

BUDGET FACTSHEET 2007



Department of Social and Family Affairs

An Roinn Gnóthaí Sóisialacha agus Teaghlaigh

Main Social Welfare Changes and New Rates of Payments

Minister for Social Affairs, Séamus Brennan

<p>Alleviating Child Poverty</p> <ul style="list-style-type: none">➤ Investment of over €240 million in a range of measures➤ Extra €60 million for targeted payments to families of 342,000 children➤ New standard weekly increased Qualified Child Allowance (formerly CDA's) to €22 in new targeted measure in addition to €140m child benefit package➤ FIS weekly income threshold raised by up to €185 per week➤ Increases (50%) of €60 and €95 in Back To School Allowance➤ Additional funding of €3 million to extend school meals➤ Earnings threshold for One-Parent Family payments rises to €400 per week	<p>€1.4 billion Increase in Welfare Support Packages</p> <ul style="list-style-type: none">• Total spend of €15.3 billion in 2007 to benefit over 1.5 million people• Payments increased by almost three times rate of inflation• €1 in every €3 of Government day to day spending for welfare• Reform packages targeted at supporting pensioners, women, alleviating child poverty, rewarding carers, assisting those with disabilities and activation measures• Lower rates increased by €20 per week	<p>Recognising Carers</p> <ul style="list-style-type: none">▪ €107 million support package – including Carer's Allowance up to €218 per week▪ New payment of half Carer's Allowance to those with other Welfare entitlement▪ Respite Care Grant up €300 to €1,500▪ Carer's Allowance means test eased▪ Earnings threshold for Carer's Benefit increase to €320 pw▪ €500,000 for Carers' Associations
<p>Women/Pensions</p> <ul style="list-style-type: none">• €60 million commitment to bring Qualified Adults (QAAs) to level of State Pension within 3 years• First year increase of over €23 for QAAs over 66• Pension QAAs to receive payment in own right and be paid directly	<p><u>Budget Digest</u></p> <p>Fuel & Energy Relief Fuel Allowance doubled in two years to €18 per week in addition to over €50 million to protect vulnerable from electricity/gas price rises</p> <p>Disability Benefits Full Disability Allowance extended to all resident in institutions. Funding for personal advocacy service. Disability Allowance capital disregard increased by €30,000</p> <p>Maternity Benefits Weekly earnings threshold increased to €350 and new payment rate of €280 per week for Maternity & Adoptive Benefit</p> <p>Bereavement Support Widowed Parent Grant increases by €1,300 to €4,000. Bereavement Grant up by €215 to €850</p>	<p>Supporting Older People</p> <ul style="list-style-type: none">❖ Over 400,000 pensioners to benefit from increases❖ State pensions rise by €16 & €18 pw to €209.30 & €200 pw❖ Increases of over €23 for 35,500 Pensioner Qualified Adults❖ Companion Free Travel Pass extended for 66 to 74 year olds❖ Telephone Allowance Scheme to include mobile phone options❖ Allowed employment earnings for State Pension (Non-Contributory) doubled to €200 per week

For more information telephone **Department of Social and Family Affairs** on 1890 66 22 44 (LoCall) Monday to Friday 9am to 5pm

Citizens Information Service on 1890 777 121 (LoCall) Monday to Friday
Contact your nearest Social Welfare Local Office or Citizens Information Centre
Information is also available on www.welfare.ie and www.citizensinformation.ie

FACTS AND DETAILS

CHILDREN

- Increase the lower and higher Child Benefit rates by €10 per month
- New monthly rates are €160 and €195
(April 2007)
- Standardise all three Qualified Child Allowance (former Child Dependant Allowance) to a single higher rate of €22 per week
(January 2007)
- Family Income Supplement weekly income thresholds increased by amounts from €15 to €185, depending on family size
(January 2007)
- Increased rate of payment of Back To School Clothing & Footwear Allowance by €60 per child to €180 for 2-11 year olds and by €95 per child to €285 for 12-22 year olds
(June 2007)
- Additional funding of €3m to extend the School Meals Programme
(2007)
- Disregard Guardian's Payment (Contributory & Non-Contributory) from assessment for Supplementary Welfare Allowance and Rent or Mortgage Interest Supplement
(May 2007)
- Increased spouse's income threshold for entitlement to a half rate Qualified Child Allowance by €50, from €350 to €400 per week for recipients of the following payments:
Jobseeker's Benefit, Illness Benefit, Injury Benefit and H&S Benefit
(January 2007)

