



Tracking the Distributive Effects of Budget Policy

Including the effect of cost-of-living crisis measures from April 2022-April 2024

2024 edition



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1. Introduction

Each year, on the day after the annual Budget is announced, *Social Justice Ireland* produces an analysis and critique of that Budget. Included in that document is an assessment of the direct distributive impact of the measures announced by Government. These principally capture changes to income taxes, welfare payments and other universal payments/entitlements.

This document complements our most recent analysis, following Budget 2024. It provides three further assessments of recent distributive choices:

- a distributive analysis of all the measures announced in Budget 2024 and an assessment of the proportion of these that represent temporary income changes;
- an assessment of the overall scale of Government support via various cost of living and energy crisis measures between April 2022 and April 2024; and
- a distributive analysis of the four Budgets delivered to date by the current Government (Budget 2021 in October 2020, Budget 2022 in October 2021, Budget 2023 in September 2022, and Budget 2024 in October 2023).

We also include an assessment of how the gaps between jobseekers and those on middle and very high incomes have changed over recent years including the impact of the measures in the most recent Budget and cost of living initiatives.

The final section of the document provides further details on the approach taken by *Social Justice Ireland* to generate these results.

2. Distributive Analysis of Budget 2024's Cost-of-Living and Tax-Benefit Measures

Budget 2024, announced in October 2023, was presented while the cost-of-living crisis continued to challenge households across Irish society. Like Budget 2023, it contained a mixture of measures that took effect before the end of that year and measures that took effect from the start of 2024. In this section of the report, we bring together this range of announced policies to consider their cumulative effect on the income of households. The measures we examine capture:

- The household energy credit paid to all households in December 2023, once off increases in welfare payments (double child benefit payment, lump sum payments to recipients of the fuel allowance, living alone allowance and qualified child increase) made before the end of 2023, and the Christmas bonus welfare payment. These are collectively referred to as '**Budget 2024 for 2023**' measures.
- The household energy credits paid to all households in January and March 2024, once off welfare payments (double week in late January 2024), plus changes taking effect from January 1st to welfare rates, income taxation (via changes to bands, credits, the USC and PRSI) and the minimum wage. These are collectively referred to as '**Budget 2024 for 2024**' measures.

The households we examine are those tracked annually in our income distribution model. They are spread across all areas of society and capture those with a job, families with children, those unemployed and pensioner households. Within those households that have income from a job, we include workers on the minimum wage, on the living wage, and earners on incomes ranging from €30,000 to €200,000. In the case of working households, the analysis is focused on PAYE earners only. We present the results of this analysis in Table 1.

Table 1: Combined Weekly Impact (€) of Budget 2024 Cost-of-Living Measures and Tax-Benefit Changes

	Budget 2024 for 2023	Budget 2024 for 2024	Of these measures:			Temp. welfare & credits	% temp. measures
			Wage change	Tax change	Welfare increase		
Welfare Dependent Households							
Couple, 2 children (both over 12yrs)	21.02	43.23			28.00	36.25	56%
Couple, 2 children (both under 12yrs)	20.71	42.92			28.00	35.63	56%
Couple pensioner	18.28	38.64			22.80	34.12	60%
Lone parent, 1 child (over 12yrs)	18.41	27.24			16.00	29.65	65%
Lone parent, 1 child (under 12yrs)	18.26	27.09			16.00	29.34	65%
Couple, no children	9.90	33.16			20.00	23.05	54%
Single pensioner	17.55	23.07			12.00	28.63	70%
Single unemployed	7.10	22.20			12.00	17.30	59%
Households with Jobs							
Single, job at minimum wage	2.88	49.87	40.36	3.76		8.63	16%
Couple 2 earners at €200,000	2.88	39.00		33.24		8.63	21%
Single, job at living wage	2.88	37.71	26.67	5.29		8.63	21%
Couple 2 earners at €150,000	2.88	37.56		31.81		8.63	21%
Couple 2 earners at €100,000	2.88	35.64		29.89		8.63	22%
Couple 1 earners at €100,000	2.88	26.21		20.46		8.63	30%
Couple 1 earner at €60,000	2.88	25.44		19.69		8.63	30%
Single, job at €100,000	2.88	22.38		16.62		8.63	34%
Single, job at €120,000	2.88	22.28		16.53		8.63	34%
Single, job at €60,000	2.88	21.61		15.85		8.63	35%
Couple 2 earner & 2 children, €60,000	8.25	15.86		10.11		14.00	58%
Couple 2 earners at €80,000	2.88	18.49		12.73		8.63	40%
Couple 2 earners at €60,000	2.88	15.86		10.11		8.63	46%
Single, 1 child, job at €30,000	5.56	13.13		7.37		11.32	61%
Couple 2 earner & 2 children, €30,000	8.25	7.38		1.62		14.00	90%
Single, job at €40,000	2.88	12.12		6.37		8.63	58%
Single, job at €30,000	2.88	11.21		5.46		8.63	61%
Couple 1 earner at €30,000	2.88	7.38		1.62		8.63	84%

Source: Social Justice Ireland Income Distribution Model.

Notes: Table includes all measures announced as part of Budget 2024 including measures for the remainder of 2023 (Budget 2024 for 2023) and those for all of 2024 (Budget 2024 for 2024). Wage changes are those associated with increases in the rate of the minimum wage and the living wage. Temporary measures include once-off welfare payments and household energy credits.

