



Society of St Vincent de Paul

DON'T CUT THEIR LIFELINE: **poverty hurts us all**



Society of Saint Vincent De Paul Pre-Budget Submission 2012

CONTENTS

	Page
National President's Introduction	3
Economic and Social Context	4
Welfare and Work	5
Education	6
Health	7
Housing and Homelessness	8
Major Issues of Concern	9
Energy	9
Financial Inclusion & Debt Management	9
Migration and Ethnic Minorities	10
Rural Issues	10
Overseas Development	10
Charities and Tax Reform	11

NATIONAL PRESIDENT'S INTRODUCTION

The ongoing economic and financial crisis continues to take a considerable toll on so many in our society. We are experiencing a serious social crisis and much of this is a result of the choices that are being made to address the economic problems Ireland faces.

For many who are struggling with poverty, debt and unemployment the future holds considerable uncertainty, and sadly their numbers continue to grow. Reflecting this growing need, calls for assistance to the Society of St Vincent de Paul reached unprecedented levels in 2010. In response, we have spent €75 million since this time last year. Approximately 50% of this is spent on the provision of services such as homeless hostels, social housing, resource centres, crèches, youth clubs and holiday centres. The balance was provided as direct assistance to individuals and families in need, and included €16 million on cash assistance, more than €9 million on food, €6.7 million on energy and over €4 million on costs related to education.

The rising cost of energy is causing many to turn to the Society for support, and the consequences of the forecasted increase in fuel costs will undoubtedly be keenly felt in our 1,200 Conferences across the State during 2012. We know that people in poverty cannot survive any further cuts to incomes and services. One parent families and other households with children, people living alone, migrants and some of the self-employed are particularly vulnerable. We urge Government not to cut the incomes and services that are a lifeline for these men, women and children in Budget 2012.

The Society is heartened and encouraged by the continued support we receive from the public and also by the number of new volunteers joining us in our work. With these resources, the range of supports provided by our members to assist families and individuals in whatever way we can has continued to grow.

The Government faces very difficult challenges and must operate within considerable constraints at this time. However, the Programme for Government gives a clear commitment to 'forging a new Ireland that is built on fairness and equal citizenship.' We urge those in power to remember the human cost of their initiatives to restore our economy to growth. This is not a time to cut the remaining supports provided to the weakest amongst us, nor is it a time to sow the seeds of future disadvantage.



Mairéad Bushnell
Mairéad Bushnell,
National President SVP

ECONOMIC AND SOCIAL CONTEXT

EU/IMF Agreement

Under the terms of the bailout agreement, the Irish Government has committed to reducing the deficit by at least €3.6 billion in Budget 2012. This is to be achieved mostly by spending reductions and increases in charges for public services (€2.1bn), rather than from increased taxation (€1.5bn). This will result in the adjustment being borne more heavily by people reliant on social welfare and public services.

The Government has already announced the following cuts and charges for 2012:

- Introducing a school transport charge for children without a medical card
- Capping the number of Special Needs Assistants at 10,575 posts
- Doubling the qualifying distance for the non-adjacent third level grant
- Reducing public service numbers & public service pension adjustments

Other areas under threat include the Rural Transport Scheme, Fuel Allowance and Home Help, as well as payments such as Family Income Supplement, Rent Supplement and Child Benefit.

Measures agreed with the EU/IMF for increasing the tax take in 2012 include:

- Lowering personal income tax bands and credits
- Introducing a €100 Household Charge, to be replaced by a Property Tax in 2014
- Increasing the Carbon Tax
- Reducing private pension tax reliefs
- Reducing tax expenditures (otherwise known as 'tax breaks')

The experience of the Society of St Vincent de Paul

Since 2007 the Society of St Vincent de Paul (SVP) has experienced a significant increase in the volume of calls for help to our regional offices. The table below outlines the experience in four of our offices, in Dublin, Cork, Galway and the Mid West.

The most common presenting issues during 2008-2011 were requests for help with food, fuel, education and housing costs. Those most in need of help were households with children, in particular one parent families, people living alone and migrants. People who are 'new to need' as a result of the recession are coming to the SVP for help in small numbers but with big problems, such as a dramatic drop in income and unmanageable debt. Over three-quarters of the people contacting our Regional Offices for help are reliant on social welfare.

Ireland's social spending as a percentage of Gross Domestic Product (GDP) is much closer to that of the poorer new EU member states than to the EU countries which achieve the best outcomes for all of their people. Deep cuts to spending on key public services and supports will make survival near impossible for the people we are helping, and will increase the inequality of opportunity and outcomes experienced by those living in poverty now and into the future.

