



New Sick Pay Laws Put Further Strain On Embattled Employers

Employers may struggle to meet their obligations under new laws making sick pay mandatory, as businesses continue to tackle the unprecedented recent financial pressures.

HR Team Director Martina McAuley says the Sick Leave Bill 2022, "while positive for employees", would put already embattled businesses under further strain.

The Irish Cabinet has signed off on the proposed new laws to make it mandatory for all employers to offer a minimum level of sick pay. The Bill will now begin its passage through the Houses of the Oireachtas.

Ms McAuley says: "Many in the Irish business community are reeling from the financial pressures associated with Brexit, the Covid-19 pandemic and more recently the war in Ukraine, which will make the timing of these proposed new laws complicated for many employers to handle.

"This announcement is good news for employees as it will provide some security and financial protection when they are unwell and unable to work. Indeed, many larger employers throughout Ireland already have sick pay schemes in place for their employees.

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Ms McAuley advises employers to prepare in advance for the new scheme and have contingency plans in place to meet the potential rise in costs.

She says: "We would advise employers to review their sickness policy in advance of the scheme being implemented to ensure

they have a robust procedure in place for managing absence in the workplace. Having such procedures will help employers to minimise costs associated with the proposed mandatory minimum levels of sick pay." She adds: "It is also important for employers to remember that this is an opportunity to increase employee morale, as this will be a welcome benefit for many employees."



Employers Should Prepare For Pension Auto-Enrolment

On March 29, 2022, Irish Cabinet approval was given to draft legislation for pension auto-enrolment, which will be introduced on a phased basis.



Auto-enrolment means that employees will make certain minimum contributions to a pension scheme with their employer being obliged to match that contribution which the State will then top up. The State will top up contributions by €1 for every €3 saved by the employee, up to a maximum of €80,000 in earnings. This means that for every €3 saved by the employee, a further €4 will be invested by the employer and the State combined.

For employers, administration costs will be kept to a minimum, requiring the employer to facilitate the payroll deduction simply. A Central Processing Authority will administer the rest.

Employees aged between 23 and 60

Employees aged between 23 and 60 earning over €20,000 will be automatically enrolled in the scheme.

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For employees with various jobs, their pension will be consolidated into one scheme.

Employer and employee contributions will start at 1.5% in 2022, which will increase by 1.5% every three years until they eventually reach 6% in 2034. Employees may opt-out after six months, and if they do so, they will be auto-enrolled again after two years.

There will be different risk/return pension funds and those who do not choose will be invested into a 'default' fund.

HR Team director, Martina McAuley, said:

"This is a welcome piece of legislation for employees, however it is important that employers have a clear policy and procedure in place to ensure information is readily available for employees. In addition, there will be employees who wish to avail of the opt-out option and employers must be aware of how to manage this efficiently.

"This new piece of legislation will inevitably incur additional costs for employers. It is recommended that they start to plan for its introduction as soon as possible, which is due to take place in 2023."

Sickness Absence Management

Employee absence is the biggest, non-recoverable cost to your business – but bringing these costs down is possible when following the right strategy.

Absenteeism from work is a growing problem for many organisations. With mental health illness on the rise, it is now more critical than ever that organisations have in place adequate policies and procedures to manage employee absence.

It is essential that organisations can monitor absence and manage absence levels. Dealing with the loss of employee time and productivity results in high costs and decreased sales and revenues for the organisation. It is also essential that workplaces create a culture of wellness, where employees feel good at work and feel appreciated by their employers.

Whether it is intermittent absences or long-term absences, HR Team can safely guide you through the process in our upcoming webinar.

What will you learn from the webinar?

- How to implement a robust sickness policy and procedure.
- How to manage short-term absence.
- How to manage long-term absence.
- How to conduct an effective return to work interview.
- Purpose of absence review meetings.
- How to obtain a doctor's report.
- Termination of employment due to ill-health.

About the facilitator

Operational HR specialist and HR Team co-director, Martina McAuley, has more than 20 years' experience in human resources. Ms McAuley's professionally-led sessions are convenient while working at home, in your office – or anywhere you have an internet connection. These sessions provide practical tips, techniques and strategies that can be applied immediately.

Cost: £40/€50

Cost for retained clients: FREE

To download the webinar recording now, please [click here](#).





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[Register Now](#)

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Tel from NI: 028 71 271 882, or from ROI: 01 695 0749.

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hello@hrteamgroup.com



If you require further information, please do not hesitate to contact HR Team.

Republic of Ireland

Level 1,
The Chase,
Sandyford,
Dublin,
D18 Y3X2

Northern Ireland

Hr Team Limited
Catalyst Inc,
Bay Road,
Derry ~ Londonderry
BT48 7TG

www.hrteamservices.com

Tel 01 695 0749
NI/GB +44 (0) 28 71 271 882

hello@hrteamgroup.com