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Séamus Brennan T.D Minister for Social Affairs

Speech on the Budget 2005

Families, Innovation and Inclusion

This Budget set out to achieve one prime objective and that was to tackle disadvantage by substantially increasing and boosting the rates of welfare entitlements for those on lower incomes. It set out to close the gap between those on the lower income levels and those higher up on the income ladder. It set out to lift those who are most vulnerable, those struggling on the margins, and those for whom my Department is the last safety net if they are to avoid descending into hardship and poverty.

This Budget has delivered on that objective. I think it is fair to say that even the most sceptical would have to admit that this Budget will help to raise those boats that the rising economic tide left behind.

The facts speak for themselves.

The increases in rates of payment and supports, and the changes to the social welfare code announced yesterday will deliver record improvements for the 1.5 million people who every week benefit directly from the entitlements they receive from the Department of Social Affairs.

These entitlements are for children, for the elderly, for widows, for people with disabilities, for those who are unemployed, sick or injured, for those who are caring for their loved ones or parenting alone and for many others who are in need of that social welfare safety net.

The total allocation for social welfare expenditure next year is a staggering €12.25 billion, an all time high, and an increase of almost 9% over this year's figure.

That is double what was being spent on welfare in 1997.

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I also want to point out that the increases in rates average over 8% and are more than 3 times the rate of inflation.

Overall, when account is taken of the social welfare provision recently made in the Abridged Estimates Volume and of the sums being transferred to my colleagues, the Minister for the Environment, Heritage and Local Government in respect of the new Rental Accommodation Scheme and the Minister for Rural, Community and Gaeltacht Affairs for the Rural Social Scheme, the total additional provision being made for social welfare related schemes next year will exceed €1 billion.

Budget 2005 delivers substantial increases and improvements in welfare entitlements and supports;

- €14 per week special increase for those in receipt of lower rates of payment.
- €12 weekly increase in pensions resulting in new rates of between €166-€179.
- Child Benefit rates rise by €10 (lower) and €12 (higher), increasing allowance to €141.60 & €177.30. There has been a four fold increase in 10 years.
- Respite Care Grant increased by €165 to €1,000 extended to include up to 10,000 additional carers.
- Extend entitlement to a transitional 25% weekly rate of Disability Allowance to all persons resident in institutional/residential settings.
- Highest ever increase in thresholds for Family Income Supplement with rise of €39 per week.
- Capital assessment for welfare recipients eased-first €20,000 of savings to be disregarded. For an old age pensioner that rises to over €27,000 and double that for a couple.
- Increase Maternity Benefit from 70% to 75% of reckonable earnings.
- Increase of €14 per week to €165.60 in minimum rate of Maternity Benefit and Adoptive Benefit.

One of my first public engagements as Minister for Social and Family Affairs was to preside over the annual pre-Budget Forum which was attended by nearly 30 groups who are actively engaged in providing services to, and protecting the interests of, the vulnerable and needy in Irish society. At that event, I invited the organisations present to meet me individually so that I could hear their concerns and get to know

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them better. Since then I have managed to meet over half of those groups and I intend to meet the remainder of them in the coming weeks. These meetings have been an intense learning experience for me and have given me a deeper insight into the reality of life for far too many people in the land of the Celtic Tiger. We have come a long way, we have achieved a lot but there is much more to do yet, before this is truly a fair and inclusive society.

I have reflected long and hard on the views put to me by the various representative and voluntary bodies that I have met and I have taken their recommendations into account in framing my Budget proposals. I do not expect that everyone will be totally satisfied with what is being done, but I think all will have to agree that substantial progress is being made. I assure them that I will continue to do what I can to develop a social welfare system which is responsive to people's needs and provides an adequate level of income to those dependent on it.

Three broad priorities underpin the social welfare package in this Budget:

- Firstly, to make significant progress on delivering the commitments in the Programme for Government and the *Sustaining Progress* social partnership agreement in relation to Child Benefit, pensions and other rates of social welfare payments.
- Secondly, to make a real difference to those at risk of poverty, especially families, the unemployed and those unable to work because of age or disability, both in terms of income and in other supports given to them via the social welfare system, and
- Finally, to recognise the contribution being made by carers and the demands on them.

Rates of Payment

As a result of Budget 2005, all those aged 66 or over will be €12 a week better off than they are at present, with weekly rates of €166 for the non-contributory pension and €179.30 for contributory pensioners with effect from next January. We are on

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target towards achieving the Government's objective of having the basic state pension at €200 a week by 2007 and remain committed to doing so.

