



Report of  
***BUILDING A NEW CULTURE OF SOCIAL  
RESPONSIBILITY***

A conference held in Westminster

6<sup>th</sup> April 2011



The third stage of the  
Catholic Bishops' Programme  
***A Call to Deeper Social Engagement***



## ***Introduction from Archbishop Vincent Nichols***

**This is a report of a public conversation between an unusual range of people, including the Houses of Parliament; charitable and voluntary organisations; Whitehall civil servants; Catholic community groups; trade unions; military, prison, and ethnic chaplains; other Christian denominations and non-Christian faiths; local Councillors; members of Catholic Religious Orders; academics; and third sector infrastructure providers.**

The origin of the conference is twofold. First, there were the pressing needs of the times. Second, there was the imperative of faith, highlighted for many by the visit last September of Pope Benedict. At the end of that visit came the Prime Minister's memorable commitment to create a new culture of greater social responsibility, in which people of faith were to be the "great architects". In response, the Bishops of England and Wales reflected on our priorities. We embarked on a programme to enable the Catholic community to contribute as fully as possible to this project.

The first stage, undertaken by the Bishops' agency, Caritas Social Action Network, was a snapshot audit of the size and scope of Catholic social action in England and Wales. This was preliminary to a detailed research project that will be completed in due course. In February we held a workshop in Liverpool for 180 people involved in Catholic social action to explore together the challenges and opportunities ahead. The results of that event have already been published in a separate report which covers the practical questions arising from our involvement. The next step was to engage, at the level of Catholic social teaching, with some of the philosophical ideas behind the "Big Society". A seminar was held in Archbishop's House later in February and a detailed discussion paper was produced, outlining the tools that Catholic Social Teaching puts in the hands of those building our new culture of social responsibility.

This Conference in the Institution of Mechanical Engineers brought the fruits of our projects to the wider community, giving a forum for open and honest engagement as we seek to play our part in contributing to social renewal. We explored the challenges and opportunities for Catholic social action in the changing economic and social context; we looked at possible developments in the Church's engagement in social action; and we considered more effective ways of working in partnership with others.

First, we heard from Helen O'Brien, Chief Executive of Caritas Social Action Network, and from Christoph Petrik-Schweifer, Secretary General of Caritas Austria, who explored how our work might develop based on initiatives in Austria. The international Caritas network of Catholic charities offers a whole range of fascinating models of possible development for the social action work of the Catholic community in England and Wales. At our Bishops' Conference meeting in May 2011 we discussed this further and reflected together on possible ways forward.





We then heard from Paul Johnson, Director of the Institute for Fiscal Studies, who stepped in at short notice in place of Sir Gus O'Donnell. It was enormously helpful to our discussion to have his lucid and perceptive insight into the immediate and longer term constraints on public expenditure.

Finally we heard from Baroness Warsi. On behalf of the Government she underlined the potential of the Catholic community to help solve the social challenges faced by our society. We then had a panel discussion which is fully documented here.

This Conference took place at a time of severe cuts to public expenditure at both a central and local level. There is a sense that parts of London have been insulated from the profound impact which these cuts are having in other cities – indeed, that was precisely one of the reasons that we chose to hold our first meeting in Liverpool. It is an integral part of the Christian witness to stand in solidarity with those in need, and to ask insistent questions of local and national government. These include: “what are the priorities by which decisions are made?”, “who is bearing the brunt of the cuts?”, and “how can we focus our concern on the groups most at risk?” As unemployment, debt and financial hardship multiply, so too can other social problems such as homelessness, family breakdown, crime or substance abuse. This increases the burden on social action organisations at the very time that funding to these organisations – from private donors as well as from central government and local authorities – is being reduced.

As well as a longer term agenda there are also more immediate problems. In his excellent recent lecture, “Big Society, Small World”, the Archbishop of Canterbury recognised the widespread and understandable scepticism that sees in the “Big Society” nothing more than a smokescreen for cuts. But he also rightly says that “Cynicism is too easy a response and the opportunity is too important to let pass”. All of us, not just politicians, need to think hard about how to build a richer community of life, characterised by stronger social bonds and a greater acceptance of our mutual responsibilities. As the Bishops of this country said in November, “if this project is to succeed, it must be taken beyond party politics to become a common endeavour owned by society as a whole”.

It is indicative of a “common bond of unity” that we gathered from such different backgrounds to work with one another towards a shared goal. I believe that everyone at our Conference had an unrelenting commitment to improve the lives of the most disadvantaged people in our society.

One clear challenge is to make this particular Catholic contribution better understood, not because we are looking for recognition, but because there is something of value at hand. That is the value of the practical contribution being made, where insight, motive and inspiration are every bit as important as financial totals, numbers of volunteers or man hours worked.

In *Caritas in Veritate* Pope Benedict XVI discussed the logic of gift. This is the insight that at the heart of most human transactions an element of ‘gift’ is present, in many different forms, although it often goes unrecognised because of the perspectives of ‘contract’ and ‘consumer’ that so dominate our thinking. We need to ensure recognition for the gratuitousness shown by millions of people, including those in Catholic Social Action Organisations. Indeed, I believe that this idea of gift holds a key for unlocking a new sense of moral purpose more widely in civil society, including in the business community. We should not think too narrowly of the scope of social action. I hope in coming months



that the Bishops' programme of deepening social engagement will explore the relevance of the idea of gratuity in various areas of life, including the world of business.

But our biggest challenge is not to be disheartened. I was very struck by the generous and positive approach of those who came to our conferences. No-one was minimising the challenges, but there was also a palpable sense of energy and engagement, an awareness that new approaches are arising with a scope for creativity and innovation to serve those in need more effectively and thereby help transform our society. It is in this spirit of confidence in the future that I commend this report to you.

*+ Vincent Nichols*

Archbishop of Westminster  
May 2011





## ***Address by Rt Hon. Baroness Warsi***

**It is a great honour to be here today, to be a part of something very special: A conference on “social responsibility”.**

In line with your tradition, you have listened and considered together. You have taken time to identify and explore the emerging needs, challenges and opportunities for social engagement of the Church in the coming years. Crucially, the journey you have embarked on is not just about today - it is about the long term response to today’s challenges. You have quite rightly begun to look at your own capabilities, and started to explore your own potential to contribute more fully to the good of our society.



