

# BUDGET 2022

## KEY POINTS FOR EMPLOYERS



Changes to the pandemic wage subsidy scheme are among some of the key takeaways for employers in the Government's €4.7 billion spending plan for 2022.

HR Team reviews how the Budget 2022 will affect employers in the coming year.

Key points employers need to be mindful of:

### EMPLOYMENT WAGE SUBSIDY SCHEME

The Employment Wage Subsidy Scheme (EWSS) support will be extended until the end of April 2022. However, a structure of two rates (€151.50 and €203) will apply from December until the end of February, being reduced to €100 for March and April.

The scheme will close to new applicants from January 1, 2022. A reduced rate of employers' pay related social insurance (PRSI) will no longer apply for the final two months of the EWSS.

### WORKING FROM HOME AND TAX RELIEFS

There will be an income tax deduction of 30% of the cost of expenses for electricity, heating and broadband in respect of additional costs for employees while working from home.



### VAT RATE

The 9% VAT rate for the hospitality sector will remain in place until the end of August 2022.



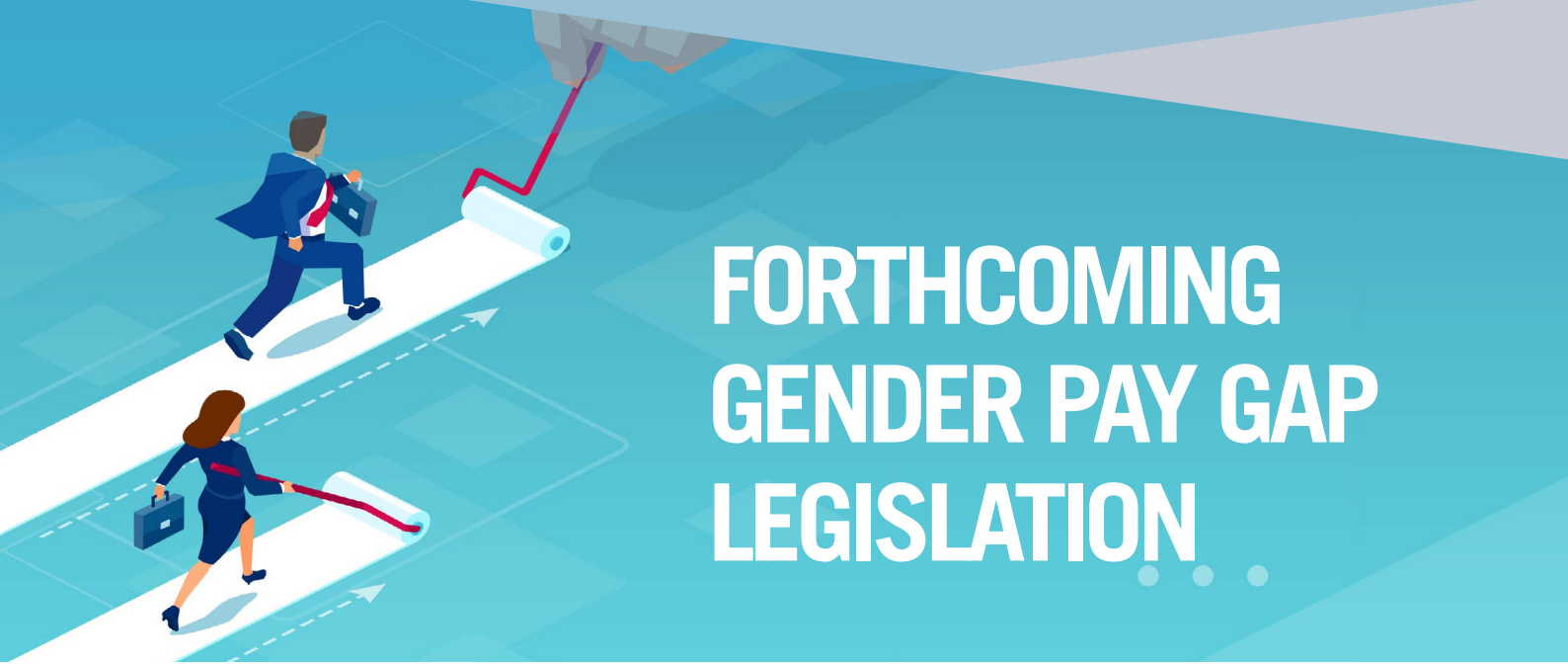
### CHILDCARE AND PARENTS

A €100 million childcare package has been included in the budget - potentially providing the flexibility that families need as workplaces practice hybrid working.

Parents' benefit will increase by two weeks to seven weeks from July 2022 onwards, while a universal subsidy for parents has been extended to all children aged under 15 to help meet the childcare costs. The 'Back to School Allowance' will also increase by €10.

### NATIONAL MINIMUM WAGE AND JOBSEEKER'S ALLOWANCE

Lastly, the national minimum wage hourly rate of pay will increase to €10.50 from January 1, 2022. Working-age welfare payments, including the jobseeker's allowance, will also rise by €5 a week.



