



October 2014 | Reaction to Budget 2015

Every month we invite a response to our short, 3 question survey. Our survey for October 2014 was in relation to the effects of Budget 2015 which was read on 14 October. The aim of the survey was to find out if those parenting alone feel that the Budget will make any real difference to their family's circumstances and help to make work pay for people parenting alone.

Note: The announcement of the retaining of the Income Disregard at €90 per week, the result of an ongoing One Family campaign, came on 6 November so it is not referenced in this survey which was released before that date.

The Questions

1. Does Budget 2015 help to make work pay for you?
2. Will Budget 2015 have a positive or negative impact on you?
3. Government has raised Child Benefit by €5 per month, how will this impact on your family budget?

The Results

Q1 Does Budget 2015 help to make work pay for you?

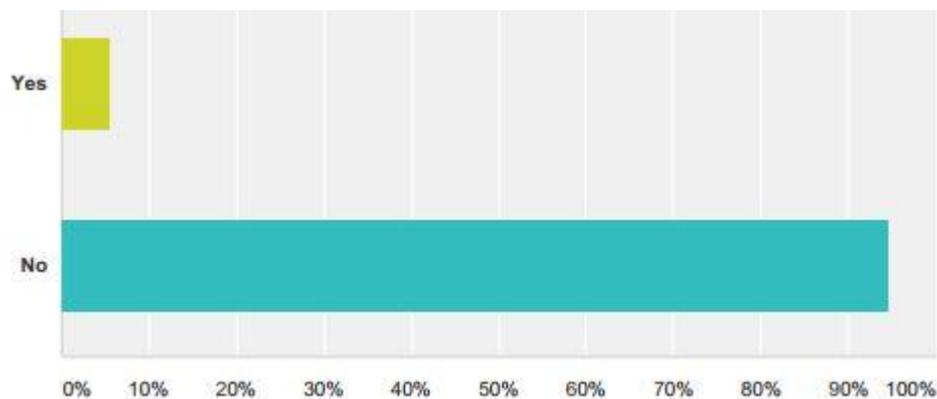


Figure 1

Figure one above shows that 95% of those surveyed believe that Budget 2015 will not help to make work pay for them. The majority of respondents highlighted the ongoing difficulty in accessing affordable, quality, local childcare which is one of the biggest barriers for them in remaining in or taking up employment.

"There was no mention of help with childcare, does the minister really think that people who work and can retain the 29.80euro a week child dependent allowance will cover the costs of childcare? If anything, this budget has kept me in limbo."

"No, not in the slightest. The prohibitive high cost of childcare has been completely ignored."

Some respondents expressed fears about having to give up their current jobs.



“My little job helped with the family finances - it wasn't a big important job but it helped me get out there. I'll have to give it up now.”

Others also voiced their frustration regarding tax credits or the USC charge for the self-employed:

“No measures introduced to assist with childcare costs, availability or quality/affordability. No tax changes that make it easier for lone parents.”

“As a separated mother of two who is self-employed, the continued failure of the state to give assistance with childcare via tax credits or service provision places considerable ongoing financial strain on our finances. As a self-employed person the introduction of the discriminatory 11% USC charge is a matter of strong concern. I particularly feel it is a disincentive to one parent families who have established their own businesses to try and get back to work while balancing the needs of caring for their children. The principle of this tax is simply unfair.”

Q2 Will Budget 2015 have a positive or negative impact on you?

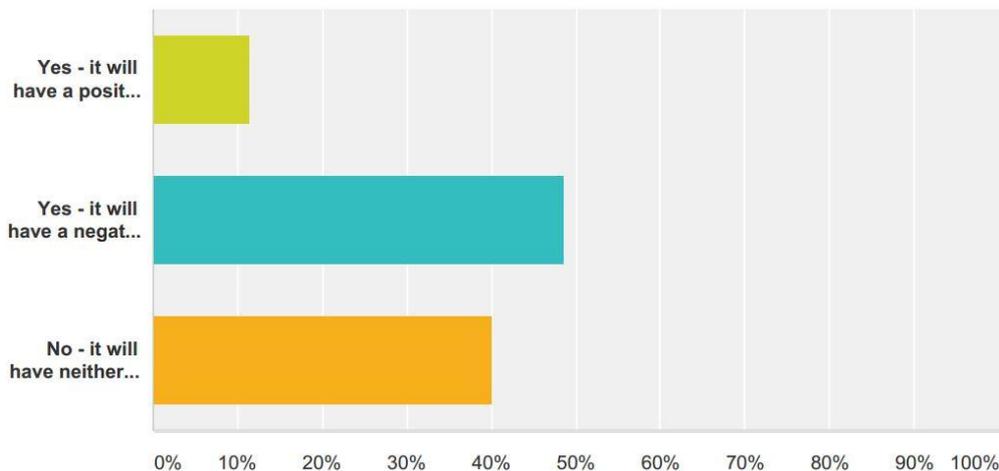


Figure 2

As Figure 2 shows, almost 50% of respondents stated that Budget 2015 will have a negative impact on them, with almost 40% stating that it will have no impact and just over 11% stating that it will have a positive impact. Many respondents referred to the impacts of previous budgets as having the most ongoing impact, with changes being still being phased in, particularly from Budget 2012.

“I was going to tick 'neither positive nor negative' but then I thought about the continuing effects of the budgets from 2010-2012 which have murdered single parent families. This was the first to not cut us but were still experiencing terrible and growing cuts from those budgets.”

“Didn't have any impact whatsoever. It's still budget 2012 which is having the biggest impact on me.”



"It will have a negative impact - I am getting stressed. Everything I do to try and move on, Burton slaps me on the face and tells me to get back down where I belong."

Q3 Government have raised Child Benefit by 5 euro per month, how will this impact on your family budget?

Respondents in the majority stated that the €5 increase to Child Benefit will have little positive impact on their family budgets. Overwhelmingly, respondents stated that it will be used towards paying water charges or existing costs and debts, with many questioning why Government did not allocate this expenditure towards provision of affordable, accessible childcare.

"It equals to 60 per year. It will be consumed by the water charges."

"It won't make any difference as it will be swallowed by water & property charges."

"Minimally - with two children this give me an extra 120 euro per annum. My childcare costs for afterschool are higher than that in one week."

"I would rather have seen the money they spent on the increase go into a fund for affordable childcare."

"No effect! Monies given in this way would have been better spent in the childcare arena."

"This is a good thing but I think what would have helped everyone more would have been to raise the higher tax bracket. People earning more than €30,000 shouldn't be taxed nearly half of their wages, how is anyone supposed to live on what's left after childcare, rent, clothes, food etc.?"

In conclusion, only 11% of those surveyed believe that they will benefit from Budget 2015. The majority are concerned about the ongoing impacts of Budget 2012 with many worried that they can no longer afford to keep their part-time jobs. The continued lack of affordable, accessible childcare remains a major concern.

55,000 lone parents are being moved from OFP to Job Seekers Transitional over the next two years. It is clear that Government must communicate with each of these parents well in advance of the date this will happen in each individual case as so many parents are worried and stressed about the exact impacts of Budget 2012 on their futures and are unclear about the coming changes.

53% of lone parents are in the labour force yet one-parent families remain those statistically most at risk of poverty. More needs to be done to deliver high quality employment, affordable part-time education and appropriate training for those parenting alone so they can move out of consistent poverty.

It is also clear that provision of quality, affordable and accessible childcare is still a priority. This failure is one of the biggest barriers for people who parent alone in returning to the workplace or education. The success of Government's activation policies relies on being underpinned by local, affordable, accessible and quality child and out of school care. Economic and social policy must work together.

