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Continued overleaf

March 2016

Qualifying conditions for our schemes change from time to time. Always check with your local Intreo Centre, your local Social Welfare Office or with Information Services to see if qualifying conditions have changed (see page 17 for contact details).

The information in this booklet is correct at the time of publication. This booklet is intended as a guide only, and is not a legal interpretation.

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1. What is worksharing?

Worksharing is an arrangement between an employee and their employer to work reduced hours in an agreed attendance pattern.

Examples include a 4-day week, a 3-day week or working from 9 to 3 each day.

2. How does worksharing affect my social insurance?

Worksharing may affect the:

- amount of PRSI that you (and your employer) pay, and
- number of PRSI contributions that you are awarded. This may in turn affect your entitlement to a number of social insurance benefits. However, the exact effect depends on your work pattern and the level of your earnings.

3. What is PRSI?

PRSI stands for Pay Related Social Insurance. A PRSI contribution is a percentage of an employee's reckonable earnings. It is paid by employers and employees and is made up of:

- social insurance, and
- the 0.7% National Training Fund Levy*

Other levies may be added from time to time.

The PRSI system is based on “weeks of insurable employment” - in terms of both the calculation of PRSI levies and the award of social insurance contributions. These contributions are recorded to determine future entitlements to social welfare benefits. This link between contributions awarded and entitlement to benefit is referred to as the contributory principle.

For more information, log on to <http://www.welfare.ie/en/Pages/Summary-of-PRSI-Classes-2016.aspx>

* This applies to employees on Class A or H and is paid only by the employer.

Note

A PRSI contribution is recorded where an employee works (or is rostered to work) for any part of a contribution week, regardless of when they are paid.

4. Who is responsible for correctly deducting and paying PRSI?

Employers are responsible in law for paying the entire PRSI contribution. They are entitled to deduct the employee's share when paying their wages.

Employers should make the correct deduction when paying wages. Otherwise, they must bear the cost of the entire PRSI contribution and any arrears that may be due.

5. Is the same PRSI recorded for everybody?

No. A person's PRSI depends on both their type of work and their earnings.

Class A applies to an employee aged 16 to 66 years in the private or some public sector employments for any week that total reckonable earnings are €38 or over.

Class B, C and D apply to permanent and pensionable public servants, registered doctors and dentists employed in the civil service, Gardaí, commissioned officers of the Defence Forces, members of the Army Nursing Service recruited before 6 April 1995.

Class H applies to Non-Commissioned Officers (NCOs) and to enlisted members of the Defence Forces.

Class J applies to employees whose earnings are less than €38 in a contribution week or who are aged 66 years or over or people in subsidiary employment. This provides cover for Occupational Injuries Benefit only.

6. Does the employee always pay a share of the PRSI contribution?

No. You only pay a PRSI contribution when your earnings are over €352 a week.

However, the employer must pay their share of PRSI as normal. This will not affect your entitlement to social welfare benefits and pensions.

7. How do my earnings affect the rate of PRSI?

Most employees are recorded under PRSI Class A according to weekly or monthly earnings. In any week in 2016 that earnings are €38 or over, Class A applies as follows:

Weekly earnings	Monthly earnings	Subclass
€38 - €352	€165 - €1,525	A0
€352.01 - €376	€1,525.01 - €1,629	AX
€376.01 - €424	€1,629.01 - €1,837	AL
More than €424	More than €1,837	A1

Note

This is for each contribution week worked, even if you get your salary paid once a fortnight or monthly.

8. How does taking leave affect my PRSI contribution record?

Normally, you may only get a contribution for any contribution week in which you are rostered to work and are due earnings.

However, you may also get a contribution if you agree with your employer to take paid leave, such as maternity, sickness, adoptive, force majeure, marriage or bereavement.

If you take unpaid maternity or adoptive leave immediately after your paid leave, you will get a PRSI credit for each week taken, up to a maximum of 16 weeks.

If you take unpaid parental leave immediately after your paid leave, you will get a PRSI credit for each week taken, up to a maximum of 18 weeks.

Parents who take parental leave may get a PRSI credit for each week taken. This will keep their social insurance record up to date. Your employer should write to the Records Update Section (address below) to confirm the duration and exact dates of your parental leave.

