



European Anti-Poverty Network Ireland

Press Release: EAPN Ireland on Budget 2021

“EAPN Ireland warns that poverty will only be addressed when there is income adequacy for all”.

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EAPN Ireland has expressed concern and disappointment that measures announced as part of Budget 2021 do not include increases to core social welfare rates or a move towards benchmarking all social welfare to the Minimum Essential Standard of Living (MESL), as a means of addressing poverty and social exclusion.

EAPN Ireland has warned that unless there is a move towards income adequacy along with increased investment in services and supports Ireland will see a rise in poverty.

Some of the measures announced today as part of Budget 2021 include:

- Social welfare-Living Alone Allowance increase of €5 per week, Fuel Allowance by €3.50 per week, Qualified Child Payment by €5 per week for children over 12 and €2 per week for children under 12, Carers Support Grant increased by €150 euro per year to €1,850, Fuel allowance increase by €3.50 per week to offset increase in carbon tax.
- The Christmas Bonus will be paid to all those who have been on core welfare payments, including the Pandemic Unemployment Payment for at least 4 months, rather than the usual waiting time of 15 months.
- Housing - 500 million allocated to the building of 9,500 social housing homes in 2021 with a total of 12,750 units added to social housing. An analysis must be done to determine how many of these figures are additional to and/or include pre-existing targets.
- Health-an overall additional spend of €4bn in health. €25 million for Healthy Ireland, €38 million under Sharing the Vision for mental health services, €5 million additional home care hours. There is a commitment to increased funding to implement Sláintecare reforms to deliver a single-tier universal public health system.
- Education- 403 additional teaching posts, 990 new SNA posts, increase to SUSI grant from €2000 up to €3,500 euros.

Budget 2021 has not addressed the lower rates of Jobseekers payment for the under 25s, nor has it introduced a payment that recognises the additional cost of disability. No increases to the main social welfare payments nor any commitment to benchmark social welfare rates to adequacy has been included, as called for by EAPN Ireland in its pre-budget submission.

EAPN Ireland Director Paul Ginnell has stated, *“While we welcome some measures that have been announced as part of budget 2021, we have grave concerns that today’s budget announcements will not help many of the households living below the poverty line.”*

He continued, *“People who were already living in poverty prior to the COVID-19 pandemic are being most negatively impacted by this crisis. Income adequacy is an essential part of addressing poverty and social exclusion. An adequate Income is what literally puts food on the table, pays the bills and keeps a roof over our head. None of those things can be achieved through services and supports alone.”*

He concludes *“It is unfortunate that the legitimate discussion around the adequacy of the rate of the PUP payment has not extended to an analysis of other welfare payments and an increase in these payments as part of Budget 2021. People with disabilities, young people under 25, lone parents, those who are unemployed have been living on inadequate welfare payments for years and as a result are far more likely to live in poverty relative to the general population. Budget 2021 was an opportunity for the Government to address inequality in Ireland by recognising the importance of income adequacy, committing to benchmarking social welfare rates, alongside investment in services and supports, as a means of progressively moving Ireland past the COVID-19 crisis in the long term. We now fear that those who were behind before the current crisis have been left even further behind by Budget 2021.”*

Notes:

Based on research conducted by the Vincentian Partnership for Social Justice, the Minimum Essential Standard of Living (MESL) represents the household income that will meet all physical, social, and psychological needs at a minimum and socially acceptable level, to enable people to participate more fully in society. It represents the standard below which nobody should have to live.