

A Survey of the Benefit System in Ireland

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Overview

This document surveys the benefit system in Ireland, providing detail on how much is spent on social payments, as well as a breakdown of spending for individual programmes. Social payments as a percentage of overall government spending are discussed in Section 1. Sections 3 to Section 27 provide details on each area of social spending, including rates of payment, the changes in the rates of payment over time, overall expenditure and recipients and any changes announced in Budget 2012. For the main programmes of spending, a discussion on comparable benefits available in the UK is given (where an analogous benefit is available). Caution is called for in comparing the rates of UK benefits to those in Ireland as one has to take into account different costs of living. This document aims to highlight not only the rates of payment in the UK but also the qualifying conditions and eligibility criteria for the main programmes of expenditure. In doing so, it highlights the differences and similarities between the social welfare system in Ireland and the UK.

1. Government Spending on Social Payments

In 2011, social payments in Ireland amounted to €28.1 billion, equivalent to 18% of GDP. Social payments are the single largest area of government spending, making up 37% of total government spending in 2011. According to the April 2012 Stability Programme Update, social payments for 2012 will amount to 17.3% of GDP. The estimates are shown in table 1.1 as a percentage of both nominal GDP and nominal GNP, up to 2015.

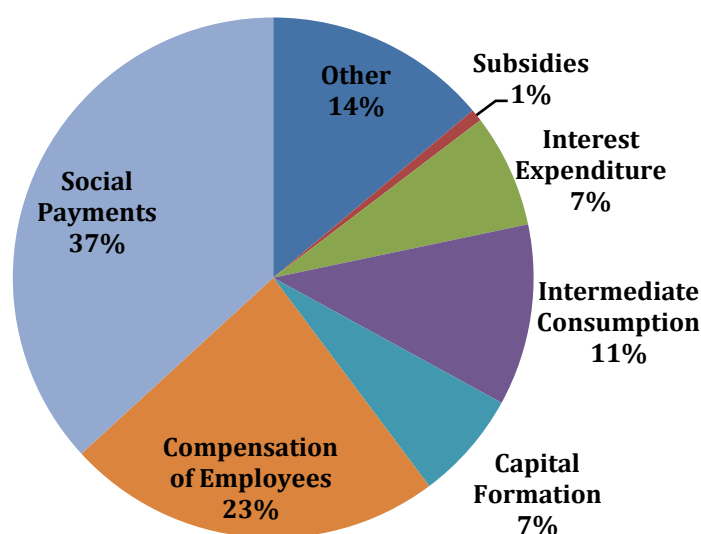
Table 1.1: Estimates of Social Payments as % of GDP and GNP (2011-2015)¹

Social Payments	2011	2012	2013	2014	2015
As % GDP	18.0%	17.3%	16.5%	15.3%	14.5%
As % GNP	22.3%	21.4%	20.5%	19.1%	18.3%

Sources: April 2012 Stability Programme Update & Medium Term Fiscal Statement, November 2011.

Figure 1 below shows the composition of Government Expenditure for 2011. As mentioned, Social Payments make up the largest proportion of spending (37%), followed by compensation of employees (23%).

Figure 1: Composition of Gov Exp 2011



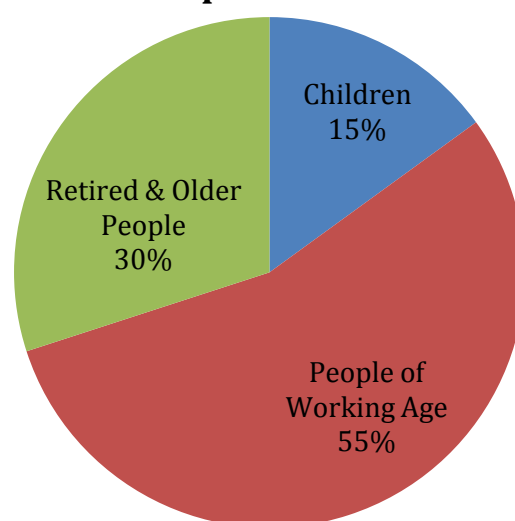
Source: Stability Programme Update, April 2012

¹ The GDP estimates are taken from the 2012 Stability Programme Update. To calculate Social Payments as % of GNP, nominal GNP estimates are used from the Medium Term Fiscal Statement, Nov 2011.

2. Description of the Social Security Benefit System

Almost 2.1 million people in Ireland benefit from weekly social welfare payments². Payments by the Department of Social Protection (DSP) go to three main groups of people (or programmes). These are children, people of working age and retired & older people. In 2010, the DSP spent €21.35 billion on schemes, services and administration, and the estimate for 2011 (estimate as of September 2011), is €20.6 billion³. Figure 2 below shows the percentage of DSP spending⁴ that goes to each of the three programmes⁵.

Figure 2: Expenditure by Recipient as % of DSP Total Expenditure



Source: DSP Comprehensive Review of Expenditure 2011, table 1.5

We see that People of Working Age represent the largest proportion of expenditure (55%), which amounts to €11,291.4 million. Spending on Retired & Older People and Children amount to €6,092 million and €3,069.1 million respectively.

² The figure of 2.1 million people includes qualified children and adults. The figure is taken from the Department of Social Protection Comprehensive Review of Expenditure 2011.

³ Source: DSP Comprehensive Review of Expenditure 2011

⁴ Refers to Gross DSP Expenditure

⁵ In addition to these three programmes, there is also spending on Customer Information Management and Operational Capabilities. When combined, these two additional programmes account for 0.8% of the DSP Gross Total Expenditure.

Table 2.1 shows the total number of beneficiaries (including qualified adults and children) for each type of payment along with the programme expenditure for 2011⁶ (sorted from highest to lowest levels of expenditure).

Table 2.1: Total Beneficiaries and Expenditure by Scheme 2011

Type of Payment	Total Beneficiaries	Estimate Expenditure by Scheme (2011) €m
State Pension (Contributory)	358,865	3,567.9
Jobseeker's Allowance	509,127	2,644.6
One Parent Family Payment	245,905	1,111.7
Disability Allowance	123,600	1,066.2
Jobseeker's Benefit	156,046	1,027.1
State Pension (Non-Contributory)	99,318	951.2
Illness Benefit	111,710	854.7
Supplementary Welfare Allowance	67,359	802.5
Invalidity Pension	72,214	628.2
Carer's Allowance	82,332	499
Widow/er's or Surviving Civil Partner's Contributory Pension	125,777	384
Maternity Benefit	22,832	303.5
Family Income Supplement	86,789	199.3
Back to Education Allowance	24,730	198.83
Farm Assist	26,483	122.6
State Pension (Transition)	13,816	113.2
Back to Work Enterprise Allowance	22,109	91.52
Deserted Wife's Benefit	9,407	88.7
Disablement Benefit	13,970	82
Pre-Retirement Allowance	7,098	62.4
Carer's Benefit	3,963	28.2
Widow/er's or Surviving Civil Partner's Non-Contributory Pension	1,982	20.5
Injury Benefit	1,217	16.2
Blind Pension	2,010	15.4
Guardian's Payment (Contributory)	1,990	10.6
Guardian's Payment (Non-Contributory)	996	4.8
Deserted Wife's Allowance	448	4.5

Source: Department of Social Protection, Comprehensive Review of Spending, September 2011

⁶ There are three additional payments which are not listed in table 2 for which total estimated expenditure for 2011 cannot be found. These are Death Benefit (741 recipients), Back to Work Allowance Employee (recipients 793) and Part-Time Job Incentive Scheme (161 recipients).

3. Benefits for Unemployed People

There are two types of unemployment benefits in Ireland, Jobseeker's Benefit and Jobseeker's Allowance. Currently, the maximum rate for both payments, in 2012, is €188 per week. Table 3.1 shows how the weekly rates of Jobseeker's Allowance and Jobseeker's Benefit have changed over time, from 2005-2011.

Table 3.1: Maximum Rates of Jobseeker's Allowance and Jobseeker's Benefit (2005-2011)

Year	Rate €	Change in €	Inflation Rate (%)	%Change (in Real Terms)
2005	148.80	14.00	2.5	7.9
2006	165.80	17.00	4.0	7.4
2007	185.80	20.00	4.9	7.2
2008	197.80	12.00	4.1	2.4
2009	204.30	6.50	-3.9	7.2
2010	196.00	-8.30	-1.1	-3.0
2011	188.00	-8.00	2.5	-6.6

Source: Department of Social Protection, Comprehensive Review of Spending, September 2011

Table 3.1 shows that from 2005-2009, Jobseeker's Allowance and Jobseeker's Benefit increased steadily in real terms. During this period, the average real rate of yearly increase was 6.4%. Subsequently, budget 2010 and 2011 each brought in nominal cuts of 4.1%.

Jobseeker's Allowance

Jobseeker's Allowance is a means tested payment. To qualify for Jobseeker's Allowance, a person must be unemployed for at least 3 days within 6 consecutive days, with this being treated as a full week of unemployment. The person must also be under 66 years of age, capable of work, available for full time work and genuinely seeking work.

Jobseeker's Benefit

Jobseekers' Benefit is covered by PRSI contributions. To qualify, a person needs

- at least 104 weeks PRSI paid since first starting work

And

- have 39 weeks PRSI paid or credited in the relevant tax year

Or

- have 26 weeks PRSI paid in the relevant tax year and 26 weeks PRSI paid in the tax year immediately before the relevant tax year.

Table 3.2 shows the recipients and expenditure for Jobseekers Allowance and Jobseekers Benefit.