INCOME SUPPORT

Increase of €20 to over €185.80 per week to benefit the following:

- Invalidity Pension recipients aged under 65
- Widow's & Widower's Non-Contributory Pension and women in receipt of Deserted Wife's Allowance
- Disablement Pension
- Jobseekers Benefit & Allowance
- Illness Benefit
- Disability Allowance

- Blind Pension
- Supplementary Welfare Allowance
- Farm Assist
- One-Parent Family Payment

Increase of €19.10 to €213.70 per week for Death Benefit Pensioners under 66

Increase of €20 to €158 per week for Guardian's Payments
(January 2007)

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

RETIRED AND OLDER PEOPLE

Increase of €16 to over €209 per week for the following pensioners:

- State Pension (Contributory)
- State Pension (Transition)
- 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 2007)

Increase of €18 to €200 per week for State Pension (Non-Contributory) recipients
(January 2007)

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

- Increased means disregard for State Pension (Non-Contributory) by €10 to €30 per week
- Increased employment earnings disregard for State Pension (Non-Contributory) by €100 to €200 per week
- Disregard of any additional amount of State Pension which is in excess of Supplementary Welfare Allowance rate when calculating Rent or Mortgage Interest Supplement entitlement
(January 2007)
- Entitlement to a Companion Free Travel Pass to those aged 66 to 74 inclusive, who are certified as medically unfit to travel alone

(March 2007)

- Extend Telephone Allowance Scheme to include mobile phones
(April 2007)

SUPPORTING CARERS

- Increase of €18 to €218 per week for recipients of Carer's Allowance aged 66 and over
- Increase of €20 to €200 per week for recipients of Carer's Allowance and Carer's Benefit/Constant Attendance Allowance aged under 66
(January 2007)
- Respite Care Grant increased by €300 to €1,500 for each care recipient
(June 2007)
- Weekly income disregard for Carer's Allowance increased by €30/€60 to €320 (single) and €640 (couple)
- Increased earnings threshold for entitlement to Carer's Benefit by €30 to €320 per week
(April 2007)
- Introduction of a new additional means-tested payment equivalent to up to half of the Carer's Allowance rate for certain people with another Social Welfare entitlement
(September 2007)

PEOPLE OF WORKING AGE

One-Parent Family Payment

- Increased upper income threshold for entitlement to One-Parent Family Payment by €25, from €375 to €400 per week
(May 2007)
- Provide for credited contributions for recipients of One-Parent Family Payment who take time off work following the birth of a child
(April 2007)

Jobseekers Allowance/ PRETA/ Disability Allowance/ Farm Assist

- Introduction of a daily earnings disregard of €20 per day, for up to 3 days per week, for Jobseeker's Allowance and Farm Assist recipients with children
- Increased daily earnings disregard of €7.30, from €12.70 to €20 for Jobseeker's Allowance and Farm Assist recipients without children
- Reform the assessment of

spouse's earnings for Jobseeker's Allowance/PRETA /Disability Allowance/Farm Assist recipients so as to reward work

(September 2007)

Maternity & Adoptive Benefit

- Increased reckonable weekly earnings threshold from €332 to €350, for determination of entitlement to earnings related Maternity & Adoptive Benefit
- Increase of €25.20 in minimum rate to €207.80 per week

(January 2007)

- Extra 4 weeks Maternity Benefit to 26 weeks

(March 2007)

Rent Supplement & Supplementary Welfare Allowance

- Recipients of Rent Supplement, who are on a Local Authority housing list under the Rent Accommodation Scheme, may take up full time employment and remain eligible for Rent Supplement
- Increased Rent Supplement household income disregard applicable to those
 - taking up part-time employment
 - availing of an employment opportunity
 - in receipt of a maintenance payment

of 50% of any additional income up to €200 per week, subject to a minimum disregard of €75

- Increased capital disregard for entitlement to Rent or Mortgage Interest Supplement and Supplementary Welfare Allowance from €520 to €5,000 and reform assessment in line with that of other schemes

(April 2007)

Back To Work Allowance

- Entitlement extended to those who are in receipt of Jobseeker's Allowance for 2 years or more at a weekly rate of less than €50.79 (single) or €78.72 (couple)

(March 2007)