Addressing the crisis - the fair way

Budget 2012 will show the true intent of this Government. We ask Government to make the right choices to ensure that those who can afford to will contribute more towards our economic and social recovery. The principle of fairness must be enshrined in the tax system. We note and support the recommendations of the Commission on Taxation regarding ending tax loopholes and reliefs for the wealthy, and the application of PRSI and levies to all income. We must also ensure that we get the best value for money from our public services.

	2010	2009	2008
Dublin	+36%	+34%	+11%
Mid West	+23%	+18%	+24%
Galway	+36%	No change	+10%
Cork	+45%	-	-

WELFARE AND WORK



SVP experience

In 2010 three-quarters of people requesting help at our regional offices across the country were in receipt of a social welfare payment. The cuts to social welfare and child benefit rates to date have had a devastating impact on the people we assist. The proposed flat-rate annual household charge will push them further into debt and poverty - they have no more to give. Recent research on child deprivation funded by SVP and Barnardos found that many children are now going without the essentials needed for an acceptable standard of living in childhood, such as three meals a day, their own books for reading and taking part in clubs and activities.

SVP research on older people this year found that those living on the State Pension can often meet their day-to-day costs. However, an unexpected expense or the high cost of keeping warm in winter can push pensioners into debt and poverty. This is particularly the case for older people living alone.

The SVP is now also supporting growing numbers of self-employed people and small business holders who have lost their income and face many barriers to accessing social welfare.

SVP supports measures to tackle and prevent social welfare fraud, however our work with individuals and families tells us that fraud is not a widespread problem. Instead, the complicated nature of the social welfare system results in anomalies, delays and barriers for individuals and families trying to access payments. The social welfare system must become much more responsive to the needs of the people it seeks to support. This will not be achieved if there is an undue focus on the issue of fraud.

We ask Government to:

- protect adult social welfare payments and eligibility criteria, the Qualified Child Increase, Family Income Supplement and the State Pension
- recognise the importance of Child Benefit in protecting children from poverty and hardship
- protect the Fuel Allowance from further cuts
- avoid creating new poverty and employment traps if changing the eligibility for and application of social welfare payments and secondary benefits
- promote the Household Budget Scheme among social welfare recipients and compel all energy providers to participate in the Scheme on a standardised basis
- allow self-employed people build up a PRSI entitlement to Jobseekers Benefit
- maintain the Family Income Supplement (FIS) conditions as they currently stand, in particular the income thresholds and hours requirement. FIS is an important support for one parent families especially. At a time when we must keep people in employment, an in-work income support such as FIS will be central in achieving this
- make the social welfare system more responsive to atypical work. This would allow people to take up part-time or temporary employment opportunities as they arise and would help to ease moves from welfare to work

Trapped by the system

An SVP Conference is helping a married man with four children on Job Seeker's Allowance. On two occasions in the last year he got some temporary work and has gone to the Social Welfare Office to tell them. In both cases his payment was cut off, including his Rent Allowance, for 4/6 weeks after the work dried up. During this time SVP provided him with food vouchers and helped with other necessary expenses. His rent remained unpaid. He said "I subsequently had an opportunity to do some temporary work but I was afraid to apply for it as I did not want the same scenario again. I feel I am being discouraged to work".

EDUCATION

SVP experience

SVP continues to lobby for all children to have access to affordable, quality pre-school, primary, secondary and third/further level education. A well resourced and affordable education system which provides quality teaching leads to higher levels of access, retention and progression for all, regardless of ability and income. In 2010 the SVP spent €4.2 million helping children and adults participate in education. Some countries have prioritised investment in education in periods of economic crisis to successfully create a more sustainable society with a more qualified and skilled workforce.



The SVP has made clear to the Minister for Education and Skills how unaffordable education has become for many more families. Frequent changes to schoolbooks, the cost of extra-curricular activities, photocopying charges, exam fees and voluntary contributions are putting parents under financial pressure. The 9,000 signatures to our petition last summer to stop unnecessary schoolbook changes shows the level of public support for our demand for compulsory book rental schemes in schools.

We ask Government to:

- establish a national compulsory book rental scheme in both primary and second level schools
- ensure that schools take a cost conscious approach to the burdens placed on families related to school costs; for example consider staggered payment options for contributions, photocopying charges, exam corrections, extra curricular activities, an end to crested uniforms and gym wear
- protect the Pre-School Early Years Programme and implement an After School Child Care service to provide much needed care for children of school going age
- safeguard the programmes and initiatives which support children at risk of early school leaving such as the School Completion Programme, the Home School Liaison Scheme and the Educational Welfare Board and reinstate the much needed Traveller Teaching service
- prioritise literacy and numeracy standards, paying particular attention to disadvantaged pupils in non DEIS schools
- encourage young people and adults with no or low education qualifications to access training to improve their literacy and numeracy
- remove the disincentives for low income students to access and stay in third or further education
- address the anomalies regarding access to third and further level education for migrants and their children

Books or food?

