



**Submission to the Joint Committee on Social Protection,
Community and Rural Development and the Islands on the
impact of means testing on Farm Assist and other Social
Welfare Schemes**

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The impact of means testing on Farm Assist and other Social Welfare Schemes

Introduction

In making this submission, the focus is primarily on Farm Assist and the Rural Social Scheme, however, we are willing to discuss details relating to other Social Welfare Schemes if relevant to the overall discussion.

In the Programme for Government, there was a commitment given to conduct a review of the means test for Farm Assist which will also have an impact on the Rural Social Scheme (RSS). Clearly, this process is ongoing and it is positive that we are here today to outline our proposals relating to this.

Farm Assist

This is a critical support to farm families across the country especially in counties Donegal, Mayo, Galway, Kerry, and Cork where almost 60% of participants live. In an analysis of the figures, we see that 70% of participants are over 50 and we also see that participation is falling from 11,246 in 2011 with a budget of €113.72m to 4,400 farmers in 2023 and a total budget of €49.4m.

While many will point to the falling participation levels as a positive and an indication that farmers have improved their circumstances either at farm gate level or through off-farm employment we should also be open to other possibilities.

When we consider the age profile, over time many participants may have reached retirement age and no longer qualify for Farm Assist while an increasing level of immigration from rural areas amongst younger people may also be deflating numbers. However, another area we need to consider is the



means test and how it relates to participants in the scheme and those that may have considered joining.

With high participation levels in hill areas and in counties where there is a significant level of land designations we need to recognise the impact these designations are having with regard to agricultural output. For farmers operating on designated lands (*Special Area of Conservation, and Special Protected Areas*) their options with regard to farming activity and output is severely constrained because of these designations. This constraint also extends beyond farming with options such as wind farming or other capital projects a no-go on these lands.

Both at National and European level, these lands are seen as critical in relation to addressing biodiversity decline but unfortunately the supports for farmers have been gradually reduced and we are now at the point where there is no direct support to farmers with these lands. This despite the continuous talk of the need for a Just Transition. As farmers on these lands struggle to cope with the ever-increasing demands around protecting and enhancing these critical habitats it is essential that we find a way to support them. One such option to provide this support is recognition of the constraints outlined through the Farm Assist means test. On this basis, we are recommending a radical change to how payments received through the Common Agriculture Policy (CAP) are assessed.

These recommendations include:

- A full disregard on all payments for all Environmental Schemes which will include Agri-Climate Rural Environment Scheme (ACRES), Eco-Scheme and European Innovative Partnership (EIPs).
- For farmers who have more than 10% of their lands designated or up to 30ha there should be a full disregard for all payments under the Complementary Redistributive Income Support for Sustainability (CRISS)



- For farmers with 40% or more of their lands designated there should be an additional disregard for the first €5,000 of their payment under the Basic Income Support for Sustainability (BISS).

The rationale for disregards on both the CRISS and BISS payments is based on the fact that farmers with these designated lands are subject to additional conditionality under the Statutory Management Requirements (SMR 3 and SMR 4) and Good Agricultural and Environmental Conditions (GAEC 2 and GAEC 9) of the new CAP Programme.

Beyond the disregards outlined on CAP supports we are also recommending the following:

- For a spouse's income the disregard which currently stands at €20/day should be increased to €100/day.
- In relation to savings we are recommending a substantial increase in the disregards increasing from the current amount of €20,000 up to €50,000.

As a final point in relation to Farm Assist, we are recommending the piloting of a Universal Basic Income Model for up to 500 farmers currently on the Farm Assist. These places would be on an opt-in basis with farmers guaranteed the maximum Farm Assist payment (including allowances) for a period of three years. These Farm Assist payments would be taxable and after three years' farmers would have the option to revert to the Farm Assist or seek a place on the Rural Social Scheme.

Rural Social Scheme (RSS)

Similar to the Farm Assist this is a critical scheme for farmers and our rural communities. In a 2023 review of the scheme by RSS Supervisors it details how the scheme *"not only addresses its original objectives but has enabled it to produce far reaching financial and social benefits that have enhanced the*



fabric of life in our rural towns and benefits.” The review also points to a cost benefits analysis undertaken in 2009 that *“demonstrated exceptional value for money as for every €1 spent, €2.89 of benefits were produced.”*

The original concept of the RSS was to ensure farmers can continue farming while also making a valuable contribution through their work to the local community. So when it comes to accessing the scheme this is a concept that must be supported.

On this basis, we are recommending the following:

- A farmer who is eligible, subject to a periodic means test for RSS should automatically be entitled to full personal rate, IQA and child dependant allowance irrespective of means assessed under the means test. This is the way the scheme operated very successfully from 2003 up until 2012 when the rules were changed leaving very little incentive, particularly for those with a dependant adult or dependent children to go on the scheme as they only benefit from 19.5 hours of work by a little over €1/hour.
- Given the RSS has low numbers and that the number of participants on Farm Assist is also small, all applicants that are eligible to go on the scheme should be accommodated.

We deem our proposals to be practical and realistic given the challenges and uncertainties farm families are facing. These schemes must be made more accessible to alleviate any unnecessary stress when farmers are already struggling to support their families.