

Pathways to Work 2026-2030: Submission on the successor to Pathways 2021-2025

Citizens Information Board Submission September 2025

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#### Introduction

The Citizens Information Board (CIB) welcomes this opportunity to make a submission on the Pathways to Work Strategy 2026 – 2030.

One of CIB's functions is to provide feedback on the effectiveness of current social policy and services and to highlight issues which are of concern to users of those services. We do this using the data that is provided by our funded services – the national network of Citizens Information Services (CISs), the Citizens Information Phone Service (CIPS), the Money Advice and Budget Service (MABS), and the National Advocacy Service for people with disabilities (NAS).

These services enable people to access independent information and advocacy support relating to state and public services. During 2024, they were used by a significant proportion of the Irish population - either online, by telephone or face-to-face. Almost 400,000 people contacted Citizens Information Services (CISs) with some 700,000 queries, over 140,000 people called the national Citizens Information Phone Service (CIPS) seeking information, the citizensinformation.ie website had over 33 million page views, and 45,000 people were assisted with problem debt by MABS. The high number of people using these services provides us with a unique insight into the problems that many people face when trying to access social, public or financial services.

Typically, our funded services are used by people seeking information and assistance at a time of challenge or change – such as losing a job, retiring, becoming ill, experiencing housing precarity, or taking on a caring role.

Even in the context of an Irish economy operating at close to full employment (with an unemployment rate of 4.7% in August 2025), our delivery services continue to offer supports to many people who have become unemployed, who find the move from welfare to work challenging, or who are trying to combine welfare and work.

Citizens Information Services support people seeking information on eligibility for jobseeker payments, in-work supports, activation programmes, or secondary benefits. In addition, their frontline staff also advise and assist people to access other supports (such as childcare, housing or transport) to enable them to take up work or training opportunities.

CISs regularly contact Intreo on behalf of clients, and client data from CISs also indicates that Intreo services consistently refer people to CISs locally. This highlights the vital complementary role our frontline services have in assisting jobseekers to access payments, services and benefits. The provision of independent and comprehensive information helps people make informed decisions and access essential payments and services at critical times in their lives.

In this submission, we set out an exploration of the key concerns that arise for jobseekers who are seeking assistance in CISs and CIPS. We outline the specific topics that arise most often for callers to these services, using quantitative and qualitative evidence provided by the services to inform our responses throughout.

We then consider the four broad questions from the Department of Social Protection's consultation Guidance Document. However, there are some elements of this guidance document that we cannot speak to, as the questions go beyond the scope of the evidence provided by our funded services (for example, economic displacement because of digitalisation, the transition to a green economy and the advancement of AI).

## **Issues identified by Citizens Information Services**

Of the 346,000 social welfare-related queries made in CISs nationwide in 2024, almost 29,000 concerned benefits and services for unemployed people (such as Jobseeker's Benefit and Assistance payments). In addition, CISs responded to 11,000 queries on the Working Family Payment, 6,000 on the One Parent Family Payment, 5,000 on activation schemes, 2,000 on Partial Capacity Payment and 3,000 that concerned social welfare payments and work.

Issues in relation to unemployment payments and supports also arose in the feedback across other query areas, such as medical cards, social housing applications, disability and carer's payments, and childcare.

The issues highlighted in policy feedback from CISs during 2024 indicates that the transition from work to welfare or, contrarily, from welfare to work can be a difficult one to make. The data indicates specific difficulties that people can have when:

- becoming unemployed or combining welfare with work
- engaging with activation supports
- trying to access meaningful and adequately paid work.

The feedback highlights eligibility issues and concerns added difficulties for specific cohorts (such as self-employed workers and lone parents) and administrative barriers or policy anomalies that can impact access to work, training, and activation measures.

## Becoming unemployed or combining welfare with work

Many queries involve dependence on an often-complex blend of social welfare payments and income from part-time, temporary or low-paid employment. Many people are trying to navigate eligibility requirements for a number of state supports, involving different means tests for social assistance payments, or various eligibility criteria for social insurance payments, combined with a complex mix of income thresholds and disregards.

The concerns raised by CISs highlight the importance of an appropriately designed in-work welfare system, providing a secure and adequate level of support for people who are between jobs or working in part-time, temporary or low-paid jobs.