Table 3.2: Recipients and Expenditure for Jobseekers Allowance and Jobseekers Benefit

Benefit	Total Beneficiaries in 2011 ⁷	Expenditure 2011 €m ⁸	Expenditure 2010 €m
Jobseekers Allowance	509,127	2,644.6	2,807.7
Jobseekers Benefit	156,046	1,027.1	1,286.6

Source: Department of Social Protection, Comprehensive Review of Spending, September 2011

The rate of JB and JA can vary depending on age and circumstances (shown in Table 3.3 below).

Table 3.3: Personal rates of Jobseeker's Benefit and Jobseeker's Allowance (2012)

Benefit Type	Personal Rate	Increase for Qualified Adult
Jobseekers Benefit (average weekly earnings prior to unemployment)		
Earned less than €150	€84.50	€80.90
Earned €150 - €219.99	€121.40	€80.90
Earned €220 - €299.99	€147.30	€80.90
Earned €300 or more	€188.00	€124.80

⁷ Recipients include qualified adults and children.

⁸ 2011 Estimate as of September 2011

Jobseekers Allowance (maximum rates for different age groups)	Personal Rate	Increase for Qualified Adult
Aged 18 – 19	€100	€100
Aged 20 – 21	€100	€100
Aged 22-24	€144	€124.80
Aged 25 or over	€188	€124.80

Recipients of JA or JB may also be entitled to either a half rate increase for a qualified child (€14.90) or a full rate increase (€29.80)

Changes announced in Budget 2012

The following changes to Jobseeker's Benefit were announced in Budget 2012

- For recipients who work part-time, the person must be unemployed for at least 3 days within 5 consecutive days (changed from 6 consecutive days.) This is due to commence in July 2012.
- Sunday working will be taken into account when calculating the amount of Jobseeker's Benefit or Jobseeker's Allowance to be paid. This is due to commence in January 2013.

Benefits for Unemployed People in the United Kingdom

To receive Jobseeker's Allowance in the UK, a person must be;

- Available for and actively seeking work
- Aged 18 or over and below state pension age. In some special cases, jobseeker's allowance is paid to 16 and 17 year olds.
- Working less than 16 hours per week, on average.

Jobseeker's Allowance (JA) in the UK will either be contribution based or income based. The contribution based JA is based on the amount of National Insurance paid in the two previous tax years. Income based JA is based on income and savings. Tables 3.4 and 3.5 show the weekly rates for Contribution Based and Income Based Jobseeker's Allowance in the UK.

Table 3.4: Contribution Based Jobseeker's Allowance in the UK (maximum weekly rates)

Age	Amount (£)
Aged 16 – 24	53.45
Aged 25 or over	67.50

Table 3.5: Income Based Jobseeker's Allowance in the UK (maximum weekly rates)

Type of Person	Amount (£)
Single person, aged under 25	53.45
Single person, aged 25 or over	67.50
Couples and Civil Partnerships (both aged 18 or over)	105.95
Lone parent, aged under 18	53.45
Lone parent, aged 18 or over	67.50

Table 3.6 below shows the UK rates of unemployment benefit in Euros, along with the comparable rates for Ireland.

Table 3.6: Personal Rates of Unemployment Payment in Ireland and the UK

Type of Unemployment Payment	Ireland	UK (in €) ⁹
Income Based (means tested)		
Aged 18 – 21	€100.00	€64.14
Aged 22 – 24	€144.00	€64.14
Aged 25 or over	€188.00	€81.00
Contribution Based		
Aged 16-24	€188.00 ¹⁰	€64.14
Aged 25 or over	€188.00	€81.00

⁹ Exchange rate is the average exchange rate from January to April 2012. £1 = €1.20

¹⁰ In Ireland, if a person is under 18 years of age, they can only claim Jobseeker's Benefit for a maximum of six months.

3.1 Pathways to Work

As outlined above, benefits for unemployed people (JA and JB combined) make up the largest expenditure of any Department of Social Protection scheme. 'Pathways to Work' is a government strategy aimed at tackling the current unemployment crisis, with particular focus on reducing the number of long term unemployed. In the government's 'Pathways to Work' policy statement¹¹, they highlight the unacceptable fact that the average period spent on the Live Register is currently 21 months. One of the primary goals of the 'Pathways to Work' strategy is to reduce this average time on the Live Register from 21 months to less than 12 months by the end of 2015.

One of the key components of this strategy will be to correctly identify and profile those individuals who are most at risk of long-term unemployment. Resources can then be targeted towards those who would benefit most from interventions. For example, if an individual is perceived to be at risk of long-term unemployment, then they will receive intensive one-to-one support from an employment services advisor. It is outlined in the policy statement that "individuals must commit themselves to job-search and/or other employment or education training activities or face sanction in the case of non-compliance". The Probability of Exit (PEX) profiling model, developed by the ESRI and DSP, will be used to help identify those at risk of long-term unemployment. The government targets to have 95% of DSP local offices using the PEX model by December 2012.

Another component of the 'Pathways to Work' strategy is to incentivise the take up of opportunities. Budget 2012 exempted low income and casual workers who earn less than €10,036 from the Universal Social Charge. In addition, to

¹¹ The government policy statement relating to 'Pathways to Work' can be found at <http://www.welfare.ie/en/Schemes/JobseekerSupports/Documents/PathwaysToWork.pdf>

claim Jobseekers Benefit, a person must be unemployed for at least 3 days within 5 consecutive days (changed from 6 consecutive days). Sunday working will also be taken into account when calculating the amount of Jobseeker's Benefit or Jobseeker's Allowance to be paid (see Section 3). By reducing the amount of Jobseeker's Benefit payable to casual workers, the government hopes to encourage the take up of full time employment as opposed to combining part time employment with social welfare payments.

The 'Pathways to Work' strategy also aims to incentivise employers to provide more jobs for people who are unemployed. The government halved the lower rate of PRSI until the end of 2013 on jobs that pay less than €356 per week. Employers may also be exempt from paying PRSI for certain employees.

While such efforts by the government to target unemployment and specifically long-term unemployment are welcome, it is likely that any substantial and meaningful fall in the unemployment rate is dependent on economic growth. Without growth, strategies such as 'Pathways to Work' which are implemented and designed by government advisory groups and cabinet committees, may have a very limited impact.

4. State Pension

State Pension (Contributory)

The State Pension (Contributory) is a social insurance pension payable at age 66.

To qualify for the state pension, a person must have;

- Commenced paying insurance at least ten years before pension age
- Have paid at least 260 contributions at the appropriate rate.
- Achieve a yearly average rate of at least ten contributions paid or credited from 1953 (or from 1979 if this is more beneficial). A yearly average of 48 contributions is required in order to receive the maximum state pension.

If the yearly average is between 20 and 48 contributions, then the state pension received is approximately equal to 98% of the maximum rate.

Table 4.1 shows the recipients and expenditure for the Contributory State Pension.

Table 4.1: Recipients and Expenditure for Contributory State Pension

Benefit	Total Beneficiaries in 2011¹²	Expenditure 2011 €m¹³	Expenditure 2010 €m
State Pension (Contributory)	358,865	3,567.9	3,451.8

Source: Department of Social Protection, Comprehensive Review of Spending, September 2011

Table 4.2 below shows the rates of Contributory State Pension over time, from 2005-2011. Also shown are the nominal and real percentage changes for each year.

¹² Total beneficiaries includes qualified adults and children

¹³ 2011 Estimate as of September 2011

Table 4.2: State Pension (Contributory) maximum weekly payment rates (2005-2011)

Year	Weekly Rate €	% Change	Inflation Rate (%)	% Change (in Real Terms)
2005	179.30	7.2	2.5	4.7
2006	193.30	7.8	4.0	3.8
2007	209.30	8.3	4.9	3.4
2008	223.30	6.7	4.1	2.6
2009	230.30	3.1	-3.9	7
2010	230.30	0	-1.1	1.1
2011	230.30	0	2.5	-2.5

The two largest components of DSP expenditure are the Contributory State Pension and Jobseeker's Allowance. Unlike Jobseeker's Allowance, the rate of Contributory State Pension remained unchanged in 2010 and 2011. From 2005-2010, the real average yearly increase was 3.77%. Although there were no cuts to the payments in 2011, there was a decrease in real terms of 2.5%. Table 4.3 shows the weekly rates of Contributory State Pension in 2012.

Table 4.3: Weekly Rates of Contributory State Pension (2012)

Yearly Average PRSI Contributions	Personal Rate (€)	Increase for Qualified Adult (Under 66) €	Increase for Qualified Adult (Over 66) €
48 or over	230.30	153.50	206.30
40-47	225.80	146.00	196.00
30-39	207.00	139.00	186.00
20-29	196.00	130.00	175.00
15-19	150.00	100.00	134.00
10-14	92.00	61.00	83.00

Changes to Contributory State Pension in Budget 2012

Although the weekly rate for Contributory State Pension was unchanged in budget 2012, the following changes were announced;

- New applicants for the contributory state pension, who have a yearly average of less than 48 PRSI contributions, will receive a lower pension

(taking effect from September 2012). The projected yearly savings from this measure are €45.3 million.

- The backdating period for state pensions is reduced to a maximum of six months (to take effect in April 2012).

State Pension (Non-Contributory)

The Non-Contributory Pension is a means tested pension payment which may be payable to individuals at age 66 who do not qualify for the Contributory State Pension. Table 4.4 shows total recipients and expenditure for the Non-Contributory State Pension. Table 4.5 shows the rates of payment from 2005-2010.

