

# National Traveller Money Advice and Budgeting Service

## Pre-budget Submission

---

**Budget 2015**



Prepared September 2014

## **1. Overview**

This Pre-budget submission 2015, was prepared by National Traveller MABS.

Ensuring adequate income, supporting education and training, promoting a healthy labour market, improving health and ultimately increasing spending once more in the economy will lead to a more equitable Ireland and will benefit our whole society -both socially and economically.

National Traveller MABS are requesting that the Government not forget the Traveller community in the upcoming budget. Ireland is in a recovery position, we want this recovery to benefit and tackle the inequalities that currently exist. Many members of the Traveller community never benefitted from The 'Celtic Tiger' years. Several of the 'safety nets' that existed over the years have been eroded and leave many members of the Traveller community in a very marginalised position.

National Traveller MABS calls on the Government to ensure that Budget 2015:

- Address the issue of financial exclusion – initially by amending section 290 of the Social Welfare Consolidation act to include the Lough Payment Scheme
- Invest in a comprehensive education strategy for Traveller community -currently only 1% of Travellers undertake third level education.
- Recognise Travellers as a distinct ethnic group

## **2. Background**

National Traveller MABS have been providing support to MABS and Travellers nationally since 2005. As a Traveller dedicated organisation, it focuses on the issues of over indebtedness and exclusion from financial institutions. Adopting a national strategy; *National Traveller MABS seeks to end the financial exclusion of Travellers in Ireland by effecting change in policy and in practice at the same time as increasing financial capability within the Traveller Community*

### *Profile of Travellers in the Republic of Ireland*

The All Ireland Traveller Health Study (AITHS)<sup>1</sup> recorded 36,224 people in Ireland identifying themselves as Travellers. Census 2011 records the number as 29,495. While there is a discrepancy in statistics, both figures show a clear growth in the population compared to Census 2006.

According to equality legislation<sup>2</sup> and recent reports<sup>3</sup> the Traveller community remains one of the most excluded and marginalised groups in Irish society. Marginalisation impacts on employment, health, education attainment, accommodation and financial inclusion.

The following statistics have been compiled from Census 2011 and the AITHS.

Family composition Among 15 – 29 year olds 33 % of Travellers were married compared with just 8.2 % of the general population. 27% of Irish Traveller women had had 5 or more children compared with just 2.6 % of women overall. There were proportionally more lone parent households in the Traveller community (20.5% compared with 11.9% in the general population).

Health: Life expectancy for a Travellers man is 61.7 years compared to 76.8 in the general population while life expectancy for a Travellers woman is 70.1 years compared to 81.6 in the general population. Irish Travellers had higher rates of disability than the general population. In 2011, 17.5% of Travellers had one or more disability compared to 13% of the general population. Suicide in the Traveller community stands at 11% of all Traveller deaths, seven times higher than the rate for the general population.

---

Age profile: The average age of Irish Travellers is 22.4 compared with 36.1 for the general population, and over half of all Travellers (52.2%) are under the age of 20.

Education: 1 % of Travellers completed third level compared to 30.7% of the general population. 69% of Traveller youth have no qualification beyond completion of primary education.

Employment: The 2011 census revealed that 84.3% of Travellers are unemployed, a rise almost 10 % from the last census and comparable to the national average of 14%.

Finance: The Annual Survey of Income and Living Conditions (SILC), carried out by the Central Statistics Office, does not cover Travellers as a distinct group. Therefore it is difficult to know the extent and nature of personal indebtedness within the Traveller community. However in the course of its work, National Traveller MABS has identified high levels of financial exclusion and regular use of illegal moneylenders within the community.

<sup>1</sup> Our Geels: All-Ireland Traveller Health Study 2007-2010, UCD School of Public Health and Population Science

<sup>2</sup> The Equal Status Acts 2000 and 2004 prohibit discrimination on nine grounds, one of the grounds being membership of the Traveller community.

