National Plan presented by Ireland in accordance with the Council Recommendation on access to Social Protection for Workers and the self- employed

May 2021

Introduction

Ireland is party to the Recommendation on access to social protection for workers and the self-employed adopted in 2019 (Annex 1) which requires Member States to submit their plans setting out national measures to meet the Recommendation. The Recommendation is designed to address the existing gaps in access to social protection and the need to improve adequacy and transparency of social protection schemes taking into account the changes occurring in labour market.

The Recommendation supports the application of Principle 12 (Social Protection) of the European Pillar of Social Rights. In 2020 Ireland like all Member States have focussed on the recovery from the Covid-19 pandemic and adapted social protection systems to protect the livelihoods of Europeans.

Council Recommendation (2019/C 387/01) on Access to Social protection for Workers and the Self-Employed recommends that Member States ensure that all workers and the self-employed can:

- adhere to social protection schemes (closing formal coverage gaps),
- build-up and take-up entitlements, which can be preserved, accumulated or transferred across schemes (improving effective coverage),
- receive sufficient and timely benefits, contribute in a proportionate manner (adequacy)
- and are informed about their rights and obligations (transparency).

This plan sets out the schemes covered by the Recommendation and summarises their current qualifying criteria. It also sets out challenges faced by the Irish social protection system, the existing gaps in access to social protection and how the Government in consultation with the social partners intend to close these gaps, improving access to social protection for all, in line with the objectives and principles of the Recommendation while listing the measures to be put in place or already launched since the adoption of the Council Recommendation. This plan considers temporary measures taken during the pandemic and plans to build on lessons learnt for mainstreaming relevant measures into the social protection systems.

This report is broken down under the following headings

Background

The Council Recommendation on Access to Social Protection for Workers and the Self-employed covers the following social protection schemes, insofar as they are provided in the Member States:

(a) Unemployment benefits
(b) Sickness and healthcare benefits
(c) Maternity and equivalent paternity benefits
(d) Invalidity benefits
(e) Old age benefits and Survivors benefits
(f) Benefits in respect of accidents at work and occupational diseases.

Ireland's social insurance system operates through the Social Insurance Fund (SIF). The SIF derives income from social insurance contributions paid by employees, their employers, self-employed persons and voluntary contributions with some additional income from investments. For these contributions, employees and self-employed workers receive benefits for the periods spent out of employment. The main social insurance benefits paid by the Fund relate to retirement, illness, incapacity, unemployment, maternity, paternity and bereavement.

(a) Unemployment benefits;

There are two main unemployment payments in Ireland, Jobseekers' Benefit and Jobseekers' Allowance. Jobseekers' Benefit is a contributory benefit and is not means tested, whereas Jobseekers' Allowance is not dependent on past social security contributions and is means tested. Jobseeker's Benefit was extended to self-employed persons in November 2019, thus closing a gap that existed in the pre-existing schemes.

Qualifying Conditions - Jobseeker's Benefit/Jobseeker's Benefit for the Self-Employed

To qualify for Jobseeker's Benefit, a person must

- be fully or partly unemployed
- be under 66 years of age
- be capable of work and be available for full-time work
- be genuinely seeking work
- be unemployed for at least 4 days out of every 7

To qualify for Jobseeker's Benefit (Self-Employed), a person must:

- be under pension age (which is currently 66)
- satisfy the Pay Related Social Insurance (PRSI) contribution conditions
- not be engaged in self-employment
- be capable of working and available for full-time work
- be genuinely seeking work
- prove unemployment in the prescribed manner

A person can work as an employee, in insurable employment, for up to 3 days a week and still get Jobseeker's Benefit (Self-Employed) for the other days as long as they are available for full-time work.

In addition, for both schemes, a person must satisfy conditions surrounding (PRSI) contributions:

- at least 104 PRSI insurable employment contributions or least 156 PRSI self-employment contributions, and
- 39 PRSI contributions in the governing contribution year, 13 of which must be paid or 26 in the governing contribution year and 26 paid in appropriate class in year before governing contribution year, or 52 self-PRSI contributions paid in the governing contribution year.

A person must also have reckonable earnings above a certain amount in the governing contribution year.

<u>Waiting days</u>

Waiting days have been a long-standing feature of the social insurance system and are a feature of similar social security schemes in many other countries. Prior to the Covid-19 pandemic, payment of Jobseeker’s Benefit and Jobseeker’s Benefit (Self-Employed) began from the fourth day of unemployment. Waiting days have been waivered temporarily during the Covid-19 pandemic (discussed further below).

<u>Maximum payment period</u>

Jobseeker's Benefit is paid for 9 months (234 days) for people with 260 or more qualifying paid PRSI contributions. It is paid for 6 months (156 days) to people with fewer than 260 qualifying paid contributions.

<u>Rates</u>

Jobseeker’s Benefit and Jobseeker’s Benefit (Self-Employed) rates are graduated according to a person’s *average weekly earnings* in the governing contribution year. Average weekly earnings are calculated by dividing the total reckonable gross earnings (without deductions) in the governing contribution year by the actual number of weeks worked in that year.

Currently the payment is made to a maximum rate of €203 per week. There are four rates of payment, depending on the claimant’s income. Increases can be paid in respect of a dependant adult and dependent children, if they meet certain conditions. The increase for qualified children can be paid at a full rate or a half rate. There are different rates for children under and over 12 years of age at both the full and half rates.

<table>
<tr><th>Average Weekly Earnings</th><th>Maximum Personal Rate</th><th>Increase for an Adult Dependant</th><th>Increase for a Child Dependant</th></tr>
<tr><td>Less than €150</td><td>€91.10</td><td rowspan="3">€87.20</td><td rowspan="2">Child aged under 12:
€38 (full rate), €19 (half rate)</td></tr>
<tr><td>€150 - €219.99</td><td>€131.00</td></tr>
<tr><td>€220 - €299.99</td><td>€159.00</td><td rowspan="2">Child aged 12 and over:
€45 (full rate), €22.50 (half rate)</td></tr>
<tr><td>€300 or more</td><td>€203.00</td><td>€134.70</td></tr>
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<u>*Covid-19 Pandemic Unemployment Payment (PUP)*</u>

Initially the PUP payment was intended to last for 12 weeks to 9 June 2020. The initial rate of payment was set at a flat rate of €203 (the same rate as for a single jobseeker on a jobseeker's payment) and was increased to €350 from 24th March to reflect a jobseekers rate plus an increase for a dependent adult.   Banded rates were subsequently introduced based on previous earnings, there has also been several extensions to the duration of the payment.

The PUP has been a vital support for hundreds of thousands of workers and their families through COVID19. Between March 2020 and end April 2021, just under 20 million PUP payments were made to over 850,000 people providing income support of more than €7.2 billion. The peak in total claimants on the scheme was seen at 5 May 2020 with over 600,000 claimants. The numbers of persons in receipt of PUP is directly related to the severity of pandemic-related public restrictions in place at any given time.

Qualifying Criteria

To qualify for the COVID-19 Pandemic Unemployment Payment a person must:

- be aged between 18 and 66 years old
- be currently living in the Republic of Ireland
- have lost their job due to the COVID-19 pandemic or
- have been temporarily laid off due to the COVID-19 pandemic or
- have been self-employed and their trading income has ceased or reduced to €960 over a rolling 8 week period due to COVID-19 (They must be available to take up full-time employment)
- not be in receipt of any income from an employer and
- be genuinely seeking work

The payment is available to persons who:

- worked in the Republic of Ireland or were a cross border frontier worker or
- are a non-EU/EEA worker who has lost employment due to the COVID-19 pandemic or
- are a student (or a non-EU/EEA student) who has lost employment due to the COVID-19 pandemic or
- are living in Direct Provision accommodation (applicants for international protection and persons who have been granted status) and have lost employment due to the COVID-19 pandemic **or**
- are an employee who cannot attend work due to child minding responsibilities

Waiting Days

There are no waiting days for the Covid-19 Pandemic Unemployment Payment

Maximum payment period

There is no maximum payment duration in force for the Covid-19 Pandemic Unemployment Payment. This is an emergency unemployment measure introduced specifically in response to the Covid-19 Pandemic. The scheme is currently due to run until 30 June 2021 and will be reviewed prior to that date. This date has been extended a total of 5 times in line with the trajectory of the pandemic and the extent of public restrictions which were put in place by the Government based on public health advice and guidance.

Rates

There are currently 4 rates of payment, based on earnings bands:

Weekly Earnings €	PUP Rate
Less than €200	€203.00
€200 - €299.99	€250.00
€300 - €399.99	€300.00
€400 or more	€350.00

Working Family Payment

The Department of Social Protection provides a number of income supports for low income families who are working. The Working Family Payment provides support for employees with families who have low earnings in relation to their family size. Working Family Payment is an EU Family Benefit as defined in EU 883/2004. The payment is provided tax-free and is paid weekly. Only employees can qualify for WFP i.e. those who are self-employed do not qualify. Working Family Payment is calculated on the basis of 60% of the difference between the income limit for the family size and the weekly family income of the person(s) raising the children.

To qualify for payment of WFP a person must be engaged in paid employment as an employee which is expected to last for at least 3 months and be working for a minimum of 38 hours per fortnight. A couple may combine their hours of employment to meet the qualification criteria. The applicant must also have at least one qualified child who normally resides with him/her or is part of a family supported by him/her.

A review undertaken by Department of Social Protection in 2018 showed that existing in-work supports, in particular the Working Family Payment, are very effective, and work well in assisting individuals to make the transition from unemployment into employment.

The current income thresholds for Working Family Payment are as follows;

No. of children	Weekly family income
	2021
One child	€541
Two children	€642
Three children	€743
Four children	€834
Five children	€960
Six children	€1,076
Seven children	€1,212
Eight or more children	€1,308

(b) Sickness and Healthcare Benefits

Sickness Benefits

There are a suite of income supports for those who are unable to work due to an illness or disability. It is important to note that entitlement to these supports is not contingent on the nature of the illness/disability but on the extent to which an illness or disability impairs or restricts a person's capacity to work. The primary payment for those who are sick and unable to work is called Illness Benefit. Additionally, an enhanced Illness Benefit payment was introduced as a short-term public health measure in the context of Covid-19.

Some form of statutory illness benefit has been in place in the State since 1911. The current scheme is provided for in legislation under the Social Welfare Consolidation Act 2005, as amended.

Illness Benefit is a short-term payment to PRSI contributors who are unable to work due to illness and who meet certain contribution and other conditions. The payment is funded by the Social Insurance Fund through the payment of (PRSI) contributions by workers and employers and, in the event of a shortfall between contributions received and benefits paid, by the Exchequer. The Fund is central to Ireland's system of social protection and it is the Government's role to ensure that it can provide adequate and sustainable social insurance benefits for a growing and ageing population.

Illness Benefit Qualifying Criteria

To qualify for Illness, Benefit a person must:

- Be unable to work due to illness
- Be under pensionable age (currently 66)
- Satisfy the PRSI contribution conditions;
    - At least 104 reckonable contributions
    - 39 reckonable contributions in the governing contribution year, 13 of which must be paid or 26 in the governing contribution year and 26 paid in appropriate class (A, E, H or P) in year before governing contribution year
    - Have reckonable earnings above a certain amount in the governing contribution year.

