

Suspension of Employees' right to seek Redundancy lifted from today

From today, 30th September, the suspension of an employee's right to seek redundancy is being lifted. The measure was brought in as part of emergency measures as a result of Covid-19 and meant that any employee who was temporarily laid-off or put on short-time due to the health crisis could not invoke their right to request redundancy from their employer.

From tomorrow, employees can claim a redundancy payment termed, *notice of intention to claim*, if they are laid off or on short-time, or a combination of both for at least 4 consecutive weeks or 6 weeks within a 13-week period (where 3 of those weeks are consecutive) if they have been in that position for at least two years.

Employers must respond to the request within 7 days and either accept the request for redundancy or offer a "counter notice". If the employer does not give a counter notice, it is assumed that the request has been accepted.

A counter notice is where an employer states that there will be work available and will commence within the following 4-week period from the date of the request and the work will last for at least 13 weeks without lay-off or short-time.

For many in the non-profit sector, organisations may have had no other option during lockdown to put employees on short-term or lay-off due to restricted financial reserves or for those in the retail space, such as charity shops, they were forced to close. So there is concern that the sector may see an influx of requests from employees looking to be made redundant.

Recent figures released by the Department of Enterprise estimate that between 24,000 and 56,000 redundancies are expected in the coming months once the financial supports for organisations end. And, the cost of restoring the right to request redundancy could cost between €30 million and €130 million.¹

Under current employment law, employees are not entitled to redundancy payments for time spent on the Pandemic Unemployment Payment (PUP) or Jobseekers Benefit. To ensure employees are not at a disadvantage because of the impact of Covid-19, the Government also announced that it is setting up a scheme covering statutory redundancy covering the period of lockdown with a maximum payment of €1,860 per employee. A flexible and discretionary approach will be taken in relation to recovery of the redundancy debt and in many cases the debt can be repaid over a number of years.

If your Organisation is facing issues around redundancy and you require support, please get in touch with our expert-led team at Adare Human Resource Management.

¹ Irish Times, 21/9/2021