



## AN BILLE LEASA SHOISIALAIGH, 1973

### SOCIAL WELFARE BILL, 1973.

#### EXPLANATORY MEMORANDUM.

1. This Bill is designed to give effect to the increases in rates of payment and other improvements in the schemes of social assistance and social insurance announced in the Budget statement on 16 May, 1973. The Bill also provides for consequential matters including the increases in the rates of social insurance contributions required and in the rates of payment under the occupational injuries benefit scheme. A provision to remove the remuneration limit of £1,600 for social insurance in the case of non-manual workers is also included.

#### *Social Assistance*

2. Section 2 of the Bill provides for an increase of £1 to £6.15 in the weekly rates of non-contributory old age and blind pensions. Where there are qualified children the rate for each child will be increased by 50p a week making the new rates £1.65 for the first and second child and £1.25 for each further child. The allowance payable in respect of prescribed relatives giving full-time care and attention to incapacitated pensioners is also being increased by 50p a week. The new maximum rates of pension will be payable where weekly means do not exceed £4 and the scale of means and rates of pension is being considerably revised and extended as a result to provide additional rates of pension. Persons with no qualified children will qualify for reduced rates of pension if their weekly means are more than £4 but not more than £9.50. If they have qualified children the means limits are even higher. The new table of weekly means and rates of pension is given in the Section and subsections (1) and (2) of the Section will enable the table to be extended to cases where the means are not shown in the table. The new rates will be payable from Friday, 6th July, 1973.

3. Section 3 provides for increases of £1 in the personal rates of unemployment assistance in both urban and rural areas making them £5.35 and £5.05 respectively and of 50p a week in the rate for adult dependants bringing them to £3.90 and £3.80 respectively. Where there are dependent children, the rate for each child will be increased by 50p a week to the same levels as in the case of old age pensions. These increases will be effective from the 4th July, 1973 and payment will be made in arrears from the 12th July, 1973. The new maximum rates will automatically raise the means limit for qualification for unemployment assistance to £481 and will thus extend the scheme to include some persons whose means at present prevent them from qualifying for unemployment assistance. The new table of maximum rates of unemployment assistance is given in the Section.

4. Section 4 provides for an increase of £1 a week in the personal rates of non-contributory widows' pensions bringing the maximum rate up to £6.15. The rate of payment for each child will be increased by the standard 50p with the additional 15p for the one-parent family giving a total increase of 65p a week and making the rate £2 a week for each child. The increases will operate from Friday, 6th July, 1973 for widows. As in the case of old age pensions the scale of means limits and rates of pension is being altered to allow payment of the maximum pension where the weekly means do not exceed £4 with reduced rates of pension payable where the

widow's weekly means are not more than £9.50 if she has no qualified child. Higher means limits apply where there are qualified children. The new table of weekly means limits and rates of pension is given in the Section and, as in the case of old age pensions, the rates shown include, where applicable, the increases in respect of qualified children. The provisions of subsection (1) will extend the table to cover cases where means are not shown in the table. The new rates will apply to deserted wife's allowances and to allowances for unmarried mothers from Thursday, 5th July, 1973.

Section 5 provides for increases of £1 in the rates of non-contributory orphans' pensions making the new maximum pension £4 a week. The new table of weekly means limits and rates of pension is given in the Section and will operate from Friday, 6th July, 1973.

5. Section 6 provides for increases of £1.50 a month in the rates of children's allowances and will take effect from the 1st July, 1973. This will make the monthly rates £2 for a one-child family, £5 for a two-child family and £8.75 for a three-child family with a further £3.75 for each additional child. The children's allowances scheme is also being extended to provide payment in respect of children between the ages of sixteen and eighteen years who are continuing in full-time education, are apprenticed or are disabled.

Section 7 provides for an increase in the weekly rate of old age (care) allowance from £3 to £3.50 with effect from Thursday, 5th July, 1973.

6. Section 8 provides for a new scheme of assistance for unmarried mothers who keep their children. The rates of payment and the conditions as to weekly means will be the same as those which apply to non-contributory widows' pensions and the new scheme will operate from the 5th July, 1973. The general conditions of the scheme will be set out in regulations under the Section.