Box 1: Budget 2024 cost of living and tax-benefit measures

Budget 2024 for 2023	Budget 2024 for 2024
<ul style="list-style-type: none"> Energy credit paid to all households in December 2023; Once off increases in welfare payments (double child benefit payment, lump sum payments to recipients of the fuel allowance, living alone allowance and qualified child increase) made before the end of 2023; Christmas bonus welfare payment. 	<ul style="list-style-type: none"> Energy credits paid to all households in January and March 2024; Once off welfare payments (double week) in late January 2024; Changes to welfare rates taking effect from January 1st, 2024; Changes to income taxation (via changes to bands, credits, the USC and PRSI) taking effect from January 1st, 2024; Changes to the minimum wage.

Overall, the total weekly impact on the households examined is large, ranging from €29 to €64 a week for welfare dependent households and from €10 to €53 a week for households with jobs. Within welfare dependent households the largest assistance has been received by those with children. Among working households tax changes have favoured those with income subject to the higher income tax rate.

As part of our budgetary policy engagement over recent years, *Social Justice Ireland* has highlighted that there is a marked difference in the way that these cost-of-living measures have been delivered to households. They have included **temporary measures**, such as electricity credits and one-off additional welfare related payments, alongside **permanent measures** announced as part of Budgets 2023 and 2024 such as changes to the value of core welfare payments and changes to tax credits and bands. In time these temporary measures will disappear, but the permanent changes will remain. Consequently, we think it is important to consider the distributive impact of the Budget taking account of these differences; something that Government has failed to do through the cost-of-living crisis.

Table 1 decomposes the Budget 2024 household income changes to examine whether they are associated with hourly wage rate changes (to recipients of the minimum wage and living wage), permanent changes to income taxation and welfare rates, or temporary measures. It shows that temporary measures are more concentrated among welfare dependent households and those at work but on low incomes. Conversely, the income gains received by higher income working households are much more associated with permanent measures (income taxation reductions). Once the temporary measures disappear, the income effect associated with these permanent measures will remain and notably widen Irish society's income divisions.

A notable finding is that Budget 2024 provided least for the large cohort of lower income workers; those earning above the minimum wage but below annual income levels that allow them to experience much of the value of the income tax changes. A group earning around €15 to €20 per hour (€30,000 to €40,000 per annum). Year after year this large group of workers hears of 'gains' from the Budget but experiences little if any of them; something that cannot persist both due to its distributive effects and the socio-political reality that we cannot keep ignoring these workers and families. *Social Justice Ireland* has continually highlighted the relevance of refundable tax credits as a means of making the taxation system fairer and helping this low-income group.

Overall, Budget 2024 followed Budget 2023 in taking this approach to the distribution of resources. It is one that *Social Justice Ireland* regrets. Although the Budgets have been successful in the short-term, by providing much needed help to households struggling to make ends meet, their longer-term legacy will be to widen further the gap between the better off and those on the lowest welfare and work incomes.

3. Distributive Analysis of Cost-of-Living Measures, April 2022 to April 2024

Since early 2022, Government have announced a series of taxation, welfare and temporary welfare and electricity credit measures intended to assist all households with cost of living pressures; with the first of these payments being made in April 2022. Here we bring together the impact of all these changes, from April 2022 to the most recent household energy credit paid in April 2024. These capture:

- The household energy credits, lump sum increases in fuel allowances and additional welfare payments announced throughout 2022. These are collectively referred to as **'all measures in 2022'**.
- All of the 2023 welfare, taxation and energy credit measures implemented prior to the announcement of Budget 2024. These are collectively referred to as **'2023 pre-Budget 2024 measures'**.
- The welfare and energy credit measures announced in Budget 2024 for implementation before the end of 2023. These are collectively referred to as **'Budget 2024 for 2023 measures'**.
- All of the welfare, taxation and energy credit measures announced for 2024. These are collectively referred to as **'Budget 2024 for 2024 measures'**.

The households we examine are those tracked annually in our income distribution model and outlined earlier. Table 2 presents the results of this analysis.

When considered across the entire period, the total weekly impact on the households examined is large, ranging from €64 to €129 a week for welfare dependent households and from €26 to €89 a week for households with jobs. Within welfare dependent households, the largest assistance has been received by those with children. Among working households, tax changes have favoured those households with the highest incomes.

While the overall picture reflects an outcome where the most assistance has been given to welfare dependent households, something we called for and have welcomed, the underlying picture remains a concern. Since April 2022, Government measures have included **temporary measures**, such as electricity credits and one-off additional welfare related payments, alongside **permanent measures** such as changes to the value of core welfare payments and changes to tax credits and bands.

Much of the income support received by lower income households has been in the form of temporary measures while most of the support received by higher income households has been delivered via permanent measures. In time these temporary measures will disappear, but the permanent changes will remain. Consequently, we regret that the legacy of the design of these cost-of-living measures will be to further widen income divisions in Irish society.

