



AN BILL LEASA SHOISIALAIGH, 1978

SOCIAL WELFARE BILL, 1978

EXPLANATORY MEMORANDUM

1. This Bill is designed to give effect to the increase of 10 per cent in the rates of payment and other improvements in the schemes of Social Assistance and Social Insurance announced in the Budget statement on 1st February, 1978. The Bill also provides for consequential matters including the increases in the rates of social insurance contributions required and in the rates of contribution and payment under the occupational injuries benefit scheme. Included in the Bill also are provisions for certain other desirable changes in the social welfare system.

Social Assistance

2. Section 2 of the Bill provides for an increase of £1.25 to £13.60 in the maximum personal weekly rate of non-contributory old age and blind pensions payable to persons aged less than 80 years who have no dependants. For such persons aged 80 years or more the increase will be £1.35 to £14.65. The maximum rate of payment in respect of an adult dependant under pensionable age will be increased by 60p to £6.75. For pensioners who have qualified children, the rates will be increased by £3.65 a week (an extra 35p) for each of the first two children and by £2.75 a week (an extra 25p) for the third and each other child. The new maximum rates of pension will be payable where weekly means do not exceed £6. Persons without dependants will qualify for reduced rates of pension if their weekly means are not more than £15. If they have qualified children, the means limits are higher. The new table of weekly means and rates of pension is shown as Table A in the Section and subsection (1) of the Section will enable the table to be extended to cases where the means are not shown in the table.

The maximum rate of increase in pension in respect of an adult dependant, viz. £6.75 a week, will be payable where the weekly means of the pensioner do not exceed £6 and reduced rates will be payable where the weekly means exceed that figure. The new table of weekly means and rates of increases in respect of adult dependants is given as Table B in the section.

The allowance payable in respect of a prescribed relative giving full-time care and attention to an incapacitated pensioner is being increased under subsection (2) of the Section by 70p to £7.60 and the additional increase in pension to old age and blind pensioners over pension age and living alone is being raised under subsection (3) by 10p to £1.10.

The new rates will be payable from Friday, 7th April, 1978.

Section 11 provides for an increase in the weekly rate of old age (care) allowance from £6.90 to £7.60 from 1st April, 1978.

3. Section 3 provides for the modification of the residence test for non-contributory old age pension by the abolition of the condition requiring applicants to have five years' residence in the State after reaching age 50. The residence test as modified will require an applicant to have lived in the State for an aggregate of 15 years without any age restriction.

4. *Section 4* provides for an increase with effect from 29 March, 1978, of £1.05 in the maximum personal weekly rate of unemployment assistance bringing the rate to £11.75 in urban areas and £11.35 in rural areas. The rates for adult dependants will be increased by 80p (urban) and 75p (rural) bringing them to £8.55 and £8.35 respectively. Where there are dependent children the rates will be increased by £3.65 a week (an extra 35p) for each of the first two children and by £2.75 (an extra 25p) for the third and each other child. The new table of maximum rates of unemployment assistance is given as Schedule A in the Section. Subsection (2) of the Section provides in paragraph (a) for the increase of 10 per cent in the rates of unemployment assistance payable to those landholders with rateable valuations exceeding £10 but not exceeding £15 whose means are notionally assessed by reference to their rateable valuations. The rates payable to such landholders at present are the rates established in 1976 and they did not benefit from the increases granted in 1977. The new table of maximum rates of unemployment assistance payable in the case of such persons is given as Schedule B in the Section. Subsection (2) gives effect in paragraph (b) to the decision announced in the Budget statement that the rates of unemployment assistance at present payable to landholders with rateable valuations exceeding £15 but not £20 whose means are notionally assessed by reference to their rateable land valuation will not be increased but will be maintained at their existing levels.

5. *Section 5* removes, with effect from 1st October, 1978, the special conditions for entitlement to unemployment assistance in the case of single women and widows who at present are required to have a dependant or, alternatively, to have not less than 26 employment contributions in the four contribution years before the year in which the application for unemployment assistance is made.

Section 6 makes provision on similar lines to that in section 5 for the removal of the special conditions which apply to single women and widows for receipt of a Qualification Certificate, the holding of which is a necessary requirement for entitlement to unemployment assistance.

