Ending the Pension Penalty for Caring:
Submission to the Pensions Commission on the development of a sustainable State Pension solution for lifetime family carers

Family Carers Ireland

March 2021

Unit 1, Hibernia Building, St John's Road West, Heuston South Quarter, Dublin 8. D08 PX3Y.
E: info@familycarers.ie / T: 01 670 5976 / W: familycarers.ie

SUMMARY

- *Family Carers Ireland* acknowledges that the introduction of a ***Total Contributions Approach (TCA)*** for those who have spent time outside the paid workplace to provide care has addressed a significant number of the legacy issues attached to the Yearly Average Contribution Approach. The TCA does not however, address all issues. For this reason, we recommend the introduction of a separate <u>non-means-tested</u> ***Lifetime Carer Pension scheme*** to ensure no carer is denied a pension or receives a reduced rate pension due to significant periods spent caregiving.

- This scheme should be robust, with a ***legal definition of 'lifetime carer'*** that can stand up to legal scrutiny and is resistant to potential abuse being set out in statutory regulations (Ministerial Order). Individuals should be able to appeal decisions under these regulations to the Social Welfare Appeals Office.

- The contribution of all family carers, including those who provide shorter periods of care is immense and must also be recognised. *Family Carers Ireland* recommend the broad ***introduction of the TCA including the Home Caring Period Scheme***, as proposed by the National Pensions Framework, to improve pension provision for family carers who have cared for less than 20 years.

- The creation of a statutory ***'Family Carer Register'*** would, in time, greatly facilitate the identification of lifetime family carers for the purposes of any lifetime carer pension scheme as well as assisting in the planning and delivery of services.

- Periodic circulation of ***PRSI contribution statements*** to all people of working age that includes an explanation of their entitlement to a State Pension (Contributory) based on their existing contribution record would allow people to recognise any future pension shortfall and begin to take corrective steps while they are still of working age.

- Engagement in employment remains the most effective and sustainable way through which to secure a pension entitlement. It is therefore important that a comprehensive policy on pension entitlements for family carers should address issues such as flexible work arrangements, including transposition of the ***EU Directive on Work Life Balance for Parents and Carers***, more generous tax credits and reliefs and better access to respite and replacement care while the carer is at work.

Introduction

Family Carers Ireland welcomes the opportunity to submit our views to the Pensions Commission on the development of a sustainable State Pension for people who have provided long-term care to an incapacitated dependent(s). For many years we have lobbied for an equitable State Pension system that recognises rather than penalises family carers, and values the immense 'contribution' they make through their years of caregiving, in the same way we value social insurance 'contributions' paid through PRSI. *Family Carers Ireland* are heartened by the Programme for Government commitment to address the long-standing pension anomaly affecting family carers (p.75) and we look forward to further engagement with the Pensions Commission on the development of a pension solution for carers that enshrines the principles of fairness, certainty, transparency and recognition.

Family Carers Ireland is the national charity dedicated to improving supports and recognition for family carers who provide regular, unpaid care to a friend or family member with a long-term illness, health problem or disability, including problems related to old age. This submission reflects the lived experience of family carers, the majority women, who have been denied a State pension or receive a reduced pension as a direct consequence of their years spent providing care. Particular emphasis is placed on 'lifetime carers' – those who have cared in excess of 20 years and as a result are unlikely to have paid the requisite 520 contributions necessary to qualify for a State Pension (Contributory).

For the purposes of this submission a lifetime carer is defined as a family carer who has provided fulltime care (at least 35 hours per week) to someone in need of care for 20 years or more. The duration of their caring role places them beyond the protections afforded by the Homemakers Scheme and the Home Caring Period Scheme.

This submission begins by providing an overview of the policy context within which informal care is situated, the increasing dependence on family carers to meet the demand for long-term care and to support the reorientation of the healthcare system away from its traditional acute-centric model, towards primary and community-based care. It also considers the gender dimensions of informal care most notable in employment participation rates and pension provision. The submission goes onto highlight the 'gaps' within the current State Pension system for family carers, particularly 'lifetime carers'. It presents a number of practical solutions to help address these issues, including the institution of a new dedicated pension scheme for lifetime carers and the principles underpinning it. Practical examples of pension anomalies as well as comparisons between the Yearly Average Contributions Approach and Total Contributions Approach are provided. The submission is underpinned by *Family Carers Ireland's* vision that carers should be recognised, not penalised for their years of caring.

