

# An Exploratory Analysis of Insurance Exclusion among Travellers

In collaboration with

Dr. Stuart Stamp  
Independent Social Researcher &  
Research Associate,  
Department of Applied Social Studies  
Maynooth University.



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# Executive summary

Financial exclusion, in terms of inability to access and/or use mainstream financial services such as banking, payment and credit, is strongly associated with a range of marginalized groups including Travellers. A further potential, though contested, dimension to this phenomenon is exclusion from insurance products, although relatively little is known as to the extent to which this plays out in society in comparison to other dimensions, and whether it is a major problem from the perspective of those excluded.

In this scoping enquiry which focuses specifically on Travellers, we seek the views of a range of Traveller groups and individuals, both to get their personal experience of insurance access and use, and their sense or perspective as to its relevance both to them and to the community as a whole. These enquiries, conducted to inform National Traveller MABS' financial inclusion work, were carried out by way of emails, one to one interviews and focus groups. We take as our frame of reference the eleven different types of insurance outlined on the website of the Competition and Consumer Protection Commission (CCPC), namely: Life; Home; Health; Motor vehicle; Serious illness; Income protection; Mortgage protection; Payment Protection (PPI); Pet; Gadget; and, Travel.

We find that a number of insurance services are currently of little relevance to Travellers as a result of the demographic and socio-economic characteristics of the community as a whole. Examples here are serious illness, income protection and health, given persisting high levels of unemployment across the community. At the other end of the spectrum, widespread knowledge and take-up of motor insurance is identifiable. In between these two extremes lie a number of products that are used by *some* Travellers in *certain* situations. Examples here include mortgage protection and home insurance (owner occupiers), gadget insurance (electrical goods/mobile phone purchasers), travel insurance (those taking a holiday overseas), pet insurance (owners of dogs, cats and horses), and death benefit insurance (credit union member borrowers). There remains, however, a sense that many are excluded from access and use for various reasons.

Overall four themes emerge. First, there is clearly widespread *lack of awareness* of the existence of

many types of insurance, compounded in some cases by a lack of clarity - and sometimes misunderstanding - of what these products entail and when they may or may not be worthy of consideration. Thus it would be useful for National Traveller MABS both to incorporate an insurance dimension into its community education activities and to engage specifically with the CCPC on this issue given its public information/education remit. Second, those employed and/or living in owner occupied accommodation are seemingly much more likely to be *connected into* the financial services "grid", both in terms of information on - and possession of - insurance. For the majority of Travellers not in these situations, a conduit for accessing sensitive, trusted, independent information on relevant insurance products might be explored. Such a mechanism could also provide advice to the former group should they need it, and also perhaps to those offered an insurance option when purchasing certain types of consumer goods, particularly mobile phones. Third, there are suggestions that *increased cost* appears to be a factor in relation to motor insurance where an address signifies the applicant to be a Traveller applicant. This is a matter worthy of further research and one that might be further explored with relevant industry and regulatory bodies. Finally, *access* to home insurance appears to be an issue for those in mobile home accommodation, a situation which could also be further investigated and raised with the appropriate authorities.

While the latter are important policy issues, the overriding issue emerging from the scoping enquiry relates to *real choice*. By this we mean that Travellers should have both the means and information to make informed decisions about what is appropriate or not for themselves and their families in terms of insurance. Among the majority of respondents, we got the sense that insurance is not something seen as being of relevance to their lives, unless they are in full-time employment, house owners or specifically confronted with it when purchasing an item or service. For those not in such situations, creating awareness around relevant insurance possibilities, together with their potential benefits and limitations, could help Travellers weigh up whether associated (immediate) costs are worth it or not given demands on current income and potential (longer-term) savings that may result. Creating greater awareness may also lead to the identification of further policy and practice issues requiring attention.

# 1. Background

A body of previous work carried out by National Traveller MABS illustrates that “financial exclusion”, in terms of inability to access and use mainstream financial services, impacts disproportionately on Travellers.<sup>1</sup> Most of the work carried out on this issue to date relates to banking, payment, savings and credit services; however, little is known about the *insurance* dimension to financial exclusion among Travellers and hence a considerable knowledge gap exists in this regard both from a social policy and financial (community) education perspective.

The motivation for this enquiry is to garner preliminary information from Travellers in order to begin to understand a number of things from a Traveller perspective, such as: the extent to which different types of insurance are relevant to Travellers; how insurance is currently accessed and used, and for what purposes; the level of awareness of insurance products among Travellers; any barriers to access and/or use; and, whether there are particular issues that need to be addressed from a Traveller point of view.

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<sup>1</sup> Quinn, P. and McCann, T. 1997. *Access to Credit Facilities for the Traveller Community in the Greater Dublin Area*. Dublin: Combat Poverty Agency; Quinn, P. and Ni Ghabhann, N. (2004). *Creditable Alternatives*. Dublin: Exchange House Travellers Service; Stamp, S. ed. (2011). *Issues of Personal Finance within the Traveller Community*. Dublin: National Traveller MABS; Stamp, S. Murray, C. and Boyle, M. (2012) *Debt and Dying: Understanding and addressing the impact of funeral costs for Travellers in Ireland*. Dublin: National Traveller MABS; and, Stamp, S. and Kearns, M. (2020). *Building the Box: A review of policy, services, facilities and schemes with potential to improve financial inclusion from a Traveller perspective*. Dublin: National Traveller MABS.

## 2. The Scoping Enquiry

The research question, objectives, framework and methods are set out as follows:

### 2.1. Research question

The following research question was drawn up in consultation with National Traveller MABS:

*How relevant is insurance to Travellers, and are there any emerging issues that need to be addressed and if so, how?*

### 2.2. Research objectives

Three objectives are set for the research as follows:

1. To estimate the extent and nature of insurance take-up among Travellers;
2. To identify any barriers/obstacles that exist in relation to access and/or use;
3. To make recommendations to inform National Traveller MABS' financial inclusion work, both in terms of policy/practice and community education.

### 2.3. Research framework

Given that this is an exploratory analysis, we frame it as a Traveller-focused enquiry within a broad insurance context. A range of insurance products is available on the market, with many products offered via the private sector and others available through locally-based organizations generally more trusted by Travellers, namely credit unions and post offices. According to the Competition and Consumer Protection Commission (CCPC),<sup>2</sup> there are 12 different types of insurance currently provided in Ireland as follows:

- Term life insurance;
- Car insurance;
- Whole of life insurance;
- Home insurance;
- Serious illness insurance;
- Travel insurance;
- Income protection insurance;
- Health insurance;
- Mortgage protection insurance;
- Pet insurance;
- Payment protection insurance;
- Gadget insurance.

In this scoping enquiry, we aim to get a sense of the extent to which these various types of insurance are used or not by Travellers, together with the reasons for this in terms of relevance, appropriateness, awareness, access, use and affordability. As with our 2019 energy poverty study,<sup>3</sup> this scoping enquiry is conducted in conjunction with Traveller groups to enable insurance-related issues to emerge from the ground up.

### 2.4. Research methods

Five methods are used to gather information relevant to the research, namely:

- A literature review;
- Initial meetings with staff of National Traveller MABS;
- A desk based "mystery shopper" exercise to indicate costs and criteria;
- A questionnaire of Traveller groups, circulated by National Traveller MABS;
- Focus groups and individual interviews conducted by staff of National Traveller MABS during the course of their work.<sup>4</sup>

<sup>2</sup> See: <https://www.ccpc.ie/consumers/money/insurance/>, accessed 28<sup>th</sup> November 2022.

<sup>3</sup> Stamp, S. and Kearns, M. (2019). *Accommodating Ethnicity: Addressing Energy Poverty Among Travellers Living in Mobile Homes and Trailers: An Exploratory Study*. Dublin: National Traveller MABS.

