



## Main Social Welfare improvements and rates of payments

### Minister for Social Affairs, Séamus Brennan

#### Alleviating Child Poverty

- ◆ Over €150m, in addition to rates rise, to be invested in measures
- ◆ Child Benefit increased – new rates €150 and €185
- ◆ New childcare measures to benefit low income families
- ◆ FIS earnings thresholds increased from €19 - €282 per week, in relation to family size
- ◆ €40 per child rise in Back to School Clothing & Footwear Allowance
- ◆ More funding for School Meals Initiative

#### Largest ever spend on welfare – up €1.12 billion

- €13.5 billion expenditure to benefit 1.5 million people
- Expenditure on welfare in 2006 double what was spent in 2000
- Payments increased by almost four times expected rate of inflation
- Includes over €800m on significant increase in rates and €300m social reform programme
- Reform programme includes boosts for older people, alleviating poverty and recognising carers
- Lower rates increased by €17 per week

#### Recognising Carers

- €30m support package and rates increase
- Special increase makes Carer's Allowance largest single welfare benefit – rising to €200 and €180 per week
- €200 increase brings Respite Care Grant to €1,200
- Income disregard increased for Carer's Allowance

#### Budget Digest

##### Fuel Poverty Relief

Fuel Allowance increased by €5 per week in major €42m fuel poverty package

##### Activation Measures

Range of measures in €28m increased spend on new opportunities for recipients includes new tapered withdrawal of Disability Allowance if in employment or on back to work incentives

##### Maternity Benefit

Maternity Benefit increased to 80% of reckonable weekly earnings

#### Supporting Older People

- ❖ €50m support package on top of rates increases
- ❖ Increases of €16 and €14 for Pensioners
- ❖ New enhanced Non-Contributory Pension to lift thousands onto full entitlement
- ❖ Means test relaxed and new earnings disregard of €100 a week for Non-Contributory Pensioners
- ❖ Over 80's Allowance increased to €10
- ❖ Fuel Allowance increased by €5 to €14

#### Empowering Lone Parents

- ▲ Upper earnings income threshold increased by €82 per week to €3 7 5
- ▲ Rates increased by €1 6 - €17 per week
- ▲ Further initiatives after reforms report published

For more information

Telephone Department of Social and Family Affairs on 1800 690 590 (Freephone) or Citizens Information Phone Service on 1890 777 121 (LoCall)

(9am – 9pm Thursday 8, and Friday 9 December 2005) or

Contact your nearest Social Welfare Local Office or Citizens Information Centre

Information is also available on [www.welfare.ie](http://www.welfare.ie) and [www.oasis.gov.ie](http://www.oasis.gov.ie)



**FACTS AND DETAILS**

**CHILD POVERTY**

- Increase of €8.40 for the first two children to €150.00 per month.
- Increase of €7.70 for the third and subsequent child to €185.00 per month. **(April 2006)**

Number of Children	Present Rate	New Rate
1 child	141.60	150.00
2 children	283.20	300.00
3 children	460.50	485.00
4 children	637.80	670.00
5 children	815.10	855.00
6 children	992.40	1,040.00
7 children	1,169.70	1,225.00
8 children	1,347.00	1,410.00

- Family Income Supplement (FIS) weekly income thresholds to be increased to benefit every family on FIS, as follows:

Family Size	Present Income Limit	New Income Limit
1 child	446.00	465.00
2 children	472.00	510.00
3 children	497.00	565.00
4 children	522.00	630.00
5 children	554.00	705.00
6 children	580.00	775.00
7 children	601.00	845.00
8 children or more.	623.00	905.00

**(January 2006)**

FIS is calculated at 60% of the difference between net weekly income (i.e. gross pay less Tax, Employee's PRSI, Health Contribution, Superannuation) and the income limit for your family size.

- Increase the rate of Back to School Clothing & Footwear allowance by €40 per child. New rates of €120 for 2-11 year olds and €190 for 12-22 year olds. **(June 2006)**
- Increase the additional income disregard by €50 to €100 a week for entitlement to Back to School Clothing & Footwear Allowance. **(June 2006)**
- Extend entitlement to Back to School Clothing & Footwear Allowance to recipients of Orphan's Allowance or Pension.
- Additional funding of €2m for School Meals Scheme.
- Increase the upper income threshold for One Parent Family Payment by €82 a week to €375. **(July 2006)**
- Increase of €17 a week for One Parent Family Payment recipients under age 66. **(January 2006)**

**DELIVERING INCOME SUPPORT**

Increase of €17 a week for all on lower payment rates as follows:

- Invalidity Pension recipients aged under 65.
- Widow's & Widower's Contributory Pension and women in receipt of Deserted Wife's Benefit aged under 66.
- Widow's & Widower's Non-Contributory Pension and women in receipt of Deserted Wife's Allowance aged under 66.
- Death Benefit Pension recipients aged under 66.
- Disablement Pension.
- Unemployment Benefit & Assistance.
- Disability Benefit & Allowance.
- Blind Pension recipients aged under 66.
- Supplementary Welfare Allowance.
- Farm Assist.
- Orphan's Pension & Allowance. **(January 2006)**

(The above increases apply to full rate payments and there are proportionate increases for recipients of reduced rate payments).

