
Economic distress caused by the pandemic: for Caritas Switzerland the worst is yet to come

Wealthy Switzerland is no exception: the social consequences of the pandemic are sadly taking their toll and "are far from being overcome." "As the gravity of the situation grows exponentially, increasing numbers of people in need turn to Caritas social counselling centres for help." [Caritas Switzerland](#) denounced the problem in a statement released yesterday, taking stock of the poverty rate one year after the health crisis. "A growing lack of future prospects prevails among those affected. In parallel, unemployment is skyrocketing," the statement reads. In the light of this situation, Caritas "calls for an urgent extension of support measures for socially disadvantaged groups until the end of the crisis in order to protect against entrenched livelihood risks." **Last year, Caritas social counselling centres recorded an average number of requests for help that was well above the average for normal years, aggravated further by the second wave of the pandemic.** *Since the outbreak of the crisis a year ago, Caritas has provided support to 17,000 people - of which families and immigrants constitute the largest group - throughout Switzerland with direct contributions, totalling over CHF 6 million, also thanks to funding from the "Social solidarity network."* **Households with incomes just above the social benefit threshold, often denied social funding by government agencies, and migrants,** who most of the time renounce social benefits for fear of losing their residence status, are the largest groups turning to Caritas for help. Caritas reports serious loopholes in government support for those impacted by the Coronavirus crisis. Most applications for social assistance or reduced health insurance premiums must be submitted by telephone or online only, which complicates the process when the needy require immediate help. **Government measures to contain the epidemic have affected low-income workers the hardest.** "Many employees and self-employed workers did all they could to overcome the crisis with their own resources," Caritas writes. *"Asking for help is the last resort for them. Many do so only when they are running out of savings, when bills pile up and household indebtedness increases."* Increasing numbers of people are closing down their businesses, young people are being forced to interrupt their apprenticeships, but this means that "there are no long-term prospects." Unemployment stood at 3.7 per cent in January and now stands at a record high compared to the past 20 years. The crisis is not yet over. "The social and economic costs of the pandemic are overwhelming, but the most serious repercussions have yet to be felt," said **Peter Marbet**, Director of Caritas, with concern. **Caritas thus calls on policymakers** and the Federal Council and parliament to "extend the 100% of lost revenue benefit to low-income workers until the end of the pandemic and to not discontinue it at the end of March as envisaged." It is equally important to "facilitate further access to social assistance and counselling services to ensure that support arrives where it is needed."

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