

DÁIL ÉIREANN

AN COMHCHOISTE UM GHNÓTHAÍ FOSTAÍOCHTA AGUS COIMIRCE SHÓISI- ALACH

JOINT COMMITTEE ON EMPLOYMENT AFFAIRS AND SOCIAL PROTECTION

Dé Máirt, 25 Meán Fómhair 2018

Tuesday, 25 September 2018

The Joint Committee met at 12.40 p.m.

MEMBERS PRESENT:

Deputy John Brady,	Senator Catherine Ardagh,
Deputy Joan Collins,	Senator Ray Butler,
Deputy Regina Doherty (Minister for Em- ployment Affairs and Social Protection),	Senator Alice-Mary Higgins,
Deputy Willie O’Dea,	Senator Gerald Nash.
Deputy Bríd Smith,	

DEPUTY JOE CAREY IN THE CHAIR.

Business of Joint Committee

Acting Chairman (Deputy Joe Carey): As we have a quorum, we will begin our meeting in private session.

The joint committee went into private session at 12.48 p.m. and resumed in public session at 1.06 p.m.

Pre-Budget Discussion: Minister for Employment Affairs and Social Protection

Acting Chairman (Deputy Joe Carey): I welcome the Minister for Employment Affairs and Social Protection, Deputy Regina Doherty, and her officials. The opening statements have been circulated to committee members. Members will be invited to pose their questions and I ask them to confine their initial questions to five minutes. If possible I will be able to come back to them.

I wish to advise 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. If witnesses 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. Witnesses 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's 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 also remind all attendees to turn off their mobile phones because they can affect the sound system. I invite the Minister to make her opening statement.

Minister for Employment Affairs and Social Protection (Deputy Regina Doherty): I thank the Acting Chairman and the members for the invitation to this meeting today. I am genuinely looking forward to a constructive engagement.

It is normal at this time of the year to outline how the Department is performing against its budget allocation. I will provide the committee with some details on that, especially focusing on the mid-year review position. My Department has provided the committee with a briefing document on this and I hope everyone has had a chance to peruse it.

I am aware that the committee will also want to have some discussion today on other matters, given that it is only two weeks to budget day. In particular, the committee has signalled that it would like to engage in a pre-budget discussion, including consideration of the proposals relevant to the committee's very valuable report on lone parents last year. Of course, I am happy to do that and will come to those issues later, perhaps during the questions. I am also keen to hear what members see as the key issues for employment affairs and social protection for the months and years ahead.

Members will be aware that the Department's budget represents approximately 36% of

gross current Government expenditure. It is useful, in the preamble, to remind ourselves about the scope and scale of the Department's expenditure and its importance for millions of citizens in the State who completely rely upon it.

An allocation of just over €20 billion was provided for the Department this year. Expenditure to the end of June was €10 billion and is very close to target for the year to date. Each week, about 1.3 million people - pensioners, people with disabilities, people on maternity and paternity leave, people who are sick, carers, and jobseekers – all receive payments from the Department of Employment Affairs and Social Protection. In addition, more than 625,000 families receive child benefit monthly for almost 1.2 million children.

The payments and services provided by the Department are targeted at those most in need and provide significant support to individuals and families who are facing particular challenges in their life, be that unemployment, caring for a very sick child, reaching old age, coping with an illness or disability that impedes their ability to work, or it may be as simple as meeting the costs of heating their home. These are daily challenges facing many of our citizens and the development and maintenance of a strong social protection system is genuinely good for all of society, including those people who do not rely on a weekly payment.

Thankfully, the past few years have seen significant decreases in the live register and this trend has continued throughout 2018. People are finding employment in high numbers and that is one of the good news stories in recent times. However, our social protection system is not only there to support people who are unemployed.

Our largest block of expenditure will be in 2018 on pensions, which will amount to almost €7.6 billion or 38% of overall expenditure. This is increasing year on year as our population becomes older and we seek to ensure that people are provided with adequate incomes when they reach their older years.

I was happy to announce earlier this year that the Government decided that the pensioners affected by the 2012 changes in rate bands could have their pension entitlement recalculated on the basis of a total contributions approach, including a provision for up to 20 years of a new home caring credit. This approach will make it easier for many post-2012 pensioners affected by the 2012 rate band changes, who are currently assessed under the yearly average model, to qualify for a higher rate of contributory State pension. We had a constructive discussion on this issue at this committee and I thank all of the members for their input. It is intended that first payments will be made in quarter 1 of next year and, as we agreed in the Oireachtas, the payments will be backdated to March 2018.

Expenditure on working age schemes comprises two programmes called income supports and employment supports which, when combined, amount to about €4.2 billion or 21% of total expenditure. Income supports, including jobseeker's allowance, one-parent family payment, maternity and paternity supports, accounts for €3.4 billion or 17% of overall expenditure. Expenditure on employment supports, including community employment, back to education or enterprise and various employment programmes, amounts to just over €823 million or 4% of overall Department spend. The next biggest area of expenditure is illness, disability and carers which amounts to €4.2 billion or 21% of expenditure expected in 2018. Expenditure on children and families accounts for over 13% of expenditure or €2.6 billion, of which €431 million is allocated to the working family payment that is paid to low income working families who work in their towns, villages and cities. Expenditure on supplementary payments like rent supplement, agencies such as Money Advice & Budgeting Service, MABS, and the Citizens In-

formation Board and other services accounts for €814 million or just under 4% of expenditure.

The live register, as I mentioned earlier, has continued to decline at an extraordinary rate. Our improved economic situation and healthy labour market have seen a decline of nearly 40,000 people on the live register since this time last year. Also, over 80,000 people have left the live register over the past two years. As of last week, the live register stood at just over 213,000 people and continues to fall. The ongoing fall in the live register is freeing up resources that we need to meet rising demand in other areas such as pensions, and areas with people with disabilities and people who are carers.

The drop in the live register has been accompanied by a serious increase in employment. There are now 2.255 million people currently working in Ireland. To the end of quarter 2 this year, there was an annual increase of more than 74,000 people in employment. The unemployment rate at the end of quarter 2 stood at 5.8% and long-term unemployment, which is particularly the focus of my Department, has fallen from 3.2% to 2%. From a peak level of over 30%, the youth unemployment rate has now fallen to 15.4%. We are making good progress but we do not have the luxury of becoming complacent. We must continue to ensure that our social protection system and labour market work together to move people into sustainable employment. We must also ensure that those people who cannot work, and their families, continue to be supported by the State and my Department. Over the coming weeks my Government colleagues and I will consider ways to build a sustainable budget that will benefit all our people, young and old, rural and urban, in a way that does not spread resources too thinly so in order to make a difference.

In last year's budget I wanted to focus on children and families, particularly lone parents. We did a number of things in this area as follows: we increased the rate of the qualified child increase by €2, bringing the amount up to €31.80 per child per week, which was the first increase in eight years and, hopefully, will not be the last; we further increased the earnings disregard on the one-parent family payment by €20, bringing the total up to €130 per week; we increased the thresholds for the working family payment by €10 for families with up to three children; and, we increased funding for the school meals programme to include the newly designated Delivering Equality of Opportunities in Schools, DEIS, schools, as well as supporting all of the schools in the previous year's allocation. This was alongside a general rate increase in the weekly social welfare payments.

The report on lone parents produced by this committee included a number of recommendations, which I am happy to discuss with members today. I would stress, however, that we have made significant advances since the report was published. I also welcome the comments that members of this committee have made heretofore. I am aware, and I hope that members are aware, that we cannot do everything we want to do in one budget but I want to build on what we achieved last year and further strengthen the position of families on low and fixed incomes in budget 2019.

The annual Christmas bonus was abolished in 2009 by the then Government due to the catastrophic collapse of the country's finances at the time. Thankfully, as the economy recovered the bonus was reinstated in 2014 at a rate of 25%. This rate was increased to 75% in 2015 and further increased to 85% in 2016 and 2017. Despite the fake news headline produced in a newspaper this morning I would like to put at ease the minds of the hundreds of thousands of people who have been absolutely needlessly worried this morning because of that contribution by that particular newspaper, and anybody else who contributed to it, that I have absolutely no intention of discontinuing the Christmas bonus for any social welfare recipient. It is disingenuous

of anybody to try to grab a cheap headline at the expense of people who have no other income, other than their weekly fixed income from the Department of Employment Affairs and Social Protection, and totally rely on the Christmas bonus. I can guarantee that whoever did so has never had to live on a fixed income in their life.

Let us look ahead to the budget that will take place in October. The programme for Government includes a number of commitments on employment affairs and social protection. These include increasing payments such as pensions, and carers and disability payments in line with inflation. Thankfully, in the past few years, we have not only been able to meet but have exceeded this commitment through the increases granted in the weekly rates of payment.

On 20 July, we had a very successful annual pre-budget forum in Dublin Castle. We held six workshops that were separate to the plenary session and I had an opportunity to sit and listen to the discussions in each and every one of them. The workshops covered the following themes: retired and older people; supports for the most vulnerable; children and families; people with disabilities and carers; and, employment and pathways to work. Having read the groups' pre-budget submissions, and listened to the views expressed on the day, it is clear that the range of issues facing non-governmental organisations, NGOs, and the people they represent are vast and varied. In finalising proposals on budget 2019, I am conscious of all of that. I am also aware that we cannot do everything that we have been asked to do and, therefore, we will need to prioritise. The forum was extremely useful and gave me and my officials a great insight into the competing priorities for spending on welfare and employment issues.

The summer economic statement indicated that there is likely to be just €800 million of fiscal space available for new tax and spending initiatives across all Departments in budget 2019. We have to think carefully about where our resources should be directed, consider what will be most effective way to address child poverty, and what will be the most effective way to spend money to aid the position of families on a low income or no income. As I asked last year, I rely on and would very much welcome hearing what members think the budget priorities should be and the reason for same. I look forward to hearing their suggestions and comments in the hours ahead.

Acting Chairman (Deputy Joe Carey): I thank the Minister for her presentation. I remind members to confine their contributions to five minutes and call Deputy Willie O'Dea to commence.

Deputy Willie O'Dea: I too thank the Minister for her presentation. Naturally, I was very happy to hear what she said about the Christmas bonus. Admittedly, yes, our Government, which originally introduced the Christmas bonus, had to cancel it back in 2009 in view of a catastrophic economic collapse, as she said earlier. She was pretty strong in her reassurance this morning and I just wonder how the newspaper got a hold of that story in the first place. In any case, we can now take it that the Christmas bonus will be paid at the same rate as last year at 85%.

As we will have Question Time tomorrow I will confine my questions today to pensions. I have received a number of queries on the following matter. The Department of Employment Affairs and Social Protection was supposed to write a letter to post-2012 pensioners in or about now. Can the Minister indicate when the letter will be issued?

