

BUDGET FACTSHEET 2008

Department of Social and Family Affairs

An Roinn Gnóthaí Sóisialacha agus Teaghlaigh



Main Social Welfare Changes and New Rates of Payments

Minister for Social and Family Affairs, Mr. Martin Cullen T.D.

<p>Supporting Older People</p> <ul style="list-style-type: none"> ❖ €336 million package of support for older people. ❖ Almost 420,000 pensioners will benefit from State Pension increases. ❖ Contributory Pension rates will increase by €14 per week to €223.30. ❖ Non-Contributory Pension rates will increase by €12 per week to €212.00. ❖ Duration of fuel season will be extended by 1 week to 30 weeks. 	<p>€900 million increase in Welfare Support Package</p> <p>Total spend just short of €17 billion in 2008 to benefit over 1½ million people</p> <p>Real value of all payments increased</p> <p>€14 increase for contributory pensioners and carers</p> <p>Payments to Qualified Adults of contributory pensioners will increase by up to €27 per week</p> <p>€194 million improvement in child income support measures (including Early Childcare Supplement)</p> <p>Respite Care Grant to increase by €200 to €1,700 for each care recipient</p> <p>All other personal rates to increase by €12 per week</p> <p>Fuel season will be extended by 1 week to 30 weeks in April 2008</p> <p>Widowed Parent Grant increases by €2,000 to €6,000</p>	<p>Recognising Carers</p> <ul style="list-style-type: none"> ❖ Rates of payment for all carers up by €14 per week. ❖ Carer's income disregard will increase to €665 per week for a couple. ❖ Respite Care Grant will be €1,700 from June 2008. ❖ Earnings threshold for Carer's Benefit to increase by €12.50 to €332.50 per week.
<p>Women/Pensions</p> <ul style="list-style-type: none"> ❖ Major step towards completing the Government commitment to bring pensioner Qualified Adults (QAs) to level of State (Non-Contributory) Pension. ❖ Over 42,000 State Pension (Contributory & Transition) and Invalidity Pension Qualified Adults (aged 66 years and over) to receive special increase of up to €27 per week. 	<p>Supports for families and children</p> <ul style="list-style-type: none"> ❖ Child Benefit lower and higher rates to increase to €166 and €203 per month benefiting 1.17 million children. ❖ Qualified Child Allowance to increase by €2 to €24 per week. ❖ Additional €2 million funding for School Meals Scheme. ❖ All FIS thresholds to increase by €10 per week per child. ❖ Back to School Clothing and Footwear Scheme will increase by €20 per child. ❖ Early Childcare Supplement will increase by €100 per child per year. 	

For more information telephone **Department of Social and Family Affairs** on 1890 66 22 44 (LoCall) 9.00am – 5.00pm Monday to Friday

9am – 9pm Thursday 6th and Friday 7th December 2007 and

Citizens Information Phone Service on 1890 777 121 (LoCall) 9.00am – 9.00pm 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

Note: The rates charged for the use of 1890 (LoCall) numbers may vary among different service providers.

FACTS AND DETAILS

RETIRED AND OLDER PEOPLE

Personal Rates

Increase of €14 to €223.30 per week for the following pensioners:

- State Pension (Contributory)
- State Pension (Transition)
- Invalidity Pension recipients aged 65 years.
- Widow's and Widower's (Contributory) Pension recipients aged 66 years and over.
- Deserted Wife's Benefit recipients aged 66 years and over.

(All January 2008)

Increase of €14 to €227.70 for recipients of Death Benefit Pension aged 66 years and over. **(January 2008).**

Increase of €12 to €212 per week for State Pension (Non-Contributory) recipients **(January 2008).**

Qualified Adults

- Special increase of up to €27 per week for State Pension (Contributory), State Pension (Transition) and Invalidity Pension Qualified Adults aged 66 years and over.
- Increase of €9.30 per week for State Pension (Contributory) and State Pension (Transition) Qualified Adults aged under 66 years.
- Increase of €7.90 per week for State Pension (Non-Contributory) Qualified Adults aged under 66 years **(All January 2008).**
- Increase the upper ceiling for entitlement to a tapered Qualified Adult payment for the State Pension (Contributory), State Pension (Transition) and Invalidity Pension (aged 65) by €20, from €280 to €300 per week **(January 2008).**

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

Fuel /Household Benefits

- The duration of the fuel season is to be extended by 1 week in April from 29 weeks to 30 weeks. **(April 2008).**

- Entitlement to the Natural Gas Allowance will be extended to include customers who use gas which is not delivered via the national grid **(January 2008).**

CARERS

- Increase of €14 from €218 to €232 per week for recipients of Carer's Allowance aged 66 years and over.
- Increase of €14 from €200 to €214 per week for recipients of Carer's Allowance aged under 66 years.
- Increase of €14 from €200.70 to €214.70 per week for recipients of Carer's Benefit and Constant Attendance Allowance **(January 2008).**
- Respite Care Grant to increase by €200 to €1,700 in respect of each care recipient **(June 2008).**
- Weekly income disregard for Carer's Allowance will increase by €12.50/€25 to €332.50 (single) and €665 (couple) **(April 2008).**
- Earnings threshold for entitlement to Carer's Benefit will increase by €12.50 to €332.50 per week **(April 2008).**
- Any amount of Carer's Benefit, in excess of the basic SWA rate, will be disregarded for the purposes of Rent and Mortgage Interest Supplement (in line with existing arrangements for Carer's Allowance) **(April 2008).**