On this occasion, all others who are not the higher pension rates will receive a further €2 a week bringing the total increase in these payments to €14 a week. This is almost 4 times more than the projected rate of inflation for next year and will bring the lowest rate to €148.80 from January. These increases will apply to a wide range of schemes, including those relating to unemployment, disability, caring and parenting alone.

In framing these proposals, I was especially mindful both of the fact that many in these groups are at risk of consistent poverty, and of the target in the National Anti-Poverty Strategy (NAPS) to achieve a rate of €150 per week in 2002 terms by 2007 for the lowest social welfare rates. By targeting those on the lowest rate of social welfare payments, this Budget will make a significant contribution towards achieving the over-riding NAPS objective of reducing consistent poverty to 2%, and if possible eliminating it, by 2007.

We are also making substantial progress towards completing the programme of Child Benefit increases. The increases given are significant and I am determined to ensure that the programme will be completed in next year's Budget. The revised rate of child income support, combining Child Benefit and Child Dependant Allowance, amounts to over 33% of the lowest social welfare rate, thus ensuring that we continue to meet the NAPS target in this regard.

Several of the groups that I met urged me to reverse current policy on child income support by increasing the level of Child Dependant Allowances (CDAs) on the grounds that these payments are made only to recipients of social welfare and, consequently, are targeted directly at those most at risk of poverty. I considered these arguments carefully but concluded that Child Benefit remains the most appropriate vehicle for tackling child poverty.

Since 1994, successive Governments have held the rate of Child Dependant Allowances constant while concentrating resources for child income support on the

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Child Benefit scheme. After this budget, Child Benefit will account for over 66% of child income support, while in 1994 it constituted around 30%. There are sound reasons for this policy. Child benefit is neutral vis-à-vis the employment status of the child's parents and does not contribute to poverty traps, whereas the loss of Child Dependent Allowances by social welfare recipients on taking up employment can act as a disincentive to availing of work opportunities. As a near universal payment, which is not taxable and is not assessed as means for other secondary benefits, Child Benefit is more effective than Child Dependent Allowances as a child income support mechanism when account is taken of these incentive issues.

As part of the *Sustaining Progress* special initiative on ending child poverty, the National Economic and Social Council has been asked to undertake an in-depth examination of child income support arrangements with a view to developing a second tier payment targeted at low income families which, by combining Family Income Supplement and CDAs, would have a neutral impact on employment options. It is appropriate to await the outcome of that study before changing the current policy on child income support.

The increases in the rates of payment and Child Benefit will make a decisive and lasting impact on the lives of many people. For example, a non-earning couple with children will see an average increase in their disposable income of over €31 a week¹.

Measures benefiting families

A range of other measures are being taken in this Budget which will directly benefit families and improve the quality of life of children. This is an appropriate way of marking the close of the 10th anniversary of the UN International Year of the Family.

The Family Income Supplement, which is paid to parents working in low pay employment, is being increased by an unprecedented €39 a week, at a full year cost of €15.53 million. This will result in an increase of €23.40 per week for most of the 14,000 families receiving the payment and will make about another 2,600 families eligible for it. FIS is an important scheme because by encouraging people to enter,

¹ Using the SWITCH analysis model developed by the ESRI.

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and remain in the labour force, it not just gives them an adequate income but also puts them on the road to economic independence and enhances their human dignity.

Another family related measure concerns one of the policy measure introduced in last year's Estimates announcements. I refer to the payment of half-rate CDAs to recipients of Unemployment, Disability, Injury and related benefits where their spouse or partner has gross weekly income in excess of €300. Having reviewed the measure, I have decided to increase the threshold to €350 a week.

One family type which is particularly at risk of poverty is the family headed up by a lone parent. At over 11%, Ireland has one of the highest proportions of lone parent families within the EU. Almost a quarter of such households live in consistent poverty and over 40% of such families are deemed to be at risk of poverty, chiefly because of their dependence on social welfare payments. It is generally accepted that one of the most effective routes out of poverty for people in the active age groups is through paid employment. However, a relatively low proportion of lone parents are in employment in Ireland, compared to other countries.

