



Cullen – Part-time workers on Welfare to retain more of their payments

The Minister for Social and Family Affairs, Martin Cullen, TD, has announced **two** reforms of the Social Welfare system which come in to effect from today, Wednesday (26 September 2007). The new arrangements enable recipients of the Department's Jobseekers Allowance as well as their spouses or partners to retain more of their social welfare payment if they engage in employment.

The second improvement relates to recipients of the Jobseeker's Allowance and the Farm Assist payment, who take up part-time employment themselves, be they single or one of a couple.

Minister Martin Cullen said: 'The overall aim of these reforms is to encourage spouses and partners to move beyond long-term part-time employment. The reforms being introduced are encouraging and reward those who opt to increase their participation in the workforce'. Minister Cullen added: 'The new measures are designed to be progressive, particularly for women, as they are currently the majority of 'qualified adults' in our social system'.

A 'qualified adult' is the spouse or partner of the person receiving the household's main social welfare payment.

The changes seek to introduce a system whereby both adults associated with Jobseeker's Allowance claim are assessed in a similar manner with common disregards and assessments applying to both.



Department of Social and Family Affairs

From now on, EUR20 per day of earnings will be disregarded from assessment, subject to a maximum of EUR60 per week, where the spouse or partner of a recipient of Jobseeker's Allowance engages in insurable employment. Only 60% of earnings in excess of the amount disregarded will be assessed. The new arrangements also apply to the Disability Allowance, Farm Assist and Pre-Retirement Allowance schemes.

Minister Martin Cullen said: 'To give a practical example, under the new arrangements, where the spouse or partner, is earning, for example EUR290 from an employer for working three days of the week, and the couple have two children, Jobseeker's Allowance of EUR215.10 will now be given to that couple to support their family – compared to EUR112.80 which they would be getting at present. This means a gain of over EUR102 per week'.

The Minister said: 'Most importantly, while the current system offers little or no incentive for qualified adults to earn more than EUR100 per week, a qualified adult will always be better off, from now on, if they choose to earn more.'

The second improvement which comes into effect from today relates to recipients of Jobseeker's Allowance and Farm Assist who take up part-time employment themselves, be they single or one of a couple.

An earnings disregard of EUR20 per day, subject to a maximum of EUR60 per week, where a recipient of Jobseeker's Allowance or Farm Assist engages in insurable employment (and is also in receipt of an increase in relation to a qualified child) is being introduced for the first time. From today, for example, a part-time worker with children who works three days per week and earns EUR200 will receive an increase of EUR36 per week in their payment.



Department of Social and Family Affairs

In addition, the current disregard of EUR12.70 per day where a recipient is in part-time employment and is not in receipt of an increase in respect of a qualified child is increased to EUR20 per day up to a maximum of EUR60 per week. This will mean a gain of up to EUR13 per week. Minister Cullen added, 'I am delighted to remove the anomaly whereby a person with a child did not receive a disregard whereby someone with no children did. All part-time workers on Jobseeker's Allowance will gain under the new arrangements.'

The Minister assured customers of his Department that a review of all existing claims affected by the new arrangements will be carried out over the coming weeks. He said: 'The staff of my Department will endeavour to ensure that the review will be undertaken as quickly as possible and arrears back-dated to September 26 will be issued when the examination of claims is completed.'

Issued by: Michelle Hoctor, 087 8563070

Niamh Fitzgerald, 087 2547232