The categories of workers covered by the scheme include employed, full-time, part-time, seasonal and non-standard workers. Unemployed workers satisfying the qualifying conditions are also covered.

Illness Benefit recipients of expenditure

- The number of Illness Benefit claims received in 2019 was 206,026[1].
- There were over 49,000 recipients at any time with over 64,000 beneficiaries (when qualified adults and children are included).
- The total expenditure on Illness Benefit in 2019 was €607.22 million. Expenditure in 2020 was €611 million.

Waiting days

Payment of Illness Benefit begins from the fourth day of the illness. No payment is made for the first three days, known as "waiting days". Waiting days have been a long-standing feature of the social insurance system and are a feature of similar social security schemes in many other countries. A reduction in the number of waiting days from six to three was announced in Budget 2021 and came into force from 1 March 2021.

Maximum payment period

Illness Benefit entitlement continues as long as a person is unfit for work, subject to a maximum of:

- 2 years (624 payment days) if person has at least 260 weeks of social insurance contributions paid since first starting work
  or
- 1 year (312 payment days) if person has between 104 and 259 weeks of social insurance contributions paid since first starting work

[1] The total for 2020 is strongly affected by the pandemic, with the introduction of an enhanced illness benefit payment for people diagnosed with or at probable risk of Covid-19 with no waiting days, so figures for 2019 have been provided.

Rates of Payment

Illness Benefit rates are graduated according to a person's *average weekly earnings* in the governing contribution year. Average weekly earnings are calculated by dividing the total reckonable gross earnings (without deductions) in the governing contribution year by the actual number of weeks worked in that year.

Currently the payment is made to a maximum rate of €203 per week. There are four rates of payment, depending on the claimant's income. Increases can be paid in respect of a dependant adult and dependent children.

Weekly illness benefit payment in 2021 for claims started in 2009 or after:

Average weekly earnings	Personal rate	Increase for an adult dependant
€300 or more	€203	€134.70
€220 - €299.99	€159	€87.20
€150 - €219.99	€131	€87.20
less than €150	€91.10	€87.20

People in receipt of Illness Benefit can get an increase in payment for an adult dependant (Increase for a Qualified Adult - IQA) or child dependant (Increase for a Qualified Child - IQC) if they meet certain conditions. The IQC can be paid at a full rate or a half rate. There are different rates for children under and over 12 years of age at both the full and half rates.

Other illness related payments

In Ireland many employers pay employees are unable to work due to illness, without any statutory obligation to do so.

Where employees are not covered by an occupational sick pay scheme and have an income need to cover the short period until illness benefit becomes available, they can apply for extra financial support through the Supplementary Welfare Allowance (SWA) which is a means-tested payment. It is also available to those who do not meet the criteria for Illness Benefit or who have additional expenses related to an illness/disability. SWA is administered by the Community Welfare Service and can be accessed by a claimant through their local social protection office and it provides immediate and flexible assistance for those in need who do not qualify for payment.

Partial Capacity Benefit (PCB)

"The aim of the Partial Capacity Benefit scheme was to address a limitation of the welfare system by explicitly recognising and responding to the reality that some people with disabilities will have a capacity to engage in open market employment while continuing to require some income support from the State.

People in receipt of Invalidity Pension or Illness Benefit (for a minimum of six months) who wish to return to work are eligible for PCB if their capacity for work is reduced as a result of their medical condition.

The personal rate of payment of PCB is based on a medical assessment of a person’s restriction regarding their capacity for work and whether the person was in receipt of Illness Benefit or Invalidity Pension (i.e. their existing rate of payment). After the medical assessment, if a person's disability is rated as moderate, severe or profound their payment continues at 50, 75 or 100 per cent of their existing rate, respectively.

PCB has been designed so that:

- participation on the scheme is voluntary.
- there is no restriction on the type of work to be undertaken / requirement that a person must only undertake work that is of a ‘rehabilitative' or 'therapeutic' nature.
- there is no restriction on the number of hours that can be worked.
- there are no restrictions on the amount that can be earned from employment.
- a person who participates on the PCB scheme may return to an Illness Benefit or Invalidity Pension payment if, for example, the employment ceases or if the person cannot continue to work.
- a person on the PCB scheme, with an underlying entitlement to Invalidity Pension, will retain their Free Travel Pass for a period of five years.

The scheme is provided for in legislation under the Social Welfare Consolidation Act 2005, as amended. The scheme was launched on 13 February 2012.

Qualifying Criteria

A claimant may qualify for Partial Capacity Benefit if their restriction on capacity for work is assessed as moderate, severe, or profound. If it is assessed as mild, they will not qualify.

To qualify for Partial Capacity Benefit, a claimant must be in receipt of either:

- Illness Benefit (for a minimum of 6 months)
- Invalidity Pension

They may not work until they have received written approval from the department.

Maximum payment period

The duration a person can be in receipt of PCB is linked to the payment they moved from, subject to a maximum of 156 weeks. In the case of Illness Benefit, the maximum duration of the underlying payment is 624 payment days applies and the maximum period allowed on PCB matches that maximum duration (less six months). Claimants who were previously in receipt of Invalidity Pension may be paid PCB for a maximum of 156 weeks.

Rates of Payment

The personal rate of payment of PCB is based on a medical assessment of a person's restriction regarding their capacity for work and whether the person was in receipt of Illness Benefit or Invalidity Pension (i.e. their existing rate of payment). After the medical assessment, if a person's disability is rated as moderate, severe or profound their payment continues at 50, 75 or 100 per cent of their existing rate, respectively.

Partial Capacity Benefit may include increases for a 'qualified adult' and 'qualified children'. In cases where a spouse's or partner's income is below a certain threshold, they may be deemed a 'qualified adult'. In the case of a child a 'qualified child' must

- live with the claimant in the State
- be the correct age for the payment claimed
- not be in legal custody

Partial Capactiy Benefits Rates

Level of incapacity in relation to ability to work	Payment if previously receiving Illness Benefit	Payment if Invalidity Pension was received before
Moderate	**€101.50**	**€104.25**
Severe	**€152.25**	**€156.38**
Profound	**€203.00**	**€208.50**
Increase for an Adult Dependant	**Increase for a child dependant from 4 January 2021**	
€134.70	Child aged under 12 €38 (full rate) €19 (half rate) Child aged 12 and over €45 (full rate) €22.50 (half rate)	

Healthcare Benefits

Qualifying criteria for Health Services

Entitlement to health services in Ireland is primarily based on residency and means. The Health Service Executive (HSE) normally regard a person as "ordinarily resident" in Ireland if they satisfy the HSE that it is their intention to remain in Ireland for a minimum period of one year. Any person, who is accepted by the HSE as being ordinarily resident in Ireland is entitled to either full (medical cards) or limited eligibility for health services.

Qualifying criteria for Medical Cards

All children under the age of 6 and persons aged over 70 are entitled to a GP (general practitioner) visit card which provides for GP services without charge for the card holder

Medical cards are issued to persons who, in the opinion of the Health Service Executive are unable to provide health services for themselves and their dependants without undue hardship. In certain circumstances, the HSE may exercise discretion and grant a medical or GP visit card, even though an applicant exceeds his or her income threshold, where he or she faces difficult financial circumstances, such as extra costs arising from an illness or undue hardship exists.

Persons with full eligibility (i.e. medical card holders) are entitled to a range of services including general practitioner services, prescribed drugs and medicines, all public hospital in-patient services including consultant services, all public hospital out-patient services including consultant services, dental, ophthalmic and aural services and appliances and a maternity and infant care service. Other services such as allied health professional services may be available to persons with full eligibility. Apart from prescribed drugs and medicines, which are subject to a prescription charge, public health services are provided free of charge to persons with full eligibility.

Persons with limited eligibility are, subject to nominal charges (€80 per night up to a maximum of €800 in any 12-month consecutive period), eligible for all public in-patient services including consultant services.

In addition, persons with limited eligibility are eligible for all public hospital out-patient services free of charge subject to a charge of €100 when outpatient services are provided at an emergency department, an accident and emergency department and a casualty department or a charge of €75 when outpatient services are provided at a minor injury unit, an urgent care centre, a local injury unit, or any other facility providing similar services. A number of exemptions apply to these charges, e.g. the out-patient service results in an admission to a public hospital, etc.

Persons with limited eligibility are also eligible for a maternity and infant care service and a termination of pregnancy service. Other services such as allied health professional services may also be available to persons with limited eligibility. Persons with limited eligibility status who are not eligible for public GP services access these services as a private patient. In addition, persons with limited eligibility pay the first €114 cost for prescribed medication each month with any additional cost above this threshold covered by the public health system.

(c) **Maternity and equivalent Paternity Benefits**

Maternity Benefit

Maternity Benefit is a payment made for 26 weeks to employed and self-employed women who satisfy certain PRSI contribution conditions on their own insurance record. The original scheme was introduced in 1970 and was extended to include the self-employed from 9th June 1997. In 2020, the total cost of maternity benefit was €258million, which was paid in respect of 40,275 claims. The provision for 2021 is just over €260m.

Qualifying Criteria

Maternity Benefit is paid by the Department of Social Protection to people who have a certain number of paid PRSI contributions on their social insurance record. The PRSI contributions can be from both employment and self-employment. The PRSI classes that count for Maternity Benefit are A, E, H and S (self-employed). Members of the Defence Forces who pay PRSI at Class H are insured for Maternity Benefit, but it is not payable while they are in service.

If a claimant is now self-employed but was in insurable employment before becoming self-employed, PRSI contributions (Class A, E and H) in that employment may help to qualify for Maternity Benefit if they do not satisfy the self-employment conditions. If an employee does not meet PRSI contributions in their insurable employment and they were self-employed before starting work as an employee, they may be able to use their Class S contributions to qualify for Paternity Benefit.

If a claimant was previously in insurable employment in a country covered by EU Regulations and they have paid at least one full rate PRSI contribution since their return to Ireland, the insurance record (contributions and credits) in that country may be combined with the Irish PRSI contributions to help qualify for benefit.

Rates of Payment

Maternity Benefit is paid at a standard weekly rate.

Rate of payment in 2021	
Maternity Benefit	**Weekly rate**
Standard payment	€245

The conditions and rules for Maternity Benefit are transparent and individuals have access to updated, comprehensive, accessible, user-friendly and clearly understandable information about their individual entitlements and obligations free of charge.

Paternity Benefit

Qualifying Criteria

Paternity Benefit is paid by the Department of Social Protection to people who have a certain number of paid PRSI contributions on their social insurance record. The PRSI contributions can be from both employment and self-employment. The PRSI classes that count for Paternity Benefit are A, E, H and S (self-employed). Members of the Defence Forces who pay PRSI at Class H are insured for Paternity Benefit, but it is not payable while they are in service.

If a claimant is now self-employed but was in insurable employment before becoming self-employed, PRSI contributions (Class A, E and H) in that employment may help to qualify for Paternity Benefit if they do not satisfy the self-employment conditions. If an employee does not meet PRSI contributions in their insurable employment and they were self-employed before starting work as an employee, they may be able to use their Class S contributions to qualify for Paternity Benefit.