I noticed that the opening statement included a number of references to targeting and not spreading benefits too thin, etc., which I understand. Targeting is good in principle, but some-

times certain categories of social welfare recipient may not receive any increase or may receive an increase that does not compensate for inflation, leading to a return to regressive budgets. The Minister will also be aware that the headline inflation rate does not reflect the rate of inflation in the price of food and fuel endured by persons who are living from week to week and buying the bare necessities. It is important that people at least be compensated for that level of increase in the rate of inflation.

The Minister has mentioned the fiscal space of €800 million. I know that in the case of several budgets the figure for the fiscal space was exceeded on budget day. Of course, €800 million is a standstill figure and presupposes no revenue raising measures which are available to the Government if it wants to increase expenditure.

I have questions for the Minister on single parents. I recognise the increase in the earnings disregard last year, but there is a problem with the disregard for lone parents. It does not take into account the number of children in a family, which seems to be an effective way of combating child poverty. If people are dependent on social welfare payments, the more children they have, the more likely it is that they are living in poverty.

On taking account of maintenance payments as part of the means of lone parents, the Minister will be aware that proposals have been made to establish a statutory maintenance agency. A real problem I come across on a regular basis is the difficulty people have in going into court and pursuing somebody for maintenance. If someone obtains a maintenance order, the maintenance payment is immediately counted as part of the individual's means for social welfare purposes, even though the putative party is not actually paying maintenance. Many take the view that because this is the case, someone risks falling further into poverty if they apply for maintenance. A partial solution would be establishing a statutory maintenance agency along the lines of that proposed by various parties.

Financial support is only available to lone parents to pursue full-time education courses. It should be extended to part-time courses as the cost would be minimal. That level of flexibility is required, in particular, when one is dealing with lone parents who have to work part time. One possibly also needs it for lone parents in paying for childcare.

When is it proposed to update the national carers strategy 2018 to 2022? How long does it take to process an application for carer's allowance? The Department told me recently that, on average, it was taking four months. That means that in some cases it is taking longer than four months. If one looks for an appeal and an oral hearing, it takes another four months and perhaps as much as six, which is a long time to wait. Some 73,000 persons are in receipt of carer's allowance, which means that three quarters of the people who provide some care are not receiving any payment. The payment is only €60 per week over and above jobseeker's allowance, which works out at about 40 cent per hour for somebody who has to work 40 hours a week. Most of the carers whom I know are working 24/7.

The Minister will be aware that in the United Kingdom a commission was set up to examine the extra cost of a disability for an individual. Do we have any intention of following suit because this issue is the subject of significant debate?

Will the Minister find out from her colleague when the motorised transport grant and the mobility allowance will be restored? They were cancelled as the result of a decision of the Ombudsman in 2013 and have not been restored yet. We read in the newspapers that a memorandum was recently brought to the Cabinet by the Minister of State at the Department of

Health, Deputy Finian McGrath, and that it was withdrawn for further consideration. I know that application processing times have improved, but I bring to the Minister's attention that they are beginning to slip back. In my experience the application processing time for disability allowance is about five months. It is startling to think almost 75% of appeals in such cases have been successful. If someone applies for disability allowance, it can take five months to obtain a decision. When someone appeals a decision, we are talking about the guts of another six or seven months and the person is likely to be successful. Some 75% of applicants are wrongfully deprived of disability allowance for all of this period.

There are a number of schemes operated by the Department for people with disabilities, including the reasonable accommodation grant and the employee retention grant to encourage people with a disability for whom the employment level is very low, at 36 %. I think only 17 % of people with an intellectual disability are in employment. Why has the drawdown of the reasonable accommodation grant fallen significantly in the past couple of years? People do not seem to be aware of it or availing of it. I understand no application for the employee retention grant has been received from any employer in the past seven years. These schemes were specifically aimed at people with disabilities and designed to encourage them to stay in work. They were also designed to encourage their employers to keep them in work. Unfortunately, they do not appear to be working.

Deputy Regina Doherty: I thank the Deputy for his long list of questions. I will start with the anomaly in 2012 rate changes that we fixed earlier this year. Information letters will issue in the coming weeks to 67,000 Irish residents and 9,000 non-Irish residents. The numbers are broken down as follows: requests for details of home caring periods and processing home caring period cases in respect of the application of the new T12 recalculations. We will be notifying people of their reviews that will take place once the letters have been issued. The basis of the calculation obviously is the new total contributions model with the 20 years caring credit.

Deputy Willie O'Dea: For the 67,000 Irish residents.

Deputy Regina Doherty: Plus 9,000 non-Republic of Ireland residents. The letters will be sent in the coming weeks. The reviews will take place before the end of the year, with an expectation of making one lump sum payment and then continuing weekly with the new pension payment, to be backdated to March this year.

On the fiscal space of €800 million, members are aware that any Government can increase taxes in ways it sees fit. What I will be very interested in hearing is where the Deputy suggests we should increase rates of taxation or provide for new increases or new taxation measures.

Deputy Willie O'Dea: I am always at the disposal of the Minister to advise her in that regard.

Deputy Regina Doherty: We have to be creative this year. I hope and expect that there will be more than €800 million to be spread around the 15 Departments.

The Deputy referred to lone parents in the context of the earnings disregard which he said was not related to the number of children. He is correct - it is not. It is related to the increase in the qualified child payment that we made last year. The payment is made per child and, as I have mentioned, the increase was the first in eight years and I hope it will not be the last. The income threshold for family income supplement payments for those who are working will vary considerably and significantly based on the number of children.

The Deputy is correct that a figure of €95.23 in maintenance payments is disregarded, but only 50% of the remainder of total income is assessed as means. The position can be reviewed if maintenance is not being received.

I receive a great many requests to establish a statutory maintenance agency for all of the reasons described by the Deputy, particularly the difficulties women experience in having to traipse in and out of court. There is significant merit in the suggestion, but, unfortunately, it does not fall within my responsibility but within that of the Department for Justice and Equality. When I have been asked parliamentary questions about this, which is frequently, I have explained, and I continue to explain, why it is not our responsibility and I forward those questions to the Minister of State, Deputy Stanton, who I think has responsibility for equality. If I could assist in any way in the development of a statutory agency, I would be very keen to do so.

The Deputy made a very good point about part-time courses. This is not something we have costed before, so I will certainly look into it in the coming weeks.

The processing time for carer's allowance applications is 18 weeks. For carer's benefit, it is 11 weeks. In fairness, this is because of the complexity of the scheme. Members have seen other schemes we have, and I refer in particular to domiciliary care allowance, in respect of which the processing time was also up at 18 weeks, which was very high and exceeds our Department's targets. That has now come right down to five weeks, and in the worst-case scenario to nine weeks, so we have seen huge improvements because we changed the application form. We made it much easier for people to provide us with the information, and medical assessments that arise from this are far speedier because the information is given. We are undergoing changes and will propose and discuss any changes to the carer's application form with interested bodies in the coming months to try to do something similar.

The Deputy is right, however, that it is unacceptable. It is something we continue to strive to reduce. The processing time for carer's benefit, at 11 weeks, is under target, and that for carer's allowance is over target at 18 weeks. We continue to monitor this and to try to work towards reducing it. In fairness, we had extra staff deployed from one section of our Department to work on carer's allowance to try to alleviate this, particularly over the summer when it happens a lot.

The cost of disability was raised with me last year. It was raised again at the pre-budget forum we had this year. I cannot consider it on my own because our Department offers income supports to people with disabilities and it is the State's responsibility to provide a much wider range of services and supports to people with a very wide range and complex set of needs. It is on this basis that I am in the process of consulting the other relevant Departments as to how best we ascertain the actual cost of disability. There have been commissions and initiatives in other countries from which we are learning, but in trying to address this issue we need to learn from other countries' mistakes and recognise that there is not a one size that fits all. It is not going to be a matter of a certain amount of money for everyone who is on a disability or an illness payment because of the complexity of people's struggles. We would like to do this comprehensively, and I would like to do it right. As I said, I am consulting other Departments to ensure we do it right.

The mobility grant is a Department of Health issue, but I will certainly pass on the Deputy's concerns to the Minister for Health.

I do not have an answer as to why fewer people have taken up the employment retention

grant scheme. There certainly has not been a reduction in people with varying degrees of ability finding employment. We have two projects that we started last year that are providing huge supports for people who have disabilities but also have huge ability and want to contribute to the economy or indeed just want to ensure they are providing themselves with interaction and with life. We have the ability programme that was launched earlier this year, which had an uptake of probably twice what we could afford at the time. We will look to expand on that in the years to come. We also have the employability project, which was piloted jointly between us and the HSE last year and which we are now rolling out to every single county in the country. This is to support people who are suffering from varying degrees of mental ill health.

The projection of the partial capacity payment is also there, and the flexibilities that were introduced this year are to encourage people to take what they see as a risk of coming off an illness or long-term disability payment and going into the workplace. We have the fast-track return to the payment they were on if they do go into work and it does not work out. This is to support people to be secure in the knowledge that if they want to try going back to work for a couple of hours a week or a couple of weeks a month, should it not work out in the short term, the Department will always be there to support them in the long term. We will continue to work with employers to ensure that the ability programme and the employability programme are as successful as they have been initially.

Deputy John Brady: I welcome the Minister's commitment regarding the Christmas bonus. As a Teachta Dála, I was contacted by a sizeable number of people this morning on their seeing the headline in one of the newspapers. People are genuinely concerned and worried, which to me shows how important the Christmas bonus is to people in trying to make plans around Christmas time. I therefore welcome the Minister's commitment that the bonus will be paid. I would like to see something a bit more rock solid every year. She has used the same kind of terminology every year when she has come before the committee in recent years, that there is no provision for a Christmas bonus in the Department's allocation. I know she says it depends on annual savings within the Department and that if savings can be made in areas, that depends on the allocation of the Christmas bonus. In future I would like to see a 100% payment, not just the 85% payment. There has been needless scaremongering, which greatly concerned very many people in the community.

The Minister finished her opening statement by saying what would be the most effective way of addressing child poverty. I have spoken to the NGOs, the organisations out dealing with children in poverty, and CSO figures show that 25% of children in lone parent families are in poverty or at risk of poverty. When asked about this, these organisations talk about a targeted increase in the qualified child increase, QCI, from 12 years of age upwards. There are also real issues with child benefit, on which I would like to get the Minister's views. What is her view on increasing it for children in full-time school education? This is putting families in real, serious financial difficulty. I am not saying it is forcing children out of school, but difficult decisions need to be made. When it was cut and the age threshold reduced, it had a real impact on families. What are the Minister's views on this? The organisations and my party and I certainly advocate this being increased.

