



**AN BILLE LEASA SHOISIALAIGH (SOCHAR
PA-CHOIBHNEASA), 1975**

SOCIAL WELFARE (PAY-RELATED BENEFIT) BILL, 1975

EXPLANATORY MEMORANDUM

1. This Bill is designed to extend by three months the period of payment of pay-related benefit and to enable the Minister for Social Welfare, with the consent of the Minister for Finance, to extend by Order the duration of payment for a further period not exceeding three months. Pay-related benefit is payable as a supplement to unemployment benefit, disability benefit, injury benefit (if the claimant would otherwise be entitled to disability benefit) and maternity allowance.

2. *Section 2* of the Bill provides for two amendments of the Social Welfare (Pay-Related Benefit) Act, 1973. The first amendment, in paragraph (a) of *Section 2*, extends by three months (78 days) the period during which pay-related benefit may be paid. At present, pay-related benefit is payable after a waiting period of 2 weeks (12 days) for up to 24½ weeks (147 days), i.e., up to the 159th day of unemployment or incapacity for work in any period of interruption of employment. The amendment will enable pay-related benefit to be continued for up to 37½ weeks (225 days), i.e., up to the 237th day of unemployment or incapacity for work in any period of interruption of employment.

To ensure that a person may receive pay-related benefit for up to 147 days of incapacity for work or unemployment in a period of interruption of employment for which he is paid flat-rate benefit, provision was made in the Social Welfare (No. 2) Act, 1974, that the 147 days of entitlement to pay-related benefit would not be eroded by days for which he may be suspended from or disqualified for the flat-rate benefit. The amendment made in paragraph (b) of *Section 2* makes similar provision in relation to the extended period of entitlement to pay-related benefit.

3. *Section 3* provides that the weekly rate of pay-related benefit payable to a person in respect of the extended period of up to 78 days (3 months) covered by *Section 2* will amount to 30 per cent of that part of a claimant's reckonable weekly earnings which lies between £14 and the upper limit of £50. The existing rate of pay-related benefit payable for the first 147 days (24½ weeks) viz., an amount equal to 40 per cent of the claimant's reckonable weekly earnings between £14 and £50, remains unchanged.

4. *Section 4* is a transitional provision designed to enable persons who have exhausted their title to pay-related benefit before the commencement of this Act and whose period of interruption of employment continues after the commencement to receive a maximum of an additional 78 days (3 months) of pay-related benefit for days of incapacity for work or unemployment occurring on or after the commencement but before the current period of interruption of employment ceases or the total number of days of incapacity for work or unemployment in such period exceeds 315 whichever is the earlier. A sick or unemployed person who before the commencement received the present maximum of six months pay-related benefit in respect of unemployment or incapacity for work, followed by a period when flat-rate benefit only was payable, will, as a result of this section, be able to receive an additional three months pay-related benefit from the commencement, provided the overall total of days of incapacity for work or unemployment in the period of interruption of employ-

ment does not exceed 315 (52½ weeks). This total of 315 days is the maximum period, including 3 waiting days, within which flat-rate unemployment benefit may be paid to a person under 65 years of age.

5. Section 5 empowers the Minister, with the consent of the Minister for Finance, to extend by Order the duration of payment of pay-related benefit for a further period not exceeding 78 days (three months) and to determine the weekly rate at which pay-related benefit may be paid in respect of such extended period.

6. Section 1 of the Bill defines the Principal Act and Section 6 provides for the short title, construction, collective citation and power to fix by Order the date of commencement.

EXPLANATORY MEMORANDUM

An Roinn Leasa Shóisialaigh, Bealtaine, 1975.

1. This Bill is designed to extend by three months the duration of payment of pay-related benefit and to enable the Minister for Social Welfare, with the consent of the Minister for Finance, to extend by Order the duration of payment for a further period not exceeding three months. Pay-related benefit is payable as a supplement to unemployment benefit, disability benefit, injury benefit (in the case of claimants who are entitled to disability benefit) and maternity allowance.

2. Section 2 of the Bill provides for two amendments of the Social Welfare (Pay-Related Benefit) Act, 1973. The first amendment, in paragraph (a) of Section 2, extends by three months (78 days) the period during which pay-related benefit may be paid. At present pay-related benefit is payable after a waiting period of 2 weeks (12 days) for up to 24½ weeks (147 days), i.e., up to the 159th day of unemployment or incapacity for work in any period of interruption of employment. The amendment will enable pay-related benefit to be continued for up to 32½ weeks (225 days), i.e., up to the 237th day of unemployment or incapacity for work in any period of interruption of employment.

To ensure that a person may receive pay-related benefit for up to 147 days of incapacity for work or unemployment in a period of interruption of employment for which he is paid flat-rate benefit, provision was made in the Social Welfare (No. 2) Act, 1974 that the 147 days of entitlement to pay-related benefit would not be reduced by days for which he may be suspended from or disqualified for the flat-rate benefit. The amendment made in paragraph (a) of Section 2 makes similar provision in relation to the extended period of entitlement to pay-related benefit.

3. Section 3 provides that the weekly rate of pay-related benefit payable to a person in respect of the extended period of up to 78 days (3 months) covered by Section 2 will amount to 30 per cent of that part of a claimant's reckonable weekly earnings which lies between £14 and the upper limit of £50. The existing rate of pay-related benefit payable for the first 147 days (24½ weeks) viz. an amount equal to 40 per cent of the claimant's reckonable weekly earnings between £14 and £50, remains unchanged.

4. Section 4 is a transitional provision designed to enable persons who have exhausted their entitlement to pay-related benefit before the commencement of this Act and whose period of interruption of employment continues after the commencement to receive a maximum of an additional 78 days (3 months) of pay-related benefit for days of incapacity for work or unemployment occurring on or after the commencement but before the current period of interruption of employment ceases or the total number of days of incapacity for work or unemployment in such period exceeds 315, whichever is the earlier. A sick or unemployed person who before the commencement received the present maximum of six months pay-related benefit in respect of unemployment or incapacity for work, followed by a period when flat-rate benefit only was payable, will, as a result of this section, be able to receive an additional three months pay-related benefit from the commencement, provided the overall total of days of unemployment or incapacity for work or unemployment does not exceed 315 days.