Ministers Speeches

Social Welfare Law Reform and Pensions Bill 2006

Second Stage

Dáil Éireann

Speech

by the

Minister for Social and Family Affairs
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21st February 2006

Ministers Speeches

Introduction

I move that the Social Welfare Law Reform and Pensions Bill 2006 be now read a second time.

I am very pleased to introduce this, the second of two Bills intended to implement the €1.12 billion social welfare package announced last December in Budget 2006. This substantial investment represents a €246 million, or almost 28%, increase on the 2005 package of €874 million. It brings the projected level of social welfare expenditure in 2006 to over €13.5 billion, which is double what was spent in 2000.

Overall, Ireland is now making solid and steady progress in tackling the core issues that can blight people's lives and, too often, leave them vulnerable and marginalised in society.

Over €13 billion on welfare supports and entitlements is a huge investment of taxpayers money. It means that investment in welfare now accounts for €1 in every €3 the State will spend this year. Spending on this scale will have a hugely positive impact on the day to day lives of hundreds of thousands of men, women and children who right now are largely dependent on the safety net that welfare payments provide.

But as I have stated many times in this House, payments alone will not solve our social problems. That is why we must go behind the payments and tackle the causes that trigger the need for the payments in the first place. That is why the common theme running through this Bill is reform. This Bill represents another important milestone in a wide-ranging programme of reforms of social policy in this country. These reforms are about liberating, about empowering, about balancing rights and responsibilities, about activation and encouragement and, above all else, about striving to ensure that the potential of no single individual is overlooked and that nobody's contribution is written off. The reforms are to help many of the 80,000 lone parents, caring for 130,000 children, who want to escape from welfare traps and start out on the paths to training, education and work. Reforms that will help to confront the unacceptable blemish of child poverty in the Ireland of the 21st century, an Ireland of exceptional wealth. Child poverty is unacceptable and we must strive to banish it for good. It is about reforms that will help us to meet the impending pensions challenge, that brings with it threats of pensioner poverty, and to lay the foundations that will allow all our citizens have a decent pension and dignity in their later years. It is about recognising the valued and valuable role of carers in society and rewarding their compassion and, often, sacrifice, with adequate supports and entitlements. This Bill gives legislative effect to a range of reforms, improvements, incentives and increases, and it also includes an important number of measures to reinforce protection and extend investigative powers in the pension's area.

The welfare and social policy provisions and reforms in this Bill include:

- the introduction of standard and enhanced non-contributory pension scheme that will lift some 34,000 pensioners onto higher or full pensions;
- increased supports and entitlements for Lone Parents, Carers and Widows;
- changes to scheme names as part of a modernisation programme so that they more accurately reflect modern society and also the underlying purpose of the entitlements

- increased emphasis on employment activation measures so as to ensure that every individuals potential and contribution is recognised and
- establishment of the legal structure for the payment of the Early Childcare Supplement - beginning later this year - to some 260,000 families in respect of 350,000 children under the age of six.

On pensions, there are new measures to strengthen protection for members' pension schemes as a way of further strengthening public confidence in the pensions industry. The measures include:

- provision for the Pensions Board to impose a fine as an alternative to the prosecution of an offence.
- allowing the Pensions Ombudsman to bypass the Internal Dispute Resolution procedure in such cases where there is clearly nothing to be gained from this process and:
- powers to make regulations requiring a scheme actuary to have his or her work reviewed to ensure that it complies with the provisions of the Pensions Act.

<u>Older People</u>
The Department of Social Affairs has a pivotal role to play in ensuring that the fruits of our economic growth benefit all, particularly those who are most in need of supports, encouragement and life-enhancing opportunities and solutions. Central to this is ensuring that all older people, and particularly those who are most vulnerable, have decent pensions and security in their later years. It is also important that those reaching pension age who wish to continue work should be encouraged to do so. While pensions to older people have increased by almost 100% in less than a decade, significantly ahead of increases in the Consumer Price Index and gross earnings over the same period, further significant improvements are now being introduced.

This Bill makes provision for a number of important new measures which are designed to target resources - in addition to significant weekly increases announced in Budget 2006 - at particular groups of older people who are aged 66 or over. These measures include combining all non-contributory payments for people over 66 years of age, other than Carer's Allowance, into one standard and enhanced non-contributory pension scheme with a greatly improved means test that will lift some 34,000 pensions onto higher or full pensions. The means disregard for this standard pension is being increased from €7.60 to €20 per week. In order to allow pensioners earn more income without having the value of their pension affected, a special earnings disregard of €100 per week will be introduced.

