



Feidhmeannacht na Seirbhíse Sláinte  
Health Service Executive

Oifig an Phríomhoifigigh Airgeadais  
Feidhmeannacht na  
Seirbhíse Sláinte  
Seomra 125, Ospidéal  
Dr. Steevens  
BÁC 8

Office of the Chief Financial Officer  
Health Service Executive  
Room 125, Dr Steevens  
Hospital  
Dublin 8

11<sup>th</sup> April 2019

Deputy Brid Smith TD,  
Dáil Éireann,  
Leinster House,  
Kildare Street,  
Dublin 2.

*Re PQ 5939 19: To ask the Minister for Health the estimated cost of a pay award to nurses and midwives of 12% in the 2019 financial year; the amount of such a figure that would be returned to the State in PRSI, tax and USC; and if he will make a statement on the matter. -Brid Smith*

Dear Deputy Smith,

The Health Service Executive has been requested to reply directly to you in the context of the above Parliamentary Question, which you submitted to the Minister for Health for response. Your PQ above has been referred to me for response.

I sent you an interim response on 28<sup>th</sup> March 2018 (see Appendix 1). This letter is in final response to your query. See below Table 1

**Table 1:**

**Based on a 12% uplift factor :**

<b>Estimated Costs:</b>	<b>€m</b>
Cost of 12% Pay Award	296
less Avg (PAYE, USC, PRSI) Deductions	-62
<b>Net Cost of 12% Pay Award</b>	<b>234</b>

The estimate includes basic, overtime, allowances, premia payments and employers PRSI costs and was derived based on the following methodology & assumptions:

The calculation was based on a determination of an average cost per WTE for comparable nursing staff categories which was used to estimate total pay cost for current nursing WTE across the HSE and includes both Statutory & Voluntary/Section 38 organisations.

If you have any queries, please do not hesitate to contact me at [sarah.anderson1@hse.ie](mailto:sarah.anderson1@hse.ie) or tel: 045 882559.

Yours sincerely

*Sarah Anderson*

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Sarah Anderson  
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Corporate Finance  
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Tel: 045 882559

## **Appendix 1 - Interim response to PQ 5939 19**

28<sup>th</sup> March 2019

Deputy Brid Smith TD,  
Dáil Éireann,  
Leinster House,  
Kildare Street,  
Dublin 2.

***Re PQ 5939 19: To ask the Minister for Health the estimated cost of a pay award to nurses and midwives of 12% in the 2019 financial year; the amount of such a figure that would be returned to the State in PRSI, tax and USC; and if he will make a statement on the matter. -Brid Smith***

Dear Deputy Smith,

The Health Service Executive has been requested to reply directly to you in the context of the above Parliamentary Question, which you submitted to the Minister for Health for response. Your PQ above has been referred to me for response.

We are unable to respond to your request within the original timeframe for response due to a capacity issue in the department involved. However we will endeavour to have this information to you within 10 working days.

We have however responded to another PQ relatively recently regarding the estimated cost of bringing the nursing and midwifery professions in line with the pay grades of other therapeutic grades, the response to which may go in some way towards answering your particular question. The estimated cost of that proposal was calculated to be €396m. The estimate includes basic, overtime, allowances, premia payments and employers PRSI costs and was derived based on the following methodology & assumptions:

The calculation was based on a determination of an average cost per WTE for comparable nursing staff categories which was used to estimate total pay cost for current nursing WTE across the HSE and includes both Statutory & Voluntary/Section 38 organisations.

An uplift factor of 16% was determined as an indicative pay differential based on comparable grade codes within each staff category (nursing & therapists). This differential was applied to all relevant pay elements including premia. However, the INMO claim based on a 12% uplift factor would amount on a similar basis to around €300m.

If you have any queries, please do not hesitate to contact me at [sarah.anderson1@hse.ie](mailto:sarah.anderson1@hse.ie) or tel: 045 882559.

Yours sincerely

*Sarah Anderson*

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