Policy Context

Government policy has long supported initiatives to maintain the care of people in their own homes. A trajectory of policies dating as far back as 1968 with the *Care of the Aged Report; The Years Ahead- A Policy for the Elderly* in 1988; the Irish Health Strategy *Shaping a Healthier Future* in 1994; the *White Paper on Supporting Voluntary Activity; Quality and Fairness, A Health System for You* and *Primary Care- A New Direction* in 2001, all emphasised the need to care for people at home, with a primary focus on the promotion of dignity and independence, as well as programmes to support family carers including informal networks, basic training and greater availability of respite. More recently, *Future Health (2012), the Seanad Report on the Rights of Older People (2012) and Sláintecare (2018)* all recommend fundamental reforms in the delivery of healthcare to bring care closer to home. These longstanding and laudable ambitions, while welcome, are entirely predicated on the availability and willingness of family and friends to take on a caring role, and to accept the many practical, financial and psychological implications that accompany it[1]. Today, 1 in 8 people in Ireland provide care. *Family Carers Ireland* estimates that this number will need to increase to 1 in 5 people by 2030 if we are to avoid unsustainable increases in paid-for community care and to meet the growing demand for care due to population ageing, an increase in the number of people living with a disability or chronic condition and to deliver the raft of policies that rightly prioritise care in the home. If we are to achieve this, then Government must replace any remaining archaic policies that penalise family caregiving, not least of which are elements of the existing pension regime that allows a lifetime carer to reach retirement age with no entitlement to a State Pension or only a reduced entitlement. While the number of carers denied a pension are small, the impact on them, and the message this sends to broader caring community is significant.

Who Cares?

According to the CSOs Irish Health Survey 2019, almost 13% of Irish people (approximately 500,000) aged over 15 years provide care[2] and in doing so save the State some €20bn in avoided health and social care costs each year[3]. While data on caring is captured through the Census of Population, there is a broad acceptance that the poor wording of the question, which refers to '*unpaid... personal help,'* alongside the tendency of carers not to self-identify as a carer until well into their caring role, has led to a significant under-enumeration of carers through the Census. For example, Census 2016 identified 195,263 carers, only 4 per cent of the population. By comparison, almost 13 per cent of respondents to the CSO's Irish Health Survey 2019 (N=7,621) stated they provide regular, unpaid care. This figure is in line with estimations in the UK and other European countries. The majority of carers in Ireland are women (61%) and are aged less than 65 years (63%) with the likelihood of caring increasing with age, rising from five per cent of people aged 25-34 years to a peak of 20 per cent among those in mid-life, aged between 45-54 years.

Carers in receipt of Social Welfare:

- 116,838 family carers received the annual Carers Support Grant in 2020. The grant is paid to fulltime family carers (>35 hrs p.w) caring for someone medically assessed as in need of care.
- 88,906 carers receive Carers Allowance (captured in the 116,838 figure above).
- 3,698 carers receive Carers Benefit (captured in the 116,838 figure above).

Gendered nature of care

Not only is the majority of community care across Europe provided by family carers, but the majority of family-caregiving is also carried out by women[4]. According to the latest Gender Equality Index (European Institute for Gender Equality, 2020), females are more likely to engage in unpaid care work: almost 38 per cent take care of children, grandchildren, older people and/or people with disabilities every day for one hour or more compared with 25 per cent of men. A 2019 IHREC study found evidence of the highly gendered nature of caring and unpaid work in Ireland, with the gap in care provision between men and women, at 15 hours per week, placing Ireland very far down the league table within the EU28[5]. Explanations have suggested that women are more likely to assume caregiving roles due to the gender pay gap; cultural beliefs and the traditional value of the woman as the natural caregiver.

[1] Family Carers Ireland, College of Psychiatrists of Ireland & University College Dublin (2019) Paying the Price: The Hidden Impacts of Caring, Dublin: Family Carers Ireland. https://familycarers.ie/wp-content/uploads/2019/10/Paying-the-Price-The-Hidden-Impacts-of-Caring.pdf

[2] CSO Irish Health Survey 2019. Calculation of 500,000 family carers is based on the IHS finding that 13% of respondents (N=7,621) provide regular unpaid care.

