

incapable of work, however, payment will stop if the individual is awarded any other pension from the state.

Work-related Benefits

Disablement benefits of EUR 185.80 per week are payable if the employee has become physically or mentally incapable of working due to an accident at work, a commuter accident on the way to/from work or has contracted a prescribed disease at work. The benefits are paid when injury benefits cease, or

if no injury benefits are payable, after a three-day waiting period. An individual who is receiving disability benefits and who is unfit for work may also qualify for:

- An unemployment supplement if he/she is permanently incapable of work and does not qualify for sickness benefits (EUR 185.80); and
- A constant attendance allowance if he/she is so seriously disabled they need someone's daily assistance for a considerable period of time. The standard rate for 100% disability is EUR 200.70.

The amount paid is dependent on the degree of disablement as assessed by a doctor. If the person loses more than one-fifth of his/her physical or mental ability, disablement benefits will normally be paid by a lump sum (size of which varies according to degree of disablement and the length of time the person is expected to be disabled). If the person's physical/mental ability is assessed as being between 20% and 25%, then the person has a choice between a one-off lump sum (up to EUR 15,180 for 2007), or a small weekly payment.

Employee Contributions

See Country Overview

Employer Contributions

See Country Overview

Definition of Disability

Permanently incapable of work because of illness or incapacity.

Other Comments

Social insurance disability benefits are payable to persons who fulfill the necessary contribution requirements; means-tested social benefits are given to persons who do not have the sufficient number of contributions required to qualify to receive Social Security benefits. All benefits provided are flat rate, but are adjusted annually.

4 Medical & Dental Benefits

4.1 Medical & Dental Benefits

Plan Eligibility

Membership is compulsory for almost all persons aged between 16 and 65, irrespective of earnings. However, self-employed workers must earn at least EUR 3,174 per annum to qualify.

Conditions for Receiving Benefit

Benefit Description

Benefit Description

There is an entitlement to treatment in a public ward of a public hospital. There are two categories of health care entitlement:

Medical Card Holders: Entitlement is means-tested (except for persons over age 70). Benefits (all free of charge) include:

- General practitioner services
- Dental, ophthalmic and aural services and appliances
- Prescribed drugs and medicines
- A maternity and infant care service
- All inpatient public hospital services in public wards
- A maternity cash grant of EUR 10 for each child born
- All outpatient public hospital services

2. Non-Medical Card Holders: Entitled to free public hospital services but may have to pay an in-patient/out-patient hospital charge. Entitled to subsidized prescribed drugs and medicines. Entitled to subsidized maternity and infant care services. Not entitled to free GP services.

Drugs Payment scheme: Under this scheme an individual or family only has to pay up to a maximum of EUR 85 a month for approved prescribed drugs, medicines and certain appliances for use by that person or his/her family.

Treatment Benefit Scheme: Under this scheme contributions made by people to Social Security are paid back to fund the cost of certain health benefits. These health benefits are: death benefit, optical benefit, contact lenses and hearing aids.

Work-related Benefits

None. Cash benefits will be paid on certain illnesses. See Disability Benefits.

Dependent Coverage

Dependent coverage is provided to holders.

Employee Contributions

See Country Overview

Employer Contributions

See Country Overview

Other Comments

None

4.2 Maternity Benefits

Maternity benefits are payable to women (employed and self-employed) on maternity leave. Health and Safety leave is also granted when the employer cannot remove a risk to the employee's health and safety or her pregnancy or whilst breastfeeding, or cannot assign her alternative "risk-free" duties. Adoption benefits are also payable.

Qualifying Conditions: Women are eligible for maternity benefits provided that:

- They are in insurable employment that is covered by the Maternity Protection Act 1994 immediately before the first day of maternity leave; and
- Have at least 39 weeks PRSI paid in the 17 months period before the first day of maternity leave; or
- They have paid 26 weeks towards PRSI during their working life, with 39 weeks PRSI paid or credited in the last complete tax year before the benefits year;
- 26 weeks PRSI paid in the relevant tax year and 26 weeks PRSI paid in the tax year prior to the relevant tax year.

PRSI contribution conditions regarding health and safety benefits are the following:

- At least 13 weeks PRSI contributions paid in the 12 months immediately before the due date; or
- 52 contribution weeks PRSI paid during her working life, with 39 weeks PRSI paid or credited in the last complete tax year before the benefits year; or
- 26 weeks PRSI paid in the relevant tax year and 26 weeks PRSI paid in the tax year prior to the relevant tax year.