## Difficulties highlighted by services

The impact of the four-in-seven rule for people on jobseeker payments (where an
applicant must be unemployed for four in any consecutive seven days). This continues
to act as a disincentive for some to take up work (or additional hours of work). For

instance, someone working eight hours per day for three days can still claim a jobseeker's payment, whereas someone earning less money who is working three hours per day over five days cannot. The ESRI have identified this criteria as a "cliff edge" (where benefits and other supports are withdrawn sharply, as opposed to a tapering off) that needs to be eliminated in order to improve work incentives (ESRI, Cliff edges in the Irish tax-benefit system, 2023)

- The 38-hour per fortnight threshold for the Working Family Payment (WFP). The ESRI report referenced above also flagged this as a "cliff edge" for low-income workers. The threshold disproportionately affects lone parents: couples can combine their working hours and therefore access the payment more easily.
- The financial loss for lone parents when they have to move from the One Parent Family payment (OFP) to the Jobseeker's Transitional Payment (JST), which renders them ineligible for WFP.
- The prevalence of lone parents in low-paid insecure work (which could be seasonal or involve working irregular hours with more than one employer) also means that many who are claiming OFP cannot be accommodated by WFP.
- The exclusion of participants on activation programmes from WFP entitlement.
- The once-a-year review process for WFP. This can disadvantage people facing a cut in pay or working hours within the 52-week timeframe.
- The reduced rate of Jobseeker's Allowance for people under 25. While we
  acknowledge the additional payments available to those who engage in training and
  education programmes, services report that reduced payment rate causes hardship
  for some, particularly those not living in the family home but not getting a state
  housing support.
- The blocked access to activation measures for the 'hidden unemployed' (those not working but not on the Live Register, or people who are underemployed). This includes claimants who have exhausted Jobseeker's Benefit but who do not qualify for Jobseeker's Allowance, people with disabilities who are able and wish to work and those who have taken time out of the workforce to care in the home.
- The difficulties for low-income self-employed workers who are not eligible for activation schemes or, in terms of income support, for the Working Family Payment.
   This is in the context of the expansion in recent years of eligibility for some supports

for self-employed workers (Invalidity Pension, Jobseeker's Benefit and Treatment Benefit).

While we welcome the introduction of Jobseeker's Pay-Related Benefit in March 2025, feedback from services around its implementation and impact highlight how it can be more beneficial for some applicants to apply for Jobseeker's Allowance (JA), given that the pay-related benefit does not provide increases for dependents. Services report that some people are unaware that the JA option is available to them. It is important that this alternative remains in place and that all applicants are fully informed of this when making applications in their local Intreo centre or online.

We propose that the new strategy should identify anomalies in social welfare payment criteria and consider as a priority how to achieve a better fit with work activation programmes. Of relevance here is the commitment in the <a href="Programme for Government 2025">Programme for Government 2025</a> to the introduction of a new working age payment to "ensure that individuals always see an increase in income when they work or take on additional hours.... (and) will remove inconsistencies and anomalies in the current Jobseekers Allowance Scheme which discourage people from taking up employment". We look forward to the initiation of the consultation on this new payment.

### Engaging with activation supports

As noted previously, there is ongoing cross-referral and interaction between CISs and Intreo Centres across the country. Feedback from CISs to CIB often reports on clients' experiences of accessing services and payments through Intreo Centres.

Staff in CISs report on the significant support they must provide to JA and JB applicants who have been referred to them by Intreo Centres. In most of these cases, clients have literacy, digital literacy and language support needs.

CIS data shows that the average time spent with callers in CISs is increasing year-on-year, with a 58% increase in interactions of 21-40 minutes and a 5% increase in interactions of 11-20 minutes between 2022 and 2024, mirrored by a decline in interactions of ten minutes or under. Of relevance here too is the increase in CIS clients recorded as needing greater levels of support. CISs record where clients have difficulties accessing public services due to a specific need: for instance, language, literacy or digital access issues, mental health challenges or distress, or disabilities that give rise to additional support needs. During 2024, people with such needs made up almost 15% of CIS clients.

This indicates greater complexity and demands in terms of the supports being delivered to clients. For instance, CIS staff engage with some clients using Google Translate, not having access to the interpretation services available in Intreo Centres. During 2024, 25% of callers

to CISs (where country of origin is noted) were recorded as migrants (CIS Statistical Highlights 2024, CIB, 2024). This is significantly higher than the proportion of migrants in the total Irish population, recorded at 16% (Population and Migration Estimates, August, 2025, CSO).

Feedback from CISs also shows the level of assistance required by clients who have literacy and digital literacy needs. In such cases, staff typically have to bring clients through procedures to set up email addresses, register with MyGovID (for both basic and verified accounts), assist in completing application forms and identify and scan or upload relevant supporting documents. This may involve accessing documents from other state agencies such as Revenue. Accessing public services online is efficient and effective for many people who have the skills, ability and means. However, these processes are impossible to navigate unaided for people with literacy, digital literacy or language difficulties – and many people who have difficulty in engaging with job activation programmes have multi-faceted problems such as literacy or language difficulties, inadequate housing or homelessness, or mental health difficulties.

#### **Meeting support needs**

We submit that these multi-layered support needs must be addressed more specifically and comprehensively in the next iteration of the strategy, striking a balance between addressing the economic imperatives of maximising labour force participation and meeting the varied support needs of those marginalised and distant from the labour force.

