I thank everyone for making a presentation. I will not go through all the names as that takes too long. Anybody who has spoken agrees that we must make work pay. The reality is that nobody will go back to work if they are not going to be better off than if they stay at home. There are great difficulties for single parents in particular being able to access child care.

I am a firm believer that education pays. When one educates a person, it puts them into a position where they are not dependent on the State and they can move on in their lives as well, and so can their children. My question is to Mr. Egan and Mr. McKeon. There seems to be a very low uptake of the after-school child care, ASCC, scheme. Only 172 parents are availing of the scheme, which supports 236 children. Why is the uptake so low? Is it simply to do with spreading the news about the scheme or is it about getting single parents to understand the reason for the scheme?

I have been studying this area, including single parents. I am sorry for referring to single parents, lone parents and one parent; we are all parents whether we like it or not. I made the observation that in respect of a lone parent with two children who is returning to education, if their weekly allowance, the back to education allowance and their children's allowance is averaged out, the figure is about €1,500 a month. That is more than €359 a week. That is a substantial amount of money, leaving aside bills and so on. I have gone through this in great detail and found that after every bill is paid there is a surplus of €80 a week. Can Mr. McKeon explain why we are not promoting the back to education allowance more strongly and getting more young people, particularly single parents, back into the workforce? I understand the child care problem in terms of looking after children, but what are we doing actively to promote this allowance, which I believe is the key to this question? These people are trying to rear their children on their own but they want to avail of this service and get back into education. The money is available; the statistics show that. "Profitable" is not a good word to use but it is worthwhile for these people to go back into education because the system allows it. The down side of it is the child care issue. We all know that without the support of families, friends and neighbours, many people would not be able to get back into the system. What is the percentage uptake of the back to education scheme, particularly among lone parents? How is it being promoted? We spoke about the Intreo offices. I agree with Mr. Egan that they are doing a great job on the ground-----

Vice Chairman: I have to ask the Deputy to put her question.

Deputy Catherine Byrne: I would appreciate it if the witnesses could expand on the back to education payment and the uptake of the scheme, particularly among one parent families. I am sorry for taking so long.

Vice Chairman: Not at all. I call Deputy Boyd Barrett.

Deputy Richard Boyd Barrett: The Vice Chairman has called me a bit quicker than I thought he would.

Vice Chairman: And I hope he will be a bit quicker with his delivery. He has three minutes.

Deputy Richard Boyd Barrett: I thank the Vice Chairman for allowing me to speak, as I am not a member of the committee, and apologies to those whose presentations I missed. I thank the Single Parents Acting for the Rights of Kids, SPARK, for the briefing yesterday, which was very informative.

I asked a question earlier of Mr. Egan. He seemed to acknowledge that the removal of the concurrent payment, which is not included in the table SPARK talked about, as well as what it would clearly demonstrate is a significant deterioration in-----

Vice Chairman: Sorry, Deputy, there is interference from a phone. Is your phone on?

Deputy Richard Boyd Barrett: Apologies. He referred to a significant worsening of the situation for lone parents who are working, and the figures are set out in the document. SPARK might confirm that it does not even include the impact of the loss of the concurrent payment, which is on top of this, and, therefore, we have had a double whammy of dramatic proportions. I would like to hear what the Department has to say about that because in terms of the logic the Minister outlined when all these measures were being brought in and about which there was much heated debate in the Dáil at the time about labour activation, we have unequivocal evidence that the opposite is the case. What we have got is labour deactivation and disincentivisation, and that is reflected in the fall-off in the numbers of people on community enterprise schemes that he has just acknowledged. It strikes me, but I would like to hear his comment on it, that there has to be some correlation between this and the dramatic figures we have seen recently in terms of increased levels of deprivation and increased levels of child poverty among lone parents. I suspect a big cohort of that child poverty increase is the children of lone parents. The reason I was not here earlier was because I was attending a young people's protest about child suicide, which is awful. I am not saying there is a direct correlation with that but in terms of deprivation and a worsening situation for lone parents who are hit disproportionately, is there an acknowledgement on the part of the Department that we have got this wrong and that it needs to be remedied?

On the issue of the carers, which may have been raised by other members, I asked some questions about this and-----

Vice Chairman: The Deputy might leave that question because I can only give him three minutes and he is almost out of time.

Deputy Richard Boyd Barrett: If a carer is looking after adults, not children, he or she will lose €86. The Minister said they will look at that but the point was made whether that could be addressed with the family income supplement, FIS, and other payments. The response was that they no longer do two payments. Is that true? Is it not the case that there are groups that do get two payments? Widows and widowers, State contributory pensioners and deserted wives get double payments because there is an acknowledgement that there are specific circumstances that require double payments. The point lone parents are making is that there are specific reasons they need extra supports.