Derek contacted the SVP on a Friday evening when his family had €3 to last them until the next week. He had to pay school expenses for his three children which meant the family had no money for food that week. The SVP organised an immediate visit with food vouchers so that they could eat until their social welfare payment came through.

HEALTH

SVP welcomes the Government's commitment to reform access to primary care.

We see the dismantling of the current two-tier healthcare system as necessary to undo health inequalities and life expectancy differences in Irish society. In our visitation work, SVP members regularly see the difficulties people experience accessing health services in a timely way and also getting to and from hospitals for treatment or visits.

A particular problem highlighted in SVP's recently published Older People's Commission research was the lack of transport services to hospitals and other medical appointments. In rural Ireland, where hospitals or health services were closed, ambulance or transport services were not provided in their place. The researchers heard numerous examples of older people obliged to make long, difficult and sometimes stressful journeys to hospitals at great personal expense.



We ask Government to:

- protect eligibility to the Medical Card and the services provided under this scheme
- remove the 50 cent charge per prescription item for medical card holders
- maintain at €120 per month the ceiling over which refunds are given for the Drugs Payment Scheme
- maintain Home Help and respite services at current levels
- encourage a flexible approach to providing transport to and from hospitals in rural areas
- deliver on the promised reform of primary care and continue the roll out of the Primary Care Strategy with its strong emphasis on preventative health care
- protect critical community health and social care services at their current levels, in particular services for children such as mental health, Speech & Language, Occupational & Physiotherapy, dental, aural and ophthalmic services
- raise the ratio of consultant posts to population to the EU norm, to address severely restricted access to key specialisms and unacceptably long waiting times for treatment
- ensure that the National Positive Aging Strategy, which SVP is feeding into via the voluntary sector group, is ambitious, adequately resourced and fully implemented

The cost of being sick

A family with two teenage children, one with a serious medical condition, was refused a full Medical Card as their income was just €13 over the threshold. An appeal was made to the HSE. The father is working and mother is out of work. The mother contacted us for help, was distressed and crying and said "All I want is the medication for my son, if he does not get his tablets every day he will die. The medicine costs €120 for the month". The family cannot afford this as other bills and loans have to be paid. SVP explained the appeals process for medical cards and advised the family to pursue this. They also paid for the medication.

HOUSING AND HOMELESSNESS



SVP strongly welcomes the Government's Housing Policy Statement of June 2011. The key objective is to 'enable all households (to) access good quality housing appropriate to household circumstances and in their particular community of choice'.

We ask Government to:

- protect funding for health, social care and housing support needs for people who are homeless and commit that, over time, nobody will be in homeless accommodation for longer than an emergency
- address the Local Authority social housing waiting lists through the provision of at least 6000 units in 2012 comprising of a mix of RAS, Local Authority and voluntary and co-operative housing
- improve housing quality standards through sustained investment in Local Authority inspections of the Private Rented Sector and a more frequent National House Conditions Survey including energy rating
- standardise Local Authority rent levels between Local Authorities
- maintain at current rates the tenants' contribution to Rent Supplement and the maximum Rent Supplement levels
- pay Rent Supplement directly to registered and compliant landlords, as is already the case for Rental Accommodation Scheme (RAS) tenancies
- reduce the time a person must be on Rent Supplement for eligibility for RAS from 18 to 6 months



Poor and lonely

We have a young single man living in B&B accommodation. His social welfare payment is €188 and he has to pay €120 a week to the B&B. He can't find anywhere else to live for less. He is a recovering addict, with no family living in the area and is suffering from depression. SVP kept in touch with him, offered food vouchers and encouraged him to consider training.

MAJOR ISSUES OF CONCERN

Energy

SVP believes that households should be able to afford to meet all of their energy needs and live in warm, comfortable homes that enhance quality of life and people's health. We welcome the Minister's statement that electricity and gas customers experiencing financial hardship will not be disconnected this winter provided they enter a pay plan or agree to the installation of a pay-as-you-go meter.

We ask Government to:

- instruct the Regulator to make binding the Minister's statement on utilities
- protect the poorest households from the Carbon Tax increases in 2012
- improve the energy efficiency of private rented dwellings which house those on Rent Supplement, through incentives for landlords investing in the energy efficiency of their properties and penalties for those who do not
- maintain investment in the SEAI energy

efficiency and retrofitting schemes targeting low income homeowners and social housing tenants

- launch and fully implement the Government's Energy Affordability Strategy
- carefully consider the implications of the Pay As You Save Scheme for low income households and tenants
- consider an Oil Stamp Scheme for low income households dependent on domestic oil heating
- safeguard the Fuel Allowance and free energy units and extend to cover other fuel-poor categories



Cut off

Lone parent 19 yrs old - she has no family support and is unable to return to the family home. Her electricity has been disconnected as she was unable to afford soaring energy bills. She could not make a meal for herself and the child or have a shower as everything in the house is electric. This young mother contacted us desperate for help. SVP ensured that she was reconnected and remains in contact with her offering support and financial help.