CIS feedback often indicates that Intreo staff refer individuals to CISs when more complex supports are required. This pattern has contributed to increased demand on CIS services. In light of this, it may be beneficial to enhance the availability of appropriate, and where necessary, extended in-person supports within Intreo Centres. Providing these supports directly could help ensure that individuals with multifaceted or complex needs receive more streamlined assistance.

In this context, we acknowledge the inclusion of a new commitment in the updated <u>Pathways</u> to <u>Work Strategy</u> (May 2024) to establish an interdepartmental working group to examine barriers to participation in education, training and employment for priority cohorts, including those with lower levels of education. We look forward to the development of a programme of work for this interdepartmental group.

## Accessing meaningful and adequate work

Our frontline services assist people daily who have lost their jobs and are seeking income support, who are transitioning between jobs or who are combining welfare payments with low-paid work.

For some, getting any job can be the beginning of a process of building self-confidence. It can also serve to widen their options in the medium to longer-term. However, we can see from the case examples provided by CISs that many of the jobs that are available to people in and out of employment are low-skilled, casual, low-paid or precarious - even in an economy that is experiencing labour shortages as Ireland is currently.

CIB is of the view that the new Pathways to Work strategy must focus attention on the quality of the employment that people are being activated into. A 2024 report on "better work" from the National Economic and Social Council (NESC) (Towards a national Better Work Strategy, NESC, 2024) suggested that the experience of the Covid-19 pandemic highlighted the need to make a deliberate policy shift to increase quality jobs that will allow for better living standards and also sustainable employment, less vulnerable to loss.

If low-skilled workers are being routinely matched with low-skilled jobs, then many will remain trapped in a low-pay cycle with little opportunity to experience the positive aspects of employment that go beyond income: structure and routine, skills, personal confidence and self-worth, and improved mental health.

In this context, we note the comments of the Labour Market Advisory Council in their midterm review of the <u>Pathways to Work Strategy 2021-2025</u> that greater attention needs to be paid to "the quality of jobs, bearing in mind that "quality" is a multidimensional concept including wages, career prospects, duration and upskilling and reskilling opportunities." The new Strategy should therefore prioritise meaningful progression pathways (in relation to both income and quality of work) for those trapped in low-paid, part-time and often precarious work.

Of concern here too is the question of an adequate wage. We acknowledge the value of the 33% increase in the National Minimum Wage (NMW) over the past five years but note our regret around the decision taken earlier this year to delay the full implementation of the Living Wage from 2026 to 2029. This had been a key commitment in the 2020 Programme for Government, and we had anticipated that the incremental increases in the NMW in recent years would have made the 2026 deadline attainable.

## **Specific questions from the Guidance Document**

#### Progress on commitments

Q: What progress do you feel has been made in achieving the aims and commitments set out in Pathways to Work 2021-2025?

CIB acknowledges the vital role that Pathways to Work 2021-2025 has played in supporting a large number of jobseekers to prepare for and take up employment opportunities. We also recognise the central role that the Strategy has played in the <a href="National Recovery and Resilience Plan">National Recovery and Resilience Plan</a>, as the country emerged from the restrictions brought about by the pandemic.

The transition in the Irish economy over the lifetime of the Strategy could not be more apparent: in terms of unemployment, the Covid-19 adjusted unemployment rate for June 2021 was 18.3% (with the seasonally adjusted rate being 7.6%). Over €3 billion was allocated in Budget 2021 to employment supports (including the Employment Wage Subsidy Scheme and the Pandemic Unemployment Payment). As of June 2025, the unemployment rate was 4% - technically at full-employment - and the Budget 2025 allocation for employment supports was €657 million.

Given the changed economic and social context over the past four years, it is important to recognise the role of the 2021-2025 strategy in co-ordinating the efforts of the public employment service, employers and jobseekers and the Higher and Further Education and Training Sector, with the key aim: ensuring that as many employment opportunities as possible are filled by people who are unemployed or outside the labour force but would like to work.

#### Role of Intreo

Intreo public employment services throughout the country have played a frontline role in engaging with jobseekers to support them to find work. This included people who lost their jobs and businesses due to the pandemic measures, those who were already on the Live Register prior to the pandemic, and since March 2022, a significant number of Ukrainian refugees. As of June 2025, <u>CSO data</u> indicates that almost 114,000 Personal Public Service Numbers (PPSNs) were issued to Beneficiaries of Temporary Protection (BoTP) from Ukraine, with over 50,000 attending an employment support event arranged by Intreo.

During the third year of the Strategy, the Labour Market Advisory Council's <u>Third Annual Progress Report</u> highlighted some key achievements of the Strategy, including:

- More than 50,000 long-term unemployed people participating in Further Education and Training
- 11,700 people in receipt of Disability Allowance engaged under the Early Engagement process
- Over 27,000 apprentices registered.

These achievements occurred against the backdrop of a thriving labour market, where clear markers of success include:

- Total labour force of 2.88 million (Q2 2024), with an overall participation rate of 66%
- Increases in female participation levels to 1.3 million, with the gap between male and female participation at 9.5%, the smallest recorded gender gap
- Over 20% of the labour force (588,100 people) are non-Irish citizens.