For further information on PRSI credits for parental leave, please contact:

Client Eligibility Services

Social Welfare Services
Department of Social Protection
Mc Carter's Road,
Buncrana,
Co. Donegal.
IRELAND

Telephone: (01) 471 5898

LoCall: 1890 690 690

If you are calling from outside the Republic of Ireland please call: +353 1 471 5898

You may also be entitled to 'homemakers' credits. For more information, log on to www.welfare.ie.

9. What are the most common worksharing patterns and how do they affect my yearly PRSI contribution record?

The pattern of worksharing may affect the number of PRSI contributions the employee is awarded. In some years, the employee may be awarded only 26 or 39 (as opposed to the full 52) contributions because of work sharing patterns. The exact effect depends on the attendance pattern worked and the level of earnings in any given week.

This means that, if your worksharing pattern means that you do not work in a particular contribution week, then you do not get any PRSI contribution for that week.

Also, if your worksharing pattern means that you do work in a particular contribution week, but earn less than €38 during that week, then you get a Class J contribution for that week. Class J is for Occupational Injuries Benefit only and will not enable you to qualify for the main social insurance benefits.

Those working on a calendar week-on/week-off basis are generally entitled to 52 contributions, when the contribution year does not begin on a Saturday, Sunday or Monday. However, where the working week coincides with the PRSI week, this can lead to fewer PRSI contributions. Worksharers who work a split week (e.g. Wednesday to Tuesday) can similarly be affected during the years when the contribution year commences on a Wednesday.

Note

Please remember that the contribution week starts on 1 January, so it begins on a different day each year.

Year	Contribution week
2015	Thursday to Wednesday
2016	Friday to Thursday
2017	Sunday to Saturday

The table below shows the most common worksharing patterns and the effect that they will have on your yearly contribution record.

Pattern	Total contributions for year
Full time	52
4 days every week	52
3 weeks on/1 week off (Mon - Fri)	52 or 39 (see example 1)
Working Day, 9am - 3pm, every day	52
3 days (same days each week)	52
2 days (same days each week)	52
1 day (same day each week)	52
Mornings only	52
Afternoons only	52
Working week on/week off (Mon - Fri)	52 or 26 (see example 2)
Working a fixed split week	52 or 26 (see example 3)

Note

You may be entitled to extra PRSI contributions on the basis of your entitlement to public holiday pay as provided for under the Organisation of Working Time Act, 1997.

It would be expected, that while a person worksharing week on/week off would pay 26 contributions but as a result of holiday entitlements, end up paying 29 PRSI contributions in that year. This would secure them entitlement to Jobseeker's Benefit and to Illness Benefit. Arrangements were put in place in 2006 to similarly secure entitlement to Treatment Benefit for worksharers.

Employees need to give serious consideration to whether or not a smaller number of contributions might affect entitlement to benefit at some future date. In the case of short-term benefits, such as jobseeker and illness benefits, changes in the contribution conditions means that an employee with 26 contributions in the governing qualification year and 26 contributions in the previous year is fully covered for short-term social welfare benefits.

See: http://www.workplacelrelations.ie/en/Publications_Forms/Guide_to_the_OWT_Act_-_Holidays_Public_Holidays.pdf or contact The National Employment Rights Authority at the Department of Jobs, Enterprise and Innovation, for more information.

LoCall: 1890 80 80 90

Website: www.workplacelrelations.ie

Example 1: 3 weeks on/1 week off pattern

If your week off **coincides** with the contribution week (see below), you will only get **39** PRSI contributions for those years.

Year	Work pattern	Contribution week
2015	Thursday to Wednesday	Thursday to Wednesday
2016	Friday to Thursday	Friday to Thursday

If your week off does **not coincide** with the contribution week (see below), you will get **52** PRSI contributions for those years.

Year	Work pattern	Contribution week
2015	Monday to Friday	Thursday to Wednesday
2016	Monday to Friday	Friday to Thursday

Example 2: Week on/week off

If your week off **coincides** with the contribution week (see below), you will only get **26** PRSI contributions for those years.

Year	Work pattern	Contribution week
2015	Thursday to Wednesday	Thursday to Wednesday
2016	Friday to Thursday	Friday to Thursday

If your week off does **not coincide** with the contribution week (see below), you will get **52** PRSI contributions for those years.