One of the main objectives of the One Parent Family Payment is to assist lone parents in overcoming the particular obstacles they may face in taking up employment or training opportunities, and to encourage them to return to employment, instead of remaining dependent on social welfare payments. The scheme has not been reviewed for some years and I am committed to reviewing the income support arrangements for lone parents as a priority. The review will be informed by recent reports and emerging analysis in this area, such as the OECD study, entitled "Babies and Bosses", published late last year.

In view of this pending review, I consider that it would be premature to make any changes in the income disregards for the scheme in this Budget. However, I have decided to re-introduce the transitional half-rate payment to recipients of One Parent Family Payment, when they take up employment earning more than €293 per week or increase their existing earnings above that level. Members of the House may recall that the abolition of this transitional payment was another of the policy

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measures introduced last year. The half-rate payment will be payable for a period of six months, instead of the year which previously applied. Lone parents will, of course, continue to be eligible to apply for Family Income Supplement which is the mainstream in-work benefit available to parents working in low income employment.

A Budget change of interest to mothers concerns the minimum payment of Maternity Benefit which is being increased by €14 a week to €165.60. The rate of Maternity Benefit is also being increased from 70% to 75% of reckonable weekly earnings. This is the first instalment of the increase agreed with the social partners in the mid-term review of *Sustaining Progress*.

Family members will also benefit from the abolition of the assessment of Benefit and Privilege for recipients of Unemployment Assistance aged 26, who are living in the family home with their parents.

Finally, I am pleased to be in a position to provide an additional €3.63 million to the Family Support Agency so that it can develop its services and enhance the support it gives to a range of organizations.

Two million of this amount will go towards the development of 12 new Family Resource Centres next year bringing the total number of such facilities across the country to 89. I have been very impressed by the work being done in the Family Resource Centres that I have visited since becoming Minister, as I have been by the marriage and family counselling agencies that I have met. They too will benefit from the enhanced funding being provided to the Agency in this Budget.

Supporting Family Carers

I now turn to a topic which I know is of concern to many members of the public and to members of this House. I refer to the situation of the many people in this country who care for elderly, sick or disabled relatives in their own homes. I have met several groups representative of carers, the elderly and people with disabilities, since I have become Minister for Social and Family Affairs. I have been struck by the commitment of family carers and their need for our support for their difficult yet worthwhile work which benefits the whole of our society. I have also given careful

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consideration to the recommendations of the report on carers prepared by the Joint Oireachtas Committee on Social and Family Affairs. These recommendations and my meetings with family carers were to the forefront of my mind when devising a package of supports for carers. In addition, my officials are finalizing an in-house review of the carer's payments made by the Department and its draft recommendations were considered in relation to the Budget measures.

The Carer's Allowance and Carer's Benefit are being significantly increased by €14 a week to €153.60 and €163.70 a week respectively at a total full year cost of €17.2 million. In addition, I am delighted to be able to announce a range of improvements in the supports for carers which will give almost another €17 million a year to this important sector. I will now outline how this money will be spent.

Respite Care

According to the Joint Oireachtas Committee, the greatest need identified by family carers is the need for a break from caring, for respite. My meetings with carers' representative groups reinforced this. My response is threefold:

Firstly, from June next year, in accordance with the Government's commitment in our Programme for Government to introduce significant increases in the value of the Respite Care Grant, I am increasing the amount of the Grant from €835 to €1,000 annually.

Secondly, I am extending the annual Respite Care Grant to all carers who are providing full-time care to a person who needs such care, subject to employment related conditions. I have asked my officials to consider the operational arrangements that will be necessary to implement this proposal. Subject to detailed consideration, the following categories of persons will be eligible for the Respite Care Grant:

- Recipients of Carer's Allowance and Carer's Benefit will continue to receive the Grant

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- Recipients of other social welfare payments for example, Widow's Pensions, Old Age Pensions, One Parent Family Payment, who are also carers, and
- Carers who are not currently receiving any payment from my Department and who are providing full time care.

The following criteria will probably apply:

- The carer must be providing full-time care to a person who is in need of such care for a specified period of time - probably 6 months,
- As is the case with recipients of Carer's Allowance, a full-time carer must not be engaged in employment for more than 10 hours per week.
- Those who are on unemployment payments will be excluded since they are required to be available for, and actively seeking, full-time work.

These improvements in the conditions applying to the Respite Care Grant will result in an additional 9,200 full-time carers receiving the Grant for the first time. A total of almost 33,000 full-time carers will receive the Respite Care Grant of €1,000 next year.