Table 4.4: Recipients and Expenditure for Non-Contributory State Pension

Benefit	Total Beneficiaries in 2011 ¹⁴	Expenditure 2011 €m ¹⁵	Expenditure 2010 €m
State Pension (Non-Contributory)	99,318	951.2	977.3

Source: Department of Social Protection, Comprehensive Review of Spending, September 2011

Table 4.5: State Pension (Non-Contributory) maximum weekly payment rates

Year	Weekly Rate €	% Change	Inflation Rate (%)	% Change (in Real Terms)
2005	166.00	7.8	2.5	5.3
2006	182.00	9.6	4.0	5.6
2007	200.00	9.9	4.9	5
2008	212.00	6.0	4.1	1.9
2009	219.00	3.3	-3.9	7.2
2010	219.00	0.0	-1.1	1.1
2011	219.00	0.0	2.5	-2.5

¹⁴ Total beneficiaries includes qualified adults and children

¹⁵ 2011 Estimate as of September 2011

Table 4.6 shows the weekly rates of Non-Contributory State Pension in 2012.

Table 4.6: Maximum Weekly Rates of Non-Contributory State Pension (2012)

Non-Contributory State Pension	Maximum Weekly Rate
Personal Rate, Aged 66-80	€219.00
Personal Rate, Aged 80 and over	€229.00
Increase for Qualified Adult	€144.70
Increase for Qualified Child	€29.80

The Non-Contributory State Pension did not receive any reduction in the weekly payment rates in budgets 2010 and 2011 (similar to the Contributory Pension).

From 2005-2010, the real average yearly increase was 4.35%.

Qualifying Age for State Pensions (Contributory and Non-Contributory)

The Social Welfare and Pensions Act 2011 made the following changes to the qualifying age for state pensions,

- If an individual was born on or after 1 January 1955, the minimum qualifying age for a state pension will be 67
- If an individual was born on or after 1 January 1961, the minimum qualifying age for a state pension will be 68
-

State Pension in the United Kingdom (Contributory)

In the UK, the Basic State Pension (BSP) is a flat rate pension which is based upon national insurance contributions. If a person has 30 or more qualifying years of national insurance contributions, then the full rate of BSP is payable (£102.15 per week).

In addition to the BSP, the State Second Pension (S2P) is payable based on actual or deemed earnings. The maximum amount of S2P payable to an individual is £159.52. It should be noted that the maximum amount of S2P of £159.52 is a combination of the individual's own pension and also any inherited pension resulting from the death of a spouse or civil partner. Therefore, the maximum contributory state pension payable in the UK (including BSP and S2P) is £261.67 (including any inherited pension).

State Pension in the United Kingdom (Non-Contributory)

In the UK, the Pension Credit is an income related benefit designed to provide pensioners with a minimum level of income. There are two parts to the Pension Credit, the Guarantee Credit and the Savings Credit.

The Guarantee Credit guarantees a minimum level of income of £137.35 a week for single people and £209.70 a week for couples. The Savings Credit may be payable to individuals who have made some provision towards retirement such as savings or a second pension. The Savings Credit can be up to £20.52 a week for single people and £27.09 a week for couples. Table 4.7 below compares the maximum rates of Non-Contributory State Pensions for Ireland and the UK¹⁶.

Table 4.7: Maximum Weekly Rates of Non-Contributory State Pension in Ireland and the UK

Payment	Ireland	UK (in €)¹⁷
Non-Contributory State Pension	€219.00	€189.44 ¹⁸

¹⁶ Due to the complexities of the UK Contributory State Pension, no easy comparison can be made between Irish and UK Contributory Pensions.

¹⁷ Exchange rate is the average exchange rate from January to April 2012. £1 = €1.20

¹⁸ Includes the Guarantee Credit and the maximum rate of Savings Credit payable of €20.52

5. One Parent Family Payment

One Parent Family Payment (OFP) is a means tested payment that is paid to a parent who is bringing up a child without the support of a partner. The maximum rate payable for OFP is €188.00 per week with an additional €29.80 for each qualified child. Table 5.1 shows the total expenditure and recipients for One Parent Family Payment. Table 5.2 shows how the total expenditure has changed over time from 2007-2011.

Table 5.1: Recipients and Expenditure for One Parent Family Payment

Benefit	Total Beneficiaries in 2011	Expenditure 2011 €m	Expenditure 2010 €m
One Parent Family Payment	245,905	1,111.7	1,110.1

Source: Department of Social Protection, Comprehensive Review of Spending, September 2011

Table 5.2: One Parent Family Expenditure 2007-2011

One Parent Family Payment	Total Expenditure €m	% Change
2007	962	-
2009	1,118	16.2%
2011	1,112	-0.5%

Source: Department of Social Protection, Comprehensive Review of Spending, September 2011

The changes in the weekly rates of One Parent Family Payment over time are shown below in table 5.3.

Table 5.3: Maximum Rates of One Parent Family Payment (2005-2011)¹⁹

Year	Rate €	Change in €	Inflation Rate (%)	% Change (in Real Terms)
2005	148.80	14.00	2.5	7.9
2006	165.80	17.00	4.0	7.4
2007	185.80	20.00	4.9	7.2
2008	197.80	12.00	4.1	2.4
2009	204.30	6.50	-3.9	7.2
2010	196.00	-8.30	-1.1	-3.0
2011	188.00	-8.00	2.5	-6.6

¹⁹ This excludes the extra payments for each qualified child (currently €29.80 per week for each qualified child).

The basic rates for One Parent Family Payment are the same as the maximum rate of Jobseeker's Allowance and Jobseeker's Benefit, and as such the percentage changes over time mirror those of the unemployment benefits. However, on top of the basic rate, the One Parent Family Payment pays €29.80 per week for each qualified child.

Changes to One Parent Family Payment (OFP) in Budget 2012

There were a number of changes announced in Budget 2012 relating to the One Parent Family Payment;

- The upper age limit of the youngest child for new claimants will be reduced from 14 years to 12 years of age from April 2012.
- The amount of earnings disregarded in the means test was reduced from €146.50 to €130.00 per week in 2012 for new and existing customers. Half of the weekly earnings in excess of this amount will also be disregarded.
- New participant on Community Employment (CE) schemes will not be able to claim OFP at the same time.
- Income from employment as a home help funded by the HSE will be assessed in the means test for OFP from 1 January, 2012 for both new and existing claimants.
- New claimants of OFP will not be entitled to half rate payments of Jobseeker's Benefit, Illness Benefit or Incapacity Supplement.
- If a person is on a CE scheme and also claiming OFP, they will no longer be entitled to two qualified child increases. Qualified child increases will be paid for OFP but not CE. This applies to new and existing claimants.

- Where a person's earnings exceed €425 per week, the temporary payment of half of the rate of OFP will be discontinued for new claimants from 5 January, 2012.

Lone Parent Payment in the UK

In the UK, a lone parent with a child under the age of 7 may claim Income Support payments. The current rates are shown below.

Table 5.4: Current Rates of Income Support in the UK

Income Support Payment	Rate (£ per week)
Lone Parents²⁰	
Aged 16-17	£53.45
Aged 18 or over	£67.50

When a lone parent's income support finishes, due to the child being too old to qualify, then they can apply for Jobseeker's Allowance. The table below shows one parent family payments for Ireland and comparable payments for the UK (shown in €).

Table 5.5: One Parent Family Payments in the UK and Ireland²¹

One Parent Family Payment	Ireland	UK (in €)²²
Aged 16 - 17	€217.80	€64.14
Aged 18 or over	€217.80	€81.00

²⁰ When a lone parent claims Income Support, this entitles them to additional benefits such as housing benefit, council tax benefit. For further information see www.direct.gov.uk

²¹ This Irish figure assumes a lone parent with one qualified child. The basic rate is €188 and the increase for the qualified child is €29.80). This excludes any additional benefits which lone parents may be entitled to (such as housing / rent benefit).

²² Exchange rate is the average exchange rate from January to April 2012. £1 = €1.20

6. Disability Allowance

Disability Allowance (DA) is a means tested payment for people with a disability, whose income falls below a certain level and who are aged between 16 and 66. Recipients of DA may earn up to €120 per week doing rehabilitative work and this will not affect their payment. The total expenditure and beneficiaries of Disability Allowance is shown in table 16.

Table 6.1: Recipients and Expenditure for Disability Allowance

Benefit	Total Beneficiaries in 2011	Expenditure 2011 €m	Expenditure 2010 €m
Disability Allowance	123,600 ²³	1,066.2	1,109.4

Source: Department of Social Protection, Comprehensive Review of Spending, September 2011

The current weekly rate of DA is €188. The rate of payment for DA is the same as that for Jobseeker's Allowance, Jobseeker's Benefit and One Parent Family Payment. As such, information on historic rates of DA and how it has changed over time are the same as those shown in table 5.3 for One Parent Family Payment.

Changes to the rates and conditions for DA which were announced in Budget 2012 are not being introduced as planned. This is pending a review which will be carried out by the Advisory Group on Tax and Social Welfare.

Disability Allowance in the UK

Disability Living Allowance is paid at different rates in the UK depending on the disability. The allowance comes in two parts, the care component and the

²³ Includes Qualified Adults and Children

mobility component. Recipients may be entitled to one or both components.

Details of the rates are shown in Table 6.2.

Table 6.2: Current Rates of Disability Living Allowance in the UK

Disability Living Allowance	Rate (£ per week)
Care Component	
Highest Rate	£73.60
Middle Rate	£49.30
Lowest Rate	£19.55
Mobility Component	
Higher Rate	£51.40
Lower Rate	£19.55

The maximum amount of Disability Living Allowance payable in the UK is £125, consisting of the highest rate of both Care and Mobility Components. Shown below in table 18, is the maximum rate of Disability Allowance payable in Ireland and the UK (in Euros).

