Social security and the debate on the constitutional future of the island

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The wider context for social security

Republic of Irl v. NI

- Average Wages levels +38% in ROI
- Living standards after cost of living, taxes and benefits +18% to +12%
- Not economically active 16.5% in ROI 23.44% in NI
  - Due to illness / disability NI 47%, ROI 32%
  - Due to education 8% NI , 16% ROI
  - Caring respon. 22% NI, 34% ROI
- Av. Housing costs similar as proportion of av. Incomes
- Child poverty 21% NI v 14 ROI%

Low pay tax and benefits

- Salary of £15,000 / €18,000.
  - ROI no tax / prsi, USC deductions = €180
  - NI. £700 deductions (= €839)
- Salary of £25k / €30k
  - ROI €3,738 tax/prsi /usc
  - NI £3,495 deductions (= €4,190)

- Est 17% of UC claimants in NI are working and another 12% seeking work
  - Link between low wages, tax and benefit needs

all weekly (equiv)	ROI €	NI € conversion [£ stg]	% difference
Unemployment benefit / Uni Credit	254	€110 [£95.55]	130%
State Pension (Non-contrib / pension credit)	288 298 over age 80	273 [£238]	5.5% 9.5%
(New) State Pension (contrib)	299	€277 [£241.30]	8%
Old style pension		€212 [£184.90]	41%
Child Benefit - 2 children	64.60	€51.50 [£44.95]	25.6%
- 3 children	96.90	€71.50 [£62.85]	36%
Maternity Benefit	299	€233 [£194.32]	28%
Payments for those with a disability	254	£95 + supports £107 or £194.60 = €242 [£202] = €347 [£289.60]	6% -36%

Relationship of Discourse to Policy

ROI

- Covid: “not our fault” discourse –saw reintroduction of pay-related benefits, for up to 9 months.
- No conservative support for food bank approach – assumption of basic needs provision via benefits (even if as low as possible).
- Little hostile discourse on disability benefits. Basic needs assumed in core payment, but additional payments lower / more fragmented in ROI.
- Min wage 6% higher in NI £13.21 v €14.94 [£12.46].
  - Narrative around small business stronger than “anti-welfare”

An all-island approach

- Discourse matters
  - disability benefits / pay-related benefits
- Power matters
  - Business lobby on minimum wage levels v. living wage
- Culture matters
  - Acceptability of food banks v. “responding to reality”.

- Designing a different system (e.g. basic income) v. “merging up”
- Priorities ?
  - Children, state pension, lowest payments