The weekly disregard of €20 ensures that a single person with no other means will be able to have up to €35,000 in capital and still qualify for a pension at the maximum rate. This rises to €70,000 in the case of a pensioner couple.

<u>Widows/Widowers</u>
The Bill also makes provision for the extension of the enhanced earnings arrangement in the new State Pension (Non-Contributory) to particular persons aged under 66 years who are in receipt of Widow/er's Pension, Deserted Wife's Allowance, and Prisoner's Wife's Allowance. This will introduce a special earnings

disregard of €100 per week. It is estimated that this improvement will benefit over 3,000 recipients of these payments.

Child Poverty
On many occasions, I have identified child poverty as one of the key challenges of this Government, and of society in general. The long-term cost of poverty in childhood for individual children, their families and communities and, indeed, for society at large, demands that we address this issue. The investment of over €100 million in increases in Child Benefit will bring payment rates to €150 for the first two children and €185 for the third and each subsequent child. These increases will benefit over 540,000 families in respect of over 1 million children and fully honour the Government's commitment on Child Benefit.

Early Childcare Supplement
The Early Childcare Supplement, announced in Budget 2006 and which will be payable to parents of children who are under six years of age, will also contribute significantly to assisting in the raising of children

Some 260,000 families receiving Child Benefit will be paid the Supplement in respect of approximately 350,000 children under the age of six. This is equal to about 50% of all families receiving Child Benefit and some 33% of all children for whom payment of Child Benefit is being made. The rate of payment is €1,000 per annum paid over four quarters, with 3 payments being made in 2006.

In general, payments will issue early in the month following the end of each quarter. It is the intention to issue the first payment in August 2006 (for quarter April - June), with further payments in October (for quarter July - September). Every effort will be made to make payments for the last quarter of 2006 (October - December) in December. It is expected that similar payment arrangements will apply in 2007.

> Payments will issue for full quarters only and that means a full quarter payment will be made in respect of an eligible child born during a quarter or a child reaching six years of age during a quarter.
>
> The estimated expenditure on Early Childcare Supplement payments in 2006 is €265 million and the estimated full-year expenditure in 2007 is €357 million.

Childminding Income and PRSI
The scheme for childminding relief was announced by the Minister for Finance in Budget 2006 and the legislative approach will be underwritten as part of the Finance Bill. The scheme will exempt from taxation the childminding income of an individual who, subject to certain conditions, minds up to three children in his or her home, subject to a maximum income from childminding of €10,000 per annum. This Bill deals with the social insurance aspects of this measure.

To ensure that all of those who participate in this scheme are afforded the opportunity to build up a social insurance record which can, in turn and in time, have important advantages for benefits such as pensions and Maternity Benefit, this Bill will require that an annual PRSI contribution at a rate of €253 is made in respect of this childminding income. This is in keeping with the Government's recognised policies of making every effort to encourage the extension of pension coverage, particularly to women who have emerged as especially vulnerable because of their lack of any, or adequate, pensions.

Supporting Lone Parents

I am committed to significant reforms that deliver a better standard of living and fresh opportunities for Lone Parents and their children with policies that are directed at the breaking down of existing obstacles to employment, increasing access to career enhancing education and training opportunities through targeted supports and enlightened social policies.

At present, income support is provided through the One-Parent Family Payment to over 80,000 lone parents at an estimated cost this year of over €847 million in 2006. There has been no change to the income limits applying to the payment since it was introduced in 1997. Now this Bill includes changes that will give lone parents an opportunity to continue to increase their earnings without raising fears about entitlement to the payment.

A provision in the Bill substantially increases the upper income limit for the One-Parent Family Payment from €293 to €375 per week. This should allow many lone parents to access employment and, in addition, lone parents working over 19 hours per week may also be eligible for the Family Income Supplement. Deputies will recall that the weekly income thresholds of that scheme were increased substantially from January this year.

As this House is aware, the Senior Officials Group on Social Inclusion was mandated late in 2004 to examine obstacles to employment for lone parents and report back to the Cabinet Committee on Social Inclusion with specific proposals. As part of this work, my own Department established a Working Group that undertook to look closely at income supports and at how they can be adjusted to better address the social problems that can arise for those who receive these payments, including the cohabitation rule and the fact that the payment can act as a disincentive to the formation of partnerships.