Table 6.3: Disability Allowance in the UK and Ireland

Payment	Ireland	UK (in €)²⁴
Disability Allowance	€188.00	€150.00

²⁴ Exchange rate is the average exchange rate from January to April 2012. £1 = €1.20

7. Illness Benefit

Illness Benefit (IB) is a PRSI based scheme which provides income support to individuals who find themselves unable to work due to illness / incapacitation. In order to qualify for IB, a person must have paid at least 104 PRSI contributions. Individuals with between 104 and 259 PRSI contributions may be entitled to IB for up to 52 weeks. Those with 260 or more PRSI contributions may be entitled to IB for up to two years. Table 7.1 below shows the expenditure and recipient trends for Illness Benefit from 2007-2011.

Table 7.1: Illness Benefit Expenditure and Recipients 2007-2011

One Parent Family Payment	Total Expenditure €m	Total Recipients²⁵
2007	755	111,390
2009	920	119,540
2011	855	116,420

Source: Department of Social Protection, Comprehensive Review of Spending, September 2011

Table 7.2 shows the personal rates of IB depending on income.

Table 7.2: Weekly rates of Illness Benefit (2012)

Average Weekly Earnings	IB Personal Rate (Weekly Payment)	Qualified Adult Increase
€150 or more	€188.00	€124.80
€125 - €149.99	€147.30	€80.90
€80 - €124.99	€121.40	€80.90
Less than €80	€84.50	€80.90

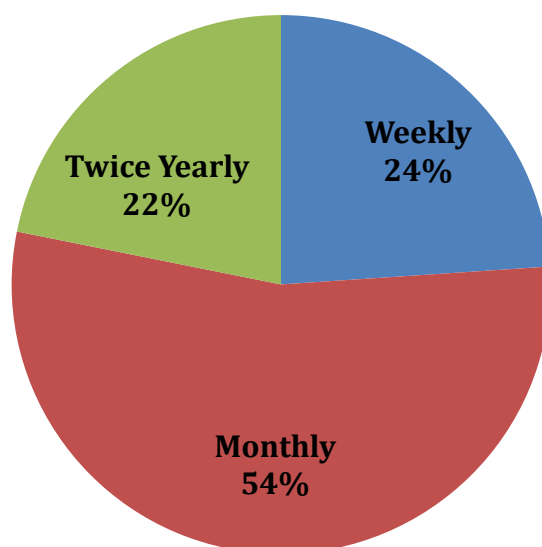
Medical Certification for Illness Benefit

Medical certificates from the recipient's doctor are furnished to the DSP either weekly, monthly or twice yearly. The frequency of medical certification depends on the severity of the condition. Medical conditions are categorised into categories A, B, C and D, with D being the most severe and A the least severe.

²⁵ Recipients include qualified children and qualified adults.

Groups A and B must provide weekly certificates up to six months, and monthly certificates thereafter. Group C provide weekly certificates up to two months, and monthly certificates thereafter. Group D certify monthly or twice yearly regardless of duration. Figure 3 below shows the weekly, monthly and bi-annual claimant certification as a percentage of overall IB claimants.

Figure 3: Medical Certification of IB claimants



Source: Department of Social Protection, Comprehensive Review of Spending, September 2011

Recipients of IB may be required to undertake a medical assessment to confirm the eligibility of their illness. According to the DSP, 3,897 claimants of IB had appointments in July 2011 for an in-person assessment by a DSP medical assessor. 80% of people attended their appointment. Of these 80%, 19% were found to be capable of work.

Changes to IB announced in Budget 2012

Budget 2012 announced that IB will be taxed from the first day of payment. Prior to this announcement, the first six weeks (36 days) of IB payments were exempt from taxation. The change takes effect from 1 January 2012.

Employment and Support Allowance in the UK

Individuals in the UK, who are unable to work due to illness or disability may be entitled to Employment and Support Allowance.²⁶ Those seeking Employment and Support Allowance will be required to take a Work Capability Assessment in order to assess what type of work, if any, an individual is capable of doing and what health related supports may be needed. If they are capable, a person will be expected to take steps to prepare for work.

Upon applying for Employment and Support Allowance, the first 13 weeks (known as the Assessment Phase) is the period for which a decision is arrived at, as to the persons' capability of working (as per the Work Capability Assessment). During the Assessment Phase, Employment and Support Allowance is paid at a basic rate. Provided the Work Capability Assessment finds that the illness does limit the person's ability to work, then that person will be placed into one of the two following groups,

- **Support Group:** If the illness has a severe effect on the person's ability to work, then they will not be expected to seek work. A support component will then be paid on top of the basic rate.
- **Work Related Activity Group:** A personal adviser will support the individual so that they can prepare for suitable work. A work related activity component will be paid on top of the basic rate.

²⁶ Employment and Support Allowance was introduced in January 2011. Before this, those who could not work due to illness could claim Incapacity Benefit.

Table 7.3 shows the rates of pay of Employment and Support Allowance in the UK.

Table 7.3: Maximum Personal Rates of Employment and Support Allowance

Employment and Support Allowance Payment	Weekly Payment £
Support Group	£99.85
Work Related Activity Group	£94.25

Table 7.4 compares the maximum personal rates of Employment and Support Allowance in the UK, with the analogous Illness Benefit Payment in Ireland (both in euros).

Table 7.4: Illness Benefit in the UK and Ireland

Payment	Ireland	UK (in €)²⁷
Illness Benefit (Ireland) / Employment & Support Allowance (UK)	€188.00	€119.82

²⁷ Exchange rate is the average exchange rate from January to April 2012. £1 = €1.20

8. Supplementary Welfare Allowance

If an individual's means are insufficient to meet their own needs and the needs of their dependent children or adults, they may be entitled to Supplementary Welfare Allowance (SWA). SWA is a means tested payment which may be paid as a "once off" payment for non-recurring needs or as a weekly or monthly payment for recurring needs. According to the DSP, as of September 2011, there were 165,000 recurring payments being paid on a weekly basis. Of the 165,000 payments, 130,000 payments are paid in respect of particular needs (such as rent). The remaining 35,000 are known as Basic SWA payments which are very similar to primary payments such as JA. Figure 4 below shows how the 165,000 recurring SWA payments are allocated (by the particular need or Basic SWA).

Figure 4: SWA Payments by Particular Need

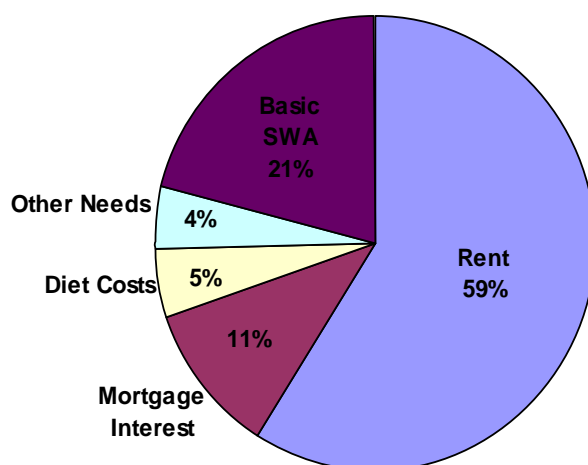


Table 8.1 shows the total beneficiaries and expenditure on SWA payments. Table 8.2 shows the SWA rates of payment.

Table 8.1: Recipients and Expenditure for Supplementary Welfare Allowance

Benefit	Total Beneficiaries in 2011 ²⁸	Expenditure 2011 €m	Expenditure 2010 €m
Supplementary Welfare Allowance (SWA)	67,359	802.5	873.5

Source: Department of Social Protection, Comprehensive Review of Spending, September 2011

Table 8.2: Maximum Rates of Supplementary Welfare Allowance

Age	Personal Rate	Increase for Qualified Adult	Increase for Qualified Child
25 and over ²⁹	€186	€124.80	€29.80
22-24	€144	€124.80	-
20-21	€100	€100	-
18-19	€100	€100	-

Changes to SWA announced in Budget 2012

The following changes to SWA were announced in Budget 2012

- Rent Supplement Scheme: From 1 January 2012, the minimum contribution payable by single tenants towards rent will increase to €30 per week (from €24 per week). The minimum contribution by couples will be €35 per week. Income from working as a home help for the HSE will be taken into account in the rent supplement means test.
- Mortgage Interest Supplement Scheme: From 1 January 2012, the minimum contribution payable by single tenants in respect of the mortgage interest supplement will increase to €30 per week (from €24 per week). The minimum contribution by couples will be €35 per week. People receiving mortgage interest supplement will not have to pay the €100 household charge.

²⁸ Includes qualified adults and children

²⁹ If a person is under 25 and has dependent children, then they will receive the same rates of SWA as people who are over 25.

In Budget 2012, a proposal was made to defer mortgage interest supplement for 12 months while the person engages with the Mortgage Arrears Resolution Process. This proposal is not currently enforced as legislation is required.

- Fuel Allowance: The fuel allowance season will be reduced to 26 weeks (from 32 weeks). This will be payable from mid October to mid April.

9. Invalidity Pension

Invalidity Pension (IP) is a PRSI contribution based payment for people who cannot work due to a long term illness or disability. Normally, before IP can be claimed, the person must be getting Illness Benefit for at least 12 months. However, if the person is likely to be out of work for the rest of their life due to illness or disability, then they may be able to claim IP after a shorter period of claiming Illness Benefit. Invalidity Pension is a taxable source of income.

