

TEMPORARY LAYOFFS AND REDUNDANCIES

What to do in a Lay-off Situation

*Responding to questions from
Industry on Coronavirus (COVID-19)*



PLEASE NOTE

The information given in this video was correct at time of recording.

Check www.gov.ie for the latest information in relation to deadlines for application for the EWSS, PUP and the deadline in relation to the employee's right to request redundancy.

What does a lay-off mean legally?

Employer can only place employees on a period of lay-off where:

- There is a contractual provision to do so
- Established custom and practice of laying employees off within your workplace

Other legal factors:

- Must explain the lack of any other option to staff - e.g. due to government direction for pubs and hotels to close due to health and safety.
- If all staff are not being laid off you must select people for lay-off based on objective grounds



Communicate with staff at all stages of the process

Steps you must follow

You should communicate the following with your staff



The reason for the lay-offs i.e. the coronavirus in this case



How long you expect it to last? E.g. rolling 2 week period



Explain the benefits form and the payment process



How you will keep in touch during the time they are out



COVID-19 Pandemic Unemployment Payment



- Available to all employees & self-employed
- Paid for a period of 12 weeks at a flat rate payment of €350 per week

Changes to PUP Rates since this video was recorded

- Pandemic Unemployment Payment to be returned to €350 for workers previously earning over €400 a week from 27th October 2020
- There will now be four different rates of payment depending on previous earnings

€203

€250

€300

€350

Can a laid off employee claim for redundancy?

What employee can do:

- If a lay-off or a short-time situation exists AND has continued for 4 weeks or more, or for 6 weeks in the last 13 weeks
- Employee may give notice in writing of their intention to claim redundancy

What employer should do:

- Give the employee a counter-notice within 7 days of their notice
- Must state that within 4 weeks of the date of their claim for redundancy, it will be possible to offer the employee not less than 13 weeks' work without lay off or short time.



TEMPORARY LAYOFFS AND REDUNDANCIES

What to do in a Redundancy Situation

*Responding to questions from
Industry on Coronavirus (COVID-19)*



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Check www.gov.ie for the latest information in relation to deadlines for application for the EWSS, PUP and the deadline in relation to the employee's right to request redundancy.

What is collective redundancy?

Arises where, during any period of 30 consecutive days, the employees being made redundant are:

- 5 employees where 21-49 are employed
- 10 employees where 50-99 are employed
- 10% of the employees where 100-299 are employed
- 30 employees where 300 or more are employed

Consultation must occur...

- Employer must enter into consultations with a view to agreement with employee representatives.
- Must take place at the earliest opportunity – at least 30 days before notice of redundancy



*Under the
Protection of Employment Acts 1977-2014*

*Separate from the
Redundancy Payments Acts 1967-2014*

Collective Redundancy - Employer Obligations

Must also provide...

The following information in writing to the representatives:

- Reasons for the redundancy
- Number and descriptions of the employees affected
- Number and descriptions of employees normally employed
- Period in which the redundancies will happen
- Criteria for selection of employees for redundancy
- Method of calculating any redundancy payment

Must inform Minister for Employment Affairs and Social Protection in writing of proposed redundancies **at least 30 days before the occurrence of the first redundancy.**

Employees (Provision of Information and Consultation) Act 2006 Requires employers to consult with employees on substantial changes in the workplace, including proposals for collective redundancies. The Act applies to employers of 50 people or more.

See SI 140/1977 for information you must provide to the Minister.



Notice from Employer

Employee is entitled to...


- Minimum of 2 weeks' written notice of redundancy.
- Notice period goes up depending on the period of service.

Notice when on lay-off or short time:

- Contract of employment is temporarily suspended.
- If you then decide to make position redundant, you must give employees their full notice period.
- Employee is entitled to any holidays that are outstanding or payment in lieu of holidays



Eligibility Criteria

- 
- Must be aged 16 or over. (Since 8 May 2007 there is no upper age limit of 66.)
 - Must be in employment that is insurable under the Social Welfare Acts.
 - Full-time employees under 66 years must be paying Class A PRSI - does not apply to part-time workers.
 - Must have worked continuously for at least 104 weeks - the following situations will not break the continuity of your service:
 - Maternity leave / paternity leave / adoptive leave / parental leave / carer's leave
 - Off work through illness, agreed absence, holidays or lay-off

Must be paid on the date of the termination of employment

If you can't pay the redundancy amount:

- 01 Complete and submit the RP50 form online
- 02 Print a copy of the completed form and get the employer and employee to sign it
- 03 Post the signed form to the Redundancy and Insolvency Section of the DEASP and include:
 - *Letter from accountant / solicitor stating why you are unable to pay redundancy lump sum and accepting liability for 100% of the lump sum owing to the Social Insurance Fund.*
 - *Documentary evidence such as audited accounts*

Redundancy Payment

2 weeks per year of service + bonus week



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