

BUDGET FACTSHEET

Department of Social and Family Affairs

An Roinn Gnóthaí Sóisialacha agus Teaghlaigh



Main Social Welfare Changes and New Rates of Payments

Mary Hanafin T.D., Minister for Social and Family Affairs

Total spend of €19.6 billion in 2009 to benefit over 1½ million people

Almost €2.6 billion increase

Improvements in Social Welfare will cost €515 million in 2009

Older People

- **Extra €166 million package of support for older people**
- **€7 per week increase for all pensioners and carers aged 66 years & over**
- **€13.30 weekly increase for pensioner couples**
- **Extra €30 million energy package - Fuel Allowance season to be extended by 2 weeks to 32 weeks and Fuel Allowance to increase by €2 to €20 per week**

People of Working Age

- **Extra €262 million increases in rates to support people of working age**
- **€6.50 per week increase on all working age payments** - which includes Jobseeker's Benefit & Allowance, Illness Benefit, Disability Allowance, One Parent Family Payment and Carer's Benefit & Allowance (under 66 years)
- **€4.30 per week increase in respect of qualified adults**
- **€8.50 per week increase in the minimum rate of Maternity and Adoptive Benefit**

Families and Children

- **€56 million improvements in support of families and children**
- **Qualified child increase to increase by €2 to €26 per week**
- **All Family Income Supplement (FIS) income thresholds to increase by €10 per week per child**
- **Income threshold for the Back to School Clothing and Footwear scheme to increase to allow more families to qualify**

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 Wednesday 15th and Thursday 16th October 2008 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 €7 to €230.30 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 2009)

Increase of €7 to €234.70 for recipients of Death Benefit Pension aged 66 years and over **(January 2009)**.

Increase of €7 to €219.00 per week for State Pension (Non-Contributory) recipients **(January 2009)**.

Qualified Adults

- Increase of €6.30 to €206.30 per week for State Pension (Contributory), State Pension (Transition) and Invalidity Pension Qualified Adults aged 66 years and over.
- Increase of €4.70 to €153.50 per week for State Pension (Contributory) and State Pension (Transition) Qualified Adults aged under 66 years.
- Increase of €4.60 per week for State Pension (Non-Contributory) and Invalidity Pension Qualified Adults aged under 66 years to €144.70 and €149.70 respectively **(All January 2009)**.

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

Fuel Allowance

- Fuel Allowance to increase by €2 per week to €20 per week. **(January 2009)**.

- Duration of the Fuel Allowance to be extended by 2 weeks from 30 weeks to 32 weeks **(April 2009)**.

CARERS

Personal Rates

- Increase of €7.00 from €232.00 to €239.00 per week for recipients of Carer's Allowance aged 66 years and over.
- Increase of €6.50 from €214.00 to €220.50 per week for recipients of Carer's Allowance aged under 66 years.
- Increase of €6.50 from €214.70 to €221.20 per week for recipients of Carer's Benefit and Constant Attendance Allowance **(All January 2009)**.

CHILDREN

- Increase of €2 per week in the Qualified Child Increase (formerly Child Dependent Allowance). New weekly rate is €26.00 **(January 2009)**.
- Family Income Supplement weekly income thresholds will increase by €10 per week per child, giving an increase of up to €6 per week per child **(January 2009)**.
- Increase the additional income disregard by €50 per week from €100 to €150 for Back School Clothing and Footwear Allowance **(June 2009)**.
- Half rate Child Benefit will be paid in respect of those aged 18 years in 2009. From 2010, Child Benefit will not be paid in respect of those aged 18 years.
- For certain low income families affected by the above change in the Child Benefit scheme, there will be a special separate compensatory payment of EUR15 per week for children aged 18 years. This compensatory

measure will cease to apply on 31 December 2010.

- Further compensatory measures will also be applied, where appropriate, to FIS and the Back to School Clothing and Footwear Allowance scheme in respect of 18 year olds. These arrangements will apply until January 2011.