# FORTHCOMING GENDER PAY GAP LEGISLATION

**The 'Gender Pay Gap Information Bill' will require organisations to report on the gender pay differentials in their organisations, setting out pay differences between female and male employees, including bonuses – the bill has been stalled since 2019.**

**H**R Team director, Martina McAuley, said: "Employers will have to explain the reasons for the gap and outline the measures they have in place to address it. It is expected that the reporting will commence in 2022 and I would recommend that employers begin to prepare now".

Research carried out by the Chartered Institute of Personnel and Development (CIPD) revealed that only 33% of employers are calculating the extent of a pay imbalance, showing a slow pace of change on the issue in Ireland during 2021. According to the latest data from the Central Statistics Office, the gender pay gap in Ireland is currently 14.4% on average - slightly lower than the EU average.

Preparing For Gender Pay Gap Reporting In Ireland "Employers should start preparing for the new reporting requirements to ensure compliance", Ms McAuley advises.

"Non-compliance can be reported to the Workplace Relations Commission (WRC), which can make an order requiring the organisation to comply and this may be damaging to an employer's reputation. If it is reported that there is a gender pay gap, this may also negatively affect employee morale."

## WHICH EMPLOYERS DOES THIS APPLY TO?

**The regulations will apply to the following:**

- Those employing more than 250 upon the commencement of the reporting.
- Those employing less than 250 but 150 or more from two years after the anniversary of the regulations being introduced.
- Those employing less than 150 three years after the anniversary of the regulations being introduced.

The regulations will not apply to an employer having less than 50 employees.

**Employers must publish the following information:**

- The difference between the mean and median hourly remuneration and bonus remuneration of full-time and part-time employees of the male gender and employees of the female gender along with the percentage of each paid a bonus and also the percentage of each who receive benefits in kind.
- Employers will also be required to publish the reason for any differences which are attributable to gender and the measures being taken/being proposed to eliminate or reduce such differences.
- Section 20A(9) specifies that employers may be required to publish the same information as required regarding temporary employees.

## HOW CAN EMPLOYERS PREPARE?

**Research** - employers should make themselves aware of the requirements and review the systems that they have in place to provide such data.

**Invest** - explore ways to invest in your staff talent with a focus on gender diversity – in particular diversifying the leadership pool or senior roles.

**Seek expert advice** - obtain legal advice to ensure compliance with the regulations. For example, what data protection issues arise, how can issues of equal pay or discrimination be best addressed, etc.



# MANAGING SOCIAL MEDIA IN THE WORKPLACE

**Employers who allow social media users to go unchecked in the workplace by having no clear and robust policy in place are simply asking for trouble.**

**W**ithout a policy, employees may have little or no understanding of how social media use can impact their employment. Employers should clearly define within the policy what they consider to be appropriate and inappropriate use and detail the consequences.

#### **Social media can be misused by employees:**

- Spending too much time on social media sites during work hours.
- Bullying, harassing or engaging in inappropriate conduct or behaviour towards a colleague on social media sites.
- Viewing, posting or sending online content that is discriminatory or offensive.
- Posting information or comments on social media sites which can damage the employer's brand or reputation.

HR Team can help with all aspects of employment law advice, including how to devise and implement the right social media policy for your organisation. Join our upcoming complimentary webinar on Thursday, October 28 at 10am to learn more.

#### **What will you learn from the webinar?**

- How to manage employee use of social media
- The importance of a robust social media policy
- Understanding how to avoid negative comments about a business by its employees and damage to reputation
- Data protection pitfalls
- Ownership of social media accounts
- Tribunal cases involving social media use at work

**Register for the webinar for free [here](#).**

## FORTHCOMING HR AND EMPLOYMENT LAW WEBINARS IN 2021

HR Team has a number of free employment law and HR webinars planned throughout 2021.

Whether you have a specific HR question related to Covid-19 or you want to keep up with the ever-evolving developments, we invite you to join our experts as they discuss the key areas that are affecting employers right now.

Registration is free and the list of upcoming webinars are below.

### Wednesday, November 17

#### Health and Safety Obligations for Employers with Home Workers

Join the webinar [here](#).

### Thursday, November 25

#### Managing the Probationary Period

Join the webinar [here](#).

### Thursday, December 16

#### Setting Employee Targets for the Year Ahead

Join the webinar [here](#).

#### Cost of Webinars:

Complimentary

#### Who should participate?

Line managers, supervisors/team leaders, middle/senior managers, HR personnel and business owners.

#### Do you have an employment law question?

We help business start-ups, SMEs and large multinational organisations. Call to speak to us today on any aspect of employment law or strategic human resource services.

Tel: **01 695 0749** or for UK/NI: **028 71 271 882**.

Alternatively, contact us via email: [Hello@hrteamgroup.com](mailto:Hello@hrteamgroup.com)



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