

FLAT BROKE!

UNEMPLOYMENT BENEFIT IN IRELAND

An unusual feature of our welfare benefits is that the standard payment is flat-rated (equal to all) and set below the poverty line, designed to offer no more than minimal financial support when a person is out of work.

A single unemployed worker, having previously earned two-thirds of the average wage (€27,000pa), has just 39% of their gross wage replaced by the €203 jobseeker's payment. Workers earning above this amount have a smaller proportion of their wage replaced. There is a means-tested top-up to help pay rent. There is no help with mortgage repayments.

This is in contrast to other rich EU countries, where welfare benefits are pay-related (a percentage of past earnings), designed to secure a workers' normal living standards during periods of unemployment, sickness, maternity and family leave. There is a cap on the maximum weekly payment. Payments are reduced the longer the time out of work.

The Pandemic Unemployment Payment had to be created because flat-rate benefits don't provide adequate income protection for workers when out of work. ICTU is calling for a permanent move to pay-related welfare payments, in line with EU norms.



**HELP
WANTED**

Proportion of a worker's wage covered by Unemployment Benefit

	Up to 2mths	After 1yr
Belgium	91%	79%
Denmark	82%	82%
Netherlands	71%	68%
Sweden	69%	59%
France	64%	64%
Germany	59%	59%
Finland	58%	58%
Austria	55%	51%
Ireland	39%	39%*

Source: OECD. Calculations refer to a single worker age over 25 without children earning 67% of the average wage.

*Jobseeker's Benefit expires after 9 months. Assumes worker satisfied means test for Jobseeker's Allowance.

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