PEOPLE OF WORKING AGE

Personal Rates

Increase of €6.50 to €204.30 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, Deserted Wife's Allowance and Prisoner's Wife's Allowance
- Health and Safety Benefit **(All January 2009)**

Increase of €6.50 to €209.80 per week for:

- Recipients of Widow's and Widower's (Contributory) Pension and Deserted Wife's Benefit aged under 66 years.
- Increase of €6.50 to €176.50 per week for recipients of Guardian's Payments.
- Increase of €7.00 to €234.70 per week for Death Benefit Pensioners aged under 66 years.
- Increase of €6.50 to €235.40 for recipients of Disablement Pension. **(All January 2009)**

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

Maternity & Adoptive Benefit

- Increase of €8.50 per week in the minimum rate of Maternity and Adoptive Benefit to €230.30 per week (**January 2009**).

Qualified Adults

- Increase of €4.30 to €135.60 per week for Qualified Adults of recipients of the relevant payments above (**January 2009**).
- Upper ceiling for entitlement to a tapered qualified adult payment for Jobseeker's Benefit and Health and Safety Benefit to increase by €10 to €310 per week (**January 2009**).

Jobseeker's Benefit

- For new claimants of Jobseeker's Benefit, 13 paid contributions in the relevant tax year or certain other periods will be required to qualify (also applies to recipients of Health & Safety Benefit) (**January 2009**).
- For new claimants of Jobseeker's Benefit, the number of paid contributions needed to qualify will increase from 52 to 104 (also applies to recipients of Health & Safety Benefit) (**January 2009**).
- Earnings limit for graduated rates of payment to increase from €150 to €300 per week in the relevant tax year for new claimants (also applies to recipients of Health & Safety Benefit) (**January 2009**).
- Jobseeker's Benefit will now be paid for 12 months (previously 15 months) where 260 or more PRSI contributions are paid. This will apply to new claimants and those with an existing duration of less than 6 months on Jobseeker's Benefit on Budget Day (**14th October 2008**).
- Jobseeker's Benefit will be paid for up to 9 months (previously 12 months) where less than 260 contributions are paid. This will apply to new claimants and those with an existing duration of less than 3 months on Jobseeker's

Benefit on Budget Day (**14th October 2008**).

Rent Supplement/Mortgage Interest Supplement

- The minimum contribution towards rent for the purposes of the Rent Supplement and Mortgage Interest Supplement schemes to increase by €5 per week to €18 per week (**January 2009**)

PEOPLE WITH DISABILITIES

Personal Rates

Increase of €6.50 to €204.30 per week to benefit recipients of the following payments:

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

(**All January 2009**)

Qualified Adults

- Increase of €4.30 to €135.60 per week for Qualified Adults of recipients of the above payments (**January 2009**).

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

Invalidity Pension

Personal Rate

- Increase of €6.50 to €209.80 per week for Invalidity Pension recipients aged under 65 years (**January 2009**).

Qualified Adults

- Increase of €4.60 to €149.70 per week for Invalidity Pension Qualified Adults aged under 66 years (**January 2009**).
- Upper ceiling for entitlement to a tapered qualified adult payment for Illness Benefit, Invalidity Pension and Injury Benefit to be increased by €10 to €310 per week (**January 2009**).

Illness Benefit

- Duration of the Illness Benefit scheme to be limited to 2 years for new claimants where 260 or more PRSI contributions are paid from January 2009.
- Number of paid contributions needed to qualify (for new claimants) will increase from 52 to 104 (**January 2009**).
- Earnings limit for graduated rates of payment to increase from €150 to €300 per week in the relevant tax year for new claimants (**January 2009**).

PRSI

- Earnings ceiling for PRSI will increase by €1,300 from €50,700 to €52,000 (**January 2009**).

IMPROVED SERVICES

Family Support Agency

- Funding of €0.5 million for the Family Support Agency (FSA) to develop a programme to support parenting skills (**2009**).