Regarding the issue of a child maintenance service, I brought forward proposals and I welcome that other parties agreed to them. The establishment of a child maintenance service was one of the key recommendations to come from the committee report last year. I hear what the Minister is saying, that it is not the remit of the Department of Employment Affairs and Social Protection but rather that of the Department of Justice and Equality. I know she sees the merit

in the service, but has she made representations? Has she spoken to her Cabinet colleagues about the need for it? I met Department officials from the office of the Minister for Justice and Equality over the summer and there does not seem to be that sense of importance or urgency. It is not on the Minister's or the Department's radar whatsoever.

A dedicated child maintenance service would mean so much to so many families. Forcing them to go through the courts is not the right thing to do. I genuinely believe there are savings to be made to the State in terms of court sitting time, judges and so on. It will also be of tangible benefit, especially to the children. Many lone parents simply will not go to a court sitting because it is not the right area. We know the implications of maintenance payments in some cases not being paid.

The Minister cited a figure of 15.4% for youth unemployment. CSO unemployment data for August 2018 have it at 13.9%. Can we get a little clarity on this? Which is the correct figure?

I refer to what I see and what many of the organisations dealing with young people see as discriminatory payments to young unemployed people. Does the Minister see this as discrimination? I know her predecessor stood over it, and I have questioned her previously and I know what she will probably come back with, that there are many options for young unemployed people to take whereby they get a full payment. I know that, I hear that, but it is still a discriminatory payment if a person aged between 18 and 24 years is forced to live on €107.70 per week. I want to get the Minister's view on that.

I have spoken to the Minister previously about the fuel allowance, especially fuel poverty, which is an issue that faces more than 400,000 citizens in this State. There has been an increase in the cost of fuel in recent years. The fuel allowance is one means by which we can try to tackle fuel poverty. Will it be increased in this year's budget? An additional payment was made to recipients this year because of the bad weather. In other countries such as the UK, an automatic payment kicks in if there is a prolonged cold snap. What we have is a haphazard measure that only comes into effect when there is political pressure and pressure from NGOs. The Government only responds when there is uproar. Could a specific measure be put in place providing for an automatic payment in the event of a prolonged period of cold weather lasting a week or ten days?

Looking through the document I note that the number of participants on community employment, CE, schemes is 1,244 fewer than at the end of June 2016. Am I correct in saying there are 32,000 CE positions in total? Currently, there are 21,578 participants on CE schemes. A note states that the lower number of recipients reflects a decline in the number of people on the live register and the improved labour market. That seems to be the stock answer any time questions are asked about CE schemes or difficulties in finding suitable people to avail of CE positions. Community employment supervisors lay the blame for the low uptake of community employment positions on the establishment of JobPath. I spoke to many of them over the summer. I accept some changes have been made to allow people to go on CE schemes. While welcome, these changes do not go far enough. We must deal with the difficulties that exist in regard to CE schemes. I would like to get the Minister's view on that. There is a problem and CE supervisors say it is due to JobPath.

How much has been paid to date this year to Turas Nua and Seetec? I would like the most up-to-date figures. Are financial penalties built into the contract which can be imposed by the companies if the Department or Intreo offices do not supply them with agreed numbers of job-seekers?

Deputy Regina Doherty: I thank the Chair and Deputy Brady. I am grateful for their support and comments on the Christmas bonus. From dealing with people whose only source of income is the weekly payment they get from the Department of Social Protection, we all know how worried they were made feel today. I would say there is not a Deputy or Senator in these Houses who did not get countless calls, emails and text messages arising from this morning's inaccurate leak. I have been called choice names today as people reacted. I am big enough and ugly enough to look after my own reputation - that is not at issue - but it was extremely mean to needlessly worry old people and those with disabilities to get a cheap headline.

Deputy Brady is looking for some clarity on the issue. The Christmas bonus is never included in the budget, so when I sit down with the Minister for Finance, Deputy Paschal Donohoe, next week we will not have a line in the budget for next year's Christmas bonus. That is for two reasons. Roughly half of the funding for the payment comes from the Social Insurance Fund, to which people contribute annually and which is, thankfully, in surplus at the moment. We will get into difficulty in this regard in the coming years when the fund will no longer be in surplus. However, we will make plans to make sure that we have enough money in the future. The other half of the funding comes from savings and those savings need to be found. One would want to be incredibly thick or entirely desperate, as the then Government was when it had no choice in the matter, to interfere with a payment on which hundreds of thousands of people rely. The Christmas bonus will never appear in a Budget Statement. It always comes from the Social Insurance Fund and other savings we make over the year.

The Deputy is correct about lone parents and the NGOs that represent them. The proposal that was made to me last year was to acknowledge and recognise that children over 12 eat more and cost more than children under 12 do. That point has also been made very clearly this year. What has also been made very clear to me this year is that the answer is not always to give extra money. The answer to addressing the very slow decrease in the number of children who are living in consistent poverty must also include services. It cannot just be about one Department giving extra money to families, even if that money is desperately needed. It has to be about education, housing, healthcare and justice issues, and we must all collectively work together to deliver on that agenda. The amount of money my Department would need to address consistent child poverty on its own would amount to billions of euro. The response has to involve more than raising the qualified child increase, QCI. It requires the delivery of a whole-of-Government approach.

I do not agree with Deputy Brady's proposal on the children's allowance. This is a universal payment and for all of the good that brings, it will remain a universal payment. In terms of the people who have been impacted by the increase in the age of children in secondary schools, any change to child benefit would result in an increased payment to everybody, meaning we would end up giving money to families who do not necessarily need it. As we discussed, we would have to increase taxes to increase the €800 million that is available this year. I am not sure we should increase taxes without specifically targeting the most vulnerable in the services or the social transfers we issue. On that basis, I do not favour change to the universality of child benefit. If we were to do as Deputy Brady suggested, we would not target the most vulnerable in society. That is not to say I am unaware of vulnerable families but we have other schemes and supports in place to help them if an 18 year old child is still in full-time education.

Deputy Brady is aware of my views on child maintenance. I will continue to have conversations on this issue with the Department of Justice and Equality. I have told the Department that we will support initiatives it leads on in any way we can. However, this is an issue on which

my Department cannot lead. I can only be responsible for the actions my Department takes in dealing with lone parents and the pursuit of maintenance. The Deputy is aware that I made changes earlier this year when I was somewhat horrified to find out that we were forcing women to chase errant, abusive partners. That practice has ceased. I am also in the process of making considerable changes to the remainder of the liable relatives section in the Department. I will probably make an announcement later this year in that regard.

On whether I stand over the differential in payment to those aged under 26 and those aged over 26, I do. I do not see it as discriminatory. As I said on previous occasions at this committee, there are other options for young adults aged under 26. We announced the latest option this week and I am grateful that Deputy Brady gave it a cautious welcome. I look forward to seeing the pilot project bear fruit between now and Christmas so that we can allocate more money to it next year. I know we will soon face a scenario, hopefully by the end of this year, when the unemployment figure will fall below 200,000. We are all aware that there is a transient group of 100,000 people, give or take a small number, who are between jobs either for weeks or months. They are not people who are struggling to find employment. That leaves us with a sizeable number of people who face real barriers to finding employment. Given that we are having job fair after job fair and that employers are telling us they cannot find people to employ, we have to address the real supports that are required to help those 80,000 plus people achieve employment either on a part-time or a full-time basis. The youth employment support scheme, YESS, programme for under 25s is going to make a significant difference. I will be back to update the committee on that. The pilot project is only for three months and I hope we will be back with tangible positive results to be able to extend it to a nationwide roll-out.

The reason community employment, CE, numbers are down is that the unemployment numbers are down. If there are more people working, there will be fewer people to do employment activation work. With the height of respect, I know the Deputy desperately feels it is JobPath and other people are telling him that. Because the Deputy so often mentioned that people were being stopped from doing CE when they were on the JobPath programme, I made the changes in good faith to allow people to do CE, Tús and JobPath. However, doing so did not change the applications for the jobs that are available through community employment programmes one jot. I know the Deputy genuinely believes there was a cohort of people on JobPath who desperately wanted to be able to avail of CE schemes. There are some people who have approached me in the past couple of months who are thrilled to have been able to do so, but the numbers are tiny. That tells me JobPath is not the reason people are not doing CE schemes or taking up employment that is available currently as the economy is recovering and employment is being provided, mostly by small to medium-sized businesses. It tells me there are other issues, be they social issues, disadvantage issues or training issues. There are myriad other issues that are stopping people availing of either the training employment schemes or the actual employment that is available. Collectively, we can get to the bottom of it and provide the supports and services to ensure that those 80,000 long-term unemployed are given the supports by the State to make sure that number comes drastically down. As the overall numbers come down, that group of problems will become more prevalent.

The final question was about Turas Nua and Seetec. The fee payments were €1.2 million in 2015, €25.2 million in 2016, €54 million in 2017 and €38.9 million up to the end of June in 2018. The actual expenditure of €38.9 million was an estimate of €25 million with a variance of €13.9 million. I do not think it is intended to publish the individual payments to each of the companies because they are commercially sensitive. In addition, the publication of these payments would place the State at a disadvantage in terms of our current contracts and the future

placement of these or other, new alternatives.

Deputy John Brady: I asked a question on penalties. I also asked for the youth unemployment figure.

Deputy Regina Doherty: I beg the Deputy's pardon. Two figures are issued, namely, every month and every quarter. The monthly figures from the CSO for the end of August show that the youth unemployment rate is 13.9%. It is the quarterly figures that we really rely upon, the labour force survey. They reflect a more accurate position. That figure is at 15.4%. Given that it is coming from 30% and going down, the figure is definitely going in the right direction. I hope that YESS will provide a significant roadmap to ensure we get the figure down to single digits next year.

At the end of July, there were approximately 93,000 clients engaged with JobPath, of whom 708, less than 1%, had a current penalty rate applied to their claim. The figure is consistent with the overall level of penalty rate applied across all jobseekers claims. I do not think it what the Deputy is asking; he is asking about penalties to Seetec and Turas Nua. I will get back to him on that if he does not mind.

Senator Catherine Ardagh: I welcome the fact that the Minister has addressed the issue of child poverty and how to alleviate it. She mentioned that throwing extra money at it would not suffice. While that would not fix it, it would go a long way to solving the issue. I welcome comments made by my colleague, Deputy O'Dea, on giving every support to parents, especially in respect of education, and ensuring that grants for parents in part-time education are available and that parents are fully supported in that endeavour. It is very important that young single mothers, in particular, have all the flexibility they need when caring for their children. I attended the National Women's Council budget meeting this morning. They highlighted the need to fully restore the income disregards when it comes to having a part-time job. The Minister touched on it today but we need to go further and fully restore them. The only way we are going to resolve the issue of child poverty is by empowering children, putting supports in place for parents and children and ensuring that their housing needs are catered for. We need to do a lot more than what we are doing at the moment. We need to go that extra mile. We need radical proposals. There should be no need in a modern democracy and a small country for any child to be living in poverty.