My third change to the scheme of Respite Care Grant is to pay a Grant in respect of each person receiving care. This means that a carer who is providing care for more than two people will receive a Grant in respect of each person for whom she/he is caring. I am doing this to recognise the particular challenges which are faced by carers who are caring for several people.

Carer's Allowance means test

Where the means test for Carer's Allowance is concerned, I am increasing the weekly income disregards by €20 to €270 for a single person and by €40 to €540 for a couple. This means that a couple with two children can earn up to €30,700 and receive the maximum rate of Carer's Allowance while the same couple can earn up to €49,200 and receive the minimum rate of Carer's Allowance, Free Travel, the Household Benefits Package of Free Schemes and the Respite Care Grant.

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Carer's Benefit

With regard to Carer's Benefit, one of the conditions attached to this scheme is that while the carer may work for up to 10 hours per week, he or she may not earn more than €150 per week. I now intend to improve this aspect of the scheme by increasing this income ceiling from €150 to € 270 per week. This measure will allow those carers who are in a position to work for up to 10 hours per week to earn extra income and, equally important, it will keep the carer in touch with his or her workplace.

Another condition attached to that scheme is that the applicant must have been engaged in full-time paid employment as an employed contributor for the 3-month period immediately prior to claiming Carer's Benefit. I am abolishing this condition to simplify the qualifying conditions for the scheme and make it easier for carers to qualify.

This Budget is a manifestation of this Government's commitment to carers and for the eighth successive Budget, the vital work that is being undertaken by family carers continues to be recognised in a meaningful way. We know that our work on behalf of carers is not finished. I will continue to take note of the recommendations of the Joint Oireachtas Committee and the views and opinions of carer's representative organisations. I intend to build on the improvements that will be made over the coming year and I will continue to work with my colleague the Tánaiste and Minister for Health and Children on behalf of family carers.

Supports to People with Disabilities

I would like to say a few words about the social welfare measures being introduced in this Budget which will benefit people with disabilities. In the first place, I am happy to confirm that €1 million is being provided to Comhairle so that they can begin the preparatory work towards the setting up of a personal advocacy service for persons with disabilities. Members of the House will recall that this service forms a key element of the Government's National Disability Strategy and that the Comhairle Amendment Bill, which was introduced last September, will provide the necessary statutory basis for the service. When it is established, people with disabilities will be

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entitled to a personal advocate who will assist, support and represent them in applying for, and obtaining, a social service and also in pursuing any right of review or appeal in connection with that service. Comhairle has been preparing for the introduction of the new personal advocacy service for sometime. Last July, it published a report by Goodbody Economic Consultants which set out clear options in relation to how the new personal advocacy service might be structured and operated. The funding being provided now will enable this work to commence.

I am also very happy to be able to announce that a decisive step is now being taken towards the removal of the current anomaly whereby people with disabilities who were resident in a health board institution prior to August 1999 are not entitled to receive the Disability Allowance as long as they continue to reside in an institution.

This situation has a long and tangled history which is too complex to go into today but it dates back to the variety of arrangements which applied under the old Disabled Person's Maintenance Allowance (DPMA) scheme which was administered by the Health Boards. My Department assumed responsibility for this scheme in 1996 and since then the various arrangements have been consolidated into a single payment, the Disability Allowance, which is payable to persons suffering from an injury, illness or disability which prevents them from engaging in normal employment. The one exception to this position concerns people with intellectual or physical disabilities resident in an institution before 1999, who were not eligible for the old Disabled Person's Maintenance Grant. Some of these people receive a personal allowance, or pocket money, of varying amounts from the Health Board or institution where they reside, but others do not. Organisations representing people with disabilities have argued that this arrangement is inequitable and does not respect the dignity of the people concerned. I fully concur with that view.

In the 2003 Budget, it was announced that my Department would take over responsibility for payment of the personal allowances where they exist and consolidate them into a standard amount. Since then, very considerable progress has been made by my Department, with the assistance of the Department of Health and Children and the Health Boards, in identifying the people affected by this

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anomaly and ascertaining what payments, if any, they receive. As a result of this work, it is now clear that it is possible to move beyond simply standardizing the current personal allowances, to making these people eligible for the Disability Allowance as a matter of right, subject only to the same conditions as apply to others. A number of complex practical and administrative issues remain to be resolved with the Department of Health and Children and the Health Boards such as the determination, as appropriate, of what proportion of the Allowance could be retained by the institution as a contribution towards the resident's care and maintenance and the need to avoid any duplication of funding.