<sup>4</sup> A cross section of n=36 Traveller informants fed in to the study via these methods.



## 3. Theory and Literature

Below we outline the theoretical perspective or “lens” we apply to the research, followed by a review of the literature as it relates to insurance exclusion, Travellers and financial wellbeing.

### 3.1. Theoretical perspective

There are essentially two differing schools of thought in relation to financial inclusion.<sup>5</sup> The first, prominent among policymakers and community activists to some degree, holds that the promotion of financial inclusion is a good thing as it addresses broader social exclusion, promotes social participation and facilitates life chances in terms of employment and social mobility. The second viewpoint, identifiable within certain academic circles, is that the focus on financial inclusion is misplaced in that it works to the detriment of public service provision, exposes people to financial risk and feeds into a financialisation/neo-liberal agenda.

Our standpoint from a Traveller human rights’ perspective is that each view has validity and is not necessarily incompatible. By this we mean that people should both have access to universal, essential public services to address core needs and also be able, in a market economy such as Ireland’s, to avail of financial services that link them to the mainstream or societal “grid” in order to provide opportunities and protections for themselves and their families. In other words, what Travellers require is *the facility to make fully informed, real choices about financial services including insurance along with everybody else*. In this scoping enquiry, we evaluate the extent to which such choice is currently possible and exercisable.

### 3.2. Literature review

While financial exclusion has emerged as a field of study over the past 30 to 40 years, it has tended to focus almost exclusively on the banking, payment, credit and savings dimensions and to largely ignore insurance. A pioneering research project undertaken for the European Commission in 2008 noted for example that this is because:

*Some kinds of insurance are essential in the organisation of modern societies and, some of them, are therefore mandatory (for example those for the use of motor vehicles, or to carry on some kind of jobs). However, there is no clear definition of which types of insurance are considered essential so that anyone who lacks them might be considered financially excluded... since this matter requires a complete study on its own, it has been decided... to not go deeper into the subject in this project.<sup>6</sup>*

A 2011 study carried out in Ireland also re-enforced this view that access to insurance services is generally considered to be a lesser dimension to financial exclusion than others such as banking or credit. However, this Irish study noted that the consequences of not having such services can still be severe, for example in leaving households with no security against unexpected events or loss.<sup>7</sup> Being uninsured in terms of health, home, life or income also carries increased risks in terms of limiting people’s ability to cope with external shocks such as illness, death, theft, fire, flood or reduced/loss of employment.<sup>8</sup> Lack of financial security (to which insurance can contribute) is also strongly correlated with adverse impacts on mental health and wellbeing.<sup>9</sup>

<sup>5</sup> Prabhakar, R. (2021). *Financial Inclusion: Critique and Alternatives*. Bristol: Bristol University Press, Policy Press.

<sup>6</sup> European Commission, (2008). *Financial Services Provision and Prevention of Financial Exclusion*. Brussels: European Commission, p.14.

<sup>7</sup> Russell, H., Maitre, B. and Donnelly, N. (2011). *Financial Exclusion and Over-indebtedness in Irish Households*. Dublin: Economic and Social Research Institute, p.32.

<sup>8</sup> Corr, C. (2008) *Financial Exclusion in Ireland: An Exploratory Study and Policy Review*. Dublin: Combat Poverty Agency, p.180.

<sup>9</sup> Nettleton, S., and Burrows, R. (2000). ‘When a capital investment becomes an emotional loss –the health consequences of the experience of mortgage possession in England’. *Housing Studies*, 15 (3), p.463-479.



Known barriers to insurance take-up are similar to those in relation to other aspects to financial exclusion, namely low income, cost<sup>10</sup> (including poverty premiums)<sup>11</sup> and un-affordability, while lack of knowledge can also be a factor.<sup>12</sup> Further obstacles identified - in this case identifiable in the context of home contents insurance - include availability, product design, lack of trust in financial services and low financial literacy levels.<sup>13</sup> More recent research concludes that “*there is an undisputed link between a lack of insurance and persistent poverty*”, with associated expense putting it well down the list of priorities or indeed rendering it something not even thought about.<sup>14</sup> Groups known to be more at risk of insurance exclusion, in the context of home contents/structure insurance specifically, reflect those at risk of financial exclusion more generally. These cohorts are as follows:

- Households headed by a young person (89%)
- Households headed by an unemployed person (55%)
- Households headed by a person who is ill/disabled (53%)
- Lone parent households (68%)
- Local authority tenants (89%) and tenants in the private rented sector (91%)
- Households located in the bottom quintile of the income distribution (47%)
- Households ‘at risk of poverty’ (46%)
- Consistently poor households (75%).<sup>15</sup>

These findings are corroborated in the case of local authority/social tenants<sup>16</sup> by 2021 research carried

out by University College Cork (UCC) focused on this cohort, which found that levels of insurance among such tenants are very low, with 90% living without home contents insurance and 84% without life assurance. This is in spite of the fact that all tenants surveyed are provided with buildings insurance for their homes as part of their tenancy agreement with the housing association in question, ‘and are strongly advised in the tenancy agreement to take out contents insurance to cover accidental damage, fire and theft’.<sup>17</sup> This study concluded that there is scope to increase take up of appropriate insurance among this cohort, thereby providing such households with support against potential loss, increased resilience against future shocks, and reducing dependence on higher cost credit.<sup>18</sup> The report also establishes an important link between financial inclusion more generally and financial capability in that:

*Those with better levels of financial inclusion had higher levels of financial capability while those with weaker financial inclusion, or who were excluded, had lower levels of financial capability. In addition, those with weaker financial inclusion or who were excluded also had little by way of provisions for household shocks, showing these households as being financially vulnerable.<sup>19</sup>*

The UCC research also sheds light on insurance take-up more generally among those on low incomes, in this case as represented by ‘low-income residents of social tenants’, the target group for that particular study.<sup>20</sup> Possession of motor insurance (the only

<sup>10</sup> Kempson, E. and Whyley, C. (1999) *Kept out or opted out? Understanding and combating financial exclusion*. Bristol: The Policy Press and the Joseph Rowntree Foundation. Inability to spread repayments over the year was also cited as a barrier. This study proposed simpler, cheaper products such as indemnity insurance (second-hand replacement value rather than new-for-old), or catastrophe-only policies as a way of widening access.

<sup>11</sup> The average extra premium paid by people in poverty for insurance (commonly referred to as the “poverty premium”) - in terms of car, home contents insurance and individual items combined - is estimated to be in the region of £72 per annum in the UK. This rises to £100 per year where associated payments are made monthly (See: Davies, S., Finney, A. and Hartfree, Y. (2016). *Paying to be poor: Uncovering the scale and nature of the poverty premium*. Bristol: Personal Finance Research Centre, University of Bristol, p.57).

<sup>12</sup> Corr, *ibid*. There is also reference in the literature to Traveller members of credit unions being unaware of the associated Death Benefit Insurance (DBI) Scheme and the claims procedure involved. See: Stamp, S. ed. (2011). *Issues of Personal Finance within the Traveller Community*. Dublin: National Traveller MABS, p.24.

<sup>13</sup> Woods, Y. (2018). *Insurance inclusion in Ireland: Increasing access to home contents insurance for financially excluded groups*. Masters Thesis (MSc in Public Policy), Dublin City University.

<sup>14</sup> McCarthy, O., Faherty, M., Byrne N. and Carton, F. (2021). *Financial Inclusion Among Social Housing Tenants*. Dublin: Cluid Housing and the Housing Finance Agency.

<sup>15</sup> Russell et al (*ibid*), p.13.

<sup>16</sup> The research focused exclusively on housing association tenants.









<sup>17</sup> McCarthy et al, p.72. The study further notes that some housing associations in the UK provide subsidized home contents insurance that can be paid on top of the rent.