Back To Education Allowance

- Reduced qualifying period from 3 to 2 years in respect of Illness Benefit recipients
- Extend immediate entitlement to

people made redundant provided they have an entitlement to statutory redundancy and are entitled to a social welfare payment

(September 2007)

Back To Education Programme

- Extend entitlement to a €32 per week Out of Pocket Expenses payment to all those participating in the Education, Training & Development option of the Back To Education Programme

(May 2007)

Jobseeker's Benefit

- Raised redundancy payment threshold by €31,054 to €50,000 for disqualification to entitlement to Jobseeker's Benefit for up to 9 weeks

(February 2007)

Illness Benefit & Jobseeker's Benefit

- Enable recipients of Carer's Allowance or Benefit who previously received Illness or Jobseeker's Benefit to revert to that payment at the same rate as previously paid if more beneficial to them
- Enable those in receipt of Illness Benefit for 2 years, and who subsequently undertake employment of less than 26 weeks duration, to return to Illness Benefit entitlement at the same rate as previously paid

(May 2007)

Deserted Wife's Benefit

- Payment of maximum personal rate subject to contribution conditions where the annual income does not exceed €20,000
- Introduce a transitional payment of half rate Deserted Wife's Benefit for 6 months where a recipient's annual income exceeds €20,000

(May 2007)

PEOPLE WITH DISABILITIES

Disability Allowance

- Extend entitlement to full rate of €185.80 Disability Allowance to all people resident in institutions

(January 2007)

- Extend entitlement to Bereavement Grant to the next of kin of deceased recipients of Disability Allowance aged 16 to 22

(May 2007)

- Increased capital disregard for Disability Allowance by €30,000, from €20,000 to €50,000

(June 2007)

Advocacy Service for People with Disabilities

- Additional funding of €1.9m to the Citizens Information Board for the development of a personal advocacy service for people with disabilities and for the implementation of the Disability Sectoral Plan

(2007)

QUALIFIED ADULTS

- Special increase of €23.70 per week for QAAs aged 66 and over of State Pension (Contributory), State Pension (Transition) and Invalidity Pension, in order, over the next three years, to bring those QAAs up to the level of the State Pension (Non-Contributory)

(January 2007)

- Provide for the qualified adult's entitlement to the QAA for the duration of entitlement of a State Pensioner
- Pay the QAA directly to the qualified adults of State Pensioners

(September 2007)

- Increased upper ceiling for entitlement to tapered QAA payments by €30, from €250 to €280 per week
- Increase of €10.70 per week for State Pension (Contributory) and State Pension (Transition) QAAs aged under 66
- Increase of €11.90 per week for State Pension (Non-Contributory)
- Increase of €14.30 per week for Invalidity Pension QAAs aged under 66
- Increase of €13.30 per week for all other QAA payments

(January 2007)

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

ENERGY

- Rate of the National Fuel Allowance increased by €4 to €18 per week
(January 2007)
- Increased income threshold for eligibility to Fuel Allowance from €51 to €100 per week

CHANGES IN PRSI

- Threshold for payment of 2% Health Contribution increased from €440 to €480 per week and the annual threshold increased from €22,880 to €24,960
- Threshold for employee PRSI increased from €300 to €339 per week
- Introduction of an additional 0.5% Health Contribution on earnings over €100,100 per annum
- Earnings ceiling for PRSI increased by €2,200 from €46,600 to €48,800
- People on Farm Assist to be permitted to make PRSI contributions
(January 2007)

BEREAVEMENT

- Increased Bereavement Grant by €215, from €635 to €850
- Increased Widowed Parent Grant by €1,300, from €2,700 to €4,000
(Budget Day)

IMPROVED SERVICES AND COMMUNICATIONS

Entitlement Awareness Campaigns

- Additional funding of €750,000
- Additional funding of €1.5m for marriage, child and bereavement counselling and other services

Carers' Organisations

- Once-off grants totalling €500,000
(All 2007)

SCHEDULE FOR INCREASES

January

Increases for recipients of Jobseeker's Benefit/Allowance, Illness/Maternity Benefit, One-Parent Family Payment, Family Income Supplement, Farm Assist and Supplementary Welfare Allowance.

February

Recipients of certain long-term payments such as Widow(er)s, Carers and Invalidity will receive their increase in mid-February backdated to January along with their new payable order books. Increases for certain other long-term payments such as State pensions and Disability Allowance will be paid by a special once-off payment in mid-February to cover 12 weeks payment to end March when new payable order books will be issued.