It is important to affirm these outcomes as a welcome development at the end of the fouryear strategy.

Given this welcome turnaround in the past four years, and the attainment of full employment, we submit that the focus of work activation policy should shift to increasing active labour force participation by all people of working age. This will help to ensure an adequate supply of labour (the economic rationale) and will offer greater support to those more distant from the labour market to achieve a level of financial independence (the social inclusion rationale).

### Accessing work: people with disabilities

Despite the positives outlined above, people with disabilities, lone parents, Travellers, and people living in low work-intensity households continue to experience challenges in accessing work. However, during the past number of years some targeted responses have been introduced that have the potential to enhance access to work for many on the margins.

This includes the introduction of the Early Engagement process by Intreo in 2022, which is targeted at young jobseekers in recipient of Disability Allowance. Data from the Department of Social Protection shows that, as of June 2025, almost 28,000 people had been contacted and nearly 3,000 referrals have been made for further education or employment supports (Social Welfare Benefits, Dáil Debates, 10 June 2025).

Other positive measures in relation to increasing the participation of people with disabilities include the changes introduced to the Wage Subsidy Scheme (WSS) in 2025. For the past number of years, our funded services have noted the potential positive impact of the WSS in incentivising employers to hire people with disabilities but have highlighted concerns around eligibility criteria and awareness. We are hopeful that the changes to the scheme will

enhance its flexibility and effectiveness for disabled people and employers. We also note the relaunch of the Reasonable Accommodation Fund in 2024 – as the Work and Access scheme – and we acknowledge the important role of the Workability and Employability programmes, which provide a nationwide network of supported employment projects for disabled people.

More broadly, we welcome the recent publication of the <u>National Human Rights Strategy for</u> <u>Disabled People 2025-2030</u>, which includes employment as a key pillar. The strategy makes three specific commitments under this pillar:

- Maximising opportunities and access for disabled people to get meaningful work in the civil and public sector
- Actively promoting the hiring and career advancement of disabled people across the private sector
- Providing the right supports at the right time for disabled people to access work or return to work.

It will be important that the Pathways to Work successor reflects these commitments. If it is to do that, it should contain specific funding, actions and measures to enable the public employment service (Intreo) to meet the challenges faced by people with disabilities to find and retain employment.

### Role of employment programmes

The achievement of full employment in recent years has had an impact on the working of some Community Employment (CE) and Tús schemes, which operate as core elements of Ireland's active labour market policies. The reduction in the number of potential candidates on the Live Register has caused operational difficulties for some community and voluntary organisations that have low numbers of paid staff and therefore a heavy reliance on the schemes. However, these schemes continue to play an important role in local communities: both amongst unemployed people and the community and voluntary organisations that employ them.

A 2024 evaluation (<u>Connecting People with Jobs: Impact evaluation of Ireland's Active Labour Market Policies; 2024; OECD</u>) noted a broadly positive impact of both CE and Tús schemes. The research found that participation on Tús and CE schemes contributes to higher earnings in the long-term. Community Employment also reduces dependence on unemployment benefits and future reliance on Disability Allowance. It found that all groups of jobseekers benefit from participation, with the biggest effects on employment outcomes for young and prime-aged participants and women. Citizens Information Services around the country have experienced first-hand the benefits of this model of active engagement, with

several CISs operating the schemes over many years. Equally, staff have gained valuable occupational experience and training as a stepping-stone to employment, either within the CIS or beyond.

Given the evidence of positive outcomes and the reducing pool of participants, we welcome the positive move to extend Community Employment (CE) scheme eligibility to adult dependents of those in receipt of Jobseeker's Allowance in 2024. We also note the establishment of a pilot scheme to extend CE eligibility to those over 50 years of age in receipt of credits (or a combination of credits and Jobseekers Benefit) and we look forward to a positive outcome to the pilot phase (<u>Dáil Eireann Debates, Community Employment Schemes, 19 June 2025</u>).

## Key challenges

Q: What are the key challenges facing the Irish labour market that Pathways to Work 2026 – 2030 will need to address over the lifetime of the strategy?

Significant progress has been made on the 2021-2025 strategy, as outlined above. These positive outcomes over the lifetime of the strategy are not to be taken for granted given the national and international challenges over the past four years, including our emergence from the Covid-19 pandemic, post-Brexit impacts, global economic uncertainty, and increasing costs of living. Some of these threats remain, while others have emerged in recent years at a global and domestic level.

While the Irish economy continues to fare well across a number of measures, various commentaries highlight a variety of potential (and existing) threats:

- Uncertainty around global trading relationships and tariffs
- The risk of an overheating economy
- The impact of high housing costs and the delivery of key infrastructure and utilities
- Continued high costs of living
- The likelihood of Artificial Intelligence (AI) leading to a loss of entry-level employment opportunities
- The risks inherent in the green and digital transitions.