<sup>3</sup> 1) The Experience of Discrimination in Ireland, Analysis of the QNHS Equality Module -Equality Authority and ESRI 2008

2) Report by The Irish Human Rights Commission (IHRC) to the United Nations (UN) Committee on the Elimination of Racial Discrimination on Ireland's record on combating racial discrimination in advance of the Committee's examination of Ireland's 3rd and 4th combined periodic reports to the UN on its efforts to meet its human rights obligations under the Convention on the Elimination of All Forms of Racial Discrimination) ( 2011).

### 3. *Economic Context*

Travellers are one of a number of marginalised groups that have suffered ongoing financial exclusion. Growing demand for state supported services such as MABS and CIS by people overexposed to legal credit has meant more pressure on services and less time to focus on these long term marginalised groups.

National Traveller MABS in developing its Pre-budget submission 2015, seeks to ensure a voice for those within the Traveller community who are excluded, or may be excluded in the future from accessing employment, services and supports.

In the Programme for Government, the present administration committed that *“by the end of our term in Government, Ireland will be recognised as a modern, fair, socially inclusive and equal society supported by a productive and prosperous economy”* (pg. 3). National Traveller MABS recognises the financial pressure that Ireland is under. However it calls on the government not to forget this commitment when agreeing Budget 2015.

National Traveller MABS trust that in working towards *a socially inclusive and equal society*, when preparing Budget 2015, policy makers will;

- ❖ Carry out a social impact assessment study on all proposed changes in keeping with the guidelines set out by the Office of Social Inclusion (2008)<sup>4</sup>.
- ❖ Commit to introduce a comprehensive system for recording and analyzing data on ethnicity to ensure the protection of the most needed services and the introduction of necessary resources where appropriate.

National Traveller MABS has identified a number of critical areas for Budget 2014;

1. Financial Inclusion
2. Equality
- ~~3. Welfare and Taxation~~
4. Employment
5. Health
6. Education
7. Accommodation

<sup>4</sup> *Poverty impact assessment should be carried out at all stages where significant policy proposals or changes are being considered, including where an existing policy is being evaluated with a view to possible change. Poverty impact assessment should not be considered as something to be performed after a decision has been made but rather as an inherent part of the policy development process: Office of Social Inclusion, Guidelines for Poverty Impact Assessment (2008)*

## 1. Financial Inclusion

National Traveller MABS works to address ongoing exclusion from mainstream banking for many marginalised groups, in particular, members of the Traveller community. Continued exclusion from legal savings and credit has driven many into the black hole of the illegal moneylender. Fear of institutions and form filling cause many more to self-exclude from the financial services.

In 2011 the government committed to addressing this issue in its Financial Inclusion Strategy (Final Report, 2011). However there has been little progress in this area. In fact for many, legal and affordable financial services have become more inaccessible since the failure of the attempt to introduce the Basic Payment Account and the amendment to section 290 of the Social Welfare Act 2012. This amendment to the Social Welfare Act, has resulted in the cessation of the Lough Payment Scheme. The Lough Payment Scheme was used by some of the most marginalised members of our society. It allows social welfare recipients who are clients of MABS to pay creditors from deduction at source using the Household Budget Deduction Scheme. In the case of Travellers, it is used as a means to access legal and affordable credit. The ending of the Lough Payment Scheme as a means of paying bills will impact some of the most financially excluded MABS clients who use the facility to pay -For example- fines, private rent, credit union loans and to save for costly items such as heating oil and insurance. In the case of many, particularly Travellers, it is used as a means to access legal and affordable credit.

National Traveller MABS calls on the government to

- Recognise the benefits of the Lough Payment Scheme and amend S.290 Social Welfare Consolidation Act 2012 to allow for the Lough Payment Scheme to be reinstated.
- Introduce further savings and credit initiatives for those on low income: The introduction of the National Payment Strategy will see welfare recipients receive payment electronically. This will result in significant savings for the state. Therefore, consideration should be given at the onset to allocate such state savings back into a saving incentive scheme for low-income unbanked citizens, similar to the SSIA. Similarly, a credit initiative could be incorporated into this scheme and could be operated in conjunction with the credit union movement.