6. *Section 7* provides for an increase of £1.25 to £13.60 in the maximum personal weekly rate of widow's (non-contributory) pension. The rate of payment for each child will be increased by 40p making the new rate £4.50 a week for each child. These increases will operate from Friday, 7th April, 1978. As in the case of non-contributory old age pension, reduced rates of pension will be payable where the widow's weekly means exceed £6 but do not exceed £15 if she has no qualified child. Higher means limits apply for widows who have 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 the increases in respect of qualified children where applicable. Provision is made to extend the table to cover cases where means are not shown in the table. The new rates will automatically apply to deserted wife's allowance, to allowances for unmarried mothers and to the allowances for prisoners' wives from Thursday, 6th April, 1978.

Section 9 provides for an increase of 80p to £8.85 in the maximum weekly rate of orphan's (non-contributory) pension. The new table of weekly means limits and rates of pension is given in the Section and will operate from Friday, 7th April, 1978.

7. *Section 8* provides for the abolition from 1st April, 1978, of the condition requiring applicants for widow's (non-contributory) pension to have at least 2 years' residence in the State.

8. *Section 10* provides for an increase of £1.05 to £11.75 in the maximum weekly rate of single woman's allowance. The new table of weekly means limits and rates of allowance is given in the Section and the new rates will apply from Thursday, 6th April, 1978.

9. *Section 12* provides, with effect from 3rd April, 1978, for an increase of £1.05 in the maximum personal weekly rate of supple-

mentary welfare allowance bringing the rate to £11.35. The rate for an adult dependant is increased by 75p to £8.35. Where there are dependent children the rate will be increased by £3.65 a week (an extra 35p) for each of the first two children and by £2.75 (an extra 25p) for the third and each other child. The new table of maximum rates of supplementary welfare allowance, which are equivalent to the rates of unemployment assistance payable in a rural area, is given in the Section.

10. *Section 13* extends to single women, widows and recipients of deserted wife's benefit or allowance the "housekeeper" allowance at present payable by way of an increase of supplementary welfare allowance to single men and widowers in respect of a woman who is looking after their child dependants. The operative date is 3rd April, 1978.

Social Insurance

11. *Section 14* provides in subsections (1) and (2) for increases in the weekly rates of social insurance benefits. The personal rates of disability and unemployment benefit and invalidity pension are being increased by £1.30 a week with an extra 85p in each case for an adult dependant, 40p for each of the first two qualified children and 30p for the third and each other child. The Section also provides for an increase of £1.30 in the rate of maternity allowance. In the case of widow's (contributory) pension and deserted wife's benefit, the increase is £1.35 in the basic rate with a further 45p for each qualified child—where a widow is over 80 years of age, the increase is £1.45. An increase of 95p 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 £1.45 in the personal rates of pension with an extra 95p for adult dependants, 40p for each of the first two qualified children and 30p for the third and each other child. Where the adult dependant has attained pensionable age, an additional increase of 15p a week will be payable. Increases of 70p a week to £7.60 in the allowances payable in respect of prescribed relatives giving full-time care and attention to incapacitated pensioners are also provided in the Section.

Subsection (2) of the Section provides for an increase of 10p to £1.10 a week in the special addition to pensions payable to social insurance pensioners who have attained pensionable age and who are living alone.

The following table shows the effects of these increases on the principal rates of benefit payable:

	Present Rate	Proposed Rate
	£	£
Disability and Unemployment Benefit, Invalidity Pension:		
Personal Rate	13-05	14-35
Married Couple	21-55	23-70
Maternity Allowance	13-05	14-35
Widow's (Contributory) Pension:		
Personal Rate (under age 80)	13-25	14-60(a)
Personal Rate (aged 80 or over)	14-30	15-75(a)
Orphan's (Contributory) Allowance	9-65	10-60
Deserted Wife's Benefit:		
Personal Rate	13-25	14-60(a)
Old Age (Contributory) Pension, Retirement Pension:		
Personal Rate (under age 80)	14-60	16-05(a)
Personal Rate (aged 80 or over)	15-50	17-05(a)
Married Couple (pensioner under age 80):		
(i) where adult dependant is under age 66	23-90	26-30
(ii) where adult dependant is aged 66 or over	25-60	28-15
Married Couple (pensioner aged 80 or over):		
(i) where adult dependant is under age 66	24-80	27-30
(ii) where adult dependant is aged 66 or over	26-50	29-15

(a) an additional £1.10 a week is payable, where the pensioner being over pensionable age, is living alone.