If a claimant was previously in insurable employment in a country covered by EU Regulations and they have paid at least one full rate PRSI contribution since their return to Ireland, the insurance record (contributions and credits) in that country may be combined with the Irish PRSI contributions to help qualify for benefit.

Rates of Payment

Paternity Benefit is paid at a standard weekly rate.

Rate of payment in 2021	
Paternity Benefit	**Weekly rate**
Standard payment	€245

Parents Benefit

The Parent’s Leave and Benefit Act 2019 introduced two weeks of paid Parents' Leave for each parent to be taken in the first year after the birth or adoptive placement of a child.

Following the commencement of the Family Leave and Miscellaneous Provisions Act 2021, an additional three weeks of paid Parents' Leave is available to each parent, and the period in which the leave can be taken is extended to the first two years after the birth or adoptive placement of a child.

The extension to the Parent’s Leave and Benefit Act 2019 follows a number of recent legislative reforms aimed at enabling working parents to spend more time with their children. These include the extension of unpaid Parental Leave to 26 weeks for a child under 12 years in 2020, the introduction of two week’s Parent’s Leave and Benefit in 2019 and the introduction of two weeks’ Paternity Leave in 2016.

The Government has commited to the continued support of working parents to achieve a better work-life balance. Parent’s Leave and Benefit falls into this category and encourages the sharing of parental responsibilities equally between couples

Parent’s Benefit provides five weeks payment to each parent of a child, aged under 2 year or in the two years following an adoption, who is on Parent’s Leave from work to care for their child and covered by social insurance (PRSI). It is available in respect of any child born or placed with their adoptive parents from 1 November 2019.

Parent’s Leave will increase the leave available by 5 weeks for each parent and does not impact on the paid or unpaid leave arrangements already in place.

Qualifying Criteria

To qualify for Parent’s Benefit, the claimant must have paid sufficient pay social insurance (PRSI) contributions. PRSI contributions paid at Classes A, B, C, D, E, H and S (self-employed) count.

If the Claimant has received Maternity Benefit, Adoptive Benefit, or Paternity Benefit for their child, they will automatically satisfy the PRSI contributions requirements to receive Parent’s Benefit.

If the claimant is an **employee**, they must have:

- at least 39 weeks PRSI contributions paid in the 12 month period before the first day of your Parent’s Benefit **OR**
- at least 39 weeks PRSI contributions paid since first starting work and at least 39 weeks PRSI paid or credited in the relevant tax year or in the tax year immediately following

the relevant tax year. For example, if you are applying for Parent's Leave in 2021, the relevant tax year is 2019 and the year following that is 2020 **OR**
- at least 26 weeks PRSI paid in the relevant tax year and at least 26 weeks PRSI paid in the tax year immediately before the relevant tax year. For example, if you are applying for Parent's Leave in 2021, the relevant tax year is 2019 and the year before that is 2018

If a claimant does not meet these PRSI conditions and was in insurable self-employment before starting insurable employment as an employee, they may use their PRSI contributions (Class S) from that self-employment to qualify for Parent's Benefit (see PRSI conditions for self-employed people below).

If a claimant was previously in insurable employment in a country covered by EU Regulations, they may combine their insurance record in that country with their Irish PRSI contributions to help qualify for Parent's Benefit in Ireland. The claimant must be currently in insurable employment in Ireland and have paid their most recent PRSI contribution in Ireland.

The claimant must notify their employer 6 weeks in advance of their intention to avail of Parent's Leave and the intended dates of the leave.

If the claimant is **self-employed,** they must be in insurable employment and have:

- 52 PRSI contributions paid at Class S in the relevant tax year. For example, if you are applying for Parent's Leave in 2021, the relevant tax year is 2019 and the year following that is 2020 **OR**
- 52 weeks PRSI contributions paid at Class S in the tax year immediately before the relevant tax year. For example, if you are applying for Parent's Leave in 2021, the tax year immediately before the relevant tax year is 2018 **OR**
- 52 weeks PRSI contributions paid Class S in the tax year immediately following the relevant tax year. For example, if you are claiming Parent's Benefit in 2021, the tax year immediately following the relevant tax year is 2020

If the claimant does not meet these PRSI conditions and was in insurable employment prior to becoming self-employed, they can use their PRSI contributions in that employment to qualify for Parent's Benefit (see PRSI conditions for employed people above).

<u>Rates of Payment</u>

Parent's Benefit is currently €245 a week for five weeks. Parent's Benefit can be paid in separate weekly blocks or can be paid over a consecutive 5 week period.

Employers may continue to pay their employees in full when they are on parent's leave. They may also require that the Parent's Benefit is paid directly to them, and the claimant can choose to do this.

<u>Increases paid in respect of a dependant adult and dependant children</u>**.**

If the claimant has dependents, they may be able to get a higher rate of Parent's Benefit. When applying, the rate of Parent's Benefit (excluding increases for dependents) is compared to the rate of Illness Benefit (€203 per week), including increases for dependents, that would be paid, if the claimant was absent from work through illness. The higher of the two rates is paid.

Increase for an Adult Dependant (maximum rate)	Increase for a Child Dependant
€134.70	Child aged under 12 €38 (full rate) €19 (half rate) Child aged 12 and over €45 (full rate) €22.50 (half rate)

Overlapping Provisions

Half-rate or reduced rate Parent's Benefit is payable if the claimant is in receipt of one of the following payments:

- One-Parent Family Payment
- Widow's, Widower's or Surviving Civil Partner Contributory Pension
- Widow's, Widower's or Surviving Civil Partner Non-Contributory Pension
- Death Benefit by way of Widow's/Widower's, Surviving Civil Partner's or Dependent Parent(s) Pension (under the Occupational Injuries Scheme)

Health and Safety Benefit

Health and Safety Benefit is a weekly payment for women who are granted Health and Safety leave under the Maternity Protection Act 1994. Health and Safety Leave is granted to an employee by her employer when the employer cannot remove a risk to the employee's health or safety during her pregnancy or whilst breastfeeding; or cannot assign her alternative 'risk-free' duties.

Under the Maternity Protection Act, 1994, an employee is entitled to remuneration from her employer for the first 21 days of Health and Safety Leave and Health and Safety Benefit is payable for the remainder if the qualifying conditions are met.

Qualifying Criteria

A claimant must be granted Health and Safety Leave under Section 18 of the Maternity Protection Act, 1994, and fulfil certain contribution conditions.

The claimant must:

- be a pregnant employee who is exposed to certain risks in the workplace or involved in nightwork*, **or**
- be an employee who has given birth in the previous 14 weeks and is involved in nightwork*, **or**
- be breastfeeding (up to 26 weeks after giving birth) and exposed to certain risks in the workplace, **and**

- be awarded Health and Safety Leave under Section 18 of the Maternity Protection Act, 1994, **and**
- satisfy the PRSI contribution conditions

**Under the Safety, Health and Welfare at Work (Pregnant Employees, etc) Regulations, 2000, nightwork is defined as "...work in the period between the hours of 11pm on any day and 6am on the next following day, where:

- the employee works at least three hours in the said period as a normal course, **or**
- at least 25% of the employee's monthly working time is performed in the said period."

Contribution Conditions

In order to qualify, a person must have:

- at least 13 weeks PRSI paid in the 12 months immediately before the date the baby is due, **or**
- 104 weeks PRSI paid since the claimant first started work and 39 weeks PRSI paid or credited in the relevant tax year or in the year following the relevant tax year, of which at least 13 must be paid contributions, **or**
- 104 weeks PRSI paid since the claimant first started work and 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 Classes A,E or H * count

- Health and Safety Benefit is not payable to serving members of the Defence Forces who pay PRSI at class H.

An employee who received Health and Safety Benefit while pregnant is deemed to satisfy the PRSI contribution conditions for Maternity Benefit and an employee who applies for Health and Safety Benefit, having been in receipt of Maternity Benefit, is deemed to satisfy the PRSI contribution conditions.

Rates of Payment

The standard rate is €203 a week. However, the weekly rate a person may get depends on how much they earn in the relevant tax year.

To qualify for the standard rate, the average earnings must be at least €300 a week. If a claimant earn less than this, they will get a reduced rate.

Increases paid in respect of a dependant adult and dependent children.

Payment is made up of a personal rate for the employee with extra amounts for a qualified adult dependent and/or child dependents

Increase for an Adult Dependant (maximum rate)	**Increase for a Child Dependant**
€134.70	Child aged under 12 €38 (full rate)

	€19 (half rate) Child aged 12 and over €45 (full rate) €22.50 (half rate)

Overlapping Provisions

Half-rate/reduced rate Health and Safety Benefit is payable if the claimant is in receipt of one of the following payments:

One-Parent Family Payment
Widow's, Widower's or Surviving Civil Partner Contributory Pension
Widow's, Widower's or Surviving Civil Partner Non-Contributory Pension
Deserted Wife's Benefit
Prisoner's Wife Allowance
Deserted Wife's Allowance
Death Benefit by way of Widow's, Widower's, Surviving Civil Partner's or Dependent Parent(s) Pension (under the Occupational Injuries Scheme)

(g) Invalidity Benefits

The Department provides a suite of income supports for those who are unable to work due to an illness or disability. It is important to note that entitlement to these supports is not contingent on the nature of the illness/disability but on the extent to which an illness or disability impairs or restricts a person's capacity to work. Contribution based Invalidity Pension is available for employed and self-employed persons.

Some form of statutory illness or sickness benefit has been in place in the State since 1911. The current scheme is provided for in legislation under the Social Welfare Consolidation Act 2005, as amended.

Invalidity Pension is a weekly payment made by the Department of Social Protection to insured contributors who are permanently incapable of work because of a long-term illness or disability and are covered by social insurance (PRSI). It is based on a claimant's social insurance contributions and the personal rate of payment is not means tested.

The payment is funded by the Social Insurance Fund through the payment of PRSI contributions by workers, employers and the self-employed and, in the event of a shortfall between contributions received and benefits paid, by the Exchequer. The Fund is central to Ireland's system of social protection and the Government needs to ensure that it can provide adequate and sustainable social insurance pensions and benefits for a growing and ageing population.

Invalidity Pension Qualifying Criteria

To qualify for award of Invalidity Pension a claimant must satisfy both the medical condition and PRSI contributions as follows:

- Medical condition

A claimant must be regarded as permanently incapable of work, which is defined as:

- incapacity for work of such a nature that the likelihood is that the claimant will be incapable of work for life OR
- an incapacity which has existed for 12 months prior to the date of claim, and where the Deciding Officer or an Appeals Officer is satisfied that the claimant is likely to be unable to work for 1 year from the date of claim.

- PRSI Contributions condition

For all claims received on or after 01/12/2017, the claimant must have:

- 260 paid PRSI contributions (Class A, E, H or S) since entering social insurance

AND

- 48 contributions paid or credited (Class A, E, H or S) in the last OR second last complete contribution year before the date of claim

- For all claims received prior to 01/12/2017, the claimant must have:

- 260 paid PRSI contributions (Class A, E or H) since entering social insurance

AND

- 48 contributions paid or credited (Class A, E or H) in the last complete contribution year before the date of claim

The last complete contribution year is the year before the date of claim. For example, if a claim is made for Invalidity Pension in December 2019, the last complete contribution year is 2018 and the second last complete contribution year is 2017.