We are going to see a lot more fuel poverty when we go into the colder months. Deputy Brady advocated an increase in the fuel allowance. This time last year, I suggested increasing the income threshold for the fuel allowance. Once someone is in receipt of the fuel allowance, there are many ancillary benefits he or she can get, especially for elderly people, including having a house insulated. As we know, many incomes are remaining the same while the cost of living is dramatically increasing year by year. I welcome that we will be keeping the Christmas bonus, as do all my colleagues.

On the general gender pension inequality and backdating the homemakers disregard to the time of the marriage bar, I know it is costly at about €290 million. Has the Minister given any more thought to that? My colleague, Deputy O'Dea, welcomed the assessment times for carers allowance, jobseekers allowance and disability allowance. I am glad to see they are reducing. We still need to ensure that the timeframe is reduced further. When somebody is applying for carers allowance, it is generally done in a hurry when a loved one is acutely sick and when it is necessary for the person involved to take time off work. We have to support people in this time of need and not have them waiting for their applications to be processed when they are going

through such personal turmoil with parents or relatives in hospital and while they are trying to deal with a sick person's physical needs.

I wish to raise the status of the pension auto-enrolment scheme. Those who are self-employed do not receive any illness benefit at the moment. What are the Minister's thoughts on introducing an illness benefit for them?

Deputy Regina Doherty: I agree with the Senator that no child should be living in consistent poverty in a modern society such as we have in Ireland, notwithstanding the challenges we have faced in recent years and most likely will face again. Let us not be naive about the latter. It is incumbent upon all of us to ensure that the State does everything possible to make sure that does not happen. We must also collectively support the charitable organisations which deal directly with those families to financially support them. I hope to God I did not say that the answer involves just throwing money at them-----

Senator Catherine Ardagh: The Minister said the answer is not throwing money at them.

Deputy Regina Doherty: I absolutely agree that it is not the answer. Nobody is ever going to refuse an increase in a payment directly into a household. It has been shown right across the European Union that we have the best outcomes from the social transfers system that we have employed and engaged with for scores of years. It is not just about giving extra money. It is also about making sure we improve the outcomes from our educational system and that we support children in that, and that we improve the health services and the accommodation provided to the children. It involves myriad supports and wraparound services that have to be the responsibility of a number of Departments down to the likes of the Department of the Minister for Rural and Community Development, Deputy Michael Ring, providing local playgrounds for the children to play in, the Department of Health implementing its Healthy Ireland policy to make sure the children get as much exercise as required, and the parents ensuring their children do not sit in front of screens, which is incumbent on all of us. It involves myriad responsibilities under many Departments and society to ensure that children are not living in consistent poverty. I intend to make sure that our Department plays its part in reaching those targets.

I take on board Senator Ardagh's suggestion with regard to the income disregard and the fuel allowance. I hope she will appreciate that given that we are at such sensitive stages in our negotiations for this year's budget, it would be unwise for me to give any indication on that. The same goes for the following suggestion the Senator made. The anomaly introduced during the 2012 rate band changes and arising from the cuts, particularly in the legislation by the then Government, has been fixed.

Senator Catherine Ardagh: This is a separate matter.

Deputy Regina Doherty: I appreciate that. That particular change in isolation will cost the Exchequer, the tax man, probably in excess of €70 million. To be respectful, on the €290 million the Senator is talking about, given that we have only €800 million to spend this year, I do not believe it is something that is even on the table this year. However, I understand and appreciate the reason she is raising it.

The turnaround for people applying for carer's benefit is at 11 weeks. The turnaround for carer's allowance applications is a little higher at 18 weeks, but as I said to Senator Ardagh's colleague, Deputy O'Dea, that is not something we find acceptable. It is something on which we continually move staff into and out of the Department for the very reason the Senator de-

scribed, namely, people are busy doing what they are doing, which is caring for somebody they love deeply who has a serious illness. When the information is given to us in one complete format, we try our best to try to turn around the application as quickly as we can, but by the very nature of some of these applications and the complexity of the needs of the person being cared for, it sometimes takes a little longer. The only way I can genuinely tell the Senator how we would improve that is to hire hundreds more people, and that is not something I have the gift within the Department to do at the moment. In terms of what we do, when we have extra resources in different areas because of lulls or peaks during the year, we move staff to the carer section to make sure that the scanning of medical documents happens on a timely basis, that the medical assessments happen with the medical team as quickly as possible and that we turn around the application as quickly as we can.

I admit and acknowledge that 18 weeks is not something we are hugely proud of, but it is because of those complexities that we are now readdressing and looking at changing the application form to try to make it as streamlined and as efficient as we did when we looked at the domiciliary care allowance. We have had huge success with that, and those are not my words but those of the people who are making the applications. It has reduced from what then was probably in excess of 20 weeks to five now and, in a worst case scenario, to nine weeks. I hear what the Senator is saying but we are conscious of the issue.

The automatic enrolment retirement savings system consultation started at the end of August. It will close on 3 November. We did a launch in Dublin but I have three roadshows pencilled in so far. There is one happening in Dublin next week. I think we are doing a second one because the first one in Dublin was oversubscribed. We will have one in Galway and one in Cork. If they are as well attended as the Dublin one will be, we may even go further afield. The most important aspect I am concerned about is that I hear the views of the interested bodies loudly and repeatedly. I want to hear the views and wishes of the people who will be pensioners in 20, 30 and 40 years in terms of what their retirement savings will be if they engage in the automatic enrolment system, which I hope will go live in 2022. That will take place between now and 3 November.

I have just been ably told that the Oireachtas will be getting a briefing similar to the one on the total contributions model, and it will probably happen in the audiovisual room. All Deputies and Senators will be invited to that. It is very important that we hear their views as to what they would like to see, how much they would like people to contribute, for how long, whether there is an opportunity to be able to dip in on a once-off basis and the reason for that. The so-called Strawman proposal is very comprehensive but the reason it is so prescriptive is because it is very easy for people to rip it apart and say they would prefer this, that or the other. As I said, the most important thing for me is engagement from what we could call normal people and not the industry between now and 3 November. We have taken out advertisements in local newspapers, and if there is a roadshow coming near any of the members, I would be grateful if they could help by putting it on their Facebook page and encouraging people to attend.

In recent years we started to equalise the schemes available for people who are employed. This is something Senator Butler has long championed, as far back as when he was first elected to these Houses in 2011, to introduce the same level of supports for people who are self-employed as those who are employed. That process started a number of years ago with the current Taoiseach, then Minister for Social Protection, starting with the invalidity pension. We hope in the years to come to be able to continue that until we have parity of esteem between self-employed and employed people.

Also, we extended the treatment benefits to people who are self-employed that are enjoyed by people who are employed, which is the right thing to do. Someone who is employed and someone who is self-employed makes the same contribution to the Social Insurance Fund. I appreciate they do not make an employer's contribution at the same time but they should not be penalised on the supports available from the State if and when they fall on hard times, either in terms of illness or jobseeker's benefit or a pension. I hope that answers all the questions.

Senator Ray Butler: I thank the Minister for coming before the committee today. I welcome the news that the Christmas bonus will be paid this year. It is a huge boost for local businesses and very good news for people living in rural Ireland.

Naturally, I will start the ball rolling by raising the issue of the discrimination of self-employed people in terms of social protection over the years. Four hundred thousand people who are self-employed get up every morning and go out to work. That is one quarter of the workforce. I refer to the painter, the plasterer, the electrician and the shopkeeper. They are ordinary, decent people.

I welcome the good work the Government has done, especially this Minister and her predecessor, on tax equalisation, eye and dental cover and disability payments. However, we need to go further. Those benefits should have been put in place 30 or 40 years ago. In terms of putting a new stamp in place, I would like to see that done on a mandatory basis, but I know it will come about on a voluntary basis and that we will have to move with that. The Mangan report that was done three or four years ago through social protection stated that putting a new stamp in place at 5.5% would provide sick pay for self-employed people and other benefits that we have put in place. I want to see this new stamp put in place. During the economic crash, I saw the devastation done when self-employed people lost their businesses and had to pay everyone. When they thought they were entitled to something, they got nothing, however. During the recession, many self-employed people went into dark places, including into the back of sheds and fields, and never came back, which is very sad.

We are the only country in industrialised Europe that does not have social protection benefits for the self-employed. I am pleading with the Minister to put this new stamp in place, if she can, in this budget. I am aware the research has been done by her Department and that she has been heavily involved in that. Everything is in place now and, in fairness to Fianna Fáil, it is in the programme for Government so let us put this new stamp in place. We will never get a better chance to do it. People are returning to work. We can build on the fund as we move forward so that if an economic crash happens, self-employed people will be covered.

Meath County Council is reviewing the rents of all its tenants in social housing. Why is the working family payment, formerly known as family income supplement, taken as part of gross income, which results in rents being increased, when that money is given through the Department to support families, not for rent? No other body includes the working family payment in a person's gross income. It is scandalous that local authorities are allowed to do so. The Department is giving the money to lower income families in good faith, yet it is being used to pay rent to local authorities. I know of people whose rent has increased significantly because the working family payment is being counted as part of their gross income. It is not right.

I have referred previously to the abolition of the bereavement grant. If possible, it should be restored in some shape or form. For a family, it was a recognition by the State of the loss of a loved one. Even if we cannot restore it in its entirety, surely we can restore it at just €400. The system is being abused and unfair on ordinary, decent, working people.

There should be more information on advertisements about the stamp one pays and what it entitles people to receive from the Department. There are many people who do not have a clue what their entitlements are and we should be giving them that information.

Deputy Regina Doherty: I thank the Senator and will start by complimenting him. We were both elected to the Oireachtas in 2011 and he has been relentless in raising these issues ever since. That was because he had experienced at first hand the impact of the social welfare system's capacity to look after self-employed persons like him. He had not only provided a job for himself for donkey's years but also for others in County Meath. Cases such as his are the reason we have recognised and acknowledged in recent years the enterprise of the self-employed in providing employment and their invaluable contribution to the State over and above their social insurance contributions of 4% plus. That was why we needed to equalise the schemes across all categories of worker. We have gone some of the way down the road towards doing so, but we are not finished.

I cannot answer the Senator's question about specific extensions, but the report acknowledged that there could not be an opt in or an opt out. Either the contribution rate for all self-employed persons should be increased or it should not be increased at all. My opinion is that we should not increase it because the self-employed contribute enough. I have other ideas on how the Social Insurance Fund for the self-employed could be supplemented. I hope we will be able to have a further conversation on it. I intend to balance it out and ensure that, as and when the economy can sustain it in the years ahead, all of the schemes currently available to employees will also become available to the self-employed.

