



COMMUNITY PLATFORM - CHALLENGING POVERTY AND INEQUALITY

a network of 32 national organisations working to address poverty, social exclusion, and inequality

Four Tests for Budget 2022

The Covid-19 pandemic has provided major social and economic challenges for Ireland and globally. It came at a time when some sectors and sections of our economy and society were recovering from the previous crisis. However, that recovery was uneven and unfair to many, resulting in a more fractured society. Reasons for this include inadequate investment in quality public services and for many the lack of an adequate income for a decent life, whether they were in or out of work. There was also failure to change structures that result in the marginalisation and exclusion of many groups and communities in our society and excludes them from participation in the decisions that impact on their lives. The arrival of Covid-19 has served to highlight and in many cases reinforce these inequalities in our society.

In 2020 the Community Platform published 'Values for a Just Recovery' calling for the values of Community, Participation and Decency to be put at the heart of the plan for Ireland's recovery from Covid-19. These values must inform the implementation of the Economic Recovery Plan and the decisions taken by the Government in Budget 2022 that must lead us towards a more just and fair society.

Community Platform members will judge Budget 2022 in terms of the following four tests.

Test 1: Will Budget 2022 redistribute income towards the poorest 20%?

The Community Platform believes the Government should:

- **Expand the tax base in a progressive and sustainable manner** closer to the EU average to ensure the fiscal capacity necessary to fund social investment including adequate quality services and social protection.
 - Implement a minimum **effective corporate** tax rate of 6% - approx. €1,000m in additional revenue
 - Introduce a **Financial Transaction Tax** to bring in €320m of additional revenue
 - Apply a standard rate **pension tax relief** - additional revenue of €423m
 - Consider how best to structure and implement a **wealth tax**
 - Ringfence increased **revenue from green taxes** to ensure a just transition and that rural communities and households experiencing energy poverty and lower socio-economic groups do not experience further inequality and poverty.
- Use budget 2022 as a starting point to **progressively implement the benchmarking of social welfare rates to a level that is adequate** to lift people above the poverty line and provide them with a Minimum Essential standard of Living (MESL). Adjust related supports so that people do not lose this increase through, for example, an increase in their differential rent.
- Restore the **full rate of Jobseekers Allowance for 18-24 year olds** - €67.5 million
- **Extend Jobseekers Transitional Payment to lone parents in education, training or employment** until the youngest child reaches the end of second level education.
- Increase **Qualified Child payments** by €2.10 for children under 12 and €10 for children aged 12 and above in Budget 2022.
- Treat child maintenance payments as **non-means-tested, non-taxable income** for children.
- Grant **Child Benefit to children whose parents are seeking asylum** - €2.68 million
- Ensure **Roma children** have access to income by making **Child Benefit** a truly universal payment that is not contingent on the fulfilment of the Habitual Residence Condition - €3.68m.

- Extend **Free Travel Scheme** to people in the international protection process.
- Deliver a non-means tested, **cost of disability payment**, minimum €20 per week pending the publication of DEASP's research on cost of disability.
- Increase the **earnings disregard for Carer's Allowance** from €332.50 to €450 (single) and €665 to €900 (couple) so that all those on average industrial incomes can qualify.

Test 2: Will Budget 2022 strengthen access to quality employment?

The Community Platform believes the Government should:

- **Progressively move towards the introduction of the Living Wage on a statutory basis** as per the Programme for Government and Economic Recovery Plan. This must meet the standard of the Living Wage Technical Group which is €12.90 in 2021/22 for a single person working full time.
- Ensure that employment services developed under new **Pathways to Work** are non-profit and adopt a holistic, person centred approach with targeted measures to address the barriers facing communities and groups most distant from the labour market including people from communities experiencing socio-economic disadvantage, qualified adults, lone parents, Travellers, carers and disabled people.
- Establish an **individualised access to the social welfare system** so women are paid in their own right and can access the supports that accompany an unemployment payment.
- Acknowledge **care** by allowing those working part time to be eligible for Jobseekers payments.
- Attach social clauses and conditionality, including living wage clauses, to **employer incentive schemes and government procurement processes**, including those related to just transition and green jobs.
- Resource the Programme for Government commitment to **regularising the situation of migrant workers**.
- Increase the **rate of maternity, paternity and parental benefit** to €295 per week to bring more in line with EU norms - €65.3m - Increase by €15 in Budget 2022 - €21.8m.
- Ensure the full implementation of recommendations within **The Comprehensive Employment Strategy for People with Disabilities**.

