



**An Bille Leasa Shóisialaigh agus um Chóras
Uathrollaithe Coigiltis Scoir (Leasú), 2025
Social Welfare and Automatic Enrolment Retirement
Savings System (Amendment) Bill 2025**

*Meabhrán Míniúcháin
Explanatory Memorandum*



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UATHROLLAITHE COIGILTIS SCOIR (LEASÚ), 2025
SOCIAL WELFARE AND AUTOMATIC ENROLMENT
RETIREMENT SAVINGS SYSTEM (AMENDMENT) BILL 2025**

EXPLANATORY MEMORANDUM

Introduction

Main Provisions

This Bill is designed to give legislative effect to a range of Social Welfare measures announced in the Budget on 7 October 2025, including increases in weekly welfare rates of pensions, benefits and allowances, proportionate increases for qualified adults, and the increase in the employer's Pay Related Social Insurance (PRSI) employee earnings threshold in line with increases in the National Minimum Wage.

In addition, the Bill provides for technical amendments to the Automatic Enrolment Retirement Savings System Act 2024.

The Bill contains 16 sections together with two Schedules.

Section 1 provides for definitions of relevant Acts.

Employment contributions

Section 2 provides for the increase in the threshold at which the rate of employer social insurance contribution of 9.0% (made up of 8.0% social insurance and 1% National Training Fund Levy) applies in respect of employee gross wages from €527 to €552 per week. This will ensure that employers with employees working full-time (39 hours) on the National Minimum Wage (NMW) will continue to pay the 9% rate when the increase in the NMW comes into effect in January 2026.

Maternity benefit – new rate

Section 3 provides for a €10 increase in the weekly rate of maternity benefit from €289 to €299 from 5 January 2026.

Adoptive benefit – new rate

Section 4 provides for a €10 increase in the weekly rate of adoptive benefit from €289 to €299 from 5 January 2026.

Paternity benefit – new rate

Section 5 provides for a €10 increase in the weekly rate of paternity benefit from €289 to €299 from 5 January 2026.

Parent's benefit – new rate

Section 6 provides for a €10 increase in the weekly rate of parent's benefit from €289 to €299 from 5 January 2026.

Increase in rates of jobseeker's benefit and jobseeker's benefit (self-employed) relating to certain reckonable weekly earnings, certain weekly income, certain reckonable weekly income and certain periods

Section 7 provides for increases in the graduated rates of jobseeker's benefit (JB) and jobseeker's benefit for the self-employed (JBSE) from 1 January 2026. The rate payable depends on the claimant's average earnings in the governing contribution year. Where the average weekly earnings in that year are €300 per week or more, the full personal rate of JB/JBSE is payable. Where the average weekly earnings were less than €300 the rate of JB payable is determined by reference to a graduated earnings band. This section provides for pro-rata increases to the graduated rates.

Extension of period during which person may become qualified person for purpose of section 221B of Principal Act

Section 8 provides for the extension of period to qualify for the Newborn Baby Grant from 1 month to 3 months after the birth or adoption of the child. The Newborn Baby Grant provides for one-off additional €280 payment of child benefit.

Working family payment

Section 9 provides for a €60 increase in the weekly income thresholds of working family payment for all qualifying families from 1 January 2026. The working family payment is a weekly, tax-free payment designed to support employees with children who are on low pay.

Back to work family dividend – extension of eligibility

Section 10 provides for the extension of the back to work family dividend to recipients of the blind pension and disability allowance.

Social insurance benefits – new rates

Section 11 and Schedule 1 provides for increases in the rates of social insurance payments including a €10 per week increase in the personal rate of benefit. It also provides for an increase in relation to qualified adults and qualified children, where relevant.

Social assistance payments – new rates

Section 12 and Schedule 2 provides for increases in the rates of means-tested payments including a €10 per week increase in the personal rate. It also provides for an increase in relation to qualified adults and qualified children, where relevant.

Domiciliary care allowance – new rate

Section 13 provides for an increase in the monthly rate of payment of domiciliary care allowance from €360 to €380 from 1 January 2026. Domiciliary care allowance is a monthly payment to parents or guardians of children under 16 who have a severe disability. This allowance is not means-assessed, meaning eligibility is not based on income but rather on the level of care and attention the child requires.

Amendments to references to Taxes Consolidation Act 1997 in Principal Act

Section 14 is a technical amendment updating a reference to the Taxes Consolidation Act 1997 by the substitution of “section 1086A” for “section 1086”.

Miscellaneous amendments to Automatic Enrolment Retirement Savings System Act

Section 15 provides for technical amendments to Automatic Enrolment Retirement Savings System Act 2024.

Section 16 provides for the short title and construction.

An Roinn Coimirce Sóisialaí,

Samhain, 2025.