

**Supporting carers to participate in economic and social life:
Proposal to increase the hours carers can work or study from 15 to 18.5 hours per week**

'Carers will be empowered to participate as fully as possible in economic and social life'.

National Carers Strategy, Goal 4

Continuing to work while caring for a loved is a necessity for many carers who depend on income from employment to supplement their social welfare payment and meet the additional costs associated with caring. Part-time work is also critical in allowing carers to retain a foothold in the labour market while contributing to their social insurance record and protecting their future pension entitlement. Working or studying outside the home also protects carer health and wellbeing by giving them a break and providing social interaction with others away from their caring responsibilities.

Under existing rules a carer cannot work or study more than 15 hours per week if they receive any care related social welfare payment (Carers Allowance, Carers Benefit or the Carer Support Grant). This includes work or study that is carried out at home, or work provided on a voluntary basis. Where a carer is found to have exceeded the 15 hour ceiling, either advertently or inadvertently, serious sanctions are applied, with the carer likely to lose their payment and issued with a repayment demand.

The hours carers are allowed to work/study have not increased since 2006, when the ceiling rose from 10 to 15 hours, *'in recognition of the need for carers to have increased flexibility in arrangements and also to allow them to retain some contact with the labour market'* (Late Seamus Brennan, Minister for Social Affairs 2006). Family Carers Ireland urge the Department to use Budget 2019 as an opportunity to support carers participation in economic life by increasing the hours they can work or study from 15 to 18.5 hours per week, and consistent with a range of Government policies and targets, including:

- The Programme for Partnership Government;
- A Roadmap for Pension Reform – Strand 6: Support Fuller Working Lives;
- National Carers Strategy – Goal 4: Empower carers to participate fully in economic and social life;
- National Action Plan for Social Inclusion;
- National Social Target for Poverty Reduction;
- Europe 2020 targets to increase employment rate.

Benefits of increasing the 15 hour ceiling to 18.5 hours:

- ***Recognises that some carers can work more hours due to their caring circumstances:*** To qualify for Carer's Allowance, carers must agree to provide fulltime care, in excess of 35 hours each week, for just €16 more than basic social welfare rates (if they qualify for the maximum payment of €214). Increasing the hours carers can work recognises that carers can still provide fulltime care while working or studying outside the home for 18.5 hours. For example parents receiving Carers Allowance for a child may be available to work for at least 18.5 hours each week while the child attends school; carers of those caring for an elderly parent or disabled adult attending day care may also be free to work or study during these hours. An increase in the work-ceiling will also recognise the very significant shift towards home-based / remote working.
- ***Enables carers to supplement their limited incomes:*** Taking on caring responsibilities can result in long-term financial hardship as a loss of income from employment is exacerbated by higher household costs such as heating, laundry, medicines, disability aids, home modifications, health care or specialised transport. Increasing the hours carers can work will give greater earning potential, enabling carers to contribute to their social insurance record, increase their chances of securing a

Contributory State Pension and reduce some of the negative, long-term consequences of extended periods out of the workforce.

- **Helps keep carers in the labour market:** If caring comes to an end while the carer is of working age, barriers to returning to work often result in carers being 'locked out' of the labour market and faced with long term financial hardship. By increasing the hours carers can work, carers will have more opportunities to remain in employment, and won't face the barriers associated with a long-term absence from the labour market.
- **More employment opportunities:** Working carers, who manage to remain in employment, are likely to see their working lives adversely affected by having to reduce their hours of work, accept low-paid, precarious work options or sacrifice promotion and career opportunities. By increasing the hours carers can work they will have more choice in their employment opportunities and be able to undertake part-time or job sharing options (note 18.5 hours is half of a 37 hour working week).

Benefits of increasing hours:

- Increases carer's earning potential and helps meet the additional costs associated with caring.
- Allows carers to build their social insurance record and avoids gaps in their employment history.
- Help carers maximise their pension entitlement when they reach retirement age.
- Gives carers a break and allows social interaction with others away from their caring role.
- Helps carers retain a foothold in employment and prevents them being 'locked-out' of the labour market.
- Prepares carers for life after caring by giving them access to a broader range of training courses.
- Helps carers care with confidence by allowing them to undertake care specific training.
- Respects carer's right to have a life outside of their caring responsibilities.

Other Considerations

- Increasing the allowable hours of work under the Carers Allowance and Carers Benefit¹ scheme by 3.5 hours will lead to an increase in the income earned by some carers. In these cases, the means assessment applied at the time of their initial application will no longer be relevant, and any increase in income will have to be disclosed and reassessed by the Department. Family Carers Ireland do not expect this to lead to any sudden increase in disclosures, rather expect this is take place gradually as carers slowly renegotiate hours with their employers.
- Increasing the working hour ceiling from 15 to 18.5 hours will have no impact on the Working Family Payment (to be entitled a person must work at least 38 hours per fortnight) nor will it give them eligibility to participate on a Community Employment scheme (39 hours fortnightly).

¹ While Carers Benefit is not means-tested, carers who work 15 hours while receiving the payment cannot exceed €332.50 in weekly earnings.