I will be publishing the findings of both Working Groups in the near future and intend to engage in a consultation process with interested parties. It is my intention that the outcome of these reviews, together with initiatives already in place in my Department, will contribute to the development of proposals designed to better support and encourage both lone parents and those seeking work in achieving a better standard of living, employment and education opportunities, a better future for themselves and their children.

Recognising Carers

As I have said many times, recognition of, and support for, carers must be at the very core of a caring society. In recognition of the valued and valuable work of carers this Bill makes provision for increasing the rate of the annual Respite Care Grant by €200 to €1,200 from June. In 2005, more than 36,000 grants were awarded and it is expected that the number of beneficiaries in 2006 will further increase.

The duration of the Carers Benefit scheme has been extended from 15 months to 2 years for each care recipient. In addition, regulations will provide for increasing the number of hours which a person can work and still receive a Carers Allowance, Carers Benefit or Respite Care Grant from 10 to 15 hours per week.
The Bill also contains the necessary amendments to the Carers Leave Act 2001 to provide for the extension of the duration of carer's leave from 15 months to 2 years.

<u>Modernising Scheme Names</u>
I am sure few will disagree with me when I say that Irish society is changing, and changing rapidly. At the same time, attitudes and expectations in relation to welfare schemes and entitlements are also changing. In order to keep pace with that change, and as part of a general welfare modernisation programme, this Bill makes provision for the titles of some schemes to be changed so that they more accurately reflect modern society.

An example is the Old Age Contributory and Non-Contributory pensions, first introduced in 1908 by Lloyd George, which are to be changed to the State Pension. The Old Age pension reflected a time in history when life expectancy was in the early 70's. Today, the vast majority of people reaching pension age at 66 do not consider themselves old and regard the term 'old age' to be outdated and sometimes demeaning for people in their later years.

I can assure Deputies that there has been widespread consultation with the relevant organisations and representative bodies in advance of decisions being made on the changes.

The scheme name changes provided for in the Bill are:

Current Name	**New Name**
Old Age (Contributory) Pension	State Pension (Contributory)
Old Age (Non-Contributory) Pension	State Pension (Non-Contributory)
Retirement Pension	State Pension (Transition)
Unemployment Benefit	Jobseeker's Benefit
Unemployment Assistance	Jobseeker's Allowance
Unemployability Supplement	Incapacity Supplement
Disability Benefit	Illness Benefit
Orphan's (Contributory) Allowance	Guardian's Payment (Contributory)
Orphan's (Non-Contributory) Pension	Guardian's Payment (Non-Contributory)

<u>Employment & Opportunities Activation</u>
If Ireland is to adequately address the major challenge of meeting the projected employment demands of a surging economy over the next decade and further into the future, then a wide range of reforms and initiatives are required as part of an overall employment activation strategy. Ireland is now close to full employment and, yet, at a time when the Central Statistics Office forecast that this country will require up to 50,000 immigrant workers per year for the next decade, in addition to home produced workers, to maintain our current levels of economic growth, there remains Irish people on the Live Register, or elsewhere, who may not have had their talent and full employment potential properly assessed.

The Bill includes provision for the phasing out over the coming decade of the Pre-Retirement Allowance (PRETA) scheme in view of the changed labour market condition since the introduction of the scheme in 1990 at a time of extremely high unemployment. It was introduced originally for long-term recipients of Unemployment Assistance who were aged 55 years and over and who had effectively retired from actively seeking employment. PRETA numbers have decreased from a high of almost 15,300 in 1994 to 11,000 at the end of 2005.

The Bill proposes that no new person will join the scheme, from a specified date, and that as a result the scheme will be phased out without impacting on any of the existing recipients. This would mean that those currently on the Live Register aged 55 to 66 who might have transferred to PRETA will no longer be able to do so and as a result this will lead in the short term to an increase of about 2,000 on the Live Register. However, this increase should, in time, be offset by the inclusion of the over 55's for intervention and support in the Government's Employment Action Plan. In addition, my Department and other agencies have developed a wide range of employment support payments, services and initiatives to assist jobseekers, and others who may feel vulnerable, to return to employment, education and training.

Provisions of the Bill

I will now outline the main provisions of the Bill, which includes new measures and amends the Social Welfare Consolidation Act 2005, the Pensions Act 1990, and a small number of other Acts.