And so I want to make a simple argument today. The Blessed Cardinal Newman over 150 years ago proclaimed the need for a “common bond of unity”. He was right then and is right today. Today, our passion for bigger and stronger societies provides an opportunity to promote a “new culture of social responsibility”.

And this means three things. First, a massive change in how we think about Government and society, Second, learning from the work faith communities are doing both at home and abroad. Third, an opening of opportunity to unlock new civic energy through public service reform. And above all, we need to understand that these priorities are intrinsically linked.

Last May, two parties came together to form a strong, stable, Coalition Government in the national interest. As is widely recognised, the Coalition Government inherited an exceptional fiscal challenge: the largest peacetime deficit in our history. The state was borrowing one pound in every four that it spent. Just paying the interest on the nation’s debt each year cost the British tax-payers £43 billion - around £120 million a day. Therefore, urgent action to tackle the record budget deficit was unavoidable. The consequences of not acting would have been extremely serious. Confidence would have fallen, interest rates would have risen, businesses would have failed, and jobs would have been lost.

The scale of the deficit required the Government to make tough choices about how taxpayers’ money was to be spent. But above all, the Coalition Government wanted to do more than just get our finances under control. We were determined to bring real change to our country and that vision was based on a big idea. It is unfortunate that we have to deliver this big idea of Big Society in the current fiscal climate. But this big idea pre-dates the financial crisis and the mess that this Government was left with and we are determined to deliver this vision. For decades, Whitehall has championed its own corner - distorting the historic balance in our country. There was the view that if the Government took a little more of your money, a little more power, they would be able to solve



all of our country's problems. Somehow we ended up modelling our Government on the top down, mass produced, hierarchical, slow-moving factories that business long ago abolished. And the reality is – it didn't work. We inherited an economy mired in debt, a society with big social problems and a political system in a mess.

This “big-government” approach simply led to a more disempowered society. A society where we championed peoples “rights” and not their “responsibilities”. A society where we looked to the State for answers rather than communities. Society lost the habit of demanding responsibility. So when a young boy misbehaved we only looked to teachers to provide discipline. When litter built up in our neighbourhood we looked to the Council to pick up our rubbish. When a business began to sell adult-style underwear for young children we simply shrugged our shoulders.

Change was needed. We needed a “responsibility revolution”, which you have rightly recognised as a “conversion of the heart and mind”, which affirms there is a problem and that together we can do something about it. But this cannot be achieved by Government policy alone. It needs a smarter state, and an empowered society.

But, corresponding to these rights are duties and responsibilities — to one another, to our families, to our communities, and to society. This means parents taking more responsibility for their children and their behaviour, neighbours looking out for each other, especially in their hour of need, businesses being part of the communities in which they operate and make profit.

Responsibility is more about what we do and less about what the Government can do. And it is about embracing innovation rather than regulation, seizing opportunities rather than deferring to burdens. That is why as individuals, families, neighbours – we have the greatest power to build a big society. Our tradition insists that to build a just society we need personal responsibility, social responsibility, and corporate responsibility.

This brings me to the most important part of my speech today. What is the Big Society and what are the opportunities it represents? For me, the Big Society is about volunteering, social action, and a philanthropic approach to life. But it is also about much more than that. It is about opening up public services to local control. And it is about radically devolving power from Whitehall to local communities.

Take any department's work– and the Big Society provides the principles to move away from a big bossy state to an energised, citizen owned, engaged country. It is about listening, learning, acting and changing. Ultimately, it is about accountability. This brings me to a related point. You see, the Big Society is built on strong foundations; on deep human instincts. It takes its philosophy, its ideas, from all across the world. So before I talk further about the endless opportunities that exist for communities up and down our country. I want to briefly explore the huge contribution your Church and community is making to the lives of ordinary people globally – and how this has helped shape Big Society principles. We can all see how Society has become deeply divided – as the gap between the rich and poor has widened. Faced with these challenges, it has been communities, often led by



the Church which has been at the cutting edge of tackling drug and alcohol abuse, violent crime, broken families, poor standards in health and education.



I am no theologian, but I know Catholic tradition recalls the story of the Last Judgment and instructs us all to put the needs of the poor and vulnerable first. And I quote from James 2:26 *"For even as the body without the spirit is dead: so also faith without works is dead."* Faith is not just a belief, it's not just a theory. It's about how we live, how we shape our lives and how we work together to serve those in need. And particularly in your case this has meant

building social institutions to put principles into practice. Right throughout the world, the Catholic community's commitment to service and solidarity, to deepening social engagement is expressed most concretely through religious orders, charities, chaplaincies, parishes and schools. 750,000 women in Religious Orders alone are making the most amazing difference. In the US they have founded schools in every state. Across South America they are engaged in community development and the care of street children. In Africa they are pioneers of health provision for the poorest.

But Religious Orders go beyond that. Today they act as important sources of philanthropic giving; some matching our largest charitable foundations for size and social impact. Even more immense is the scale of the work of Catholic welfare charities. And it is the Church's official charitable arm - the global Caritas Federation which really is, dare I say it, a "global big society network". It is the world's largest voluntary sector coalition: helping 24 million people a year, mobilising 625,000 volunteers, and raising over \$5 billion annually. In the UK, CAFOD, and SCIAF are respected and leading international aid charities and members of Caritas International themselves bringing relief to thousands. Back at home, I find inspiration from the work that you are doing. In town after town Catholic Churches are the "local community hub". These Parishes have launched lunch clubs for the lonely, meetings places for those struggling with alcohol, and care for people with mental health problems.

Of course today it would be impossible to discuss the Catholic contribution to social action without acknowledging the Church's work on education. In this country, schools are your single largest civic contribution. Catholic social action is also huge in scope. You are not only helping to build civic society, but, importantly you are profoundly innovative. You do not only want to 'hang on to what you have got' but also seek the courage to ask 'what next?' In New York, you have helped found social enterprise schools, which have reduced truancy; by bringing together faith communities, companies, and young people at risk of poverty. In Vienna, you have established 'the second savings bank' helping those excluded from the banking system to open their first account; by using existing branch structures, volunteers and personalised financial counselling. And in Jersey a Catholic parish has converted a disused building into a community hub with language classes for EU migrants, a



community cafe, welfare support and pastoral care. And when we need to make limited resources go further, social innovations are paramount.