SCHEDULE OF INCREASES

January

Pensioners who are paid by electronic methods will receive their increase in full from January 2009.

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 2009.

February

Recipients of certain long-term payments such as Widow/er's, Carers and Invalidity pension will receive their increase in mid-February backdated to January. 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.

Social Welfare Rates for 2009

Maximum Weekly Rates

Weekly Personal Rate

Qualified Adult Allowance

Child# Rate

Child Benefit Rate#

Social Insurance Payments

State Pension (Contributory)/(Transition)

	Present €	New €	Increase €
Under Age 80	223.30	230.30	7.00
- Aged 80 and over	233.30	240.30	7.00

Widow's/Widower's (Contributory) Pension/ Deserted Wife's Benefit

	Present €	New €	Increase €
- Under Age 66	203.30	209.80	6.50
- Aged 66 and under Age 80	223.30	230.30	7.00
- Aged 80 and over	233.30	240.30	7.00

Invalidity Pension

	Present €	New €	Increase €
- Under Age 65	203.30	209.80	6.50
- Aged 65 and under Age 80	223.30	230.30	7.00
- Aged 80 and over	233.30	240.30	7.00

Carer's Benefit/Constant Attendance Allowance

	Present €	New €	Increase €
Disablement Pension	228.90	235.40	6.50

Jobseeker's/Illness/Health & Safety/Injury Benefit

	Present €	New €	Increase €
Death Benefit Pension	197.80	204.30	6.50

Death Benefit Pension

	Present €	New €	Increase €
- Under Age 66	227.70	234.70	7.00
- Aged 66 and under Age 80	227.70	234.70	7.00
- Aged 80 or over	237.70	244.70	7.00

Social Assistance Payments

State Pension (Non-Contributory)

	Present €	New €	Increase €
- Aged 66 and under Age 80	212.00	219.00	7.00
- Aged 80 and over	222.00	229.00	7.00

Carer's Allowance

	Present €	New €	Increase €
- Under Age 66	214.00	220.50	6.50
- Aged 66 and over	232.00	239.00	7.00

Blind Pension

	Present €	New €	Increase €
Widow's/Widower's (Non-Contributory) Pension	197.80	204.30	6.50

Deserted Wife's/Prisoner's Wife's Allowance

	Present €	New €	Increase €
One-Parent Family Payment	197.80	204.30	6.50

Pre-Retirement/Disability Allowance

	Present €	New €	Increase €
Supplementary Welfare Allowance	197.80	204.30	6.50

Supplementary Welfare Allowance

	Present €	New €	Increase €
Jobseeker's Allowance	197.80	204.30	6.50

Jobseeker's Allowance

	Present €	New €	Increase €
Farm Assist	197.80	204.30	6.50

Other Social Welfare Allowances

	Present €	New €	Increase €
Maternity/Adoptive Benefit – Minimum Rate	221.80	230.30	8.50

	Present €	New €	Increase €
Guardian's Payment (Contributory)/ (Non-Contributory)	170.00	176.50	6.50

	Present €	New €	Increase €
Qualified Adult Allowance	148.80*	153.50*	4.70*
Child# Rate	200.00**	206.30**	6.30**

Number of Children	Monthly Rate €
1 child	166.00
2 children	332.00
3 children	535.00
4 children	738.00
5 children	941.00
6 children	1,144.00
7 children	1,347.00
8 children	1,550.00

Special arrangements will apply in respect of children aged 18 years.

Family Income Supplement (FIS)

Family Size	Present Income Limit €	New Income Limit €
	1 child	490.00
2 children	570.00	590.00
3 children	655.00	685.00
4 children	760.00	800.00
5 children	870.00	920.00
6 children	970.00	1,030.00
7 children	1,090.00	1,160.00
8 children or more	1,170.00	1,250.00

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.

* for those under age 66 years

**for those aged 66 years or over