[3] Using the estimated carer population in 2020 of 499,904 and applying the 38.7 average weekly hours of care from Census 2016, means that Ireland carers provide some 19,346,285 million hours of care each week. Applying an hourly replacement cost of €20, means that if Government had to replace the care provided by family carers it would cost them at least €20,120,136,192 each year.

[4] Eurocarers, 2021.

[5] Russell, H., Grotti, R., McGinnity, F. & Privalko, I. (2019). Caring and Unpaid Work in Ireland. Dublin: ESRI.

In Ireland, the role of women as the primary providers of care was so deeply ingrained in our culture it was legislated for in Article 41.2 of the Irish Constitution and perpetuated through archaic policies such as the marriage bar, which remained in place until 1973 and fundamentally disadvantaged Irish women in terms of their pension entitlement.

Employment Participation

The majority of family carers participate in paid employment[6]. Figures from both the Irish Health Survey 2019 and Census 2016 indicate that approximately half of all carers are in the labour force. While juggling the dual roles of work and care can result in increased carer burden and stress, with appropriate support, remaining in employment offers many opportunities to carers, not only in terms of financial gain, social networks and respite, but critically in allowing them to contribute to and safeguard their future pension entitlement. For this reason, consideration should be given to developing supports and reconciliation policies that will enable carers to reconcile work with caring responsibilities. For example, through the generous interpretation of the EU Directive on Work Life Balance for Parents and Carers; reforming the system of tax reliefs/credits available; removing disincentives to work and improving access to replacement care and respite supports.

Duration and Intensity of Care

Research has shown that as care episodes lengthen, carers' likelihood of being in paid work decreases compared with non-carers. Heavily involved carers are particularly likely to withdraw from work. A study undertaken by the University of York in 2001 found that after the third year of caregiving those providing 20 or more hours care per week were considerably less likely to be in paid work[7]. A subsequent 2013 study of carers aged between 50 -65 years in the UK suggests that carers' employment may be negatively affected when care is provided at a lower intensity of less than 10 hours per week[8]. A 2018 study of female carers aged 45-59 years in Germany emphasises the correlation between care intensity and participation in the labour market. Not unexpectedly, the results indicate that women with higher-intensity caring responsibilities have a weaker attachment to the labour force than women with less intensive caring responsibilities[9].

Mind the Gap – Anomalies within existing State Pension schemes

The State Pension is intended to ensure that everyone receives a basic standard of living in retirement, provided they qualify. A number of important 'safety net' schemes exist to protect carers' entitlement to a State Pension in later life, however anomalies exist within each scheme that undermine their value and put carers at risk of falling through the net.

- The Irish ***pension system is complex and carers are often confused or misinformed*** about their pension entitlement. There is a general misunderstanding with regard to the underlying difference between the Contributory and Non-Contributory State Pension and an assumption that the State Pension (Non-Contributory) is a guaranteed payment, regardless of income or assets.

- The requirement for applicants to have at ***least 520 paid contributions*** renders most of the safety net schemes ineffective for family carers who have not secured 10 years of paid contributions. This is a particular challenge for lifetime carers who have been forced to leave employment, often at a relatively young age following the birth of a child with special needs or when they have assumed a long-term caring role before securing 520 paid contributions.

---

[6] Eurofound. (2017). European Quality of Life Survey 2016: Quality of Life, Quality of Public Services, and Quality of Society. Luxembourg: Publications Office of the European Union, ISBN 978-92-897-1622-2.
[7] https://www.york.ac.uk/inst/spru/pubs/rworks/aug2001.pdf
[8] https://doi.org/10.1111/hsc.12018
[9] Kelle, N. (2020). Combining employment and care-giving: How differing care intensities influence employment patterns among middle-aged women in Germany. *Ageing and Society, 40*(5), 925-943. doi:10.1017/S0144686X18001423

- The imposition of a ***means-test on the Increase for a Qualified Adult (IQA)*** for both the State Pension (Contributory) and State Pension (Non-Contributory) - including the anomaly whereby a partner's income is <u>not</u> assessed however any savings or assets jointly owned are considered – has led to some family carers not qualifying for an IQA based on the value of assets rather than income.

- The ***two-year rule with regard to credited social insurance contributions*** means some family carers are not receiving credits while in receipt of Carers Allowance - a fact many carers are oblivious to[10]. Because the majority of carers do not qualify for social welfare supports they do not have automatic access to credits. It is also worthy of note, that where a carer signs-on for Jobseeker Credits they are not entitled to the annual Carer Support Grant. As such, some carers chose not to sign-on as they cannot afford to forgo the annual grant.