Section 9 will, from October 1973, enable a widow or a spinster who has no dependent child to use any employment contributions whether at ordinary or special rates paid by or in respect of her in the period, for the purpose of satisfying the condition for unemployment assistance which requires her to have paid 52 employment contributions in the preceding 4 years. Hitherto, only ordinary rate employment contributions could be reckoned for this purpose.

Section 10 removes a concession which allowed certain cash income not exceeding £165 per annum to be disregarded in the case of the elder of a married couple, both of whom are over age sixty, when calculating means for non-contributory old age pension. This follows from the raising of the means limit for maximum pension to £4 a week which is regarded as subsuming the earlier concession. The Section includes a provision to ensure that no existing pensioner will suffer a reduction in pension as a result of the change. The provision will operate from the 6th July, 1973.

7. Section 11 provides for the reduction to age 69 of the qualifying age for old age pensions. As a direct consequence the upper age limit for liability for payment of social insurance contributions and for qualification under other schemes of social assistance and social insurance is also being reduced to age 69. The change will apply from the 2nd July, 1973.

#### *Social Insurance*

8. Section 12 provides for the extension of the social insurance system to cover persons engaged in non-manual employment at a rate of remuneration exceeding in value £1,600 a year. The provision will become operative on a date to be fixed by Ministerial Order.

9. Section 13 provides for increased rates of voluntary contributions. It also provides for relieving widows, deserted wives and unmarried mothers who are receiving pensions or allowances as such

under one or other of the appropriate social insurance or social assistance schemes, of the liability to pay the employed contributor's share of any employment contribution. These provisions will take effect from Monday, 2nd July, 1973.

Section 14 provides by amendment of the Second Schedule to the Social Welfare Act, 1952 for the increased rates of employment contributions which will be required to meet the employers' and insured persons' share of the cost of the improved benefits, pensions and allowances payable under the social insurance system. The principal existing and proposed new rates of contributions (excluding the contributions, where payable, in respect of occupational injuries, redundancy and health) are as follows:—

Class	Sex	Present Rate			Proposed Rate		
		Employer	Employee	Total	Employer	Employee	Total
		£	£	£	£	£	£
1. Ordinary .. ..	Man	1.09	1.03	2.12	1.51	1.18	2.69
	Woman	1.07	0.97	2.04	1.49	1.12	2.61
2. Agricultural .. ..	Man	0.95	0.91	1.86	1.37	1.06	2.43
	Woman	0.90	0.77	1.67	1.35	0.92	2.27
3. Persons employed part-time in share-fishing and out-workers (other than male weavers)	Man	0.79	0.72	1.51	1.13	0.85	1.98
	Woman						
4. Female Domestic ..	Woman	0.95	0.82	1.77	1.49	0.97	2.46
5. Soldiers .. ..	Man	1.07	0.94	2.01	1.49	1.09	2.58
6. Civil Servants, Teachers, Local Authority Officials, etc.	Man	0.23	0.21	0.44	0.30	0.24	0.54
	Woman	0.23	—	0.23	0.30	—	0.30
7. Voluntary Contributors .. ..	Man	—	0.44	0.44	—	0.54	0.54
	Woman						
8. Voluntary Contributors.	Man	—	1.08	1.08	—	1.34	1.34
	Woman						

The contributions payable in respect of occupational injuries insurance are 11p for a man and 8p for a woman, all of which is borne by the employer. Under the redundancy payments scheme, the contributions are 5p and 3p payable by the employer and employee respectively for a man, and 4p and 2p respectively for a woman, but increases in these rates are being proposed separately by the Minister for Labour. The health contribution is 15p.

The increases in contribution rates will be effective from Monday, 2nd July, 1973.