April

Child Benefit customers paid by electronic methods will receive their increase in full from April 2007.

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

Number of Recipients

Weekly Personal Rate

Qualified Adult Allowance

Child Rate

Child Benefit

Social Insurance Payments

		Present	New	Increase	Present	New	Increase			Present	New
		€	€	€	€	€	€	€	Number of Children	Monthly Rate	Monthly Rate
State Pension (Contributory)/(Transition)	228,300										
Under Age 80		193.30	209.30	16.00	128.80*	139.50*	10.70	22.00			
- Aged 80 and over		203.30	219.30	16.00	149.30**	173.00**	23.70	22.00			
Widow's/Widower's (Contributory) Pension/Deserted Wife's Benefit	110,500										
- Under Age 66	9,800	171.30	191.30	20.00				22.00	1 child	150.00	160.00
- Aged 66 and under Age 80		193.30	209.30	16.00				22.00	2 children	300.00	320.00
- Aged 80 and over		203.30	219.30	16.00				22.00	3 children	485.00	515.00
Invalidity Pension	51,600								4 children	670.00	710.00
- Under Age 65		171.30	191.30	20.00	122.20*	136.50*	14.30	22.00	5 children	855.00	905.00
- Aged 65 and under Age 80		193.30	209.30	16.00	149.30**	173.00**	23.70	22.00	6 children	1040.00	1100.00
- Aged 80 and over		203.30	219.30	16.00				22.00	7 children	1225.00	1295.00
Carer's Benefit/Constant Attendance Allowance	1,200	180.70	200.70	20.00				22.00	8 children	1410.00	1490.00
Disablement Pension	12,600	196.90	216.90	20.00							
Jobseeker's/Illness/Health & Safety/Injury Benefit	50,400/ 66,200/ 1,100	165.80	185.80	20.00	110.00	123.30	13.30	22.00			
Death Benefit Pension	650										
- Under Age 66		194.60	213.70	19.10							
- Aged 66 and under Age 80		197.70	213.70	16.00							
- Aged 80 or over		207.70	223.70	16.00							

Social Assistance Payments

										Present	New
									Family Size	Income Limit	Income Limit
State Pension (Non-Contributory)	98,400									€	€
- Aged 66 and under Age 80		182.00	200.00	18.00	120.30	132.20	11.90	22.00	1 child	465.00	480.00
- Aged 80 and over		192.00	210.00	18.00				22.00	2 children	510.00	550.00
Carer's Allowance	27,300								3 children	565.00	625.00
- Under Age 66		180.00	200.00	20.00				22.00	4 children	630.00	720.00
- Aged 66 and over		200.00	218.00	18.00				22.00	5 children	705.00	820.00
Blind Pension	1,500	165.80	185.80	20.00	110.00	123.30	13.30	22.00	6 children	775.00	910.00
Widow's/Widower's/ (Non-Contributory) Pension/Deserted Wife's/Prisoner's Wife's Allowance	2,000	165.80	185.80	20.00				22.00	7 children	845.00	1020.00
One-Parent Family Payment	800	165.80	185.80	20.00				22.00	8 children	905.00	1090.00
Pre-Retirement/Disability Allowance	73,700	165.80	185.80	20.00	110.00	123.30	13.30	22.00	or more		
Supplementary Welfare Allowance	11,200/81,300	165.80	185.80	20.00	110.00	123.30	13.30	22.00			
Jobseeker's Allowance	26,800	165.80	185.80	20.00	110.00	123.30	13.30	22.00			
Farm Assist	77,200	165.80	185.80	20.00	110.00	123.30	13.30	22.00			
	7,500	165.80	185.80	20.00	110.00	123.30	13.30	22.00			

Other Social Welfare Allowances

Maternity/Adoptive Benefit – Minimum Rate	15,400	182.60	207.80	25.20							
Guardian's Payment (Contributory)/(Non-Contributory)	800/400	138.00	158.00	20.00							

Note:

*under 66

**66 or over

Family Income Supplement (FIS)

	Present	New
Family Size	Income Limit	Income Limit
	€	€
1 child	465.00	480.00
2 children	510.00	550.00
3 children	565.00	625.00
4 children	630.00	720.00
5 children	705.00	820.00
6 children	775.00	910.00
7 children	845.00	1020.00
8 children	905.00	1090.00
or more		

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.