Redundancy Provisions relating to Temporary Lay-Off and Short-time Work Extended until November 30th 2020

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Minister Humphreys: Measures aimed at protecting businesses and preventing permanent job losses

The Minister for Social Protection, Heather Humphreys TD, has today (15th September 2020), secured Government approval to extend the redundancy provisions relating to temporary lay-off and short-time work - which arose as a result of COVID-19 - until 30th November.

Minister Humphreys acknowledged that the decision will be met with competing views but added that it is necessary in order to protect businesses and prevent permanent job losses.

Commenting on the decision by Cabinet to agree to a further extension until 30th November, Minister Humphreys said:

“First and foremost, I want to acknowledge the impact Covid-19 has had on businesses, many of whom have been forced to close, as well as employees who have been temporarily laid off.

“Today’s decision to extend these provisions was a difficult one. But in making this decision, we had to consider the need to ensure businesses survive and that permanent job losses are avoided as much as possible.

“I know many employees who have been laid off are experiencing great uncertainty. It’s important to note that the right to claim redundancy has not been permanently removed. Employees who remain on lay-off or short-time work for the requisite period when this emergency measure expires will be entitled to exercise their right to claim redundancy from their employer.

“Whether you’re an employer or an employee, we are all in this together. As a Government, we will continue to listen to all stakeholders as part of our combined efforts aimed at suppressing this virus.”

The suspension of the redundancy provisions was brought into effect from 13th March 2020 under Part 8 of the Emergency Measures in the Public Interest (Covid-19) Act 2020 in order to ensure the future viability of businesses and help prevent further permanent job losses.
It is considered that an extension of the end-date continues to be important for employees to ensure that they have a continued link to their job and a pathway to return. For employers, many still regard their businesses as being temporarily closed or they are operating well below their capacity.

For this reason, the provisions had been extended to 31st May, again to 10th August and most recently to 17th September. This rationale continues to apply to this latest extension.

Minister Humphreys continues to believe that extending the end date further will help prevent redundancies at a time when the labour force as a whole is facing a significant challenge with some 210,000 people in receipt of Pandemic Unemployment Payment and a further 32,200 employers have registered with Revenue for the Employment Wage Subsidy Scheme in respect of their employees.

Additional redundancies would expose businesses to further debt at a time when they are facing considerable trading difficulties and have a serious impact on the potential for a business to recover.

The further extension until 30th November is necessary to continue to mitigate against the risk of insolvency and bankruptcy situations and further job losses, and will contribute to the viability of business.

Minister Humphreys reminded workers that this extension only affects redundancy payments by delaying the date to 30th November, when an employee can trigger a redundancy if they have been laid-off or put on short-time work for a period.

All other redundancy provisions remain unchanged and in force. If an employer is going to make an employee redundant, protections such as notice periods for redundancy and the payment of a redundancy lump-sum to the affected employee still apply and the existing suite of employment rights legislation remains in place.

If employees believe their employment rights have been breached the Workplace Relations Commission remains fully operational and can provide advice to employees on how to obtain redress where appropriate.