### Skills and labour shortages

In addition, the strong labour market performance has brought with it the challenge of skills and labour shortages across a range of sectors. Despite these shortages, the participation rate of certain groups in the labour market (such as people with disabilities, lone parents, Travellers, and people living in low work-intensity households) is much lower than other cohorts.

Many people within these cohorts wish to work, or work more hours, but face multifaceted barriers and challenges. In some cases, they will require intensive and tailored supports to compete in the job market. Assisting people in transitioning into quality employment is central to alleviating poverty, reducing inequality and improving lives, while also delivering considerable social and economic benefits at a community and national level.

These specific concerns will require focused action in the successor to the Pathways strategy, with suggested actions including:

 Identifying areas where there are skills shortages and focusing on the provision of relevant education, training, and upskilling

- Specifically targeting people with minimal or no connection with the labour force and developing mechanisms for individually tailored supports
- Proactively providing targeted supports for ongoing education to enable people trapped in low paid and unsuitable employment (such as lone parents) to progress to better paid and more appropriate work.

Underpinning all these measures is the need to develop more integrated structures at local level to address the social and economic factors that can cause alienation from the labour force. The new strategy should aim to identify and address blockages to job activation associated with socio-economic deprivation and remoteness from the labour force at local and regional level.

#### Support services: transport, childcare and housing

More broadly, there are also challenges in relation to people's ability to access core public services, specifically transport, childcare and housing. Each of these has a strongly enabling role for many who are distant from the labour market. Feedback from services indicates that many people in vulnerable households – including those who are unemployed, underemployed or locked out of the labour market due to ill health, disability or caring responsibilities – will struggle to get work due to inconsistent access to accessible rural transport, housing supports or childcare services.

### **Access to transport**

For example, transport costs for disabled people continue to go unmet following the closure of the Mobility Allowance scheme (and the Motorised Transport Grant) to new applicants in 2013. Some 12 years on, services continue to report that the absence of these key schemes is limiting people's choices and independence in accessing work or social activities. Currently, the only recourse to mobility or transport support is via the Disabled Drivers and Disabled Passengers Scheme, which has been acknowledged by Government as "not fit for purpose" (Tax Reliefs, Dáil Debate, 29 May 2025)

#### Childcare services

Our services also continue to evidence the difficulties for many working families – particularly lone parents – in accessing childcare services. Despite the introduction in recent years of measures to improve the quality, availability and affordability of early childhood care and education, childcare continues to be a central concern. Feedback from services highlights people's difficulties in finding and affording suitable childcare, and the extent to which this is limiting their employment, education and activation choices.

We welcome the commitments in the Programme for Government to invest in affordable, accessible and high-quality childcare. We believe that there is a need to move towards the substantive public provision of early childhood care and education, rather than a continued focus on funding and managing a mainly commercial system. In this context, public provision of childcare should have a particular focus on low-income and lone-parent households. This will help to facilitate access to employment, education and other life-changing opportunities.

#### **Housing**

Difficulties in the Irish housing sector are also presenting challenges for the labour market. A 2024 report from the Workplace Relations Commission (Work and employment transformations in Ireland, WRC, 2024) identified housing costs as a key challenge in recruiting and retaining workers from within Ireland and from abroad. In turn, a shortage of skilled labour is impacting Ireland's housing supply and its ability to meet housing demand targets (Capacity constraints and Ireland's housing supply, Oireachtas Research Service, 2024).

The problems presented at this broad macro-economic level, in addition to data from our funded services, indicates the extent to which housing is a significant cause of concern for clients. During 2024, CISs dealt with 85,000 housing queries and the feedback from services about these queries highlighted the crucial issues of availability and affordability. Case examples submitted by services provide a snapshot of some particular concerns that are relevant here:

- Cases where CIS clients are considering either giving up work or reducing their working hours in order to remain below the income limit and qualify for social housing supports
- Inconsistences between local authorities in what is treated as assessable income (with particular reference to the inclusion of short-term activation measures or the Working Family Payment)
- Tenants in full-time employment whose disposable income, even with housing support payments, is significantly eroded by high rent
- The lack of housing options for people who are 'caught in the middle' with incomes that are deemed too high to be eligible for social housing but too low for mortgage approval.

In the context of housing supports and their potential impact on incentives to work, the ESRI has highlighted the existence of "cliff edges" (ESRI, Cliff edges in the Irish tax-benefit system, 2023): that is, where someone marginally over the income cut-off cannot access social housing or the Housing Assistance Payment. In 2022 the Report of the Commission on Taxation and Welfare (2022) advised that all cliff edges should be removed from the tax

and welfare system and that doing so would help to improve work incentives. The report also highlighted how the absence of a national differential rent scheme is contributing to inequity across local authorities. It recommended the reform of the differential rent schemes towards a national system based on ability to pay.