Table 2: Average Weekly Value (€) of all Cost-of-Living Measures plus Tax-Benefit Changes, April 2022 to April 2024

	All measures in 2022	2023 pre-Budget 2024 measures	Budget 2024 for 2023 measures	Budget 2024 for 2024 measures	Total
Welfare Dependent Households					
Couple, 2 children (both over 12yrs)	21.52	43.10	21.02	43.23	128.87
Couple, 2 children (both under 12yrs)	21.21	43.10	20.71	42.92	127.95
Couple pensioner	28.87	34.31	18.28	38.64	120.10
Lone parent, 1 child (over 12yrs)	27.25	29.34	18.41	27.24	102.25
Lone parent, 1 child (under 12yrs)	27.10	29.34	18.26	27.09	101.79
Single pensioner	28.35	23.51	17.55	23.07	92.49
Couple, no children	14.31	31.43	9.90	33.16	88.79
Single unemployed	11.66	23.51	7.10	22.20	64.47
Households with Jobs					
Couple 2 earners at €200,000	7.67	39.51	2.88	39.00	89.05
Couple 2 earners at €150,000	7.67	39.51	2.88	37.56	87.62
Couple 2 earners at €100,000	7.67	39.51	2.88	35.64	85.70
Couple 2 earners at €80,000	7.67	39.51	2.88	18.49	68.54
Couple 1 earners at €100,000	7.67	26.94	2.88	26.21	63.70
Couple 1 earner at €60,000	7.67	26.94	2.88	25.44	62.93
Single, job at €100,000	7.67	23.59	2.88	22.38	56.52
Single, job at €120,000	7.67	23.59	2.88	22.28	56.42
Single, job at €60,000	7.67	23.59	2.88	21.61	55.75
Couple 2 earner & 2 children, €60,000	13.04	18.04	8.25	15.86	55.19
Single, job at €40,000	7.67	23.59	2.88	12.12	46.26
Single, 1 child, job at €30,000	10.36	13.24	5.56	13.13	42.29
Couple 2 earner & 2 children, €30,000	13.04	12.29	8.25	7.38	40.95
Couple 2 earners at €60,000	7.67	14.20	2.88	15.86	40.61
Single, job at €30,000	7.67	11.32	2.88	11.21	33.08
Single, job at living wage*	7.67	37.82	2.88	37.71	32.92
Single, job at minimum wage*	7.67	31.46	2.88	49.87	28.47
Couple 1 earner at €30,000	7.67	8.45	2.88	7.38	26.38

Source: Social Justice Ireland Income Distribution Model.

Notes: Table includes all measures since the first energy credit in April 2022 to those announced in Budget 2024 and implemented up to April 2024; when calculated there were no measures announced for after this period. Low-income working households may also receive the Working Family Payment. Rounding may impact totals. *The analysis includes increases to the minimum wage as a Budget measure and also increases in the living wage; for comparability, the total for these earners has been adjusted to exclude the wage rate increase effect of €63.41 and €53.16 respectively.

Box 2: Cost of Living Measures April 2022 – April 2024

All measures 2022	2023 pre-Budget 2024	Budget 2024 for 2023	Budget 2024 for 2024
<ul style="list-style-type: none"> Household energy credits; Lump sum increases in fuel allowances; Additional welfare payments. 	<ul style="list-style-type: none"> All 2023 welfare, taxation and energy credit measures implemented prior to the announcement of Budget 2024. 	<ul style="list-style-type: none"> Welfare and energy credit measures announced in Budget 2024 to be implemented before the end of 2023. 	<ul style="list-style-type: none"> All of the welfare, taxation and energy credit measures announced for 2024.

4. Distributive Analysis of Government Measures, 2020-2024

Budget 2024 marked the fourth Budget of the current coalition Government. The first two of these were presented in the context of the challenging Covid-19 pandemic while the third and fourth were presented during the cost-of-living crisis. Here, we track the cumulative impact of changes to income taxation and welfare over the Government's four Budgets – we do so by comparing the disposable income of households in 2024 with their disposable income in 2020. Therefore, our analysis captures the taxation and welfare measures announced in those Budgets plus various cost-of-living crisis energy credits and temporary welfare payments introduced over 2022-2024 (see earlier). As different policy priorities can be articulated for each Budget and policy initiative, it is useful to bring together the cumulative effect of all these policy changes on various household types.

The households we examine are the same as those included in Tables 1 and 2 and are spread across all areas of society and capture those with a job, families with children, those unemployed and pensioner households.

