

**OFFICE FOR SOCIAL INCLUSION – NAP/INCLUSION  
PROCESS – JUNE 2005 REPORT TO EU**

**Report for Department of Social & Family Affairs**

**OBJECTIVE: To provide levels of income support to those relying on social welfare sufficient to sustain dignity and avoid poverty, while facilitating participation in employment, and to achieve economic independence, if possible.**

<b>Target 1</b>	To reduce the numbers of those who are ‘consistently poor’ below 2 per cent and, if possible eliminate consistent poverty, under the current definition of consistent poverty. Specific attention will be paid to particular vulnerable groups in the pursuit of this objective.
<b>Summary Assessment<sup>1</sup></b>	<b>In Progress</b>
<b>Will Target be met on time<sup>2</sup></b>	<b>Unknown</b>
<b>Indicator (s)</b>	LIIS undertaken by ESRI between 1994 and 2001 and EU-SILC undertaken by the CSO in 2003
<b>Progress being made</b>	In 2005 DSFA will be spending €12.2 billion, or almost 1 in every 3 EURO spent by the State, on Social Welfare. Since 1997 there has been a four fold increase in Child Benefit and as a result of Budget 2005, welfare payments have increased by 3 times the expected rate of inflation. However, this does not mean that all this expenditure is on alleviation of poverty/social exclusion as much of it relates to insurance and universal type payments. Between 1997 and April 2005, the rate of child benefit has risen from 38.09 euro per month for the first two children and 49.52 euro for each child thereafter to 141.60 euro per month for each of the first two children and to 177.30 euro per month for the third and each subsequent child. The lowest social welfare rate is now at €148.80 compared to £84.00 (€106.65) in 2001.
<b>Areas where intended</b>	Following on from the release of the EU-SILC figures, which show the consistent poverty measure at approx. 10%, it now raises

<sup>1</sup> Summary assessment of progress (taken from Implementation Criteria used in EU Joint Employment Report, with addition of new ‘unknown’ category):

“Complete” where the reform process is (practically) complete and the desired results have (practically) been achieved;

“In progress” where the policy reform is well advanced and progress in implementation is being made;

“Limited” where the policy response to the recommendation is only partial and implementation is limited;

“Insufficient” where no substantial policy measures going in the right direction have been taken;

“Unknown” where there is insufficient information/data available to assess what progress has been made.

<sup>2</sup> Yes/No/Likely/Unlikely/Unknown/Not time bound

<b>implementation not being achieved</b>	the issue that we must review the current deprivation indicators. This is being progressed in development of the OSI Data Strategy.
<b>Data sources used to monitor progress</b>	EU Survey on Income and Living Conditions (First Results 2003)
<b>Areas where progress made/proposed to address data or indicator issues</b>	Consistent Poverty Measures are being reviewed as part of the OSI Data Strategy.
<b>Data/Indicator Deficiencies</b>	

<b>Target 2</b>	To achieve the rate of €150 per week in 2002 terms for the lowest rates of social welfare payments by 2007. During the period of the Plan (2003-2005) increases in the rates will be made in order to achieve this target
<b>Summary Assessment</b>	<b>In Progress</b>
<b>Will Target be met on time</b>	<b>Likely</b>
<b>Indicator (s)</b>	Lowest rate of social welfare levels in 2007 and relevant indexation measures.
<b>Progress being made</b>	The lowest social welfare payment has risen to €148.80 per week as a result of Budget 2005.
<b>Areas where intended implementation not being achieved</b>	Further increases will be required in the remaining two budgets to meet the target by 2007.
<b>Data sources used to monitor progress</b>	DSFA rates of welfare and Budget increases
<b>Areas where progress made/proposed to address data or indicator issues</b>	
<b>Data/Indicator Deficiencies</b>	

<b>Target 3</b>	Social Welfare pensions to be improved to reach a target level of €200 by 2007
<b>Summary Assessment</b>	<b>In Progress</b>
<b>Will Target be met on time</b>	<b>Likely</b>
<b>Indicator (s)</b>	Published Social Welfare rates of payment.
<b>Progress being made</b>	Budget 2005 provided for a €12 weekly increase for all old age pensions, bringing, inter alia, the contributory pension rate to €179 per week.
<b>Areas where intended implementation not being achieved</b>	Further increases will be required in the next two budgets to meet the target
<b>Data sources used to monitor progress</b>	DSFA rates of welfare and Budget increases
<b>Areas where progress made/proposed to address data or indicator issues</b>	
<b>Data/Indicator Deficiencies</b>	