In addition, where a claimant has no reckonable contributions paid or credited for two consecutive years, that person is not entitled to the payment of Invalidity Pension until 26 qualifying contributions have been paid subsequently.

Note: PRSI paid at class S (self-employed) is only reckonable for claims received on or after 01/12/2017.

The categories of workers covered by the scheme include employed, self-employed, full-time, part-time, seasonal and non-standard workers. Unemployed workers satisfying the qualifying conditions are also covered.

Rates of Payment

Currently Invalidity Pension is paid at the rate of €208.50 per week. Increases can be paid in respect of a dependant adult and dependent children.

Weekly Invalidity Pension payment in 2021:

Personal rate	Increase for an adult dependant
€208.50	€148.90

People in receipt of Invalidity Pension can get an increase in payment for an adult dependant (Increase for a Qualified Adult - IQA) or child dependant (Increase for a Qualified Child - IQC) if they meet certain conditions. The IQC can be paid at a full rate or a half rate. There are different rates for children under and over 12 years of age at both the full and half rates.

(h) Old Age Benefits and Survivors Benefits

<u>Self Employed – Qualifying Criteria Accessing State Pension</u>

To qualify for a State Pension (Contributory) a person must be aged 66 or over and have enough Class A, E, F, G, H, N or S PRSI contributions. See Annex 4 for further details on PRSI rates.

To qualify a person must:

- Have paid PRSI contributions before a certain age and
- Have a certain number of paid PRSI contributions and
- Have a certain yearly average number of PRSI contributions since first starting to pay PRSI (this is the average rule) or have a certain total number of PRSI contributions (this is the Total Contributions Approach).
- To get a State Pension (Contributory), a person must have started to pay PRSI before the age of 56.

The date a person first started to pay PRSI is known as his/her date of *entry into insurance*. This date is also important when calculating the yearly average number of PRSI contributions.

There are special rules on entry into insurance for self-employed people. PRSI for the self-employed was introduced on 6 April 1988. If a person started to pay self-employed PRSI on 6 April 1988 and had previously paid employee PRSI at any time, then his/her date of entry into insurance can be either 6 April 1988 or the date when s/he first paid employee PRSI, whichever would give the person a higher rate of pension.

If the person started to pay self-employed PRSI after 6 April 1988, the date of entry into insurance will be the date his/her first full-rate contribution was paid.

A self-employed worker whose income is €5,000 or more in a contribution year, is liable to pay a social insurance contribution at the Class S rate of 4% on such income, subject to a minimum annual payment of €500. Where the social insurance liability is paid in full in respect to a contribution year, 52 contribution weeks at the self-employed social insurance class are regarded as having been paid for that contribution year. Therefore, the need for credited weekly contributions does not usually arise for self-employed contributors.

(i) Benefits in respect of accidents at work and occupational diseases

<u>Occupational Injury Benefit Qualifying Conditions</u>

Occupational Injury Benefit is a weekly payment which an applicant can get it if they are unfit for work due to:

- an accident at work
- an accident while travelling directly to or from work (on an unbroken journey)
- an occupational disease.

To get Occupational Injury Benefit, the applicant must be in insurable employment at PRSI Class A, D, J or M. At class M, only employees aged under 16 are covered.

The applicant does not need a certain number of Class A, D, J or M contributions to qualify for Occupational Injury Benefit.

They will qualify if they are unfit for work because of an occupational disease or an accident at work or an accident while travelling to or from work.

The illness or incapacity must last for more than 3 days (not counting Sundays and paid holiday leave).

Civil servants who started work before April 1995 and are insured at Class B do not qualify for Injury Benefit. But they can get a declaration that an occupational accident occurred, and they may qualify for other benefits under the Occupational Injuries Benefits Scheme.

Waiting days

Payment of Occupational Injury Benefit begins from the fourth day of the illness. No payment is made for the first three days, known as “waiting days”. Waiting days have been a long-standing feature of the social insurance system and are a feature of similar social security schemes in many other countries. The number of waiting days was reduced from six from 1 March 2021.

Maximum payment period

Occupational Injury Benefit is not paid for the first 3 days of the illness or incapacity.

Occupational Injury Benefit is paid for up to 26 weeks (6 months).

Rates of Payment

Occupational Injury Benefit is a weekly payment. Payment is made from the 4th day of incapacity for work. It can be paid for up to 26 weeks from the date of the accident or development of the disease (not the date of application). If the claimant is still unfit for work after 26 weeks, they may apply for Illness Benefit or Disability Allowance.

Currently the payment is made to a maximum rate of €203 per week. Increases can be paid in respect of a dependant adult and dependent children.

Occupational Injury Benefits Rates 2021:

Maximum Personal Rate	**Increase for an Adult Dependant**	**Increase for a child dependant from 4 January 2021**
€203	€134.70	Child aged under 12 €38 (full rate) €19 (half rate) Child aged 12 and over €45 (full rate) €22.50 (half rate)

People in receipt of Occupational Injury Benefit can get an increase in payment for an adult dependant (Increase for a Qualified Adult - IQA) or child dependant (Increase for a Qualified Child - IQC) if they meet certain conditions. The IQC can be paid at a full rate or a half rate. There are different rates for children under and over 12 years of age at both the full and half rates.

Other payments while sick

In Ireland many employers pay employees while they are sick without any statutory obligation to do so as there is currently no statutory sick pay system in place.

Where employees are not covered by an occupational sick pay scheme and they have an income need to cover the short period until occupational illness benefit or illness benefit becomes available, they can apply for extra financial support through the Supplementary Welfare Allowance which is a means-tested payment. This is administered by the Community Welfare Service and can be accessed by claimant through their local Intreo office. It is also available to those who do not meet the criteria for Occupational Injury Benefit or who have additional expenses related to an illness/disability. It provides immediate and flexible assistance for those in need who do not qualify for payment under other schemes.

Disablement Benefit

The Department provides a suite of income supports for those who are unable to work due to an illness or disability. It is important to note that entitlement to these supports is not contingent on the nature of the illness/disability but on the extent to which a particular illness or disability impairs or restricts a person's capacity to work. The primary payment for those who are sick from work is called Illness Benefit however employees can apply for DIsablement Benefit if they sustain a loss of faculty as a result of an occupational accident or disease or from injury sustained while travelling to or from work.

Some form of statutory illness or sickness benefit has been in place in the State since 1911. The current scheme is provided for in legislation under the Social Welfare Consolidation Act 2005, as amended.

Disablement Benefit is a payment under the Occupational Injuries Benefits Scheme. It is payable to persons who sustain a loss of faculty as a result of an occupational accident or disease or from injury sustained while travelling to or from work.
Applicants must be paying PRSI at certain classes. Loss of faculty is determined with advice from the Department's Medical Advisors and will often involve an in-person medical assessment.

Death Benefit: If a person dies because of an accident at work or occupational disease, Death Benefit (under the Occupational Injuries Benefits Scheme) may be paid to their surviving spouse or civil partner or dependent child. Death Benefit may also be paid if, at the time of their death, the person was getting a Disablement Pension assessed at 50% or more, regardless of the cause of death.

Qualifying Conditions

You may get Disablement Benefit if you suffer a loss of physical or mental faculty because of:

- An accident at work
- An accident while travelling (on an unbroken journey) directly to or from work
- A prescribed occupational disease

Loss of physical or mental faculty

The extent of disablement is assessed following an examination by a Medical Assessor, who will assess the extent of loss of faculty as a result of an occupational accident or disease and will make a recommendation to the deciding officer. 'Loss of faculty' means a claimants inability to enjoy a normal lifestyle because of the loss, or partial loss, of an ordinary physical or mental abilities as a result of an occupational injury or disease. In assessing the degree of loss of faculty, account is taken of how the claimants current physical and mental condition compares to their pre-accident state of health, and how they compare with a healthy person of the same age and sex.

Examples of assessments are as follows:

Injury	Disablement
Loss of both hands	100%
Loss of one eye	40%
Loss of thumb	30%
Loss of 2 fingers of one hand	20%
Loss of index finger	14%

PRSI contributions

In order to qualify for Disablement Benefit, a claimant must have been in employment on or after 1 May 1967, that was insurable at PRSI Class A, B, D, J or M, at the time that they sustained the accident or disease.
Under the Occupational Injuries Scheme, civil servants insured at PRSI Class B are not eligible for Disablement Benefit for the first 26 weeks after the date of the accident. After this 26-week period, a civil servant is paid half their Disablement Benefit by DEASP and half by the parent department at the time of the accident (now PSSC)

Declaring an occupational injury

Not all work accidents or occupational diseases result immediately in illness or disablement. If a claimant is not immediately incapacitated but wish to **safeguard their future right to Disablement Benefit**, they must notify their employer about the accident or disease and apply for a declaration that the accident or disease was an occupational one. This should be done without delay. If your disablement occurs at a later stage, a claim must be made within 3 months of becoming aware of it.

Rates of Payment

Payment depends on the degree of the disablement, which is medically assessed. For assessments of less than 20%, Disablement Benefit will normally be a lump sum (gratuity). The size of the lump sum will vary depending on the degree of disablement and how long the claimant is expected to be disabled. For assessments of 20% upwards, a pension is payable.

From 01 January 2020 a 100% disablement, is a maximum personal pension is €234 (previously €229).

If the disablement is 20-90% disablement, the maximum personal pension is as follows:

Level of disablement	Weekly payment €
- 90%	210.60
- 80%	187.20
- 70%	163.80
- 60%	140.40
- 50%	117.00

- 40%	93.60
- 30%	70.20
- 20%	46.80

Up to 19% disablement:

A lump sum may be payable, up to a maximum of €16,370 (previously €16,020).

Incapacity Supplement

Weekly rate from 01 January 2020	Under 66, €	Over 66, €
Personal rate	203.00	222.30
Increase for a Qualified Adult	134.70	147.50
Increase for a Qualified Child	40.00	

Constant Attendance Allowance

Weekly rate:

- €220

This payment is only made to certain people with over 50% disablement.

Challenges

As a result of the economic impact of the Covid-19 pandemic, and the production of the Further Revised Estimate, the Department estimates that the SIF will experience a significant shortfall in 2020 and if realised, would result in the SIF's surplus built up to the end of 2019 being exhausted. The extension of the Pandemic Unemployment Payment and the Enhanced Illness Benefit Scheme to 30 June 2021 will have a significant impact on the SIF's expenditure.

The SIF operates on a Pay as You Go (PAYG) model meaning that today's pensions are funded by social insurance contributions of today's workers. This PAYG model works for so long as there are roughly four or more workers contributing into the SIF for every pensioner drawing from it. The pensioner support ratio is projected to decline from 4.9 workers for every individual over age 66 in 2015 to 2.9 workers in 2035 and to 2.0 workers by 2055. Aside from the financial impact of the Covid-19 pandemic, annual shortfalls were projected to increase from 2021 onwards as the ageing of the population starts to impact.

Self-employed rate social insurance (PRSI) contributions are counted as full-rate contributions for State Pension (Contributory) purposes.

