



Circular 31/2013

**To: The Managerial Authorities of Recognised Secondary,
Community and Comprehensive Schools
and
the Chief Executive Officers of Vocational Education Committees/ Education
and Training Boards**

Financial Emergency Measures in the Public Interest Act 2013

Teacher Salaries

Introduction

1. The purpose of this Circular is to notify Managerial Authorities and Vocational Education Committees/ Education and Training Boards and teachers of the changes to the salaries of teachers to take effect from 1 July 2013, arising from the Financial Emergency Measures in the Public Interest Act 2013.
2. This Circular is without prejudice to any further measures that may be taken arising from Section 2B of the Financial Emergency Measures in the Public Interest Act 2013.
3. For the purposes of this Circular, salary is to be taken to mean salary inclusive of allowances in the nature of pay which are fixed periodic pensionable allowances.

Increments and related balancing measures

4. Incremental progression is suspended for all teachers comprehended by this Circular for three years with effect from 1 July 2013.

Higher Remuneration

5. In addition to the measures on increments above, there will be a reduction in salary for teachers on salaries of €65,000 or greater as follows:

Annualised amount of Remuneration	Reduction
Any amount up to €80,000	5.5% *
Any amount over €80,000 but not over €150,000	8%
Any amount over €150,000 but not over €185,000	9%
Any amount over €185,000	10%

* The 5.5% reduction applies to all salary below €80,000, not solely the portion of salary which is between €65,000 and €80,000.

6. As stated at paragraph 3 above, salary is to be taken to mean salary inclusive of allowances in the nature of pay which are fixed periodic pensionable allowances.
7. Salaries will not fall below €65,000 as a result of the application of this reduction.
8. Where a person is employed on less than full hours then a calculation should be made to see whether their whole-time equivalent salary (inclusive of allowances in the nature of pay which are fixed periodic pensionable allowances) is greater than €65,000. In the event that their whole-time equivalent salary is greater than €65,000 then the reductions outlined in the above table should be applied to their salary on a pro-rata basis.

Pension-Related Deduction – Rate Adjustment:

9. The rates for the Pension-Related Deduction will be reduced in the €15,000-€20,000 band rate to 2.5% from 5% with effect from 1 January 2014. From 1 January 2014, the rates for the PRD will be as follows:

Bands and Rates	
Below €15,000	Exempt
€15,000 - €20,000	2.5%
€20,000 - €60,000	10.0%
Above €60,000	10.5%

Supervision and Substitution Allowance

10. Payment in respect of work carried out under the Supervision and Substitution scheme for the 2012/2013 school year will be made as normal. Future arrangements will be notified in a separate Circular letter.

Pensions

11. A teacher who retires on or before 31 August 2014 will have his or her superannuation benefits calculated by reference to the pay scales applying on 30 June 2013.
12. Where a teacher retires on or before 31 August 2014 on a pension greater than €32,500 that pension will be subject to the Public Service Pension Reduction (PSPR) as provided for in the Financial Emergency Measures in the Public Interest Act 2013 which is effective on and from 1 July 2013.
13. Information on the PSPR provisions in the 2013 Act may be viewed on the website of the Department of Public Expenditure and Reform at: <http://per.gov.ie/faqs-on-haddington-road-agreement-2/>

Circulation

14. Please ensure that copies of this Circular are provided to all members of the Board of Management/ Vocational Education Committee/ Education and Training Board and its contents are brought to the attention of all teachers in your employment including those on leave of absence.
15. This Circular can be accessed on the Department's website under <http://www.education.ie> .

Padraig Maloney
Payroll Division
27 June 2013