

06th March 2002

Mr. Pat Sexton
Chairman
Cara Pay User Group
Midland Health Board
Finance Dept.
Arden Road
Tullamore
Co. Offaly

Re: Lump Sum (1%) Payable from 01st April 2002.

Dear Pat,

I refer to your letter of the 25th February and to previous correspondence in respect of the above matter.

As advised in my letter of the 09th Jan 02 I have brought the issues you raised to the attention of the Department of Finance and in this regard I attach a copy of their response for your attention.

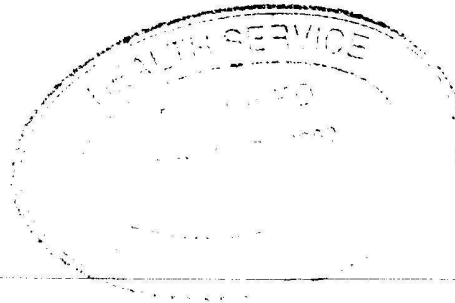
Should you require any further clarification please do not hesitate to contact me.

Yours sincerely,



Brendan Mulligan
HEAD OF INDUSTRIAL RELATIONS

An Roinn Airgeadais
Department of Finance



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Our Ref: E150/19/00

Mr. Brendan Mulligan
HSEA
63-64 Adelaide Road
Dublin 2

✓ 25/2

26 February 2002

Payment of 1% Lump Sum

Dear Brendan,

I refer to your letter of 9 January 2002 regarding the application of the 1% lump sum payment under the revised terms of the PPF Pay Agreement.

I wish to clarify the following points raised by Mr. Pat Sexton of the Carapay User Group:-

Is 1% Superannuable and at what rate?

The 1% does **not** count for superannuation purposes.

PRSI Rate

I understand that the normal rate of PRSI (both employer & employee) will apply in this instance.

Retirement Lump Sums

The 1% will **not** apply to retirement lump sums.

Applicable to Pensioners

Pensioners will receive a once-off cheque, equivalent to 1%.

Premium Payments

The 1% will **not** apply to premium payments.

Employees Covered

Those in employment on 1 April 2002 will be entitled to the lump sum payment. Staff who resigned prior to 1 April will **not** be entitled to the payment. Employees on career breaks will **not** be entitled to the payment.

Tom Dowling

Personnel & Remuneration Division