Vice Chairman: I ask the Deputy to conclude.

Deputy Richard Boyd Barrett: Are the witnesses willing to acknowledge that?

Vice Chairman: I call the witnesses and ask them to keep their responses to four minutes. I

appreciate there is a lot to deal with in four minutes but the clock is against us. I will start with Mr. Duffin.

Mr. Stuart Duffin: There is a lot to respond to.

Vice Chairman: I appreciate that.

Mr. Stuart Duffin: If we look at the information sessions, they are particularly good. We have a range of information sessions being held on Friday of this week at 4 p.m. It is mid-term. We have a number of offices giving those information sessions with appropriate times for parents, but parents will not be able to attend because there is no child care available. It is about the understanding of the needs of parents-----

Deputy Aengus Ó Snodaigh: They should bring the children along and let them see what is happening.

Mr. Stuart Duffin: That is an element.

I fully agree with Deputy Byrne's comment about education. If work is a way out of poverty, then education is the ladder that helps that. That is why we see access to free fees, part-time education as a cheap form of activation for parents, and it addresses the issues around child care.

In terms of the elements around the child care system, its complexity, its lack of understanding and information in terms of who are the providers and where they are getting their after-school care etc., we have one client for whom it has taken a year to get a confirmation letter from a Department local office stating they are eligible for the out of school care. There are dysfunctional issues happening at local level that are compromising that aspect.

Vice Chairman: I appreciate Mr. Duffin's brevity. The Department has probably more to answer judging by the number of questions, but does Ms Bayliss want to respond before we call the Department witnesses?

Ms Louise Bayliss: Yes. There were not many questions for us because we just raised the issues. Deputy Ryan asked whether non-working lone parents are being affected. They are not being financially affected. However, there are traps in that regard because working lone parents are being forced out of the labour market. Those who are trying to get in will find it harder. They are not being impacted financially but the work will not pay for it, so many people will be affected.

Deputy Catherine Byrne raised the question about the back to education allowance. There have been changes to that. She spoke about education being the way out. Once people lose their one parent family allowance, they are not guaranteed that they will go onto the back to education allowance. Also, they are not entitled to a Student Universal Support Ireland, SUSI, grant when they lose their one parent family allowance. The point we were trying to make was that from July, a lone parent who loses their allowance when their child reaches the age of seven will now lose €45 a week. That would not have been the case this time last year. There are difficulties for parents who wish to get back to education and those already in education are seeking to drop out of education, because they will be unable to afford it after July. I believe Ms Leah Speight has one point to make.

Ms Leah Speight: Deputy Ó Snodaigh referred to the promise made by the Tánaiste and

Minister for Social Protection, Deputy Burton, and I will link that to the point made by Deputy Joan Collins about this committee. We have appeared before the committee today because we want something to emerge from it and the Deputy referred to the committee being responsible. A promise was made to our families that this would not go ahead without affordable child care but yet, it is going ahead without affordable child care. As everyone has seen, it is obviously affecting working lone parents. That is what we want to emerge from today's meeting. Deputy Boyd Barrett made a point about the two different payments, which highlights there is an element of discrimination against our families. The point I am making is this is discrimination against our families. Members should consider the deprivation rates of 63% and yet, these cuts will affect the poorest families who are working. Obviously, the issue of child care is important but child care is more than just baby-sitting because people with a child who is over 14 now have a choice between jobseeker's allowance or their part-time jobs. Why would one take people out of their part-time jobs? Why take people out of any type of employment as this simply does not make any sense? I hope, following Deputy Joan Collins's comments today about the joint committee standing by something, that this measure will not go ahead because that is what we want.

Vice Chairman: I will ask Mr. Niall Egan from the Department to respond but Mr. John McKeon wishes to come in first.

Mr. John McKeon: I wish to make one or two general points.

Vice Chairman: I appreciate that but we have perhaps ten minutes left.

Mr. John McKeon: I will make one or two general points and Mr. Egan then will answer all the specific questions on the one-parent family payment. A number of people made reference to concurrent payment and community employment and took the fact that the number of people on community employment and lone parent's allowance has fallen as evidence of deactivation, rather than activation. I make this point from an activation perspective but it is important not to confuse a place on a scheme with being activated. Most members of the joint committee will be aware of the very strong criticisms that have been made in the past of community employment as an activation programme. These included some reports from the Economic and Social Research Institute, ESRI, which questioned fundamentally the relevance of community employment, as well as the very low progression rates out of that scheme, particularly among lone parents, where people effectively used the concurrent payment and stayed on it for a very long time. They were not progressing into employment but were getting a top-up payment by doing something in the community employment sector. The general point I wished to make is that is not the same as activation.

