



## Main Social Welfare Changes and Rates of Payments

### Budget 2013

#### Joan Burton T.D., Minister for Social Protection

##### €20.26 billion to be spent on Social Protection in 2013

**Net savings of €390 million to be achieved in 2013 rather than €540 million  
€30 million of new spending on employment programmes and children**

**No rate cuts to primary weekly social welfare payments or pensions  
for 1.4 million people**

**No changes in the Fuel Allowance, Free Travel and Free TV Licence schemes**

##### Children

- Child Benefit rates will be €130 per month for the 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> child from January 2013.
- The Back to School Clothing and Footwear Allowance will reduce by €50.
- €14 million per annum will be allocated from the Department of Social Protection to the Department of Children and Youth Affairs to provide over 6,000 part-time afterschool childcare places for low income parents availing of an employment opportunity.
- An additional €2 million will be allocated to the School Meals Programme.
- €2.5 million will be allocated to the Department of Children and Youth Affairs for its Area Based Child Poverty Initiative.

##### Carers

- ◆ The half rate Carer's Allowance is maintained for full-time carers who are getting another weekly welfare payment.
- ◆ Extra weekly payment for caring for more than one person is retained.
- ◆ The annual Respite Care Grant will be €1,375 for each care recipient.

##### Older people

- ◆ The State Pension for older people is maintained at current levels.

##### Household Benefits Package

- ◆ There will be reductions in the value of the Telephone Allowance and the Electricity/Gas Allowance elements of the Household Benefits package.

For more information telephone the **Department of Social Protection** on  
1890 66 22 44 (LoCall) 9am – 5pm Monday to Friday and the  
**Citizens Information Phone Service** on 0761 07 4000, 9am - 9pm Monday to Friday  
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.citizensinformation.ie](http://www.citizensinformation.ie)

**Note: The rates charged for the use of 1890 (LoCall) numbers may vary among different service providers.  
This Fact Sheet is intended as a guide only and does not purport to be a legal interpretation.**

## DETAILS

### NEW SPENDING MEASURES

*€30 million will be spent on employment programmes and children*

#### Children Plus Initiative

- €14 million per annum from 2013 will be allocated from the Department of Social Protection to the Department of Children and Youth Affairs to fund a joint initiative that will provide over 6,000 afterschool childcare places for children in primary school. This will be targeted at low-income families where their parents are availing of an employment opportunity. The initiative will commence with a pilot scheme in early 2013.
- An additional €2 million will be allocated to the School Meals Programme. This programme aims to provide regular, nutritious food to disadvantaged children.
- €2.5 million in funding will be allocated to the Department of Children and Youth Affairs for its Area Based Child Poverty Initiative.

This Initiative will be co-funded by the Department of Children and Youth Affairs and philanthropic partners for work on a number of key areas including child development, educational disadvantage, health, well-being and parenting.

#### Employment Programmes 2013

- There will be 2,500 new JobBridge places. This will increase the number of places available to 8,500.
- There will be 2,500 new places on the Tús scheme. This will increase the number of places available to 7,500.
- There will be an additional 2,000 Community Employment scheme places available.
- There will be 3,000 new places in a Local Authority Social Employment Scheme.

### SPENDING REDUCTIONS

*Net savings of €390 million will be achieved*

#### Children and Families

- Child Benefit rates will be €130 per month for the 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> child. **(January 2013)**
- Child Benefit rates will be €140 per month for the 4<sup>th</sup> and subsequent children as announced in Budget 2012. **(January 2013)**
- From the following year, the monthly rate in respect of the 4<sup>th</sup> and subsequent children will be €130. **(January 2014)**
- The Back to School Clothing and Footwear Allowance will reduce from €250 to €200 for children aged 12 years and over and from €150 to €100 for children aged 4-11 years. **(2013)**

#### Jobseekers

- The duration of Jobseeker's Benefit will be reduced from 12 months to 9 months for recipients with 260 or more contributions paid.
- The duration of Jobseeker's Benefit will be reduced from 9 months to 6 months for recipients with less than 260 contributions paid.

These measures come into effect on April 3<sup>rd</sup> 2013. Claimants getting Jobseeker's Benefit for 6 months or more (or 3 months in the case of those with less than 260 contributions paid) on April 3<sup>rd</sup> will not be affected.

#### Household Benefits Package, Fuel Allowance and Free Travel

- There are no changes to the Fuel Allowance, Free Travel, Free TV Licence schemes and Living Alone Allowance. Their values are being maintained.
- The value of the Telephone Allowance will be reduced. The new monthly rate of €9.50 will show as a credit on the customer's bill or be paid as a cash allowance. **(January 2013)**

- The Electricity/Gas Allowance will be set at a single rate based on the average market rate across all suppliers currently available (for an unchanged 150 units per month). The new rate of €35 per month will show as a cash credit for those who receive a bill or be paid as a cash allowance. **(January 2013)**

#### Carers

- The half rate Carer's Allowance for full-time carers who are getting another welfare payment has not changed.
- The annual Respite Care Grant will reduce from €1,700 to €1,375 for each care recipient. **(2013)**
- The extra weekly payment for caring for more than one person is retained.

