



Republic of Labour Law – Irish HR Updates

By **Dónall Breen** - 30 July 2020

Welcome to our July edition of Republic of Labour Law, a monthly newsletter in which we distil the most important Irish legal and HR updates from the last month in 500 words or less.

For those of you who do business in Ireland, this should be your one stop shop for what you need to know.

This week in the Republic of Labour Law:

- A New Programme for Government
- The Temporary Covid-Wage Subsidy Scheme
- Additional Covid Leave
- SEOs

Programme for Government

We start with some political news. Ireland has a new government!

Leo Varadkar is stepping back (for now) and the leader of the second largest party, Micheál Martin, will become Prime Minister/Taoiseach for a few years - before Leo makes a return. All a little unusual in these unusual times.

The new government is a coalition of the two largest Irish parties (Fine Gael [centre-right] and Fianna Fail [centre-left]) with support from the Green Party [centre-left].

The new Programme for Government is [here](#). Employment law isn't front and centre ("The economy, stupid"), but there are some key points for employers:

- The introduction of Gender Pay Gap Reporting (although this was planned in any event);



- Several new schemes for training and reskilling employees;
- Encouraging and facilitating a better work-life balance - including a commitment to mandate public sector employers to move to 20% home working in 2021;
- Proposals on a 'right to disconnect', with a role for the Workplace Relations Commission to draw up a code;
- The introduction of pension auto-enrolment (which sounds very similar to the UK).

Broadly, there doesn't seem to be much movement on the taxation perspective with the landscape largely remaining the same.

Wage Subsidy Scheme

With a new government we are also getting clarity on other matters. For example, the Minister for Finance has said that the Covid Wage Subsidy Scheme will not end abruptly and hinted that it could last until the end of the year.

Mr Donohoe told the media that he would be looking at all options, but that the scheme would not come to an abrupt end.

Additional Covid Leave

Parental leave will be extended by three weeks to 'pandemic parents', in hopes it will offset the impact of having a child during the lockdown.

Currently, both parents can take up to 22 weeks parental leave and from 1 September 2020, this will increase to 26 weeks. The new leave is expected to be in addition to this.

Although Parental Leave isn't massively popular, you may want to quickly add a sentence to your handbook (if you have one). You should flag up to managers that parents, in some circumstances, may be entitled to longer periods of Parental Leave by law.

SEOs

Finally, the High Court has struck down legislation that set certain minimum pay and conditions for employees in various economic sectors.

The High Court agreed that a sectoral employment order (SEO), issued by the Government last year setting out pay rates, pension and sick pay entitlements in the electrical industry, was unconstitutional.

SEOs (and a similar agreements called EROs) are mandatory collective arrangements. They are a unique feature of Irish employment law and are largely applicable to low paid or 'blue collar' sectors. If the employer is in a business or economic sector subject to an ERO or SEO, then the employer will be required to pay overtime rates as set out in these agreements.

In the event you are subject to an SEO, it may be worth taking advice on what this decision means for you.

That's all for this month. In the meantime, wishing you all the best.