Table 9.1: Recipients and Expenditure for Invalidity Pension

Benefit	Total Beneficiaries in 2011³⁰	Expenditure 2011 €m³¹	Expenditure 2010 €m
Invalidity Pension	72,214	628.2	639.9

Source: Department of Social Protection, Comprehensive Review of Spending, September 2011

To qualify for Invalidity Pension, a person must have at least

- 260 paid PRSI contributions since entering social insurance
- 48 contributions paid in the last complete tax year before the date of the claim

Furthermore, a person must meet the medical criteria to claim IP. To qualify, the person must

- Have been incapable of work for at least 12 months and be incapable of work for at least another 12 months. The person will normally have already been claiming Illness Benefit or Disability Allowance for the previous 12 months.

Or

³⁰ Total beneficiaries includes qualified adults and children

³¹ 2011 Estimate as of September 2011

- Be permanently incapable of work. In cases of severe illness or disability, the person may be able to immediately claim Invalidity Pension after ceasing employment.

Table 9.2 shows the weekly rates of IP.

Table 9.2: Weekly Rates of Invalidity Pension

Invalidity Pension	Weekly Payment
Aged under 65	€193.50
Aged 65 ³²	€230.30
Increases for Qualified Adult / Child	
Qualified Adult Under 66	€138.10
Qualified Adult Over 66	€206.30
Qualified Child Full Rate	€29.80
Qualified Child Half Rate	€14.90

Table 9.3 shows trends in expenditure and recipients of Invalidity Pension over the period 2007-2011.

Table 9.3: Invalidity Pension Expenditure and Recipients 2007-2011

Invalidity Pension	Total Expenditure €m	Total Recipients³³
2007	618	52,860
2009	681	53,400
2011	628	54,010

Source: Department of Social Protection, Comprehensive Review of Spending, September 2011

Changes to Invalidity Pension Announced in Budget 2012

If the person claiming Invalidity Pension has a spouse or partner earning €400 or more per week, payment of the half rate increase in respect of a qualified child (€14.90 per week) will be discontinued.

³² When a person who is on Invalidity Pension, reaches age 65, they are transferred to Contributory State Pension.

³³ Recipients include qualified children and qualified adults.

Invalidity Benefit in the UK

If a person is unable to work due to invalidity or sickness in the UK, then there are two potential benefits available. Firstly, there is Employment and Support Allowance which was discussed in Section 7 (maximum weekly rate of €117.82). For cases involving more severe disabilities, there is Disability Living Allowance which was discussed in Section 6 (maximum weekly rate of €147.50).

10. Carer's Allowance

Carer's Allowance is a means tested payment³⁴ to people who look after a person who needs support due to age, physical or learning disability or illness. Carer's Allowance is a taxable source of income.

Table 10.1: Recipients and Expenditure for Carer's Allowance

Benefit	Total Beneficiaries in 2011³⁵	Expenditure 2011 €m³⁶	Expenditure 2010 €m
Carer's Allowance	82,332	499.0	504.8

Source: Department of Social Protection, Comprehensive Review of Spending, September 2011

To qualify for Carer's Allowance, a person must,

- Be living with, or in a position to provide full time care to a person in need of care who does not normally live in an institution. If the person needing care is hospitalised for a period of no longer than 13 weeks, then the carer will still be paid Carer's Allowance.
- Be resident in the State
- Not live in a hospital or similar institution
- Be at least 18 years old
- Not be engaged in employment, training or education outside the home for more than 15 hours a week.

The person who is being cared for must,

- Be over 16 and require full time care

Or

- Be aged under 16 and in receipt of a Domiciliary Care Allowance³⁷

³⁴ For the means test, weekly means of €332.50 are disregarded for a single person and €665 for a couple

³⁵ Total beneficiaries include qualified children. Carer's Allowance does not have a payment for qualified adults

³⁶ 2011 Estimate as of September 2011

Table 10.2 shows the weekly rates of pay of Carer's Allowance. In addition to this payment, carer's may also be entitled to the Household Benefits Package³⁸.

Table 10.2: Maximum Weekly Rates of Carer's Allowance

Carer	Weekly Payment
Aged under 66, caring for 1 person	€204.00
Aged under 66, caring for 2 or more people	€306.00
Aged 66 and over, caring for 1 person	€239.00
Aged 66 and over, caring for 2 or more people	€358.50
Increases for Qualified Child	
Half Rate	€14.90
Full Rate	€29.80

Table 10.3 shows trends in expenditure and recipients of Carer's Allowance over the period 2007-2011.

Table 10.3: Carer's Allowance Expenditure and Recipients 2007-2011

Invalidity Pension	Total Expenditure €m	Total Recipients³⁹
2007	361	57,770
2009	501	82,360
2011	499	87,350

Source: Department of Social Protection, Comprehensive Review of Spending, September 2011

Changes to Carer's Allowance Announced in Budget 2012

As of April 2012, new applicants for Carer's Allowance who do not live with the person for whom they are caring for, will not be entitled to the Household Benefits Package.

Domiciliary Care Allowance is a monthly payment to the carer of a child with a disability so severe that the child requires more care than another child of the same age.

³⁸ The Household Benefits Package provides allowances for electricity, gas and telephone and a free television licence. For more information visit

<http://www.welfare.ie/EN/Schemes/HouseholdBenefits/Pages/hb.aspx>

³⁹ Recipients include qualified children and qualified adults.

Carer's Allowance in the UK

Carer's Allowance in the UK is payable to people aged 16 or over, who spend at least 35 hours per week caring for a person who is incapacitated or disabled. The carer cannot earn more than £100 per week after tax and cannot be in full time education involving 21 or more hours per week of supervised study. The maximum weekly rate is £58.45. Table 10.4 compares Carer's Allowance in the UK and Ireland.

Table 10.4: Carer's Allowance in the UK and Ireland (Weekly Rates)

Payment	Ireland	UK (in €)⁴⁰
Carer's Allowance	€204.00 ⁴¹	€70.14

⁴⁰ Exchange rate is the average exchange rate from January to April 2012. £1 = €1.20

⁴¹ Aged under 66, caring for 1 person.

11. Widow(er)'s or Surviving Civil Partners Contributory Pension

Widow(er)'s or Surviving Civil Partners Contributory Pension is a PRSI contribution based payment made to the husband, wife or civil partner of a deceased person. To, receive this payment, the widow, widower or surviving civil partner must not be cohabiting with another person. In the case of a divorce or dissolution of a civil partnership, the person still keeps their entitlement to the Widow(er)'s or Surviving Civil Partners Contributory Pension.

Table 11.1: Recipients and Expenditure for Widow(er)'s or Surviving Civil Partners Contributory Pension

Benefit	Total Beneficiaries in 2011 ⁴²	Expenditure 2011 €m ⁴³	Expenditure 2010 €m
Widow(er)'s / Surviving Civil Partners Contributory Pension	125,777	384.0	393.2

Source: Department of Social Protection, Comprehensive Review of Spending, September 2011

To qualify, a person must have,

- At least 156 paid PRSI contributions up to the date of death of the spouse or civil partner or before the person's 66th birthday, whichever is earlier. This PRSI requirement can be met by either the person or their deceased spouse / civil partner, but cannot be combined by the two people.

And

- An average of 39 paid or credited PRSI contributions in either the 3 or 5 years prior to the death of the spouse / civil partner or before he/she reached the age of 66.

⁴² Total beneficiaries include qualified children. There is no payment for qualified adults.

⁴³ 2011 Estimate as of September 2011

Or

- A yearly average of at least 24 paid or credited PRSI contributions from the year of first entry into insurance until the year of death of the spouse / civil partner or the year of reaching pension age. A yearly average of 24 contributions entitles the person to the minimum pension. A yearly average of 48 contributions is needed to claim the full pension.

Table 11.2 shows the maximum weekly rates of Widow(er)'s or Surviving Civil Partners Contributory Pension.

Table 11.2: Maximum Weekly Rates of Widow(er)'s or Surviving Civil Partners Contributory Pension

Widow(er) / Surviving Civil Partners Contributory Pension	Weekly Payment
Aged under 66	€193.50
Aged 66 to 80	€230.30
Aged 80 and over	€240.30
Increase For a Qualified Child	€29.80

Changes to Widow(er)'s or Surviving Civil Partners Contributory Pension Announced in Budget 2012

From 27 December, 2013, the total number of paid PRSI contributions to qualify, will increase from 156 to 260.

From 6 April 2012, late claims will be backdated for a maximum of six months.

Backdating beyond six months will be considered in cases where

- Incorrect information was supplied by the department
- The claimant was ill

Widowed Parent's Allowance in the UK

In the UK, if a parent whose husband, wife or civil partner has died and the parent has at least one child for which they receive Child Benefit, then they may be entitled to Widowed Parent's Allowance (WPA). WPA is a contribution based payment. The maximum weekly rate is £105.95. Table 11.3 compares Widow(er)'s / Surviving Civil Partner benefits in the UK and Ireland for a parent with one dependent child.

Table 11.3: Widow(er)'s / Civil Partner Pension / Allowance in the UK and Ireland (Weekly Rates).