I am making the following amendments to the Social Welfare Code:

Child Benefit

In the area of child income support, the Government's policy is to concentrate resources on enhancing the Child Benefit scheme. Child Benefit now accounts for some 67% of child income support, while in 1994 it constituted less than 30%. There are sound reasons for this policy. Child Benefit is both neutral vis-à-vis the employment status of the child's parents, and it does not contribute to poverty traps. As a near universal payment, Child Benefit is not taxable, is not assessed as means for other secondary benefits and is payable to the primary carer, usually the mother. When account is taken of these aspects of payment, Child Benefit is a most effective child income support mechanism. Expenditure on the Child Benefit scheme in 2006 is expected to be over €2 billion.

<u>Section 3</u> provides for increases in the monthly rates of Child Benefit as announced in Budget 2006. The lower rate of Benefit, payable in respect of each of the first two children, is being increased by €8.40 per month from €141.60 to €150. The rate for the third and each subsequent child is being increased by €7.70 per month, bringing the rate from €177.30 to €185. These increases come into effect from 1st April.

New Scheme Titles

As part of the wider objective to make the social welfare system more accessible and to further modernise the Social Welfare Code as well as to reflect a more contemporary outlook and changed societal expectations in relation to social welfare schemes and to a greater extent the underlying purpose of the payments, I am making provision at ***Section 4*** and ***Schedule 1*** to the Bill for changes to the titles of certain social welfare payments. The Old Age (Contributory) Pension will be known as the *State Pension (Contributory),* Retirement Pension as *State Pension (Transition),* Disability Benefit as *Illness Benefit*, Unemployment Benefit and Assistance as *Jobseeker's Benefit* and *Jobseeker's Allowance* respectively, Unemployability Supplement as *Incapacity Supplement* and Orphan's (Contributory) Allowance and Orphan's (Non-Contributory) Pension as *Guardian's Payment (Contributory)* and *Guardian's Payment (Non-Contributory)* respectively.

Home Childminding

Deputies will be aware of the measures relating to childminding announced by the Minister for Finance in the Budget Statement. Income of €10,000 per year will be disregarded in the assessment of liability to income tax where an individual minds up to three children, who are not his or her own, in the minder's own home.

In keeping with the Government's policy of extending pension coverage, particularly amongst women who are less likely to have pension provision, I am providing in this Bill, at ***Sections 5 and 6*** that where this relief is claimed on income earned by the self-employed home childminder, it will be liable for a social insurance contribution of €253 per annum. This will allow the childminder to build up a social insurance record, which can, in turn, have important implications for benefits such as pensions and Maternity Benefit.

Carer's Benefit

As outlined earlier, at present, Carer's Benefit is payable for a maximum period of 15 months. ***Section 7*** of the Bill provides for the extension of the payment period to 2 years, and provides that this improvement takes effect from Budget Day - December 7th last. This means that any carer who was in receipt of Carer's Benefit on or after 7 December 2005 will be entitled to receive an additional 39 weeks of Carer's Benefit. This will, of course, be subject to the carer continuing to fulfill the qualifying conditions.

In order to minimise any disruption to carers affected by this measure, I am also making arrangements to commence the payment of the additional weeks as quickly as possible so that carers whose 65 weeks payment expires prior to the enactment of this Bill will not suffer an interruption in their payment.

Old Age (Contributory) Pension, Retirement Pension and Invalidity Pension Improvements

Sections 9 and 13 provides for the calculation of a daily rate to facilitate the payment of Old Age (Contributory) Pension and Retirement Pension from the actual date the customer attains 66 or 65 years respectively. Presently these pensions are paid from the pension payday after the relevant age is reached. In addition, ***Sections 11*** and ***12*** provide for the automatic transfer from Invalidity Pension or Retirement Pension to Old Age (Contributory) Pension when the recipient reaches the age of 66.

Pre-Retirement Allowance

Section 15 of the Bill provides for the phasing out of the Pre-Retirement Allowance scheme, the reasons for which I outlined earlier.

State Pension (Non-Contributory)

This Bill, at ***Section 16***, provides the legislative basis for the establishment of the State Pension (Non-Contributory) scheme from September 2006. ***Section 17*** and ***Schedules 2*** and ***3*** provides for a number of consequential amendments, which are required on foot of the establishment of this pension.