## Suggested changes to Pathways to Work 2025-2030

Q: Are there any changes that you would suggest for Pathways to Work 2026 – 2030, considering the potentially changed economic circumstances?

CIB believes that the new Pathways to Work strategy should look to developing policy measures that begin at local level, with a focus on an individualised, needs-based approach. This would help to identify and address blockages to job activation associated with socioeconomic deprivation and remoteness from the labour force. Such an approach would establish a platform on which to design people-focused pathways that are more personalised and place-based.

The experience of CISs is that many people who have difficulty in finding work experience a range of cross-cutting issues relating to socio-economic deprivation and disadvantage. In many cases, these difficulties impact on their ability to engage meaningfully with what is being offered via job activation measures.

There also exist a range of disincentives arising from the complexity of eligibility criteria for income supports, some of which we identified earlier.

In addition, our funded services continue to highlight how digital exclusion and centralised services are barriers for many people who are seeking assistance in accessing public services. In responding to these challenges, the new strategy should focus primarily on the needs of people of working age and their families, giving this at least equal weighting with the needs of business and the wider economy – and conscious that to address the former is likely to be of benefit to the latter.

## **Designing services and supports**

Such an approach would complement the principles identified in the 2022 publication by the Department of Public Expenditure and Reform (DPER) "Designing our Public Services". The report looked at how human-centric design can be used to innovate and transform the delivery of public services, leading to services that are more people-centred and effective. Many of the actions that are set out in this document under the framework "Ten Design Principles for Government in Ireland" are relevant in framing the new Pathways to Work strategy. These include:

- Design services to meet the needs of people first, rather than the internal needs of the organisation
- Begin with what the user is trying to achieve when accessing services, not what is already on offer
- Work to understand people with diverse needs: design with, not for, them

 Ensure that services are easier to understand and engage with, so that users get the best outcomes.

This approach, applied to the new strategy, would lead to a stronger focus on developing pathways to work at local level that are more inclusive, user-friendly and targeted. Specific actions could include:

- A stronger emphasis on investments in long-term, integrated approaches not hampered by short-term social welfare criteria eligibility
- Targeting employment support services at those most likely to experience detachment from the labour force
- Co-design of interventions with both active jobseekers and those of working age not currently actively seeking work
- Identifying and addressing factors that contribute to people remaining remote from the work force – including socio-economic, cultural and psychological exclusion
- Meaningful dialogue at local level between social partners, civil society, and relevant statutory agencies (such as Education and Training Boards, Solas, Local Area Employment Services and WorkAbility) regarding the challenges faced by people who cannot access work or training appropriate to their needs and circumstances.

#### Under-represented people

# Q: Do you have any suggested actions to help improve the employment prospects and outcomes of people under-represented in the labour market?

It is critically important that the new strategy is focused on supporting all working age people to secure employment that is both suitable and sustainable. This means adopting a people-first approach that fully considers the social and economic realities of people's lives. Those furthest from the labour market must be at the core of the strategy if it is to "work for all".

The actions in the new strategy will need to prioritise the delivery of tailored supports in a meaningful and engaging way to those groups who are currently under-represented in the labour market. The public employment service (Intreo) must seek to better understand the distinctive challenges that these groups are facing, with the aim of working more effectively to achieve better outcomes. We focus below on specific groups who regularly seek assistance from our funded services: people with disabilities, lone parents and migrants.

#### People with disabilities

We previously highlighted some specific measures that have been developed and refined in recent years to enhance access to work for people with disabilities. These are particularly welcome given that disabled people continue to have a low employment rate – most recently estimated at 34% (Census 2022, Disability, Health and Carers, CSO, 2023). We have also acknowledged the recent publication of the National Human Rights Strategy for Disabled People 2025-2030, which prioritises employment as a key pillar.

We note however some concerns in the review by the National Disability Authority of the predecessor to this strategy, the Comprehensive Employment Strategy for People with Disabilities (Final review of progress under the Comprehensive Employment Strategy for People with Disabilities, National Disability Authority, 2025). While acknowledging some positive developments, the review stated that "several gaps and challenges were found to remain, including in relation to the persistent disability employment gap in Ireland, unresolved issues in making work pay, limitations in relation to appropriate career guidance for some learners with disabilities, gaps in supported employment, and issues with strategy coordination and implementation".

Many disabled people assisted by our funded services are dependent on a combination of a disability payment, secondary benefits, income from low-pay and precarious employment, and housing benefits and supports. Feedback from frontline services provides useful detail on how a range of variables can impact on the lives of applicants and recipients with disabilities: this includes small reductions or temporary disruptions in payments, administrative delays, reassessments of eligibility, real and perceived threats to welfare

receipts, changes in household composition, and the status of dependent adults and/or children

In the context of welfare-to-work measures, Disability Allowance and the earnings disregard represent an important in-work support, and one that appears to be considered more reliable and accessible than the Partial Capacity Benefit (PCB): case studies and query data submitted by services suggest that PCB operates as a residual scheme in terms of both take-up and impact.

