



Unemployment Benefit (UB) and Unemployment Assistance (UA)

In September 2006, Unemployment Assistance and Unemployment Benefit changes to the Jobseekers Allowance and Jobseekers Benefit.

Common Criteria to receive either payment

Unemployment Benefit and Unemployment Assistance are the two main unemployment payments. For both payments a person must be:

- Resident in the Irish Republic
- Aged under 66 years
- Aged 16 or over for Unemployment Benefit entitlement and 18 or over for entitlement to Unemployment Assistance
- Unemployed for at least 3 days out of any consecutive 6 days.
- Available for, Capable of and Genuinely Seeking Full-time work

Unemployment Benefit (UB)

UB Entitlement

Entitlement to UB is based on the number of relevant PRSI paid or credited contributions (what used to be known as stamps). PRSI contributions can be paid (when working) or credited (including when signing-on the Live Register). Section 5 contains further information on PRSI Contributions.

A person has an entitlement to UB if they have:

- Experienced a loss of employment of one day which includes a loss of income
- 52 weeks paid PRSI contributions since starting work **and either**

- 39 weeks paid or credited PRSI contributions in the Relevant Tax Year **or**
- 26 weeks paid PRSI contributions in the Relevant Tax Year **and**
- 26 weeks paid PRSI contributions in the Tax Year prior to the Relevant Tax Year

▶▶ A person may re-qualify for Unemployment Benefit (UB) if they have 13 paid contributions since their previous UB claim finished (providing the person had used up all their benefit and satisfy the other relevant criteria).

Payment

The amount a person receives on UB will be based on their average weekly gross earnings in the relevant tax year. They will be entitled to the full UB rate if their weekly wages in the relevant tax/contribution year was at least €150. Section 4, the section on Payment Rates shows the 2006 UB rates.

Relevant Tax/Contribution Year

The relevant tax/contribution year is determined by contributions in the tax year two years prior to the year in which a person makes a claim for an unemployment payment, ie for making a claim for UB in 2006, the relevant tax/contribution year is 2004, and the number of paid or credited contributions made in 2004 determines entitlement to UB in 2006.

Delay in UB payment

There will be a delay in receiving an Unemployment Benefit Payment from 1 day up to a maximum of 9 weeks, if a person becomes unemployed through:

- Leaving employment, including training and employment schemes, without good cause
- Refusal of an offer of suitable employment or

training provided by FÁS, without good cause (also applicable for UA)

- Accepting a redundancy payment of €19,046.07 or over. This applies to people who are under 55 years of age

▶▶ If an unemployed person becomes unemployed for any of the above reasons but does not sign on for UB for the first 9 weeks they may receive UB for the full 15 month period.

Unemployment Assistance (UA)

Qualifying for UA

A person may be entitled to UA if they:

- Fulfil the criteria outlined in page 11 under *Common Criteria*
- Do not have enough PRSI contributions in order to receive Unemployment Benefit
- Satisfy both a means test *and*
- Satisfy the Habitual Residence rule

UA Means Test

Entitlement to a UA payment will depend on a person's means of income. The weekly rate of the UA payment will also depend on a person's means. The UA claimant will be interviewed about their means. They should maintain a record of bank statements or accounts if possible as these may be required.

The following four potential means of income are taken into account in the Means Test:

- Cash Income
- Capital
- Property
- Benefit and Privilege

Almost all cash income will be taken into account. There are some exceptions including Child Benefit and Rent or Mortgage Interest Supplement. The value of any property – other than a person's own home, investments, savings and capital can be assessed in the means test. Benefit and Privilege is a calculation made by the Department of Social and Family Affairs to assess the benefit received by an unemployed person from living in their parent's home. This does not apply to people aged 25 or over who are living with their parents.

How an unemployed person's means are assessed

When an unemployed person's means are being assessed, their cash income, savings, investments or any property other than their own home are worked out using the following formula;

Capital	Weekly Means
Up to €20,000	Nil
€20,000 – €30,000	€1 per €1,000
€30,000 – €40,000	€2 per €1,000
Over €40,000	€4 per €1,000

Example

A person who has recently become unemployed has savings, including property (other than their own home) to the value of €40,000.

Property	€35,000
Savings	€5,000
Total Value	€40,000
Assessable savings	
First €20,000	Nil
€20,000-€30,000 (10 x €1)	€10
€30,000-€40,000 (10 x €2)	€20
Total Weekly Value	€30

€30 will be deducted from the person's weekly payment

Habitual Residence rule

Entitlement to a UA payment will depend on satisfying the Habitual Residence rule. The most important factors for habitual residence are the length, continuity and general nature of actual residence.

Generally an applicant who has been present in Ireland for 2 years or more, works in Ireland and has a settled intention to remain in Ireland and make it his/her permanent home will satisfy the habitual residence condition rule.

SWA and Habitual Residence

As of November 2005, EU citizens who have been working in Ireland and who do not satisfy the Habitual Residence criteria may be able to claim a basic Supplementary Welfare Allowance (SWA) payment, and access Rent Supplement and other SWA payments, if they:

- Have been employed in Ireland
- Have lost their job *and*

- Meet other relevant qualifying conditions for SWA

Community Welfare Officers (CWO's) administer these payments and they will normally take account of all work done by the claimant and consider the following:

- The period of employment
- The number of hours worked
- The level of earnings
- Whether the work was regular or irregular
- Whether the person has become voluntarily unemployed

Each case should be determined on its own merits

Part-Time Working and UA

A person who is receiving UA may work for up to three days in any consecutive six day period and claim UA for the remaining days. However their UA payment may be affected by the income they have received from

working. Any part of a day worked is counted as a full days employment by the Department of Social and Family Affairs. The person must continue to prove that they are available for and genuinely seeking full-time work for the days they are unemployed.

Where a person claiming UA has child dependants, 60% of the wages (after tax) will be deducted from their UA payment. Where a UA claimant has no child dependants, an income disregard of €12.70 will be allowed for each day worked (up to a maximum of 3 days). This Income disregard will be deducted from the wages (after tax) and the remainder will be assessed at 60%.

Opting for a long-term UA payment rather than UB

A person who is in receipt of a lower rate of UB has the option to claim UA if they satisfy a means test.

▶▶ This may be a worthwhile option if the UB payment is less than the amount they would receive on UA.

Example – Person on UA with child dependants

A couple with 2 child dependants both claim UA and one works two days a week and earns €185 after tax

Total UA payment	€309.40*
Work Income	€185.00
Assessable Income (60% of €185)	€111.00
Total UA Payment minus Assessable Income (€309.40 minus €111)	€198.40

Total Payment (including UA payment and work income) €383.40

* €309.40 (including UA payment + Qualified Adult payment + 2 Child Dependand Allowance payments).

Further Information

For more detail on the Habitual Residence rule, Income Disregards, a full list of Cash Income exemptions or further information on Benefit and Privilege contact the INOU.

For more detail on the guidelines applied by the Department in the Habitual Residence Rule, the website www.welfare/foi/habres.html is useful.

For more detail on the guidelines applied by

the Department in relation to UB and UA, the website addresses (www.welfare.ie/foi/ub_unempben.html) (www.welfare.ie/foi/ua_unemplasst.html) under the Freedom of Information Act are very useful.

The Department of Social and Family Affairs Payments & Information Services are contactable by phone at (01) 704 3000 for information on all payments including UB and UA.