



**An Roinn Coimirce Sóisialaí
Department of Social Protection**

www.welfare.ie

Publication of Social Welfare and Pensions Bill 2011

The Social Welfare and Pensions Bill 2011 was published today (2nd June, 2011). The Bill is available to view on www.oireachtas.ie. The Bill provides for a number of changes to the social welfare code in the pensions area and elsewhere. A number of measures announced in the recent Jobs Initiative are provided for in the Bill, as are some of the commitments in the EU/IMF Programme of Financial Support for Ireland.

In relation to the Jobs Initiative, the Bill implements three measures:

1. the lower 8.5% rate of employer PRSI contribution is being halved to 4.25% from 2 July 2011 and this new lower rate will continue to apply until the end of 2013;
2. the National Minimum Wage Act, 2000, will be amended to restore the National Minimum Wage to its previous level of €8.65 per hour from 1st July 2011; and
3. a number of measures to facilitate the introduction of the new National Internship Scheme are also provided for. This scheme will provide 5,000 work experience opportunities for jobseekers in the private, public or community and voluntary sectors. During this time participants will receive an allowance, which will consist of a €50 per week top up on their existing social welfare entitlements. The scheme will commence in July.

Provision is also made in the Bill for the discontinuance of the State Pension (Transition) from 1st January 2014. State Pension (Transition) is currently payable to some people aged 65 who must retire and satisfy the contribution and other qualifying conditions. There will then be a standard State Pension age of 66 years for all. Existing recipients will continue to be entitled to this pension for the duration of their claims. The qualifying age for the State Pension will rise from 66 years to 67 years from 2021 and to 68 years from



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2028. These plans were announced last year and legislating for them at this time fulfills a commitment in the Memorandum of Agreement with the EU/IMF Programme of Financial Support for Ireland.

The Bill also provides for a number of other changes:

- a. The extension of the Minister's existing powers to make Regulations specifying information to be provided by claimants for social welfare benefits that would be useful in determining entitlement to that benefit or in assessing the training or other educational or development needs. This extension will allow such information to be provided also by existing recipients.
- b. The Family Income Supplement scheme is being amended so as to continue to calculate the supplement on the basis of the net weekly family income, by excluding the Universal Social Charge. Certain means assessment provisions are also being amended as a consequence of the abolition of the health contribution.
- c. The Bill strengthens the provisions relating to the use of Public Services Cards by providing for the cancellation and surrender of the Card where evidence becomes available that it is being used illegally. It will also be an offence not to return a Public Services Card, without a reasonable excuse, when requested to do so.
- d. Clarification of the powers of Social Welfare Inspectors to investigate employers, contractors and sub-contractors who are found to be employing people and their workers and more practical arrangements where Social Welfare Inspectors form part of multi-agency checkpoints with the Gardaí and Customs Officers are provided for.



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- e. Provisions to facilitate the transfer of the administration of the Supplementary Welfare Allowance scheme from the HSE to the Department of Social Protection.
- f. Restricting membership of the Citizens Information Board where a member has been nominated or elected to the Oireachtas, the European Parliament or a local authority.
- g. The re-naming of the Widow's (Contributory) Pension and Widower's (Contributory) Pension scheme following the enactment of the Civil Partnership and Certain Rights and Obligations of Cohabitants Act 2010 - now to be titled the Widow's (Contributory) Pension, Widower's (Contributory) Pension and Surviving Civil Partner's (Contributory) Pension scheme.
- h. Implementation of Article 17 of Directive 2003/41/EC on the Activities and Supervision of Institutions for Occupational Retirement Provision (IORPS Directive) is an EU-wide requirement in respect of pension provision in other Member States. This will have no effect on Irish schemes.

The Bill will be debated in both Houses of the Oireachtas during June.

See www.oireachtas.ie for a copy of the Bill and an accompanying explanatory memo setting out all of its provisions.

ENDS