Financial Inclusion and Debt Management

Banking failure and economic crisis has left many households struggling to manage debts. At the same time many of the poorest households pay more for things because they do not have access to services offering basic financial transactions. While we welcome the recent undertaking to support the credit union sector we are concerned that the restrictions on lending imposed on credit unions by the Financial Regulator might result in vulnerable people going to money lenders to access loans which have exorbitant interest rates.



We ask Government to:

- regulate for-profit debt advisory and debt management companies in order to better protect households with significant debts
- ensure that financial institutions provide and promote basic payments and transactions accounts appropriate for lower income people who currently do not use banking services
- implement the recommendations of both *Lifting the Load* commissioned by Waterford MABS and the nine principles of the Personal & Mortgage Debt NGO Group launched in October to assist people with mortgage and debt arrears. These two bodies recommend establishing an independent debt resolution agency and adopting a response to dealing with multiple debts. Debt settlement should observe minimum essential budgets for home owners in line with those advocated by the Vincentian Partnership for Social Justice

MAJOR ISSUES OF CONCERN

Habitual Residence Condition

The Habitual Residence Condition was introduced at a time of high employment in order to prevent 'welfare tourism'. With unemployment now at unprecedented levels migrant workers are experiencing greater unemployment than domestic workers. A system that is designed to prevent access to social welfare on the basis of connection to the State is crude, subjective and open to misinterpretation. There have already been many documented cases of incorrect decisions for returning emigrants. Many migrants have also been left destitute and have sought assistance from SVP.

We ask Government to:

- review the Habitual Residence Condition as a priority addressing the following points:
 - The lengthy appeals mechanism
 - Availability to SWA during the appeals process
 - Statistical information on number of applicants, negative decisions and of overturned appeals

Asylum Seekers

The lengthy asylum process in Ireland has been the subject of much public debate. However, the lived reality for the many asylum seekers in direct provision accommodation is hidden from view. The allowance of €19.10 and €9.60 for children was introduced in 1999 and has never been increased. This is unjust.

We ask Government to:

- increase the Direct Provision allowance as an urgent and humanitarian matter

Rural Issues

In 2010 the Vincentian Partnership for Social Justice published research which shows that rural living places additional costs on households. Limited choice in fuel providers, energy costs and the lack of public transport impacts on households in rural areas. The report of the SVP's Commission on Older People, launched in September 2011, identified the social benefit and indeed in some cases the life saving value of the pendant alarms provided by the Seniors Alert Scheme.

We ask Government to:

- bring all providers of transport in rural Ireland together to maximise transport for hard to reach communities and households
- maintain funding for the Seniors Alert Scheme (Monitored Alarms)

The cost of rural life

SVP's recent Older Peoples Commission research found that public transport in many villages and small towns was a myth and 'to survive and get about you need a car'. In many towns and villages, there were buses only once or twice a week and often they were poorly scheduled 'they give you only 90 minutes in town and then you've to come back' with inadequate routings 'a lot of places they don't go to'.... The absence of an adequate public transport system had significant cost implications for older people living on a fixed income at a number of levels. The costs of essentials were all more expensive in small villages than in larger towns, e.g. milk in a rural area was €1.45/litre compared to €0.90/litre in the larger town.

MAJOR ISSUES OF CONCERN

Overseas Development

SVP in Ireland supports the activities of the wider international organisation in 13 sub-Saharan African countries, including self-help schemes and long term development work. Kenya and Uganda, affected by the famine in the Horn of Africa, are among the countries SVP in Ireland is twinned with.

We ask Government to:

- keep its promise to invest 0.7% of national income in overseas aid by 2015

Charities and Tax Reform

We ask Government to:

- lower the threshold at which tax relief for charitable donations is possible to €100 a year
- introduce a VAT compensation scheme for charities to avoid a tax on giving

SVP has 10,300 volunteers active in over 1,000 home visitation conferences
Some conferences visit hospitals and prisons

SVP has 14 hostels, 15 daycare centres, 11 holiday centres,
150 shops and 66 housing schemes with 600 staff supporting these services

SVP provides exam revision classes, after school activities, homework clubs and
breakfast clubs

Find out more
www.svp.ie

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