#### Redundancy Payments

- The employer rebate of statutory redundancy payments (currently 15%) will be discontinued. **(January 2013)**

#### Back to Education Allowance

- The €300 Cost of Education Allowance payable to Back to Education Allowance participants will be discontinued for new and existing participants. **(2013)**
- The weekly rate payable to Back to Education Allowance participants will be equalised with their previous social protection payment. **(January 2013)**
- A standard maximum rate of €160 per week will apply to Back to Education Allowance participants who were previously in receipt of an age-related reduced rate Jobseeker's payment. **(January 2013)**

#### Farm Assist

- The assessment of means from self-employment, including farming, will be raised from 85% to 100%. The deductions from income in respect of children will be discontinued. **(April 2013)**

#### PRSI Changes

- The Employee's PRSI-Free Allowance of €127 per week (for those paying PRSI Class A, E and H) and €26 per week (for those paying PRSI Class B, C and D) will be abolished. **(January 2013)**
- Employees who earn €352 or less per week continue to have no liability to make a PRSI contribution and are not affected by the abolition of the weekly PRSI-Free Allowance.
- Currently, employees who pay PRSI at Classes B, C and D (a minority of the civil and public sector) are exempt from PRSI in respect of self-employed earned income (from a profession or trade) and any other unearned income e.g. rental income. This exemption will be abolished. All such income will become liable to PRSI at the rate of 4%. **(2013)**
- In the following year, the exemption from PRSI applying to all employees with unearned income only, will be abolished. **(2014)**
- The minimum annual PRSI contribution for people with annual self-employed income over €5,000 will increase from €253 per annum to €500 per annum. **(2013)**

#### Miscellaneous measures

- The cost to the Department of medical certificates for illness and disability related schemes will be reduced. This is an administrative saving in the Department.
- Savings will be achieved on Exceptional Needs Payments.
- Additional fraud and control measures and legislation to enable greater recovery of social welfare overpayments will be introduced.

## Social Welfare Rates for 2013

### Maximum Weekly Rates

#### Social Insurance Payments

##### State Pension (Contributory)/(Transition)

	2012	2013	2012	2013	2012/2013
- Under Age 80	€ 230.30	€ 230.30	€ 153.50 *	€ 153.50 *	€ 29.80
- Aged 80 and over	240.30	240.30	206.30**	206.30**	29.80

##### Widow's/Widower's/Surviving Civil Partner's (Contributory)

##### Pension/Deserted Wife's Benefit

- Under Age 66	193.50	193.50			29.80
- Aged 66 and under Age 80	230.30	230.30			29.80
- Aged 80 and over	240.30	240.30			29.80

##### Invalidity Pension

- Under Age 65	193.50	193.50	138.10 *	138.10 *	29.80
- Aged 65	230.30	230.30	206.30**	206.30**	29.80

##### Carer's Benefit/Constant Attendance Allowance

Disablement Benefit	219.00	219.00			29.80
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##### Jobseeker's/Illness/Health & Safety/Injury Benefit

	188.00	188.00	124.80	124.80	29.80
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##### Death Benefit

- Under Age 66	218.50	218.50			29.80
- Aged 66 and under Age 80	234.70	234.70			29.80
- Aged 80 and over	244.70	244.70			29.80

#### Social Assistance Payments

##### State Pension (Non-Contributory)

- Aged 66 and under Age 80	219.00	219.00	144.70	144.70	29.80
- Aged 80 and over	229.00	229.00			29.80

##### Carer's Allowance

- Under Age 66	204.00	204.00			29.80
- Aged 66 and over	239.00	239.00			29.80

##### Blind Pension

	188.00	188.00	124.80	124.80	29.80
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##### Widow's/Widower's/Surviving Civil Partner's (Non-Contributory)

Pension	188.00	188.00			
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Deserted Wife's Allowance	188.00	188.00			
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One-Parent Family Payment	188.00	188.00			29.80
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Pre-Retirement/Disability Allowance	188.00	188.00	124.80	124.80	29.80
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Supplementary Welfare Allowance	186.00	186.00	124.80	124.80	29.80
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Jobseeker's Allowance	188.00	188.00	124.80	124.80	29.80
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Farm Assist	188.00	188.00	124.80	124.80	29.80
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#### Other Social Welfare Allowances

Maternity/Adoptive Benefit – Maximum Rate	262.00	262.00			* for those under age 66 years
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Guardian's Payment (Contributory)/(Non-Contributory)	161.00	161.00			** for those aged 66 or over
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### Child Benefit

	2012	2013	2013
Number of Children	Monthly Rate	Monthly Rate	Annual Rate
	€	€	€
1 child	140	130	1,560
2 children	280	260	3,120
3 children	428	390	4,680
4 children	588	530	6,360
5 children	748	670	8,040
6 children	908	810	9,720
7 children	1,068	950	11,400
8 children	1,228	1,090	13,080

### Family Income Supplement (FIS)

Family Size	Current Income Limit	2013 Income Limit
	€	€
1 child	506	506
2 children	602	602
3 children	703	703
4 children	824	824
5 children	950	950
6 children	1,066	1,066
7 children	1,202	1,202
8 children	1,298	1,298
or more		

Level of FIS payment will continue to be based on 60% of the shortfall between net weekly family income and the applicable weekly family threshold.