<b>Target 4</b>	(a) Progress to be made towards implementation of improvements in Widow/ers Pensions. (b) Progress to be made in increasing the level of the Qualified Adult Allowance for pensioner spouses to the level of the old age (non-contributory) pension.
<b>Summary Assessment</b>	(a) Complete (b) In Progress
<b>Will Target be met on time</b>	(a) Yes (b) Unknown
<b>Indicator (s)</b>	
<b>Progress being made</b>	<ul style="list-style-type: none"> <li>• (a). Target achieved as a result of 2004 budget increases. A further increase of €12 per week for all Widows, Widowers aged over 66 and an increase of €14 per week for all Widows, Widowers and women in receipt of Deserted Wife's Benefit aged under 66 announced in budget 2005.</li> <li>• (b) 2005 Budget increase of €9.30 per week in Qualified Adult Allowance for Old Age (Contributory) Pension, Retirement Pension and Invalidity Pension where the qualified adult is aged 66 or over. Current Gap €66 - €38.50 = €27.50</li> </ul>
<b>Areas where intended implementation not being achieved</b>	(b) continued progress needs to be made on the above. In Budget 2004 the Invalidity Pension QAA rates, where the qualified adult is aged 66 or over, were increased by €6.10 per week.. This special increase brought the rate of this payment up to the level of other contributory pensioner QAA rates.
<b>Data sources used to monitor progress</b>	DSFA rates of welfare and Budget increases
<b>Areas where progress made/proposed to address data or indicator issues</b>	
<b>Data/Indicator Deficiencies</b>	

<b>Target 5</b>	<p>(a) Child Benefit and Child Dependant allowances to be set at 33% - 35% of the minimum adult social welfare payment rate by 2007.</p> <p>(b) The final phase of the planned multi-annual increases in Child Benefit rates to be completed in 2004 and 2005. €1.27 billion investment proposed from 2001, according to programme for Government.</p>
<b>Summary Assessment</b>	<b>(a) Complete (b) In Progress</b>
<b>Will Target be met on time</b>	<b>(a) Yes (b) Not before end of 2005</b>
<b>Indicator (s)</b>	Child Benefit and Child Dependent Allowances combined as per published social welfare rates.
<b>Progress being made</b>	<p>(a) Following Budget 2005, the equivalence level of basic child income support is 33.3% of the minimum social welfare rate, meaning that the child support package announced in Budget 2005 is within the NAP/Inclusion target.</p> <p>(b) Following Budget 2005, the rate for the first two children increased by €10 to €141.60 per month while the rate for the third and each subsequent child increased by €12 to €177.30 per month. The target rates are €149 and €185 respectively.</p>
<b>Areas where intended implementation not being achieved</b>	(b) While the target has not been achieved within the stated timeframe, it has been indicated that it will be completed in the 2006 Budget.
<b>Data sources used to monitor progress</b>	DSFA rates of welfare/ Budget 2005.
<b>Areas where progress made/proposed to address data or indicator issues</b>	
<b>Data/Indicator Deficiencies</b>	

<b>Target 6</b>	DSFA is to review the contribution being made by the department's income support system to people reconciling work and family life, the review to be completed not later than 2005.
<b>Summary Assessment</b>	<b>In Progress</b>
<b>Will Target be met on time</b>	<b>Unlikely</b>
<b>Indicator (s)</b>	
<b>Progress being made</b>	The Department is in the process of examining how it can more effectively assist people in reconciling work and family life. The objective of the overall target was been met by a number of different reviews that are in progress i.e. FIS, CDA, and Lone Parents.
<b>Areas where intended implementation not being achieved</b>	
<b>Data sources used to monitor progress</b>	
<b>Areas where progress made/proposed to address data or indicator issues</b>	
<b>Data/Indicator Deficiencies</b>	