In devising measures to support disabled people into work, the new Pathways strategy must recognise the gaps and challenges referenced above. It is also crucial that the new strategy identifies the specific role of the public employment service (Intreo) in addressing persistent barriers to employment experienced by disabled people. This will require a focus on the WorkAbility and Employability programmes and also through mainstream supports such as CE schemes and Tús. More broadly, any reform of income supports should take account of the need for a multi-faceted and integrated approach to enable more people with disabilities to participate in the labour force. Crucially, any changes must also seek to mitigate the additional costs of living with a disability.

#### Lone parents

Ireland has the highest proportion of lone parents living in low work intensity households and one of the lowest shares of poor children under three-years old in childcare in the EU.

The prevalence of lone parents in low-paid and insecure work, combined with difficulties in accessing affordable childcare, can make the transition from welfare to work particularly difficult. ESRI research in 2024 (Lone Parent Transitions, Employment, and Poverty Outcomes, ESRI, 2024) highlighted that many lone parents successfully transition from welfare to work, but not all of these transitions lead to significant improvements in living standards. For some, employment may not alleviate poverty, particularly if they remain in low-paid or precarious jobs that do not provide a stable income. These issues reflect the broader concerns noted earlier around the quality of jobs and the benefits of moving to the Living Wage.

In 2025, research on the Minimum Economic Standard of Living found that the income of one-parent households dependent on social welfare (with a primary and secondary level student) covers only 82% of what they need to have a minimum, socially accepted standard of living (MESL 2025, Vincentian MESL Research Centre, 2025). For those who are employed, many are dependent on in-work supports, such as housing and childcare payments. The complexity of the welfare system and the interaction between benefits and earned income can sometimes create disincentives to increase hours or earnings.

We have previously highlighted the feedback from CISs that points to particular concerns for lone parents around the Working Family Payment (WFP) – specifically the difficulties caused by the working hours threshold, which is set at 38 hours per fortnight. We are conscious of the need to ensure that the WFP does not support unsustainable low earnings. However, we note that the threshold can disproportionately affect lone parents, as couples can combine their working hours and more easily access the payment. There is also a financial loss for OFP recipients who have to move to the Jobseeker's Transitional Payment when their youngest child turns seven, as they are no longer eligible for the WFP.

The reforms to the One Parent Family Payment that were initiated in 2012 have had some limited success in achieving policy aims. A 2023 study found that the changes had led to some increases in hours worked and income (The impact of one-parent family payment reforms on the labour market outcomes of lone parents, Oxford Economic Papers, 2023). However, other research has highlighted that these gains may have come at the price of increased pressure and reduced wellbeing for lone parents and their children (Independent review of the amendments to the One Parent Family Payment since January 2012, Indecon, 2017). We have previously referenced how childcare costs and availability can restrict parents' options for work and education and will impact lone parents more acutely.

The key implications for policy noted by the <u>2024 ESRI research on lone parents and employment</u> include:

- Education serves as a crucial pathway to better employment opportunities and financial independence: however, any policy actions must recognise childcare needs and the complexity of the welfare system facing lone parents.
- Employment can significantly reduce economic vulnerability, but this is not always the
  case. Sometimes mothers in employment experience a substantial increase in
  economic vulnerability upon becoming a lone parent. Lone parents face persistent
  barriers in the labour market, including constraints on their hours of work due to the
  care needs of their children, low pay and higher levels of in-work poverty.

Social transfers remain a crucial support for lone parents and their children. The <u>ESRI</u> evaluation of <u>Budget 2025 tax and welfare measures</u> found that households with children tended to benefit more from Budget 2025, in particular from the cost-of-living measures. We welcome recent indications that Government is examining the option of a second tier, means-tested child benefit payment for low-income families (<u>Social welfare benefits, Dáil Debates, 19 June 2025</u>). Such a payment would deliver child income support based on levels of income and family status, rather than employment status or receipt of a particular social welfare payment.

Educational attainment is often identified as a significant factor in reducing welfare dependency and providing a sustainable income for low-income households. Education should be prioritised as a key labour activation strategy for those currently under-represented in the labour force. There has been a relatively low level of investment in placing unemployed or under-employed people into third level education compared to other activation programmes. There is a need for stronger focus on activation measures into third-level education. Third-level graduates are more likely to enter lower and higher professions, meaning that they are not only transforming their lives but are also more likely to make a sustainable move out of poverty.

#### **Migrants**

Against the backdrop of full-employment, with many industries finding it difficult to recruit and retain staff, we note a significant increase in employment permits being issued to non-EEA workers year-on-year. In 2024, almost 40,000 employment permits were issued, an increase of 24% on 2023.

As highlighted previously, 25% of CIS clients (where country of origin is noted) in 2024 were recorded as being migrants, significantly higher than the proportion in the total Irish population (recorded at 16% in 2025).