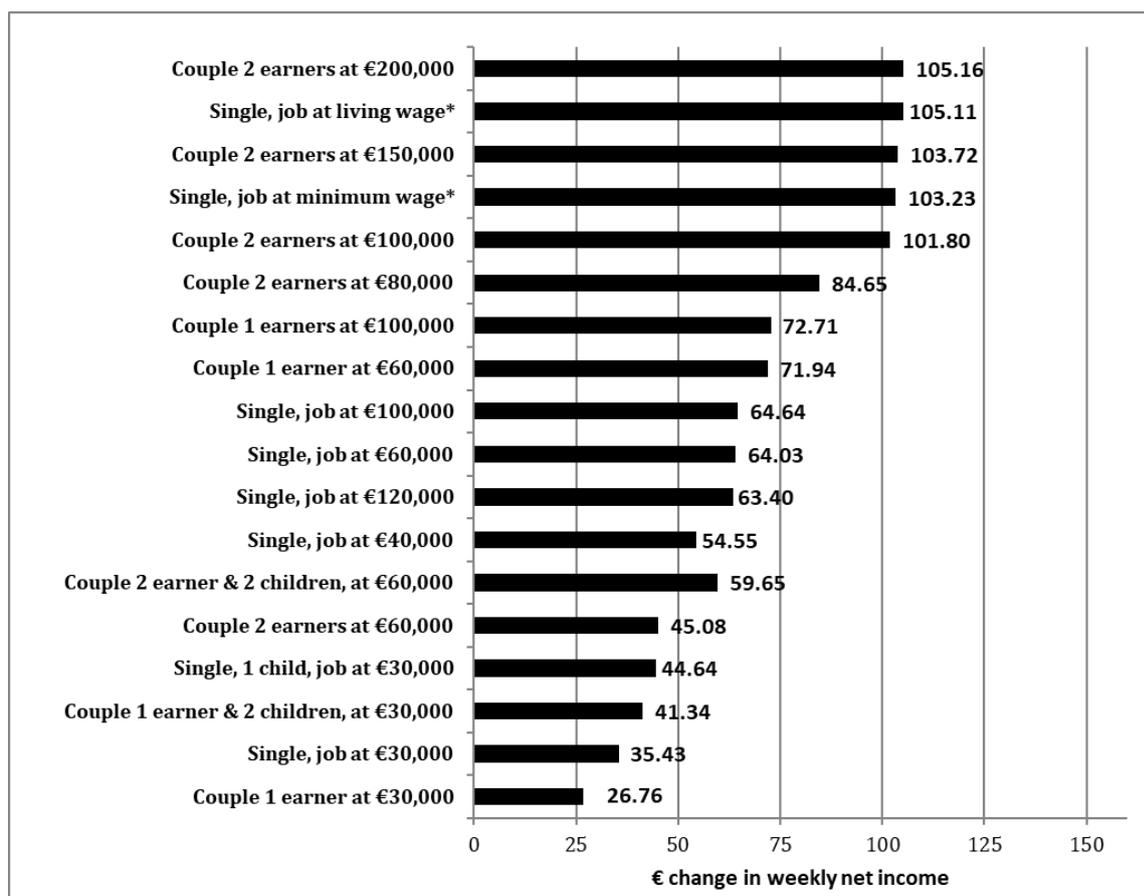
At the outset it is important to stress that our analysis does not take account of other budgetary changes, most particularly to indirect taxes (VAT and excise), other charges (such as prescription charges and state exam fees) and property taxes. Similarly, it does not capture the impact of changes to the provision of public services or the many emergency measures that were introduced to respond to the Covid-19 emergency. As the impact of these measures differs between households it is impossible to quantify precise household impacts and include them here. Also, it does not include changes in earnings (other than for minimum wage and living wage workers), and CSO data indicate that these have been significant over the past three to four years reflecting shortages of labour, inflation pressures and public-sector pay agreements.

Comparing 2020 to 2024 for households with jobs (see chart 1), the weekly income gains experienced range from almost €27 per week (for low-income couples on €30,000) to €105 per week for couples with incomes of €200,000. Earners on both the living wage and the minimum wage gain more than just the value of taxation, welfare and one-off cost of living changes on account of the increase in the level of those hourly rates. The analysis highlights how low-income working families, those with incomes below the standard rate income tax threshold, have gained least from the Government's measures over the past four years.

Among households dependent on welfare (see chart 2), the gains have ranged from €69 per week for single unemployed individuals to €154 per week for unemployed couples with 2 children over 12 years of age. The gains are largest for welfare dependent household with children who benefit from a series of once-off measures focused on children during the crisis (e.g. additional child benefit payments and top-ups and a one off back to school allowance increase in 2023). However, these payments will not carry over to future years income and the relative standing of these households is likely to deteriorate over the post-crisis period. We anticipate that comparisons following Budget 2025 will reveal a much more troubling picture and present some notable challenges for any future Government to address the income gaps that will have opened up.

Social Justice Ireland has consistently argued for the prioritisation of low-income welfare dependent families in Budgetary policy and welcomes how recent cost of living supports have particularly assisted this group. However, we are concerned that the permanent changes to income taxation levels in recent Budgets have shifted away from this approach and regrettably expect that much recent progress will be reversed.

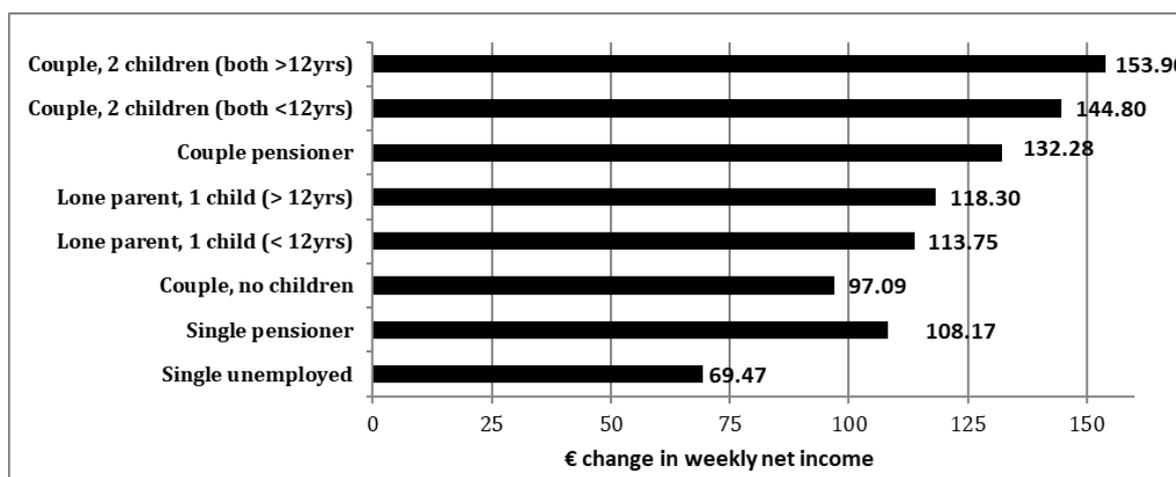
Chart 1: Cumulative Impact on Households with Jobs, 2020-2024



Source: Social Justice Ireland Income Distribution Model.

