



**Minister Launches National Awareness Campaign to Promote  
Greater Take Up of Support Scheme For  
Low Income Families**

***Brennan Says That Up To 20,000 Families Entitled To the  
Weekly Top-Up Payment May Not Be Claiming It***

The Minister for Social Affairs, Séamus Brennan T.D., said today that up to 20,000 working families on relatively low incomes may be entitled to welfare top-up supports of between €20 and €400 per week—depending on their income and the size of their family—but to date many appear not to have been claiming it.

Minister Brennan was speaking when launching a nationwide awareness campaign to promote and encourage a greatly increased take up of the Family Income Supplement (FIS) scheme for working families on low incomes.

The Minister said today that FIS is a central element of a programme of reforms targeted specifically at addressing child poverty. FIS provides direct cash supports for workers on low incomes with families and the new increased income limits announced in Budget 2006 means that it is now easier for families to qualify. He said a large number of families who may be experiencing financial strain may well be entitled to the FIS support, particularly under the greatly expanded thresholds, and he appealed to them to use the present campaign to seek more information and to check out their entitlements

Currently over 17,000 families, with almost 34,000 children, benefit directly from the weekly top-up payments but thousands of other families who, based on research, would be likely to qualify for FIS, are not applying for the entitlement. Families can get top-up supports of between €20 and €400 a week, depending on their income and the size of their family. Expenditure on FIS in 2005 reached €72.1million.

The national awareness campaign includes an extensive week-long TV, national and regional radio and national and regional print media advertising campaign. In addition, the support scheme will be promoted through the Department of Social and Family Affairs (LoCall 1890 66 22 44), all Social Welfare local offices, Citizen



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Information Centres and Citizens Information Phone service (1890 777 121) and by Comhairle, the national information support agency. An information booklet can be ordered by phoning 1890 20 23 25 and further information is available on the Department's website at: [www.welfare.ie](http://www.welfare.ie)

Minister Brennan said: "As I have repeatedly stated this Government is determined to eradicate the blemish of child poverty from the economically prosperous and visionary Ireland of the 21<sup>st</sup> century. In working to achieve this it is imperative that welfare support schemes that are specifically targeted at households where child poverty is an issue, or in families where there is a risk of child poverty, reach the maximum number of those in need. I am determined to continue to target those vulnerable families on low incomes who need to be supported and given particular attention. The economic surge Ireland continues to enjoy can only be considered a real success when the benefits of it reach all of the people, especially those struggling on the margins of society,"

Minister Brennan said that a number of improvements to the FIS scheme in recent years, including the assessment of FIS on the basis of net rather than gross income, and the progressive increases in the income limits, have made it easier for lower income households to qualify under this Scheme. The new increases in FIS weekly income thresholds announced in Budget 2006 of between €19 and €282 will deliver extra weekly income of between €11.40 per week to €169.20 to the payments of virtually all existing FIS recipients.

"However, despite all the improvements and appeals for greater take-up, the reality is that independent experts, such as ESRI, have stated that up to 60% of FIS entitlement is not taken up," Minister Brennan said. "This campaign is part of a determined drive by my Department to test this widely held view by ensuring that everyone is made fully aware of their entitlements and that every possible effort is made to ensure that every single family in the State that is entitled to FIS receives this weekly income top-up. The campaign will also gauge the extent of the anticipated increase in the level of take up and identify, if required, what further measures are needed.

The Minister published statistics showing how FIS can boost the earnings and welfare incomes of working families which show that a 2-parent family with 2 children (1



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child under 6 years) on the minimum wage of €16,000 can boost their income through FIS by over €5,000. This increases to over €6,000 from FIS for a working family with 2 children under 6 years: to over €8,250 for a family with 3 children - 2 under 6 years and all under 12 years - and to more than €10,280 for a family with 4 children in which 2 are under 6 years. The statistics also show how overall welfare payments, and the new Early Childhood Supplement of €1,000 a year for children under 6 years, can significantly boost the overall income of working families on relatively low to moderate incomes.

Minister Brennan added: "The Family Income Supplement is designed to provide vital cash supports for employees on low earnings with families, while at the same time preserving the incentive to remain in employment. Research has shown that poverty is more likely to be concentrated in larger families and in the families of Lone Parents. It has also shown that the best route out of poverty for all who are experiencing difficulties is through paid employment. The new FIS thresholds significantly increase all payments while concentrating additional resources on larger families. I am confident that the improvements will contribute towards targeting resources at households in poverty and in helping them deal with real income difficulties."