**RETIRED AND OLDER PEOPLE - INDEPENDENT LIVES WITH SUSTAINABLE PENSIONS**

Increase of €14 a week for all pensioners as follows:

- Old Age Contributory Pension
- Retirement Pension
- Invalidity Pension recipients aged over 65
- Widow's & Widower's Contributory Pension recipients aged over 66
- Deserted Wife's Benefit recipients aged over 66
- Death Benefit recipients aged over 66. **(January 2006)**

Increase of €16 a week for the following pensioners.

- Old Age Non-Contributory Pension
- Blind Pension recipients aged over 66
- Widow's & Widower's Non-Contributory Pension recipients aged over 66
- Deserted Wife's Allowance recipients aged over 66
- One Parent Family Payment recipients aged over 66. **(January 2006)**

(The above increases apply to full rate payments and there are proportionate increases for recipients of reduced rate payments).

- Introduction of a standard State Non-Contributory Pension for all people aged 66 and over.
- Increase in means disregard for State Non-Contributory Pension to €20 a week.
- Introduce earnings disregard from employment of €100 a week for all non-contributory pensioners. **(September 2006)**
- Increase the over 80 Allowance to €10 a week. **(January 2006)**
- Grant automatic entitlement to Old Age Contributory Pension at age 66 to Invalidity Pension recipients. **(September 2006)**
- Initial funding of €200,000 for development of All Ireland Free Travel Scheme.

**FUEL POVERTY**

- Increase the rate of the National Fuel Scheme by €5 a week to €14 a week. **(January 2006)**
- Extend entitlement to Fuel Allowance to Local Authority residents with communal heating services. **(January 2006)**
- €2m funding to Sustainable Energy Ireland for the installation of housing insulation in households experiencing fuel poverty.

**SUPPORTING CARERS**

- Respite Care Grant increased by €200 from €1,000 to €1,200 in respect of each care recipient. **(June 2006)**
- Weekly income disregard for Carer's Allowance increased by €20/€40 to €290 (single) and €580 (couple). **(April 2006)**
- Increase of €26.40 a week to €180.00 for recipients of Carer's Allowance under age 66. **(January 2006)**
- Increase of €30.20 a week to €200.00 for recipients of Carer's Allowance aged over 66. **(January 2006)**
- Increase of €17 a week for recipients of Carer's Benefit/Constant Attendance Allowance. **(January 2006)**
- Extend the duration of Carer's Benefit by 9 months to 24 months. **(May 2006)**
- Increase in the number of hours that recipients of Carer's Allowance, Carer's Benefit and Respite Care Grant are entitled to work from 10 hours a week to 15 hours a week. **(June 2006)**



**ENHANCING EMPLOYMENT OPPORTUNITIES**

**Disability Allowance & Blind Pension**

- Introduce a tapered 50% withdrawal rate where a recipient of Disability Allowance or Blind Pension engages in rehabilitative work and has a weekly income above the current disregard of €120 a week and below €350 a week. **(June 2006)**

**Maternity & Adoptive Benefit**

- Increase of €17 a week in minimum rate to €182.60.
- Increase in rate from 75% to 80% of reckonable weekly earnings. **(January 2006)**
- Extra 4 weeks Maternity Benefit in 2006 and a further 4 weeks in 2007.

**Rent & Mortgage Interest Supplement**

- Introduce a 50% tapered withdrawal of earnings between €60 a week and €90 a week.
- Disregard childcare allowances for participants in approved training courses for the purpose of rent and mortgage interest supplement. **(January 2006)**

**Back to Work Allowance**

- Reduce the qualifying period for access to both strands of Back to Work Allowance to 2 years on the Live Register.
- Allow periods spent on Supplementary Welfare Allowance or Direct Provision to count towards qualifying period for Back to Work Allowance. **(March 2006)**

**Secondary Benefits**

- Extend entitlement to the retention of social welfare secondary benefits for participants in the Rural Social Scheme.
- Disregard childcare allowances for participants in approved training courses for the purpose of retention of entitlement to secondary benefits. **(January 2006)**