However, as an interim measure, a payment of €35 a week will be payable to the 2,400 persons with disabilities who are affected by the current anomaly, with effect from next June. It is my intention to progress the outstanding issues as a priority, so that all persons with disabilities can become entitled, as soon as possible, to the full rate of Disability Allowance irrespective of their residential status.

Encouraging Saving

The Government is committed to encouraging a regular savings culture among the population in general. As part of this strategy, the innovative Special Savings Investment Accounts were introduced in 2001 and these accounts have been opened by a very large number of people, including many pensioners and other social welfare recipients.

I want to ensure that the social welfare means testing arrangements do not act as a disincentive to claimants to become savers or to harshly penalise those who have been regular savers in the past.

In this regard, I am introducing significant improvements to the current means-testing provisions. From June next, the first €20,000 of savings will be disregarded, an increase of €7,300. This enhanced disregard applies to all capital regardless of where it is held, be it in an SSIA, a Credit Union, with An Post or any other account with a bank or other financial institution.

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The new arrangements will mean that a single non-contributory pensioner can have savings of up to €27,600 and still qualify for a pension at the maximum rate. This figure is doubled in the case of a pensioner couple.

2004 Estimates Measures

Finally, I want to address some of the other policy measures introduced in the 2004 Estimates which have been the subject of controversy since then. As the members of the House will be aware, I have conducted a review of these measures to assess their impact on people.

As a result of that review, I have concluded that while the measures were introduced for valid reasons, it is now appropriate to reverse some of them and to ease others.

Rent Supplement

Five of the measures related to rent supplement which is payable under the Supplementary Welfare Scheme. In the course of my review, I carefully considered the report published in September by the Social Partners' Working Group on Rent Supplement which was established under *Sustaining Progress*. I have also listened carefully to the views expressed by my colleagues in this House, by the Social Partners and by the voluntary groups and others I have met since becoming Minister for Social and Family Affairs.

I agree with the conclusion reached by the Social Partners Working Group that the rent supplement measures are not having any significant adverse impact in themselves – the measures are not the reason why people on low incomes with housing needs find themselves in very difficult circumstances with the Government agreeing a range of new rental assistance arrangements.

Improved social housing arrangements form an important element of these initiatives. In that regard, I am glad to announce that I have transferred €19 million in funding from the Rent Supplement Scheme to the local authorities as an initial measure to enable them to put long-term housing solutions in place to meet the needs of people who would otherwise rely on rent supplement on a long-term basis.

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Under the new arrangements, the housing authorities will implement measures to ensure adequate access for rent supplement claimants to long-term accommodation, including social housing where appropriate. In cases where a new applicant for rent supplement, or an existing recipient of rent supplement, is likely to need housing assistance on a long-term basis, they will be referred to the relevant local authority for an assessment of housing assistance need and the most appropriate social housing response will be provided.

In addition, each local authority will progressively assume responsibility for accommodating long-term rent supplement recipients. The new Rental Accommodation Scheme will commence in Dublin, Limerick and Galway cities, South Dublin, Donegal, Offaly, Westmeath county councils and Drogheda Town Council. Work in the remaining local authorities will commence before the end of 2005.

This initiative is the first step in what will be a radical transformation of the supports provided in this area, putting them on a sounder, sustainable basis and providing a better outcome for the tenants concerned.

In the meantime, rent supplement has a role to play and will continue to be available to people who need it. In general, people must show that they have a housing need in order to qualify and be a genuine and deserving case. And I am determined that there will be no delay with the assessments.

Another area where there is scope for improvement is in relation to the six-month rule. The purpose of the six-month rule was to enable rent supplement to be paid to people who are not on local authority housing lists but who have been renting for six months or more. This benefits bona fide tenants who can no longer afford their rent because of a change of circumstances, for example because they have become ill or unemployed. The point has been made to me that six months is an arbitrary limit which could disadvantage a person who becomes ill or unemployed within six months of renting. I consider that some change is needed to address that point and I have amended the six months rule to reflect this.

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Another of last year's measures related to withdrawing rent supplement from people who refused two housing offers from their local authority. In the course of my review of the measures, I found that some local authorities remove people from their housing list only after they have refused three offers. In the circumstances, I am easing this measure so that rent supplement may remain in payment unless a third offer of local authority accommodation has been refused.