Qualifying conditions for the adoptive benefits are similar to those for maternity benefits, but taking into account the first day of the adoptive leave instead of the first day of the maternity leave.

Benefits: The entitlement to maternity leave extends to all female employees in Ireland (including casual workers), regardless of how long they have been working for the organization or the number of hours worked per week. The basic period of maternity leave is 22 weeks. At least two weeks should be taken before the birth of the child and four weeks after. The employer is not obliged to pay the employee during this period. The mother's leave entitlement may be increased by up to 12 weeks, although these additional weeks are unpaid by the State. Moreover, the employee must inform the employer in writing of her intention to take such additional leave which is to be no later than 10 weeks before the end of the maternity leave period. Those starting maternity leave on March 1, 2007 will be entitled to 26 weeks paid maternity leave and may also avail of an additional 12 weeks unpaid maternity leave.

Maternity benefits and adoption benefits payments are the following:

Maternity & Adoptive Benefits	Rate Per Week (EUR)
Maximum Rate	280.00
Minimum Rate	207.80

The rate payable is 80% of the person's earnings in the relevant tax year subject to a reckonable earnings ceiling.

The employee's right to return to work is conditional upon written notification of the intention to return, which is to be no later than four weeks before the due date of return.

During health and safety leave, the company pays the employee for the first 21 days. After that, the employee receives a weekly payment from the Department of Social, Community and Family Affairs. The weekly rate depends on the level of earnings in the relevant tax year. To qualify for the standard rate of EUR 185.80, the average weekly earnings must be at least EUR 150.00. Reduced rates are payable for earnings below that level.

Health and safety benefits are payable:

- From the day on which the person becomes entitled to maternity leave
- Up to 14 weeks following the date of birth, if the mother is involved in night work.
- Up to 26 weeks following the date of birth, if the mother is breastfeeding.

5 Unemployment Benefits

Qualifying Conditions: Jobseeker’s Benefit is paid to insured people who are out of work. To qualify for the Jobseeker’s Benefit a person must be unemployed, under the age of 66, be capable of and genuinely seeking work, have sustained a loss of employment in any period of 6 consecutive days and have sufficient PRSI contributions.

Eligibility for unemployment benefits depends on the payment of 52 weeks PRSI contributions since starting work and 39 weeks PRSI contributions paid or credited in the relevant tax year; or 26 weeks PRSI paid in the relevant tax year and 26 weeks paid in the tax year prior to the relevant tax year. Self-employed people do not qualify for unemployment benefits; however, they can apply for supplementary welfare allowance. The beneficiary must also be capable and available for work, aged under 66 and must be registered at an employment exchange. Furthermore, unemployment must not be due to voluntary leaving, misconduct, the refusal of a suitable job offer (with disqualification from benefits for up to six weeks for any offence) or due to a trade dispute (with disqualification for the duration of the dispute).

Benefits: Jobseeker’s Benefit consist of a flat-rate EUR 185.80 per week for 2007, with reduced rates where weekly earnings are below EUR 150.00 per week and an additional EUR 123.00, dependent adult supplement, as well as a child supplement of EUR 22.00, for each child, may also be payable. Those persons who do not qualify for the payment of unemployment benefits may be eligible for Jobseeker’s Assistance. These means-tested flat-rate benefits are paid from the fourth day of unemployment, for as long as the person continues to satisfy the qualifying conditions (is unemployed, under the age 66, capable of and genuinely seeking work and satisfied the means and habitual residence test). The amount payable depends on the means and how long the person has been unemployed. When the person has been receiving an unemployment benefit for 390 days, he/she will qualify for the long-term rate of unemployment assistance. For people with means, the rate of payment is calculated by subtracting the weekly means from the maximum rate payable. The maximum Jobseeker’s Assistance rates are as follows:

Unemployment Assistance	185.80
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6 Social Benefits

Family Allowances: Child benefits are paid for children under the age of 16, or 18 if in full-time education or disabled. The amounts are EUR 160.00 per month as of April 2007, for each of the first two children, then EUR 195.00, for the third and subsequent children. All residents receive child benefits regardless of whether they contribute to the social welfare system. In the case of twins, child benefits will be payable at 50% the normal monthly rate for each child. For all other multiple births, double the standard rate is payable. A Parental Family Allowance is paid to single parents with at least one dependent child, who are not cohabiting and do not receive maintenance payments. Qualification is subject to a means test, but earnings should not as a rule exceed EUR 20,800 per year. Additional allowances are also made for the care of handicapped children aged between 10 and 16 who are living at home.