If the person reaches pension age on or after April 6, 2012, a person needs to have 520 full-rate contributions (10 years contributions). In this case, only 260 of the 520 contributions may be voluntary contributions.

New rate bands for State pension (contributory) were introduced from 1 September 2012 to allow for a wider graduation of yearly average bands and corresponding pension rates. Consequently, the rate of pension payment is more closely related to the paid or credited social insurance contribution record a person holds over their working lives.

The maximum pension rate band, for those with a yearly average of 48 contributions or over, remained unchanged, as did the rate payable to applicants with a yearly average of between 40 and 47 contributions. The rate band changes affected only those who qualified for State pension (contributory) after 1 September 2012, and only those who had an average of between 10 and 39 contributions per year.

In January 2018, the Government announced that pensioners, born on or after 1 September 1946 and affected by the 2012 changes in rate bands, could have their State pension (contributory) entitlement calculated under an interim Total Contributions Approach (TCA). The TCA also provided for up to 20 years of Home Caring Periods in the calculation of pension entitlement for those who took time out of the workplace for parenting children under age 12 or individuals who needed increased levels of care.

Applicants for State pension (contributory) have their pension entitlement assessed under both the yearly average calculation method and the TCA and are awarded whichever pension rate is higher

As Unemployment Benefit was extended to the Self-employed in 2019 it no longer presents any challenges in this regard for Ireland. The same can also be said for Maternity and Paternity Benefits both of which are already accessible to the Self-employed. The challenge of increasing the proportion of new fathers who avail of leave and share in caring responsibilities is not unique to Ireland. However, the number of applications received improved in comparison to Maternity Benefit; from less than 60% in 2019, to approximately 64% of the rate of Maternity Benefit in 2020.

One of the main gaps in access to the Social Protection for the self-employed in Ireland is in the area of illness benefits. The Occupational injury Benefit and the Illness Benefit Scheme does not provide coverage for self-employed people, however they can, subject to certain criteria, qualify for a basic supplementary allowance payment(detail of this payment in Annex 3) These payments are subject to a means test.

- The Illness Benefit scheme does not provide coverage for self-employed people, however there is access to long-term sickness benefits under the Invalidity Pensions scheme.
- Self-employed people can, subject to certain criteria, qualify for a basic supplementary allowance (SWA) payment. These cases are known as "sick no benefit" (SNB) cases. SWA payments are means-tested.
- Conditionality for the scheme means that achieving eligibility may take some time for workers commencing employment with few paid contributions. These may include young people, recently arrived migrants from outside the EU, people who were long-term unemployed or those who have a long absence from the workforce, such as carers. A minimum of 104 contributions are required to be eligible.
- Waiting days mean that there is no payment for the first 3 days of illness.

<u>Main challenges</u>

- Cost and sustainability of extending coverage for illness benefit
    - As a result of the Covid-19 support measures implemented the Social Insurance Fund surplus is depleted and exchequer subventions are now required.
    - the low contribution rate of self-employed contributors. There has been an extensive expansion of access to the range of social insurance benefits by self-employed social insurance contributors in recent years without any increase in the 4% rate of contribution made by them. Providing access to Illness Benefit to the self-employed would require a greater social insurance contribution from them.
    - No existing statutory sick pay scheme. There is no statutory requirement for employers to provide an occupational sick pay scheme. It is at the discretion of the employer to decide their own policy on sick pay and sick leave, subject to the employee's contract or terms of employment. Many employees receive their full salaries or a portion of their salaries when out sick. In these employments the employee is generally required to claim Illness Benefit and pay it to the employer. The issue of statutory sick pay is explained in further details under The Way Forward section of this report.

Currently Ireland does not believe there are challenges in accessing Maternity/ Paternity Benefit as there is a level- playing field between labour market statuses in accessing Maternity Benefit at the standard rate of €245 for 26 weeks.

Lessons learned from the Covid 19 crisis

The Government introduced a range of employment and income support measures in 2020 arising from the onset of the Covid-19 pandemic.

- The Social Welfare (Covid-19) (Amendment) Act 2020 makes provision for the attribution of social insurance contributions, for a period that may be prescribed, for employed and self-employed contributors who are beneficiaries of certain Covid-19 income supports including the PUP. Such contributors will have social insurance contributions attributed to them at the same value as they were paying while employed immediately before going on the payment. The measure means that people who lost their jobs arising from the Covid-19 pandemic will not be disadvantaged in accessing social insurance benefits in the future.

- The Enhanced Illness Benefit Scheme, introduced as a response to the pandemic is available to the self-employed for a maximum of a 2 week medically required self-isolation period or for the full duration of absence from work following a confirmed diagnosis of Covid-19.The Covid-19 PUP was introduced on 15 March 2020 as one of a number of measures that were put in place by the State in response to the global health emergency caused by the Covid-19 pandemic. It was introduced as a time-limited emergency income response measure to deal with the public health crisis and meet the expected dramatic surge in unemployment.

  Initially payment on the scheme was intended to last for 12 weeks to 9 June 2020. The initial rate of payment was set at a flat rate of €203 (the same rate as for a single jobseeker on a jobseeker's payment) and was increased to €350 from 24 March 2020 to reflect a jobseekers rate plus an increase for a dependant adult. Banded rates were subsequently introduced based on previous earnings, and there have also been several extensions to the duration of the payment.

- The PUP has been a vital support for hundreds of thousands of workers and their families through COVID19. Between March 2020 and end April 2021, just under 20 million PUP payments were made to over 850,000 people providing income support of more than €7.2 billion. The peak in total claimants on the scheme was seen at 5 May 2020, with over 600,000 claimants. The numbers of persons in receipt of PUP is directly related to the severity of pandemic-related public restrictions in place at any given time. The PUP is also available to the self employed.

- With regard to Maternity Benefit time spent on the PUP and the Covid-19 Employment Wage Subsidy Scheme (EWSS)*[2] are treated as if the individual is continuing to make insurance contributions at their normal insurance class. This means that if a pregnant woman is getting PUP or EWSS within 16 weeks of the expected due date of their baby, they will qualify for Maternity Benefit, if they have enough social insurance contributions. This has helped to ensure the continuation of insurance coverage during the Covid-19 Pandemic.

- With regard to Paternity Benefit time spent on the PUP and the EWSS are treated as if the individual is continuing to make insurance contributions at their normal insurance class. This means that, if an individual is getting PUP or EWSS, they will qualify for Paternity Benefit if they have enough social insurance contributions. This has helped to ensure the continuation of insurance coverage during the Covid-19 Pandemic.

[2] * EWSS is an economy-wide enterprise support that focuses primarily on business eligibility. The scheme provides a flat-rate subsidy to qualifying employers based on the numbers of eligible employees on the employer's payroll and gross pay to employees.

- The Enhanced Illness Benefit scheme (further details in annex 2) was temporarily introduced to deal with the circumstances presented by the Covid-19 pandemic. The goal is to encourage people to not go to work due to financial constraint when they should be in isolation. The Health (Preservation and Protection and other Emergency Measures in the Public Interest) Act 2020 introduced amendments to Social Welfare legislation to provide for special arrangements for the payment of an enhanced rate of Illness Benefit in relation to Covid-19. Payment will be made where an employee or self-employed person is diagnosed or is a probable source of Covid 19 infection.

- Jobseeker's Benefit was extended to include the self-employed prior to the COVID-19 crisis.

- There were no changes to the Partial Capacity Benefit Scheme during the Covid-19 crises. There was a 19.6% in increase from March 2019 to March 2020 and a smaller increase of 5.2% of recipient numbers (during the period of the pandemic) from March 2020 to March 2021. Some 3,172 persons are now availing of the scheme.

- The quick response and introduction of two schemes by digital means, the PUP and the Enhanced Illness Benefit payment ensured that employees who contracted the virus in work had easy and quick access to a Department payment based on their illness.

- There were no changes to the Occupational Injury Benefits Scheme during the Covid-19 crisis.

- A number of General Practitioner (GP) payment supports were implemented to help maintain the provision of GP services and to provide for access to GP COVID-19 assessments, treatment, and test referrals to all patients without charge. Under existing arrangements, GPs provide remote consultations for COVID-19 assessment and possible test referral, as well as in-person dedicated respiratory clinic consultations. Separate arrangements have also been put in place to support GP out-of-hours services during the pandemic.

- In addition, to minimise the potential impact of winter influenza coinciding with a surge of COVID-19, Ireland's winter influenza vaccination programme was expanded to ensure those most vulnerable to the effects of influenza have access to vaccination without charge. Under the expanded programme, the influenza vaccine was made available to all of those in at-risk groups aged from 6 months up, healthcare workers and all children aged from 2 to 17 years, helping to reduce the potential spread of influenza and minimise hospital attendance.

- The national testing strategy for COVID-19 in Ireland involves testing people who meet the case definition. There is no charge associated with referral and/or testing for any person who believes they have symptoms who contacts their GP. and is referred for a test or who is tested as part of a serial or mass texting programme or who is a walk-in to one of the temporary services.

- There has only been a minor impact on the Invalidity Pension scheme due to the Covid-19 crisis. New applications have decreased by approximately 10%.

- There were no changes to the Disablement Benefits Scheme during the Covid-19 crises

- There were no changes to the Parent's Benefit scheme during the Covid-19 crisis. However, uptake for the scheme in 2020 did not reach anticipated levels as in order to qualify for Parents Leave and Benefit one must be in employment to avail of the leave. The graduated easing of restrictive measures throughout 2021 with many parents returning to work will increase the number parents availing of their leave and benefit.

- There were no procedural changes to the Health & Safety Benefit scheme during the Covid-19 crisis. However, uptake for the scheme in 2020 did not reach the levels of the previous year as a direct result of the impact of the pandemic, as in order to qualify for Health & Safety Leave and Benefit one must be in employment.
  The graduated easing of restrictive measures throughout 2021, and the reopening of society will facilitate the return to work of many, which in turn will most likely increase the number of pregnant women availing of health & safety leave and benefit.

- A priority from the beginning of the pandemic has been to ensure that income continued to flow into the households which needed it most. For this reason, a decision was taken early to allow for the payment of the PUP concurrently with key supports for low income and including the Working Family Payment.

Policy Objectives

Policy Objectives and measures to be taken –

1) adhere to social protection schemes (closing formal coverage gaps);

The social insurance system is mandatory and insures nearly all workers and the self –employed for a range of contingencies which vary depending on the class of social insurance paid. Self-employed workers are now covered for a range of benefits such as: the State Pension (Contributory), Widow's, Widower's or Surviving Civil Partner's Pension (Contributory), Guardian's Payment (Contributory), Maternity and Adoptive Benefits, Paternity Benefit, Treatment Benefits and Invalidity Pension which also qualifies them for Partial Capacity Benefit. Self-employed contributors are also eligible for the Jobseeker's Benefit (Self-Employed) and Parents' Benefit schemes, which were introduced in November 2019. Whilst the self-employed do not have access to Illness or Occupational Injuries Benefits, they may access social welfare supports by establishing eligibility to assistance-based payments such as Disability Allowance. In addition, they may qualify for the Covid-19 Pandemic Unemployment Payment and Enhanced Illness Benefit for Covid-19 absences from work introduced in March 2020.

