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Tánaiste confirms Back to Work Family Dividend applications now being accepted to increase momentum in helping people back to work

Scheme worth more than €4,600 over two years for family of two children where parent returns to work

The Tánaiste and Minister for Social Protection, Joan Burton, T.D., has today (7th January 2015) confirmed that Intreo Offices have this week begun accepting applications for the new Back to Work Family Dividend (BTWFD) scheme – a crucial financial support to help jobseekers with families to return to work.

It comes as the latest Live Register figures from the Central Statistics Office show unemployment continuing to fall. The figures show there were 356,112 people on the Live Register in December 2014, a decrease of 39,299 or 10% on the same month in 2013. The standardised unemployment rate (SUR) is now at 10.6%, compared to a crisis peak of 15.1%.

The Tánaiste said: **“The Live Register figures, while still too high, show that the Government’s twin-track approach to creating jobs and reducing unemployment – through the Pathways to Work strategy and the Action Plan for Jobs – is succeeding. But we want to increase the momentum in 2015, and the Back to Work Family Dividend will play a major part in this.”**

Under the scheme, jobseekers returning to work will retain the element of the welfare payment which they receive for their children.

Currently, those in receipt of jobseeker or one-parent family payments receive an additional increase of €29.80 per week for each child they have, a payment known as a Qualified Child Increase. Under the Back to Work Family Dividend scheme, these jobseekers will retain that payment of €29.80 a week for each child (subject to a maximum of 4 children) in full for the first year in employment, and will retain half the payment – or €14.90 per child - for the second year in employment subject to the family remaining outside of the welfare system (with the exception of Child Benefit or the Family Income Supplement).

This means that over the two years, a family with one child will receive additional support of €2,324 to supplement wages. A family with two children will receive €4,649, those with three children will get €6,973, while those with four or more will get €9,298.

The new scheme, which was announced as part of Budget 2015, aims to help families to move from social welfare into employment including self-employment.

The Tánaiste said: **“The Back to Work Family Dividend Scheme provides further supports for lone parent and long-term unemployed families to assist them avail of an employment or self-employment opportunity. The new scheme is another example of this Government’s commitment and determination in helping families return to work. The Back to Work Family Dividend is a targeted additional support to assist families move from welfare to work. The Back to Work Family Dividend will help families to benefit from the economic recovery.”**

Minister of State at the Department, Kevin Humphreys T.D., said: **“In 2015, my aim is to help the long- term unemployed back into work. The suite of activation options now available to jobseekers will ensure they have the skills, training and help they need to prepare for, and access employment. The Back to Work Family Dividend is a very important additional incentive in this regard. Parents across the country are eager for the opportunity to get back to work so that they can once again offer increased opportunities to their families. The Back to Work Family Dividend will help these parents to take up employment opportunities and move towards financial independence.”**

The Back to Work Family Dividend can be paid concurrently with the Family Income Supplement (FIS) and will not be taken into account in the means test for FIS. This ensures that the new scheme will provide an additional incentive to families over and above any entitlement they may have to the FIS scheme.

While applications for the Back to Work Family Dividend are being accepted from this week, the new scheme will not officially commence until April 2015 when the relevant legislation is in place. No payments will be made until the legislation has been enacted, **but all eligible claims will be backdated fully to the date of application.**

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Note to Editors

Further information on the Back to Work Family Dividend Scheme is available at:
http://www.citizensinformation.ie/en/social_welfare/social_welfare_payments/social_welfare_payments_to_families_and_children/back_to_work_family_dividend.html