Notes: Minimum wage and Living wage increases reflect changes to this wage rate and its taxation. The analysis includes the effect of temporary cost of living measures announced for 2022-2024.

Chart 2: Cumulative Impact on Welfare Dependent Households, 2020-2024



Source: Social Justice Ireland Income Distribution Model.

Note: The analysis includes the effect of temporary cost of living measures announced for 2022-2024.

5. The Rich-Poor and Middle-Poor Gap

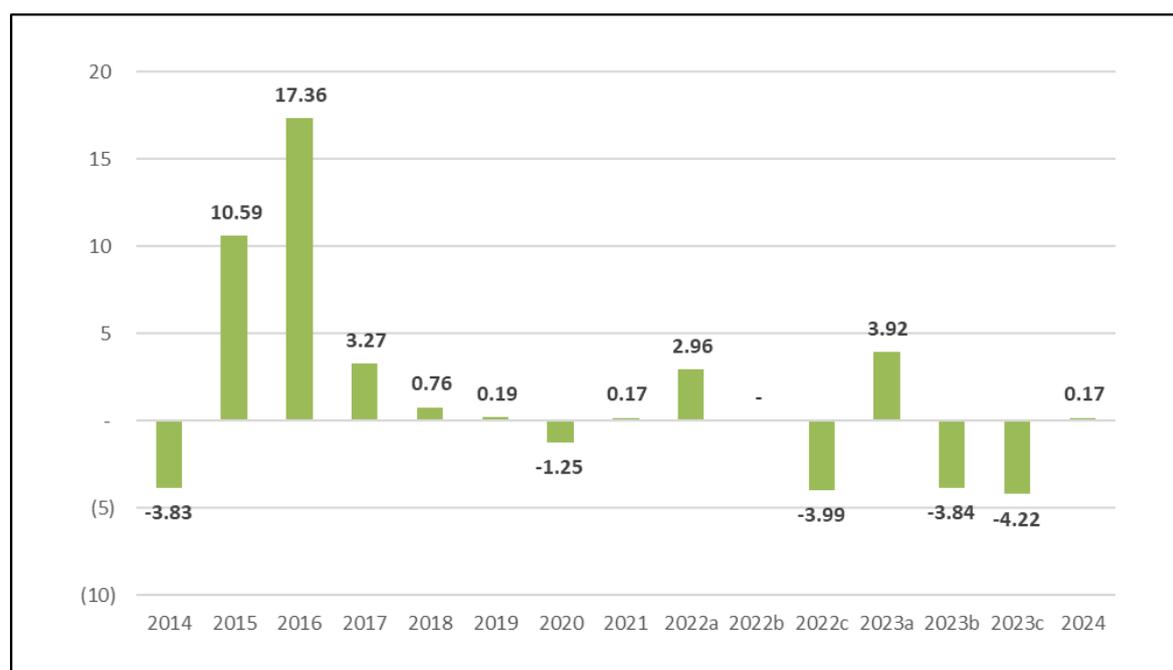
As well as tracking the post-Budget income levels of different households, *Social Justice Ireland* is also focused on assessing how the income divides between different household types have changed following the adoption of Budgetary policies. Taking such an approach offers valuable insights into some of the short-term and medium-term trends in income inequality. Again, there is merit in undertaking this analysis over multiple years so that the cumulative effect of budgetary policies is captured. To achieve this, we track the following two gaps: the Rich-Poor gap and the Middle-Poor gap.

The Rich-Poor gap

This gap monitors the income of single individuals on jobseekers’ benefit (‘poor’) and the disposable income (after income taxation and employee social insurance) of a single PAYE worker earning €100,000 (‘rich’). An annual income of €100,000 is chosen as representing very high-income earners given:

- how uncommon this income level is in Irish society (the top 180,000 earners representing 6.5 per cent of all earners in 2021 according to the Revenue Commissioners); and
- how it represents approximately two-and-a-half times average earnings.

Chart 3: Budget-by-Budget Change in the Weekly Rich-Poor Gap, 2014-2024



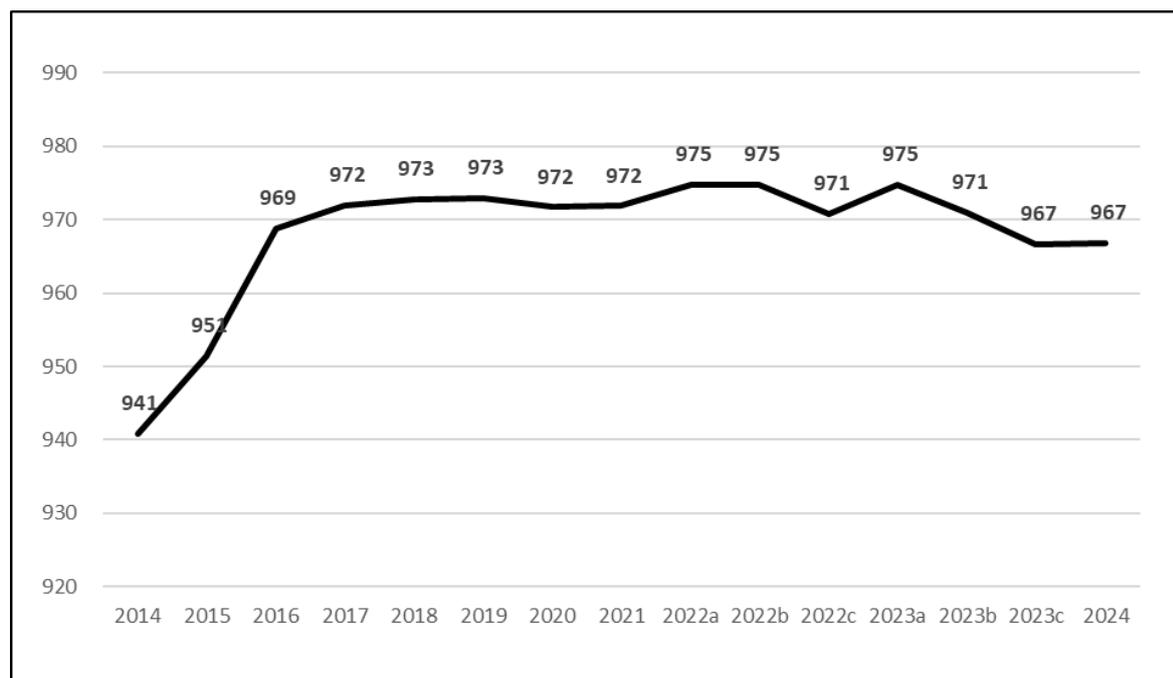
Source: *Social Justice Ireland* Income Distribution Model.