CHILDREN

- Increase of €6 and €8 per month respectively in the lower and higher Child Benefit rates.
- New monthly rates are €166 for each of the first two children and €203 each for the third and subsequent children. **(April 2008).**
- Increase of €2 per week in the Qualified Child Increase (formerly Child Dependent Allowance). New weekly rate is €24 **(January 2008).**
- Family Income Supplement weekly income thresholds will increase by €10 per week per child **(January 2008).**

- Back to School Clothing and Footwear Allowance will increase by €20 per child from €180 to €200 for children aged 2-11 years and from €285 to €305 for children aged 12-22 years **(June 2008).**
- Additional funding of €2 million to extend the School Meals Scheme to more schools in the Delivering Equality of Opportunity in Schools Initiative (DEIS) **(2008).**
- Early Childcare Supplement to increase by €100 to €1,100 per year in respect of each child under 6 years of age (administered by the Office of the Minister for Children) **(Quarter 1, 2008).**
- Widowed Parent Grant will increase by €2,000 to €6,000 **(Budget Day 2007).**

PEOPLE OF WORKING AGE

Income Support

Increase of €12 to €197.80 per week to benefit the following:

- Jobseeker's Benefit and Jobseeker's Allowance
- Supplementary Welfare Allowance
- Pre-Retirement Allowance
- Farm Assist
- One-Parent Family Payment
- Widow's and Widower's (Non-Contributory) Pension and women in receipt of Deserted Wife's Allowance and Prisoner's Wife's Allowance
- Health and Safety Benefit **(All January 2008)**

Qualified Adults

- Increase of €8 per week for Qualified Adults of recipients of the above payments **(January 2008).**
- Increase the upper ceiling for entitlement to a tapered qualified adult payment for Jobseeker's Benefit and Health and Safety Benefit by €20, from €280 to €300 per week **(January 2008).**

Increase of €12 to €203.30 per week to benefit the following:

- recipients of Widow's and Widower's (Contributory) Pension aged under 66 years and
- women in receipt of Deserted Wife's Benefit aged under 66.
- Increase of €12 to €170 per week for recipients of Guardian's Payments.
- Increase of €14 to €227.70 per week for Death Benefit Pensioners aged under 66 years.
- Increase of €12 to €228.90 for recipients of Disablement Pension.

(All January 2008)

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

One-Parent Family Payment

- Increase of €25 in the upper income threshold for entitlement to One-Parent Family Payment, from €400 to €425 per week **(May 2008)**.
- Social Insurance contributions, health contributions, superannuation contributions and trade union subscriptions will be disregarded for the purpose of assessment of earnings for One-Parent Family Payment **(May 2008)**.

Jobseeker's Allowance

- A single reformed method for assessing Benefit and Privilege from parent's income will be introduced **(April 2008)**.

Maternity & Adoptive Benefit

- Increase of €14 per week in the minimum rate of Maternity and Adoptive Benefit to €221.80 per week **(January 2008)**.

Cost of Education Allowance

- The Cost of Education Allowance will increase by €100 to €500 per annum and will be extended to Back to Education credit only cases **(2008)**.

Family Support Programme

- Additional funding of €0.50 million for the Activation and Family Support Programme **(2008)**.

PEOPLE WITH DISABILITIES

Income Support

Increase of €12 to €197.80 per week to benefit recipients of the following payments:

- Illness Benefit
- Disability Allowance
- Blind Pension
- Injury Benefit
- Incapacity Supplement

(All January 2008)

Qualified Adults

Increase of €8 per week for Qualified Adults of recipients of the above payments **(January 2008)**.

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

Invalidity Pension

- Increase of €12 to €203.30 per week for Invalidity Pension recipients aged under 65 years **(January 2008)**.

Qualified Adults

Increase of €8.60 per week for Invalidity Pension Qualified Adults aged under 66 years **(January 2008)**

Increase the upper ceiling for entitlement to a tapered qualified adult payment for Illness Benefit and Injury Benefit by €20, from €280 to €300 per week **(January 2008)**.

PRSI

- Threshold for employee PRSI will increase from €339 to €352 per week.
- Threshold for payment of 2% Health Contribution will increase from €480 to €500 per week and the annual threshold will increase from €24,960 to €26,000.
- Earnings ceiling for PRSI will increase by €1,900 from €48,800 to €50,700.
- **(January 2008)**

IMPROVED SERVICES

Citizens Information Board

- Additional funding of €1.8 million for the Citizens Information Board **(2008)**.