Subsection (3) of the Section provides for increases in the rates of maternity grant and death grant. Maternity grant is increased from £4 to £8 and the death grant is increased from £35 to £50 for an adult with proportional increases for children.

The increases in rates of disability and unemployment benefit, maternity allowance, maternity grant and death grant, will be operative from Monday, 3rd April, 1978, the increases in the rates of old age and widow's (contributory) pension and orphan's (contributory) allowance from Friday, 7th April, 1978, and in rates of deserted wife's benefit, invalidity and retirement pension from Thursday, 6th April, 1978.

12. Section 15 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 4 of the Bill and the increases proposed, £1.05 in the basic rate, 80p in the rate for an adult dependant, 35p for each of the first two qualified children and 25p for the third and each other child, are designed to retain this parity. They will operate from Monday, 3rd April, 1978.

13. Section 16 provides for payment, as announced in the Budget statement, of an allowance at orphan's pension rate on the death of a deserted wife where the father does not resume responsibility for the children. Such children will be treated as orphans for the purposes of orphan's (non-contributory) pension or orphan's (contributory) allowance. The operative date for the provision is 1st April, 1978.

14. Section 17 provides in subsection (1) for increased rates of employment contributions which will be required to meet the employer's and insured person's share of the cost of improved benefits, pensions and allowances payable under the social insurance system. The overall increase in the case of contributions which count for all the benefits involved is £1.34, of which the employer will pay 90p and the employee 44p. Lesser increases will apply where the rates of contribution do not cover all benefits.

The increase in the contribution will be 50p less in the case of persons earning less than £50 a week. Of this concession, 34p will apply to the employer's contribution and 16p to the employee's contribution. The contributions payable by persons earning under £50 a week were previously reduced by £1 with effect from Monday, 2nd January, 1978, and subsection (2) incorporates that provision with the lesser increases now provided for persons in this category.

This Section also provides in subsection (3) for continuing for a further year the provision made in the Social Welfare Act, 1975 for a special contribution increase of 31p to help meet expenditure arising from the exceptional unemployment situation. Of this increase, which applies to all contributions reckonable for unemployment benefit, viz. those numbered 1, 2, 4 and 5 in the table below, employers bear 21p and employees 10p.

The principal existing and proposed new rates of employment and voluntary 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	3-92	2-35	6-27	4-82	2-79	7-61
	Woman	3-90	2-29	6-19	4-80	2-73	7-53
2. Agricultural	Man	3-78	2-23	6-01	4-68	2-67	7-35
	Woman	3-76	2-09	5-85	4-66	2-53	7-19
3. Persons employed part-time in sharefishing and out-workers (other than male weavers)		3-01	1-77	4-78	3-76	2-14	5-90
4. Female Domestic		4-18	2-28	6-46	5-08	2-72	7-80

Class	Sex	Present Rate			Proposed Rate		
		Employer	Employee	Total	Employer	Employee	Total
		£	£	£	£	£	£
5. Soldiers		3-90	2-26	6-16	4-80	2-70	7-50
6. Ministers of Religion ..		3-01	1-77	4-78	3-76	2-14	5-90
7. Civil Servants, Teachers, Local Authority Officials etc. ..	Man	0-75	0-45	1-20	0-92	0-54	1-46
	Woman	0-75	—	0-75	0-92	—	0-92
8. Voluntary Contributors (low Rate)		—	1-20	1-20	—	1-46	1-46
9. Voluntary Contributors (high Rate)		—	3-10	3-10	—	3-76	3-76

The existing and proposed new rates of contributions in the case of persons earning less than £50 a week, where applicable, are as follows :—