Notes: This analysis tracks the annual disposable income change in the gap between single jobseekers and PAYE earners on €100,000 per annum. 2022a is the outcome from Budget 2022, 2022b includes the cost-of-living measures announced before Budget 2023, 2022c includes the Budget 2023 measures introduced in 2022; 2023a is the outcome from Budget 2023, 2023b is the outcome after including the additional 2023 cost-of-living supports announced in February 2023, 2023c includes the Budget 2024 measures introduced in 2023; 2024 includes the Budget 2024 measures. This model uses the 2019 CSO average earnings figure as a reference point.

The analysis tracks both the change to this gap each year (see chart 3) and the overall size of this gap following the most recent Budget (see chart 4). The analysis covers the period from Budget 2014 to the most recent measures.

As a result of the taxation, welfare and cost-of-living measures adopted in Budget 2024, the rich-poor gap increased by 17 cents per week (€9 per annum). After than Budget the cumulative rich-poor gap stood at €967 per week (€50,400 per annum). The small change in the gap in 2024 has been driven by the effect of temporary supports for lower income households offsetting some of the income taxation decreases received by well-off households. Over the past few years, these have decreased the rich-poor gap for the first time in almost a decade. However, these temporary measures are not currently scheduled to repeat beyond 2024 when the gap is likely to grow once again.

Chart 4: The Rich-Poor Gap, 2014-2024 (€ per week)



Source: Social Justice Ireland Income Distribution Model.

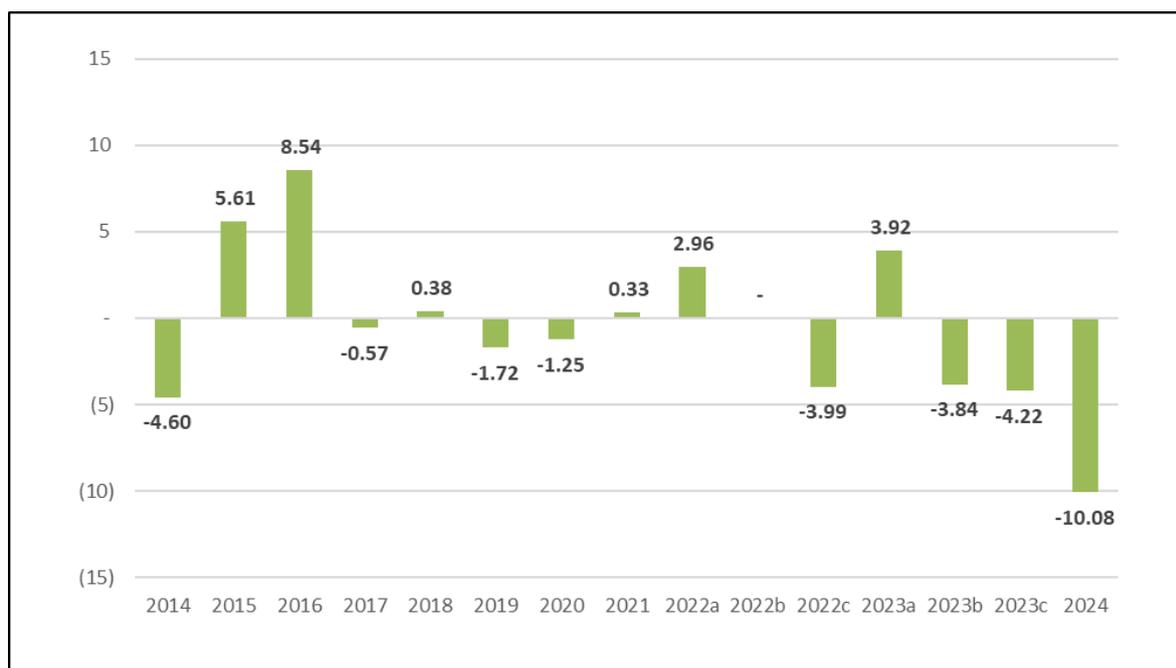
Notes: See notes to Chart 3.

Looking across the entire period examined, the rich-poor gap has grown by a total of €26 per week (€1,362 per annum) over the period 2014-2024. Driven by the aforementioned temporary cost-of-living measures, the gap has decreased by €5 per week following the Budgetary policies of the current Government (Budgets 2021-2024 plus cost-of-living measures).