There are inconsistencies in the working family payment scheme. At the end of the day, it is income. We only give it to persons who are on a low income or who only work 19 hours every fortnight because they cannot survive on the money they are earning. The working family payment supplements their income based on their working hours and number of children. Therefore, it is household income and Meath County Council has a right to evaluate it as income when working out the differential rate. The inconsistency lies in the fact that the same is not done in every county council area. Applying it equally one way or the other would be fairer. I will make inquiries in that regard.

Senator Ray Butler: I thank the Minister.

Deputy Regina Doherty: As the issue of the bereavement grant arises in the context of budgetary discussions, I am reluctant to reply to the Senator, other than to say I understand why it was done away with. What people do not remember is the range of other support payments, many of which come from the Department, that are available to the bereaved. We do not just stop minding people once they become bereaved. We have extended carer's allowance and the domiciliary care allowance and taken a number of measures to continue payments for a significant number of weeks after someone passes away to try to ease the burden of the associated costs that arise following the loss of a loved one. The Department pays a sizable amount of money in exceptional needs payments to people who have a genuine financial difficulty in covering funeral expenses. That will always continue. It is not a case of someone receiving one amount of money and someone else receiving another. A standard amount is allocated on the basis of need and the outlay incurred when someone passes away. These payments will form part of the budgetary discussions.

The Senator's idea about stamp entitlements is a good one. He is right, in that a large number of people do not know what their entitlements are. Consider the increased participation

rates under the dental treatment benefit scheme that was improved last year. I believe we told everyone 100 times that we had improved the benefit in the last budget, but people have approached me about it in my area and said they had not known about it until their dentist only charged them €15 for a visit. That tells me that we did not announce it enough. Therefore, the Senator's suggestion might be worthwhile. I am not sure giving newspapers advertising money is the best way to go about it, but I will review the options.

Senator Alice-Mary Higgins: I thank the Minister for joining us and her contribution. I will focus on some of the issues that have arisen. As a number of the questions I would have asked have been addressed, I will try to build further on them.

As the Minister knows, I long advocated in my previous life for an increase in the home caring credit in the context of pensions, with reference to the 20-year provision. Regarding the T12, however, I have a concern about the threshold being pushed out to 40 years and 20 years of home caring credits being considered within that timeframe. I would be concerned if we were to move towards a 40-year contribution requirement in the pension system, which is one of the options on the table. There were consultations during the summer, but perhaps the issue was not described as clearly as it could have been. Many found the consultation process difficult to navigate. ICTU which represents a large volume of workers has expressed serious concerns about the goal posts being moved towards a figure 40 years. The Minister discussed considering other ideas to supplement the Social Insurance Fund for the self-employed. I ask that the State bring similar creativity to finding ways to address and recognise caring without necessarily pushing out the threshold.

I have a smaller but more detailed concern and I am sure the Minister's officials will have indicated that they are examining it. It relates to carers who have not had contributions made on their behalf because they returned to caring and fell out of the contributory pension system. There is a gender inequality dimension to pensions. A strong concern of mine is that the budget should be gender and equality proofed. Such proofing is planned to be intensified this year. The Committee on Budgetary Oversight has asked that Departments, specifically the Minister's, consider using the expanded simulated welfare and income tax changes, SWITCH, model when conducting gender analyses of and tests on their budgetary measures. What are the Minister's plans in that regard?

The litmus test of whether a gender equality perspective will be brought to next year's social protection budget relates to lone parents. This is an issue on which the Minister has engaged. In January she spoke at the ESRI about unwinding the cuts. I recognise that she has a concern in that regard and that some measures were taken in the previous budget, but a few specific elements need to be addressed in the upcoming budget. The question of the qualified child increase is important as it relates to teenagers. I realise there are wider issues in terms of services and supports that the Minister spoke to eloquently. Those problems affect everybody but children in lone parent families are up to three times more likely to be in consistent poverty. There are additional and specific supports that need to be addressed in that area and the qualified child increase is one such area. We talked about the cost of teenagers. There is a problem at the moment that lone parents leave the jobseeker transitional payment when their child reaches the age of 14. That is a time when additional costs, difficulties and challenges kick in but the caring obligations and work they are doing becomes effectively invisible to the system. This is not simply about cost, but about recognition too. If we were to widen the eligibility for the jobseeker transitional payment to allow for those with children up to the age of 18, it would mean they would be able to work full-time or part-time, according to their needs. It would mean they

could access income disregard. The additional supports of the system would continue to be directed to them. That change, from 14 to 18, would make a significant difference.

I recognise that children's allowance is a universal payment. There is a concern for situations where children have dropped out of school and there are vulnerabilities that surround such cases. There are concerns as to whether parents can lose child benefit payments and there have been questions on that. A situation where a child is dropping out of school might be an indicator of vulnerability and might be a time when families need more support rather than less.

On the fall in community employment schemes, lone parent advocates in particular have raised the fact that, while there is a general improvement across childcare, specific schemes, like the childcare, education and training support, CETS, scheme and the community employment childcare, CEC, scheme, have fallen away a little bit. There is a concern that some of the additional targeted childcare supports for people taking part in schemes might need to be looked at again because they are falling through the cracks.

The quality of outcome is an issue in many areas and was mentioned earlier in the context of quality part-time education access. There are also quality part-time employment measures which eliminate a binary choice between precarious and full-time employment but rather create quality part-time employment routes for people who are trying to balance childcare with the rebuilding of a labour market attachment.

There are also many overlaps in schemes and grants. That was something that this committee spoke about for people with disabilities and the Minister will be looking at the report of the committee on that matter. The back to education allowance, the student universal support Ireland, SUSI, grant and rent allowance intersect and people find there are obstacles to going back into education.

Education options need to be put on the table. Activation of that includes a question of shifting towards an education first model, which would be my preference, or at least an education equal model. There are a number of ways in which people can fall between the cracks. It can be the luck of the draw as to at what point one ends up on the live register whether one gets offered a college course or pushed into a two-week training course. That can make the difference and that is a real concern because we want to make sure that everybody is accessing the right option, and the best option, for them.

Given the new, wider remit that the Minister's Department has, how is the Department going to engage with other Departments about the quality of employment? That will be important in the budgetary context. The Minister said that people do not want to suggest tax areas. I will happily do so. We need significant changes in the hospitality sector. There are so many staff in that sector who are still working in poor conditions and poor employment. We need to question the VAT rate for that sector if changes are not made.

We are spending more than €2 billion in private pension tax relief. I think the figure of €17 million that was mentioned, and the figure of €290 million that Senator Ardagh mentioned, is a drop in the ocean compared to the €2.3 billion in private pension tax relief. The Minister and I have spoken about this in the Seanad and she will have the figure herself. Is this marginal rate, which disproportionately benefits higher earners, the best investment and recognition of contribution across the board?

This is a little outside the budgetary issue, but there are still ministerial concerns about the

public service card. We saw in the media last week, however much the media should be trusted, that there were serious concerns about the sharing of data across Departments as part of the single customer view dataset that comprises the public services card dataset. Is there a satisfactory legal basis for that and, if there is not, what measures might be taken? I have raised concerns previously with the Minister about the issue of biometric data and what is to be recognised and not recognised as biometric data. There are cases of contractors who were called biometric and then renamed themselves. Under fundamental European definitions, some aspects of the single customer review dataset are likely to end up being in that area of biometric data and different and appropriate protections must be made.

This is not simply expenditure. Social protection is fundamentally the investment we make in our social fabric. It is something that needs to be recognised as not simply an output but an investment in the idea that we are living together and that aspect of social solidarity. We should not apologise for the size of the budget - in fact, I think it should be increased. The Minister reflects that part of the social solidarity equation and she should feel strong in pressing for further resources in these areas.

Deputy Regina Doherty: Senator Higgins is dead right when she says that it is not about spending money for the sake of having expenditure lines on a budget. Behind every line is a person, a family, a child who needs support and, in many cases, has no support other than the solidarity and goodness of Irish people. It is not my money, or Senator Higgins's money. It derives from social insurance contributions for benefits, but the vast majority comes from the taxpayers' purse and that is recognition that we live in a society, not just an economy. I have not one ounce of embarrassment when I am sitting in front of the Minister for Finance and Public Expenditure and Reform, Deputy Paschal Donohoe, or any of his officials, to ensure my Department gets the largest chunk of that €800 million to look after people who cannot look after themselves at vulnerable times in their lives. The Senator should not be worried about me being embarrassed. I am well able for embarrassment. I will do my best over the next couple of weeks to make sure that all of the areas that we talk and care about are addressed.

I will return to the Senator's first question about equality budgeting. The pilot project programme on equality budgeting was initially started with six Departments and it focused primarily on gender and ran for the first time in the Estimates of last year. This is now being rolled out to other Departments this year. My Department is represented on the new equality budgeting technical advisory group, which is chaired by the Department of Public Expenditure and Reform, and it will include equality budgeting targets in my revised Estimates for this year. Be assured that we will examine the gender concepts in the SWITCH model and we have officially arranged for training with the ESRI for all the relevant staff in that area, including me. We are conscious that the budget will not be regressive and will be gender proofed. I can give the committee that reassurance.

I acknowledge the Senator's representation that children over the age of 12 cost more to rear than children under 12. I have heard that said and it has not gone over my head.

The Senator is not the first person to mention the jobseeker's transitional payment being extended. As the Senator may be aware, I had a meeting with Single Parents Acting for the Rights of Kids, SPARK, because Louise was part of the Senator's press conference last week. She brought it to my attention in the submission she gave me, as have others. It will form part of the budgetary discussions.

No child who drops out of school is penalised under the child welfare system, although I

know people might like to be able to use that. As the Senator knows, a child who drops out of school is crying out for help and, in many cases, the family require the assistance of the State, not to be penalised by €140 a month. What we do with the National Educational Welfare Board, NEWB, and other support services is notice the fact that the child is not going to school and make initial contact. I do not need to tell the Senator how to suck eggs. She knows exactly what we do. I would not be in favour of any model that would penalise the family because their child was having difficulty or stressed and could not go to school for whatever reason. They need support, not stigma.

The Senator brought some anomalies to my attention for people who potentially would like to participate either in community employment or other activation schemes because of the limitations in communities. I was not aware that there were limitations. Given that it is not my Department that is involved, perhaps that is just my ignorance. I apologise if that is the case.

Senator Alice-Mary Higgins: The Minister could follow up on the matter.

Deputy Regina Doherty: Would the Senator mind giving me more information? I will certainly bring the matter to somebody's attention, but the last thing we need is to have somebody being hindered who wants to participate in a community employment scheme to be activated in full or part-time quality employment. The supports available encourage people into activation, training, education and, therefore, a career. I know that the Senator agrees with me in that regard. I am not interested in people finding low-paid, part-time work; rather, I am interested in them having access to a quality support system, involving education, activation and work experience to make sure they have a well paid career. From my perspective, that is no different from support that should be available to somebody who is a lone parent, whether male or female, or a married man or woman with one or 15 kids. Support services, including financial support, should be in place to support people to maintain and improve their living standards through education, activation and work experience.