**PRSAs**

- Disregard contributions to PRSAs from assessment in all means tested social welfare schemes. **(April 2006)**

**Back to Education Allowance**

- Allow periods spent on Supplementary Welfare Allowance or Direct Provision to count towards qualifying period for Back to Education Allowance. **(September 2006)**

**Treatment Benefit**

- Introduce alternative contribution condition for entitlement to Treatment Benefit (26 paid contributions in Relevant Tax Year and previous Relevant Tax Year). **(May 2006)**

**Unemployment Assistance**

- Abolish the assessment of Benefit and Privilege for those aged 25 or over. **(February 2006)**

**Supplementary Welfare Allowance**

- Abolish the assessment of Benefit and Privilege for all persons aged 25 or over. **(May 2006)**

**Qualified Adult Allowances**

- Increase the upper ceiling for entitlement to tapered QAA by €20 to €240 a week. **(January 2006)**
- Increase the threshold for entitlement to full rate QAA by €11.12 to €100 a week, increase upper ceiling by €10 to €250 and reduce the number of tapered QAA bands. **(May, July and September 2006)**
- Increase the spouse's earnings disregard, as appropriate, by €11.12 to €100 a week and by €11.91 to €50 a week for Unemployment Assistance, Pre-Retirement Allowance, Farm Assist and Disability Allowance. **(May and September 2006)**
- Increase of €10.80 a week in Qualified Adult Allowance for Old Age (Contributory) Pension, Retirement Pension and Invalidity Pension where the qualified adult is aged 66 or over.
- Increase of €9.30 a week in Qualified Adult Allowance for Old Age (Contributory) Pension and Retirement Pension where the qualified adult is under age 66.
- Increase of €12.10 a week in Qualified Adult Allowance for Invalidity Pension where the qualified adult is under age 66.
- Increase of €10.60 a week in Qualified Adult Allowance for all recipients of Old Age (Non-Contributory) Pension and recipients of Blind Pension where the qualified adult is over age 66.
- Increase of €11.30 a week for all other qualified adult payments.

**(All Qualified Adult Allowance increases from January 2006)**

**CHANGES IN PRSI**

- Threshold for payment of 2% Health Contribution increased from €400 a week to €440 a week and the annual threshold is increased from €20,800 to €22,880.
- Threshold for employee PRSI increased from €287 a week to €300 a week.
- Earnings ceiling for PRSI increased by €2,420 from €44,180 to €46,600 per year. **(January 2006)**

**IMPROVED SERVICES AND COMMUNICATIONS**

**MABS**

- Additional funding of €1.5m.

**Family Support Agency**

- Additional funding of €3m.

**Comhairle**

- €1.4m for the establishment of a personal advocacy service for people with disabilities.
- €500,000 for continued development of CICs.

**Northside Community Law Centre**

- Once-off additional funding of €120,000.

**National Pensions Awareness Campaign**

- €500,000 funding for National Pensions Awareness Campaign.

**Combat Poverty Agency**

- €100,000 additional funding.

**Entitlements Awareness Campaign**

- €500,000 for a new communications initiative to improve take up of entitlements.

**SCHEDULE FOR INCREASES**

**January**

FIS customers, customers on short-term payments and customers paid by electronic methods will receive their increase in January

**February**

Long-term customers on book payments will receive their increase in mid-February backdated to January.

**April**

Child Benefit customers paid by electronic methods will receive their increase in full from April 2006.

**May**

Child Benefit customers on book payments will receive their increase through a special payment in May, which will be backdated to April.