2) build up and take-up entitlements, which can be preserved, accumulated or transferred across schemes (improving effective coverage);

The Social Welfare (Covid-19) (Amendment) Act 2020 makes provision for the attribution of social insurance contributions, for a period that may be prescribed, for employed and self-employed contributors who are beneficiaries of certain Covid-19 income supports including the PUP, for a prescribed period, to paid social insurance contributions at the PRSI Class they were previously paying. In that regard, it protects those persons' entitlement to future payments - both long-term payments and shorter-term payments which require a contribution record up to the date at which benefit is claimed.

3) receive enough and timely benefits, contribute in a proportionate manner (adequacy);

In August 2016 a survey of self-employed contributors found that respondents rated cover for long-term illness, short-term illness and unemployment as the most important extra benefit to them. 88% of respondents said they would be willing to pay a higher rate of social insurance in return for at least one additional social insurance benefit. This survey pre-dated the significant expansion of benefit coverage to self-employed workers since 2016.

The measures for self-employed workers which have been introduced in recent years were introduced without any increase in the rate of PRSI contribution paid by such contributors. Therefore, self-employed workers have access to around 93%, in value terms, of the benefits paid by the SIF.

4) ensure sustainability and a level-playing field between labour market statuses;

The most recent Actuarial Review of the Social Insurance Fund, published in 2017, found that insurance benefits offer excellent value for those on the lower part of the income distribution, those with shorter contribution histories and the self-employed. For those at the higher end of the income distribution the SIF is redistributive, and they generally get back less than they pay in.

There has been an extensive expansion of access to the range of social insurance benefits by self-employed social insurance contributors in recent years without any increase in their social insurance contribution rate Currently, self-employed contributors, in return for a contribution of 11 percentage points lower than the combined employer and employee contribution made in respect of employed contributors, have access to benefits which comprise over 93% of the value of all benefits available to employed contributors.

Illness Benefits

The key objectives of the Recommendation would be followed up in the Irish national context by the introduction of Statutory Sick Pay.

There is no statutory sick pay in Ireland, however many employers pay sick pay during illness without any statutory obligation to do so. Introducing statutory sick pay in Ireland would be a significant step in bridging the gap in conditions between Ireland and other EU Member States. It would ensure that all workers who fall ill are guaranteed some financial support, including those who would not have an entitlement to Illness Benefit. It would change little in practice for many employees as most have a right to sick leave (paid or unpaid) in their contracts of employment. It would, however, give some protection to employees who do not have a right to sick leave in their employment contracts. Statutory sick leave would also engage employers more directly in the management of sick leave and create an incentive for them to engage in return to work planning with their employees.

Ideally statutory sick pay should be introduced in conjunction with a focus on employers engaging with employees who are out on sick leave with a view to getting them to return to work as soon as they are fit to do so. There also needs to be a focus on prevention and on rehabilitation.

Way Forward

The Programme for Government established a Commission on Pensions to examine and ensure sustainability and eligibility issues with state pensions and the SIF. The Commission will outline options for Government to address issues including qualifying age, contribution rates, total contributions and eligibility rates. Pending the report of the Commission on Pensions and any subsequent Government decision on its Recommendations, the State Pension will remain at 66 years and the increase to 67 years has been deferred.

The Programme for Government commits to give consideration to increasing all classes of PRSI over time to replenish the Social Insurance Fund to help pay for measures and changes to be agreed including to the State pension system, improvements in short-term sick pay benefits, parental leave benefits, pay-related jobseeker's benefit and treatment benefits.

Legislation governing the Social Insurance Fund makes provision for the carrying out of actuarial reviews of the fund at five yearly intervals. The last review, published in September 2017, covered the period 2016-2071 and work is currently ongoing on preparation for the next review.

Statutory Sick Pay: Government is expected to consider and approve the design of a Statutory Sick Pay scheme within the next month, with the legislation for same scheduled for completion and enactment by year end.

The WFP will continue to be a key in-work support for low income families as Ireland emerges from the pandemic and, as expected, many individuals and families seek to make the transition from welfare to work.

Consultative process in Ireland with Stakeholders

The Department of Social Protection in Ireland is very engaged in outreach to the Community and Voluntary Pillar as well as Social Partners. Every year, the Department hosts a pre-Budget forum where the stakeholders feed in what they wish to see in the forthcoming Budget. On the day of the Budget, a post Budget forum is also held. This is an opportunity for invitees to get more detail on the impact of Budget measures on groups that they represent.

The Community & Voluntary (C & V) Pillar consists of seventeen organisations invited by Government to provide voice and representation for vulnerable people and communities in developing Ireland’s social and economic policies. It is one of the five pillars of social partnership alongside the Employers pillar, the Trade Union pillar, the Farmers pillar and the Environmental pillar.

The members of the C&V Pillar are;

- Age Action Ireland
- The Carers Association
- Children’s Rights Alliance
- The Community Platform
- Congress Centres Network
- Co-operative Housing Ireland
- Disability Federation of Ireland
- Irish National Organisation of the Unemployed
- Irish Rural Link
- National Women’s Council of Ireland
- National Youth Council of Ireland
- Protestant Aid

- Social Justice Ireland
- The Irish Senior Citizens' Parliament
- St Vincent de Paul
- The Wheel

The Department of Health hold quarterly meetings each year with the C & V Pillar to discuss issues on the provision of healthcare affecting the people and communities the C & V Pillar represent.

While the majority of social welfare benefits are now available to self-employed individuals, workers employed as employees – on a contract of service – are entitled to claim some short-term benefits that are not available to the self-employed. The practice of engaging some workers as self-employed contractors when their terms and conditions mean they should really be employees – known as false self-employment – can deprive some employees of full access to social protection schemes.

The Department of Social Protection has made specific efforts in recent years to ensure that full and correct social insurance is paid by employers in relation to their employees and to combat false self-employment. These efforts include:

- The establishment of a new unit of Inspectors to focus on employment status investigations and combat false self-employment;
- The revision of a *Code of Practice on determining employment status* will be published shortly.
- Engagement with the social partners, along with other Departments and agencies, at the Labour Employer Economic Forum (LEEF) subgroup on employment regulation/legislation

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Annex 1

I

(Resolutions, recommendations and opinions)

RECOMMENDATIONS

COUNCIL

COUNCIL RECOMMENDATION

of 8 November 2019

on access to social protection for workers and the self-employed

(2019/C 387/01)

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 292 in conjunction with Articles 153 and 352 thereof,

Having regard to the proposal from the European Commission, Whereas:

(1) Pursuant to Article 3 of the Treaty on European Union, the aims of the Union are, inter alia, to promote the well- being of its peoples and to work for the sustainable development of Europe based on a highly competitive social market economy, aiming at full employment and social progress. The Union is to combat social exclusion and discrimination, promote social justice and protection, equality between women and men, solidarity between generations and protection of the rights of the child.

(2) Pursuant to Article 9 of the Treaty on the Functioning of the European Union (TFEU), the Union, in defining and implementing its policies and activities, is to take into account requirements linked to the promotion of a high level of employment, the guarantee of adequate social protection, the fight against social exclusion, and a high level of education, training and protection of human health.

(3) Point (c) of Article 153(1) TFEU enables the Union to support and complement the activities of the Member States in the field of social security and social protection of workers. Union action can also be pursued to address challenges regarding access to social protection for people in self-employment on the basis of Article 352 TFEU, which contains a provision allowing the Council to adopt appropriate measures to attain objectives laid down by the Treaties where the Treaties have not provided the necessary powers.

(4) On 17 November 2017 the European Parliament, the Council and the Commission solemnly proclaimed the European Pillar of Social Rights. Principle 12 of the European Pillar of Social Rights states that, regardless of the type and duration of their employment relationship, workers, and, under comparable conditions, the self-employed have the right to adequate social protection.

(5) The social partners have committed to continue contributing to a Europe that delivers for its workers and enterprises.

(6) In its resolution of 19 January 2017 on a European Pillar of Social Rights, the European Parliament underlined the need for adequate social protection and social investment throughout people’s lives, enabling everyone to participate fully in society and the economy and sustaining decent living standards.

(7) In its opinion on the communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions launching a consultation on a European Pillar of Social Rights, the European Economic and Social Committee emphasised the need to ensure that all workers are covered by fundamental labour standards and adequate social protection.

(8) Social protection systems in their different forms are the cornerstone of the European social model and of a well- functioning social-market economy. The key function of social protection is to protect people against the financial implications of social risks, such as illness, old age, accidents at work and job loss, to prevent and alleviate poverty and to uphold a decent standard of living. Well-designed social protection systems can also facilitate participation in the labour market by contributing to activation and supporting the return to work and labour-market transition for individuals who switch jobs, move in or out of work, start a company or close one down. They contribute to competitiveness and sustainable growth as they support investment in human capital and can help to reallocate human resources towards emerging and dynamic sectors of the economy. They also have a role to play as automatic stabilisers by smoothening consumption over the course of the business cycle.

(9) Social protection can be provided through benefits in kind or in cash. It is generally provided through universal schemes that protect all individuals and financed through general taxation and/or through schemes that protect people in the labour market, which are often based on contributions related to their work income. Social protection includes several branches, covering a variety of social risks ranging from old age to illness or unemployment. This Recommendation applies to the branches of social protection which are often more closely related to participation in the labour market and mostly ensure protection from loss of work-related income upon the occurrence of a certain risk. This Recommendation does not apply to the provision of access to social assistance and minimum income schemes. It complements existing Union-level guidance on social services and assistance as well as on the active inclusion of people excluded from the labour market, such as the Commission Recommendation of 3 October 2008 on the active inclusion of people excluded from the labour market.

(10) Globalisation, technological developments, changes in individual preferences, and demographic ageing have driven changes in the Union labour markets for the last two decades and will continue to do so in the future. Employment will increasingly be more diverse, and careers will be less and less linear.

(11) A variety of employment relationships and forms of self-employment exist in Union labour markets alongside full- time open-ended employment contracts. Some of them have existed in the labour market for a long time (such as fixed, temporary, part-time, domestic work, or traineeships), whereas others, such as on-demand work, voucher- based work and platform work, have developed more recently and increased in importance since the 2000s.

(12) The self-employed in particular form a heterogeneous group. Most individuals voluntarily choose to be self- employed, with or without employees, taking the risk to become entrepreneurs, while one out of five self-employed persons is self-employed because he or she cannot find a job as an employee.

(13) As labour markets evolve, social protection systems in their different forms need to evolve too, so as to ensure that the European social model is future-proof and that it enables Union societies and economies to make the most of the future world of work. In most Member States, however, the rules governing contributions and entitlements for social protection schemes are still largely based on full-time open-ended contracts between a worker and a single employer, while other groups of workers and the self-employed are more marginally covered. Evidence shows that some non-standard workers and some self-employed persons have insufficient access to the branches of social protection which are more closely related to participation in the labour market. Only a few Member States have undertaken reforms to adapt social protection systems to the changing nature of work to protect affected workers and the self-employed better. Improvements have been uneven across Member States and across branches of social protection.