Carer’s Allowance: A Carer’s Allowance is a means-tested payment for people who provide full-time care and attention to people who require it. Carers providing care to more than one person may be eligible for up to 50% of the maximum rate of Carer’s Allowance each week, depending on the weekly means assessed. Qualifying conditions apply for the carer and the person he/she is caring for. The carer must satisfy the following qualifying conditions:

Aged 18 or over	Not be employed or self-employed outside the home, or only up to 10 hours per week
Satisfy a means test (as in pre-retirement)	Satisfy the habitual residence condition
Live with or very close to the person he/she is looking after	Not live in a hospital, convalescent home or other institution
Care for the person on a full-time basis	

The person being cared for should be:

- Disabled to the extent that full-time care and attention is needed (medical certification is required for this) and is likely to require this full-time care for at least 12 months
- Not normally living in a hospital, home or other institution
- Aged 16 or over, or under 16 if domiciliary care allowance is being paid.

Family Income Supplement: The Family Income Supplement (FIS) is a weekly tax-free payment to help families at work on low pay. It is not subject to income tax.

Supplementary Income: To qualify the person must meet all the following conditions:

- He/she is in paid, full-time employment which is expected to last for three months, and work at least 19 hours every week (or 38 hours every fortnight). Hours worked by a spouse/partner can be combined: and

- He/she has at least one child (under the age of 18, or 22 if in full-time education) who is living with, and/or is being supported by, them: and
- He/she receives an average weekly income below a fixed amount linked to the family's size.

For FIS purposes, assessable earnings for the person and his/her spouse/partner are calculated:

Gross Pay	
Minus	Tax
	Employee PRSI
	Levies
	Superannuation
Equals	Assessable earnings for the person and his/her spouse or partner

Payment amounts to 60% of the difference between weekly income and the income limit for family size. Even if the person only qualifies for a small FIS payment, he/she will still get a minimum of EUR 20 a week.

The income limits for different family sizes are as follows.

Family size (number of children)	Weekly Income Limit (EUR)
1	400
2	550
3	650
4	720
5	820
6	910
7	1,020
8 or more	1,090

Supplementary Welfare Allowance: A Supplementary Welfare Allowance is a basic weekly allowance granted as a right to eligible people who have little or no income. People with very low incomes may also qualify for a weekly supplement under the scheme to meet certain special needs. In addition, payments can also be made in respect of urgent or exceptional needs.

To qualify, the person must:

- Satisfy a means test*
- Have applied for any other benefits/allowances that he/she may be entitled to
- Have registered for work with FAS if within the working age
- Live in the State

* The actual income from investments and money in a savings account is taken as means.

The payment is made up of a personal rate (EUR 185.80) plus extra amounts for qualified dependent adults (EUR 123.30), and dependent children (EUR 22.00).

Payment amounts are based on the means. If the person has no means, he/she will be entitled to the maximum rate of EUR 185.80 per week. If the person has low means, he/she might be entitled to a payment to bring his/her income up to the maximum appropriate rate.

Extra allowances. In addition to their payments, individuals might be entitled to:

- Travel allowance; and
- Free electricity, natural gas and bottled gas refill allowance; and
- Free television license; and
- Telephone allowance.

In certain cases, it is possible to apply for a fuel allowance, if the person's household satisfies a means test. The allowance is payable for 26 weeks from October to April.

Families getting FIS might be entitled to assistance under the Supplementary Welfare Allowance Scheme, that is, Back to School Clothing and Footwear Allowance (up to EUR 285 per child age 12 to 17, up to EUR 180 per child age 2 to 11).

Typical Benefits Practice

See Country Overview for general description of company practices for employee benefits.

1 Retirement Benefits

Which supplementary retirement benefits arrangement is most typically provided by an employer in this country?

Multiple Plans – Specify: Many employers have Defined Contribution schemes for new employees but maintain closed Defined Benefit schemes. A sizeable minority, however, still offer Defined Benefit schemes to new employees.

1.1 Defined Benefit Plan

Prevalence

See Country Overview

Sponsoring Employer

Employer

Name of Plan

Occupational Pension Scheme

Governing Documentation

Trust Deed

Plan Eligibility

All employees (most plans), commonly at least 25. A minimum service requirement and probation period is often, but not always, required.

Normal Retirement Age – Males

65, although historically many employees would have retired earlier. Senior executives may retire at 60.