## 2. Equality

National Traveller MABS welcomes the commitment in the Programme for Government 2011 to *'require all public bodies to take due note of equality and human rights in carrying out their functions'*. However to date cuts in funding have impacted greatly in organisations previously tasked to ensure equality and human rights exist in our society. National Traveller MABS is concerned about the impact such cuts are having and calls for the following to be considered in the 2014 budget;

- That MABS frontline services are given additional resources to ensure they are able to continue to carry out their duties and meet the needs of all those requiring their support
- 🌐 That the Positive Duty<sup>1</sup> for public sector organisations is implemented throughout the public sector.
- That compulsory diversity awareness training is introduced for all government funded organisations including state supported banks.
- That the Government act on the advice of the United Nations committee on the elimination of Racial discrimination and recognise Travellers as a distinct indigenous ethnic minority in Ireland
- That a comprehensive system of ethnic monitoring is introduced though out the public sector to ensure inclusion and equality for all.

### 3. Welfare and taxation

***The office of Social Protection exists to protect the most vulnerable.***

Travellers on average marry much younger than the settled community which means they move out of the family home earlier. According to Census 2011, almost a quarter of Travellers aged between 15 and 24 were married, compared with less than 2 per cent of the general population. Additionally, the amount of Irish Travellers who are separated has increased by 38 per cent since 2006. In the last few years there has been a significant increase in Travellers living in private rented accommodation. National Traveller MABS has witnessed an increasing number of Travellers presenting to MABS and Traveller organisations with concerns over private rented accommodation. The concerns vary from being unable to source a deposit, unable to find anywhere to rent or unable to find a landlord that will accept rent allowance in the current climate. Reduction in child benefit, rent increases and changes to One Parent Family Payment have all impacted negatively on many members of the Traveller community.

National Traveller MABS calls on the following provisions to ensure the most financially vulnerable in society are protected;

- Re-instate full payment of jobseekers benefit and allowance for people under 24 who live outside the family home.
- Remove Child Benefit from the Habitual Residency Condition to address poverty among vulnerable children in particular Traveller children, Roma and asylum seekers.
- Review the impact of rent supplement limits on recipients in light of findings from DAFT.ie that rents are on the increase and accommodation is scarce
- Ensure that all qualified adults are paid directly and are paid the same rate as the main claimant
- Support the transition from welfare to work by eliminating barriers to work, such as the cost of childcare and the loss of the medical card and other secondary benefits
- Address the failure of the state to provide for the self-employed in regard to social welfare
- Remove barriers for people entering the workforce by reducing the tax rate for those between the minimum wage and the average industrial wage
- Maintain Exceptional Needs Payment, as a 'last resort' for very vulnerable people

---

<sup>1</sup> A positive duty is a requirement for public sector organisations to have due regard to eliminating discrimination and promoting equality for groups covered by equality legislation, and to protect and fulfil human rights, in carrying out their functions. The Programme for Government 2011 contains a commitment to 'require all public bodies to take due note of equality and human rights in carrying out their functions'.

- Introduce a statutory based Bereavement Allowance to ensure that a bereaved family are not forced to apply for an Exceptional Needs Payment to help cover the cost of a funeral
- Examine the impact of direct provision accommodation on the health and welfare of residents and restructure accordingly

#### **4. Employment**

Research into the economic activities of Traveller culture identifies an emphasis on income generation as opposed to waged employment within the community<sup>5</sup>. The downturn in the economy has reduced such economic activity within the community. The majority of Travellers are unemployed and are dependent on social welfare payments (Census 2011). Barriers to Travellers accessing the mainstream labour market include educational attainment, lack of role models and discrimination.