	MAXIMUM WEEKLY RATES			WEEKLY PERSONAL RATES			INCREASE FOR QUALIFIED ADULT			EACH CHILD	
	Present	New	Increase	Present	New	Increase	Present	New	Increase	Full Rate	%
	€	€	€	€	€	%	€	€	€	€	%
<b>Social Insurance Payments</b>											
<b>Retirement/Old Age (Contributory) Pension</b>											
— Under Age 80	179.30	193.30	14.00	14.00	193.30	7.8%	119.50*	128.80*	9.30	19.30	7.8%
— Aged 80 and over	185.70	203.30	17.60	17.60	203.30	9.5%	138.50**	149.30**	10.80	19.30	7.8%
<b>Widow's/Widower's (Con) Pension/Deserted Wife's Benefit</b>											
— Under Age 66	154.30	171.30	17.00	17.00	171.30	11.0%	110.10*	122.20*	12.10	19.30	11.0%
— Aged 66 and Under Age 80	179.30	193.30	14.00	14.00	193.30	7.8%	138.50**	149.30**	10.80	19.30	7.8%
— Aged 80 and over	185.70	203.30	17.60	17.60	203.30	9.5%	138.50**	149.30**	10.80	19.30	7.8%
<b>Invalidity Pension</b>											
— Under Age 65	154.30	171.30	17.00	17.00	171.30	11.0%	110.10*	122.20*	12.10	19.30	11.0%
— Aged 65 and Under Age 80	179.30	193.30	14.00	14.00	193.30	7.8%	138.50**	149.30**	10.80	19.30	7.8%
— Aged 80 and over	185.70	203.30	17.60	17.60	203.30	9.5%	138.50**	149.30**	10.80	19.30	7.8%
<b>Carer's Benefit/Constant Attendance Allowance</b>											
— Aged 80 and over	163.70	180.70	17.00	17.00	180.70	10.4%	17.00	17.00	11.30	16.80	11.4%
<b>Disablement Pension</b>											
— Aged 80 and over	179.90	196.90	17.00	17.00	196.90	9.4%	17.00	17.00	11.30	16.80	11.4%
<b>Unemployment/Disability/Health &amp; Safety/Injury Benefit</b>											
<b>Death Benefit Pension</b>											
— Under Age 66	177.60	194.60	17.00	17.00	194.60	9.6%	17.00	17.00	10.60	16.80	9.7%
— Aged 66 and under Age 80	183.70	197.70	14.00	14.00	197.70	7.6%	14.00	14.00	10.60	16.80	9.7%
— Aged 80 and over	185.70	207.70	22.00	22.00	207.70	11.8%	22.00	22.00	10.60	16.80	9.7%
<b>Social Assistance Payments</b>											
<b>Old Age (Non-Contributory) Pension</b>											
— Aged 66 and Under Age 80	166.00	182.00	16.00	16.00	182.00	9.6%	16.00	16.00	10.60	16.80	9.7%
— Aged 80 and over	172.40	192.00	19.60	19.60	192.00	11.4%	19.60	19.60	10.60	16.80	9.7%
<b>Blind Pension</b>											
— Under Age 66	148.80	165.80	17.00	17.00	165.80	11.4%	17.00	17.00	11.30	16.80	11.4%
— Aged 66 and Under Age 80	166.00	182.00	16.00	16.00	182.00	9.6%	16.00	16.00	10.60	16.80	9.7%
— Aged 80 and over	172.40	192.00	19.60	19.60	192.00	11.4%	19.60	19.60	10.60	16.80	9.7%
<b>Widow's/Widower's (Non-Contributory) Pension/Deserted Wife's/Prisoner's Wife's Allowance</b>											
— Under Age 66	148.80	165.80	17.00	17.00	165.80	11.4%	17.00	17.00	11.30	16.80	11.4%
— Aged 66 and Under Age 80	166.00	182.00	16.00	16.00	182.00	9.6%	16.00	16.00	10.60	16.80	9.7%
— Aged 80 and over	172.40	192.00	19.60	19.60	192.00	11.4%	19.60	19.60	10.60	16.80	9.7%
<b>Carer's Allowance</b>											
— Under Age 66	153.60	180.00	26.40	26.40	180.00	17.2%	26.40	26.40	16.80	16.80	16.80
— Aged 66 and over	169.80	200.00	30.20	30.20	200.00	17.8%	30.20	30.20	16.80	16.80	16.80
<b>One-Parent Family Payment</b>											
— Under Age 66	148.80	165.80	17.00	17.00	165.80	11.4%	17.00	17.00	11.30	16.80	11.4%
— Aged 66 and over	166.00	182.00	16.00	16.00	182.00	9.6%	16.00	16.00	11.30	16.80	11.4%
<b>Pre-Retirement/Disability Allowance</b>											
— Aged 66 and over	148.80	165.80	17.00	17.00	165.80	11.4%	17.00	17.00	11.30	16.80	11.4%
<b>Supplementary Welfare Allowance</b>											
— Aged 66 and over	148.80	165.80	17.00	17.00	165.80	11.4%	17.00	17.00	11.30	16.80	11.4%
<b>Unemployment Assistance</b>											
— Aged 66 and over	148.80	165.80	17.00	17.00	165.80	11.4%	17.00	17.00	11.30	16.80	11.4%
<b>Farm Assist</b>											
— Aged 66 and over	148.80	165.80	17.00	17.00	165.80	11.4%	17.00	17.00	11.30	16.80	11.4%
<b>Other Social Welfare Allowances</b>											
— Aged 66 and over	148.80	165.80	17.00	17.00	165.80	11.4%	17.00	17.00	11.30	16.80	11.4%

*Note*