



**Eur20m Package For Older People Delivers Increases Of Up To
Eur720 A Year For Over 34,000 Pensioners & Lifts Thousands Onto
Full Pensions**

**Weekly Earnings Allowance Significantly Increased From Eur7 To
Eur100 For All Non-Contributory Pensioners**

***Brennan Unveils Details Of Modernising Of Scheme Names
-Including Abolishing After A Century The Title "Old Age" For
Pensions & Replacement With New "State Pension"***

The Minister for Social Affairs, Seamus Brennan T.D. today announced the full details of a major package of supports, improvements and reforms for older people that includes additional significant increases of up to EUR720 a year for over 34,000 Non-Contributory pensioners currently on reduced rates of payment.

The Minister also announced the introduction, for the first time, of a new EUR100 a week earnings allowance for Non-Contributory pensioners that will allow those who want to boost their income through employment to earn up to EUR5,200 a year without it affecting their pension entitlements.

Minister Brennan also unveiled details of the modernising of the names of a number of large social welfare support schemes which includes the historic official abolition, after almost a century in use, of the title "old age" in the pension system and its replacement from tomorrow (Friday, 29th September) with the new "State Pension".



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He said under Regulations he has signed the Old Age (Non-Contributory) Pension becomes the State Pension (Non-Contributory) and the Old Age (Contributory) Pension is renamed State Pension (Contributory).

The introduction of a new enhanced standard State Non-Contributory pension from tomorrow (Friday, 29th September) for those over 66 years-including significantly increasing the means disregard from EUR7.60 per week to EUR20-will deliver:

- EUR20 million in increased payments, supports and entitlements that will directly benefit over 34,000 of the country's 89,000 Non-Contributory pensioners. The increases are in addition to the Budget increase of EUR16 per week in Non-Contributory pensions and increases in the Over 80's and Fuel Allowances.
- An additional EUR12.50 per week-or EUR720 a year- in the personal pension payments to over 25,000 older people.
- Increases of up to EUR8.30 per week in the Qualified Adult rate.
- Lifting a further 8,700 pensioners onto the maximum rate of pension, bringing to 72,400 (74%) the total number of Non-Contributory pensioners on the full rate.
- Increases of up to EUR25 per week in case of couples who are both in receipt of a pension in their own right.
- Increase in means disregard by EUR12.40 per week to EUR20 will allow a single person, with no other means, to have up to EUR35,000 in capital and still qualify for a pension at maximum rate, and double this in the case of a pensioner couple.
- A specific earnings disregard of EUR100 per week- EUR5, 200 a year-is introduced that, for the first time, allows Non-Contributory pensioners the opportunity to earn additional income through employment while retaining at same time retaining their pension entitlements.

Minister Brennan said that the introduction of the standard Non-Contributory pension for those over 66 years represented an important advance in the streamlining of this pension system as it combined a number of existing pensions and welfare support schemes, including the Blind Pension, Widow/er's Pension, One Parent Family Payment, Deserted Wife's Allowance and Prisoner's Wife's Allowance. These schemes at present feature a standard means disregard of EUR7.60 per week, which had not been increased since the 1970's, and standard disregards for the assessment of capital. Under the new pension, the means disregard of EUR7.60 per week will increase to EUR20, and a specific earnings



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disregard of EUR100 per week is being added. Persons currently on a reduced rate of all the relevant payments will gain most substantially.

The following table outlines the numbers who will benefit from increased payments and details of those payments:

September 2006: State Pension (Non-Con):		
	Gain EUR per week	Numbers Benefiting
Personal rate of Payment only - No QAA	2.50	1,960
	5.00	2,007
	7.50	1,535
	10.00	1,414
	12.50	25,264
	<i>Sub-Total</i>	
Personal rate of Payment and QAA	4.20	52
	8.30	79
	12.50	58
	16.60	60
	20.80	1,660
	<i>Sub-Total</i>	
GRAND TOTAL		34,089

Modernisation of Scheme Names

Minister Brennan said that following comprehensive consultations with various interest groups and representative organisations he had now signed Regulations modernising the titles of the following welfare schemes-

- Old Age (Contributory) Pension to **State Pension (Contributory)**, effective from 29th September.
- Old Age (Non-Contributory) Pension to **State Pension (Non-Contributory)**, from 29th September.
- Retirement Pension to **State Pension (Transition)**, from 28th September.
- Disability Benefit to **Illness Benefit**, from 2nd October.
- Unemployment Assistance to **Jobseeker's Allowance**, from 4th October.
- Unemployment Benefit to **Jobseeker's Benefit**, from 5th October.



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- Unemployability Supplement to **Incapacity Supplement**, from 2nd October.
- Orphan's (Contributory) Allowance and Orphan's (Non-Contributory) Pension to Guardian's **Payment (Contributory)** and **Guardian's Payment (Non-Contributory)** respectively from 28th July, 2006.

Minister Brennan said: "The term "old age" in our pensions system has, particularly in recent years, served to greatly undervalue the capacities and potential contribution to society of thousands of our people in their later years. The very use of the description "Old Age Pensioners" has unfairly categorised and pigeonholed entire generations of our older people and has created generalised stereotypes of older people as being in some way dependent and so no longer in a position to call on their experience and ability to continue to make a positive contribution to society. The Old Age pension was first introduced in Ireland in 1908 by Lloyd George and now, almost a century later; the title is outdated and no longer relevant. Our older people are now living longer and healthier lives and the change to State Pension should be seen as societies recognition of the contribution of our older people to the building of modern Ireland, while at the same time, sending out the message that we also value the potential contribution to society in their later years of thousands of fit, able and willing men and women".

Minister Brennan said that in modern 21st century Ireland it is important that the titles of schemes within the social welfare system are modernised so as to reflect our changing and evolving society and also to more accurately reflect the underlying reasons for the scheme entitlements.

Minister Brennan explained: "The changing of the names of the unemployment supports to Jobseeker's Benefit and Jobseeker's Allowance is to reflect the increased emphasis on putting in place activation, assistance and support measures designed for people who find themselves out of work but who are actively seeking to get back into employment. The change is supported by a wide range of measures targeted at moving people away from passive welfare payments and into new areas of opportunity in training, education and employment. The title "Jobseeker's" also goes a considerable way in harmonizing scheme names with Northern Ireland. The change from Disability Benefit to Illness Benefit is to more accurately reflect the fact that the vast majority of claims for this payment are by people who are temporarily ill from their employment but who make a complete recovery and return to work".



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ENDS

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