Year	Work pattern	Contribution week
2015	Monday to Friday	Thursday to Wednesday
2016	Monday to Friday	Friday to Thursday

Example 3: A fixed split week

If you are working a week that **coincides** with the contribution week, you cannot get a contribution for weeks off for either 2015 or 2016. You will only get **26** PRSI contributions for those particular years, one for each contribution week you work.

Year	Work pattern	Contribution week
2015	Thursday to Wednesday	Thursday to Wednesday
2016	Friday to Thursday	Friday to Thursday

You should check on which day 1 January falls on for the year(s) that is or are relevant to you.

However, if the week off does **not coincide** with the contribution week, as in 2015 or 2016, you may get **52** contributions for those particular years, (one for each contribution week you work, even if you just work one day in a contribution week).

Note

The best option to make sure you do not lose PRSI contributions is to work at least one constant day in each working week. However, you must earn at least €38 for that day if you wish to qualify for a Class A contribution.

10. Does worksharing affect the amount of PRSI that I pay?

The amounts of PRSI paid depend on different work patterns.

Example:

A and **B** are both worksharers and have the same gross earnings of €570 a week. Based on the contribution week for 2016 (Friday, 1 January 2016), **A**'s working pattern will span 2 contribution weeks while **B**'s working pattern will coincide with the contribution week.

A works Thursday to Wednesday (a split week)

Week 1 = Thursday to Friday.

Week 2 = Saturday to Wednesday.

Less PRSI will be paid because the earnings are spread over 2 weeks.

B works Wednesday to Tuesday on a week on/week off basis.

The contribution week for 2016 starts on Friday, 1 January. **A**'s work pattern spans 2 contribution weeks while **B**'s work pattern coincides with the contribution week. More PRSI is paid than if the work pattern is spread over 2 contribution weeks.

Note

At the end of the year, A will have 52 PRSI contributions while B will only have 26 PRSI contributions.

11. What social welfare payments depend on my PRSI contribution record?

In general, payments from the Department of Social Protection are made up of **social insurance payments** (based on PRSI contributions) and **social assistance payments** (based on a means test).

Certain worksharing patterns can result in you having fewer PRSI contributions. This could affect your entitlement to some social welfare payments.

Depending on the Class of PRSI that you fall into, you build up cover for individual social insurance payments over different periods of time. The following payments depend on your PRSI contribution record and other qualifying conditions:

- Jobseeker's Benefit,
- Illness Benefit,
- Maternity Benefit,
- Adoptive Benefit,
- Health and Safety Benefit,
- Invalidity Pension,
- Widow's, Widower's or Surviving Civil Partner's (Contributory) Pension*,
- Guardian's Payment (Contributory)*,
- State Pension (Contributory),
- Treatment Benefit,
- Occupational Injuries Benefit*, and
- Carer's Benefit*.

All of these payments are available if you have Class A PRSI contributions and satisfy the other qualifying conditions of each payment or benefit.

* If you have PRSI Class B, C or D contributions, you may qualify for these payments - providing that you satisfy the other qualifying conditions.

To qualify for most short-term social insurance payments, you need to have:

- **104 paid PRSI contributions** since first starting work **and either**
- **39 paid or credited PRSI contributions** in the relevant tax year, of which 13 must be paid contributions. If you do not have 13 paid contributions in the relevant tax year, then 13 paid contributions in one of the following tax years can be used instead:
 - Either of the two tax years before the relevant tax year
 - The last complete tax year (before the year in which your claim for Illness Benefit begins)
 - The current tax year
- or**
- **26 paid or credited PRSI contributions** in the relevant tax year and **26 paid PRSI contributions** in the tax year before the relevant tax year.

The relevant tax year is the second last complete tax year before the benefit year in which you make your claim. For 2016, the relevant tax year is 2014. The benefit year starts on the first Monday in January.

Long-term social insurance payments (for example, Widow's, Widower's or Surviving Civil Partner's (Contributory) Pension, State Pension (Contributory), etc.) also require that you have a minimum number of paid PRSI contributions to qualify, as well as reaching a yearly average of paid and credited contributions over an extended period.

12. Can I get any social welfare payment for my family while worksharing?

You may qualify for Family Income Supplement (FIS). This is a weekly tax-free payment families, including one-parent families, at work on low pay.