Payment	Ireland	UK (in €) ⁴⁴
Widow(er)'s / Surviving Civil Partner's Pension (Ireland) & Widowed Parent's Allowance (UK). For the case of 1 dependent child.	€223.30	€127.14

⁴⁴ Exchange rate is the average exchange rate from January to April 2012. £1 = €1.20

12. Maternity Benefit

Maternity Benefit is a payment made to women who are on maternity leave from work and covered by PRSI. The amount of Maternity Benefit paid depends on the woman's earnings. If the person already receives certain social welfare payments, then half rate Maternity Benefit may be payable. Some employers will continue to pay an employee while she is on maternity leave and require the Maternity Benefit to be paid to them.

Table 12.1: Recipients and Expenditure for Maternity Benefit

Benefit	Total Beneficiaries in 2011	Expenditure 2011 €m⁴⁵	Expenditure 2010 €m
Maternity Benefit	22,832	303.5	323.9

Source: Department of Social Protection, Comprehensive Review of Spending, September 2011

For an employed woman to qualify for Maternity Benefit, she must have,

- At least 39 weeks PRSI paid in the 12 month period before the first day of maternity leave

Or

- At least 39 weeks paid PRSI since first starting work and at least 39 weeks paid or credited PRSI in the relevant tax year or in the tax year following the relevant tax year.

Or

- At least 26 weeks PRSI paid in the relevant tax year and at least 26 weeks paid PRSI in the tax year immediately before the relevant tax year.

⁴⁵ 2011 Estimate as of September 2011

For a self employed woman to qualify for Maternity Benefit, she must be in insurable employment and have,

- 52 weeks PRSI contributions paid at class S in the relevant tax year
- Or
- 52 weeks PRSI contributions paid at class S in the tax year immediately before the relevant tax year
- Or
- 52 weeks PRSI contributions paid at class S in the tax year immediately following the relevant tax year.

Maternity Benefit is paid for 26 weeks. A minimum of two and a maximum of 16 weeks leave must be taken before the end of the week in which the baby is due. The weekly rate of Maternity Benefit is calculated by dividing gross income in the relevant tax year by the number of weeks worked in the year. Eighty percent of this is paid weekly subject to the following maximum and minimum rates (table 12.2)

Table 12.2: Maximum and Minimum Weekly Rates of Maternity Benefit

Maternity Benefit	Weekly Payment
Maximum Weekly Payment	€262.00
Minimum Weekly Payment	€217.80

Table 12.3 shows trends in expenditure and recipients of Maternity Benefit over the period 2007-2011.

Table 12.3: Maternity Benefit Expenditure and Recipients 2007-2011

Invalidity Pension	Total Expenditure €m	Total Recipients
2007	259.50	43,135
2009	327.00	47,913
2011	300.00	48,666

Source: Department of Social Protection, Comprehensive Review of Spending, September 2011

Statutory Maternity Pay in the UK

Statutory Maternity Pay in the UK is a weekly maternity payment paid by an employer. To qualify for Statutory Maternity Pay, the woman must have been employed by the same employer continuously for at least 26 weeks into the 15th week before the baby is due. Also, the woman must have been earning, on average, at least £107 a week (which is the minimum a person has to earn before being treated as paying national insurance contributions) at the 15th week before the baby is due.

Statutory Maternity Pay can be paid for up to 39 weeks. For the first six weeks, it is paid at 90 percent of average gross weekly earnings with no upper limit. For the remaining 33 weeks, it is paid at the lower of £135.45 or 90 percent of average gross weekly earnings.

Table 12.4: Minimum Rates of Maternity Benefit / Statutory Maternity Pay in the UK and Ireland (Weekly Rates).

Minimum Payment	Ireland	UK (in €) ⁴⁶
Maternity Benefit (Ireland) and Statutory Maternity Pay (UK). ⁴⁷	€217.80	€162.54

⁴⁶ Exchange rate is the average exchange rate from January to April 2012. £1 = €1.20

⁴⁷ It should be noted that Statutory Maternity Pay in the UK may be payable for up to 39 weeks whereas Maternity Benefit is paid for 26 weeks.

13. Family Income Supplement

Family Income Supplement (FIS) is a weekly payment which is made to families with children, where member(s) of the family are in employment but have low earnings. It provides extra support to low paid employees with children. The payment is designed to preserve the incentive to work in cases where the employee may be only marginally better off if he/she were claiming other social welfare payments. To qualify for FIS, the net weekly income of the family must be below a specified amount for that family size.

Table 13.1: Recipients and Expenditure for Family Income Supplement

Benefit	Total Beneficiaries in 2011	Expenditure 2011 €m⁴⁸	Expenditure 2010 €m
Family Income Supplement	86,789 ⁴⁹	199.3	185.9

Source: Department of Social Protection, Comprehensive Review of Spending, September 2011

To qualify for FIS;

- The employee must be working at least 19 hours per week (or 38 hours per fortnight). Spouses, civil partners or cohabitants can combine their hours to meet this condition. Hours spent in self employment do not count.
- The employment must be likely to last for at least 3 months.
- The employee must be looking after at least one child.
- The employee must be earning less than the specified amount for their family size (these are shown in table 40.)

⁴⁸ 2011 Estimate as of September 2011

⁴⁹ Includes the number of children in the family.

The weekly rate of FIS received is 60% of the difference between the net family income and the specified income limit for the family size. These income limits are shown in table 13.2 below.

Table 13.2: FIS Income Limits in 2012

Number of Children	Income Limit
1	€506
2	€602
3	€703
4	€824
5	€950
6	€1,066
7	€1,202
8	€1,298

Table 13.3 shows trends in expenditure and recipients of Family Income Supplement over the period 2007-2011.

Table 13.3: Family Income Supplement Expenditure and Recipients 2007-2011

Family Income Supplement	Total Expenditure €m	Total Recipients⁵⁰
2007	140	22,820
2009	167	25,300
2011	199	28,180

Source: Department of Social Protection, Comprehensive Review of Spending, September 2011

Changes to Family Income Supplement Announced in Budget 2012

It was announced in budget 2012 that weekly carer's payments and home help income will be included when calculating the FIS payment. This applies to new applicants from January 2012 and will apply on renewal for existing claimants.

⁵⁰ This figure is primary recipients only. It does not include qualified adults or children.

14. Back to Education Allowance

Back to Education Allowance (BTEA) is a scheme which encourages and facilitates a return to education for unemployed people, lone parents and people with disabilities who are in receipt of certain social welfare payments. BTEA participants are paid the maximum personal rate of social welfare payment that they were receiving prior to starting an approved course. The allowance also includes an increase for a qualified adult and/or qualified children. In addition, an annual allowance of €500 is paid towards the cost of studies.

Table 14.1: Back to Education Allowance Expenditure and Recipients 2007-2011

Back to Education Allowance	Total Expenditure €m	Total Recipients
2007	64	8,920
2009	107	18,850
2011	199	24,730

Source: Department of Social Protection, Comprehensive Review of Spending, September 2011

There are two options of study for BTEA, a second level option and a third level option. For the second level option, the course can be at any community, comprehensive, secondary or vocational school. The second level course must;

- Be full time
 - Lead to a certificate recognised by the Department of Education and Skills
- Or
- Lead to a certificate approved by the Further Education and Training Awards Council (FETAC)
- Or
- Lead to a certificate approved by the Business and Technology Education Council (BTEC)

For the third level option, the course can be at any university, third level college or institution as long as it is;

- A full time day course
- Approved by the Department of Education and Skills for the;
 1. Higher Education Grant Scheme
 2. Vocational Education Committee's Scholarship Scheme, or
 3. Third Level Maintenance Grant Scheme for Trainees, or
- Recognised by the Higher Education and Training Awards Council (HETAC)

A person can qualify for BTEA if they;

- Have claimed Illness Benefit for two years or more

Or

- Are aged at least 21 (or 24 for postgraduate study) **and**
- Getting one of the following payments for at least;
 - 3 months (78 days of unemployment) for the Second Level Option
 - 9 months (234 days of unemployment) for the Third Level Option
 1. Jobseeker's Allowance or Benefit
 2. Farm Assist
 3. One Parent Family Payment
 4. Deserted Wife's Allowance or Benefit
 5. Widow's or Widower's Contributory or Non-Contributory Pension
 6. Prisoner's Wife's Allowance
 7. Carer's Allowance

If the person has been in receipt of any of the following payments, then they must be aged at least 18 (or 24 for postgraduate study);

8. Blind Pension
9. Disability Pension
10. Invalidity Pension
11. Incapacity Supplement (based on a Life Disablement Pension)

Changes to Back to Education Allowance Announced in Budget 2012

It was announced in Budget 2012 that the Cost of Education Allowance will reduce from €500 to €300,

15. Farm Assist

Farm Assist is a means tested payment for low income farmers. It was introduced in April 1999 to replace Smallholders Unemployment Assistance. Farm Assist is similar to Jobseeker's Allowance, but the means test for Farm Assist is more generous. Furthermore, the person does not have to be available for work to qualify for Farm Assist.

Table 15.1: Recipients and Expenditure for Farm Assist

Benefit	Total Beneficiaries in 2011 ⁵¹	Expenditure 2011 €m ⁵²	Expenditure 2010 €m
Farm Assist	26,483	122.6	110.9

Source: Department of Social Protection, Comprehensive Review of Spending, September 2011

To qualify for Farm Assist, a person must be;

- Between the ages of 18 and 66
- A farmer, farming land in the State
- Satisfy a means test⁵³

Table 15.2 shows the maximum weekly rates of Farm Assist.