- The ***disregard of €20,000 in respect of savings and capital is disproportionately low*** for families who have put aside money in order to make provision for the future care of a disabled child or family member. The capital disregard does not align to Inheritance Tax thresholds and penalises older carers with a dependent relative(s).

- The ***assessment of land not productively used as capital***, is unfair to some landowners who may be unable to rent or sell the land due to its inaccessibility or poor quality or to use the land themselves due to their age. The assessment of land based on its hypothetical value can exclude cash poor carers from qualification for the State Pension (Non-Contributory).

- The ***differential treatment of people who are employed versus those who are self-employed*** in relation to the €200 weekly disregard in earnings for the State Pension (Non-Contributory) is unfair, and contributes to the pension disadvantage experienced by family carers. There is evidence that people who are self-employed remain working well beyond retirement age, and as such their earnings should be treated in the same way as an older person who is employed.

- The underlying ***requirement to have at least 520 paid contributions undermines the value of the Homemakers Scheme***. Similarly, the disregarding of up to 20 caregiving years is less beneficial to carers than offering credits for caregiving periods, as is now the case with the Total Contributions Approach. Many family carers and homemakers are unaware of the scheme and for those not receiving social welfare support in respect of their caring role, are unclear as to how they retrospectively prove or validate periods of caregiving.

- An often-overlooked issue relates to family carer's whose partner was/is employed by the Public or Civil Service and who receives a ***pre-1995 Civil Service Pension***. These pensions, while typically more generous, replace a person's entitlement to a State Pension (Contributory). As such, the normal protections offered through the State Pension, such as an Increase for a Qualified Adult or the Homemakers Scheme are not available. This is of particular concern where the Civil Servants partner is a family carer and has no entitlement to a pension in their own right. It is also means that the Civil Servant's pension fund, intended to meet his/her individual needs after retirement is now expected to include the needs of their partner, thus creating an unfair financial dependency.

[10] Under the two-year rule to qualify for a *credit* you must have worked and paid at least one PRSI contribution at PRSI Class A, B, C, D, E, or H and have paid or credited contributions in either of the last two completed tax years.

Table 1: State Pension Safety Net Schemes

Scheme	Protections	Anomaly
State Pension (Non-Con)	- Means tested payment for people who don't qualify for SPC or a reduced rate SPC. - Not PRSI based - Includes IQA	- Modest means test - Modest capital disregard €20k - €200 disregard does not apply to self-employed - IQA means tested - Land not productively used assessed on its capital value.
Credited Social Insurance Contributions (Credits)	- Unpaid contribution awarded at same rate as last paid contribution. - Help qualification for appropriate social insurance payments - Must have paid/credited contributions in either of last two completed tax years.	- Must have min 520 paid contributions - Two-year gap means not all recipients of Carers Allowance receive credits - Not available to carers not in receipt of social welfare - Carers on Carers Leave must have employer sign annually
Homemakers Scheme	- Helps homemakers and carers qualify for a SPC. - Up to 20 years disregarded in calculation of yearly average. - Receipt of CA, CB, CSG or Child Benefit gives automatic registration.	- Must have min 520 paid contributions. - Disregarded years less favourable than credits. - Carers not in receipt of SW not automatically registered. Issues of proving periods of caring. - Lack of public awareness.
Voluntary Contributions	- Can opt to pay contributions if aged 16- 66 and no longer in work. - Helps maintain or improve SPC entitlement. - Rate payable determined by last paid rate of PRSI (High min. €500 Stamp A,E or H); (Low min €250 Stamp B, C, D; Special €500 Stamp S). - Must apply within 5 years of the end of last contribution year or were awarded credit.	- Must have min 520 paid contributions. - Lack of public awareness. - Increase from 1 to 5 years retrospective payment is welcome, it would broaden the schemes reach if extended further. - Some carers cannot afford to pay voluntary contribution.
Increase for a Qualified Adult	- Persons who don't qualify for SPC can apply for an IQA on their partners payment - Paid directly to dependent adult. - Partners income is not considered, however any income the adult dependent has from employment, self-employment, savings, investments or capital is assessed. - If gross income is less than €100 pw then full IQA is payable; if gross income between €100 - €310, a reduced rate IQA is payable. - Qualified adult is assessed as having half of any jointly owned property or savings for pensions.	- IQA paid at lower rate than SPC (€222.50 v €248.30). - IQA only paid with State Pension or SW payments. Not available to carers whose partner has a private or Public Service Pension (see example 2). - IQA is means tested on dependent adult's income. - While partners income is not assessed any joint property/saving is assessable which many some carers are not eligible based on assets.

