



## Department of Social and Family Affairs

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### **MINISTER CULLEN – IMPROVEMENTS TO ONE-PARENT FAMILY PAYMENT EARNINGS THRESHOLD & MEANS TEST COME INTO EFFECT**

The **Minister for Social and Family Affairs, Martin Cullen TD** today (Tuesday 6 May 2008) announced details of two improvements for lone parents as provided for in **Budget 2008**, which will come into effect this Thursday. Lone parents will now be entitled to the One-Parent Family Payment where their weekly earnings from employment or self-employment are less than €425 per week gross. In addition, the means test for the One-Parent Family Payment is also being improved where the lone parent is working. From now on, PRSI contributions, superannuation contributions and trade union subscriptions will be deducted from earnings for the purpose of assessment of means for the scheme. This will result in a higher rate of payment where these deductions are a factor.

**Minister Martin Cullen TD** said: "The situation at the moment is that the earnings of One-Parent Family customers are assessed on a gross basis. The effect of this change is to assess our customers' earnings, less the PRSI and superannuation contributions and trade union subscriptions they pay, thereby providing a further incentive to participate in the workforce."

Minister Cullen added: "What the Government is aiming to do is to promote the option of employment for those groups that are most at risk of poverty, of which lone parents are one. This standardising of the means test in line with the arrangements for other schemes administered by the Department of Social and Family Affairs is an important improvement for lone parents and for the social welfare code generally."

#### **Note to the editor:**

The One-Parent Family Payment introduced by the Government in 1997, is a means-tested payment for men and women who are bringing up a child or children without the support of a partner.

At the end of March 2008 there were 85,835 persons receiving the One-Parent Family Payment. Estimated expenditure on the scheme for 2008 is €1.082 billion.

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