Phone Allowance Scheme Extended To More Land Line Providers - Minister For Social And Family Affairs Mary Coughlan

Approximately 290,000 people in receipt of the Department of Social and Family Affairs' telephone allowance will benefit from a new arrangement for phone line providers, said Minister Coughlan today.

The new deal will open the market to licensed land line phone providers to offer their service to recipients of the Department's telephone allowance.

Following the conclusion of talks between the Department and the Office of the Commission for Telecommunications Regulation (ComReg), telephone allowance clients will be able to choose which provider they want and still continue to get full value for their allowance. Under ComReg's Wholesale Line Rental Agreement, other providers will be able to offer one integrated bill to their clients with the telephone allowance included.

"This initiative follows the conclusion of our talks with ComReg and Eircom which will simplify the phone allowance at a standard rate and make it easier to apply through other licensed service providers - and gives a small increase in the telephone allowance for almost 300,000 people already in receipt of the allowance", said Minister Coughlan.

"It also leaves the way open for competing phone service providers to offer extras - perhaps cheaper internet access, better value on calls or extra call credit to telephone allowance phone customers who opt for their services", said Minister Coughlan.

Eircom - which currently provides the service to the majority of people receiving the allowance - will give extra 1 euro per month call credit to users who chose to remain with eircom.

"The new agreement with Eircom will save my Department money and as an added benefit under this new arrangement, people who receive the Telephone Allowance will get an extra one euro a month call credit from Eircom - and this will be back dated to telephone allowance clients' Eircom bills from 3rd of this month (October)", said Minister Coughlan.

"Today we are facing straitened economic times. It is incumbent on us to also ensure that for every Euro of public money spent that we deliver one Euro's value to the public in return. This new agreement gives ongoing better value for money," the Minister added.

The Telephone Allowance, part of the Household Benefits package, is generally available to people living in the State aged 66 years or over who are in receipt of a social welfare type payment or who satisfy a means test.

The Allowance is also available to carers and people with disabilities under the age of 66 who are in receipt of certain welfare type payments. Since May, 2001 it is available to everyone aged 70 or over regardless of income or household composition.

Nearly 290,000 people currently receive the Telephone Allowance which is worth €20.41 a month plus VAT.

ENDS
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