

CIE Salaried Pensioners Association

Green Paper Submission

SUBJECT: CLASS "D" P.R.S.I. CONTRIBUTIONS.(Modified Contributions)

PROPOSAL

This Association submits that a minimum of HALF RATE State Pension (Contributory) be granted to superannuated members of the CIE Superannuation Schemes in direct proportion to their Class D PRSI contributions over 40 to 50 years. The contribution rates have varied over the years between one third and one half of the Class A contribution rate.

BACKGROUND

Up to 6th April 1995, employees of CORAS IOMPAIR EIREANN who were members of the Company's Superannuation Schemes were precluded from participating in the full Social Welfare System and are therefore not eligible to receive State Pension (Contributory). They paid PRSI at Class D rates (modified rates) which did not contain any element of pension contributions.

In Budget 2000, provisions were made to take pre-1953 Social Insurance contributions into account to qualify for a State Pension. A considerable number of members of this Association who joined C.I.E. on or after 1st January 1945 and up to late 1948 qualified for this new half-rate State Pension despite the fact that the Social Insurance which they paid at that time had no element of a pension contribution. They also paid Superannuation Contributions into a Suspense Account until such time as the CIE Superannuation Scheme 1951 was established.

Employees who joined the CIE Superannuation Schemes in the period from late 1948 to 6th April 1995 do not qualify for a State Pension (Contributory) and as a result feel that they are being treated unjustly when they compare themselves with those who joined between 1945 and 1948.

This Association submits that this situation must be positively addressed when making the appropriate decisions.