As I said earlier, for too long the State had sapped responsibility from individuals. It had monopolised power and put faith in itself. It had stifled innovation, demoralised public service professionals, and taken control from communities. Put simply, the old way – the top-down, big Government approach – has failed Britain. It simply hasn't worked, not least in many of our poorest communities. The Big Society challenges citizens to think about the personal and social consequences of their behaviour, it challenges communities to take ownership of their community and find ways to positively transform it and it challenges the state to ask: "why can this not be done by citizens themselves, or voluntary, community and social enterprises".

But let's be clear, the Big Society will not spring up automatically overnight and it is not a cover for the government to leave the stage. The Government has a responsibility too. We will retain our responsibility to ensure we have high quality flexible public services, to provide those services that only the state can, such as core police and defence functions, and we will ensure that the vulnerable are protected. But most importantly we will be a responsible partner and investor in building the Big Society. The pupil premium and differential weighting of public health funding are examples of this. We are investing £470 million in the voluntary sector and a further £100 million in a transition fund. We are training 5000 community organisers across the country. And this summer, we are launching the National Citizen Service, which will bring together 10,000 16 year olds from different backgrounds to encourage community cohesion and social action to come more naturally.

But more than this we want public services to become genuinely 'public'. In the Localism Bill, we are introducing a "Community Right to Challenge" enabling voluntary and community groups to express an interest in running a local authority service. This new power will hand the initiative to these groups, where they believe they can run local authority services differently or better.

We are introducing a further power called the "Community Right to Buy" which will ensure that community organisations have a fair chance to bid to take over assets and facilities that are important to them. These facilities could include the village shop, the community centre, or the library. We have also established a Big Society Bank which will provide new money through intermediary organisations for Voluntary, Community and Social Enterprise organisations who wish to provide public services. Finally, we will put more control of local matters in the power of local people. For instance we will enable the local community to elect chief police commissioners, we are reforming planning to give communities more control and our free schools agenda will enable parents to take greater control of their children's schooling.

The era of "Whitehall knows best" is over. Today I have outlined the culture change that is going on through Government. I have outlined what the big society is about. And what we hope we can achieve together. It's about a new culture of personal, social, and corporate responsibility and it demands that we all learn from the lessons of recent decades and put a genuine commitment to the common good of others at the heart of all we are doing. As you have rightly recognised in our country today "many yearn for a richer community life, a society characterised by stronger social bonds and a greater acceptance of our mutual responsibilities".

We must not be tempted to turn inward, becoming indifferent and sometimes isolationist in the face of our responsibilities. The solution to social problems like crime, drug abuse and poverty is not to insulate ourselves from their consequences or hand the response to someone else. It is to fight them together. We are our brothers' and sisters' keepers, wherever they live. As the Pope stated "the development of peoples depends, above all on a recognition that the human race in a single family."

The Catholic Church is already doing so much to help build the Big Society and you have the power, the creativity, and the experience to help tackle some of the most pressing social challenges we face.

As I said in my speech at the Anglican House of Bishops last year and as the Prime Minister reiterated days later in the farewell to His Holiness Pope Benedict XVI, this Government recognises and respects the role that religion and people of faith play in our society. But above all, today's conference is about deepening that engagement. I welcome your commitment, your courage and your determination to make a difference. In the years to come I hope we can look back together and see that this conference went beyond resolutions and it began a journey characterised by innovation, openness and hope.

Accept the challenge you have set yourself. Take the opportunity that this moment offers.





## ***Catholic Social Action in England and Wales, Helen O'Brien CEO, CSAN***

**Archbishop Nichols has mentioned the work of Caritas, so I will take a few minutes to introduce CSAN to you.**

We belong to a family of organisations, under the Caritas name and mission, whose focus is the relief of poverty in all its manifestations, and social action on behalf of the vulnerable and marginalised.

Caritas International is an NGO and an agency of the Catholic Church with a strong presence world-wide. It includes European countries from west to east which are networked together under Caritas Europa.

The work here, in England and Wales, is split between the international and domestic. That part of Caritas England and Wales which works on humanitarian aid and community development in over 60 countries, reaching out from our shores in solidarity with the poor, is CAFOD – the Catholic Agency for Overseas Development – our sister organisation in Caritas. That part of Caritas England and Wales which promotes social justice and supports social action here at home, in our communities is the Caritas Social Action Network, (CSAN). There is a structural difference here. CSAN is an umbrella group with a membership of charities, founded in a Catholic ethos, and it is they who provide the services. CAFOD is a major direct service provider.

What we have in common is our absolute focus on justice for those in poverty; our mission to work with the vulnerable and marginalised in society; and our determination to advocate for them with a strong and authentic voice.

This voice is centred in and moulded by the riches of Catholic Social Teaching, a developing body of teachings, reflections and theology against which is tested the attitudes, the rules, the very culture of the day which enables our thoughtful response. This voice, and the work in support of the poor and marginalised, is honed by the experience of centuries. Drawing from the inspiration and charisma of such leaders as St. Vincent de Paul, St. John of God, St. Jeanne Jugan and, more recently, Cardinal Hume, our organisations in CSAN here today respond to the times with wide-ranging services which concentrate on the various human issues which afflict and affect people in our communities now.

So, who are we? CSAN, the umbrella body, currently has 37 members, and it is good to see so many of them in the audience today. The membership throughout England and Wales has some very large organisations including some responsible for services such as hospices or homes for the elderly; it embraces organisations such as Saint Vincent de Paul who as well as running services



co-ordinate large numbers of volunteers around the country; and others of all sizes, supporting children and families, prisoners, migrants and refugees, and those with disabilities.

As well as the CSAN member charities there is, of course, much Catholic social action which takes place in our parishes. Many of the well-recognised groups such as Justice and Peace and the Union of Catholic Mothers are based in the two and a half thousand parishes in the 22 Dioceses. And there are innumerable parishioners who see a local need, such as homeless people or lonely elderly, and join together to meet that need as individuals or as a parish group. These parishioners, in other arenas, are called, of course, volunteers. And, in response to the rich tapestry of faith which calls upon all of us to action, as an intrinsic part of our Catholic identity, these same people often also support the charities with money and with time. Indeed, a strength for the charities is the great support from parishes which is often sustained over time and through the generations.