<sup>18</sup> McCarthy et al, p.5. UK research suggests that where people are dependent on low incomes, a reactive rather than proactive approach is taken to goods and possessions i.e. concerns relate more to the difficulty of replacing stolen or damaged possessions *after* the event rather than before it. (Kempson and Whyley, *ibid*).

<sup>19</sup> McCarthy et al., p.82.

<sup>20</sup> McCarthy et al., p.9.

Figure 1: Social tenants and possession of insurance

Type of insurance held		n	%
Motor insurance		93	60.4%
Home insurance (buildings only)		8	5.2%
Home insurance (buildings and contents)		16	10.4%
Motor breakdown insurance		24	15.6%
Travel, pet, accident/illness, mobile phone or funeral insurance		47	30.4%
Life assurance (in case of debt)		25	16.2%
Health insurance		14	9.1%
None of these		35	22.7%

Source: McCarthy et al 2021.

legally required type of insurance)<sup>21</sup> predominated, while take-up of other types was generally relatively limited. This is in line with UK research on insurance provision among the most excluded, which found insurance cover for ill-health or loss of income to be very rare among those on low incomes.<sup>22</sup>

Furthermore, when asked what they would do in the event of an income or expense shock, only a small percentage (4%) of the social tenants interviewed for the UCC study report being able to claim on an insurance policy (Table 1).

### 3.3. Insurance exclusion and Travellers

In contrast to this emerging body of research in relation to social tenants, relatively little is known about insurance exclusion as experienced by Travellers. As alluded to earlier, Travellers are known to experience both access and use barriers in terms of mainstream financial services more generally. While previous research has tended to focus more on banking,

payment, credit, and to a lesser extent savings, the findings from such studies could potentially be applied to insurance. For example, financial exclusion in this domain could in theory (see footnote 1) lead to more time-consuming and costly payment of premiums, thereby reducing available funds for day-to-day living. It could also result in inability to shop around and change to cheaper providers, and a need to borrow (including from relatively expensive sources) for things that would otherwise be covered by insurance such as ‘acts of God’, theft,<sup>23</sup> and certain funeral expenses.

The limited insights we have into Travellers’ experiences and perspectives on insurance were garnered by way of two discrete pieces of research carried out several years ago. The first of these studies related to funeral costs among the community.<sup>24</sup> The type of insurance examined here related primarily to ‘life’ or ‘death benefit’, policies designed to assist with or cover bereavement-related costs such as the funeral and burial. In this regard, the report concluded as follows:

<sup>21</sup>Section 56, Road Traffic Act 1961.

<sup>22</sup>Kempson and Whyley, *ibid*.

<sup>23</sup>‘Half of all low-income households lack household contents insurance. Households without insurance are three times more likely to be burgled than those with insurance’. See: Palmer, G., Rahman, M. and Kenway, P. (2002). *Monitoring Poverty and Social Exclusion 2002*. York: Joseph Rowntree Foundation. <https://www.jrf.org.uk/report/monitoring-poverty-and-social-exclusion-2002>, accessed 28<sup>th</sup> November 2022.

<sup>24</sup>Stamp, Murray and Boyle, *ibid*.

Table 1: Social tenants and unexpected shock

Action in the event of a shock	Percentage
Draw money from current account	13.6
Draw money from savings account	14.3
Sell investments/valuables	3.9
Claim on an insurance policy	3.9
Cut back on spending	41.6
Use credit card or overdraft	3.9
Loan from credit union/bank	11.0
Loan from moneylender	8.4
Borrow from family/friends	17.5
Ask for money from family/friends	15.6
Claim social welfare benefits	33.8
Go to St. Vincent de Paul	13.6
Go to MABS for advice	13.0
Make arrangements with creditors (suspend/lower payments)	11.0
Never really thought about it	22.7

Source: McCarthy et al 2021.

*Instances were reported of Travellers using mainstream financial products such as pension schemes and life protection policies to ensure their children are not burdened with the costs of a funeral in the event of their death. However, these appeared to be exceptions, the general experience being summed up by one interviewee: “people will not save to die”. Interviewees were asked about choosing insurance as a method of planning for bereavement but very few appeared to even be willing to consider this option. A typical response was:*

*Ah I wouldn't like to do that, no, well I never had it, people did come to the door and ask about it but I wouldn't like that, no I wouldn't even be thinking anything like that you know.*

*There is also a perception that even if Travellers did try to access some of these financial services, they would be refused:*

*Who'd give us a pension or life insurance... the most excluded group in Irish society?*

*According to one respondent, even those who had managed to take out insurance “tend to let it drop after a few years”<sup>25</sup>*

The above extract illustrates what appears to be a level of disinterest or even aversion to funeral/death related insurance among Travellers for both cultural and societal reasons. Also referenced in the study was an element of superstition in this regard within Traveller culture, which can lead to a reluctance to plan for fear of hastening a person's death.<sup>26</sup> Whether more general reluctance, aversion or disinterest extends to other types of insurance was not explored in that particular enquiry. The study's recommendations in terms of insurance were grounded on the commencement of a “community conversation”<sup>27</sup> around all aspects of then increasingly expensive funeral costs, the concern which gave rise to the research in the first instance. These recommendations, which were mainly

<sup>25</sup> Ibid, p107.

<sup>26</sup> Ibid, p.54.

<sup>27</sup> Ibid, p.126.

of a more medium to longer term nature, concerned increasing awareness of – and perhaps access to – “real” insurance possibilities for Travellers involving:

- Insurance with rent;
- Insurance via mobile phones;
- “Off the shelf” insurance;
- The Credit Union Death Benefit Insurance Scheme, and;
- A possible group scheme.<sup>28</sup>

The second piece of research, also carried out by National Traveller MABS, consisted of an exploration of the findings from Local Area Development work undertaken by National Traveller MABS between 2007 and 2011.<sup>29</sup> In this study, insurance costs were reported as ‘high’ in regard to both caravan insurance and motor insurance, with access and location proving to be further inhibiting factors in addition to cost:

*Respondents noted that Travellers were often subjected to “huge quotes” for motor insurance, which is an essential expense for many Travellers, as Traveller specific accommodation is often located on the outskirts of towns:*

*Traveller families usually place a great importance on having a form of transport... and pay high costs for insurance*

*Insurance for caravans as holiday accommodation is priced as a reasonable risk, but as a primary residence, it is considered to be a high risk, and therefore costs are high. Travellers, due to both the cost and difficulty in accessing reasonable insurance, do not in the main insure the caravans they live in. Therefore, if and when a caravan needs repair or replacement, there may be no insurance to cover costs. As was commented upon in the focus groups:*

*Travellers find it difficult enough to get insurance for cars and vans, let alone caravans.*

*If you have an address on a halting site, you will be charged higher...seen as high risk.*

Finally, there is an emerging insurance issue in relation to the Pilot Preferential Caravan Loan Scheme,<sup>30</sup> a follow on from the National Caravan Loan Scheme, as identified by National Traveller MABS. A national caravan rental scheme is thus proposed:<sup>31</sup>

*At present it is difficult to secure insurance for mobile homes. However, as it stands the state has asked individual families to take on that risk. This is problematic as the state has more resources to undertake such a risk and is better equipped than individual Travellers to source and secure insurance...*

*While it is difficult to secure insurance for mobile homes, there are some Ireland and UK based companies that provide mobile home insurance. While it is often difficult to secure insurance for homes that are lived in all year around, some companies might be in a position to cover a group of homes owned by a local authority as this is a different proposition than individuals themselves trying to source insurance in the market. One insurer who we spoke with offered insurance on a case by case basis for homes lived in all year round. This would suggest that there is the possibility that this might be an option. National Traveller MABS would suggest that mobiles/caravans be insured by local authorities in the same manner that they insure their housing stock. The local authority would take out structural insurance for the mobile/caravan and the individual would have to insure their own personal belongings and the contents of their home.*

<sup>28</sup> Ibid, p.151-153.