The Middle-Poor gap

This gap monitors the income of single individuals on jobseekers’ benefit (‘poor’) and the disposable income (after income taxation and employee social insurance) of a single PAYE worker earning €40,000 (‘middle’). The analysis tracks both the change to this gap each year (see chart 5) and the overall size of this gap following the most recent budget (see chart 6). The analysis covers the period from Budget 2014 to the most recent Budget.

Chart 5: Budget-by-Budget Change in the Weekly Middle-Poor Gap, 2014-2024



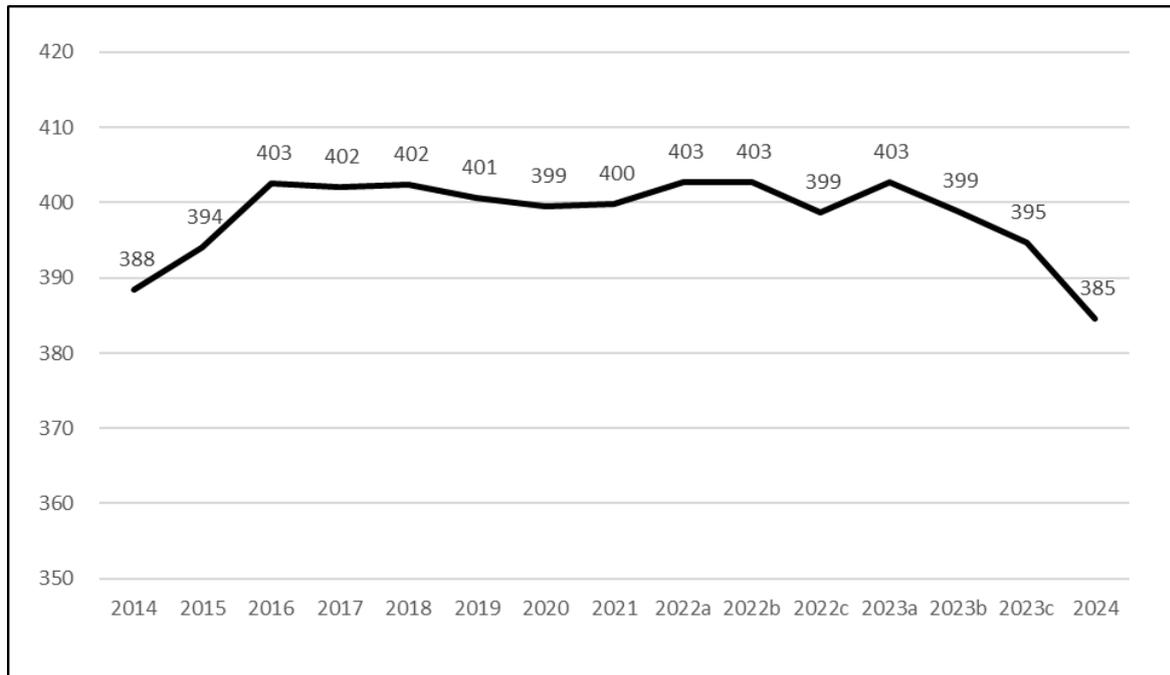
Source: Social Justice Ireland Income Distribution Model.

Note: This analysis tracks the annual disposable income change in the gap between single jobseekers and PAYE earners on €40,000 per annum. 2022a is the outcome from Budget 2022, 2022b includes the cost-of-living measures announced before Budget 2023, 2022c includes the Budget 2023 measures introduced in 2022; 2023a is the outcome from Budget 2023, 2023b is the outcome after including the additional 2023 cost-of-living supports announced in February 2023, 2023c includes the Budget 2024 measures introduced in 2023; 2024 includes the Budget 2024 measures. This model uses the 2019 CSO average earnings figure as a reference point.

As a result of the taxation, welfare and cost-of-living measures adopted in Budget 2024, the middle-poor gap decreased by €10 per week (€526 per year). The change in the gap in 2024 has been driven by the effect of temporary supports for jobseekers and the concentration of income taxation reductions on higher income households paying income tax at the higher rate. Over the past few years, this gap has decreased for the first time in over a decade as a result of the temporary income supports provided during the cost-of-living crisis and the low policy priority given to working households with incomes of around €30,000-€40,000 per annum. However, these temporary measures are not currently scheduled to repeat beyond 2024 when the gap is likely to grow once again.

The cumulative middle-poor gap stood at €385 per week (€20,065 per annum) in 2024. Looking across the entire period examined (2014-2024), the middle-poor gap has marginally decreased by almost €4 per week (€205 per annum); although this effect is entirely explained by changes following Budget 2024. Driven by the aforementioned temporary cost-of-living measures, the gap has decreased by €14.92 per week following the Budgetary policies of the current Government (Budgets 2021-2024 plus cost-of-living measures).

Chart 6: The Middle-Poor Gap, 2014-2024 (€ per week)



Source: *Social Justice Ireland* Income Distribution Model.

Notes: See notes to Chart 5.

6. Social Justice Ireland's Income Distribution Model

Over recent years *Social Justice Ireland* has developed its ability to track the distributive impact of annual Budgets on households across Irish society. Our analysis tracks changes from year to year (pre and post Budget) and across a number of recent years (the lifetime of a Government etc). In this section, we describe the components of the model as it currently stands. We plan to continue to develop this model over time and details of these updates will be included in future editions of this document.