(14) In the long run, the gaps in access to social protection could put at risk the welfare and health of individuals and contribute to increasing economic uncertainty, the risk of poverty and inequalities. They could also lead to suboptimal investment in human capital, reduce trust in institutions and limit inclusive economic growth. Such gaps could also reduce the revenues of social protection if a growing number of people do not contribute to the schemes.

(15) Workers and self-employed persons can be identified as formally covered by a specific social protection branch if the existing legislation or collective agreement states that they are entitled to participate in a social protection scheme in that specific branch. Formal coverage can be provided via mandatory or voluntary schemes. The latter give the opportunity to individuals to join a scheme (opt-in clauses) or cover all individuals of the target group by default, giving them the opportunity to leave the scheme if they so wish (opt-out clauses). Evidence shows that voluntary schemes with opt-out clauses have higher membership rates and therefore provide better coverage than voluntary schemes with opt-in clauses.

(16) Workers and self-employed persons can be identified as effectively covered in a specific social protection branch if they have the opportunity to accrue adequate benefits and the ability, in of the event that the corresponding risk materialises, to access a given level of benefits. A person may be granted formal access without de facto being able to build and take up entitlements to benefits.

(17) Social protection is considered to be adequate when it allows individuals to uphold a decent standard of living, replace their income loss in a reasonable manner and live with dignity, and prevents them from falling into poverty while contributing, where appropriate, to activation and facilitating the return to work. When assessing the adequacy, the Member State's social protection system as a whole needs to be taken into account, which means that all social protection benefits of a Member State need to be considered.

(18) In some Member States, certain categories of worker, such as short part-time workers, seasonal workers, on-demand workers, platform workers and those on temporary agency contracts or traineeships are excluded from social protection schemes. Moreover, workers who do not have full-time, open-ended contracts can encounter difficulties in being effectively covered by social protection, because they may not fulfil entitlement criteria for receiving benefits from contribution-based social protection schemes. The self-employed are completely excluded from formal access to key social protection schemes in some Member States; in other Member States, they are able to join them on a voluntary basis. Voluntary coverage may be a suitable solution in the case of unemployment insurance, which is more closely associated with entrepreneurial risk; it is less justifiable for other risks, such as illness, which are largely unrelated to a person's status in the labour market.

(19) The rules governing entitlements could work to the disadvantage of non-standard workers and the self-employed. In particular, income and time thresholds (qualifying periods, waiting periods, minimum working periods, duration of benefits) may constitute an unduly high obstacle to accessing social protection for some groups of non-standard workers and for the self-employed. In general, two sets of issues have been identified: firstly, existing differences in rules between standard employees and people in non-standard employment or the self-employed could unnecessarily penalise one group; secondly, the same rules applied to all groups could lead to poorer outcomes for people outside standard employment and might not be adapted to the situation of the self-employed. In both cases, there is scope to tailor the rules more to the situation of the specific groups while maintaining a general principle of universality, so that no one in the labour market would be left uncovered upon the materialisation of a social risk. Specific measures may be needed to avoid people contributing to overlapping schemes, for example when carrying out ancillary activities while already fully covered in their main job.

(20) Social protection rights are not always preserved, accumulated and/or transferred when individuals are transitioning between different labour market statuses, for instance going from employment to self-employment or unemployment, combining salaried employment and self-employment, and starting or closing down a business. However, the preservation, accumulation and/or transferability of rights across schemes are crucial in allowing people who combine or change jobs or pass from a worker status to a self-employed status or vice versa to access benefits in contribution-based social protection schemes effectively and to have adequate coverage, as well as to encourage their participation in the case of voluntary social protection schemes.

(21) In some cases, benefits can be inadequate, i.e. insufficient or untimely. They might not allow individuals to maintain a decent standard of living or to live with dignity, and might not prevent them from falling into poverty. In such cases, there could be scope to improve adequacy, while also being attentive to the need to enable measures that facilitate the return to work. The rules governing contributions may skew the level playing field and work to the disadvantage of some categories of worker and the self-employed. For instance, social protection contributions for the self-employed may include contributions independent of income, or be set on the basis of past income or assumptions about future income. This can create cash-flow problems for the individual when their income drops below the estimates. If a Member State decides to determine an income threshold under which the worker or self- employed person concerned is not subject to the obligation to make insurance contribution payments, reductions and other measures of progressivity should apply, where appropriate, equally to workers and the self-employed, but should not induce to under-reporting of income. In general, reductions and other measures of progressivity may also be used to promote transitions to less precarious forms of employment and to tackle segmentation.

(22) The current regulatory complexity and lack of transparency regarding social protection rules in many Member States may mean that people are insufficiently aware of their rights and obligations and of the ways in which they can exercise their rights and comply with their obligations. This could also contribute to a low take-up rate for or low participation in social protection schemes, especially in the case of a voluntary scheme. Transparency can be achieved in different ways, for example by sending updates on individual entitlements, setting up online simulation tools regarding benefit entitlements and creating online and offline one-stop information centres or personal accounts. Digitalisation can, in particular, contribute to improving transparency for individuals.

(23) A lack of statistics on coverage by social protection, broken down by type of employment relationship, age, sex and citizenship, may limit the possibilities for improving the capacity of social protection systems to adapt and respond to the changing world of work.

(24) The gaps in access to social protection may have detrimental effects, in terms of economic and fiscal impacts, which are felt across the Union. They are a matter of common interest for the Member States and potentially present obstacles to the achievement of key objectives of the Union.

(25) Union legislation already ensures the principle of equal treatment between various types of employment relationship, prohibits any direct or indirect discrimination on the basis of sex in matters of employment, occupation, social protection and access to goods and services, ensures the portability and preservation of rights in the case of mobility between Member States and guarantees minimum requirements for the acquisition and preservation of supplementary pension rights across borders, as well as minimum requirements in terms of transparency for occupational schemes. This Recommendation is without prejudice to the provisions of existing Union law on social protection rights, in particular, Regulation (EC) No 883/2004 of the European Parliament and of the Council ([1]), Directives 2006/54/EC ([2]), 2008/94/EC ([3]), 2008/104/EC ([4]), 2010/41/EU ([5]), (EU) 2016/2341 ([6]), (EU) 2019/1152 ([7]) and (EU) 2019/1158 ([8]) of the European Parliament and of the Council, and Council Directives 79/7/EEC ([9]), 93/103/EC ([10]), 97/81/EC ([11]), 1999/70/EC ([12]), 2004/113/EC ([13]) and 2010/18/EU ([14]).

(26) Council Recommendation 92/442/EEC ([15]) identified commonly held objectives in the area of social protection and invited Member States to examine the possibility of introducing and/or developing appropriate social protection for self-employed persons. Those commonly defined objectives have opened room for the Open Method of Coordination for Social Protection and Social Inclusion, an essential instrument to support the definition, implementation and evaluation of national social protection frameworks and to foster mutual cooperation among the Member States in this area.

(27) In the framework of the European Semester, the Annual Growth Survey 2018 recalls that improving the adequacy and coverage of social protection is crucial to prevent social exclusion, while the guidelines for the employment policies set out in Council Decision (EU) 2018/1215 ([16]) call on the Member States to modernise social protection systems.

(28) In its Social Protection Floors Recommendation of 2012 (No 202), the International Labour Organization recommends its members, in accordance with national circumstances, to establish as quickly as possible and maintain their social protection floors comprising basic social security guarantees.

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(1) Regulation (EC) No 883/2004 of the European Parliament and of the Council of 29 April 2004 on the coordination of social security systems (OJ L 166, 30.4.2004, p. 1).

(2) Directive 2006/54/EC of the European Parliament and of the Council of 5 July 2006 on the implementation of the principle of equal opportunities and equal treatment of men and women in matters of employment and occupation (OJ L 204, 26.7.2006, p. 23).

(3) Directive 2008/94/EC of the European Parliament and of the Council of 22 October 2008 on the protection of employees in the event of the insolvency of their employer (OJ L 283, 28.10.2008, p. 36).

(4) Directive 2008/104/EC of the European Parliament and of the Council of 19 November 2008 on temporary agency work (OJ L 327, 5.12.2008, p. 9).

(5) Directive 2010/41/EU of the European Parliament and of the Council of 7 July 2010 on the application of the principle of equal treatment between men and women engaged in an activity in a self-employed capacity and repealing Council Directive 86/613/EEC (OJ L 180, 15.7.2010, p. 1).

(6) Directive (EU) 2016/2341 of the European Parliament and of the Council of 14 December 2016 on the activities and supervision of institutions for occupational retirement provision (IORPs) (OJ L 354, 23.12.2016, p. 37).

(7) Directive (EU) 2019/1152 of the European Parliament and of the Council of 20 June 2019 on transparent and predictable working conditions in the European Union (OJ L 186, 11.7.2019, p. 105).

(8) Directive (EU) 2019/1158 of the European Parliament and of the Council of 20 June 2019 on work-life balance for parents and carers and repealing Council Directive 2010/18/EU (OJ L 188, 12.7.2019, p. 79).

(9) Council Directive 79/7/EEC of 19 December 1978 on the progressive implementation of the principle of equal treatment for men and women in matters of social security (OJ L 6, 10.1.1979, p. 24).

(10) Council Directive 93/103/EC of 23 November 1993 concerning the minimum safety and health requirements for work on board fishing vessels (thirteenth individual Directive within the meaning of Article 16(1) of Directive 89/391/EEC) (OJ L 307, 13.12.1993, p. 1).

(11) Council Directive 97/81/EC of 15 December 1997 concerning the Framework Agreement on part-time work concluded by UNICE, CEEP and the ETUC (OJ L 14, 20.1.1998, p. 9).

(12) Council Directive 1999/70/EC of 28 June 1999 concerning the framework agreement on fixed-term work concluded by ETUC, UNICE and CEEP (OJ L 175, 10.7.1999, p. 43).

(13) Council Directive 2004/113/EC of 13 December 2004 implementing the principle of equal treatment between men and women in the access to and supply of goods and services (OJ L 373, 21.12.2004, p. 37).

(14) Council Directive 2010/18/EU of 8 March 2010 implementing the revised Framework Agreement on parental leave concluded by BUSINESSEUROPE, UEAPME, CEEP and ETUC and repealing Directive 96/34/EC (OJ L 68, 18.3.2010, p. 13).

(15) Council Recommendation 92/442/EEC of 27 July 1992 on the convergence of social protection objectives and policies (OJ L 245, 26.8.1992, p. 49).

(16) Council Decision (EU) 2018/1215 of 16 July 2018 on guidelines for the employment policies of the Member States (OJ L 224, 5.9.2018, p. 4).

(29) The Commission has undertaken a two-stage consultation of the social partners under Article 154 TFEU on a possible action addressing the challenges of access to social protection for people in all forms of employment. The procedure set out in Article 154(2) TFEU as such is not applicable to Union action to address challenges related to the self-employed on the basis of Article 352 TFEU. The Commission invited the social partners to share their views as regards persons in self-employment on a voluntary basis.

(30) The Commission also carried out a public consultation to seek the views of various stakeholders and citizens and gathered evidence to assess the socioeconomic impacts of this Recommendation.

(31) The implementation of this Recommendation should not be carried out in a way that reduces rights set out in existing Union law in this field, nor should it constitute valid grounds for reducing the general level of protection afforded to workers in the

field covered by this Recommendation.