Class	Sex	Present Rate			Proposed Rate		
		Employer	Employee	Total	Employer	Employee	Total
		£	£	£	£	£	£
1. Ordinary	Man	3-92	1-35	5-27	4-48	1-63	6-11
	Woman	3-90	1-29	5-19	4-46	1-57	6-03
2. Agricultural	Man	3-78	1-23	5-01	4-34	1-51	5-85
	Woman	3-76	1-09	4-85	4-32	1-37	5-69
3. Persons employed part-time in sharefishing and out-workers (other than male weavers) ..		3-01	0-77	3-78	3-42	0-98	4-40
4. Female Domestics /.. ..		4-18	1-28	5-46	4-74	1-56	6-30
5. Soldiers		3-90	1-26	5-16	4-46	1-54	6-00
6. Ministers of Religion ..		3-01	0-77	3-78	3-42	0-98	4-40

The increased rates of voluntary contributions are provided for in Section 18. That Section also provides for an increase of 40p to £2.30 in the rate of voluntary contribution introduced in the Social Welfare Act, 1975 for a certain category of insured person affected by the abolition from 1st April, 1974 of the remuneration limit for the insurability of non-manual workers. The increases in contribution rates will be effective from Monday, 3rd April, 1978.

15. Section 19 provides for increases 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 £1.80. Proportionate increases are being made in disablement pension 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 and invalided widowers under the scheme are being increased by £1.70 with an additional 45p for each qualified child. The higher rate pension payable to one dependent parent is also being increased by £1.70 and the lower rate parent's pension by 75p. Orphans' pensions under the scheme are being increased by £1.00. Disablement gratuity is being increased from £1,260 to £1,390 and widower's gratuity is being increased from £893 to £982. The grant for funeral expenses is being increased by £15.

Section 19 also provides that the rates of weekly employment contributions for occupational injuries insurance purposes, which are payable by employers only, will be increased by 5p from 14p for a man and 11p for a woman to 19p and 16p respectively. The new rates of death benefit pensions for widows or invalided widowers (including increases for dependent children), parents and orphans and widower's gratuity will be operative from Friday, 7th April, 1978.

The other new benefit rates will be payable from Monday, 3rd April, 1978.

16. Section 20 provides for an increase from 7th April, 1978, of 10p to £1.10 in the special addition to the weekly rate of pension payable to widows, widowers and parents in receipt of death benefit under the occupational injuries scheme where the beneficiary is over pensionable age and is living alone.

17. Section 21 provides statutory authority for provisional payment of a non-contributory old age pension on the recommendation of a Social Welfare Officer pending a formal decision on a pension claim. Section 22 provides for the abolition of a provision whereby the recovery of amounts of old age pension overpaid could be effected by deduction from certain pensions and benefits payable to the spouse, widow or widower of the pensioner or to any other person who consented to the deduction.

18. Section 1 contains the necessary definitions and Section 23 the usual provisions for short title, construction and collective citation.

An Roinn Leasa Shoisialaigh,
Márta, 1978.

The Bill provides for the following changes to the social insurance system:

The increased rates of voluntary contributions are provided for in Section 18. That Section also provides for an increase of 40p to £2.80 in the rate of voluntary contributions introduced in the Social Welfare Act, 1975 for a certain category of insured person affected by the abolition from 1st April, 1974 of the remuneration grant for the insurability of non-manual workers. The increase in contribution rates will be effective from Monday, 3rd April, 1978.

The Bill provides for increases 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 increased rates of injury benefit and disability pension for 400 per cent disability are being increased by £1.80. Proportional increases are being made in disability pension for degrees of disability below 100 per cent. Unemployment benefit 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 and invalided widowers under the scheme are being increased by £1.70 with an additional 45p for each dependent child. The higher rate pension payable to one dependent parent is also being increased by £1.70 and the lower rate parent's pension by 75p. Orphans' pensions under the scheme are being increased by £1.00. Disability gratuity is being increased from £1,260 to £1,390 and widower's gratuity is being increased from £893 to £927. The grant for funeral expenses is being increased by 17s.

Section 19 also provides that the rates of weekly employment contributions for occupational injuries insurance purposes, which are payable by employers only, will be increased by 5p from 14p for a man and 11p for a woman to 19p and 16p respectively. The new rates of death benefit pensions for widows or invalided widowers (including increases for dependent children, parents and orphans and widower's gratuity) will be operative from Friday, 7th April, 1978.