Example: *Joan has been a full-time carer to her son Sean for 40 years. During this time, she didn't qualify for Carers Allowance due to her husband's income. Before Sean was born, Joan worked for 8 years as a nurse, but has not been in a position to return to employment due to Sean's care needs. Joan has recently turned 66 however has just learned that she does not qualify for the State Pension (Contributory) because she is two years short of the necessary 520 paid contributions. Neither does she qualify for the State Pension (Non-Contributory) due to her husband Pat's Civil Service pension. Pat retired in 2020 and received a lump sum of €135,000 and has an annual pension of €45,000. Despite spending four decades caring for her son Mary's contribution to society is not recognised and she has no personal means of her own.*

Yearly Average Approach	Total Contributions Approach	Increase for Qualified Adult	Dedicated Carer Pension
8 years PRSI - does not meet min 520 paid contributions	*Does not meet min 520 paid contributions*	*Does not qualify as husband receives Civil Service Pension*	Cared in excess of 20 years therefore should qualify for Carer Pension equivalent to full rate SPC
€0	€0	€0	**€248.30**

Total Contribution Approach – A Positive Step Forward
People who apply for the State Pension (Contributory) after September 2012 and who don't qualify for the maximum rate of pension because of gaps in their PRSI record can now be assessed under a Total Contributions Approach (TCA) and can use the new Home Caring Periods Scheme to help them qualify for a higher rate of pension. Rather than 'disregard' caregiving years as previously provided for under the Homemakers Scheme and the Year Average Contribution Approach, the TCA provides credits for up to 20 years spent caring, where the person has a minimum of 520 paid contributions. People who reached pension age after 2012 can have their pension calculated using either the Yearly Average Approach or the TCA and choose whichever gives them a better rate of pension. The National Pensions Framework has proposed that the TCA be introduced to replace the current average rule. However, legislation is required before any changes may come into effect.

Family Carers Ireland acknowledges the positive changes introduced through the TCA and the significant improvement for carers who have spent time outside the paid workplace while providing care. Indeed, the introduction of a TCA has addressed a significant number of the legacy issues attached to the Yearly Average Contribution Approach. It does <u>not</u> however, address all issues. Most notable is that under the TCA:

- Family carers are still required to have paid at least 520 contributions;
- While carers with the requisite 520 paid contributions are likely to see their entitlement to a State Pension (Contributory) increase, for many this amount will be below the maximum pension rate.

For this reason, *Family Carers Ireland* believe a separate dedicated Lifetime Carer Pension scheme is required to ensure all lifetime family carers receive a full pension entitlement equivalent to the maximum State Pension (Contributory) amount.

Example: *Mary worked from age 18 to 30 years. She left work to care for her mother until she was 55 years old (25 years). She did not return to work after her mother's death. She earns €400 from an inherited property and her husband has a small occupational pension so she doesn't qualify for a State Pension (Non-Contributory) or an Increase for a Qualified Adult (IQA). The implications of the yearly average, total contributions and Lifetime Carer Pension approaches are as follows*

Yearly Average Approach	Total Contributions Approach	Dedicated Carer Pension
12 years PRSI, yearly average 13.	12 years + 20 years = 32 years 32/40 years = 80%	Cared in excess of 20 years therefore should qualify for Carer Pension equivalent to full rate SPC
€99.20	€198.64	**€248.30**

Example: *Theresa is 67 years old and has cared for his sister Anne who has Down Syndrome for 31 years. Anne came to live with Theresa, her husband and five children on their family farm following their mother's death in 1990. For some of this time Theresa also cared for her mother-in-law who had dementia and died in 2001. Theresa's husband John continues to run the farm. John qualifies for a State Pension (Contributory) however due to their assets Theresa does not qualify for a State Pension in her own right or an IQA. During the 31 years she has cared for Anne Theresa didn't qualify for Carers Allowance due to the means test.*