In order that the issue be positively addressed National Traveller MABS urges that the 2015 budget;

- Ensure the development and implementation of an employment Strategy for Travellers, where training, education and literacy skills can be combined with a social welfare payment.
- Provide for diversity awareness in job creation and training, for example adopting an interagency approach, including engaging with Traveller representatives and other marginalised groups
- Extend the duration a participant can stay on Back to Work Enterprise Allowance (BTWEA) to 4 years to allow a business become established

#### **5. Health**

As noted above, Census 2011 and the All Ireland Traveller Health Study (2010) clearly identified concerns regarding the health of the Traveller community, including lower life expectancy and a higher suicide rates.

National Traveller MABS calls for the following steps to be taken in the 2015 Budget to begin addressing such anomalies;


- Invest in research into the types of health problems more prevalent in the Traveller community
- Invest in supports that effectively address the link between debt and its impact on mental health
- Ensure funding is provided for the implementation of a culturally sensitive suicide prevention programme within the mental health budget
- Sufficiently fund Traveller primary health care and counselling services

## 6. Education

Approximately 92% of students sit the Leaving Certificate, we know that only 1% of children from the Traveller community ever reach third level. National Traveller MABS would like to see all existing agencies such as SOLAS, Youthreach, The Education and Training Boards design courses around early school leavers with specific emphasis on the Traveller community. Budget 2015 needs to prioritise investment in this area to make Ireland a more inclusive society for all its citizens.

The community education strategy of National Traveller MABS is designed to empower the Traveller community. It works to ensure the development of culturally appropriate education programmes at all levels of learning by liaising and working with partner organisations. National Traveller MABS's particular focus on financial inclusion seeks the delivery of appropriate financial education and advice is critical to ensure financial empowerment.

National Traveller MABS recommends that the following steps are taken to reduce this long term impact on the Traveller community;

- Assign sufficient funds to MABS to ensure that adequate resources are made available for the promotion and implementation of comprehensive debt prevention and financial literacy community education programmes
-  Introduce a comprehensive financial awareness programme funded by the banking industry<sup>7</sup> and designed, developed and implemented to meet the needs of the most marginalised<sup>8</sup>
- Invest in a comprehensive analysis of the impact to date of cuts to Traveller education
- Assign funds for the development of Traveller Community Education Worker within the Traveller community<sup>6</sup>. This would be similar to the concept of PHC workers within the community but would focus on education and would fulfill the role previously done by the Visiting Teachers for Travellers
- Sufficiently fund the National Education and Welfare Board to implement agreed recommendations laid down in the “ Report and Recommendations for a Traveller Education Strategy
- Protect Schools Completion Programme from further cuts
- Commit to adequately funding an Intercultural Education Programme, such as the Yellow flag Programme, in all primary and secondary schools, The goal of intercultural education is to promote equality and human rights, to challenge unfair discrimination, and to promote the values upon which equality is built

<sup>6</sup> Recommendation 17 *Report and Recommendations for a Traveller Education Strategy*

<sup>7</sup> Section 45 of the Credit Institutions (Financial Support) Scheme 2008, specifies that “..... The Irish Banking Federation, on behalf of all covered institutions, submits a bi-annual report to the Minister on goals and targets laid down by the Minister in relation to Corporate Social responsibility, including the goals and targets with respect to .....the development of financial education...”



<sup>8</sup> The programme could be developed and delivered with the support of organisations such as National Traveller MABS, MABSndI and NGO's and groups representing the financially excluded.

---

## **7. Accommodation**

The majority of Travellers do not own the land they reside on (Census 2011). Therefore the importance of security of tenure is crucial. Additionally the increasing cost of utilities and the issue of homelessness must be addressed. National Traveller MABS therefore makes the following recommendations in relation to Budget 2015;

- There is a recognition that caravans are the home of choice for many Travellers and that social lending structures are explored to ensure Travellers access to affordable sustainable loans. This would allow for the maintenance of existing caravans and the purchase of long life caravans
- That provision is made in accommodation policy for the movement of people due to relationship breakdown and domestic violence to ensure families do not become homeless
- That the commitments contained in *Towards 2016* and the National Action Plan for Social Inclusion with regard to social housing are carried through