

GOVERNMENT OF GIBRALTAR MINISTRY OF FAMILY, YOUTH & COMMUNITY AFFAIRS 14 Governor's Parade Gibraltar

PRESS RELEASE

No. 236/2011

Date: 5th August 2011

Minimum Income Guarantee

The Government wishes to clarify, the misleading statement of the GSLP Opposition with regard to the Minimum Income Guarantee (MIG), which deliberately is aimed at causing confusion and anxiety on Elderly people.

The GSLP statement regarding the above quotes, 'The persons concerned have produced documentary evidence showing that the reduction in the Minimum Income Guarantee in August is bigger than the increase they have received in their Social Insurance pension and that nobody seems to be able to explain the reason for this discrepancy.'

The Hon. J. Bossano is fully aware that the concept of the MIG as created by the GSD Government in September 2000, has always been as a scheme to top-up elderly persons' income if it falls below the threshold of a decent level of subsistence. Therefore, when assessing the level of support to any MIG beneficiary <u>AII</u> sources of income will be taken into account (such as old age pension, occupational pension, UK pension and community care payments) in order to determine the amount of support needed.

It is mischievous on the part of Mr Bossano to restrict the formula of MIG by solely considering one source of income (in this case the % increase of old age pension).

The fact remains that for some recipients to end up receiving less money through MIG than the % increase of the old age pension is explained by the fact that other sources of personal income has also been increased, thereby maintaining the person's overall financial equilibrium. To suggest otherwise as Mr Bossano has stated is dishonest.

It should be noted that Mr Bossano as Chief Minister during eight years in Government never considered the plight of nearly 500 elderly persons who did not have a decent level of income and had to struggle or live without some basic essentials of life.

For the sake of clarity it should be pointed out that the MIG Scheme ensures that elderly persons, depending in the individual's particular circumstances, receives an income that ranges from £512.75 to £648.33 per month for a single person, and from £684.35 to £887.74 per month for a couple.