10. Section 15 provides for increases in the weekly rates of insurance benefits. The personal rates of disability and unemployment benefit and invalidity pension are being increased by £1 a week with 50p in each case for an adult dependant and 50p for each qualified child. The special rates of these benefits for certain married women and persons under eighteen without dependants are also being increased by £1. The Section also provides for increases of £1 in the rate of maternity allowance. In the case of widow's (contributory) pension the increase is £1 in the basic rate with a further 50p for each qualified child plus, as a one-parent family, an additional 15p for each child. An increase of £1 in the rate of orphan's (contributory) allowance is provided. In the case of old age (contributory) pensions and retirement pensions there are increases of £1 in the personal rates of pension with 50p for adult dependants and 50p for each qualified child. Where the adult dependant is 69 years of age or over an additional increase of 50p a week will be payable. Increases of 50p a week in the allowances payable in respect of prescribed relatives giving full-time care and attention to incapacitated pensioners are also provided in the Section.

The following table shows the principal rates payable:—

	Present Rate	Proposed Rate
	£	£
<i>Disability and Unemployment Benefit</i>		
<i>Invalidity Pensions</i>		
Personal Rate .. .. .	5.55	6.55
Married Couple .. .. .	9.30	10.80
Maternity Allowance .. .. .	5.55	6.55
<i>Widows' (Contributory) Pension :</i>		
Personal Rate (under age 80) .. .. .	5.60	6.60
Personal Rate (age 80 or over) .. .. .	6.10	7.10
<i>Orphans' (Contributory) Allowances</i> .. .. .	3.80	4.80
<i>Old Age (Contributory) Pensions</i>		
<i>Retirement Pensions</i>		
Personal Rate (under age 80) .. .. .	6.20	7.20
Personal Rate (age 80 or over) .. .. .	6.70	7.70
Married Couple (pensioner under age 80)		
(i) Where adult dependant is under age 69 .. .. .	10.35	11.85
(ii) Where adult dependant is age 69 or over .. .. .	10.35	12.35
Married Couple (pensioner age 80 or over) :		
(i) Where adult dependant is under age 69 .. .. .	10.85	12.35
(ii) Where adult dependant is age 69 or over .. .. .	10.85	12.85

The increases in rates of unemployment and disability benefit and maternity allowance will be operative from Monday, 2nd July, 1973; the increases in the rates of old age and widows' (contributory) pensions from Friday, 6th July, 1973 and in rates of invalidity and retirement pensions from Thursday, 5th July, 1973.

11. *Section 16* provides for increases in the special rates of unemployment benefit which are payable in certain circumstances where unemployment continues beyond 156 days. These rates are linked with the urban rates of unemployment assistance which are being increased under *Section 3* of the Bill and the increases proposed, £1 a week in the basic rate, 50p in the rate for an adult dependant and 50p in the rate for each qualified child, are designed to retain this parity. They will operate from Monday, 2nd July, 1973.

12. *Section 17* provides for a new scheme of contributory benefit for deserted wives as part of the social insurance system. The new scheme will be broadly similar to the scheme of widows' (contributory) pensions in insurance conditions and rates of payment and will operate from 5th July, 1973.

*Section 18* will enable a married woman to avail of her pre-marriage employment contributions for the purposes of qualifying for benefit after marriage without having to obtain a further twenty-six such contributions in respect of employment after marriage. This concession will operate from Monday, 1st October, 1973, and as a consequence marriage benefit will cease to be a benefit of the social insurance system from that date.

13. *Section 19* provides at subsection (1) for increases in the rates of various benefits under the occupational injuries scheme to keep them in line with the increased rates of benefits under the social insurance system. The basic weekly rates of injury benefit and disablement pension for 100 per cent disablement are being increased by £1. Proportionate increases are made in disablement benefit for degrees of disablement below 100 per cent. Unemployability supplement and payments for adult and child dependants are being increased so as to maintain the existing parity of these payments with disability and unemployment benefit rates. Death benefit pensions for widows, invalided widowers, parents and orphans under the

scheme are also being increased, the increase in the case of widows' pensions, and of other similar pensions, being £1 a week with 65p for each qualified child. Disablement gratuity is being increased from £568 to £630 and widower's gratuity from £395 to £447. The employment contributions for occupational injuries purposes, which are payable by the employer only, are not being increased.

14. *Section 1* contains the necessary definitions and *Section 20* the usual provisions for short title, construction and collective citations.