Quality of employment is an issue that is prevalent. We are bringing employment rights legislation through the Houses which will enshrine certain rights for people who are in precarious and low-paid employment. It has been stalled somewhat on the basis of a body of work that needs to be completed on people with self-employed status. I am adamant that it is a priority for us and we will continue to work on it.

The Senator has brought the issue of pension tax relief to the committee's attention. It does not fall within my remit, but I am adamant that the Department of Employment Affairs and Social Protection will extend the benefits enjoyed in the private pension sector to the rest of the world. Once we finalise the new auto-enrolment scheme for the 65% of persons in the private sector who do not currently save anything towards their pension, we will be adamant about implementing it by our 2022 deadline.

The Senator is probably aware from comments in the media that we received a report from the Data Protection Commission, outlining the commissioner's concerns and comments. In fairness to her, she asked us not to discuss it with anybody, something which does not seem to have happened, given the content in the newspapers, but I will honour her wishes and not discuss it, except to say it is a very comprehensive document and that we are compiling a response to her within the deadlines. That response will be made public and the Senator can look at the concerns raised and our responses to them. As long as the Senator and I are here, we will have a different definition of a photograph. The only thing we collect is a photograph. We do not distinguish it as biometric data. While there are different definitions, our definition of biometric

data does not include a photograph.

Senator Alice-Mary Higgins: There is the question of the 40-year threshold and T12 payments.

Deputy Regina Doherty: It is the first thing I should have said. I apologise. For many pensions, 40 years is the norm and the number which will be required as part of the total contributions approach, TCA, 2012 revisions when the legislation is passed for those affected by the 2012 rate band. The Senator is aware that class S contributions were only introduced in 1988. That will make it challenging for many self-employed persons to qualify for a full pension in 2020 if the number of contributions at the time exceeded 32. We are not yet wedded to an outcome. I know that people have made up their minds that we are absolutely wedded to something at the end of the public consultation process. We are not, which is why we had a public consultation process. We received in excess of 300 quality submissions, which is great. Arising from the submissions, we will have a new proposition later for us on which to agree. I hope we will collectively pass legislation.

Senator Alice-Mary Higgins: While we might not be wedded to it, we previously committed to having a 30-year threshold as part of the national pension framework. I am sure we will have an opportunity to debate both this issue and the public services card more substantially.

Deputy Regina Doherty: I do not doubt it. While we are not wedded to the outcome, the report was only part of the public consultation process. It certainly was not the agreed endgame. We are in consultations on the design of the TCA, which is probably the most important thing, other than the principle of the policy, which we will determine in the next couple of months. What is most important for me is that people get out of the system what they pay into it, while recognising its value and contribution. People are living and working for longer. At the end of the process, we will have a system that I hope everybody will buy into, acknowledging that it is the best and most robust system that will be sustained for generations to come.

Senator Gerald Nash: I am glad that the Minister took the opportunity to clarify and confirm that a Christmas bonus would be paid this year. Experience from 2010 and 2011 tells us that it cannot always be assured. I understand the Minister may not be able to impart an answer to the committee today, which I understand in the context of the pre-budget discussions that she will be having with ministerial colleagues. Has she decided the rate at which the bonus will be paid this year, now that she has confirmed that it will be paid? I accept that she understands how important it is. I understand and assure her that I understand how important it is, through direct personal experience. I was a little confused by the vagueness of the language used in the Minister's contribution yesterday. Two journalists contacted me yesterday evening about references made to the Christmas bonus in the Minister's submission. She may or may not accept that the language used is vague, that it allows people to draw certain conclusions that she tells that me cannot be drawn, but I am glad that she has clarified that the Christmas bonus will be paid. That will be reassuring to the 1.2 million people who will depend on it to lighten the load this Christmas. If the Minister has an issue with how the headline is written - I do not write them, nor does she - I am sure she can contact the editor or the journalist concerned to have that argument with him or her. She has known me for long enough to know that I do not pursue cheap headlines. I am a legislator who takes his policy responsibilities very seriously.

Deputy Regina Doherty: Serious headlines.

Senator Gerald Nash: When there is a policy difference and a policy issue at stake-----

Deputy Regina Doherty: What the Senator did was sad.

Senator Gerald Nash: -----I have a responsibility to raise it for the people I represent.

Deputy Regina Doherty: The Senator's responsibility, not being disingenuous-----

Senator Gerald Nash: It is up to the Minister to decide how she interprets it. I have explained it to her and she can accept it or not. It is entirely up to her. We should all be about trying to represent the interests of all citizens, particularly those who depend on the State for their income. I am glad that the Minister has confirmed that the Christmas bonus will be paid.

On other items of expenditure, expenditure on paternity benefit is €1.9 million behind profile. The Department was probably anticipating that approximately 290 more people would benefit from this payment. Has the Minister a sense of why everybody who is entitled to the benefit is not accessing it? Does the Department have additional plans to promote the scheme or increase the payment rates? It is important that the large number of people who qualify for the scheme access and benefit from it because it is a very good scheme which, I think the Minister will agree, should be built on in the next period. I expect to see that happen.

With regard to the PRSI step effect, in the context of successive Low Pay Commission reports, I imagine that the Government will accept the report of the Low Pay Commission and do what is necessary in the budgetary discussions in the next couple of weeks.

There is a PRSI step effect when the national minimum wage increases, and there is the potential for national minimum wage increases to precipitate additional employer PRSI responsibilities and obligations. This adds to the cost of hiring people, and this is something that the Low Pay Commission has warned about time and again. The PRSI step effect has been addressed in previous budgets to ensure that employers are encouraged to continue employing, that costs are not excessively burdensome and that the increase in the national minimum wage goes where it needs to, namely into the pockets of the lowest paid workers in the country. Perhaps the Minister might give me her thoughts on how that PRSI step effect could be addressed in the long term and whether she has done any analysis on this matter to date.

With regard to the question of lone parents, a major mistake was made in some of the reforms introduced back in 2012. This needs to be addressed, and in truth these reforms never achieved the original stated ambitions outlined at the time. This needs to be acknowledged and fixed. The recent ESRI study confirms that, by and large, the original objectives of the reform programme were not achieved. I understand and accept that. We need to work collectively to try to address those issues. The Labour Party's alternative budget proposals will bring forward some proposals to address many of the shortcomings, as we see them, along with what we can learn from the kind of situation we should provide for some of the most marginalised families in this country.

I very much support and acknowledge the Minister's work on this and her personal commitment to this area. This committee will not be found wanting when it comes to supporting any budget proposals she might bring forward to address some of the very apparent gaps and deficits in the system.

I support the work carried out in recent years by my colleague, Senator Ray Butler, in highlighting anomalies in the system affecting the self-employed. I know that the Minister has committed personally to trying to address these anomalies. The process of providing some benefits through the PRSI system to the self-employed was started by my colleague, Deputy

Burton, continued by our current Taoiseach when he was Minister for Social Protection, and then advanced further by the Minister herself in the form of the treatment benefit schemes now available. All of this comes at a cost, and this needs to be looked at within a wider review of the PRSI system and how much we pay for social insurance in this country.

There should be a wider awareness of the kinds of payments and supports that citizens of this country manage to access through PRSI and tax. As Senator Higgins said, a social protection system is about investing in the social fabric of our State. It is not just about supporting those who may be out of work or unable to work for a short time because of illness. It is a matter of ensuring that we have a floor beneath which nobody should be allowed to fall, and it is a matter of a decent society. I know that the Minister understands and accepts that, and she has demonstrated as much in some of the decisions she has taken. One way of convincing people of the merits and value of the system is to provide them with more information about the benefits they will get from it. There is a lesson for all of us in public life when it comes to how we do that and why.

Acting Chairman (Deputy Joe Carey): I thank the Senator and call the Minister.

Deputy Regina Doherty: Will the Senator clarify whether he said maternity or paternity?

Senator Gerald Nash: Paternity.

Deputy Regina Doherty: Fine. I will say two things. It is a fact that the birth rate is down this year on last year, so both maternity and paternity payments are down. Paternity leave is a new scheme. Given that in most, though not all, houses the man earns more than the woman, a work-in-progress issue that we will have to address over the coming years, taking paternity leave has a cost implication for certain families and that is why some men are not taking it up. A tremendous number of men are, however, and a total of 46,800 paternity benefits were paid up until the end of July 2018. We advertised the campaign last year and the year before and we will re-advertise it this year because the Senator is right in saying that not everyone knows of everything that is available to them on the back of their social insurance contributions. We need to continue to recognise and support men to stay home with their children during the first 12 months of those children's lives, and the only way we can do that is to try to extol to them the benefits of doing so. Every woman knows this and 46,800 men know this too. We need to keep going until we reach an equal rate, within a few percentage points, of people taking maternity and paternity leave. Rates of maternity leave are at about 70% uptake and very few women in the country do not take it. We need to achieve equality over sexism and we will keep working towards this.

I am very pleased to hear Senator Nash talk about the Low Pay Commission in such positive terms and he is obviously back in favour of the commission's recommendations. The increase in low pay last year did cause a step effect, which we addressed in last year's budget. I anticipate that we will do the same in this year's budget, negotiations notwithstanding. It would be nice, however, if we had parity and if we did not have to pick and choose which of the commission's recommendations to accept.

The Senator raised the issue of lone parents. We spend a lot of time at this committee talking about supports for lone parents and about the struggles they face because of being alone and because of the stigma surrounding mothers raising their children alone. This is a matter of which I am particularly conscious and that I am especially keen to address. Not only did I start last year to reverse the cuts that were made by the Senator's colleague, Deputy Burton,

in 2012, and I very much anticipate that we will continue to do so over the next few years until the reversion of those cuts is complete, but I am also adamant that the historical stigma and misogyny surrounding this issue in society will continue to be broken down by people like the Senator and me and by others at this committee. Such stigma is diminishing but not quickly enough. If we do not break it down, then we will do a huge disservice to the new types of family that are not yet recognised in our Constitution but which it is hoped will be in the very near future. It is difficult to raise children on one's own and it is doubly difficult when one has to deal with the stigma still attached to single parents in this country.

Like others around this table, I will do as much as I can to ensure that this stigma is diminished, not just through policy but also through walking the walk as well as talking the talk when it comes to what is required to assist women, in particular, in lone parent families to make sure that they get the education, support, childcare and housing that they require and that should be acceded to by this State. This is so that they can find decent careers for the rest of their lives rather than having to work in a low pay sector, which is what we seem to have accepted over recent years as being the best that they can get.

