



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

**€17 INCREASE FOR LOWER PAYMENTS /€16 INCREASE FOR NON-CONTRIBUTORY PENSIONERS**

**MINISTER SAYS BENEFITS FROM €300m SOCIAL POLICY REFORM PACKAGE WILL BEGIN TO IMPACT FROM EARLY 2006**

The Minister for Social Affairs, Séamus Brennan said today that significant increases in social welfare weekly payments and supports, effective from next week, will benefit 1.5million people, or almost four out of every ten people in the state.

Minister Brennan said that in addition to the substantial increases in the weekly welfare entitlements, the benefits would also begin to impact from a €300 million package of social policy reform measures targeted at further increasing recognition of carers, increasing incomes and supports for the most vulnerable older people, tackling child poverty, the further empowerment of lone parents, and the greater activation of back to work, training and education opportunities and choices.

Under the increases in weekly payments, a special €17 increase is being provided for 525,700 people in receipt of lower rate payments and qualified adult allowances for 120,600 people will increase by between €9.30 and €12.10 per week.

A minimum increase of €14 a week is being provided for some 180,000 contributory pensioners on full rates, with proportionate increases for a further 127,000 contributory pensioners on reduced rates. In addition, 96,800 non-contributory pensioners will benefit from an increase of €16 per week.

Minister Brennan said: "This Budget package of welfare entitlements and supports, at more than €1.12 billion, is the largest ever achieved and includes €800 million in substantial increases in allowances, pensions and entitlements and a further €300 million specifically for a range of social policy reform measures. The significant increases, averaging over 10.5% or almost four times the expected rate of inflation in 2006, will directly benefit more than 970,000 people who claim weekly social welfare payments and, when their dependants are included, a total of more than 1.5 million men, women and children. Total expenditure on welfare in 2006 will be €13.5 billion which is double what was spent as recently as 2000."

Minister Brennan said that over the past year he had been laying out, with the support of the Government, a strong new social reform agenda and this had now been underpinned by the allocation in the Budget of more than €300 million to give tangible effect to these important, and necessary, reforms.

"The reforms, while protecting those who are disadvantaged amongst us, must also strive to get behind the welfare payments and tackle the social issues involved. It is a well established fact that the best route out of poverty is through employment. That is why through these reforms I want to create the changes and opportunities that will bring people from welfare dependency to financial independence by providing the stepping stones to a better standard of living and income", Minister Brennan said.



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The increase of €14 per week will benefit those in receipt of Old Age Contributory Pension, Retirement Pension, Widows & Widowers and recipients of Death Benefit Pension aged over 66 and recipients of Invalidity Pension aged over 65. Those in receipt of Old Age Non-Contributory Pension will benefit from an increase of €16 per week as will Widows & Widowers and recipients of Blind Pension and One-Parent Family Payment aged over 66.

The €17 increase in lower rates of payment will benefit people in receipt of Widows & Widowers Pension under 66, Deserted Wife's Benefit aged under 66, Invalidity Pension aged under 65, Death Benefit aged under 66, Disablement Pension, Unemployment Benefit & Assistance, Disability Benefit & Allowance, One Parent Family Payment aged under 66, Blind Pension aged under 66, Pre-Retirement Allowance, Farm Assist, Carer's Benefit, Constant Attendance Allowance, Orphans Pension & Allowance, Supplementary Welfare Allowance and Maternity Benefit.

Special recognition of carers and their valued and valuable role in society is being emphasised by an increase in Carer's Allowance of €26.40 per week to those aged under 66 and an increase of €30.20 per week to those aged over 66, bringing payments to €180 and €200 per week – an increase of 17%-and making it the single largest weekly welfare payment.

Social welfare recipients aged 80 and over will benefit from an additional €3.60 per week, bringing the Over-80 allowance to €10 per week.

Increases are also being made in Qualified Adult Allowances (QAA) for the spouses and partners of people receiving weekly social welfare payments. They will increase as follows:

Increase of €10.80 per week in QAA for Old Age (Contributory) Pension, Retirement Pension and Invalidity Pension where the qualified adult is aged 66 or over – this represents an increase of 7.8%.

Increase of €9.30 per week in QAA for Old Age (Contributory) Pension and Retirement Pension where the qualified adult is under age 66 – also an increase of 7.8%.

Increase of €10.60 per week in QAA for all recipients of Old Age (Non-Contributory) Pension – an increase of 9.7%.

Increase of €10.60 per week in QAA for the Blind Pension where the qualified adult is over age 66 – an increase of 9.7%.

Increase of €12.10 per week in QAA for Invalidity Pension where the qualified adult is under age 66 – an increase of 11.4%.

Increase of €11.30 per week for all other qualified adult payments – an increase of 11.4%.

Customers on short-term weekly payments (mainly Unemployment Benefit & Assistance, Farm Assist, Disability Benefit, Carer's Benefit, and Supplementary Welfare Allowance), and those customers paid by electronic methods, will receive their increase in full from their first pay-day in January.

Customers on long-term payments through the book method will receive their increase in mid-February backdated to January. In some cases (such as Disability Allowance and Old Age Pensions) an advance payment to end-March will also be paid to those customers whose books are due for renewal at the beginning of April.



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The increases, which will cost €852m in 2006, apply to full rate payments, with proportionate increases for people on reduced rates.

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