The second general point I wish to make is with regard to the references to deprivation and the survey on income and living conditions, SILC. It is not necessarily a subject to go into at this committee meeting but this might be possible at a subsequent meeting. There are some headline numbers contained within the survey that everybody will grab and it is understandable why people will do so. It is an extremely complicated study and the actual real story is not necessarily the story that is portrayed in the headline numbers. At some stage, it probably is worth having a committee meeting on the survey and I am sure the Department would be happy to appear before the committee and give its views on it. As I mentioned, to get into it now would take hours but members should be aware that some of the headline numbers are not necessarily reflective of all the numbers it contains.

Vice Chairman: Mr. Egan should now try to address as many of those questions as he can.

Mr. Niall Egan: I will do my best and if I miss anything, perhaps the clerk will bring it to my attention and I will follow up with Deputies and Senators. The key point to make here is the rationale for the reform. In 1997, we introduced the one-parent family payment and it has been in place since then. At that stage and as was the case until recently, an individual lone parent could receive the one-parent family payment until the youngest child was 18 or 22 years of age if that child was in full-time education. What has happened and what we have noticed since 1997 ties in with some earlier comments that lone parents have more than double the rate of consistent poverty when compared with the population as a whole. When there is no conditionality on the one-parent family payment and when it ceases, all of a sudden one has people, typically women, coming in and looking for a jobseeker's payment only to be told they must be available for and genuinely seeking full-time work. In some cases - I acknowledge completely not in all cases - these people have had no experience of work and nor do they have education or training attainment. This transition essentially is what leads to these people to struggle and more often than not, they become long-term unemployed based on the figures provided earlier by my colleague, Mr. John McKeon. This is the situation we are trying to avoid. Basically, since 1997 the Department has not engaged properly with lone-parent families. We have had a situation in which we gave them an income support payment and left them. We had nothing in terms of follow-up and did not engage with them in terms of education, training or employment supports to identify what they needed to bring in or to assist them to have better outcomes for themselves and their children.

One point I wish to highlight to the committee is just how significant are the changes the jobseeker's allowance transition payment has introduced in this regard. When the reform in its current guise was first introduced in legislation in 2012, there was huge fear among lone parents, which was completely understandable, that in its original guise, from the time the child was aged seven they would be expected to be available and genuinely seeking full-time work. Realistically, how could that be achieved for a lone parent with a young child in terms of child care, about which we have already talked today? It could not and that is why the jobseeker's allowance transition payment was introduced the following year. It is in recognition that the existing supports for the child care element were not there and yet is addressing the fact that lone parents had a justifiable fear that they would be required to seek employment and take up any sort of job. This alludes to a point raised by Deputy Joan Collins in respect of precarious employment. That is now removed and they will not be required, as I stated in my opening statement, in terms of taking up a job. They will be supported and will have the opportunity to have an intensive engagement with a case officer. For the first time ever, they will have a personal development plan, the idea being to give them the opportunity to upskill and get a better job for themselves and their children.

As for the 30,000 people who are coming off the scheme in July, I wish to highlight that two thirds of those people will not suffer any loss or in fact will gain on foot of this reform and it is important to note that. Obviously, however, the inverse of this point concerns the one third who will suffer a loss. I am familiar with the figures that Single Parents Acting for the Rights of Kids, SPARK, has produced in that regard. However, of that one third, it is important to note that 60% of them have the opportunity, if they can increase their hours of work and qualify for family income supplement, to be better off financially than they are at present. This is a very important message we are trying to get out to lone parents and it is true. These are people who do not currently qualify for the family income supplement. I believe I was asked by Deputy Ryan whether the figures produced by SPARK are accurate. While they are not quite 100% accurate, they are in the ball park and give one a sense of the scale. I will not argue over very small amounts of money and they are accurate in that context. However, it is important to

note that we have been through two Julys already in respect of this reform and I refer to what the evidence shows as to what happened on those two points. From our perspective, there is no evidence to date that lone parents are giving up work. They make the transition to the jobseeker's allowance transition payment or - as we constantly are pushing - the family income supplement. Over the past two Julys, we have noticed there has been a significant increase in lone parents making first-time applications for the family income supplement. This indicates they are getting up to 19 hours work per week and when they do that, they are financially better off than they were under the one-parent family payment scheme. On foot of the introduction of the back-to-work family dividend, the position is further improved. However, I acknowledge the broad lines of the figures that SPARK has produced. There is a cohort of people who will lose out but the reform must be put in the context of the entire population of lone parents.

The issue of carers came up quite regularly. As the Tánaiste announced two weeks ago in the Dáil, this issue is being examined and is almost at a final stage. I cannot go into anything more than that but the Department is highly conscious of the loss in this regard. I acknowledge that €86 per week is a highly significant loss and as the Tánaiste has stated, this matter is under serious consideration at present. I cannot say anything more than that at present.