And then there are the nearly 200 Religious Orders some of whom offer significant services in the field of social action, who offer great expertise, much loving care and huge resources to people in need. You will meet Bridget Doogan from St. John of God Hospitaller Movement later during the panel debate.

Because the CSAN charity members, the Church and the Religious Orders know the people with whom they work in caring relationships which flourish over time, they know how the current issues - in attitudes, in legislation, in bureaucratic processes - will impact on them. All are good at predicting the outcomes, whether they be helpful or destructive, for those vulnerable in our society - and this experience and judgement will, I know, bring some interesting questions and challenges to the panel debate later. As the needs and the pressures increase, as is inevitable in the economic and social context today, we are strengthening the CSAN organisation. CSAN is working to offer an infrastructure service to its members as well as its umbrella and networking role in 4 key areas:

1. Finding new ways of sharing best practice so as to develop or 'scale-up' the work more easily into new areas
2. Strengthening the national voice on behalf of those living precariously in our society based on the lived experience of their lives
3. Offering quality support to our members in research, training and reflection, and analysing the signs of the times
4. Exploring new ways of funding our work

I started by explaining the context of the Caritas network and CSAN's place in this work, which is at the heart of the Church's exhortation to 'love thy neighbour'. I should now like to introduce my colleague, Christophe Petrik-Schweifer, who is the Secretary General from Caritas Austria. He is going to give us a glimpse of how Caritas operates there in pursuing the agenda of social action and social justice, offer some ideas around innovatory projects in Europe, and mention the important links within Europe and indeed internationally which help the work for a changed world and the eradication of poverty.



# csam is.....

Caritas Social Action Network

**Diocese of Hallam** **ST JOSEPH'S PASTORAL CENTRE** working with people with learning difficulties **CARITAS CARE** Supporting and Enabling

**Nugent Care** **Catholic Children's Society** Shrewsbury Diocese **St Andrew's CHILDREN'S Society Limited** **Family Care society**

**families FOR CHILDREN** **catholic care** **CCS Adoption** **TURNING CONCERN INTO ACTION**

**St Antony's Centre** Centre for Church & Industry **St. John of God Hospitaller Services** **THE INSTITUTE OF OUR LADY OF MERCY ChildCare** **faith in families** from our traditional roots...their future blossoms

**CABRINI children's society** **Diocese of Southport CARITAS** **DEPAUL UK** YOUTH • COMMUNITY • OPPORTUNITY **ILHS** **St Vincent's Family Project** **Cymdeithas Plant Dewi Sant** **St David's Children Society** **Father Hudson's SOCIETY** **ANCHOR HOUSE** **CSAS** Catholic Safeguarding Advisory Service **SHCJ** **St Cuthbert's Care** **pact** Prison Advice & Care Trust

**Cardinal Hume The Centre** TRANSFORMING LIVES **HOUSING JUSTICE** Christian vision in action **The Passage** Catholic Children's Society (Westminster) *Crusade of Rescue*

**Presentation Sisters - England**  
Would you like to know more about our Presentation Way of Life?



# ***Caritas Austria***

## ***Christoph Petrik-Schweifer***

### ***Secretary General***

**First of all let me give you an overall view of the structure of Caritas in Austria.**

Caritas Austria consists of nine diocesan Caritas Organisations contiguous with the federal states/provinces and the office of Caritas Austria on the national level.

The directors of the regional Caritas are nominated by the Austrian Bishops and the Caritas president is elected by the directors. The President is always also a director of a diocesan Caritas Organisation; it is a voluntary job. This structure allows a flat hierarchy.

The nine diocesan Caritas organisations are independent from the national Caritas Austria office. They develop according to regional laws and local needs in their Province. It is important to bear in mind that many areas of social service legislation are in the competence of the provinces, whereas social benefits, pensions and family transfers, insurance for unemployment, sickness and accident, are national laws.

Caritas is a big provider of services in the social field, beginning with mobile services or homes for elderly people in need of nursing or care as well as people with mental disabilities. We have information centres for poor or marginalised people, for families and for migrants; hospice care; a special mobile service for families in need; homes and legal aid offices for asylum seekers; homes and medical care for homeless people; mother-and-child houses and start-up apartments.

On the national level the implementation of International Programmes and relief work dominate our work along with advocacy work and help for asylum seekers. The national office is responsible for coordination and network activities at the national and international level. This includes participation in national working groups, coordination with Caritas Internationalis/ Europe, and networking at an international level.

A main focus of Caritas is **advocacy work**. We see it as our duty:

- To give those human beings a voice, who are marginalised, poor or underprivileged, not only in Austria but in all regions of the world, especially Eastern Europe and African countries, where Caritas has experience
- To point out structural deficits in our social welfare state, to make clear where injustice harms people





- To talk about Caritas/ Christian values and give incentives so that people get in touch with the aims and concerns of people living in misery and distress

**Important principles in our advocacy work:**

- We gain our expertise in lobbying and advocacy work from firsthand work with people. They are the main source of our credibility.
- We offer constructive criticism. We always communicate an idea or solution and suggest how the problem could be solved.
- We involve people who face the problem themselves. Eradicating poverty is not possible without action by the poor and listening to their views.
- The Caritas President is also the social voice of the Church. It is important to bear in mind that a major role for Caritas is talking about Jesus and his message of salvation.

**Example of successful advocacy work (Minimum Social Protection):**

Our information and lobbying work started about fifteen years ago. In 1994 we realised, as a result of our daily work for the poor, that wealthy Austria needs a strategy tool for efficient and effective prevention of poverty.

