



[Login](#)

EMCC

European Monitoring Centre on Change

Ireland: Effects of non-compliance with dismissal regulations

[Go to list page](#)

Ireland

Phase:

Management

Type:

Effects of non-compliance with dismissal regulations

Last modified: 10 December, 2021

Native name:	Protection of employment act, 1977 (as amended by S.I. No. 370/1996 Protection of employment order 1996 and S.I. No. 488/2000 Protection of employment regulations 2000); Protection of employment (exceptional collective redundancies and related matters) act, 2007
English name:	Protection of employment act, 1977 (as amended by S.I. No. 370/1996 Protection of employment order 1996 and S.I. No. 488/2000 Protection of employment regulations 2000); Protection of employment (exceptional collective redundancies and related matters) act, 2007

Article

1977 Act: 11, 13, 14; 2007 Act: 13

Description

Under sections 9 and 10 of the 1977 Act, there is an obligation on an employer to consult with employee representatives and supply certain information in the context of collective redundancies. Collective redundancy, for the purpose of the act, is defined as least 5 redundancies in an establishment employing 21-49 employees; at least 10 redundancies in an establishment employing 50-99 employees; at least 10% of employees made redundant in an establishment employing 100-299 employees; and at least 30 redundancies in an establishment that employs 300 or more people.

Section 11 deals with failure to comply with sections 9 and 10: an employer who fails to initiate consultations can be fined by up to €5,000.

Section 13 imposes a fine of €5,000 on an employer who fails to notify the minister of proposed redundancies.

Under section 14 of the act, an employer is not allowed to commence collective redundancies until the 30-day consultation period has expired. If the employer breaches this provision, they face a fine of up to €250,000. This fine had been €12,500 before the 1977 Act was amended by the 2007 Act. Offences under sections 9 and 10 of the 1977 Act are prosecuted by the relevant minister.

Comments

It is considered in some commentary that the €5,000 fine for breaching consultation and information supply obligations in collective redundancies is not effective enough to dissuade non-compliance with these requirements.

The potential €250,000 penalty for carrying out redundancies before a 30-day consultation period has been completed does not apply to situations of liquidation/formal wind up of a company. In July 2015, the Minister for Business and Employment noted this is because 'where an insolvent firm goes into liquidation, it can no longer trade. It can no longer accrue debts that it is in no position to discharge. It would be difficult to keep staff on books and expect them to work, merely to serve out a 30-day notice period, where the employer has no resources to pay those staff, and it would not appear to be in the interests of the staff themselves.

Nonetheless, the government commissioned an expert report into amending the 1977 Act. Proposal #3 from this report is that the redress for affected workers could be enhanced (up to two years' salary) to provide as an effective deterrent against the contravention of the consultation obligations. However, the government decided not to implement this report. Following the controversy around the closure of Debenhams Ireland in April 2020, there was renewed pressure on the government to legislate on the 1977 Act.

In June 2021, the government confirmed it will remove the exemption on the 30-day consultation for collective redundancies in insolvency scenarios. An outline of the government's plan includes:

- Where a redundancy arises due to company insolvency, it has been decided that an employee may be placed on temporary lay-off by the liquidator for the duration of the 30-day notification period (with the employment termination date to coincide with the expiry of the

statutory 30-day period).

- To ensure compliance, Department of Enterprise, Trade and Employment (DETE) has decided that the redress provision in section 41 of the Workplace relations commission act will apply to a contravention of section 14 of the Protection of employment act 1977 (which provides for the statutory 30-day period of notification to employees). An appeal to the Circuit Court will also be provided.

Cost covered by

Employer

Involved actors other than national government

National government only

Thresholds








Company size by number of employees:

21

Number of affected employees:

5

Sources

-  [Protection of employment \(exceptional collective redundancies and related matters\) act 2007](#)
-  [Protection of employment act, 1977](#)
-  [Duffy-Cahill 2016 report](#)
-  ['New plans for collective redundancy 'well received' by social partners', IRN 22/2021](#)
-  [EMCC legal framework of restructuring](#)
-  [Minister for Business and Employment, Ged Nash TD: The sale and liquidation of Clerys \(July, 2015\)](#)
-  [Purdy, A. \(2011\), Termination of employment: A practical guide for employers \(2nd ed.\), Bloomsbury Professional](#)

Useful? Interesting? Tell us what you think. 

Eurofound welcomes feedback and updates on this regulation

Your name *

E-mail *

More information?

Homepage

Subject

Comment *

Save

Preview

About EMCC

European Restructuring Monitor

- › [About the European Restructuring Monitor](#)
- › [Restructuring events database](#)
- › [Restructuring support instruments](#)
- › [Restructuring related legislation](#)
- › [Restructuring case studies](#)
- › [ERM publications](#)

European Jobs Monitor

Labour market research

Case studies

Future of Manufacturing in Europe (FOME)

European Observatory on Quality of Life - EurLIFE

European Observatory of Working Life - EurWORK

Quick links

- Legal information
- Data protection
- Environmental policy
- Cookies
- Subscriptions
- Multilingualism
- Templates for Eurofound reports
- Eurofound style guide
- Management Board extranet
- Map - how to get to Eurofound
- FAQ
- Sitemap



Contact us

Eurofound, Wyattville Road, Loughlinstown, Co. Dublin, D18 KP65, Ireland

Phone: (00) 353 1 2043100

E-Mail: information@eurofound.europa.eu

Press: media@eurofound.europa.eu



MEMBER OF THE NETWORK OF EU AGENCIES



EUROFOUND ACHIEVES EMAS REGISTRATION



EUROFOUND IS AN AGENCY OF THE EUROPEAN UNION



[Access to internal documents](#) | [Financial information](#) | [Archives](#) | [Information centre](#) | [RSS feeds](#)

© EUROFOUND 2023