As a consequence of the introduction of the State Pension (Non-Contributory) for persons aged 66 years and over, Blind Pension, Widow's and Widower's (Non-Contributory) Pension, and One-Parent Family Payment will no longer be payable after age 66. Accordingly, ***Sections 20, 21,*** and ***22*** provide for consequential amendments to those schemes. Similar provision is made in ***Section 23*** for the purposes of those who have continued entitlement to the Deserted Wife's Allowance and Prisoner's Wife's Allowance schemes.

Means Test - State Pension (Non-Contributory) and Consequential Amendments

Section 24 and ***Schedule 4*** contain the Rules governing the means test, which will apply to the State Pension (Non-Contributory). In addition, certain amendments are required in relation to the provisions governing existing long-term payments. ***Section 25*** and ***Schedule 5*** provide for the collation of the rules governing the means test for those long-term schemes applicable to customers under pension age including those in receipt of Blind, Widow's, Widower's and Orphan's (Non-Contributory) Pensions, One-Parent Family Payment and Carer's Allowance. ***Schedule 5*** also contains a provision to disregard €100 per week from earnings in respect of recipients of Widow's and Widower's (Non-Contributory) Pensions and those in receipt of Deserted Wife's and Prisoner's Wife's Allowances who are aged under 66 years.

One-Parent Family Payment

Section 27 provides for an increase in the upper earnings threshold for One-Parent Family Payment, from €293 to €375 per week.

Early Childcare Supplement

This Bill, at ***Sections 28,*** **29** and ***Schedule 6*** provides the legislative basis for the introduction of the Early Childcare Supplement. My Department will administer the scheme, which comes into operation on April 1st, on behalf of the Office of the Minister for Children.

Respite Care Grant

Section 30 provides for an increase in the amount of the annual Respite Care Grant, which is paid to carers in June of each year, from €1,000 to €1,200.

Family Income Supplement
Section 31 provides for the disregard of the amount of any contributions to Personal Retirement Savings Accounts for the purposes of the income thresholds applicable to the Family Income Supplement scheme.

Invalidity Pension
Section 32 provides that a person who qualifies for an Irish Invalidity Pension under EU Regulations will not suffer a reduction of pension if he or she subsequently becomes entitled to a survivor's pension or a retirement pension under the EU Regulations from another EU Member State.

Exclusions from Means Test
Section 33 provides for amendments to the definitions contained in Schedule 3 to the Social Welfare Consolidation Act 2005, which contains the Rules which are applied in assessing means for the purposes of certain social welfare schemes. This Section further provides for the exclusion of certain payments, such as the Early Childcare Supplement, the Home Care Grant and Home Tuition Scheme, from the means test. In addition, ***Section 34*** provides for the alignment of the treatment of benefit and privilege in respect of Supplementary Welfare Allowance, where the person is living with parents, to that applying to other means-tested schemes from May 2006.

Specified Bodies (PPS Number)
Section 35 provides for the inclusion of the National Council of Special Education, the Teaching Council, the Private Security Authority and the Commission for Taxi Regulation in the list of specified bodies authorised by legislation to use the Personal Public Service (PPS) number as a public service identifier.

Occupational Pensions

National Pensions Review
As I have said on many occasions, there are no quick-fix solutions to the fact that, at present, almost half the country's current workforce of 2 million people do not have any personal pensions and are facing into a retirement in which their main source of income will be the State Pension.
As the House is aware, last month I launched the National Pensions Review, the comprehensive Report produced by the Pensions Board to review the progress being made on our overall pensions strategy and targets. The Report sets out our current position, the challenges we face, and a range of measures we can consider for the future. In summary, the main recommendations of the Report were –
for a State incentive for contributions to Personal Retirement Savings Accounts of a matching contribution, similar to the SSIA type arrangement;
tax relief at higher rate for all personal pension contributions; and
an option to defer the State pension.

The measures announced by the Minister for Finance in the recently published Finance Bill, to incentivise the transfer of SSIA funds into pensions, represents a substantial statement from the Government as to how seriously it is taking pensions and of its commitment to developing pension policy that will address critical issues facing this country on pensions coverage and adequacy.

The Government, by paying a bonus of €1 for every €3 transferred directly into a pension account of SSIA holders who are taxed at 20% - and significantly in the case of those who are not in the tax net to begin with - up to a maximum of €2,500, is creating an ideal opportunity for thousands of people on middle and low incomes to improve their pensions position as it allows for a maximum once off contribution of up to €10,000. I would urge people to avail of this opportunity as a way of investing in securing a decent income for their later years.