There are currently 30 household types included in the model. These have been selected on the basis of their representativeness in the income distribution and their importance for policy analysis. While some households (e.g. high income ones) are uncommon, there is a relevance in tracking the benefits or losses they incur as a result of policy measures. Household with and without children are included. Households at key points in the earnings distribution are included:

- at the minimum wage
- at the living wage (as defined by the Living Wage Technical Group)
- at levels of earnings approximately equivalent to average earnings (€40,000) and multiples of this.
- at an income of €100,000 and above

The households examined divide into those with a job and those who are dependent on welfare income. The full set of households currently tracked by this analysis is outlined in **Table 3**.

The sources of income and welfare included in the analysis are outlined in **Table 4**. For many households, such as working households with children, income is received from both work and welfare and this composition of income is reflected in the analysis. Following Budget 2015 we included the 'water conservation payment' although it is not included in the analysis in subsequent years. Budgets 2017, 2018 and 2019 announced welfare increases to take place part way through the year and the weekly value of the annual increase in this payment is included. A similar approach is taken to welfare payments paid for part of the year (e.g. fuel allowance) or for cost of living supports provided over 2022-2024. Following Budget 2024, an adjustment has been made to the employee PRSI calculation to capture its increase in the final quarter of the year. As the model is tracking income changes over time, there are a number of welfare payments included in the analysis that do not currently exist, for example the Early Childhood Supplement.

Finally, **Table 5** details the income taxation and social insurance measures that are included. Again, as the model is tracking income changes over time, there are a number of income taxation measures included in the analysis that do not currently exist, for example the income levy.

Table 3: List of Households Included in the Analysis

Working Households	Welfare Dependent Households
Household type - single PAYE	Working age Welfare Dependent
Single, job at the minimum wage	Single no job
Single, job at the living wage	Couple, no children, no job
Single, job at €30,000*	Couple, 2 children (both <12yrs), no job*
Single, job at €40,000*	Couple, 2 children (both >12yrs), no job*
Single, job at €60,000*	Lone parent, 1 child (< 12yrs), no job*
Single, job at €100,000*	Lone parent, 1 child (> 12yrs), no job*
Single, job at €120,000*	
	Retired Welfare Dependent
Household type - lone parent	Single pensioner (66yrs plus)
Single, 1 child, job at €30,000*	Couple pensioner
Couple - 1 earner (caring for an adult parent)	
Couple 1 earner at €30,000	
Couple 1 earner and 2 children, at €30,000	
Couple 1 earner at €60,000	
Couple 1 earners at €100,000	
Couple - 1 earner (no caring role)	
Couple 1 earner at €30,000	
Couple 1 earner and 2 children, at €30,000	
Couple 1 earner at €60,000	
Couple 1 earners at €100,000	
Couple - 2 earners (65%/35% income split)	
Couple 2 earners at €60,000	
Couple 2 earner and 2 children, at €60,000	
Couple 2 earners at €80,000	
Couple 2 earners at €100,000	
Couple 2 earners at €150,000	
Couple 2 earners at €200,000	

Notes: * indicates households that were revised or added as part of the 2021 model rebase. Pensioners are assumed to be receiving a contributory pension.

Table 4: Sources of Income and Welfare Included in the Analysis

<u>Households with a Job</u>
Earnings (including the minimum and living wage rates)
Child Benefit (where applicable)
Early Childhood Supplement (where applicable)
Water Conservation Payment (2015 only)
One off payments and credits, such as those announced during the 2022/24 cost of living crisis
<u>Welfare Dependent Households</u>
Jobseekers Benefit - over 25yrs
Jobseekers Benefit with qualified adult - over 25yrs
One Parent Family Payment - with 1 qualified child under 7yrs
State Pension - Contributory and under 80yrs
State Pension - Contributory and under 80yrs couple with qualified adult 66+
Qualified child (all to up to 2018; less than 12 years from 2019)
Qualified child - more than 12 years from 2019
Child Benefit 1st child
Child Benefit 2nd child
Child benefit 3rd child
Early Childhood supplement (per child up to 6yrs / 5.5yrs from Oct 2008)
Living alone allowance
Fuel allowance
Household Benefits Package
Back to School Clothing and Footwear Allowance
<i>The Christmas Bonus is applied to these welfare payments as appropriate</i>
One off payments and credits, such as those announced during the 2022/24 cost of living crisis
Water Conservation Payment (2015 only)

Table 5: Income Taxation and Social Insurance Measures Included in the Analysis

<i>Income Taxation</i>
Standard rate
Higher rate
Standard band couple one earner
Standard band couple two earners
Standard band lone parent
Tax credits:
Personal
PAYE
Couple/civil partnership
Home Carer
Single person child carer credit
<i>Universal Social Charge (USC)</i>
USC and its predecessors (income levy, training levy etc) are included
various USC thresholds
various USC rates
USC surcharge for Self Employed
<i>Pay Related Social Insurance (PRSI)</i>
PRSI exemption for low earners PAYE
PRSI taper for low earners PAYE
PRSI rate PAYE
PRSI low income exclusion: Self-employed
PRSI rate Self Employed
Minimum PRSI contribution Self Employed

Social Justice Ireland is an independent think-tank and justice advocacy organisation of individuals and groups throughout Ireland who are committed to working to build a just society where human rights are respected, human dignity is protected, human development is facilitated and the environment is respected and protected.

Social Justice Ireland,
1-3 Burton Hall Road,
Sandyford,
Dublin 18
Phone: 01 290 3597
Email: secretary@socialjustice.ie
Charity Number: CHY 19486
www.socialjustice.ie