Over the last 15 years our work has been less of a planned campaign and more steady information and lobbying work, which consisted of:

- Giving insights into the situation of the poor
- Producing informative material on poverty and on our suggested solutions
- Delivering constant information to the media
- Inviting journalists to visit Caritas projects, to talk to affected people, to do in depth research in the field
- Organising press conferences, background information, interviews, talks
- Writing comments, giving interviews
- Publishing dozens of press releases
- Holding hundreds of talks with politicians, and other influential people in relevant institutions
- Leading public discussions



With regard to political lobbying, Caritas was confronted with two big challenges:

1. The first difficulty was to lobby on a topic of national importance, for which constitutionally the regional level is responsible. So on the national level there were no Politicians who were aware of the problems in the sector of Social Protection. And there were no ideas of how to solve these problems. So they expected us to give answers and to construct concrete proposals.
2. The second big issue was that the politicians responsible did not realise that we have a poverty problem in Austria. They pointed to the large number of social regulations and the excellent social insurance system without realising that there are gaps which are growing bigger.

In a political context of constant coalition government, it was important to talk with civil servants and to talk to the members of the Cabinet and to politicians after the elections and during the period of negotiations before the government was formed. So the time frame was an important aspect.

Cooperation and exchange of views with all the relevant actors working in the field of poverty reduction was very important. This included experts, university professors, and other NGOs working in the field of combating poverty and social exclusion.

And I must say that the European Union played also an important role in this process: by delivering statistics (e.g. EU-SILC) as well as by giving valuable information which helps to benchmark our social system against those of other European states.

Key milestones on the road to Minimum Social Protection:

- In 2006 the first milestone was passed. Ministers Bartenstein and Buchinger agreed in principle on Minimum Social Protection.
- In 2007 combating poverty was included for the first time in the policy statement of the coalition between ÖVP and SPÖ.
- In 2008 they reduced the amount for the Minimum Social Protection

It still took until 2010 before Minimum Social Protection was approved by Parliament, and it still requires implementation by the federal parliaments.

Historically strong advocacy work was not part of the Caritas Philosophy. Today Caritas has linked its daily social work with a mandate to advocate for our target groups. This we owe very much to our legendary president Leopold Ungar. He became familiar with the Anglo-Saxon culture of civil society while living in exile in England during the War.

Our Philosophy:

**Help face-to-face:** our specific and daily work for and with our clients:

- a) In projects financed with private donations (e.g. hospices, social counselling)



- b) As service provider for public authorities: the federal government, the Provincial government or the municipality. In this concept civil society is part of the welfare state (for instance Homes for elderly people, work for and with people with disabilities, labour market projects )

**Caritas helps where nobody else helps anymore.** Caritas closes gaps in the social structure.

**Work with volunteers:**

Caritas's work depends critically on personal and voluntary engagement. The work of volunteers is one of the pillars of Caritas's Work in Austria. Caritas in Austria is supported by 26,000 volunteers. 15,000 are members of a total of 2,500 parish Caritas. Here we have to focus also more efforts to accompany volunteers, to offer them possibilities to exchange and to improve their way of working.

**Relation with public authorities:**

- We want to **cooperate as much as possible**, but also criticise as much as necessary
- To reject or to avoid **absorption** of Caritas by public structures or political parties
- Politicians are often thankful for **suggestions**; a bottom up perspective (Caritas perspective) sometimes reveals more about the interaction of the systems (regional laws, national laws) than the top-down perspective
- **Clarify roles** between the tasks of the government and the tasks of civil society; it is one of our principles that we refuse to invest private donations for measures that are clearly the responsibility of public authorities.

**Challenges and Opportunities**

A big challenge and a declared aim of Caritas is to **enhance the involvement of the population.**

Two years ago we adopted a new motto: "Caritas and You". This means that Caritas is not only an organisation but it can be each and everyone. In Austria there is a familiar phrase. If somebody asks someone a favour, he could refuse this favour and say "I am not Caritas". Caritas is written into the language.

So our strategy aims at involving as many people as possible in our work; encouraging the participation of the clients themselves; recruiting more volunteers and involving those people in front line work collecting donations.

There is the **risk** that Caritas is seen as a **big social business that is detached from its clients and its mandate.** We always have to consider this and find the balance between the increasing scale of activities and expenditure and our philosophy of helping face-to-face.



**Challenge of cuts in public expenditure.** Quality social care provision must not be available only to those who can afford to pay.

**The Church is losing members.** In Austria in 2010 the number of people who left the Catholic Church increased by 30% in comparison to 2009. The Church loses members, but we as **Caritas must not lose supporters**. The challenge is how to attract people for our activities who are not Catholic. One way of doing this is via Young Caritas.

Caritas has a broad variety of quality services. This is a big chance; **Caritas is not questioned in Austria**. By our daily work and our experience and our clear mission we have great credibility. And a big NGO like Caritas in Austria naturally has **an agenda setting power**. It is important to stay with the agenda. Continuity in our lobbying and media work is one of the key issues.

We have to be careful not to fall into the trap of giving more importance to the interests of Caritas than to the interests of our clients. For instance in-patient institutions (stationäre Einrichtungen) are financially more attractive than mobile care services. Nevertheless Caritas pleads for more mobile services as this is much more effective for the clients.



*You can see Christoph's diagram of the Caritas Austria structure at*

*[www.caritas-socialaction.org.uk/data/files/caritas\\_austria.pdf](http://www.caritas-socialaction.org.uk/data/files/caritas_austria.pdf)*

*And visit the Caritas Austria website at:*

*[www.caritas.at](http://www.caritas.at)*



*You can find out more about Caritas Europa – including links to national Caritas groups throughout Europe at:*

