



**An Bille Leasa Shóisialaigh, Pinsean agus Cláraithe
Shibhialta, 2018**
Social Welfare, Pensions and Civil Registration Bill 2018

Meabhrán Míitheach
Explanatory Memorandum



**AN BILLE LEASA SHÓISIALAIGH, PINSEAN AGUS
CLÁRAITHE SHIBHIALTA, 2018
SOCIAL WELFARE, PENSIONS AND CIVIL REGISTRATION
BILL 2018**

EXPLANATORY MEMORANDUM

Introduction

Main Provisions

This Bill is designed primarily to give legislative effect to a range of Social Welfare measures announced in the Expenditure Report of 9 October 2018 including increases in weekly welfare rates of pensions, benefits and allowances and proportionate increases for qualified adult dependants. It provides also for the introduction of age-differentiated increases in the Qualified Child Increase payment. Provisions are included which provide for the continued payment of the Domiciliary Care Allowance for three months in cases where the child being cared for dies and for increases in the weekly earnings disregard for recipients of the One-parent Family payment. The Bill also provides for the automatic award of benefits by electronic applications where it is to the benefit of the claimant, an increase in the National Training Fund levy, an amendment to the Civil Registration Acts in relation to the term of office of an tArd-Chláraitheoir and his or her Deputy, and an amendment to the Pensions Acts to provide a right of entitlement, in certain circumstances, to spousal pension benefits for same-sex spouses and civil partners who are members of occupational pension schemes.

The Bill contains 24 sections in 5 Parts together with 3 Schedules.

PART 1

Short title, construction, collective citations and commencement

Section 1 provides for the short title of the Bill, its construction and citations, and commencement provisions.

PART 2 - Amendments to the Social Welfare Acts

Definitions

Section 2 provides for definitions of terms used in this Part of the Bill.

Employment Contributions

Section 3 provides for an increase in the reckonable earnings threshold for employees from €376 to €386 whereby employer PRSI contributions are paid at the lower rate of 7.8%. The earnings threshold increase of €10, from €376 to €386, is designed to take account of the increase in the minimum wage from €9.50 to €9.80 per hour from 1 January 2019 and will result in the same proportion of employers' contributions being paid at the lower rate. The amendment will take effect from 1 January 2019.

PRSI Amendments – PAYE Modernisation

Section 4 provides for changes to the Social Welfare Consolidation Act to reflect, in respect of PRSI collection, the Revenue Commissioners change from a monthly/annual return system to a “real-time” system i.e. a return to Revenue is required on each occasion a worker is paid. The amendment will take effect from 1 January 2019.

Maternity Benefit

Section 5 provides for a new weekly rate of Maternity Benefit with effect from 25 March 2019.

Adoptive Benefit

Section 6 provides for a new weekly rate of Adoptive Benefit with effect from 25 March 2019.

Paternity Benefit

Section 7 provides for a new weekly rate of Paternity Benefit with effect from 25 March 2019.

Jobseeker’s Benefit

Section 8 sets out the proportionate increases in the rates of Jobseeker’s Benefit which are payable where the average reckonable weekly earnings are less than a prescribed amount. The new rates take effect from 21 March 2019.

State Pension (Contributory)

Section 9 provides for an alternative method – the Aggregated Contributions Method – for determining entitlement to the State Pension (Contributory) for persons who attained pensionable age on or after 1 September 2012 and who, under the existing ‘yearly average’ method, are not entitled to a State Pension (Contributory) at the full rate.

The section provides for definitions of “Aggregated Contributions Method” and “Home caring period”, and provides that any increase due to a member of this cohort of pensioners can be backdated to 30 March 2018.

The date on which this provision will come into force will be set by Commencement Order.

Jobseeker’s Allowance

Section 10 extends the existing provisions contained in the Act to ensure that a person who was in the care of the State on attaining the age of 18 is not subject to age-related reduced-rate payments of Jobseeker’s Allowance. The amendment will take effect from 1 January 2019.

Supplementary Welfare Allowance

Section 11 extends the existing provisions contained in the Act to ensure that a person who was in the care of the State on attaining the age of 18 is not subject to age-related reduced-rate payments of Supplementary Welfare Allowance. The amendment will take effect from 1 January 2019.

Domiciliary Care Allowance

Section 12 provides that Domiciliary Care Allowance will continue to be paid for three months in cases where the child, in respect of whose care the allowance is being paid, dies. The amendment will take effect from 1 January 2019.

