

Mr. Dara Calleary T.D.  
Minister for Social Protection of Ireland

March 24<sup>th</sup>, 2026

**Re: Urgent Need for Social Welfare Reform to Support Workforce Participation**

Dear Minister Calleary,

On behalf of County Wexford Chamber and following a conversation we had last year, I am writing to highlight the need for reforms to Ireland's social welfare system to better incentivise part-time work, particularly in the home care sector and in other sectors where flexible working patterns are essential.

Home care providers across the country are facing significant recruitment and retention challenges. A key contributing factor, consistently reported and reflected in national research, is that several long-standing social welfare rules unintentionally discourage people from taking up or increasing part-time work. While this is especially acute in home care, similar constraints arise across sectors such as retail, hospitality, and childcare. These rules were designed for a different labour market and are now limiting workforce participation at a time of high demand.

Analysis by Home & Community Care Ireland (HCCI) highlights three key structural issues. Means testing can discourage workers from increasing hours due to the risk of losing essential supports. The 18.5-hour limit for Carers Allowance creates a "cliff edge," where exceeding the threshold results in a full loss of payment. In addition, the Jobseekers "three day rule" penalises workers who spread short shifts across the week, common in home care and other part-time roles, by disqualifying them from support. Collectively, these rules constrain workforce capacity and contribute to service gaps, including waiting lists for home support.

HCCI has identified a set of practical reforms aligned with Government commitments. These include progressing the proposed Working Age Payment, increasing the Carers Allowance working hour limit, phasing out the Carers Allowance means test, and reviewing wider means-tested supports such as medical cards, HAP and SUSI. Together, these changes would ensure that individuals are better off when they take on additional hours and remove barriers to workforce participation.

To support workforce capacity across home care and the wider economy, we respectfully request that your Department prioritise the following actions in 2026:

- Publish a timeline for the design and implementation of the Working Age Payment
- Extend the Carers Allowance working hour limit
- Advance the phased removal of the Carers Allowance means test
- Initiate the cross-departmental review of means testing across key supports

These reforms would strengthen labour market participation, improve service delivery in essential sectors, and support the Government's objectives around workforce activation and independent living.

As always, County Wexford Chamber is committed to constructive engagement and would welcome the opportunity to continue this dialogue with your Department.

Yours sincerely,

Paula Roche  
CEO  
County Wexford Chamber

cc  
Malcolm Byrne T.D.  
George Lawlor T.D.  
Brian Brennan T.D.  
Fionntán Ó Súilleabháin T.D.  
Johnny Mythen T.D.  
Senator Cathal Byrne