I do not know if Senator Nash was here when Senator Butler raised the possibility of a campaign to make people aware of their social insurance entitlements. This would be a good idea.

Whenever I come before this committee, particularly to address either Revised Estimates or budget conversations, I always open my speech with a reminder to the members of how big a spend the Department has and what it is that we spend it on. I do not even need to tell the members this as they already know. They can be sure, however, that there is a view in society that the vast bulk of the money spent by the Department goes to jobseekers and those who are unemployed. This is far from the truth. It would be valuable for us to recognise and to inform people of the solidarity that we extend on their behalf to citizens at various stages of their lives. The numbers of unemployed are dropping drastically, so the budget for them is dropping drastically too and is nowhere close to where people's expectations might be. When people hear that we have a budget of €20 million, they think that the vast bulk of that is spent on jobseekers, and this is a stigma and a white elephant that also needs to be broken down. I take Senator Nash's point on board and I will consider very carefully how we could best impart that information in the most cost-effective way.

Deputy Bríd Smith: I thank the Minister for what is a carefully crafted document. She does not give away too much and obviously has stuff up her sleeve. I congratulate the women and men who campaigned to have the measure regarding pensions reversed. In an extraordinary moment, the Minister took the megaphone from me outside the Dáil to address the crowd when she was first made Minister, and it was a welcome thing to do. She stuck to her word and began to reverse this terrible, discriminatory cut. It was a clear case of discrimination.

Can the Minister say again when the legislation will be passed? On what date will the payments be made? Has any audit been done by the Department on the negative impact that may result for a certain cohort of people as a consequence of this, particularly after 40 years? There are already some pensioners who are saying they will suffer as a result. These are not home-makers but others. If the Department has done an audit on this issue, can I ask that it release it to us? I thank Senator Higgins for saying we had an obscene tax break of €2 billion for private pensions but that we had become worried about the few bits and pieces we were going to give back in social protection. The social welfare system addresses the question of solidarity but the imbalances and the naked preference of one over another are quite something.

The question of fuel poverty is not unrelated to pensioners. The Minister might remember a kerfuffle in the Dáil last year, during an extreme weather event, over the question of ensuring that another month's fuel payment was given to everybody, following which councils were instructed to leave the heating on in apartment blocks that housed older persons. We will see much more of this in the future and I would bet my house that we will see more and more extreme weather events throughout our winters. Fuel poverty is a huge issue. A recent MABS study in Ballyfermot showed that one quarter of all households suffered from fuel poverty, which is a very high figure. There have been increases in gas and electricity prices and the retrofitting of homes is taking place slowly. It is happening and attics are being insulated but it is not being done quickly enough and there is not enough focus on it. As the weather gets colder and weather events get more extreme, people have to spend a huge amount of their income to stay warm. They make choices between staying warm and cooking hot meals. Climate change will impact on old people and we need to show solidarity with those who suffer fuel poverty.

The information about the live register caught my eye immediately. It is good news that another 40,000 people left the live register last year, and a total of 80,000 over the past two years. It must be asked, however, what kind of jobs these people are going into. Other studies, for example by unions and Social Justice Ireland, show an increase in low pay and low hours, which means people leave the live register but are not able to cope with what they have. The Minister does not mention any comparator between the return of people to work and the impact on the working family payment, which used to be the family income supplement, FIS. In my view, many are returning to low-paid, low-hours work. The issue of employment rights is now going to be fully part of this committee and I am delighted about that because it makes sense. There are lots of employers that do not give employees the full 19 hours which would allow them to benefit from the working family payment so we will find a cohort of people who will fall short of being able to claim the payment. We need figures showing how many workers who leave the live register fall short of being able to claim the working family payment. This would apply to a lot of women in the hospitality sector, the food industry etc., many of whom are lone parents. Is there a way that we could assess individual cases where employers refuse to give the 19 hours for family income support payments?

The Minister said it was not acceptable to wait 18 weeks for a carers allowance application. That is four and a half months and it is a long time to wait. I find that there seems to be an almost automatic refusal when an answer does come, often accompanied by advice to the effect that an applicant can appeal. The appeal process takes even longer. What do departmental officials say about that? What is the rate of refusal? In my clinics, I see evidence of a very high refusal rate for carers and an attempt to put them into a long appeal process. Can the Minister comment on that?

In regard to lone parents, the Minister spoke about the universality of child benefit. This universality should not be touched but there are extra costs in rearing a teenager. The Vincenzian Partnership for Social Justice stated that it cost €46.65 extra per week and I am sure those who came up with the figure did not just suck their thumbs and produce it. It costs nearly €50 per week more to rear a teenager than to rear a young child but this is not taken into account. I accept the universality of the payment and the benefit of that. Is there no mechanism, however, to means-test an extra payment for children aged over 12? It might focus on lone parents who might need an extra few bob. Somebody on ministerial pay would not need the extra money. The Minister's teenage kids are happy teenagers and do not need it but many lone parents do need it. Is there a way she could look at means testing in this area? To do so would acknowledge the science which finds that it costs more to rear teenagers. Can the Minister look at giving

child benefit not just up to the age of 18 but up to when children complete their leaving certificate? A lot of kids turn 18 in November or December but do not do their leaving certificate until the following June. That hits a lot of women and families I know and I have been asked to raise it.

I acknowledge the fact that, as the Minister said, she raised the income disregard again last year. However, it is still much lower than it was in 1997, when it was at IR£115, which equates to €146.50. What a shame that, in the 21st century, we are keeping something that addresses the poverty of children at so low a level. Would the Minister favour getting rid of the income disregard in its entirety? The Minister for Finance, Deputy Paschal Donohoe, has said he is considering getting rid of FEMPI.

Senator Alice-Mary Higgins: May I correct the record on one small fact?

Acting Chairman (Deputy Joe Carey): Sure.

Senator Alice-Mary Higgins: I think the private pension tax relief was €2.6 billion, from the figure the Minister gave me previously.

Deputy Regina Doherty: I will address the point made by Deputy Brady before answering Deputy Bríd Smith's questions. He refers to a penalty but we call it a discount. An 8% discount is applied to all fees paid from April to December 2017. The Department has recently applied discounts to both contractors, in the range provided for in the contracts, on all fees payable in 2018. In addition, the Department assesses performance primarily using a quantitative assessment of the performance levels achieved versus the performance bid. The results of audits, inspections and client feedback, as measured through the client surveys, are also taken into account. This answers question about penalties.

Deputy John Brady: An 8% discount-----

Deputy Regina Doherty: That was last year.

Deputy John Brady: Would I be right in saying that this is on the basis of a reduction in the number of unemployed people?

Deputy Regina Doherty: No.

Deputy John Brady: How does that discount work?

Deputy Regina Doherty: The way in which the discount is applied depends on the results of the quarterly labour force survey from the final quarter of each calendar year. The discount rate applies to the number of people going forward on the live register as opposed to going backwards so they are paid in the subsequent calendar year. The 8% discount was applied to all fees. That was for April to December last year. We recently applied for the discount for this year.

My apologies for being so rude to Deputy Bríd Smith. I have a document. Given that the Deputy only has a few minutes, I do not know whether she wants me to read it out. Alternatively, I can just give it to her. It details the process for the T12, which involves the ladies and gentlemen who will get their money back on foot of the legislation we will pass. We are in the process of recruiting. We need extra staff in one of our offices to look after all of these new applications. This recruitment will be completed by the end of this month. In early October, having recruited the additional temporary resources, we will engage in an in-house examination of

76,000 social insurance records. This will take a couple of months. At the end of that process, we will be able to tell each of those 76,000 people that they would have got €10 under the old system but that they are entitled to €12 under the new system, and that they can choose between the two. The Deputy's concern, which was raised on behalf of people who have spoken to her about it, that somebody might lose out will not become a reality because the person will decide whether or not they stay on €10 or move to €11. People who are on €10 and get moved to €9 will get the opportunity to remain on the €10 payment if they want. This means that nobody will lose out as a result of the changes we are making. People will only opt to move to an increased payment. They will certainly not opt to move to a reduced payment.

Initially, I would have thought that we would have introduced the legislation that is required to fix this anomaly in the social welfare Bill. It may not be part of the Bill; it might be easier to do it on a stand-alone basis. We are deliberating on that but either a small part of the social welfare Bill will deal with this issue or a small, stand-alone Bill will be introduced between now and the end of the year to ensure that we get ready to start making those payments at the beginning of next year. The payments will be backdated to March of this year. This is a three-page explanation, a copy of which I will forward to the Deputy later so that she will have it for her records.

Acting Chairman (Deputy Joe Carey): The Minister might circulate that to the rest of the committee.

Deputy Regina Doherty: Of course, that is no problem at all. It involves the timelines around the T12 project. I might have mentioned them already but I will provide them in written form. The audit has not been conducted with regard to that because there is no need. I am making the assumption that nobody will choose to be on a lesser payment than their current payment. People will only opt to move to a more positive payment, therefore, the only impact will be positive.

The Deputy mentioned the imbalance on the basis of private pensions being able to avail of tax relief to the tune of €2.6 billion. I will address that imbalance by introducing automatic enrolment. Under the Strawman proposal, someone would get a 33% incentive as opposed to the 20% or 40% incentives that currently obtain in respect of private pensions. It is not an end game. What that actual system will look like has not been determined or decided. When the public consultation is concluded at the end of November, we will collectively decide what that new pension system and savings scheme will look like for the future pensioners of Ireland. It is the only way in which I can address the imbalance because 65% of people currently working in Ireland will have no income other than the State pension when they reach 66 or 67 depending on when they retire. While we have agreed in the pensions roadmap that this pension will never drop below 34% of the average mean income in Ireland, I know that in many cases, people who have not planned for their pension and only have that find a huge cliff in terms of a drop in earnings in terms of what they previously enjoyed in their working career compared to what they might enjoy in pensionable age if they have not put aside some other form of savings. That is how we will address that imbalance.

I agree with the Deputy with regard to what we could expect as unforeseen or extreme weather incidents. It is nearly the case that they are no longer unforeseen because we all expect them. There is a definite shift and change in climate patterns in this country that we must acknowledge and prepare for but that is probably as much as I can say given the context of the discussions we are having. I agree with the Deputy that we should prepare for other extreme weather events, particularly in the context of vulnerable people about whom, in comparison

with other households, we must think outside the box.