(32) This Recommendation should avoid imposing administrative, financial or legal constraints in a way which would hold back the creation or development of small and medium-sized enterprises (SMEs). Member States are therefore invited to assess the impact of their reforms on SMEs in order to make sure that SMEs are not disproportionately affected, with specific attention be paid to micro-enterprises and the administrative burden, and to publish the results of such assessments.

(33) This Recommendation should not further aggravate the liquidity of undertakings – in particular SMEs – when their financial situation has been negatively affected by late payments from public authorities.

(34) The Member States may involve stakeholders, including the social partners, in the design of reforms.

(35) This Recommendation is without prejudice to the powers of the Member States to organise their social protection systems. The exclusive competence of the Member States with regard to the organisation of their social protection systems includes, inter alia, decisions on the setting-up, financing and management of such systems and related institutions as well as on the level, substance and delivery of benefits, the level of contributions and the conditions for access. Taking into account the differences between national systems, this Recommendation does not prevent Member States from maintaining or establishing more advanced provisions on social protection than those recommended herein.

(36) This Recommendation respects the fundamental rights and observes the principles recognised by the Charter of Fundamental Rights of the European Union. In particular, this Recommendation seeks to promote the application of Article 34 of the Charter of Fundamental Rights of the European Union.

(37) The financial sustainability of social protection schemes is essential for the resilience, efficiency and effectiveness of such schemes. The implementation of this Recommendation should not significantly affect the financial equilibrium of Member States' social protection systems,

HAS ADOPTED THIS RECOMMENDATION:

Objective and scope

1. Member States are recommended to:

1.1. provide access to adequate social protection to all workers and self-employed persons in Member States, in line with this Recommendation and without prejudice to the powers of the Member States to organise their social protection systems;

1.2. establish minimum standards in the field of social protection of workers and the self-employed, in line with this Recommendation. Social protection can be provided through a combination of schemes, whether publicly organised or organised through devolution to the social partners or other entities, in accordance with the fundamental principles of national social protection systems. Private insurance products are not within the scope of this Recommendation. In accordance with Article 153(4) TFEU, Member States have the right to define the level of contributions and decide which combination of schemes is appropriate.

2. This Recommendation covers the right to participate in a scheme as well as the build-up and take-up of entitlements. In particular, Member States are recommended to ensure the following for all workers and the self- employed:

(a) formal coverage;

(b) effective coverage;

(c) adequacy;

(d) transparency.

3. This Recommendation applies to:

3.1. workers and the self-employed, including people transitioning from one status to the other or having both statuses, as well as people whose work is interrupted due to the occurrence of one of the risks covered by social protection;

3.2. the following branches of social protection, insofar as they are provided in the Member States:

(a) unemployment benefits;

(b) sickness and healthcare benefits;

(c) maternity and equivalent paternity benefits;

(d) invalidity benefits;

(e) old-age benefits and survivors' benefits;

(f) benefits in respect of accidents at work and occupational diseases.

4. This Recommendation does not apply to the provision of access to social assistance and minimum income schemes.

5. While it is acknowledged that different rules could be applicable to workers and the self-employed, the principles of formal coverage, effective coverage, adequacy and transparency defined in this Recommendation apply to all workers and to the self-employed.

6. This Recommendation does not prevent Member States from maintaining or establishing more advanced provisions on social protection than those set out in this Recommendation. This Recommendation does not limit the autonomy of the social partners where they are responsible for setting up and managing social protection schemes.

Definitions

7. For the purposes of this Recommendation, the following definitions apply:

(a) 'type of employment relationship' means one of the various types of relationship between a worker and an employer that can differ with regard to the duration of employment, the number of working hours or other terms of the employment relationship;

(b) 'labour market status' means the status of a person as either working in the framework of an employment relationship (worker) or working on their own behalf (self-employed);

(c) 'social protection scheme' means a distinct framework of rules to provide benefits to entitled beneficiaries which specifies the personal scope of the programme, entitlement conditions, the type of benefit, benefit amounts, benefit duration and other benefit characteristics, as well as the financing (contributions, general taxation, other sources), governance and administration of the programme;

(d) 'benefit' means a transfer in cash or in kind made by a public or private entity to someone entitled to receive it as part of a social protection scheme;

(e) 'formal coverage' of a group means a situation in a specific social protection branch (e.g. old age, unemployment protection, maternity or paternity protection) where the existing legislation or collective agreement states that the individuals in a group are entitled to participate in a social protection scheme covering a specific branch;

(f) 'effective coverage' of a group means a situation in a specific social protection branch where the individuals in a group have an opportunity to accrue benefits and the ability, in the event that the corresponding risk materialises, to access a given level of benefits;

(g) 'preservation of rights' means that rights already acquired in past work experiences are not lost, even if they were acquired through schemes with different rules or under different employment relationships;

(h) 'accumulation of rights' refers to the possibility of totalising all entitlements and includes making qualifying periods in a previous labour market status (or in concomitant labour market statuses) count towards the qualifying periods in the new status;

(i) 'transferability' means the possibility of transferring accumulated entitlements to another scheme;

(j) 'transparency' means the provision of available, accessible, comprehensive and clearly understandable information to the general public, potential scheme members and scheme members and beneficiaries about the scheme's rules and/or about the individual obligations and entitlements.

Formal coverage

8. Member States are recommended to ensure access to adequate social protection for all workers and self- employed persons in respect of all branches mentioned in point 3.2 of this Recommendation. In light of national circumstances, it is recommended to achieve this objective by improving the formal coverage and extending it to:

(a) all workers, regardless of the type of employment relationship, on a mandatory basis;

(b) the self-employed, at least on a voluntary basis and where appropriate on a mandatory basis.

Effective coverage

9. Member States are recommended to ensure effective coverage for all workers, regardless of the type of employment relationship, and for the self-employed, under the conditions set out in point 8, while also preserving the sustainability of the

system and implementing safeguards to avoid abuse. To that end:

(a) rules governing contributions (e.g. qualifying periods, minimum working periods) and entitlements (e.g. waiting periods, calculation rules and duration of benefits) should not prevent individuals from accruing or accessing benefits because of their type of employment relationship or labour market status;

(b) differences in the rules governing the schemes between labour market statuses or types of employment relationship should be proportionate and reflect the specific situation of beneficiaries.

10. According to national circumstances, Member States are recommended to ensure that entitlements – whether they are acquired through mandatory or voluntary schemes – are preserved, accumulated and/or transferable across all types of employment and self-employment statuses and across economic sectors, throughout the person's career or during a certain reference period and between different schemes within a given social protection branch.

Adequacy

11. Where a risk insured by social protection schemes for workers and for the self-employed occurs, Member States are recommended to ensure that schemes provide an adequate level of protection to their members in timely manner and in line with national circumstances, maintaining a decent standard of living and providing appropriate income replacement, while always preventing those members from falling into poverty. When assessing adequacy, the Member State's social protection system needs to be taken into account as a whole.

12. Member States are recommended to ensure that the contributions to social protection are proportionate to the contributory capacity of workers and the self-employed.

13. In light of national circumstances and where appropriate, Member States are recommended to ensure that any exemptions or reductions in social contributions provided for by national legislation, including those for low-income groups, apply to all types of employment relationship and labour market status.

14. Member States are recommended to ensure that the calculation of the social protection contributions and entitlements of the self-employed are based on an objective and transparent assessment of their income base, taking account of their income fluctuations, and reflect their actual earnings.

Transparency

15. Member States are recommended to ensure that the conditions and rules for all social protection schemes are transparent and that individuals have access to updated, comprehensive, accessible, user-friendly and clearly understandable information about their individual entitlements and obligations free of charge.

16. Member States are recommended to simplify, where necessary, the administrative requirements of social protection schemes for workers, the self-employed and employers, in particular micro-, small and medium-sized enterprises.

Implementation, reporting and evaluation

17. Member States and the Commission should jointly work on improving the scope and relevance of the collection of data at Union level on the labour force and access to social protection, with a view to informing policymaking on social protection in relation to new forms of work. In this context, Member States are recommended to collect and publish, where possible, reliable national statistics on access to the various forms of social protection, for example broken down by labour market status (self-employed/employee), type of employment relationship (temporary or permanent, part-time or full-time, new forms of work or standard employment), gender and age, by 15 November 2021.

18. By 15 November 2020, the Commission should, jointly with the Social Protection Committee, establish a monitoring framework and develop agreed common quantitative and qualitative indicators to assess the implementation of this Recommendation, enabling its review.

19. Member States are recommended to implement the principles set out in this Recommendation as soon as possible and submit a plan setting out the corresponding measures to be taken at national level by 15 May 2021. The progress made in the implementation of those plans should be discussed in the context of the multilateral surveillance tools in line with the European Semester and the Open Method of Coordination for Social Protection and Social Inclusion.

20. The Commission should review the progress made in the implementation of this Recommendation, also taking into account the impact on SMEs, in cooperation with the Member States and after consulting the stakeholders concerned, and report to the Council by 15 November 2022. On the basis of the results of the review, the Commission may consider making further proposals.

21. The Commission should ensure that the implementation of this Recommendation is supported through actions funded by the relevant Union programmes.

22. The Commission should facilitate mutual learning and the exchange of best practices among the Member States and with stakeholders.

Done at Brussels, 8 November 2019.

For the Council The President

L. ANDERSSON

Annex 2

Further information on Enhanced Illness Benefit

Payment can be made for a period of up to 10 weeks for those diagnosed with Covid-19, subject to ongoing certification. Most people do not require payment for this duration. Payment can be made for a period of two weeks for those who are a probable source of infection.

The measures were designed to ensure that where a registered medical practitioner or a HSE medical officer of health diagnoses a person with COVID-19 or identifies him or her as a probable source of infection of COVID-19, that the person can comply with medical advice to isolate.

The enhanced payment began in March 2020 and is due to end on 30 June 2021. The rate of payment is €350. This is higher than the normal maximum personal rate of standard Illness Benefit for a limited period until April 2021. Additional allowances on top of the personal rate in respect of dependent adults and children continue at the normal payment level.

Where a person is diagnosed with Covid-19 or is a probable source of Covid-19, they will not be subject to the usual waiting days' provision.

The contribution conditions were changed so that the maximum number of employees are covered, including those in seasonal, part-time or casual employment and employees with a short employment history.

Self-employed people do not normally qualify for Illness Benefit. In these limited circumstances they are eligible for the enhanced Illness Benefit.

Concern has been expressed about people experiencing long-term effects of COVID-19. In a case where a person continues to be ill beyond 10 weeks, standard Illness Benefit may be paid for an extended period, based on the person's continued eligibility. Illness Benefit is the primary income support payment for people who are unable to attend work due to illness of any type.

Current statistics on enhanced Illness Benefit payments (2 March 2021):

- 2,568 people are currently in receipt of an enhanced payment, 1,148 with Covid-19 and 1,120 as a probable risk.
- 127,022 claims have received a payment to date. 127,022 claims have been processed to date. Of these:
    - 17% of claims are for people certified with Covid-19.
    - 76% of claims are for people certified as a probable risk.
    - 7% of claims are for people who had a Covid-19 cert (certified or probable) and who are now on standard illness benefit.