<sup>29</sup> Stamp, S. (2011), *ibid*, see especially p.29-30.

<sup>30</sup> See: <https://www.oireachtas.ie/en/debates/question/2022-05-24/233/>, accessed 6<sup>th</sup> November 2022.

<sup>31</sup> National Traveller MABS (2022). *Proposal for a National Caravan Rental Scheme: The Case for an Alternative*. Dublin: National Traveller MABS and the Citizens Information Board. Such a scheme would in essence draw on the core elements of an existing emergency scheme which provides for ‘Funding for Emergency Replacement Mobile Caravans’. These elements are: (i) Procurement of the caravan/mobile would be the responsibility of the local authority; (ii) The caravan/mobile must comply with the relevant British Standard (BS), and; (iii) The caravan/mobile would be rented to Traveller families at an affordable rent. Unlike the emergency scheme however, Travellers (rather than the local authority) would be the direct applicant.

### 3.4. Financial wellbeing and insurance

Being insured can add to a sense of financial security as alluded to in the literature review above. A useful concept in this regard is *financial wellbeing*, defined by the Competition and Consumer Protection Commission (CCPC) as follows:

*The extent to which someone is able to meet all their current commitments and needs comfortably and has the financial resilience to do so.*<sup>32</sup>

Financial wellbeing focuses on *outcomes* in terms of resilience and comfort. It is to be distinguished from financial capability (the behaviours required to bring about financial capability) and financial literacy (the knowledge and experience which contributes to behaviours).<sup>33</sup> Three dimensions can be assigned to financial wellbeing, namely: (i) *ability* to meet current commitments (ii) being financially *comfortable*,<sup>34</sup> and (iii) *resilience* for the future, the dimension to which insurance potentially applies. Overall in terms of financial wellbeing, the research evidence from the CCPC indicates that *'the average consumer in Ireland is doing fairly well but has limited capacity to deal with unexpected events'*.<sup>35</sup>

Those with the least resilience are identified by the CCPC research as follows: those on lower than average incomes; people who have experienced a drop in

income or increase in expenditure; those with lower levels of formal education; people who are unemployed, ill or with a disability; and those renting as opposed to owner occupying. These types of factors are commonly associated with the Traveller community,<sup>36</sup> hence it is reasonable to infer that there are highly likely to be low levels of financial resilience among Travellers.

More broadly according to the CCPC, resilience issues affect approximately 3 in 4 of the Irish adult population, with only 25% categorized as "secure". Among the 75% who are not secure, resilience declines from people who are "OK with little put by",<sup>37</sup> to those who are "just about coping",<sup>38</sup> and reaches its lowest point among those classified as "struggling". This group has essentially 'no reserves to protect them against possible income or expenditure shocks'.<sup>39</sup> As we have seen,<sup>40</sup> there are various ways of dealing with an income shock, namely: by drawing on savings; borrowing; leaving things back; selling goods; cashing in investments; cutting out or cutting back on things; or insurance.<sup>41</sup> If the latter is unavailable or inaccessible, this means another way of dealing with an income or expenditure shock will have to be found. It is important to note that although this was a nationwide survey into financial wellbeing, in common with other national studies, Travellers – as a relatively small population - were not specifically included in the research frame.<sup>42</sup>

<sup>32</sup> Competition and Consumer Protection Commission (2018). *Financial Capability and Well-being in Ireland in 2018*, p2.

<sup>33</sup> Ibid, p32.

<sup>34</sup> That is being able to pay for essentials and having money left over to do the things people want to or enjoy in life.

<sup>35</sup> Ibid, p.9.

<sup>36</sup> See: Watson, D., Kenny O. and McGinnity, F. (2017). *A Social Portrait of Travellers in Ireland*. Dublin: Economic and Social Research Institute; Nolan, B. and B. Maître (2008). *A Social Portrait of Communities in Ireland*. Dublin: Department of Social and Family Affairs.

<sup>37</sup> With some leeway to address shocks, albeit limited.

<sup>38</sup> Who nonetheless find things a constant struggle.

<sup>39</sup> CCPC, *ibid*, p.9.

<sup>40</sup> McCarthy et al, *ibid*.

<sup>41</sup> There is no reference to insurance in the CCPC Financial Wellbeing Study cited above.

<sup>42</sup> A social profile of Travellers notes that on account of 'the relatively small size of the Traveller population, there are few national data sources that contain a sufficient number of cases to permit a comparison of the circumstances of Travellers and non-Travellers'. (Watson et al, *ibid*, p.x).

## 4. Findings from the scoping enquiry

In this section, we present our findings in respect of the three dimensions to our enquiry. We begin with an overview of desk research into the extent and nature of the Irish insurance market, and then present the findings of an indicative online mystery-shopper exercise as regards different types of insurance. We conclude by presenting an analysis of information garnered by way of questionnaire, interview and focus group enquiries among the Traveller community.

### 4.1. Data on the Irish insurance market

There are some published data that enable us to get a sense of levels of insurance “take-up” among the Irish population in general and in some cases, the reasons for this. In the case of life insurance for example, a leading insurance company stated in a sponsored article in the Irish Times that:

*One in two adults in Ireland don't have life cover at all. That means 360,000 families are without cover and almost half a million children in Ireland have parents with no life cover. Two in five claim their household would struggle financially should their income be lost through death, illness or injury. Working adults say they could only survive for six months on average in the event of a death, an illness or injury.*

*Our research tells us that one in every two people put the issue of family protection on the long finger as they have just not thought about life insurance or have not got around to it or they don't think they need cover... there are psychological factors at play too.*

*What behavioural scientists call ‘hyperbolic discounting’ is a big barrier, encouraging us to focus on the here and now.*

*People are naturally hardwired to prioritise the things that pay off today rather than tomorrow. Hyperbolic discounting is used to describe this mindset when it comes to money matters. People often automatically think that their money is better spent on today's rather than tomorrow's expenses, we are literally hardwired to obtain immediate gratification, even if it's undermining our long-term financial well-being...*

*And of course no one likes to think about death and illness, even though everyone knows someone who has had a serious illness or death in their family. Ironically, by taking out a policy that protects your family in the event of death or serious illness, you are actually giving yourself peace of mind in the here and now.<sup>43</sup>*

As regards health insurance, it is estimated that ‘46% of the population have some form of health insurance cover’, with an average premium for in-patient cover amounting to €1,200 in 2019 (€100 per month). Hence over half (54%) do not. The main reasons cited by consumers for having health insurance relate to treatment costs, inadequate public services, and priority access:

*The cost of medical treatment, along with the perceived standard of, and perceived lack of access to, public services. A majority of those surveyed in October 2019 believe that health insurance allows people to skip queues and to receive a better level of service.<sup>44</sup>*

<sup>43</sup> ‘Life assurance: families are at risk in under-covered Ireland. When it comes to protecting ourselves and our loved ones financially, Ireland is undercovered’, *Irish Times (sponsored article by Irish Life)*, 22<sup>nd</sup> March 2018.

<sup>44</sup> ‘Private Health Insurance Market continued to rise in 2019 but impact of Covid19 is yet to be quantified’, *Media release*, Health Insurance Authority, 30<sup>th</sup> July 2019.