*[www.caritas-europa.org](http://www.caritas-europa.org)*

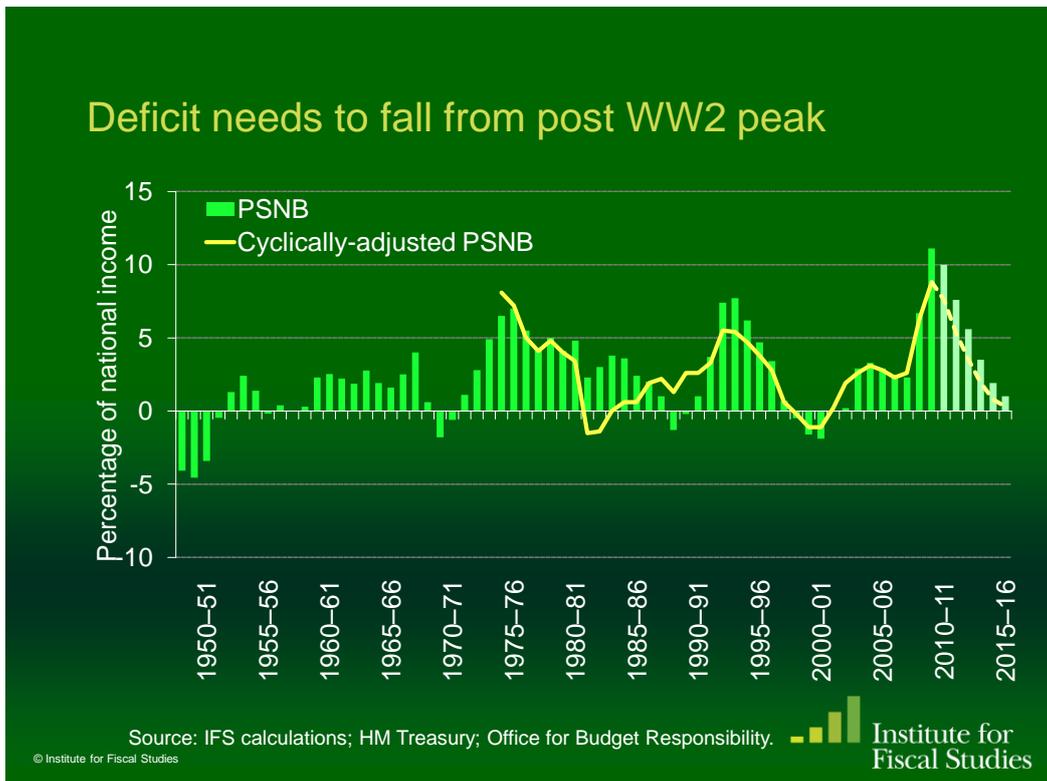
# Paul Johnson, Director of the Institute for Fiscal Studies



The overwhelming fact is that we have the biggest deficit of any country except Ireland.

The chart below shows that Public Sector Net Borrowing (PSNB) as a proportion of national income was higher in 2010-2011 than at any time since the Second World War. It will only go down as shown if the Government puts in place the set of measures it has outlined.

The shock to income from the recession blew a very big hole in public finances. The Government plans to deal with that by raising taxes by £24 billion and cutting spending by £74 billion. This fiscal tightening is bigger than the hole that the financial crisis blew. This is because there was a structural deficit even before the crisis arrived, partly because of a very long period of increases in spending. About 25% of the changes we are going to see will come from tax rises and about 75% from spending cuts.



What is unusual is not the scale of the cuts but the fact that they cover a continuous six year period. There have been no more than two years of continuous cuts since the 1950s. I should stress that these are planned cuts and the big question is whether they can and do actually happen.



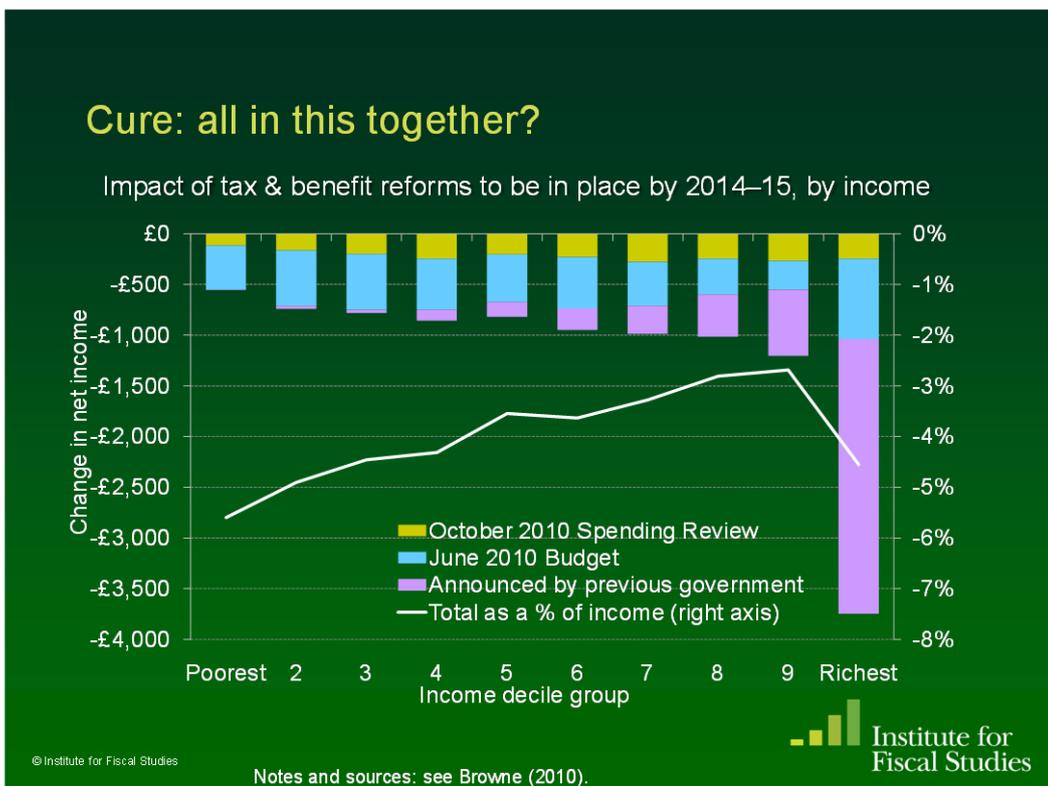
Spending cuts are not being implemented consistently across the board. The average cut is 11% so any department being cut by less than that is doing relatively well. The biggest “winner” is International Development, which from a relatively small base is seeing a remarkable 33% increase. Energy and Climate Change increases by 15.5% because Government is planning big investment in carbon capture - again quite a remarkable commitment to a long term issue. Then there are parts of Government doing better than average but less well. NHS spending will be relatively flat for the next 4 years. That is following periods of 7%, 8%, 9% annual real increases and the cost of delivering NHS services are going up over time so that will feel like real cuts for health spending.