Employment-related queries have consistently featured within the top five query areas for migrants accessing CIS services. An analysis of the query data indicates difficulties for clients in the following areas:

- Understanding the Irish labour market
- Employers recognising prior work experience and/or qualifications
- Finding a job that matches qualifications and experience
- Meeting language requirements.

We acknowledge the introduction of the Employment Permits Bill in 2024, which has consolidated and modernised the employment permits system for non-EEA nationals. The legislation contains several key measures including the introduction of a Seasonal Employment Permit and the ability of general employment permit holders to change employment after nine months.

The right of permit holders to change employer is particularly welcome. Many of the migrant workers calling to CISs for assistance are engaged in precarious and low-wage sectors of the Irish labour market: carers and health care assistants, workers in the farming and fishery sectors and meat processing plants, and those employed in the tourism and hospitality sector. Previous restrictions on moving employer had resulted in many migrant workers experiencing poor terms and conditions and facing greater exploitation.

Migrant rights groups continue to point to concerns around the differing treatments of workers recruited into the General Employment Permits when compared to those on Critical Skills Employment Permits: with those on critical skills permits being treated more favourably. We note the commitment in the <a href="Programme for Government 2025">Programme for Government 2025</a> to "examine ways to facilitate people who are on work permits to move jobs more easily and legally" and look forward to developments in this area.

Skills validation and recognition of qualifications are also highlighted as key enablers in helping migrants to get relevant and meaningful work. Feedback from CISs indicate that this can be challenging for clients. Due to problems with the recognition of their qualifications, skills and work experience, many migrants end up either unemployed or underemployed, with some working in low-skilled, temporary, and badly paid jobs.

Given our reliance on migrant workers to meet current labour and skills shortages, the new pathways strategy will need to identify mechanisms that will enable many migrant workers to upskill and progress in their careers, not just fill short-term labour gaps.

### **Summary of key considerations**

This submission has drawn on data from our frontline services to outline the key challenges faced by jobseekers in accessing employment and support services. CIS data reveals continued barriers for many in accessing jobseeker, employment and activation supports.

Our submission acknowledges the many achievements of the 2021–2025 strategy, including increased participation in education and training, improved female labour force participation, and the roll-out of targeted supports for people with disabilities. However, challenges remain, particularly for groups more distant from the labour market.

We have identified three core areas of concern for jobseekers who seek assistance in our frontline services:

- Combining welfare with work
- Engaging with activation supports
- Accessing meaningful employment.

A central issue that cuts across these areas of concern is the complexity around social welfare eligibility, particularly for those in part-time or low-paid jobs when trying to combine welfare with work.

The 'four-in-seven' rule for Jobseeker's payments and the 38-hour fortnightly threshold for the Working Family Payment (WFP) can operate as disincentives to work for some low-paid workers. Lone parents face additional challenges, especially when transitioning from the One Parent Family Payment to the Jobseeker's Transitional Payment.

The hidden unemployed, those not on the Live Register or underemployed, also face limited access to activation measures, as do self-employed workers, despite recent expansions in eligibility.

In view of all the above, we make the following proposals:

We propose that the new strategy should **identify anomalies in social welfare payment criteria** and consider how to achieve a better 'fit' between welfare and work activation programmes.

We call for the **elimination of 'cliff edges' in welfare payments** in the context of the development of a new working-age payment.

We propose that the new strategy must address the broader support needs of job seekers, with the provision of enhanced, intensive 'wraparound' support services.

These supports must aim to identify and address blockages to job activation associated with

socio-economic deprivation and remoteness from the labour force at local and regional level, taking into account multi-faceted problems such as literacy or language difficulties, inadequate housing or homelessness, and mental health difficulties.

In the context of designing services and supports for jobseekers, we suggest that the new strategy should adopt a localised, user-focused approach, aligned with the principles laid out in the Department of Public Expenditure and Reform's report, "Designing our Public Services". This includes co-designing services with users, addressing socio-economic barriers, and fostering collaboration across agencies.

We have also highlighted how quality of employment is an issue for many people. Where job seekers are matched with low-paid, precarious jobs, this can limit long-term progression. We therefore contend that the new strategy should **prioritise meaningful and appropriate progression pathways** (in relation to both income and quality of work) for those trapped in low-paid, part-time, temporary and precarious work.

We propose that the focus of work activation policy should shift to increasing the active labour force participation of all people of working age, but with a focus on specific actions to improve outcomes for people experiencing blockages to full participation in the workforce, such as some people with disabilities, lone parents and migrants. These include enhancing supported employment programmes, the introduction of a working age payment, and investing in childcare services and housing provision.

We contend that the strategy must also seek to **reflect the commitments laid out in the National Human Rights Strategy for Disabled People 2025-2030.** 

We conclude with a call for **integrated**, **inclusive**, **and responsive employment strategies** that reflect the lived experiences of those most distant from the labour market.