Table 15.2: Maximum Weekly Rates of Farm Assist

Farm Assist	Maximum Weekly Rates (€)
Personal Rate	€188.00
Qualified Adult	€124.80
Qualified Child Full Rate	€29.80
Qualified Child Half Rate	€14.90

⁵¹ Total beneficiaries include qualified adults and children

⁵² 2011 Estimate as of September 2011

⁵³ For full details on the means test, see

<http://www.welfare.ie/en/schemes/jobseekersupports/employmentsupports/farmassist/Pages/fa.aspx>

Changes to Farm Assist Announced in Budget 2012

It was announced in Budget 2012, that the following changes were to be made to the means test for Farm Assist (no change was made to the weekly rates);

- The assessment of means from self employment, including farming, is being raised from 70% to 85% (as of January 2012)
- The income deductions for children are being halved to €127 per year for each of the first two dependent children and €190.50 per year for each subsequent child (as of January 2012).

16. State Pension (Transition)

The State Pension (Transition) is a PRSI contribution based payment to people aged 65, who have retired from work. A person cannot work and get a State Pension (Transition) at the same time. However, at age 66, the claimant transfers to the State Pension (Contributory) at which stage, they can work and get their pension. The State Pension (Transition) is taxable. However, if it is the person's only source of income, it is unlikely to be taxed.

Table 16.1: Recipients and Expenditure for State Pension (Transition)

Benefit	Total Beneficiaries in 2011 ⁵⁴	Expenditure 2011 €m ⁵⁵	Expenditure 2010 €m
State Pension (Transition)	13,816	113.2	108.2

Source: Department of Social Protection, Comprehensive Review of Spending, September 2011

To qualify for State Pension (Transition), a person must;

- Be 65 years of age
- Be under 66 years of age
- Be retired from employment
- Meet the minimum number of PRSI contributions⁵⁶

The maximum weekly rates of State Pension (Transition) are shown in table 16.2 below;

⁵⁴ Total beneficiaries include qualified adults and children.

⁵⁵ 2011 Estimate as of September 2011

⁵⁶ For full details on the PRSI contribution requirement, see <http://www.welfare.ie/en/schemes/pension/statepensiontransition/Pages/spt.aspx>

Table 16.2: Maximum Personal Weekly Rates of State Pension (Transition)

State Pension (Transition)	Maximum Weekly Rates (€)
24-47 Average Yearly PRSI Contributions	€225.80
At Least 48 Average Yearly PRSI Contributions	€230.30

Changes to State Pension (Transition) Announced in Budget 2012

Budget 2012 announced a new payment structure for the weekly rates of State Pension (Transition) depending on PRSI contributions. These changes require legislation and are not yet in effect. The proposed changes to the weekly payments are shown in table 16.3 below.

Table 16.3: Proposed Budget 2012 Changes to the Maximum Personal Weekly Rates of State Pension (Transition)

Yearly Average PRSI Contributions	Budget 2012 Weekly Rate (€)	Current Weekly Rate (€)
48 or over	230.30	230.30
40-47	225.80	225.80
30-39	207.00	225.80
24-29	196.00	225.80

17. Back to Work Enterprise Allowance

The Back to Work Enterprise Allowance (BTWEA) scheme encourages people on certain social welfare payments to become self employed. Those who take part in the scheme are entitled to keep a percentage of their social welfare payment for up to two years. Table 48 shows trends in expenditure and recipients of BTWEA over the period 2007-2011.

Table 17.1: BTWEA Expenditure and Recipients 2007-2011

Back to Work Enterprise Allowance	Total Expenditure €m	Total Recipients ⁵⁷
2007	71	19,200
2009	79	15,640
2011	91	22,109

Source: Department of Social Protection, Comprehensive Review of Spending, September 2011

To qualify for BTWEA, a person must be;

- Setting up as self-employed in a business that has been approved by a Jobs Facilitator or Partnership Company
- Getting one of the following payments for at least 12 months
 - Jobseeker's Allowance
 - Jobseeker's Benefit (If they pass the means test and other requirements for Jobseeker's Allowance. If not, the person must have been receiving Jobseeker's Benefit for at least two years.)
 - One-Parent Family Payment
 - Blind Pension
 - Disability Allowance
 - Carer's Allowance
 - Farm Assist

⁵⁷ Figure includes qualified adults and children.

- Invalidity Pension
 - Incapacity Supplement
 - Pre-Retirement Allowance
 - Widow's/Widower's or Surviving Civil Partner's (Non-Contributory) Pension
 - Deserted Wife's Benefit or Allowance
 - Prisoner's Wife's Allowance
- Or**
- Illness Benefit for 3 years or more

It is also possible for a person to claim BTWEA if their spouse or partner was claiming BTWEA and then dropped out of the scheme before their entitlement finishes. In such cases, the person transfers their BTWEA to their partner or spouse (with the partner or spouse now being considered self employed).

The person qualifying for BTWEA can keep 100% of their social welfare payment for the first year and 75% for the second year. There were no changes to BTWEA in Budget 2012.

18. Deserted Wife's Benefit

The Deserted Wife's Benefit was closed off to new applicants on 2 January 1997 when One Parent Family Payment was introduced. See Section 5 for details on One Parent Family Payment.

Table 18.1 shows recipients and expenditure for Deserted Wife's Benefit.

Table 18.1: Recipients and Expenditure for Deserted Wife's Benefit

Benefit	Total Beneficiaries in 2011⁵⁸	Expenditure 2011 €m⁵⁹	Expenditure 2010 €m
Deserted Wife's Benefit	9,407	88.7	93.4

Source: Department of Social Protection, Comprehensive Review of Spending, September 2011

The maximum weekly rate of Deserted Wife's Benefit is €193.50 (for those under 66 years of age) and €230.30 (for those aged over 66)

⁵⁸ Total beneficiaries include qualified children.

⁵⁹ 2011 Estimate as of September 2011

19. Disablement Benefit

Disablement Benefit is paid to individuals who suffer a loss of physical or mental faculty due to either;

- an accident at work
- an accident travelling to or from work
- a prescribed disease contracted at work.

Payment of Disablement Benefit is made when the level of disablement or disease is assessed at 15% or more. To give an indication as to what the 15% assessment means, consider the following examples;

- Loss of Both Hands – 100% Disablement
- Loss of Thumb – 30% Disablement
- Loss of Index Finger – 14%

If the level of assessment is above 20%, then the Disablement Benefit is paid either as a weekly or monthly pension (known as Disablement Pension). If the level of assessment is between 15-20%, then the Disablement Benefit is paid as a lump sum (known as Disablement Gratuity). Some recipients of Disablement Benefit who are unable to work, may also qualify for Illness Benefit.

Table 19.1 shows trends in expenditure and recipients of Disablement Benefit over the period 2007-2011.

Table 19.1: Disablement Benefit Expenditure and Recipients 2007-2011

Disablement Benefit	Total Expenditure €m	Total Recipients⁶⁰
2007	79	12,750
2009	86	13,400
2011	82	13,970

Source: Department of Social Protection, Comprehensive Review of Spending, September 2011

To qualify for Disablement Benefit, the person must have been in employment on or after 1 May 1967 at PRSI class A, B, D, J or M, at the time the accident/disease was sustained. Under the Occupational Injuries Scheme, civil servants at PRSI class B cannot get Disablement Benefit for 26 weeks after the accident/disease.⁶¹

The maximum Disablement Gratuity (Lump Sum) payable is €15,320 (for people whose level of assessment is between 15-20%). The weekly rate of Disablement Pension varies depending on the assessed level of disablement. These rates are shown in table 19.2 below.

Table 19.2: Maximum Personal Rates of Disablement Pension

Level of Disablement	Weekly Payment
100%	€219.00
90%	€197.10
80%	€175.20
70%	€153.30
60%	€131.40
50%	€109.50
40%	€87.60
30%	€65.70
20%	€43.80

⁶⁰ This figure is primary recipients only. It does not include qualified adults or children.

⁶¹ For more information, see

<http://www.welfare.ie/en/schemes/illnessdisabilityandcaring/illness/occupationalinjuries/disablementbenefit/Pages/disable.aspx>

People who are permanently incapable of work, and who do not qualify for another social welfare payment, may get Incapacity Supplement. The weekly rates of Incapacity Supplement are shown in table 19.3 below

Table 19.3: Maximum Weekly Rates of Incapacity Supplement

Incapacity Supplement	Aged Under 66	Aged Over 66
Personal Rate	€188.00	€204.30
Increase for a Qualified Adult	€124.80	€135.60
Increase for a Qualified Child	€29.80	€29.80

Constant Attendance Allowance is an increased payment on top of the Disablement Pension which is payable to people who have over 50% disablement and need another person to help them, on a daily basis, with their personal needs for a period of at least six months. The weekly rate of Constant Attendance Allowance is €205.

Changes to Disablement Benefit Announced in Budget 2012

Budget 2012 removed the entitlement to disablement benefit in cases where the disablement is less than 15%.

20. Pre-Retirement Allowance

The Pre-Retirement Allowance (PRETA) is a means tested payment for people aged between 55 and 66, who have left the labour force. As of 4 July 2007, no new applicants were accepted for PRETA, but existing claimants continue to be paid.

Table 20.1: Recipients and Expenditure for Pre-Retirement Allowance

Benefit	Total Beneficiaries in 2011 ⁶²	Expenditure 2011 €m ⁶³	Expenditure 2010 €m
Pre-Retirement Allowance	7,098	62.4	77.9

Source: Department of Social Protection, Comprehensive Review of Spending, September 2011

To have qualified for PRETA (before the closing date for new applicants of 4 July 2007), a person must have;

- Been aged between 55 and 66
- Retired from the workforce
- Either
 - Been in receipt of Jobseekers Benefit or Jobseekers Allowance for 15 months
 - Or
 - No longer been in receipt of One Parent Family Payment or Carer's Allowance
 - Or
 - Been a separated spouse who hadn't worked for 15 months
- Passed a means test (similar to that of Jobseekers Allowance)

⁶² Total beneficiaries includes qualified adults and children.