Decisions by Deciding Officers – electronic applications

Section 13 provides that decisions to award a social welfare benefit or payment which is to the benefit of a claimant can be made by an automated information system. Importantly, it also provides that decisions which deny entitlement to a benefit or payment must in all cases be made by a Deciding Officer. The date on which this provision will come into force will be set by Commencement Order.

Prescribed Relatives Allowance – repeals etc.

Section 14 provides for the formal repeal of the Prescribed Relative Allowance, a legacy scheme which has been closed to new applicants since the introduction in 1990 of the Carer's Allowance scheme.

Increase for qualified children

Section 15 and Schedule 1 provide for the necessary amendments throughout the Act to cater for the introduction of separate rates of the Qualified Child Increase for children who are aged under 12 and those who are aged 12 years and over. The date on which this provision will come into force will be set by Commencement Order.

Social insurance benefits (new rates)

Section 16 and Schedule 2 provide for new rates in relation to social insurance benefits. All maximum weekly insurance-based pensions and benefits including State Pension (Contributory), Widow's, Widower's and Surviving Civil Partner's (Contributory) Pension, Invalidity Pension, Carer's Benefit, Maternity/Paternity/Health and Safety/Adoptive Benefit, Illness Benefit, Injury Benefit, Jobseeker's Benefit, Guardian's Payment (Contributory) and Disablement Pension are to be increased by €5, with proportionate increases for those in receipt of reduced-rate payments. Proportionate increases for qualified adult dependants are also provided for along with an increase of €2.20 (for children aged under 12) and €5.20 per week (for children aged 12 and over) in the Qualified Child Increase payment.

These measures come into effect on dates between 21 March 2019 and 29 March 2019.

Earnings disregarded for Disability Allowance, Blind Pension and Supplementary Welfare Allowance

Section 17 addresses the fact that, under the existing legislative provisions, recipients of Disability Allowance, Blind Pension and certain supplements under the Supplementary Welfare Allowance scheme only benefit from the disregard of earnings from employment where the employment or self-employment (in the case of Disability Allowance) has been certified by the recipient's General Practitioner as being of a rehabilitative nature.

This section dispenses with the practice of distinguishing between employment of a rehabilitative nature and work more generally.

This date on which this provision will come into force will be set by Commencement Order.

One-parent Family Payment

Section 18 provides for an increase in the earnings disregard for One-parent Family Payment from €130 to €150 per week. This measure comes into effect from 28 March 2019.

Social assistance payments (new rates)

Section 19 and Schedule 3 provide for new rates in relation to social assistance payments. All maximum weekly allowances including State Pension (Non-Contributory), Widow's, Widower's and Surviving Civil Partner's (Non-Contributory) Pension, Jobseeker's Allowance, Disability Allowance, Carer's Allowance, One-parent Family Payment, Guardian's Payment (Non-Contributory), Farm Assist and Supplementary Welfare Allowance are to be increased by €5, with proportionate increases for those in receipt of reduced-rate payments. Proportionate increases for qualified adult dependants are also provided for along with an increase of €2.20 (for children aged under 12) and €5.20 per week (for children aged 12 and over) in the Qualified Child Increase payment.

These measures come into effect on dates between 20 March 2019 and 29 March 2019.

PART 3

Insertion of new Part VIIA into Pensions Act 1990

Section 20 provides a right of entitlement, in certain circumstances, to spousal pension benefits for same-sex spouses and civil partners who are members of occupational pension schemes.

The date on which this provision will come into force will be set by Commencement Order.

PART 4

Amendments to Civil Registration Act 2004

Section 21 provides for definitions of terms used in this Part of the Bill.

Section 22 provides that the term of office of an tArd-Chláráitheoir will be 3 years (renewable) and that he or she may resign his or her office at any time.

Section 23 provides that the term of office of an tArd-Chláráitheoir Cúnta will be 3 years (renewable) and that he or she may resign his or her office at any time.

The date on which the provisions of Part 4 will come into force will be set by Commencement Order.

PART 5

Amendment to National Training Fund Act 2000

Section 24 provides for an amendment to the National Training Fund Act 2000 to provide for a 0.1% increase (from 0.8% to 0.9%) in the National Training Fund levy payable by employers in respect of reckonable earnings of employees in Class A and Class H employments.

The amendment will take effect from 1 January 2019.

*An Roinn Gnóthaí Fostaíochta agus Coimirce Sóisialaí,
Samhain, 2018.*

