



**News Release**

**5<sup>th</sup> December 2007**

**Welfare Budget 2008 package of €900 million to benefit more than 1.5 million people**

**Bringing total welfare 2008 spend to €17 billion**

The Minister for Social and Family Affairs, **Martin Cullen TD** today (5 December 2007) announced details of a **€900 million** welfare Budget package which aims to benefit more than 1.5 million people. The package will bring the total welfare spend in 2008 to a record **€17 billion**.

Speaking today, **Minister Martin Cullen TD** said: "The package of €900 million for social welfare measures clearly demonstrates this Government's commitment to protecting the less well off and most vulnerable members of society. Nearly half of all additional current Government expenditure announced this afternoon by the Minister for Finance, will be spent on the social welfare sector. As a result, total expenditure by the Department of Social and Family Affairs next year is €17 billion. The weekly schemes and other supports that we administer will benefit over 1.5 million adults. Families also receive child benefit for almost 1.2 million children."

Minister Cullen said: "In putting together this Social Welfare package, I wanted to ensure that decisive steps were taken in implementing the proposals in the *Programme for Government, Towards 2016* and the *National Action Plan for Social Inclusion*. The 2008 Social Welfare package, agreed within the more challenging financial circumstances than those of previous years, continues to make significant progress towards achieving the Government's target on social welfare pension levels. It also significantly improves the position of the spouse or partner of contributory pensioners who receive the qualified adult allowance, and strengthens the framework of supports for family carers. This package means that the real value of all social welfare payments are maintained and safeguarded."

**The 2008 Welfare package includes:**

- €336 million in supports for older people - which will benefit almost 420,000 pensioners. As part of these supports, the State Pension (Contributory) will rise by €14 per week to €223.30 and the Non-Contributory rate will go up by €12 per week to €212.



## Department of Social and Family Affairs

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- The weekly payment to Pensioner Qualified Adults (i.e. a spouse or partner) of contributory pensioners will increase by up to €27,
- A €194 million improvement in child income support measures includes a €100 increase in the Early Childcare Supplement bringing this to €1,100 per child under six per annum. Improvements in child income support measures will mean, for example, that a social-welfare dependant family with three children, including one under the age of six years, will receive an increase of €718 in a full year, bringing their total child income support to over €12,000 per annum.
- €2 million extra bringing to €32 million the spend next year on the School Meals Scheme allowing for the extension of the programme to more schools in the *Delivering Equality of Opportunity in Schools Initiative* (DEIS).
- The rates of payment for all carers to go up by €14 per week, bringing for example, the Carer's Allowance for those aged 66 or over to €232 per week and under 66 years to €214 per week.
- All other personal rates to increase by €12 per week including, for example, the One Parent Family Payment, Jobseeker's Benefit, Jobseeker's Allowance, Widow's and Widower's Non-Contributory Pension, Illness Benefit and Disability Allowance to increase to €197.80 per week.
- The Respite Care Grant to go up by €200 to €1,700 which will benefit 48,000 carers.
- The Fuel Season to be extended by one week to 30 weeks in April 2008.
- The Widowed Parent Grant to go up €2,000 to €6,000 with immediate effect.

**Minister Martin Cullen TD** added: "The Government is committed to achieving a pension of at least €300 per week by 2012. This Budget has taken the first step by increasing the State Pension (Contributory) by €14 a week to €223.30 and the State Pension (Non-Contributory) to €212. Since 2002, the level of the State Pension (Contributory) has increased by over 50% from €147.30 to €223.30. Continual pension increases have had a marked impact on the living standards of older people enabling them to face the future with a greater sense of security."



**Minister Cullen TD** continued: "The Government is also committed to increasing the pensioner qualified adult allowance to the level of the State Pension (Non Contributory). I am pleased that in this year's Budget, an increase of €27 in the qualified adult rate bringing it to €200 per week or 94% of the target, has been reached. This measure will benefit all qualified adults aged 66 and over and will be of special benefit to women who do not have an entitlement to a contributory pension in their own right because of home responsibilities in the past."

The Minister added: "When combined with the increase in the personal pension rate, the impact of this measure means that over 42,000 pensioner couples will see their household income increase by up to €41 a week or nearly 11%."

The rates of payment to people with disabilities, the unemployed, widows and those parenting alone have increased by €12 or approximately 6.5%. Minister Cullen pointed out that this will be the fifth consecutive Budget year in which social welfare increases have exceeded both prices and earnings indexes.

Details of the Social Welfare Budget are available from:

- the Internet at [www.welfare.ie](http://www.welfare.ie) and [www.citizensinformation.ie](http://www.citizensinformation.ie)
- the Department of Social and Family Affairs on 1890 66 22 44 (LoCall) from 9am – 9pm Thursday 6 and Friday 7 December 2007
- Citizens Information Service on 1890 777 121 (LoCall) 9am – 9pm Monday to Friday
- Social Welfare Local Offices or Citizens Information Centres
- **to access the Budget 2008 Factsheet see [www.welfare.ie](http://www.welfare.ie)**

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

**Editor's note:**

Other Budget improvements include:

- Family Income Supplement weekly income thresholds will increase by €10 per week per child.
- The Qualified Child Allowance will increase by €2 per week to €24.
- The 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.
- The weekly income disregard for Carer's Allowance will increase by €12.50/€25 to €332.50 (single) and €665 (couple).
- The earnings threshold for entitlement to Carer's Benefit will increase by €12.50 to €332.50 per week.



## **Department of Social and Family Affairs**

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- Increase of €25 in the upper income threshold for entitlement to One-Parent Family Payment, from €400 to €425 per week.
- PRSI, health and superannuation contributions and trade union subscriptions will be disregarded for the purpose of assessment of earnings for One-Parent Family Payment.
- Entitlement to the Natural Gas Allowance will be extended to include customers who use gas which is not delivered via the national grid.
- Increase of €14 per week in the minimum rate of Maternity and Adoptive Benefit to €221.80 per week.
- A single reformed method for assessing Benefit and Privilege from parent's income will be introduced.
- The Cost of Education Allowance will increase by €100 to €500 per annum.
- The threshold for payment of the 2% Health Contribution will increase from €480 to €500 per week and the annual threshold will increase from €24,960 to €26,000.
- The threshold for employee PRSI will increase from €339 to €352 per week.
- The earnings ceiling for PRSI will increase by €1,900 from €48,800 to €50,700.

### **ENDS**

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