⁶³ 2011 Estimate as of September 2011

The maximum weekly rates for PRETA are shown in table 20.2 below.

Table 20.2: Maximum Weekly Rates of Pre-Retirement Allowance

Pre-Retirement Allowance	Weekly Rate (€)
Personal Rate	€188.00
Qualified Adult	€124.80
Qualified Child	€29.80

There were no changes to PRETA announced in Budget 2012.

21. Carer's Benefit

Carer's Benefit is a PRSI contribution based payment made to people who take time out of the workforce to provide care to a person in need of full time care and attention. Carer's Benefit can be paid for up to 104 weeks for each person being cared for.

Table 21.1: Recipients and Expenditure for Carer's Benefit

Benefit	Total Beneficiaries in 2011⁶⁴	Expenditure 2011 €m⁶⁵	Expenditure 2010 €m
Carer's Benefit	3,963	28.2	26.3

Source: Department of Social Protection, Comprehensive Review of Spending, September 2011

A person may qualify for Carer's Benefit if they;

- Are aged between 16 and 66
- Have been in employment (working at least 16 hours per week or 32 hours per fortnight) for at least 8 weeks in the previous 26 weeks before becoming a carer.
- Are resident in the State
- Give up work to be a full time carer. They must be living with, or in a position to provide full time care to the person in need, who must not be living in an institution
- Are not living in a hospital, convalescent home or other institution. The person to whom care is being provided may receive treatment in a hospital or institution for up to 13 weeks.
- Are providing care to a person who is so incapacitated as to need full time care and attention, and is not living in an institution

⁶⁴ Total beneficiaries includes qualified children.

⁶⁵ 2011 Estimate as of September 2011

- Are not engaged in employment, self-employment, training or education outside the home for more than 15 hours per week. The maximum allowable net income that can be earned is €332.50 per week.
- Have at least 156 PRSI contributions paid at any time between the time they started to pay PRSI and the time of the claim for Carer's Allowance,

And

- 39 contributions paid in the relevant tax year

Or

- 39 contributions paid in the 12 month period before the start of Carer's Benefit

Or

- 26 contributions paid in the relevant tax year and 26 contributions paid in the relevant tax year before that.

Table 21.2 shows the weekly rates of Carer's Benefit.

Table 21.2: Weekly Rates of Carer's Benefit

Carer's Benefit	Weekly Rate (€)
Caring for 1 Person	€205.00
Caring for 2 People	€307.50
Full Rate Increase for Qualified Child	€29.80
Half Rate Increase for Qualified Child	€14.90

Changes to Carer's Benefit Announced in Budget 2012

It was announced in Budget 2012 that if a person in receipt of Carer's Benefit has a spouse or partner with income of over €400 per week, they will not be entitled to the half rate increase for a qualified child. This will take effect from July 2012.

22. Widow/er's or Surviving Civil Partner's Non-Contributory Pension

Widow/er's or Surviving Civil Partner's Non-Contributory Pension is a means tested payment to widow's, widower's or surviving civil partner's who do not qualify for the Widow/er's or Surviving Civil Partner's Contributory Pension (see section 11)..

Table 22.1: Recipients and Expenditure for Widow/er's or Surviving Civil Partner's Non-Contributory Pension

Benefit	Total Beneficiaries in 2011 ⁶⁶	Expenditure 2011 €m ⁶⁷
Widow/er's or Surviving Civil Partner's Non-Contributory Pension	1,982	20.5

Source: Department of Social Protection, Comprehensive Review of Spending, September 2011

The maximum weekly rate payable (rates may vary depending on the means test⁶⁸) is €188.00.

Changes Announced to Widow/er's or Surviving Civil Partner's Non-Contributory Pension in Budget 2012

If the person in receipt of the pension is on a Community Employment Scheme, then payment of 2 qualified child increases (€29.80 for each qualified child) will cease for new and existing claimants (from January 2012).

⁶⁶ There are no qualified adults or children.

⁶⁷ 2011 Estimate as of September 2011

⁶⁸ For details on the means test, see

http://www.welfare.ie/EN/Publications/sw19/Pages/sw19_sect3.aspx#wncp

23. Injury Benefit

Injury Benefit is a weekly PRSI contribution based benefit⁶⁹ payable to people who are unfit to work for at least three days due to;

- An accident at work
- An accident while travelling to or from work
- An occupational disease

Table 23.1: Recipients and Expenditure for Injury Benefit

Benefit	Total Beneficiaries in 2011 ⁷⁰	Expenditure 2011 €m ⁷¹
Injury Benefit	1,217	16.2

Source: Department of Social Protection, Comprehensive Review of Spending, September 2011

Injury Benefit is payable for up to 26 weeks following the date of the accident/disease (payment is not made for the first 3 days following the accident/disease). If the person is still unable to work after 26 weeks, they may be entitled to Illness Benefit (section 7), Disability Allowance (section 6), Supplementary Welfare Allowance (section 8) or Disablement Benefit (section 19).

The rates of Injury Benefit are shown in table 23.2

Table 23.2: Weekly Rates of Injury Benefit

Injury Benefit	Weekly Rate (€)
Personal Rate	€188.00
Increase for Qualified Adult	€124.80
Full Rate Increase for Qualified Child	€29.80
Half Rate Increase for Qualified Child	€14.90

⁶⁹ People covered by PRSI Class A, D, J or M are covered in full irrespective of the length of time of the contribution payments.

⁷⁰ Includes qualified adults and children.

⁷¹ 2011 Estimate as of September 2011

Changes to Injury Benefit Announced in Budget 2012

If the person claiming Injury Benefit has a partner or spouse whose weekly income is over €400, then the half rate qualified child increase will be discontinued (from July 2012).

24. Blind Pension

Blind Pension is a means tested payment paid to people who are blind and also to certain visually impaired people.

Table 24.1: Recipients and Expenditure for Blind Pension

Benefit	Total Beneficiaries in 2011⁷²	Expenditure 2011 €m⁷³	Expenditure 2010 €m
Blind Pension	2,010	15.4	16.0

Source: Department of Social Protection, Comprehensive Review of Spending, September 2011

In order to qualify for Blind Pension, a person must;

- Be blind or have low vision
- Be aged between 18 and 66
- Be habitually resident in the State
- Be living in the State while getting Blind Pension
- Have a valid PPS number
- Satisfy a means test

Table 24.2 shows the maximum weekly rates of Blind Pension

Table 24.2: Maximum Weekly Rates of Blind Pension

Blind Pension	Weekly Rate (€)
Personal Rate	€188.00
Increase for Qualified Adult	€124.80
Full Rate Increase for Qualified Child	€29.80
Half Rate Increase for Qualified Child	€14.90

There were no changes to Blind Pension in Budget 2012.

⁷² Total beneficiaries includes qualified adults and children

⁷³ 2011 Estimate as of September 2011

25. Guardian's Payment (Contributory)

Guardian's Payment (Contributory) is a PRSI contribution based payment to an orphan(s) guardian.

Table 25.1: Recipients and Expenditure for Guardian's Payment (Contributory)

Benefit	Total Beneficiaries in 2011⁷⁴	Expenditure 2011 €m⁷⁵	Expenditure 2010 €m
Guardian's Payment (Contributory)	1,990	10.6	11.5

Source: Department of Social Protection, Comprehensive Review of Spending, September 2011

To qualify, the guardian of the orphan must have at least 26 weeks paid PRSI contributions (for PRSI classes A, B, C, D, E, H and S)

The maximum weekly rate of Guardian's Payment (Contributory) is €161.00

⁷⁴ Total beneficiaries includes the orphans whose guardian's are claiming the benefit.

⁷⁵ 2011 Estimate as of September 2011

26. Guardian's Payment (Non-Contributory)

Guardian's Payment (Non-Contributory) is a means tested payment to an orphan(s) guardian. It is payable to guardians of orphans who do not qualify for the Contributory Guardian's Payment (section 25) and who pass a means test.

Table 26.1: Recipients and Expenditure for Guardian's Payment (Non-Contributory)

Benefit	Total Beneficiaries in 2011⁷⁶	Expenditure 2011 €m⁷⁷	Expenditure 2010 €m
Guardian's Payment (Non-Contributory)	996	4.8	4.7

Source: Department of Social Protection, Comprehensive Review of Spending, September 2011

The maximum weekly rate of Guardian's Payment (Non-Contributory) is €161.

⁷⁶ Total beneficiaries includes the orphans whose guardian's are claiming the benefit.

⁷⁷ 2011 Estimate as of September 2011

27. Deserted Wife's Allowance

The Deserted Wife's Allowance was closed off to new applicants on 2 January 1997 when One Parent Family Payment was introduced. See Section 5 for details on One Parent Family Payment.

Table 27.1 shows recipients and expenditure for Deserted Wife's Allowance.

Table 18.1: Recipients and Expenditure for Deserted Wife's Benefit

Benefit	Total Beneficiaries in 2011⁷⁸	Expenditure 2011 €m⁷⁹	Expenditure 2010 €m
Deserted Wife's Allowance	448	4.5	5.0

Source: Department of Social Protection, Comprehensive Review of Spending, September 2011

The maximum weekly rate of Deserted Wife's Allowance is €188.00

⁷⁸ There are no qualified adults or children for this payment.

⁷⁹ 2011 Estimate as of September 2011