A further measure related to the treatment of people in full-time employment. Rent supplement and all other types of Supplementary Welfare Allowance are not payable to people in full-time employment. This has been a feature of the scheme since it was established in 1977 and ensures that SWA does not become a mechanism for supporting unsustainably low wages or unreasonably high rents. If people in full-time employment were eligible for SWA Rent Supplement, it would put upward pressure on rents because landlords when setting rents would no longer have to consider affordability and the linked possibility that their property would remain unlet because tenants could not afford the rent.

Last year's measure extended the full-time employment exclusion to spouses and partners of tenants. This was done to deal with a loophole whereby people in full-time employment were seeking rent supplement via their spouse or partner. While I have every sympathy for people in this position, people in full-time employment who cannot afford to pay a market rent require a social housing solution, not a social welfare payment.

The last of the five rent supplement measures was an increase of €1.00 per week in the minimum contribution to rent made by tenants who receive rent supplement. This raised the minimum contribution from €12 to €13. Having reviewed this, I consider that €13 is a reasonable level at this point in time. I do not propose to raise it this year.

Finally, I accept the recommendation in the Report of the Social Partners Working Group that the measures should continue to be monitored and evaluated. In that regard, I have asked the Group to monitor and evaluate the impact of the measures and to advise me on any further actions that may be needed in this area.

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I should also mention that, as a separate measure, I have decided to increase the income disregard in the means test for entitlement to Rent and Mortgage Interest Supplement by €10, from €50 to €60 a week at a total cost of €1.5 million. This allows recipients to retain a greater amount of any additional income they may receive from taking up an employment or training opportunity.

MABS Supplement

The discontinuation of the MABS supplement gave rise to savings of €0.7 million this year. I am satisfied that removing these supplements was fully justified and that increasing the funding of the MABS service itself is a more appropriate way of providing support to people with debt problems. I have already provided an additional €1.22million in the Abridged Estimates for the MABS service in 2005 over the 2004 allocation. I now intend to redirect the saving of €700,000 arising from last year's measure to the MABS service to enable them to further improve their services. I am giving a further sum of €300,000 to provide total additional funding of €1 million to Money Advice and Budgeting Service in this Budget.

Crèche Supplement

In relation to crèche supplement, I have decided to make €2.3 million available to provide supports in this area. This represents the full amount of the savings achieved by the discontinuation of crèche supplements. I am consulting with my colleagues the Tánaiste and Minister for Health and Children and the Minister for Justice, Equality and Law Reform to consider what is the most appropriate way in which this funding can be channelled. My objective is to ensure that vulnerable families can continue to have access to crèche supports, for example in cases where a social worker or Public Health Nurse deems this necessary as part of their work with the family.

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Diet Supplement

I have decided to make an additional €2 million available to improve the diet supplement arrangements. This more than offsets the savings of €1 million arising from last year's measure in this area. The improvements will be based on the findings of a report commissioned from the Irish Nutrition and Dietetic Institute which is being finalized at present. That report will provide us with an up to date scientific basis for the policy decisions that need to be made in this area.

Back to Education Allowance

One of the other measures introduced last year was an increase from six months to fifteen months in the qualification period for access to Back to Education Allowance for people wishing to attend university or other third-level institutions. This change did not affect people wishing to complete second level education – they remain qualified after six months on the Live Register.

The Back to Education Allowance is intended for people whose lack of education qualifications puts them at risk of long-term unemployment and social exclusion. Its objective is to give long-term social welfare recipients a way out of dependency by giving them a second chance to complete their education. In some cases however, this scheme was being abused by intending students who went on the Live Register not from need but simply in order to qualify for the Back to Education payment which, incidentally, lasts for the full duration of the 3rd level course. The change in the qualifying period introduced last year was designed specifically to address that abuse.

Having examined the matter carefully, I am satisfied that this objective can still be met in the context of a shorter qualifying period. Accordingly, I have decided to reduce the qualifying period to twelve months. Furthermore, I have decided to increase the cost-of-education grant paid to BTEA recipients, from €254 to €400.

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Concluding Remarks

This is a very good Budget. It has sought to strike a balance between the various, and at times, conflicting demands on Government to address the many areas in our society where public services need improvement and development and to provide much needed support to the needy and vulnerable in our society. It will make a decisive impact on poverty. It will make a decisive and beneficial impact on the lives of many people.

I have no hesitation in commending this Budget to the House.