



NEWS RELEASE

27 DECEMBER 2007

**NEW YEAR SOCIAL WELFARE INCREASES TO BENEFIT MORE THAN 1.5
MILLION PEOPLE FROM JANUARY**

Martin Cullen TD, Minister for Social and Family Affairs has said today (27 December 2007) that increases in weekly social welfare rates of payment, effective from the first week of January, will directly benefit some 1.5 million people including pensioners, carers, those seeking employment and people with disabilities. The increases in the payments come as part of the **€900 million** Budget 2008 welfare package which brings the total 2008 welfare spend by the Department of Social and Family Affairs to a record **€17 billion**.

Minister Martin Cullen TD said: "At a time of more moderate growth, our first priority must be to ensure that the less well off in society are protected. Budget 2008 provides significant resources to allow us to address the needs of the most disadvantaged in our society."

With effect from next week, some 420,000 pensioners will benefit from increases in weekly payments. The State Pension (Contributory) and State Pension (Transition) will increase by €14 to €223.30 per week. Invalidity Pension recipients aged 65 years and over will also receive an additional €14 per week as will those in receipt of Widow's and Widower's (Contributory) Pension who are aged 66 years and over. Non-contributory pensioners will receive an increase of €12 bringing that payment to €212 per week.

Over 42,000 Qualified Adults (spouses or partners) who are aged 66 years and over will benefit from a special increase of up to €27 per week. This increase applies to Qualified Adults (aged 66 years and over) of State Pension (Contributory), State Pension (Transition) and Invalidity Pension recipients. The



maximum weekly rate for these Qualified Adults will be €200 per week from January.

Speaking about this improvement for Qualified Adults, **Minister Martin Cullen TD** said: "This is major step towards achieving the Government's commitment to bring pensioner Qualified Adults to the level of the State (Non-Contributory) Pension and will mainly benefit women. When combined with the increase in the personal pension rate, the impact of this measure means that **over 42,000 pensioner couples will see their household income increase by up to €41 a week next year or nearly 11%.**"

The Minister added: "I would also like to remind pensioners that since September (2007), payment of the Qualified Adult allowance on all new State Pension claims is now made directly to the pensioner's spouse or partner. This is an important improvement in the social welfare code that again, benefits mainly women."

Also from January 2008, the rates of payment for almost **41,500 carers** will increase by €14 per week bringing, for example, the Carer's Allowance for those aged 66 or over to €232 per week and under 66 years to €214 per week.

Other Budget increases from January include:

- Increase of €2 per week in the Qualified Child Increase (formerly Child Dependent Allowance) – the new weekly rate is €24 and will benefit over **260,000 children.**
- Family Income Supplement (FIS) weekly income thresholds will increase by €10 per week per child.
- All other personal rates of payment will increase by €12 per week including the One Parent Family Payment, Jobseeker's Benefit, Jobseeker's Allowance,



Widow's and Widower's Non-Contributory Pension, Blind Pension, Farm Assist, Illness Benefit and Disability Allowance. **Some 563,000 recipients will receive €197.80 per week from January.**

Minister Cullen said: "The 2008 Social Welfare package continues to make significant progress towards achieving the Government's target on social welfare pension levels. It also significantly improves the position of the spouse or partner of contributory pensioners who receive the qualified adult allowance, and strengthens the framework of supports for family carers. This package means that the real value of all social welfare payments is maintained and safeguarded."



Payment	Budget Increase:
Jobseeker's Benefit, Jobseeker's Allowance, Illness Benefit, Injury Benefit, Maternity Benefit, Farm Assist, Pre-Retirement Allowance, Health and Safety Benefit, Supplementary Welfare Allowance.	Effective from the beginning of January 2008
Disability Allowance	Wednesday 2 January 2008
State Pension (Transition), Invalidity Pension, One Parent Family Payment, Carer's Allowance, Deserted Wife's Benefit, Deserted Wife's Allowance, Prisoner's Wife's Allowance, Family Income Supplement.	Thursday 3 January 2008
State Pension (Contributory), State Pension (Non-Contributory), Widow/er's (Contributory) Pension, Widow/er's (Non-Contributory) Pension, Blind Person's Pension, Guardian's Payment (Contributory), Guardian's Payment (Non-Contributory), Disablement Pension, Death Benefit Pension	Friday 4 January 2008



The range of social welfare Budget improvements to take effect *during* 2008 includes:

- The Back to School Clothing and Footwear Allowance will increase by €20 per child from €180 to €200 for children aged 2-11 years and from €285 to €305 for children aged 12-22 years.
- The weekly income disregard for Carer's Allowance will increase by €12.50/€25 to €332.50 (single) and €665 (couple).
- The earnings threshold for entitlement to Carer's Benefit will increase by €12.50 to €332.50 per week.
- Increase of €25 in the upper income threshold for entitlement to One-Parent Family Payment, from €400 to €425 per week.
- PRSI, health and superannuation contributions and trade union subscriptions will be disregarded for the purpose of assessment of earnings for One-Parent Family Payment.
- Entitlement to the Natural Gas Allowance will be extended to include customers who use gas which is not delivered via the national grid.
- Increase of €14 per week in the minimum rate of Maternity and Adoptive Benefit to €221.80 per week.
- A single reformed method for assessing Benefit and Privilege from parent's income will be introduced.
- The Cost of Education Allowance will increase by €100 to €500 per annum.



- The threshold for payment of the 2% Health Contribution will increase from €480 to €500 per week and the annual threshold will increase from €24,960 to €26,000.
- The threshold for employee PRSI will increase from €339 to €352 per week.
- The earnings ceiling for PRSI will increase by €1,900 from €48,800 to €50,700.

PRESS RELEASE ENDS

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Editor's note:

Details of the Social Welfare Budget are available from www.welfare.ie or the Department of Social and Family Affairs on 1890 66 22 44 (LoCall) from 9am – 5pm Monday to Friday.

Note: The rates charged for the use of 1890 (LoCall) numbers may vary among different service providers.