The 40,000 new jobs that have come on stream in the past year are not a true reflection of the number of jobs that were created. Although the number on the live register has dropped by 40,000 since this time last year, 74,000 new jobs have actually been created. Obviously, one can assume that either some people are returning to Ireland, which is great, while others might not have been on the live register because they might have been qualified adults or have been in college are taking up those new jobs. Our job is to make sure that the employment rights legislation we passed through the House goes to the Seanad and is passed as quickly as possible notwithstanding the body of work that must be done for the self-employed contractors and business to make sure those rights are enshrined so that low pay, low hours and the precarious nature of work are not flaunted by the very small number of employers that we know do it. In the main, those most affected are the people on the minimum wage who are in the most precarious positions in their economic life, for want of a better term, and undertake those kind of jobs. Once that legislation is passed, in the vast majority of cases, zero-hour contracts will be banned. The bands of dedicated contracts on which people are put must reflect the actuality of their services for the previous 18 months. All of this will come into play as soon as we pass the legislation, which I hope will be sooner rather than later. Far more jobs are being created. IDA Ireland and the CSO inform us that they are good-quality and well-paid jobs and not, in the main, in the low-paid sector to which the Deputy referred. However, we need the legislation in order to ensure that people who are on the minimum wage not only get the supports from the State that the Department of Employment Affairs and Social Protection can offer them but also the employment rights equal to those enjoyed by people working for a large multinational or a large Irish corporation.

Deputy Bríd Smith is under the impression that people who apply for carer's allowance are told "No" and must then appeal. Only 1% of applications are appealed. We will provide her with the numbers so we can prove it is not anecdotal. A tiny number of people must appeal. I will confirm that so the Deputy should not take that as gospel. That is only a recollection-----

Deputy Bríd Smith: Every single one of them must be coming to my clinic.

Deputy Regina Doherty: I acknowledge that 18 weeks is too long. I also acknowledge that when people do appeal, they may have to wait another 12, 14 or 16 weeks but it is because of the complexity of the application in the first instance. This is why we not only move staff around to try to reduce those working weeks turnaround, we are going to improve the application process to make it easier for people to give more accurate information in the first instance in the same way as we did with the domiciliary care allowance. The changing of the form has had a huge impact so we are going to do for carers.

Deputy Bríd Smith: If the Minister is in a position to provide figures regarding the number who appeal, can she also indicate the percentage of applications that are refused?

Deputy Regina Doherty: That is no problem at all.

Last but not least, I thank the Deputy for acknowledging and recognising that we are unravelling the cuts that were made. I am well aware that if I was to unravel them, I would need to bring it back up to €146, which is what it was. As already stated, it would probably be premature to say anything given that I am in negotiations for the budget but I think she knows where my head is at with regard to that and I will keep working on it.

As I mentioned to Deputy Brady earlier, the children's allowance is a universal payment. If we were to change it to extend it to people who are in full-time primary education regardless of their age until they do their leaving certificate, first of all, there would be a sizeable amount of money associated with that. Second, it would not-----

(Interruptions).

Deputy Regina Doherty: It would cost serious money - tens of millions. It is not small beans. It would cost tens of millions to ensure that everybody who stays in school until their leaving certificate regardless of their age got a children's allowance payment. It would increase that expenditure by tens of millions. Deputy Bríd Smith rightly pointed that out that if my children were 18 and still in school, I should not get that extension. The Deputy asked me whether we could find a way of means testing for the most vulnerable families who need that money. The means-tested payment is the qualified child payment that is made on a weekly basis to those who have no income other than what they get in State supports or their part-time jobs, whether they receive the working family payment or not. That is the way we as a State target the funding that we have to ensure those families who need it most get it, not by extending a universal payment to those who might not need it just for the sake of keeping the universality of the payment. That is only my opinion. That is just the way I feel. I think we have too many children living in consistent poverty.

When I look disappointedly - this is probably my own naivete - at the changes we made to last year's budgets which I know were only tiny, they only had an impact of bringing 0.3% of the children who were living in poverty out of poverty. That tells me that we need billions of euros in direct transfers to bring the other 8.2% of children who are living in consistent poverty out of poverty. The State's money is not best spent by giving it to those who do not necessarily need it. We should support in a targeted fashion those who do need it. That is why I would disagree with increasing the universal payment for everybody in school.

Acting Chairman (Deputy Joe Carey): Much of the ground has been covered and I will bring in Deputy John Brady after I say a few words on the Minister's presentation.

I commend the Minister on her work on pensions, particularly in trying to address the anomaly that was there. In fairness, everyone in this committee worked with the Minister as well in a constructive fashion. It is nice to see that work is being implemented now and there is a timeframe around it, and there is certainty and that continues to happen.

In terms of the live register, it is remarkable that it continues to reduce at such a rate. That is testament to the policies that have been introduced by successive Governments since the crash.

In terms of our success as well, many Irish people who emigrated at that time are coming home. I am engaging with those people because they are encountering problems. For example, there was a lady in my office the other day who came home to look after her mother. She had been living in Dubai for a number of years. Her Mam now is sick with cancer and she will be her carer. The question of habitual residency will come in the way. Obviously, she will apply for the payment and, hopefully, be her mother's carer. There are so many other issues arising with the habitual residency clause, for example, trying to get a driving licence, if one is coming back from abroad. It needs to be looked at, particularly as there is a shortage of skilled labour in this country. Irish people face barriers coming home. Maybe that is something the Minister would look at.

I would certainly support the issues raised by Senator Butler about the self-employed. I recognise the work that has been done by the Minister, Deputy Doherty, and the former Minister, and now Taoiseach, Deputy Varadkar, in terms of introducing supports for the self-employed. I would encourage the Minister to continue that momentum into the forthcoming budget as well.

It was grossly irresponsible, in my view, for any journalist to take up a story on the Christmas bonus and I welcome the Minister's comments here today. It is wrong that she had to make them. There were calls to my office today about this issue and we should not have been in that position. However, I welcome the fact that the Minister has brought certainty to that issue.

The Minister might try to address a few of those matters for me.

Deputy Regina Doherty: The first response I would make to the Chairman is that a couple of years ago we started a programme to try to extend equal benefits to those who are self-employed as to those who are employed. That was started, as the Chairman will be aware, with the invalidity pension and the extension of the treatment benefits last year. It is not something that will be equalised in one, two or even three budgets. It is a work in progress and we anticipate continuing to do that until there is parity of esteem, whether one is employed or self-employed, and the State recognises a self-employed person on equal terms.

The Chairman is correct that habitual residency is a governing rule for many of our schemes. Maybe it causes issues. The case the Chairman highlighted is probably a perfect case in point. There are other issues for returning emigrants, for example, getting a driving licence. It is like hens' teeth for them to get motor insurance having been out of the State for more than 30 days. Accessing some of the schemes we have put in place for first-time buyers does not apply to them unless they have been here for the past number of years. There are a couple of anomalies and they probably need to be addressed in the future because we want our Irish people back. The circumstances the Chairman described of that young lady coming home are sad but we do want our Irish people back in the country, not only for their skills and their qualifications but because of the empathy and solidarity we feel as an Irish nation. That is one of these areas where a number of Departments will have to come together to address the issues and there will be financial implications in the future. I will bring that message to Cabinet.

On the pensions, I just got lucky. I merely happened to be the person in the Department when the opportunity arose to fix it but there is not one of us here who did not receive representations. It was in the main elderly women - my mother would kill me for saying "elderly". These older women who were in the throes of retiring after 2002 were in every one of the constituency offices giving out about the changes that were made in 2012 and how they were directly impacted. That is why it was the right thing for us all to do and why it was easy for me to go outside the Dáil. I remember the day they were protesting. Deputy Bríd Smith was slagging me because she thought no Minister ever came out previously in the middle of a protest. This protest was not against me. It was against something that was done in 2012. We all recognised it was wrong. We all collectively fixed it. It is done now, thankfully, and hopefully, we will not ever have to do it again. In any case, I thank the Chairman for the compliment.

Deputy John Brady: It has been a long meeting and I have only two points.

I wish to reinforce a point that Senator Butler made on what payments local authorities take into account. In my constituency, there are problems with what the local authority deems as income. For example, with carers, child maintenance - which is really a payment for the child and should not really be taken into consideration as household income - is taken into consider-

ation in some local authorities. I wanted to touch on that point.

The Minister answered some of the points on the fuel allowance. I made some specific remarks on fuel poverty and the fuel allowance. I hear what the Minister is saying. She is looking at rowing back on some of the cuts that have been made in previous years. Hopefully, the cuts in the number of weekly payments made in fuel allowance will be one of those changes.

I made a specific point around a dedicated automatic payment that kicks in. Hopefully, that will be up for consideration. The Minister might elaborate on that.

Deputy Regina Doherty: I wrote that down and I am sorry I did not respond to it. On the working family payment, carer's allowance and maintenance, all that is taken as income is income. If somebody is on a carer's allowance, it is income into the family. It is not - not to be disrespectful - special income.

Deputy John Brady: Some local authorities do and some local authorities do not.

Deputy Regina Doherty: There needs to be consistency.

Deputy John Brady: There was supposed to be a national differential rent scheme, which has not happened, that would set it right across the board. It is not an area for the Minister. I was merely making those points.

Deputy Regina Doherty: Deputy Brady is correct. There should not be an inconsistency between Bray and Ratoath. I will come back to Deputy Brady on that one.

On the automatic payment, I do not know how we would have an automatic payment because we have a system that pays a person, either on a weekly basis or in two lump sums. It is an IT system. The IT system only gets changed quarterly which is why - I do not know whether the Deputy recalls - the debacle last year was that when we decided to make the payment everybody said that we only made it because we were shamed into making it. The only reason that we had to delay the payment announcement was because we did not know whether we could interfere with the IT system to the hundreds of thousands of people who get fuel allowance. People will dismiss that and say I am full of talk. However, it is an IT system and it does not get interfered with, and I do not know how we would make an automatic payment for an unforeseen event. I do not know how one would know that we will get snow in February. All I know is that if people need help, that is what we are here for.

Deputy John Brady: I mentioned a cold weather payment available across the water in the UK whereby after a certain number of days - I cannot remember how many - an automatic payment is made. I am sure they use computers over there. They have all the systems we have here and set criteria are laid out. I ask that something similar be looked at here, that after three or four consecutive weeks-----

Deputy Regina Doherty: Of persistent cold weather, yes.

Deputy John Brady: -----below a certain temperature, an automatic payment would kick in such as is the case in the UK and in a number of other-----

Deputy Regina Doherty: I will look into it. I do not know how it was done because I know how difficult it was for us to do it. After the snow it took a number of weeks for us to ensure that the payments got to people because our IT system is unique, perhaps, or special. Again, I do not think it needs to be automated either because if there is snow and adverse conditions, we

will ensure we look after people. I will look into the system.

Deputy John Brady: There is uncertainty.

Deputy Regina Doherty: There are far smarter people than me in the Department's IT section. We will have a chat with them and see what we come up with.

Acting Chairman (Deputy Joe Carey): I thank the Minister and her officials for attending and engaging with us in what has been a highly informative meeting.

The joint committee adjourned at 3.20 p.m. until 10 a.m. on Thursday, 11 October 2018.