If these cuts happen then by 2015 the size of the state will be what it was in 2000 but the role of the state will be dramatically different. This is a debate we have not really had. Of total state spending a vastly higher proportion in 2015 will be on health than in 2000. A somewhat higher proportion will be on schools; and a much lower proportion on higher education, defence and justice. So over 15 years while we have seen a lot of discussion over individual decisions, I feel we have seen far too little discussion on the role of the state and the shape of the state in delivering services.

Then there are departments that will lose significantly over the period. The Home Office and Justice face a 25% cut in real spending on prisons, police and judicial systems. Delivering that is going to be extraordinarily difficult. Local Government is seeing a very large cut in its spending. Given the number of things that it is legally obliged to do those cuts will hit disproportionately in the areas

where it has freedom, particularly those involving voluntary organisations. Another loser is the social housing budget. This will change the way social housing is provided.

We will feel poorer too, for two reasons: one is the tax and benefit changes, the other is what is happening to earnings. This chart looks at the impact of all the tax and benefit changes on the population. The far left bar shows the cash lost by the poorest 10% (about £500 per year). As we move across the chart the far left bar is the cash lost by the richest 10% (about £3500 per year). The white line shows this as a proportion of individual income – you will see that the biggest impact is towards the bottom. The two big things hitting hardest here are the VAT rise and the changes to how welfare benefits are up rated for inflation. Benefits will be going up about 1% or 2% less quickly than they would have done, creating a real impact at that end.

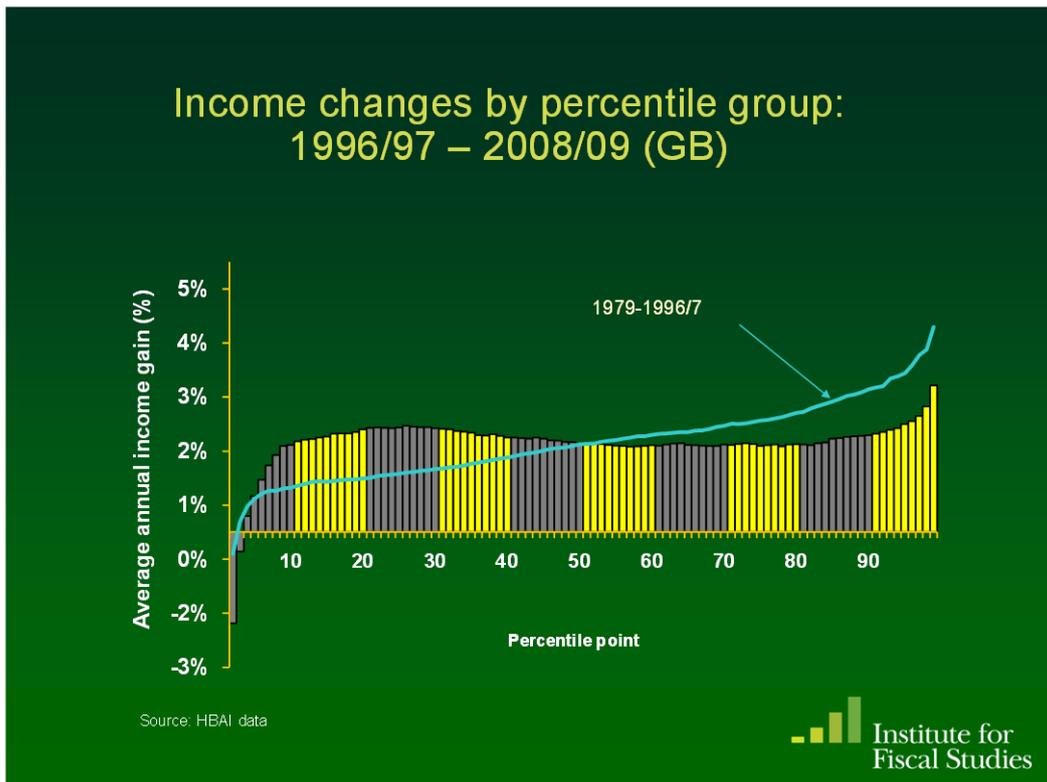


But it is not just what the state does that affects us. We also have to look at what happens to earnings and employment. Clearly there has been a big rise in unemployment over the last year or two, particularly in youth unemployment. General unemployment has risen much less than in previous recessions but youth unemployment in the UK is beginning to look depressingly like youth unemployment in continental Europe, after rather a good record in this country. For the rest of the population a lack of earnings growth is going to come as a real shock.

We saw a long period of growth from the 1970s-2000s, a gradual increase of 1% or 2% per year and people feeling better off because of that. Something we hear far too little about is that actually in the last 5 or 6 years there has been very little earnings growth - particularly in the middle of the distribution - so already people are feeling that their earnings are not growing anything like as they

expected over time. It is predicted that real earnings will fall over the coming years and by about 2015 will be where they were 15 years before. Again, that is historically unprecedented in terms of how people will feel, having been used to earnings and living standards going up year on year. And that comes on top of the impact of tax and benefit changes.

Finally we have the context of a very unequal income distribution. This chart shows what the net income distribution in the UK looks like. Each coloured band incorporates 10% of people in the country. The average income is about £500 per week after taxes.



To give you a sense of change over time this is what happened to income growth during the last (Labour) Government. There is not much change in the distribution of income over that time despite the fact that the Government spent a very large amount of money on welfare in order to stop inequality getting bigger (there are a lot of things pushing inequality up). Had the Government not invested a lot in putting a lid on inequality it would have been a lot greater. That is an option that is largely closed to a future Government.

Over a longer period the blue line shows that people at the top of the income distribution have seen much higher increases than those at the bottom. We now have the largest inequality of income distribution for about the last 100 years. That is the context for these tax and spending changes.

# ***Contributions from the Floor***

## **1) Identity**

Delegates discussed the importance of a strong sense of identity for Catholic charities and agencies. They emphasised that these agencies and charities are motivated by the faith of the individuals who work for them. These individuals carry out the work they do because of their own Catholic identity and not because the people they are helping are Catholics. Instead of trying to prove that the services provided are “almost as good” as those offered by the state we should have the confidence to say that faith adds value.

A number of unique characteristics of the Catholic contribution were identified. These included quality of presence and service, experience of long term commitment, and successful integration of the local and strategic. It was pointed out that in a society where Catholic values are often criticised or misunderstood, it is more important than ever for Catholic charities to be clear about their own sense of identity.

