



Department of Social and Family Affairs

Minister Tells Gathering Of Voluntary & Community Groups That Welfare Reforms Being Urgently Advanced

On UN Day For The Eradication Of Poverty Minister Cites Child Poverty As A 'Blight' That Must Be Eliminated

The Minister for Social Affairs, Séamus Brennan T.D. said today that reforms in a number of key areas of social policy were being advanced as a matter of urgency, both within ongoing discussions on the forthcoming Budget and as part of a broader agenda of fundamental change.

Minister Brennan said that considerable progress had now been made on bringing forward new proposals specifically targeted at tackling the totally unacceptable levels of child poverty, on removing the obstacles to employment, training and education for some 86,000 Lone Parents, and on heading off an impending pensions crisis by making sure that workers have decent pensions on retirement and options on how they choose to spend their later lives.

Minister Brennan was addressing representatives of more than 30 organisations and voluntary and community groups in the social welfare area who gathered in Dublin for a Pre-Budget Forum at which they were invited, over several hours, to give their views and make submissions to the Minister and his officials on welfare changes and improvements which they would like to see included in the December Budget.

The Minister said that is particularly appropriate that the Forum meeting coincided with the UN Day for the Eradication of Poverty. The Government's commitment in this regard is most clearly reflected in Ireland's National Action Plan Against Poverty and Social Exclusion which provides a strategic basis across at least 10 Government Departments for tackling poverty in its many forms. The co-ordinated and integrated actions in the plan commit to a 'joined up' policy approach to areas such as employment, social welfare, education, health, housing, transport, equality and e-inclusion.

At last year's Pre-Budget Forum Minister Brennan issued a personal invitation to all of the groups represented to meet individually with him to discuss their concerns and to allow them the opportunity to discuss specific changes they were recommending.



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Today, Minister Brennan said this had been a particularly useful exercise as it had allowed him to listen directly to the people on the ground who care for and represent those who most need the help, genuine support and encouragement of the Department of Social Affairs.

In his opening address to the Forum, Minister Brennan said: "As Minister for Social Affairs I have committed myself to finding solutions by making sensible decisions that have at their core increased support for those who feel most vulnerable, neglected or apprehensive in our society, while at the same time working to bring about reforms that go behind the payments and aggressively strike at the very heart of the social issues that give rise the need for welfare supports in the first place.

"In the Ireland of the 21st century many of us are fortunate enough to have reaped the benefits of living in a country that has witnessed great surges in economic growth in recent years. That economic performance has allowed us to tackle many of the social and economic issues that in the past scarred this country's reputation as a place of care and refuge. We must maintain that sturdy economic growth by encouraging expansion in business, greater competitiveness, continued investment in education and training as well as putting in place flexible mechanisms to encourage people to enter and re-enter the workforce. Repeatedly, all the predictions are for continued growth. That is, of course, good news. However, its true benefits will be seen only if the fruits of that economic growth benefit all and not just the few. As I have said many times, our economic progress is not intended to make millionaires, or even billionaires, of the select few while others continue to face a daily struggle. That is why I have at all times fought to sustain economic progress so that we can harness it to lift all boats and make a positive and lasting difference to the lives of those people represented here today by the many organisations, and many others".

Minister Brennan said that considerable progress had been made on reforms he was driving forward in a number of key areas of social policy, including:

Child Poverty - The inescapable reality was that between 60,000 and 120,000 children were affected in some way by poverty that could blight their lives and sow the seeds for a serious lack of later development. The identifying of practical, targeted proposals to address the issues had been speeded up and proposals are due



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shortly from the National Economic and Social Council (NESC) on the structures needed to introduce a second tier of financial supports, in addition to Child Benefit and other entitlements, aimed specifically at reaching out and helping those children most in need.

One Parents Families - The some 86,000 Lone parents and their children, numbering up to 150,000, are particularly vulnerable and at high risk of poverty. Proposals were at an advanced stage that were directed at the breaking down of existing obstacles to employment, increasing access to career enhancing education and training opportunities and the transforming of lives through targeted supports and more enlightened social policies that put the welfare and the future of the child or children at the very centre.

Pensions - The reality was that out of a workforce of 2 million people some 900,000 people, the majority of them women, were heading towards retirement with totally inadequate private or occupational pension provision, apart from reliance on the State pension of less than €10,000 a year. A statutory review of pensions policy by the National Pensions Board was due shortly and would form the basis for reforms going forward.

Minister Brennan said that he was also involved in ongoing discussions on the need for greater recognition and supports for carers, reforms and initiatives that would make the transition from welfare to work more seamless and less restrictive for jobseekers, and positive policies to further recognise and reward the contribution which older people have made to the development of this country.

He said that as a result of the review he had ordered of specific adjustments that were introduced in Budget 2004, most of the measures had been reversed, eased considerably or placed under regular review to ensure there was no hardship arising.

The Minister outlined to the Forum the considerable progress that had been achieved as a result of last year's Budget which had resulted in significant increases in allowances, pensions and a range of other supports that directly benefited the more than 970,000 people who claim a weekly social welfare payment and, when their



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dependants are included, a total of more than 1.5 million people, or almost four out of every ten people in the State.

He said the Government was firmly on target to meet the commitment to deliver by 2007 a basic State Pension of at least €200 and achieve a rate of at least €150 per week for the lowest rates of social welfare. Minister Brennan said the €12.25 billion his Department was spending this year was the largest ever committed and is more than double the amount of spending in 1997. In simple terms, it meant that for every €3 the State is spending in 2005 almost €1 is exclusively for welfare supports.

The Minister said it should be recalled that Budget 2005 had delivered substantial increases and improvements in benefits and supports, including-

- €14 per week special increase for those in receipt of lower rates of payment.
- €12 weekly increase in pensions resulting in new rates of between €166 - €179.
- Child Benefit rates rise by €10 (lower) and €12 (higher), increasing rates to €141.60 & €177.30. There has been a four fold increase in 10 years.
- Respite Care Grant increased by €165 to €1,000 which had resulted in almost 30,000 carers benefiting.
- Introduction of a special new €35 weekly personal payment to persons resident in institutional settings who are not receiving Disability Allowance.
- Highest ever increase in thresholds for Family Income Supplement with a rise of €39 per week.
- Capital means assessment for welfare recipients eased - first €20,000 of savings to be disregarded.

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