Other published information on insurance take-up relates to pet insurance, mobile phone and gadget insurance. As regards the first of these categories, it is estimated by a leading provider that ‘70% of dog owners and nearly 90% of cat owners are *without* pet health cover’. The principal reasons for non-insurance cited by that provider are ‘cost, lack of information (that particular animals could be insured), and distrust in insurers’. Their research further identified an average spend by pet owners of between €100-€249 on typical vet bills, and €2,600 on their most expensive vet bills,<sup>45</sup> costs which could be met through insurance cover.<sup>46</sup>

In terms of mobile phone and gadget insurance, research from the UK indicates that around a quarter (24%) of mobile phone owners and about one in ten (11%) have gadget insurance cover,<sup>47</sup> *hence the vast majority possessing such items do not have related cover*. Finally, Payment Protection Insurance (PPI), once relatively common in Ireland but now largely discredited as a result of a mis-selling investigation,<sup>48</sup> is now ‘*not readily available in Ireland today, with very few financial institutions offering it*’ according to the Consumer Protection and Competition Commission (CPC).<sup>49</sup>

#### 4.2. Mystery-shopper exercise

As regards indicative costs and levels of cover, Table 2 below presents the results of a point in time (August

2022) online “mystery shopper” type enquiry using price comparison websites. It should be noted that these premiums appear to involve *online* payments; hence, those without access to this facility would likely be unable to access the specified cover in the first instance. The extent to which this might be a factor for Travellers is worthy of further research.

This desk-based enquiry is merely indicative, in that is designed to give a sense of premiums and what is provided in terms of cover. Preliminary discussions with National Traveller MABS suggest that premiums may be higher if a person’s address is a Group Housing Scheme for example. Further that while many Travellers now have Smart Phones and would in theory be able to use comparison and provider websites to ascertain costs and cover, the potential financial (online payment) exclusion issue referenced above could render such an exercise futile.

Literacy issues are also likely to be a major barrier to financial inclusion in the experience of National Traveller MABS, and it was notable during the mystery-shopper exercise that stated terms and conditions could be quite complex and difficult to comprehend. A trusted, informed, supportive person or organization would therefore be useful in assisting Travellers to make informed choices.

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<sup>45</sup> Procedures are stated to be typically higher than vets’ bills, potentially running into thousands of Euros.

<sup>46</sup> ‘Majority of Irish Dog and Cat Owners Do Not Have Pet Insurance’, *Allianz Insurance blogpost*, 15<sup>th</sup> November 2018. See: <https://www.allianz.ie/blog/your-pet/majority-of-irish-dog-and-cat-owners-do-not-have-pet-insurance.html>, accessed 28<sup>th</sup> November 2022.

<sup>47</sup> IRN Research UK (2021) ‘Over 12 million people own mobile phone insurance’. See: <http://www.irn-research.com/tag/mobile-phone-insurance/>, accessed 28<sup>th</sup> November 2022.

<sup>48</sup> Central Bank of Ireland (2014). Summary Report of the Payment Protection Insurance Review. Dublin: Central Bank of Ireland.

<sup>49</sup> See: <https://www.cpc.ie/consumers/money/insurance/payment-protection-insurance/>, accessed 28<sup>th</sup> November 2022.



Table 2: Indicative insurance costs

Type of insurance	Type of provider	Cost per annum (€)	Cost per month (€)	Cost per week (€)
Private health	Insurance co.	1,450 <sup>50</sup>	120.83	27.88
Death benefit	Credit union	120.00	10.00 <sup>51</sup>	2.31
Funeral	An Post	180.00	15.00 <sup>52</sup>	3.46
Life cover <sup>53</sup>	Insurance co.	243.60	20.30	4.68
Home insurance	Insurance co.	160.00 <sup>54</sup>	13.33	3.07
Serious illness <sup>55</sup>	Insurance co.	563.16	46.93	10.83
Income protection <sup>56</sup>	Insurance co.	547.32	45.61	10.52
Pet cover	Insurance co.	192.00	16.00 <sup>57</sup>	3.69
Mobile/Gadget cover	Insurance co.	60.00	5.00 <sup>58</sup>	1.15
Motor vehicle	Insurance co.	614.00 <sup>59</sup>	51.16	11.81

Source: Online mystery shopper exercise, conducted August 2022.

<sup>50</sup> The average cost of Irish health insurance paid by individual policyholders as of December 2021. Source: <https://switcher.ie/health-insurance/>, accessed 16<sup>th</sup> August 2022. Insurance covers in-patient, hospital costs, and out-patient benefits.

<sup>51</sup> The minimum premium payable. Source: <https://www.creditunion.ie/dbplus/faqs/>, accessed 16<sup>th</sup> August 2022. Minimum cover is €3,000, while maximum cover is €15,000, for an increased premium.

<sup>52</sup> The minimum premium payable. Source: <https://www.anpostinsurance.ie/life-insurance/funeral-insurance>, accessed 16<sup>th</sup> August 2022. The sum insured is almost €3,000 (€2,930). For a monthly premium of €100, the sum insured would be almost €20,500 (€20,460).

<sup>53</sup> For example purposes, we selected cover from age 46 up to 66 years of age. Life expectancy of Traveller men is 62 years and 71 years for Traveller women (All Ireland Traveller Health Study, 'Our Geels', 2010, p.95. See: [https://www.ucd.ie/t4cms/AITHS\\_SUMMARY.pdf](https://www.ucd.ie/t4cms/AITHS_SUMMARY.pdf), accessed 16<sup>th</sup> August 2022). Many insurance examples appear to be predicated on the applicant being 46 years of age. The quote obtained from a private provider provides €100,000 life assurance cover for one, 46 year old non-smoker for 20 years.

<sup>54</sup> This sample quote from a provider's website (accessed 16<sup>th</sup> August 2022), is based on 'a 52-year-old in Wexford, house built in 2001, €140,000 buildings cover, €25,000 contents cover and claims-free for 3 years with a burglar alarm'. Hence, it is based on a house owner.

<sup>55</sup> Serious (specified) illness cover pays out a tax free lump sum if the policyholder is diagnosed with an illness covered by the policy. Again, the quote is based on a 46 year old, non-smoker, over 20 years. Source: [bonkers.ie](http://bonkers.ie), accessed 16<sup>th</sup> August 2022. The cover amounts to €50,000.

<sup>56</sup> Covers part of the policyholder's salary if unable to work through sickness or injury. Example based on a 41 year old non-smoker, with a planned retirement age of 65, average annual earnings of €62,000 per year requiring cover of €35,944 pa (58% of salary) with a deferred/waiting claim period of 26 weeks. Price comparison website, accessed 16<sup>th</sup> August 2022.

<sup>57</sup> 'Pet insurance: Is a pricey policy worth it? *RTE News*, 28<sup>th</sup> June 2021. See: <https://www.rte.ie/news/business/2021/0624/1231082-how-pet-insurance-could-save-your-pet-and-your-pennies/> accessed 16<sup>th</sup> August 2022.

<sup>58</sup> Multi-gadget insurance is a possibility but there are many variables depending on the type(s) of gadget(s) involved. An excess (minimum €25) will generally apply. Example cited is for basic mobile phone insurance from a price comparison website, accessed 16<sup>th</sup> August 2022.

<sup>59</sup> Central Bank of Ireland (2021). *Private Motor Insurance Report 3, National Claims Information Database*. Dublin: Central Bank of Ireland, p.23.

### 4.3. Questionnaire Findings

During the summer of 2022, National Traveller MABS circulated a questionnaire to its network of Traveller groups across Ireland to garner a sense of the extent of insurance engagement among the

community. The questionnaire was also used as an informal interview schedule for a purposive sample of Travellers conducted by National Traveller MABS, and as a topic guide for a small number of focus groups. The research questionnaire, based on the 11 CPCC insurance categories alluded to earlier, is as follows:

Type of insurance	How widespread among Travellers in your experience? (Please tick)	Why or why not? (Reasons, barriers etc) (Please elaborate)
<b>Life insurance</b> (Death benefit)	Very common? Used by some? Not at all?	
<b>Home insurance</b> (Contents, Buildings)	Very common? Used by some? Not at all?	
<b>Health insurance</b> (VHI, Laya, Irish Life)	Very common? Used by some? Not at all?	
<b>Motor vehicle insurance</b> (Comprehensive, Third party)	Very common? Used by some? Not at all?	
<b>Serious illness insurance</b> (Lump sum if ill & can't work)	Very common? Used by some? Not at all?	
<b>Income protection insurance</b> (Income if ill & can't work)	Very common? Used by some? Not at all?	
<b>Mortgage protection insurance</b> (Mortgage paid if die)	Very common? Used by some? Not at all?	
<b>Payment protection insurance (PPI)</b> (Loan payments paid if ill)	Very common? Used by some? Not at all?	
<b>Pet insurance</b> (Dogs etc)	Very common? Used by some? Not at all?	
<b>Gadget insurance</b> (Mobile phones, laptops etc)	Very common? Used by some? Not at all?	
<b>Travel insurance</b> (Flights, loss/damage, illness)	Very common? Used by some? Not at all?	

