Introduction
1. The Minister for Public Expenditure and Reform, in his address to Dáil Éireann on the Expenditure Estimates on 5 December last, announced that public service bodies will have to achieve a reduction of 5% in the cost of allowances and premium payments in 2012.

2. In order to facilitate the required 5% reduction in 2012, it is necessary to complete a review of allowances and premium payments early this year. To this end, this Department is providing the requisite information on allowances to the Department of Public Expenditure and Reform and it is understood that it is intended to complete the review by the end of February 2012.

Allowances payable to Teachers, Principals and Deputy Principals
3. Pending the outcome of the review by the Department of Public Expenditure and Reform, allowances are not payable to new beneficiaries; *ie* those who become eligible for receipt of the allowance in question on or after 1 February 2012. No additions to the common basic pay scale may be paid to new beneficiaries. Examples of such additions include any form of qualification allowance or the supervision and substitution payment paid to teachers, and the secretary to Board of Management allowance paid to Principals.

4. The only exceptions to the prohibition in paragraph 3 are Principal and Deputy Principal allowances.
5. This Circular supersedes previous circulars, notices, letters, etc on these matters, including most recently Circular 70/2011 Payment of Qualification Allowances to Registered Teachers in Recognised Primary and Post Primary Schools.

Allowances payable to non-teaching staff:
6. Pending the outcome of the review by the Department of Public Expenditure and Reform, allowances or premium payments are not payable to new beneficiaries; ie those who become eligible for receipt of the allowance in question on or after 1 February 2012.

Circulation
7. Please ensure that copies of this Circular are provided to the Board of Management/Vocational Education Committee and its contents are brought to the attention of all teachers in your employment including those on leave of absence.

8. This Circular can be accessed on the Department’s website under http://www.education.ie.

Philip Crosby
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External Staff Relations
31 January 2012