Test 3: Will Budget 2022 invest in and strengthen public services which are of particular importance to people on low income?

The Community Platform believes the Government should:

- Prioritise and accelerate the **implementation of Sláintecare** by providing adequate funding while ensuring a focus on reducing health inequalities.
- Increase **public and affordable housing** by delivering up to 100,000 new homes on public land over five years and carry out a poverty impact and equality impact assessments of housing legislation and policy to ensure no unintended consequences as per concerns expressed regarding Housing Affordability Bill 2020.
- Increase **Housing Assistance Payments** to bring them in line with market rent, reviewing and increasing accordingly thereafter.
- Invest in **homeless prevention services** which prevent homelessness occurring in the first instance to reduce the number of adults and children entering homelessness.
- Establish and fully resource a **statutory Traveller Agency** with powers to approve and enforce Local Authority accommodation.
- Resource implementation of the action plan to **end direct provision**.
- **Increase investment in early years to 1% of National Income** by no later than 2030.
- Develop and invest in **universal social care services** for disabled and older people across the lifespan.

- Invest in a pay structure and benefits (including sick pay and pensions) for all care workers, as recommended by the Citizens Assembly.
- Provide a **statutory right to home care** and a budget for a person-centred home care scheme with equality of access and availability across the country - €123m.
- Increases funding for **Personal Assistance Services** as a move towards providing a statutory right to a Personal Assistance Service for disabled people.
- Investment in a **low carbon affordable transport system**, particularly in rural areas.
- Significantly **increase investment in autonomous community development** including further expanding the Community Development Pilot Programme.
- Guarantee a quality, flexible and relevant **literacy learning programme** for adults with unmet literacy, numeracy and digital literacy needs and or less than a Leaving Certificate (QQI Level 4).

Test 4: Will the impact of Budget 2022 be assessed to ensure that all provisions reduce poverty and inequality?

The Community Platform believes the Government should:

- Commit to the full inclusion of socio-economic status and poverty as part of the remit for **equality budgeting**.
- **Provide opportunities for regular engagement with members of the community and voluntary sector** with expertise on poverty, socio-economic status, gender and disability, for the purposes of informing pilot initiatives of equality budgeting.
- Improve the implementation of effective and transparent **ex-ante Poverty Impact Assessment**
- Publish an **equality impact statement** with Budget 2022 with disaggregated data on gender, Travellers, ethnicity, disability, socio-economic and other equality grounds.
- Publish **gender and equality disaggregated data** on the beneficiaries of projects and investments.

NOTE: Details of Community Platform proposals are in the Pre-Budget submissions of the Platform members.



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| ● Age Action Ireland | ● Irish National Organisation of the Unemployed | ● One Family |
| ● All Together in Dignity (ATD) Ireland | ● Irish Penal Reform Trust | ● Pavee Point |
| ● Community Action Network | ● Irish Refugee Council | ● Rape Crisis Network Ireland |
| ● Community Work Ireland | ● Irish Rural Link | ● Safe Ireland |
| ● Cairde | ● Irish Traveller Movement | ● Sign Language Interpreting Service |
| ● Debt and Development Coalition | ● Migrant Rights Centre Ireland | ● Simon Communities of Ireland |
| ● European Anti-Poverty Network Ireland | ● National Adult Literacy Agency | ● TASC |
| ● Focus Ireland | ● National Collective of Community-based Women's Networks | ● Threshold |
| ● Immigrant Council of Ireland | ● National Traveller Women's Forum | ● Treoir |
| ● Independent Living Movement Ireland | ● National Women's Council | ● Vincentian Partnership for Justice |
| ● Family Resource Centres National Forum | | ● Women's Aid |