



Written Submission to the Department of Employment Affairs and Social Protection on the Statement of Strategy for 2020 to 2023

October 2020

The Union of Students in Ireland

The Union of Students in Ireland (Aontas na Mac Léinn in Éirinn) is the national representative body for third-level Students' Unions in Ireland. Founded in 1959, USI now represents more than 374,000 students in over thirty colleges across the island of Ireland. The goal of USI is to work for the rights of students and a fair and equal third-level education system in Ireland.

USI is a full member of the European Students' Union (ESU) which represents students from 46 National Students' Unions in 39 countries.

USI Response to the Department of Employment Affairs and Social Protection Statement of Strategy

The Union of Students in Ireland (USI) welcomes the opportunity to feed into the consultation to inform the strategic direction of the Department of Employment Affairs and

Social Protection Statement of Strategy for 2020 to 2023. In considering the key strategic priorities for the development of the Statement of Strategy for 2020 to 2023 it is important to highlight the disproportionate impact which COVID-19 had on young people in Ireland. Unemployment as a result of COVID-19 restrictions rose particularly dramatically among young people, where the level reached 52.8 per cent in April in young people aged 15 to 24 years and remained high at 45.4 per cent in June compared to 28.2 per cent within the wider population. ¹

USI welcomes the opportunity to feed into the Department of Employment Affairs and Social Protection on the Statement of Strategy for 2020 to 2023. We have grouped our responses into the following key areas:

- Back to Education Allowance
- Eligibility for Social welfare
- Addressing poverty
- Living Wage

Back to Education Allowance (BTEA)

USI welcomes the commitment to review the BTEA in the Programme for Government. USI believes that the current rates for BTEA are not adequate in meeting the costs of attending Higher Education in Ireland and this needs to be addressed. From 2018 to 2019 there was a 19 per cent decrease in the number of students in receipt of the payment.² The BTEA rate is based on the rate of the qualifying payment the person is in receipt of prior to returning to education. USI is very concerned that this rate does not take any of the additional costs of attending higher education into consideration.

¹ [The Implications of The Covid-19 Pandemic for Policy in Relation to Children and Young People](#), a Research Review, ESRI, July 2020

² [Written answer from Minister for Employment Affairs and Social Protection on Back to Education Allowance](#), Thursday, 26 September 2019

The current qualifying criteria for BTEA are quite strict and act as a barrier to those returning to education. One particular example includes that to qualify for this support, a student must have been getting a qualifying social welfare payment for 9 months (234 paid or credited days of unemployment). This criteria and others can prevent people from returning to education. USI acknowledges that as a result of COVID-19, the Government announced under the July Jobs Stimulus that access to the Back to Education Allowance would be extended to people getting the COVID-19 Pandemic Unemployment Payment (PUP) and the minimum wait period prior to applying for BTEA was waived for recipients of PUP. Reforming these criteria and making the process clear and easy to engage with will further support people to enter education.

Since the 2016/2017 academic year, students who are in receipt of BTEA and work on a part-time basis over the summer period are required to have their income reassessed. Students have expressed concern about the varied process that is undertaken to reassess their situation. USI believes this should be reviewed and simplified. Investing in BTEA and easing the restrictions on entry will have a positive long-term impact on economic growth and social issues.

USI is calling for:

- A reform of the qualifying criteria and reassessment criteria based on summer work.
- Creation of a support line for Students' Union Officers to allow them to represent and advocate on behalf of their members.
- Continue to maintain the current process where the minimum wait period prior to applying for BTEA is waived for recipients of Pandemic Unemployment Payment (PUP).

Eligibility for Social welfare

Those aged between 18-24 continue to receive a lower rate of Jobseekers Payment and have been disproportionately impacted by unemployment during the pandemic. There is a need to address the eligibility criteria for social welfare given the disproportionate impact of COVID-19 on this age group. In 2018, 20 per cent of employees earned less than two-thirds of median hourly pay, but this figure jumped to 61 per cent among young adults aged 18 to 24 years.³ Furthermore, half of minimum-wage earners are aged under 25 years, even though this group account for approximately 10 per cent of all employees in Ireland.⁴ Young people are also over-represented in insecure employment, including the gig economy⁵ which as a sector has borne the brunt of the implications of COVID-19. Given this uncertainty, many young people are left struggling and therefore rely on social welfare.

