



**EXPENDITURE OF €9.52 BILLION ON SOCIAL WELFARE
PAYMENTS BENEFITED 1.5 MILLION PEOPLE**

Over 938,000 people were in receipt of a weekly social welfare payment at the end of 2002, with nearly 1.5 million people directly benefiting. The number of recipients and beneficiaries increased by 35,596 (3.9%) and 36,140 (2.5%) respectively, year on year.

These statistics along with many other statistics on social welfare can be found in the Department of Social and Family Affairs' "Statistical Information on Social Welfare Services 2002", published today by Minister Mary Coughlan TD.

Commenting on the report, Minister Coughlan said: "From birth through life to death, our system of social supports administered by my Department helps approximately one in three citizens at any one time."

"With a Budget spend last year of €9.52 billion the increase of 21.4% in social welfare spending has remained above the rate of inflation and increased by over €3.5 billion between 1997 and 2002," she added.

"The Report will be of significant value in the development of policies responsive to the needs of people in a wide variety of circumstances," Minister Coughlan said. "Our social service policies allied to our policies on education, housing, health and governance to name a few, make real differences to the lives of our citizens and I am committed to the ongoing maintenance and development of those social services," added the Minister.



The report details the number of recipients, beneficiaries and expenditure under the various Social Welfare programmes, according to age, county breakdown and marital status. It also presents information on the funding of Social Welfare expenditure.

In 2002, there was an increase of 21.4% in Social Welfare expenditure, increasing from €7,842 million in 2001 to €9,520 million.

This represented 28.8% of Gross Current Government Expenditure and 9.1% of Gross National Product. The main areas of expenditure by programme were:

- ◆ Old Age 24.1%
- ◆ Child Related Payment 16.6%
- ◆ Widows, Widowers and One Parent Families 16.7%
- ◆ Illness Disability and Caring 15.4%
- ◆ Unemployment Supports 9.8%
- ◆ Employment Supports 2.8%
- ◆ Supplementary Welfare Allowance 5.1%

Administration of the Social Welfare System dropped from 4.8% of overall expenditure in 2001 to a modest 4.4% in 2002.

The Exchequer financed 54% of expenditure with the Social Insurance Fund providing 46%. The Social Insurance Fund was financed by Pay Related Social Insurance contributions from employers (73.4%), employees (20.3%), the self-employed (5.3%) and investment income (1.1%).



Expenditure on Old Age Payments increased by 15.5% in 2002 with expenditure in Child Related Payments increasing by 49.2%. Child Benefit alone increased by 51.6% reflecting the substantial Budget increases. Carer's Allowance expenditure increased by €30 million in 2002, an increase of 22.8% over 2001. The number of recipients of Family Income Supplement increased by 4.1% with an increase in expenditure of 14.4%. In 2002, a Back to School Clothing and Footwear Allowance was paid in respect of 155,811 children, an increase of 12,782 on 2001 with expenditure on the scheme increased by 18.8% to just over €15 million. Overall expenditure on unemployment payments increased by 29.8% over 2001 with an increase in the live register of 9%.

The report is available on the Department's website at www.welfare.ie

ENDS August 18th 2003