PO Box 908

South City DSU

Togher

Cork.

T12C825

June 2019

Minister Regina Doherty

Department of Employment affairs and Social Protection

Aras Mhic Dhiarmada

Store St.,

Dublin 1

**RCPSA Synopsis of Budget Submission 2020**

**ATTENTION: Des Trimble**

* Household Benefits Package
* Pension Payslips
* Need to adequately staff Customer Service Function of Government Departments
* Formal Representation for pensioners
* Private Health Care
* Universal Social Charge
* Age Exemption-Income Tax
* Tax Credit for Refuse Collection
* Capital Gains Tax Exemption for disposal of Principal Private Residence (full or partial):
* Medical Cards for over 70’s/Prescription Charges
* Private Pension Schemes
* Pension Entitlements
* Home Care Supports
* Dental Benefit Scheme
* FEMPI - Restoration
* Passports Fees
* Climate Change/Energy Conservation
* Commissioner for Older People

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

***Ann Walsh***

***RCPSA Secretary***

***0871317062***

**Household Benefits Package:**

The state pension paid by DFSA is supported by the Household Benefits Package. In the interests of equity RCPSA is seeking that this is:

* Fully restored
* Paid to all pensioners reaching the age of 66.

**Paper Copies of Pension Slips:**

Feedback from members is that for certain entitlements ‘arms’ of the state require hard copies of payslips and have been advised that the online version is not adequate. RCPSA requests that pensioners be provided with hard copies of pension payslips and that access to online pension slips be made more user friendly.

**Staffing of Customer Service Function of Government Departments:**

Many older people may be losing out on entitlements due to difficulties in accessing Government Departments. This can be due to poor broadband coverage, difficulties with interactive technology, IT literacy, disabilities. The RCPSA is requesting the restoration of a personalised Customer Service in all departments.

**Formal Representation -older people need a voice (formal recognition):**

The RCPSA (Retired Civil and Public Servants Association) represents approximately 8,500 retired civil and public servants on behalf of whom this pre-budget submission is being made. The Association also has strong links with a number of organisations, including Trade Unions, Representative Associations and organisations representing pensioners interests. The Association agrees with the conclusions from Irish Longitudinal Study on Ageing (Tilda), *Health and Wellbeing: Active Ageing for Older Adults in Ireland 2017* that concluded older adults in Ireland, far from being reliant on social supports, are net contributors to their extended families, the communities in which they live by means of volunteerism, contributing to the economy by payment of direct/indirect/property taxes. In this way older people provide a positive contribution older to health, education, transfer of resources job creation, reduce unwanted activity, the redistribution of income etc.) Notwithstanding this pensions cuts via FEMPI, restructuring of various pension schemes, imposition of charges, USC (that was to be temporary in nature) etc. results in decreases in disposable income leaving older people in a weaker financial situation. RCPSA acknowledges that Public Service Stability Agreement 2018-2020 reversed pay reductions. However, our members did not have the entitlement to vote on the measures contained therein.

* Members consider that this matter could be addressed by enacting legislation re-defining the definition of worker to include the concerns of retired individuals.
* Putting in place formal mechanism to include meetings with representatives of pension payers with a view to facilitating retired civil and public servants with relevant authorities on matters affecting pensions.
* RCPSA has been mandated by members to pursue parity/linkage between serving grades and need to be included in all relevant negotiations.

**Private Health Care:**

Pensioners Private Health Insurance costs are increasing. RCPSA members have discovered that available plans has the effect over insurance and cover for situations not applicable to pensioners. Government regulation is required to facilitate coverage suitable to needs.

**Universal Social Charge:**

USC is a form of taxation on income that runs alongside the conventional tax system. USC is not paid by individuals in receipt of a state pension from DFSA. Currently USC is applied to the full amount of the occupational pension received by retired civil and public servants. This is in contrast to treatment in the private sector when there is an entitlement to the combination of occupational and contributory old age pension-in this scenario the USC applies only to occupational element of that pension while the Contributory Old Age Pension is not included for determining either USC and/or progressive rates of USC. This does not adhere to the Equity principal of what makes a good tax system. RCPSA requests that this anomaly be addressed that USC and PRSI be merged into a single system.

**Age Exemption-Income Tax:**

RCPSA does not accept that the value of exemptions to older members of society impacts on the overall tax base. RCPSA supports the use of exemptions from tax for the purposes of redistribution. The association sees exemptions as recognising the burdens of advancing years and financial hardships from increased healthcare. In response to the economic crisis exemptions were reduced in 2011. RCPSA considers that it is now time to increase exemption figures.

**Tax Credit for Refuse Collection:**

RCPSA notes that the final year for refuse collection (i.e. service charges) was 2010. With a view to addressing the proper disposal of waste, recycling, dumping litter RCPSA proposes the granting of tax credits for payments to authorised refuse collection contractors.

**Capital Gains Tax Exemption for disposal of Principal Private Residence (full or partial):**

When an individual transfers/sells a property that was their main residence while it was owned (including land of up to one acre) an exemption to Capital Gains Tax applies. RCPSA supports the retention of this exemption.

**Medical Cards for over 70’s & Prescription Charges:**

* Review Medical Card income thresholds to increase them in line with cost of living increases since 2006
* Review Guidelines for eligibility with a view to making them more user friendly.
* Restoration of Medical cards for pensioners over 70’s years.
* Abolition of prescription charges

**Private Pension Schemes:**

Many individuals provide for their retirement through private pension schemes. A pension levy introduced in 2011. Initially this was intended as a temporary measure. RCPSA notes the upswing in the Irish economy in recent yours. Hence:

* We are seeking the removal of this legislation and all enabling laws to be repealed.
* The refund of levies to funds and the removal of the double taxation on the pensions concerned by the imposition of the levy involved.

**Pension Entitlements:**

Pension entitlements are currently fragmented. RCPSA notes that in other jurisdictions entitlements are certain and are seeking

* The provision of clear guidance of individuals pension entitlements
* Deal with possible anomalies in advance of the implementation of the Total Contributions Approach to the contributory state pension.
* Promotion the importance of maintaining contributions for certainty of entitlements.
* Provide quick access to social insurance contribution records.
* Prompt payment of all payments due to pensioners

**Home Care Supports:**

Address the inadequacies currently found in the provision of home care supports for older people and those in need. This includes:

* Simplification the application process for the Fair Deal Scheme.
* Reduction of waiting lists.
* Increasing resources to fund Housing Adaption grants and mobility grants
* Increase in the numbers of carers available

**Dental Benefit Scheme:**

Many peoples cannot afford essential dental treatment. This in turn impacts on their general health. We are seeking the full restoration of benefits previously provided under the Dental Benefit Scheme to include routine dental care i.e. cleaning, check ups

**FEMPI:**

This legislation was introduced following the declaration Emergency with the Financial crisis 2008. This has now passed and it is time to immediately restore pensions reduced **not in 2021** as proposed by the Government. There is no longer a need to suspend the Constitution by declaring an EMERGENCY annually

**Passport Fees:**

Many older people require proof of Identification i.e. Passport/Drivers licence dealing with financial and other institutions. RCPSA is seeking the restoration of the exemption that was removed at the commencement of financial emergency.

NOTE: PSC do not suffice for this purpose