USI calls for:

- USI calls for the rate of Jobseekers Allowance for those under the age of 25 meet the rate for those over 25 years of age.
- Income accessed for the receipt of these payments should be based on the current time frame rather than previous income rates. This is specifically an issue for students working additional hours over the summer period.
- Republic of Ireland workers resident in Northern Ireland to be eligible for Social Welfare payments.

Addressing poverty

The COVID-19 crisis has laid bare the reality that the current rates are not adequate to meet the cost of living. The amount paid to recipients of standard social welfare needs to

³ McGinnity, F., Russell, H, Enright, S. & Privalko, I. (forthcoming) Socio-Economic Rights Monitoring Framework: Monitoring Decent Work. Dublin: IHREC/ESRI.

⁴ Redmond, P. (2020). [Minimum Wage Policy in Ireland. Dublin:](#) ESRI

⁵ ILO (2020) [Preventing exclusion from the labour market: Tackling the COVID-19 youth employment crisis](#), Policy Brief. Geneva: International Labour Organisation

change to reflect the cost of living. Government must take meaningful action to reduce poverty across our society.

USI Calls for:

- Social welfare payments to be increased to reflect the cost of living in Ireland today.

Living Wage

As a result of COVID-19 the issue of a living wage is again brought to the fore and the need for people to earn a wage which is subsistence with their costs of living. Many students work throughout their time in education to assist them with the cost of education. Students played a vital role in the national response to COVID-19 working in healthcare, supermarkets, cleaning, delivering goods. In spite of this, many find themselves in a precarious situation regarding employment as a result of COVID-19. Students in precarious work situations such as students on zero hours contracts, and working in the gig economy have faced difficulties in accessing the PUP due to their employment situation.

For students due to graduate this year, they find themselves emerging into a very different jobs market, with 59.8% of students reporting concerns about their ability to manage financially over the next year in a recent USI COVID-19 survey⁶ and almost a fifth (17.94%) of those who feel that their mental health is worse since COVID-19 citing the future as one of the main reasons for the deterioration of their mental health.⁷ The uncertainty regarding employment opportunities post COVID-19 highlights the need for additional training and skills development to be made available, particularly for recent graduates.

USI recognises the commitment in the Programme for Government to have the Low Pay Commission examine Universal Basic Income which will lead to a pilot programme during the lifetime of this Government. While this is welcomed, USI believes the need to

⁶ [National Report on Students and COVID-19](#), the Union of Students in Ireland, July 2020

⁷ [National Report on Students and COVID-19](#), the Union of Students in Ireland, July 2020

introduce a living wage is of immediate concern and should be introduced while the LPC undertakes its examination.

USI is calling for:

- Introduce a living wage so that low paid workers are not paid below the poverty line.
- End zero hours work conditions entirely.
- Enact legislation that protects those involved in bogus self-employment (where employers wrongly misclassify workers as self-employed rather than direct employees)

Concluding Statements

USI would welcome the opportunity to meet with the Minister Heather Humphreys, TD, Minister of Social Protection, Community and Rural Development and the Islands, or a representative of the Department of Employment Affairs and Social Protection to discuss the contents of this submission and to engage with future drafts of the Department's Strategy Statement for 2020 to 2023.

Submission Author:

Marie Lyons

Vice President for Equality and Citizenship

Equality@usi.ie

References

- Darmody, M, Smyth, E. & Russell, H. (2020) [The Implications of The Covid-19 Pandemic for Policy in Relation to Children and Young People](#), a Research Review. Dublin: ESRI
- McGinnity, F., Russell, H, Enright, S. & Privalko, I. (forthcoming) Socio-Economic Rights, Monitoring Framework: Monitoring Decent Work. Dublin: IHREC/ESRI. Referenced in: The Implications of The Covid-19 Pandemic for Policy in Relation to Children and Young People, a Research Review, ESRI, July2020.
- [National Report on Students and COVID-19](#), the Union of Students in Ireland, July 2020
- Redmond, P. (2020). [Minimum Wage Policy in Ireland](#). Dublin: ESRI
- ILO (2020) [Preventing exclusion from the labour market: Tackling the COVID-19 youth employment crisis](#), Policy Brief. Geneva: International Labour Organisation