You may qualify for FIS if:

- are an employee in paid full-time employment that is expected to last for at least 3 months.
- you work at least 19 hours per week (or 38 hours per fortnight) and,
- you have at least one qualified child who normally lives with you or is it part of a family supported by you. A qualified child is any child under age 18 or aged 18-22 in full-time education, and
- your average net weekly income (gross income minus tax, employee PRSI, USC, contributions to PRSA(s), public service pension levy and superannuation) is below a certain amount for your family size.

The table below sets out the weekly income limits (effective from January 2016).

Number of children	Weekly income limit
1	€511
2	€612
3	€713
4	€834
5	€960
6	€1,076
7	€1,212
8 or more	€1,308

Note

If you and your spouse or partner are working, we will add your income together for the purpose of the weekly income limit.

For more information, log on to www.welfare.ie.

13. Where can I get more information?

For information booklets, application forms and more information on social welfare services:

- Log on to **www.welfare.ie**.
- Text to **51909** (see details on Page 18).
- Telephone: **(071) 919 3302**
LoCall: **1890 66 22 44**
If you are calling from outside the Republic of Ireland please call: **+353 71 91 93302**.
- Drop in to your local Citizens Information Centre, your local Intreo Centre or your local Social Welfare Office.

Note

The rates charged for using 1890 (LoCall) numbers may vary among different service providers.

To request forms, text the form code followed by your name and address to 51909 (from the Republic of Ireland only). Standard text rates apply.

For example, if you wanted to request the Carer's Allowance form, text FORM CARA MARY MURPHY 1 NEW STREET, OLD TOWN, CO. DONEGAL.

Social welfare payment or scheme	Form code
Back to School Clothing and Footwear Allowance	FORM BTSCFA
Carer's Allowance	FORM CARA
Carer's Benefit	FORM CARB
Child Benefit (Form CB1)	FORM CHILD
Disability Allowance	FORM DA
Domiciliary Care Allowance	FORM DCA
Family Income Supplement	FORM FIS
Free Travel	FORM TRAVEL
Fuel Allowance	FORM FUEL
Household Benefits	FORM HHB
Invalidity Pension	FORM INV
Living Alone Increase	FORM LAA
Maternity Benefit	FORM MAT
One Parent Family Payment	FORM OPFP
Respite Care Grant	FORM RCG
State Pension (Non-Contributory)	FORM SPNC
State Pension (Contributory)	FORM SPC
Widow(er)'s/Surviving Civil Partner's Contributory Pension	FORM WCP
Widow(er)'s/Surviving Civil Partner's Non-Contributory Pension	FORM WNCP

Points to Note

- You should check carefully to see which benefits you may qualify for if you choose a worksharing arrangement that results in you getting less than 52 contributions in any year.
- Make sure to keep in mind all your plans for the year. For example, if your worksharing arrangement gives you 39 PRSI contributions and you plan to take additional unpaid leave during the year, be sure to take this into account when checking your entitlement to benefits.
- It is in your best interest to make sure that you receive a contribution, be it paid or credited, every week. See link to SW12: <http://www.welfare.ie/en/downloads/sw12.pdf>.
- For more information on social insurance payments, log on to www.welfare.ie.
- If you do not qualify for any of the listed payments, you may qualify for a means-tested social assistance payment instead.
- Since 27th September 2007 it may be possible to obtain a half rate Carer's Allowance in addition to another social welfare entitlement. For more information, log on to www.welfare.ie.

Other useful booklets

Employers' Guide to PRSI Contributions	SW 3
Maternity Benefit	SW 11
Credited Contributions	SW 12
PRSI Contribution Rates & User Guide	SW 14
Rates of Payment Booklet	SW 19
Health and Safety Benefit	SW 21
Family Income Supplement	SW 22
Treatment Benefit	SW 24
Disablement Benefit	SW 31
Death Benefit	SW 32
Adoptive Benefit	SW 37
Invalidity Pension	SW 44
Carer's Benefit	SW 49
Guardian's Payment (Contributory)	SW 115
Illness Benefit	SW 119

Citizens Information

The Citizens Information Board is the statutory body which supports the provision of information, advice and advocacy on the broad range of social and civil services to the public. It provides the Citizens Information website and supports the voluntary network of Citizens Information Services and the Citizens Information Phone Service.

www.citizensinformation.ie

Lo-Call 1890 777 121 (Mon-Fri 9am-9pm)

Local Centres (see Golden Pages)

Citizen Information is available from over 250 locations nationwide. The contact details and opening hours of your nearest Citizens Information Centre are listed in the Golden Pages.