Source: National Traveller MABS

#### 4.3.1. Life insurance

The most common responses here was “used by some” followed by “not at all”. Among the main issues cited by Traveller groups were lack of information, cost, life expectancy and need.

*No information how to access the insurance and also cost*

*Not common; used by some, many Travellers don't have basic information on life insurance and how it works*

*We don't live long enough for the benefits of it. Some Travellers who have mortgages have to get it*

The responses among individuals reveal the main issue for them to be lack of awareness:

*Heard of it but never used it*

*Heard of it on TV- never used it, not sure what it does*

*Didn't know about it*

*Wasn't aware of it*

*Didn't know there was any*

*No information on this*

*No awareness around it*

*Travellers are not aware of this*

*Most people don't know about this*

It was noticeable that those who did possess life insurance tended to be in full time work. In one of these instances, it was a financial service provider that proved to be the conduit:

*Have this through our credit union, didn't know about this until we joined the credit union.*

As in our funeral costs study some years ago, the ‘superstition’ dimension was also identifiable, while affordability and age were also factors:

*I wouldn't, feel it unlucky*

*Most people can't afford it*

*Younger people are using it, I can't get it now, too old*

#### 4.3.2. Home insurance

By far the most common response here was “used by some”. Among Traveller groups, the “some” in question related mainly to those living in houses, whether owner occupiers or social tenants.

*Used by some Travellers living in houses*

*Travellers that are buying their house would have to*

*Lots of Travellers have contents insurance for local authority houses. If they own their own place, Travellers have house insurance and even the public liability for the yard if they have one and for horses/dogs in case they do harm*

However, for those living in group housing schemes or mobile homes, home insurance was considered to be not accessible at all:

*Not at all (for those in) Traveller specific accommodation*

*There are huge barriers for families living in mobile homes accessing any type of home insurance. The caravan loans scheme steering group has discovered that insurance companies do not provide any insurance policies for mobile homes on Traveller site.*

In contrast to life insurance, there was much more awareness of the existence of home insurance. Reflecting the experience of Traveller groups, both possession and perception of home insurance among individuals again related to those in houses, although in some cases it seemed that there might be a misperception that such insurance is *only* relevant to owner occupiers:

*Have my house contents insured*

*I imagine if you own your house you would use this*

*I think you only use this if you own your house*

*Mostly homeowners*

*If you own a house*

*If you have a mortgage and to protect your home*

*Only for people that has their own house*

*People who own their house, not council house*

Lack of resources and information again emerged as barriers:

*If living in poverty it's hard to pay it*

*Don't have enough information*

The access barrier for those in mobile home accommodation was also referenced, sometimes more as a question, and the contrast with those in houses - both in terms of experience and perception - was striking:

*If people owned their house, can't get for mobile*

*Maybe people who own their home. Can you insure a mobile home or caravan?*

*Don't have this, live in a mobile, if I had a house I would definitely have this whether it be mortgage or local authority*

*Probably if you have a mortgage, don't know any Travellers that have it in local authority houses. Can you insure a mobile home?*

#### 4.3.3. Health insurance

As with life insurance, the most common responses were "used by some" followed by "not at all".

According to Traveller groups, the "some" relates to the minority of Travellers in employment who can afford it, while those not in employment for various reasons depend more on the medical card to address related needs:

*The majority of Travellers use medical cards, medical insurance is extremely expensive*

*Lots of Travellers have a medical card so there's no point really.*

*Younger Travellers in full time employment would have it... some in full time employment get it cheaper through work and have it that way.*

At an individual level, there was little experience of owning health insurance unless the person was employed. The general perception was that such insurance was only for those working in well-paid employment, while for everyone else, a medical card was relied upon for health needs:

*We have health insurance, heard about it through our work*

*I know what it is but don't know many Travellers that have health insurance*

*Heard of it, maybe people in high jobs might use this*

*Maybe if you don't have a medical card*

*Only ones that are working in good jobs*

**Table 2.2 Irish traveller households by nature of occupancy, 2011-2016**

Nature of Occupancy	2011	2016	Change	% change
Own with mortgage or loan	586	613	27	4.6
Own outright	923	1,133	210	22.8
Rented from Private landlord	2,257	1,835	-422	-18.7
Rented from Local Authority	3,317	3,938	621	18.7
Rented from Voluntary housing body	206	243	37	18.0
Living rent free	176	221	45	25.6
Not stated	300	734	434	144.7
Total number of Households containing Irish Travellers	7,765	8,717	952	12.3

Once again, awareness and cost (including cost/benefit) emerged as factors:

*Travellers are not aware of it, the cost of it, can't afford it*

*Don't think it's common, don't see the benefit of it unless parent has it*

*Too expensive and it can be done through employment*

*Don't know about it*

*Not enough information about it*

*Most have medical cards, can't afford it*

groups and individual respondents, with "very common" the almost unanimous response. The legal requirements and potential sanctions associated with motor insurance were frequently referenced.

*Everyone that drives has to have motor insurance*

*You have to have it. Lots of Travellers have it because they need to.*

*You are required by law to have them*

*You have to have them to drive*

*Can't drive without tax and insurance*

#### 4.3.4. Motor vehicle insurance

This was by far the most commonly understood and possessed type of insurance among both Traveller

Although there was general awareness of the need for drivers to be insured, we got a strong sense that motor insurance is more expensive in certain locations and more expensive again if the relevant Eircode

## "Loan Protection Insurance

Loan Protection Insurance is the cover your credit union provides for eligible members with credit union loans. The premium for this insurance is paid by the credit union.

### Benefits

Should a member with an outstanding loan balance die, the balance is repaid in full, subject to terms and conditions and certain cover limits which apply. You should enquire when making your loan application to see if you are eligible.

If you are an eligible member, this means that you can borrow from your credit union in the full confidence that your dependents will not be obliged to repay the outstanding loan balance in the event of your death\*. You should check with your credit union for full details of cover under their loan protection policy.

### Eligibility

When borrowing from your credit union, a member is eligible for cover if:

they have not reached their 70th birthday (check with your credit union as this can be extended up to the 80th or 85th birthday).

the borrower can confirm they can actively and regularly perform all the usual duties of their occupation and further terms and conditions can apply. For larger loan amounts a medical questionnaire may be required.

\* Some credit unions also insure borrowing members for Permanent and Total Disability."