Yearly Average Approach	Total Contributions Approach	Dedicated Carer Pension
Does not have min 520 contributions	Does not have min 520 contributions	Cared in excess of 20 years therefore should qualify for Carer Pension equivalent to full rate SPC
€0	€0	**€248.30**

Principles to underpin a Lifetime Carer Pension

The sustainability challenges presented by population ageing and demographic change aren't unique to pension policy. The increasing care gap between the availability of informal care and the demand for care, is causing Governments across Europe to reconsider how familial care is prioritised, supported and sustained. Integral to this, is ensuring family carers are incentivised to care; have the support they need, if and when they need it, and have financial security both during their active caregiving years and into old age, if they have cared for extended periods. The following principles underpin the values that should be upheld by a dedicated Lifetime Carer Pension.

- ***Equity and Fairness:*** Family carers should be recognised not penalised for their caring years and have their contribution valued in the same way as paid contributions.

- ***Certainty:*** Family carers must have certainty regarding their pension entitlement.

- ***Transparency:*** The State Pension system should be easily understood and transparent. Family carers should have access to a periodic statement of their PRSI and credit record at intervals throughout their working years with an explanation of what this means for their eventual pension entitlement.

- ***Recognition***: Family carers should be recognised for their immense contribution. Those who have spent the majority of their working lives caring for someone in need of fulltime care should have access to a guaranteed Lifetime Carer Pension, regardless of their income.

- ***Gender Equality:*** Any method of facilitating or compensating for time spent caring should not disproportionately lock women into long-term patterns of care. Parallel policies promoting men's full engagement with care obligations should be promoted and embedded within pension policy.

Carer Identification

There is no single repository of family carers in Ireland, and as such *Family Carers Ireland* acknowledges the challenges that exist for the Pensions Commission in attempting to identify the number of lifetime carers or those on a journey towards becoming one. There are however many separate sources that pieced together will provide some proxy for the number of carers who may benefit from a Lifetime Carer Pension, now and in the future.

Table 2: Sources that could help identify lifetime carers and those whose pension should be topped up.

Lifetime Carers	Reduced pension that should be toped up
<u>Existing Sources</u> - No. receipt Carers Allowance for >20yrs - No. receipt Carer Support Grant >20yrs - No. claiming care related tax credits/reliefs[11] - PRSI records - Claimants of the Homemakers Scheme - Public awareness campaign - Carer self-identification <u>Sources to be developed</u> - No. registered as a 'decision supporter' in the Officer of the Director of Decision Support[12] - Establish a Family Carer Register	<u>Existing Sources</u> - DEASP records - Carer self-identification - PRSI records - Claimants of the Homemakers Scheme <u>Sources to be developed</u> - Est. Family Carer Register - Public awareness campaign

Recommendations

Family Carers Ireland make the following recommendations with regard to the development of a sustainable pension solution for family carers who have delivered long term care.

- ***Dedicated Lifetime Carer Pension:*** *Family Carers Ireland* recommends the institution of a Lifetime Carer Pension targeted at individuals who have delivered fulltime care for more than 20 years regardless of whether they have 520 paid contributions. The Lifetime Carer Pension would be paid at the same rate as the maximum State Pension (Contributory), currently €248.30 and <u>not</u> be means-tested. The Lifetime Carer Pension would ensure that no carer would be denied a pension or receive a reduced rate pension due to significant periods spent caregiving.

- ***Administration of the Scheme:*** *Family Carers Ireland* acknowledges the need for a scheme that is robust, with a legal definition of 'lifetime carer' that can stand up to legal scrutiny and withstand potential abuse. It is our belief that this definition should be set out in ministerial regulations drawn up under enabling legislation. Such regulations should be highly specific (e.g. at least 20 years a 'full-time' family carer to qualify under the scheme) and the administrative guidelines should specify how this might be established.

- ***Total Contributions Approach for carers <20years:*** The TCA has significantly improved the pension entitlement of family carers who have paid 520 contributions but who have had to take time out of the workforce in order to prove care. *Family Carers Ireland* recommend the introduction of the TCA as proposed by the National Pensions Framework, to improve pension provision for family carers who have cared for less than 20 years.

[11] Home Carer Tax Credit; Dependent Relative Tax Credit; Incapacitated Child Tax Credit; Tax Relief on Employing Home Carer.
[12] Legislated for under the Assisted Decision-making (Capacity) Act but is not expected to be commenced until 2022.