Normal Retirement Age – Females

As per Males (above)

Pensionable Earnings

Definition of pensionable earnings determined by the scheme rules. Most use base salary with 75% of companies surveyed by Irish Association of Pension Funds applying an offset (generally 1.5 times the single person's state pension of EUR 10,884 (as at 2007)).

Final Pensionable Earnings

Final average pensionable earnings, often over last three years before retirement.

Pensionable Service

Years of service (usually up to a maximum of 40 years)

Conditions for Receiving Benefit

Determined by the rules of the scheme but generally paid on reaching Normal Retirement Date or on earlier retirement if the member has left the service of the employer.

Normal Retirement Benefit

Benefit at retirement determined by the rules of the scheme. Although some plans provide a retirement pension of 50% of final average salary, it is much more frequent to have 66.6% of final average salary after 40 years of service. This may be integrated with the State pension and is typically scaled down for shorter service. The member normally has the option to exchange part of the pension for a tax-free lump sum (of generally up to 150% of final average salary).

Form of Payment

Combination of annuity plus tax free lump sum. The annuity payments are normally paid out of the assets of the fund on a monthly basis.

Early Retirement Age & Eligibility Conditions

Determined by the rules of the scheme but generally from age 50, or earlier if due to serious ill health. Early retirement requires the consent of both the scheme Trustees and the employer. Early retirement is usually prohibited in schemes with solvency issues.

Early Retirement Benefit

Determine by the rules of the scheme but usually based on the same formula as for normal retirement, scaled down for shorter service, and actuarially reduced to reflect the longer payment term.

Late Retirement Age & Eligibility Conditions

Determined by the rules of the scheme but member may normally agree to defer benefits until actual retirement.

Late Retirement Benefit

Appropriate benefit adjustments are made to reflect greater service with the employer and shorter period of pension payment.

Pension Increases

Increases in pensions are determined by the rules of the scheme. These can range from no increases to linking to an inflation index (usually capped at 5% or 3%). Some schemes offer discretionary increases and some are guaranteed.

Disability Benefit

In very occasional circumstances (typically serious illness), the employee may be retired under the terms of the occupational pension scheme - usually receiving benefits as if he/she had reached age normal retirement age.

Death in Service Benefits – Survivor and/or Lump Sum Benefits

Survivor Benefits: Most companies provide spouses' pensions in the event of the member's death whilst in service. Spouse's pensions are usually 50% of the projected or actual retirement pension. Private plans also commonly provide children's pensions of 12.5% of the member's projected or actual retirement pension, double where both parents are deceased.

Lump Sum: Typically four times salary at date of death. This benefit is typically insured. The insurance premium in service lump sum benefit typically ceases when the member leaves the service of the employer.

Death After Retirement Benefit

Death after retirement benefit is determined by the rules of the scheme. Typically the surviving spouse receives a pension of 50% of the member's pension at date of death.

Leaving Service Benefit & Vesting Provisions

Vesting benefit: Generally after 2 years in the plan, with a refund of member's contributions (with or without interest) being paid if employee withdraws before this time.

Employee Contributions

A Mercer survey showed 82% of plans have employee contributions. Average is 5.3% covered pay.

Employer Contributions

Usually balance of cost. This is normally reviewed every three years.

Financing Methods

Trusts, using an external investment manager or pooled funds provided by investment managers / insurers.

Frequency of Valuations

Every 3 years, with an annual requirement to certify solvency on a minimum basis.

Local Accounting Standards

FRS 102 AS19

Hybrid Alternatives

Some development of hybrids, mainly within the financial services sector. These have tended to be Defined Benefit up to a earnings cap with Defined Contributions on earnings in excess of the cap.

Tax on Contributions

Employee contributions are provided out of gross income before tax and social insurance contributions. Employee contributions are capped based on an age related scale that runs from 15% to 40% of income.

Employer contributions are a business expense and receive corporation tax relief.

Taxation of Benefits

The lump sum of up to 150% of final earnings is tax free. Any pension payment is then taxed as income.

Other Comments

38% of Defined Benefit schemes are now closed to new entrants and a further 22% expect to close in the next three years. (Mercer 2006 Survey)

1.2 Defined Contribution Plan

Prevalence

See Country Overview

Sponsoring Employer

Employer

Name of Plan

Occupational Pension Scheme

(It is also possible for an employer to establish a contract based arrangement with a financial institution, known as a Personal Retirement Savings Account (PRSA), for their employees.)