Delegates recognised that Catholic identity was strengthened during the recent visit of Pope Benedict XVI. The Australian Catholic Church had looked in detail at the identity question for Catholic charities in 2009 after the Holy Father’s visit there. It may now be opportune for the Church in this country to do the same.

## **2) Advocacy**

Some delegates questioned whether enough was being done to ensure a place for the Catholic voice at the table where political decisions are made. Others asked whether Catholic charities and agencies were doing enough to be politically engaged. It was noted that they are advocating every day on behalf of the individuals who need it. But could they find more time to hear the voice of those they are advocating for or is there a danger of falling into the “we know what they need” mentality?



It was acknowledged that in previous economic crises the Church had led those who have tried to emphasise social responsibility, especially in the areas of welfare and racial justice. The Church has achieved success in advocacy where it has acted practically as well as prophetically, e.g. international development spending. But it was also agreed that if it is to continue to fill this role it must demonstrate its credibility. The challenge

here is to broaden the idea of “faith based organisations” to include parishes and to capture the social capital they represent. Individuals such as Extraordinary Ministers of the Eucharist who visit people in their homes also form part of the Church’s outreach.

There was also discussion around the need for innovative thinking. The Government is interested in ideas on how to leverage money into the social sector. It is not enough to criticise payment by results or social bonds – we need to come up with the alternative. One delegate suggested that a way of achieving this might be a Catholic Social Teaching centre to formulate responses to policy and consultation documents and provide an authority to contribute to political debate.

### 3) Responsiveness

There was agreement that the immediate impact of the cuts is yet to be fully understood and that an approach is urgently needed for the short term. Delegates noted that the task of deciding what people's needs are and who are the most vulnerable has fallen to local authorities. There is a danger that the cuts will fall “accidentally” or on “easy targets”. The Church is well placed to assist local authorities in ensuring this does not happen and to help them deal with the question of how to respond to needs.

One contributor observed that the social policy model we operate is a deficit model. The new models that are coming may not be in place soon enough and we should expect transition difficulty in the next few years. We need to address the question of how to make people resilient in their own right.

It was also acknowledged that elements in the media have already begun to stigmatise the poor, the marginalised and the vulnerable. One delegate described the emergence of a new vocabulary that blames and denigrates the poor for their own situation. Others spoke of the need for the Church to make its voice heard with greater immediacy, actively engaging with the media to match openings with stories and to shape stories for media appeal.



Local radio stations and newspapers in particular, were described as willing to offer both access and the time needed for proper self-expression.

### 4) Localism

There was strong support from delegates and speakers for “local responsiveness and creativity”, based upon the feeling that a ‘one size fits all’ approach is not suitable for genuine community engagement. Solutions should be tailored to the specific needs of an area, and the importance of grass-roots initiatives such as food banking should not be overlooked. It was broadly agreed that the best national structure for Catholic charities would join together and channel the energies of local projects and organisations, without imposing any kind of ‘top down’ control or oversight.

The extent of political localism was also discussed. It was noted that whilst local authorities are being given more decision making powers, central government is still offering incentives to act in a particular way. At the same time, a reduction in local authority income may cause greater reliance on the centre. It was further noted that the emphasis on localism had not prevented government

from giving contracts to large conglomerates. Some delegates were concerned that local authority decisions could disproportionately affect the vulnerable and underlined the importance of national protection of spending levels in areas such as homelessness. There was also concern that the poor will suffer most from the disparity of provision between different areas or local authorities.

Other delegates emphasised the importance of using local media outlets for messaging and promoting social action work. This reaches the target audience of those within the community, whilst often allowing more space for discussion.

The importance of showing solidarity with those in the developing world was accepted and there was strong endorsement of the theme in Caritas in Veritate of bringing together the local and global. It was agreed that the universal nature of the Church makes it uniquely placed to achieve this.

## 5) Family

Many of those present spoke of the importance of the family as the basic unit of society. This includes the vital role of marriage between one man and one woman and of grandparents. It was felt that the Catholic contribution to this is both valuable in its own right and the foundation of broader Catholic social action. The emphasis on family linked closely to the importance placed upon engaging younger people in social action initiatives.

Connections were also drawn to ideas such as localism and subsidiarity, as well as policies such as the Living Wage, which one speaker said was designed to “keep families together.” Delegates also saw a need to take account of families’ overall circumstances, rather than focussing on individual details, in order to secure truly effective and ‘joined-up’ social action. It was argued that failure to address one area of a family’s needs could nullify achievements in meeting another.

## 6) Dialogue

The idea of ecumenical and inter-faith partnership was widely discussed. It was noted that the “best local authorities” do a lot of work with a range of faith communities. It was agreed that stronger partnerships between denominations and religions would strengthen this situation and generate even greater results.



Working across denominations with Christian Parliamentarians was also seen as essential, in order to provide the kind of valuable faith-based expertise that can assist in their decisions. This is seen as a hugely important complement to Whitehall-generated expert advice and something that is vital for our engagement at the highest levels of politics.

Beyond this, it was seen as necessary and productive to engage with non-faith based groups and organisations in the provision of social action, building partnerships rooted in the end-goal of improving life for the poorest and most vulnerable. Examples were given of how Catholic social action organisations already put these concepts into practice. These were seen as working models that can be adopted in the future. Many delegates were encouraged to find representatives of other denominations and faiths, as well as non-faith organisations, present at the Conference and actively engaged in discussions.

## 7) Other points raised

A number of other issues were raised in discussion. These included concerns over volunteering, both sustaining numbers of volunteers (a challenge that had been raised at the Liverpool Conference) and maintaining the staff and resources necessary to provide the essential training and administration. Other delegates feared that groups including asylum seekers, the homeless and the poor would face hostility and blame for their own and others' hardships.

One delegate wanted Catholic social action to focus on economic development rather than welfare, following European models that have built businesses from the bottom up. The Big Society was described as an opportunity to work with large contractors in joint venture models to become trust platforms to transform lives. Recent changes to inheritance tax rules were seen as part of the financial support needed for social action organisations to survive.

Finally, there was conversation about the need to move away from a situation where multiple agencies – sometimes more than ten - are involved in disjointed work for a single individual.