At the end of December 2005, there were 17,448 families in receipt of FIS - all of whom would have benefited from the budget increase. The following is the net increase for families per no of children:

1 child	net increase of	€12 per week
2 children		€23
3 children		€41
4 children		€65
5 children		€91
6 children		€117
7 children		€147
8 or more children		€170

So far this year applications received for FIS have increased by over 35% compared with the same time last year and the number of claims already awarded this year has increased by 30% compared with the same time last year.



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The following table sets out the income thresholds for FIS:

<b>Family Size</b>	<b>Income Limit</b>
1 child	465.00
2 children	510.00
3 children	565.00
4 children	630.00
5 children	705.00
6 children	775.00
7 children	845.00
8 children or more	905.00

FIS is calculated at 60% of the difference between net weekly income (ie gross pay less Tax, Employees PRSI, Health Contribution, Superannuation) and the income limit for your family size.



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The Family Income Supplement can make a significant top-up contribution to working families on low incomes. The following examples display the overall social welfare supports for such families and includes the direct benefit from the FIS support:

<b>Example 1: 2-parent family, 1 child (under 6 yrs)</b>							
Gross Earnings	Net Income from employment	FIS	CB	Childcare	Back to school..	Total SW	Net disposable income
€	€	€	€	€	€	€	€
16,000*	15,624	<b>5,134</b>	1,800	1,000	120	8,054	<b>23,678</b>
20,000	19,464	<b>2,829</b>	1,800	1,000	120	5,749	<b>25,214</b>
25,000	23,764	<b>249</b>	1,800	1,000	0	3,049	<b>26,814</b>
30,000	27,984	<b>0</b>	1,800	1,000	0	2,800	<b>30,784</b>
35,000	31,684	<b>0</b>	1,800	1,000	0	2,800	<b>34,484</b>
40,000	35,384	<b>0</b>	1,800	1,000	0	2,800	<b>38,184</b>
<b>* National Minimum Wage @ 40 hrs pw = €15,912</b>							
<b>Net income below which FIS is payable</b>			<b>€24,180</b>				
<b>Example 2: 2-parent family, 2 children (both under 6 years)</b>							
Gross Earnings	Net Income from employment	FIS	CB	Childcare	Back to school..	Total SW	Net disposable income
€	€	€	€	€	€	€	€
16,000*	15,624	<b>6,538</b>	3,600	2,000	240	12,378	<b>28,002</b>
20,000	19,464	<b>4,233</b>	3,600	2,000	240	10,073	<b>29,538</b>
25,000	23,764	<b>1,653</b>	3,600	2,000	240	7,493	<b>31,258</b>
30,000	27,984	<b>0</b>	3,600	2,000	0	5,600	<b>33,584</b>
35,000	31,684	<b>0</b>	3,600	2,000	0	5,600	<b>37,284</b>
40,000	35,384	<b>0</b>	3,600	2,000	0	5,600	<b>40,984</b>
<b>* NMW @ 40 hrs pw = €15,912</b>							
<b>Net income below which FIS is payable</b>			<b>€26,520</b>				



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Example 3: 2-parent family, 3 children (2 under 6 years, all under 12)							
Gross Earnings	Net Income from employment	FIS	CB	Childcare	Back to school	Total SW	Net disposable income
€	€	€	€	€	€	€	€
16,000	15,624	8,254	5,820	2,000	360	16,434	32,058
20,000	19,464	5,949	5,820	2,000	360	14,129	33,594
25,000	23,764	3,369	5,820	2,000	360	11,549	35,314
30,000	27,984	838	5,820	2,000	0	8,658	36,642
35,000	31,684	0	5,820	2,000	0	7,820	39,504
40,000	35,384	0	5,820	2,000	0	7,820	43,204
* NMW @ 40 hrs pw = €15,912							
Net income below which FIS is payable			€29,380				
Example 4: 2-parent family, 4 children (2 under 6 years, all under 12)							
Gross Earnings	Net Income from employment	FIS	CB	Childcare	Back to school	Total SW	Net disposable income
€	€	€	€	€	€	€	€
16,000	15,624	10,282	8,040	2,000	480	20,802	36,426
20,000	19,464	7,977	8,040	2,000	480	18,497	37,962
25,000	23,764	5,397	8,040	2,000	480	15,917	39,682
30,000	27,984	2,866	8,040	2,000	0	12,906	40,890
35,000	31,684	645	8,040	2,000	0	10,685	42,370
40,000	35,384	0	8,040	2,000	0	10,040	45,424
* NMW @ 40 hrs pw = €15,912							
Net income below which FIS is payable			€32,760				

Ends