Family Support Agency

- Additional funding of €1.27 million for the Family Support Agency (FSA) to:
 - provide additional funding for organisations providing Marriage and Family Counselling;
 - relocate and fit-out the Family Mediation Services office in Galway and Sligo;
 - contribute to a pilot project involving Foróige youth workers in Family Resource Centres in the north-west;
 - initiate additional research projects **(All 2008)**.

Money Advice and Budgeting Service (MABS)

- Additional funding of €0.25 million for staffing and development of the MABS companies **(2008)**.

SCHEDULE FOR INCREASES

January

Pensioners who are paid by electronic methods will receive their increase in full from January 2008.

Increases for recipients of Jobseeker's Benefit/Allowance, Illness/Maternity Benefit, One-Parent Family Payment, Family Income Supplement, Farm Assist and Supplementary Welfare Allowance will be paid in full from January 2008.

February

Recipients of certain long-term payments (who are paid by payable order book) such as Widow(er)'s Pensions, Carer's Allowance and Invalidity Pension will receive their increase in mid-February backdated to January along with their new payable order books.

April

Child Benefit customers will receive their increase from April 2008.

Maximum Weekly Rates	Number of Recipients	Weekly Personal Rate			Qualified Adult Allowance <i>* for those under age 66 years</i> <i>** for those aged 66 years or over</i>			Child	Child Benefit Rate		
		Present €	New €	Increase €	Present €	New €	Increase €		€	Number of Children	Present Monthly Rate €
Social Insurance Payments											
State Pension (Contributory)/(Transition)	242,100										
Under Age 80		209.30	223.30	14.00	139.50*	148.80	9.30	24.00			
- Aged 80 and over		219.30	233.30	14.00	173.00**	200.00	27.00	24.00			
Widow's/Widower's (Contributory) Pension/ Deserted Wife's Benefit	111,200										
	9,100										
- Under Age 66		191.30	203.30	12.00				24.00	1 child	160.00	166.00
- Aged 66 and under Age 80		209.30	223.30	14.00				24.00	2 children	320.00	332.00
- Aged 80 and over		219.30	233.30	14.00				24.00	3 children	515.00	535.00
Invalidity Pension	53,900								4 children	710.00	738.00
- Under Age 65		191.30	203.30	12.00	136.50*	145.10	8.60	24.00	5 children	905.00	941.00
- Aged 65 and under Age 80		209.30	223.30	14.00	173.00**	200.00	27.00	24.00	6 children	1100.00	1144.00
- Aged 80 and over		219.30	233.30	14.00				24.00	7 children	1295.00	1347.00
Carer's Benefit/Constant Attendance Allowance	2,200	200.70	214.70	14.00				24.00	8 children	1490.00	1550.00
Disablement Pension	13,000	216.90	228.90	12.00							
Jobseeker's/Illness/Health & Safety/Injury Benefit	57,900/ 74,600/100/ 1,400	185.80	197.80	12.00	123.30	131.30	8.00	24.00			
Death Benefit Pension (FIS)	650										
- Under Age 66		213.70	227.70	14.00							
- Aged 66 and under Age 80		213.70	227.70	14.00							
- Aged 80 or over		223.70	237.70	14.00							
Social Assistance Payments											
State Pension (Non-Contributory)	97,100										
- Aged 66 and under Age 80		200.00	212.00	12.00	132.20	140.10	7.90	24.00	1 child	480.00	490.00
- Aged 80 and over		210.00	222.00	12.00				24.00	2 children	550.00	570.00
Carer's Allowance	39,200								3 children	625.00	655.00
- Under Age 66		200.00	214.00	14.00				24.00	4 children	720.00	760.00
- Aged 66 and over		218.00	232.00	14.00				24.00	5 children	820.00	870.00
Blind Pension	1,500	185.80	197.80	12.00	123.30	131.30	8.00	24.00	6 children	910.00	970.00
Widow's/Widower's (Non-Contributory) Pension	2,100	185.80	197.80	12.00					7 children	1020.00	1090.00
Deserted Wife's/Prisoner's Wife's Allowance	700	185.80	197.80	12.00					8 children	1090.00	1170.00
One-Parent Family Payment	87,400	185.80	197.80	12.00				24.00	or more		
Pre-Retirement/Disability Allowance	11,500/90,500	185.80	197.80	12.00	123.30	131.30	8.00	24.00			
Supplementary Welfare Allowance	19,500	185.80	197.80	12.00	123.30	131.30	8.00	24.00			
Jobseeker's Allowance	84,100	185.80	197.80	12.00	123.30	131.30	8.00	24.00			
Farm Assist	7,500	185.80	197.80	12.00	123.30	131.30	8.00	24.00			
Other Social Welfare Allowances											
Maternity/Adoptive Benefit – Minimum Rate	2,750	207.80	221.80	14.00							
Guardian's Payment (Contributory)/ (Non-Contributory)	800/400	158.00	170.00	12.00							

Family Income Supplement

Family Size	Present Income Limit €	New Income Limit €
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1 child	480.00	490.00
2 children	550.00	570.00
3 children	625.00	655.00
4 children	720.00	760.00
5 children	820.00	870.00
6 children	910.00	970.00
7 children	1020.00	1090.00
8 children	1090.00	1170.00

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.