



**Over One Million Children To Benefit From Child Benefit
Increases & 350,000 Also Qualify For New Childcare Support**

***Brennan Says Increases Will Contribute To Eradicating Child
Poverty But More Targeted Action Planned***

The Minister for Social Affairs, Séamus Brennan T.D., announced today that more than one million children from half a million families will benefit from Child Benefit increases which come into effect from this week.

As a result of the new increases, Child Benefit rises to €150.00 a month for each of the first two children and €185.00 for the third and subsequent children.

Minister Brennan said that in addition to the Child Benefit increases, more than 350,000 children under 6 years of age will also qualify from this week for the annual €1000 Early Childcare Supplement (ECS) announced in Budget 2006. A total of 249,000 families, that is 1 in 3 of all children in receipt of Child Benefit, will benefit from this additional support, which comes into effect from April 1st. It is estimated that the scheme will cost €265 million for the first nine months of entitlements in 2006 and approximately €360 million for a full year.

Child Benefit is being increased by €8.40 a month for the first and second child and by €7.70 a month for the third and each subsequent child. Child Benefit payments have now increased fourfold in the past ten years. Child Benefit is paid to more than one million children at a cost in 2006 of more than €2 billion.

Minister Brennan said: "With these new increases the Government has now fully honoured its commitment on child benefit. Honouring this commitment, when taken together with the Government's Childcare package announced in Budget 2006, represent a significant contribution to the alleviation of child poverty and support for children. Child Benefit is a universal payment that supports all children in all circumstances. However, despite exceptionally high investment in welfare supports, the reality is that we are still confronting the totally unacceptable blemish on the Ireland of the 21st century of having children who endure poverty, deprivation and



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distress. I am now determined to find ways of channeling additional and targeted resources directly to support these children and their families, and to do so without delay."

Minister Brennan said that by taking thousands more families out of the tax net, by increasing Child Benefit further, by introducing the Early Childcare Supplement and by enhancing a range of other child-centred supports, the Government through Budget 2006 was recognising in a realistic and practical way the pressures on families and the urgent need to eradicate child poverty.

He said that all of these improvements would have significant further benefits for families, particularly those on welfare or low incomes. For example:

- A two-parent family on the National Minimum Wage of €16,000 with one child under 6 years would now be receiving €2,800 a year from Child Benefit and the new Early Childcare Supplement. When all other welfare benefits and supports are taken into account the amount of welfare support annually would be over €8,000.
- For a family on the National Minimum Wage of €16,000, and with two children (both under 6 years), Child Benefit and the Early Childcare Supplement would deliver income of €5,600 and overall welfare supports of almost €12,400.
- In the case of a family on the National Minimum Wage of €16,000 and with four children (two under 6 years and all under 12 years) Child Benefit and the Early Childcare Supplement would contribute more than €10,000 and overall welfare supports would deliver almost €21,000.

Minister Brennan also outlined updated details regarding the payment of the Early Childcare Supplement. "The payment will be made by my Department on an agency basis for the Office of the Minister for Children. The first payment of €250 per child in respect of the quarter April to June will be made in August this year, with further payments in October (for quarter July to September) and December (for the last quarter of the year). No application is necessary for this new support. The payment



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will issue automatically in the same way that the customer receives their Child Benefit currently."

The Minister said that the projected level of social welfare expenditure in 2006 will be over €13.5 billion, €1 billion more than in 2005. "This is more than double what was being spent in 1997 and represents €1 in every €3 of taxpayers money that the State will spend this year. This level of expenditure is a clear demonstration of this Government's commitment to addressing the needs of people with disabilities and their carers, children, the elderly, widowed persons, the unemployed, those who are parenting alone and many others who are disadvantaged."

Increases in Child Benefit will be paid to families who are paid by electronic methods on Tuesday, April 4th. Families who are paid by book payment will get the increase for April and May in a voucher to be picked up at their local post office on the first Tuesday in May. Renewal books being issued in June will include the increase.

The waiting time for the payment of Child Benefit has been dramatically reduced from months to hours in a major redesign and modernisation of the social welfare payment system over the past number of years. Previously the manual payment process could take up to 8 weeks to complete. Child benefit payment now issues automatically for a second or subsequent child.

Details of Child Benefit increases from April 2006 are detailed below:

Number of Children	CB Old Rate	CB New Rate	CB Annual Increase
1 child	141.60	150.00	100.80
2 children	283.20	300.00	201.60
3 children	460.50	485.00	294.00
4 children	637.80	670.00	386.40
5 children	815.10	855.00	478.80
6 children	992.40	1,040.00	571.20
7 children	1,169.70	1,225.00	663.60
8 children	1,347.00	1,410.00	756.00

ENDS



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N.B.: County breakdown of figures detailed below

County Breakdown

The following is the breakdown of the number of children benefiting from Child Benefit per county:

Carlow	14,446
Cavan	16,835
Clare	28,831
Cork	121,135
Donegal	39,776
Dublin	275,969
Galway	57,301
Kerry	34,043
Kildare	52,088
Kilkenny	21,171
Laois	16,565
Leitrim	7,235
Limerick	46,379
Longford	9,457
Louth	31,233
Mayo	31,904
Meath	43,413
Monaghan	14,618
Offaly	18,512
Roscommon	13,699
Sligo	15,127
Tipperary	39,772
Waterford	28,463
Westmeath	22,533
Wexford	35,984
Wicklow	34,527
Antrim	4
Armagh	82
Derry	83
Down	309
Fermanagh	187
Tyrone	105