Source: Irish League of Credit Unions.<sup>64</sup>

<sup>64</sup> See: <https://www.creditunion.ie/what-we-offer/insurance/loan-protection/>, accessed 6<sup>th</sup> November 2022.

indicates a Traveller address such as a group housing scheme or a halting site. According to one of the organisations consulted, there is a significant cost premium for those identifiable as Travellers:

*Many Travellers living on halting sites use an address of relatives living in a nearby house as many companies won't give quotes for halting sites or give very expensive quotes*

A number of responses made specific reference to law enforcement and to An Garda Síochána in particular; this may be related to the latter's dealings with Travellers in general, as highlighted by a recent study<sup>60</sup> also reported in the media:<sup>61</sup>

*Because a lot of time pulled by gardai, if you don't have it the car can be taken off you, also it stops you from being pulled over*

*Used by all, if you don't have it you could be targeted by the guards*

*In case they get pulled in by Gardai*

*It's not worth not having it because of fines and penalty points and you can get jail if it's not a first time offence. Not worth the hassle of being put off the road so most Travellers who drive have it.*

#### 4.3.5. Serious illness and income protection insurance

The majority view here was that each of these types of insurance are “not at all” used by Travellers. Although a minority of respondents felt these might be “used by some” in employment, there was no evidence of their actual use, including among respondents engaged in full time employment. There thus appears to be little current relevance to (or awareness of) either type of insurance in terms of Travellers.

*Travellers are not aware of this*

*I don't know any Traveller with it*

*Heard of it through work, don't use it*

*Never heard of it*

*Not aware of it*

*Never knew it existed*

*Never knew you could get this type of insurance*

*Don't think people know about it*

*Never hear tell of it*

*I never heard of this before in my life*

*Did not know about it*

Even if there were greater knowledge around serious illness and income protection insurance, cost would in all likelihood be an inhibiting factor. As illustrated in Table 2 above, these products are among the most relatively expensive types of insurance. Further, the demographics of the Traveller community would likely render such products largely irrelevant to many.<sup>62</sup>

*Most Travellers are unemployed so I wouldn't have heard of this*

*The majority of Travellers are unemployed, social welfare*

*Most Travellers on social welfare have medical cards, can't afford it*

*If people are in full time employment, a lot of people can't afford*

#### 4.3.6. Mortgage protection insurance

By far the most common response here was “used by some”, namely those with a mortgage, estimated

<sup>60</sup> See: <https://www.ul.ie/news/landmark-study-by-university-of-limerick-researchers-examines-travellers-relationship-with>, accessed 24<sup>th</sup> November 2022.

<sup>61</sup> See: “We need to see a change’ in how Gardaí deal with Travellers”, Newstalk, 23<sup>rd</sup> June 2022. See: <https://www.newstalk.com/news/we-need-to-see-a-change-in-how-gardai-deal-with-travellers-ogorman-1357038>, accessed 24<sup>th</sup> November 2022.

<sup>62</sup> According to Census 2016: “There were 10,653 Travellers in the labour force in 2016 and of these 8,541 were unemployed, giving an unemployment rate of 80.2 per cent”. Health and disability (commonly referenced in insurance terms as ‘pre-existing conditions’) may also be relevant here. Again, according to Census 2016; “Almost 1 in 8 (11.3%) Travellers indicated they were unable to work due to a disability, nearly three times the equivalent rate for the general population (4.3%)... Irish Travellers continued to have higher rates of disability than the general population with almost 1 in 5 Travellers (19.2%) categorised as having a disability in 2016, up from 17.5 per cent in 2011.” See: <https://www.cso.ie/en/releasesandpublications/ep/p-cp8iter/p8iter/p8itseah/>, accessed 24<sup>th</sup> November 2022.

by the most recent Census to amount to around just 7% of Travellers (n=613/8,717 households) compared to around 31% among the general population (n=535,675/ 1,697,665 households).<sup>63</sup> The relevant Census Table (2.2.) is shown below.

Those who indicated that they were purchasing their home by way of a mortgage reported possessing related protection insurance.

*Yes, have this insurance*

*Yes I have this insurance on my mortgage*

There was also widespread knowledge among non-owner occupiers (the vast majority) that such insurance is needed by those buying their own home:

*Need this if you have a mortgage*

*If you have a mortgage you probably need this*

*Whoever has mortgages*

*You have to have it to get a mortgage*

*Anyone that has a mortgage needs them*

*If you own the house you need them*

#### 4.3.7. Payment protection insurance (PPI)

This type of insurance is rarely available or used as alluded to earlier in this report as a consequence of widespread mis-selling in the past. Most respondents had not heard of PPI in any case. Some respondents indicated having a loan of some description, and there was reference to insurance available through the credit union. We presume this refers to “loan protection insurance”, which is quite different to PPI in that there is no cost to the member/borrower providing s/he fulfills certain conditions as per the Box below.

Some respondents had personal loans with a credit union but while some were aware of this free insurance cover, others were not:

*Heard of it through CU*

*Have a loan with credit union, didn't hear about this type of insurance*

*Never knew this was available*

There were further references in this context to personal loans more generally and to matters arising with respect to them. These may be summarized as issues relating to financial exclusion, financial difficulty and over-indebtedness:

*Never heard of it, never had a loan*

*It depends on the interest you have to repay, if you have to pay more most people would not avail of it*

*They can't barely afford to pay the repayments*

*Finding it hard to meet the repayments*

#### 4.3.8. Pet insurance

The most common response here was that it is used “not at all”, again primarily as a result of lack of awareness but also through lack of relevance for non-pet owners.

*Travellers don't use this – no-one in our group was aware of a good policy and the benefits of it (what kind of animals can be insured and what is covered)*

*Don't know any Travellers that have pet insurance.*

*Didn't know it was available*

*Never heard of it*

*Didn't know you could get this type of insurance*

*I have a dog but never heard of it*

*Never heard of it, don't have pets.*

There were, however, a small number of responses that indicated both knowledge and possession. Our sense from the responses is that pet insurance can both give peace of mind and potentially work as a saving for those who have availed of it:

*I don't think it's very popular among Travellers. I know one or two who have dogs and horses*

<sup>63</sup> See: <https://www.cso.ie/en/releasesandpublications/ep/p-cp1hii/cp1hii/tr/>, accessed 6<sup>th</sup> November 2022.



*insured in case they cause damage or for vet bills.*

*My sister-in-law has the cat insured for vet bills - I don't think it's very expensive but the vet bills are so it works for her.*

*I have pet insurance but not house insurance. If the dog gets sick, the vet would break you with bills, but the insurance is only a fiver a month and will cover all the bills.*

Again, however, the issue of cost/expense arose as a barrier:

*Husband tried for two horses, could not get it... could you afford this if you have 4 or 5 dogs, it would be highly expensive*

*Too expensive*

#### 4.3.9. Gadget insurance

“Used by some” followed by “very common” were the most frequent responses here. Interestingly, our sense is that this type of insurance is more prevalent among *younger* Travellers and perhaps likely to be the only type of insurance possessed by the latter.

*Some Young Travellers have this for mobile phones– pay with mobile contract.*

*Most people my age use this on their mobile phones (younger Traveller)*

*Younger people know the value of these*

*If the children break them, it can be replaced and you don't have to buy a new one*

*Would have this on my mobile phone (younger Traveller)*

*In case it breaks or does not work (younger Traveller)*

This younger cohort is one among which mobile/smart phone ownership appears to be the norm. Further, related “gadget insurance” is also a product that tends to be offered “in person”, at which time a prospective purchaser will be presented with an insurance option against theft or damage.

*If you buy equipment, they will ask in the shop if you want it*

*Anyone with a good phone would get it*

Insurance on “white” electrical goods also appears relatively common.

*Some families get insurance on appliances like washing machines -buy it from the seller. I have my washing machine and fridge insured. You can buy the insurance for white goods when you're buying them and include them all.*

*Some Travellers will have TVs insured. You can insure the mobile phone, I think only a few do it but I know a few who have it through different companies.*

*Yes, have all gadgets insured in the house*

In some cases, both mobile phones and electrical items were insured:

*Would have mobile phones, laptops and TV insurance*

*Yes have my mobile phone, laptop, TV, washing machine and dishwasher insured.*

*Have my mobile phone and laptop, TV insured*

*Most people I know have their mobile phone and laptop insured*

*I have the laptop and phones included on the contents insurance for my house.*

*Yes, my mobile phone, TV etc*

*Bill phone insurance, washing machine, computers*

Again, however, cost/affordability can be an issue, with one respondent reporting “I can't afford it”.