Deputy Richard Boyd Barrett: What about the double payments?

Vice Chairman: As we are against the clock, we should allow Mr. Egan finish his contribution. He should try to wrap up, as Ms Karen Kiernan wishes to come in after him.

Mr. Niall Egan: As for the point raised by Deputy Joan Collins on precarious employment, this is an issue. A higher percentage of lone parents have a tendency to be in precarious employment and I note the recent coverage of child care being an area in which there are highly-skilled jobs with low pay. While this is an issue, it is why the jobseeker's transition payment gives these parents the opportunity, for the first time ever in the State and we should have been doing this a long time ago, to engage with the Department and for the Department to give them a helping support to improve their education and training attainment in the hope that they can get a better job. As for the liable relatives issue, the Department is aware of it. It is not currently under the jobseeker's legislation but is something we will be considering in the future. I do not have statistics for Senator Moloney on maintenance but I can certainly look into this and revert to her.

With regard to child care, as I stated, the key measure to be addressed first is the jobseeker's allowance transition payment. It largely negates the need for a lot of child care provision. Someone with a young child can qualify for the FIS and still not require child care provision because FIS involves 19 hours, which works out at just under four hours per day. Admittedly, this is not possible in all circumstances but it is possible for a lone parent with a child in school to match what is required.

I said at the start that child care is a considerable issue. The country has struggled with it and it has been the subject of much attention in recent weeks and months. The Department is working with the Department of Children and Youth Affairs on this and we have done our best in this regard to introduce new schemes, including the after-school child care scheme and the CE child care scheme. There are approximately 40,000 subsidised child care places for low-income parents. Therefore, there is provision. Is this how it should be? The matter is complex, as Mr. Duffin has said. The system is not perfect and needs to be addressed; there is no doubt about that. As I stated, the Department of Children and Youth Affairs will be examining this through its new group. We will be feeding into that process.

ONE-PARENT FAMILY PAYMENT: DISCUSSION

With regard to Deputy Byrne's specific question on after-school child care and the low take-up, a number of issues are at play. One involves the complexity of the scheme when first launched. We have made changes in that regard and streamlined the scheme. We have focused considerably on promoting it through local offices but the Department of Children and Youth Affairs is actually responsible for promoting it and does so through the county child care committees. That is a key issue.

The regional spread is also an issue. However, it should be noted that while there are plenty of places in certain parts of the country, the take-up remains low. We must investigate this. We have already said we will carry out a survey of the participants and those who inquired about but did not take up a place. We will feed our findings into the work of the Department of Children and Youth Affairs' group on child care.

Vice Chairman: We must conclude. If a member has not got an answer, he or she should feel free to send an e-mail with his or her question to the clerk, who can forward it to the delegates. I will ensure every member will get an answer to questions not answered today. We have run out of time. I will give the last word to Ms Kiernan.

Ms Karen Kiernan: I appreciate that. One Family has always called for and supports the reform of the payment. The problem is that it was combined with cuts. It was never really going to work and has not been working to date. From now on, better implementation and planning are required. There is a lot that could be done but there are many errors on the ground about which we are very concerned. We have heard about the litany of cases of people who have actually lost money. We are concerned that the payment is not working now. In order for it to work, changes are needed. I will leave it at that. Our door is wide open in terms of collaborating and assisting.

Vice Chairman: I thank all the witnesses for their time and for co-operating at this meeting. I apologise for rushing so much but I do not set the rules and the times are outside my control. I just have to chair the meeting within the specified time.

Deputy Niall Collins asked where we should go from here. Deputy Willie O'Dea wishes to make a proposal in this regard.

Deputy Willie O'Dea: My proposal is that we ask the Minister to hold off on the change in July pending further discussion because we have not had sufficient time to discuss this today. Many serious issues arise. I support Deputy Collins' proposal.

Vice Chairman: I propose that at our next meeting we decide what we want to do and whether we want to invite the Minister to address the committee. We all know where we want to go from here but, if members agree, we will deal with this at our next meeting, which will be next Wednesday. A delay of one week from today will not change anything.

Deputy Willie O'Dea: We will take it up at the next meeting.

Vice Chairman: I thank the delegates for their co-operation and thank the members. If members believe they did not get an answer to any question, they should feel free to send an e-mail to the clerk, who can send it on.

Next week, there will be a meeting before the ordinary meeting to fill the vacancy on the sub-committee.

JOINT COMMITTEE ON EDUCATION AND SOCIAL PROTECTION

The joint committee adjourned at 3.35 p.m. until 1 p.m. on Wednesday, 25 February 2015.