- ***Appeals Process:*** As with any scheme that imposes eligibility limits, there will inevitably be family carers who fall short of meeting the requirements of the Lifetime Carer Pension scheme, for example carers who have provided 19 years of care rather than the 20 years required. Carers who are unhappy with any decision of the department should be allowed to appeal this decision to the Social Welfare Appeals Office.

- ***Policies to support working carers:*** Engagement in employment remains the most effective and sustainable way through which to secure a pension entitlement. While participation in paid employment is not always possible for those with intensive caring responsibilities, for carers who want to remain in employment or want to re-enter the workforce after a period of caregiving, it is imperative that reconciliation policies exist to support them to combine work and care[13]. The right to request flexible work arrangements, more generous tax credits and reliefs and better access to respite and replacement care while the carer is at work will all help promote a culture that values and supports working carers. It seems appropriate that this be taken into account in legislation transposing the EU Directive on Work-Life balance for Parents and Carers into Irish law.

- ***Circulation of periodic contribution statement:*** *Family Carers Ireland* recommends the periodic circulation of PRSI contribution statements to people of working age. Each statement should be accompanied with an explanation of their entitlement to a State Pension (Contributory) based on their existing contribution record. This will allow people to recognise any future pension shortfall and begin to take corrective steps while they are still of working age.

- ***Creation of a Family Carer Register:*** *Family Carers Ireland* recommends the establishment of a 'Family Carer Register', similar to the model used in the UK. This register would provide a local, regional and national register of family carers, regardless of what financial support they receive, that would assist in the planning and delivery of services and help facilitate the delivery of targeted initiatives such as a Lifetime Carer Pension or a Carer COVID Vaccination Programme. In the UK carer's registers are held by GP's, NHS Trusts and Local Councils, however in Ireland could be hosted by *Family Carers Ireland.*

Contact Details

Name:	Clare Duffy
Organisation:	Family Carers Ireland
Position:	Policy and Public Affairs manager
Contact:	E: cduffy@familycarers.ie / T: 086 7707231

[13] *Family Carers Ireland* has developed a 'Caring Employers' initiative to help employers support carers in the workforce.

Appendix 1: Letter sent to Minister Heather Humphreys by a family carer

Minister Heather Humphries,
Department of Social Protection,
Arus MhicDhiarmada,
Store St.,
Dublin 1.
DOI WY03.

4th January 2021

Dear Minister Humphries,

I am the full time carer of our severely disabled child. Our twenty-eight year old daughter has suffered 3 strokes and requires 24/7 full time care. She is mentally and physically disabled, doubly incontinent, wheelchair bound and suffers from cerebral palsy and epilepsy.

I entered Insurable Employment in 1973 at eighteen years of age and paid Class B1 Contributions for seventeen years. I have been unable to re-enter the workforce for the last twenty-eight years due to caring for our daughter.

I recently applied for an Old Age Contributory Pension in my own right but do not qualify for a Contributory Pension as the qualifying Rules and Conditions were impossible for me to meet over the last twenty-eight years.

Due to means testing I will not qualify as an Adult Dependent on my husband's Old Age Contributory Pension.

Because of my husband's earnings we did not qualify for;

1. Carers Allowance.
2. Local Authority Disabled Grants for building a disabled bedroom and bathroom for our daughter.
3. H.S.E. Grant for disabled equipment (e.g.) ceiling hoist, the repair and maintenance of which we have to bear continuing costs.
4. Because of Individualization in the Tax System we pay Income Tax at the higher rate €26,300 before double income families. This means we pay €5,260 per annum extra Income Tax compared to double income families.

You might forgive us for feeling penalized but these are the facts.

In recent times it has been well documented that the cost of caring for a disabled child can run into several millions over a lifetime. Due to the congenital nature of our daughter's condition we are, and she is, facing the future without any such support.

Our lives have been on hold for the last twenty-eight years and we have had to absorb the caring for our daughter both with our daily care and finances, and now we are facing old age on one income, my husband's Old Age Pension, despite the fact that I have cared for our daughter for most of my working life and am continuing to do so.

I started out my working life to be independent but, through no fault of my own, I could not meet the contribution requirements to qualify for an Old Age Contributory Pension in my own right.

I feel that, as a carer, I have made a contribution to this State, and that this contribution should be recognised now that I have reached pension age.

Yours sincerely,

[redacted]