#### 4.3.10. Travel insurance

Once again, “used by some” was the most common response in this regard. As with travel insurance, the likelihood of a prompt at the time of purchase – in this case in relation to a service rather than a product – appeared to be a factor in the decision to opt for insurance. Taken together, the findings in relation to gadget and travel insurance suggest that Travellers are not averse to the idea of insurance for certain things.

*People buy this through their travel agent if booking tickets for a longer trip*

*Yes, most Travellers would have them when travelling*

*Would use these if I booked a holiday  
Would use these when booking holidays*

*Booking holidays, some people might get it*

*If I was booking a holiday*

*If you're booking a holiday they will offer insurance, not sure really what is covered*

*My parents use these when they book a holiday abroad*

*Anytime I booked a holiday I would get travel insurance.*

*I have travel insurance, the premium lasts 2 years at a time*

*Might use this if booking a holiday*

*Have travel insurance take this out every time I go on holiday – lasts for 2 years*

It was notable that among older Travellers, lack of insurance was more to do with not travelling much overseas:

*I have travelled a little, never used these*

*Never heard of it, didn't travel abroad.*

Among those aware of - and open to - the idea of travel insurance, the cost benefits were identified in terms of 'peace of mind' protection against loss or damage of luggage and valuables, flight cancellation and illness.

*People are aware of it, damage of luggage, if they know about it, they do it*

*It's seen as a protection for your money*

*The flights could be cancelled, you're guaranteed your money back*

*People do use this in case people got sick or valuable stuff gets lost*

*If your flight is cancelled you will get your money back*

*Be afraid in case I fall ill or lost my bags*

*In case you get sick or lose bags*

*In case your bag (is lost) or if you have to cancel your flights.*

## 5. Conclusion

There is a strong correlation between Travellers and inability to access and use mainstream financial services appropriate to their needs, a process commonly referred to as financial exclusion. Previous research has illustrated this association to be particularly acute in relation to banking, payment and credit, but there has been little focus to date on the insurance dimension to the phenomenon. There are two key reasons for this. First, insurance is generally not considered to be an essential service other than in the context of motor vehicles in respect of which it is a legal requirement; and second, promoting insurance take-up is considered by some to be buying into a “financialization” – as opposed to social rights - agenda. Against this backdrop, our theoretical standpoint is an economic rights one, in that along with everyone else, Travellers should be able to make full and informed financial choices about what is right for them and their families relative to their respective situations, and it is in this context that this scoping enquiry into insurance is conducted.

The enquiry is informed by Traveller experiences and perspectives gleaned from a mix of questionnaire, focus group and interview enquiries undertaken by staff of National Traveller MABS in the course of their financial inclusion work. It takes as its frame of reference the gamut of insurance types as detailed by the Consumer Protection and Competition Commission (CCPC). A remote mystery shopper exercise is also used to get a sense of cost and the various criteria involved. These respective pieces of primary research were conducted following a literature review which suggested among other things that we would likely encounter barriers in terms of access (availability, cost, appropriateness and suitability) and use (trust, literacy, culture and awareness). Risk of poverty is strongly associated with financial exclusion in general and home contents insurance in particular, and given the persistence of poverty among Travellers, the expectation was that there would be relatively high levels of insurance exclusion identifiable as a result.

Previous scholarship has also suggested that such barriers would likely have consequences in terms of financial security, resilience, capability and wellbeing, and could lead to or exacerbate borrowing and over-indebtedness.

While the findings of our scoping study broadly bear out these expectations, we identify various nuances in an insurance context which we hope will help to focus National Travellers MABS’ ongoing work in this domain. In terms of *motor vehicle* insurance for example, there is widespread access and use among Travellers principally for legal reasons, but indications of added cost where the applicant is identifiable as a Traveller. Possession of *gadget* insurance appears to be more widespread than perhaps might have been expected, particularly among younger people purchasing mobile phones and those purchasing electrical goods. We suspect that this is because prospective purchasers are directly presented with a specific related insurance option at the time of purchase, a situation which also applies in the case of overseas *travel* with similar take-up resulting.

*Mortgage protection* insurance is clearly only relevant to those purchasing their home through a housing loan in which case it is a contractual requirement. Hence it is relevant only to the small proportion of Traveller households in this situation; no issues were identifiable among those possessing such insurance. Similarly, *pet* insurance is, by definition, only relevant to those owning animals such as dogs, cats and horses. Although there are indications of lack of awareness of its very existence as an option among both pet and non-pet owners alike, some Travellers are clearly availing of it and finding peace of mind and cost savings as a result. By comparison, there is much greater awareness of the existence of *home contents* insurance, and while owner occupiers and some social tenants possess it, there appears to be a relatively common misperception that it is only relevant to owner occupiers living in houses. A major

access and policy issue is the apparent unavailability of home insurance in the case of people living in mobile home accommodation.

As regards the remaining types of insurance, as might be expected for cost and other reasons, *health* insurance seems to be the preserve of those in employment, with those Travellers who are unemployed or outside of the labour market depending on the medical card for health needs. *Life* insurance is also rarely used, the exception again being people in employment. Although widespread lack of awareness and information are clearly contributory factors, previous research suggests that culture might also be a factor here. Our sense is that those linked into the credit union are more likely to possess this insurance, albeit by way of another name (death benefit); as with gadget and travel insurance, the key element here is that people tend to be *presented* with an insurance option rather than having to seek it out and explore it for themselves. Other insurance types explored, namely *serious illness*, *income protection* and *payment protection* (PPI) would appear to have little or no current relevance to Travellers overall.

Our overall conclusion is that there is a widespread lack of awareness of insurance options among Travellers as a whole, but perhaps greater knowledge and openness within certain sections of the community in terms of specific insurance options than might have been expected. Household and socio-economic circumstances are clearly major factors here, and there seems to be a connection between possession of insurance and the option being directly offered to Travellers. *Real individual choice* is key here though, and our mystery shopper exercise revealed an array of terms and conditions that could be difficult for anyone to understand. It is against this backdrop that we recommend National Traveller MABS explore the idea of identifying a trusted conduit, whereby Travellers can access culturally appropriate information to enable them to make an informed choice about a particular type of insurance should they wish to pursue or be presented with it.

There is also a *community dimension* here, in ensuring both that Travellers are at least aware of the various possibilities that exist and to address common misunderstandings such as those around home insurance. It is in this regard that we recommend National Traveller MABS both incorporate an insurance dimension into its community education activities and engage specifically with the CCPC on this issue to promote financial resilience, capability and wellbeing among Travellers. The aim here is to increase knowledge among Travellers, and in so doing, to help identify possible further issues around access (e.g. online payment exclusion) and use (e.g. financial literacy) that may be inhibiting *real choice* for Travellers. Finally, the existing *policy dimension* should also be pursued. While more research on the motor vehicle insurance premium would be useful, this is a concern that could be raised by National Traveller MABS with the representative insurance industry body.<sup>65</sup> It may also be worthwhile discussing this report's preliminary findings with the Insurance Regulator in the form of the Central Bank.<sup>66</sup> The apparent access barrier to home insurance for those in mobile home accommodation could also be discussed with the above bodies, in addition to raising it with those responsible for the caravan loan scheme and Traveller accommodation more generally.

*Dr. Stuart Stamp*  
*Independent Social Researcher &*  
*Research Associate,*  
*Department of Applied Social Studies*  
*Maynooth University.*

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<sup>65</sup> Insurance Ireland. See: <https://www.insuranceireland.eu/>, accessed 28<sup>th</sup> November 2022.

<sup>66</sup> See: <https://www.centralbank.ie/regulation/industry-market-sectors/insurance-reinsurance>, accessed 28<sup>th</sup> November 2022.

