

# GMS Flash Alert

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## Ireland - National Minimum Wage Rise from 1 February

Since 1 February 2020, the National Minimum Wage in Ireland is €10.10 per hour, having risen from €9.80 per hour.<sup>1</sup> This has implications for employers in Ireland, including those who are planning to have employees come and work in Ireland or are currently working in Ireland on an Employment Permit.

### WHY THIS MATTERS

Immigration counsel and domestic and international HR professionals, need to be aware of these changes because employers will have to plan for any individuals they intend to hire after 1 February 2020. Individuals starting employment in Ireland are now subject to the new hourly rate, and current pay may need to be adjusted to reflect the new rate.

### Changes to National Minimum Wage

To be eligible for an Employment Permit in Ireland, the base salary must meet the new National Minimum Wage rates as applicable. The new base salary threshold to be met will be €20,482.80 (based on a 39-hour week). Various employment permissions will be affected, including, the Atypical Working Scheme, Intra-Company Transfer Employment Permits, and Contract for Services Employment Permits.

The new rate also applies to Employment Permits already in issue.

Therefore, employers are now required to increase the base salary of their employees from €9.80 per hour to €10.10 per hour, where applicable.

From a wider employment law perspective, sub-minimum rates may apply in certain circumstances, such as for those

aged under 18. There are other minimum rates of pay for employees in certain sectors which can be included in Employment Regulation Orders made by Joint Labour Committees.

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## KPMG NOTE

If they have not done so already, employers need to demonstrate they are meeting the correct salary requirements and understand how changes may impact their employees who are close to the threshold.

Please contact your qualified employment/labour law specialist or the Corporate Immigration and Employment Law Team with KPMG in Ireland should you have any questions or concerns.

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## FOOTNOTE:

1 For the Irish government press release dated 19 December 2019, click [here](#).

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## Contact us

For additional information or assistance, please contact your local GMS or People Services professional\* or one of the following professionals with the KPMG International member firm in Ireland:



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\* Please note that KPMG LLP (U.S.) does not offer immigration services or labour law services. However, KPMG Law LLP in Canada can assist clients with U.S. immigration matters.

**The information contained in this newsletter was submitted by the KPMG International member firm in Ireland.**

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