While the Pensions Board is in favour of a continuation of the existing voluntary system for supplementary pensions, the Report has also highlighted the need for further consideration of mandatory pension provision, State-sponsored annuities, and the introduction of a pension protection fund. I want this report to be considered and debated throughout Irish society. In the weeks ahead I will be calling together all interested parties to a national forum to debate the central issues.

Now to the main measures I am introducing in this Bill in relation to the Pensions Act which will further enhance the regulatory regime governing supplementary pensions.

Section 39 introduces an alternative "pay-up and remedy or be fined" regime similar to that set out in the Company Law Enforcement Act. Under the new provision the Pensions Board may notify a person in writing that it is alleged that an offence has been committed and that if, within 21 days of the notice, the person has remedied the offence to the satisfaction of the Board and paid the appropriate fine, a prosecution will not be instituted. ***Section 39*** also provides that certain documentary evidence submitted in a prosecution is admissible without the attendance of the Pensions Board Officer at Court. The Board believe that this is a more economic and efficient approach.

Section 40 provides that as Minister, I may, in consultation with the Minister for Finance, indemnify the Pensions Board members and the staff of the Board against liability for damages or costs where they have discharged their functions in good faith. This is similar to legislation introduced in recent years establishing other Boards.

Section 42 allows for regulations to be made requiring a scheme actuary's work to be reviewed, to ensure that it complies with the provisions of the Pensions Act and any professional guidance issued by the Society of Actuaries in Ireland. I have recently met with representatives of the Society to discuss this issue. The matters to be prescribed in the regulations include the appointment of a reviewing actuary, the frequency of reviews, and the timescale for reviews.

In his annual report, the Pensions Ombudsman highlighted areas of concern relating to the operation of the Internal Dispute Resolution Procedure. ***Section 43*** of the Bill addresses these concerns. It provides that the Pensions Ombudsman may now bypass the Internal Dispute Resolution Procedure and investigate complaints in cases where there is clearly nothing to be gained from the process. An example of this is where the complaint lies against the employer rather than the trustees of a scheme.

Section 44 and ***Schedule 8*** to the Bill also provides for a number of miscellaneous amendments to the Pensions Act which are technical in nature.

Amendments to Other Acts

The Bill provides for a small number of amendments to other Acts as follows:

Section 45 contains an amendment to the Combat Poverty Agency Act 1986 to provide for an extension, from 3 years to 5 years, to the term of office for new appointments to the Board of that Agency. This will ensure that the expertise developed by Board members will be retained for a longer period thereby making a more valuable contribution to the Agency.

Section 46 amends the Freedom of Information Act to exclude, for the purposes of that Act, a secrecy clause in the Pensions Act 1990 in relation to the functions of the Pensions Ombudsman, and a similar clause in the Comhairle Act 2000 in relation to that Agency's functions.

Section 47 provides for an amendment of the Taxes Consolidation Act 1997, to exempt the Early Childcare Supplement from being reckonable as income for income tax purposes.

Section 48 and ***Schedule 9*** contain the necessary amendments to the Carer's Leave Act 2001 to provide for the extension of the duration of carer's leave from 15 months to 2 years.

Conclusion

This Social Welfare Law Reform and Pensions Bill builds further on the development of social inclusion measures adopted by this Government over recent years. It safeguards the living standards of those who rely on social welfare income and other supports and prioritises the allocation of resources in favour of those most in need.

Resources will continue to be targeted on helping those most in need in order, not alone to raise their standard of living, but to ensure that everyone is a valued citizen who can make his or her own individual contribution to society regardless of his or her particular circumstances.

However, the significant social issues we face can be eased, but not solved, by welfare and support payments alone. The easy route is to solve our social conscience by signing the cheques and hoping the problems will go away. The honest route is to go behind the payments and confront the problem. It is vitally important that we do not view welfare as permanent. That is why a one size fits all system will not provide the answers. Welfare support systems must be tailored to the specific needs of individuals and should be seen as stepping stones to achieving a better quality of life. To achieve the changes in social policy that reflect the needs of the Ireland of the 21st century will call for courageous reforms. The window of opportunity is there and, through this Bill and further changes planned over the coming months and years, we are shaping the reforms that will introduce enlightened, progressive social policies in a number of key areas.

I commend the Bill to the House and look forward to a constructive debate.