*An Roinn Leasa Shóisialaigh,  
Meitheamh, 1973*

#### ARRANGEMENT OF SECTIONS

##### Sections

1. Definitions.
2. Old age pensions (new rates and extension of means limits).
3. Unemployment assistance (new rates).
4. Widows' (non-contributory) pensions (new rates and extension of means limits).
5. Orphans' (non-contributory) pensions (new rates and extension of means limits).
6. Children's allowances (new rates and extension of age limit for qualified children).
7. Old age (care) allowance (new rates).
8. Social assistance allowances for unmarried mothers.
9. Removal of restriction on qualification for unemployment assistance in the case of certain widows and orphans.
10. Removal of concession relating to certain cash income in calculating means for old age pensions.
11. Reduction of qualifying age for pension purposes.
12. Removal of remuneration limit in respect of insured persons.
13. New rates of voluntary contributions and removal of liability of certain widows, deserted wives and unmarried mothers for employment contributions.
14. Employment contributions (new rates).
15. Social insurance benefits (new rates).
16. Increase of certain rates of unemployment benefit.
17. Deserted wife's benefit.
18. Removal of restriction on married women in relation to certain benefits, and consequential abolition of marriage benefit.
19. Occupational injuries benefits (new rates).
20. Short title, construction and collective citation.

14. Section 14 contains the necessary definitions and Section 15 the usual provisions for short title, construction and collective agreements. Section 16 provides for increases in the special rates of unemployment benefit which are payable in certain circumstances where unemployment continues beyond 156 days. These rates are linked with the urban rates of unemployment assistance which are being increased under Section 3 of the Bill and the increases proposed, £1 a week in the basic rate, 50p in the rate for an adult dependant and 50p in the rate for each qualified child, are designed to retain this parity. They will operate from Monday, 2nd July, 1973.

14. Section 14 contains the necessary definitions and Section 15 the usual provisions for short title, construction and collective agreements.

	1972	1973
<b>Married Couple</b>	9.30	10.80
<b>Maternity Allowance</b>	5.55	6.55
<b>Widows' (Contributory) Pensions</b>		
Personal Rate (under age 80)	6.20	7.20
Personal Rate (age 80 or over)	6.70	7.70
<b>Married Couple (pensioner under age 80)</b>		
(i) Where adult dependant is under age 69	10.35	11.35
(ii) Where adult dependant is age 69 or over	10.35	12.35
<b>Married Couple (pensioner age 80 or over)</b>		
(i) Where adult dependant is under age 69	10.35	12.35
(ii) Where adult dependant is age 69 or over	10.35	12.85

11. Section 16 provides for a new scheme of contributory benefit for deserted wives as part of the social insurance system. The new scheme will be broadly similar to the scheme of widows' (contributory) pensions in insurance conditions and rates of payment and will operate from 5th July, 1973.

Section 17 will enable a married woman to avail of her pre-marriage employment contributions for the purposes of qualifying for benefit after marriage without having to obtain a further twenty-six such contributions in respect of employment after marriage. This concession will operate from Monday, 1st October, 1973, and as a consequence marriage benefit will cease to be a benefit of the social insurance system from that date.

12. Section 17 provides for a new scheme of contributory benefit for deserted wives as part of the social insurance system. The new scheme will be broadly similar to the scheme of widows' (contributory) pensions in insurance conditions and rates of payment and will operate from 5th July, 1973.

Section 18 will enable a married woman to avail of her pre-marriage employment contributions for the purposes of qualifying for benefit after marriage without having to obtain a further twenty-six such contributions in respect of employment after marriage. This concession will operate from Monday, 1st October, 1973, and as a consequence marriage benefit will cease to be a benefit of the social insurance system from that date.

13. Section 19 provides at subsection (1) for increases in the rates of various benefits under the occupational injuries scheme to keep them in line with the increased rates of benefits under the social insurance system. The basic weekly rates of injury benefit and disablement pension for 100 per cent disablement are being increased by £1. Proportionate increases are made in disablement benefit for degrees of disablement below 100 per cent. Unemployability supplement and payments for adult and child dependants are being increased so as to maintain the existing parity of these payments with disability and unemployment benefit rates. Death benefit pensions for widows, invalided widows, parents and orphans under the