



AN BILLE UM CHOSAINT FOSTAITHE (LEASÚ), 2012
PROTECTION OF EMPLOYEES (AMENDMENT) BILL 2012

EXPLANATORY MEMORANDUM

Purpose of Bill

1. The purpose of the Bill is to enhance the period of notice to workers being made collectively redundant, and to expedite the hearing and processing of claims to entitlements.

It also provides to allow workers who have been made redundant by a company which is in effect insolvent, but which has not had a liquidator appointed, to claim for their entitlements under the insolvency fund.

Definitions

2. *Section 1* is a standard provision defining certain terms used in the bill.

Obligation on employer to consult with employee's representatives

3. *Section 2* extends the minimum time limit by which consultations with employee's representatives shall be initiated under Section 9 of the Protection of Employment Act 1977, from 30 days in all instances, to 60 days for companies employing more than 20, and less than 100, and 90 days for companies employing more than 100.

Obligation on employer to notify Minister of proposed redundancies

4. *Section 3* extends the minimum time limit by which the Minister must be notified of collective redundancies under Section 12 of the Protection of Employment Act 1977, from 30 days in all instances, to 60 days for companies employing more than 20, and less than 100, and 90 days for companies employing more than 100.

Collective redundancies not to take effect for 30 days

5. *Section 4* amends the requirement under Section 14 of the Protection of Employment Act 1977 that collectively redundancies will not take effect for 30 days, by extending the time frame in which redundancies shall not take place to 60 days for companies employing more than 20, and less than 100, and 90 days for companies employing more than 100.

Time limit for hearings

6. *Section 5* requires that a worker will be entitled to a hearing where a worker is entitled to a hearing of a body which adjudicates on employment rights and entitlements within 60 days of making an application. Where a hearing is not heard within 60 days, that the adjudicative body will be required to

notify the Minister, and to provide reasons for the delay, following which the Minister shall issue a statement concerning the matter within 30 days. The Minister shall publish further updates at intervals of every 30 days until the matter is determined

Amendment of section 1 (interpretation) of the Protection of Employees (Employers' Insolvency) Act 1984

7. *Section 6* amends the interpretation section of the Protection of Employees (Employers' Insolvency) Act 1984 to facilitate section 7 of this bill, and to facilitate workers being in a position to apply under the insolvency fund where their former employer has ceased trading but has not been formally placed in liquidation.

Amendment of section 4 of the Protection of Employees (Employers' Insolvency) Act 1984 (insolvency for the purposes of the Act)

8. *Section 7* amends the definition of insolvency for the purpose of the Act to 1984 to facilitate workers being in a position to apply under the insolvency fund where their former employer has ceased trading but has not been formally placed in liquidation.

Employees' rights on insolvency of employer

9. *Section 8* amends section 6 of the Protection of Employees (Employers' Insolvency) Act 1984 and provides that the Minister shall make a decision on an application to the insolvency fund within 60 days of an application.

Where a decision is not made within 60 days, the Minister shall be required to issue a statement concerning the matter within 30 days. The Minister shall publish further updates at intervals of every 30 days until the matter is determined

Complaints to Tribunal

10. *Section 9* amends section 9 of the Protection of Employees (Employers' Insolvency) Act 1984 and allows a person who has not had a decision by the Minister under section 6 of the 1984 Act to make a complaint to the Tribunal.

Short title and Commencement

11. *Section 10* is a standard provision, and proposes that the Act shall come into operation three months after its passing, or on the order of a Minister, whichever date is sooner.

Financial Implications

12. There are no discernible financial implications for the Exchequer.

*Teachta Peadar Tóibín,
Aibreán, 2012.*