A&L Goodbody

Employment Permits Act 2024 to modernise Ireland's employment permits system

12 August 2024

The Employment Permits Act 2024 was recently signed into law. While we await a commencement order for the Act to come into effect, the Act contains important updates to the employment permits system which employers in Ireland should be aware of.

The Employment Permits Act 2024 (the **Act**) was recently signed into law. The Act requires a commencement order to come into effect. It is currently not clear when this commencement order will be made.

The main purpose of the Act is to consolidate the legislative framework concerning employment permits. Once the Act comes into force, it will repeal the Employment Permits Acts of 2003 and 2006, revoke the Employment Permit Regulations 2017, and make certain changes intended to modernise the employment permits system and increase its responsiveness. In addition, the Act introduces a new type of employment permit and provides for additional conditions for the granting of an employment permit.

Regulations setting out operational matters referred to throughout the Act have yet to be published, and there is currently no indication as to when these will be published.

The main changes introduced by the Act are outlined below.

Seasonal Employment Permit ("SEP")

A new type of employment permit has been created for seasonal workers, known as the 'Seasonal Employment Permit'. The SEP has been introduced to facilitate the employment of foreign nationals employed in a "seasonally recurrent employment".

An employer who wishes to employ a foreign national under a SEP is required to make a yearly application to the Minister for Enterprise, Trade and Employment (the **Minister**) to become an approved seasonal employer. The types of seasonally recurrent employments for which a SEP will be granted will be set out in regulations.

Revision of Labour Market Needs Test ("LMNT")

Employers who make an application for a General Employment Permit (**GEP**) or a Contract for Services Employment Permit are generally required to first comply with the LMNT. This LMNT will be extended to the newly created SEP when the Act comes into force.

The LMNT has been revised to make it more modern and efficient. Significantly, the Act will remove the requirement to advertise a job vacancy in a newspaper in advance of an employment permit application being made, requiring only that the job vacancy is published on one or more online platforms.

Details of how the LMNT will operate in practice will be set out in regulations, which will include guidelines on what must be contained in the advertisements and for how long the advertisement must be published.

Change of employer

Currently, all employment permit holders wishing to change employer before the expiration of their employment permit are required to apply for a new employment permit.

Under the 2024 Act, holders of a GEP or a Critical Skills Employment Permit (**CSEP**) may be permitted to change employers within a "prescribed period" to be set out in regulations, and subject to having at least two months remaining on their current employment permit.

An employment permit holder who changes employers in these circumstances will be allowed to work for their new employer for the remainder of the validity period of their current employment permit.

The new role will need to be for the same type of employment for which the existing employment permit was granted.

12 month rule

Employees working under their first employment permit in the State are currently obliged to remain with their employer for a minimum of 12 months before making a new employment permit application (subject to certain exceptions). The Act states that this period will now be between six and 12 months, leaving the precise period to be specified in regulations. Though it has yet to be confirmed, it is currently expected that this period will be nine months.

Contract for Services Employment Permit extended to sub-contractors

Currently, a Contract for Services Employment Permit can only be granted to foreign national employees of a foreign undertaking in order to provide services to an Irish entity pursuant to a contract for services. The Act has extended the eligibility of this employment permit to include sub-contractors, in addition to the main contractor, thereby opening up the employment permits scheme to these individuals.

Change of details of employee

Although not an obligation under current legislation, employment permit holders and their employer are advised to inform the Department of Enterprise, Trade and Employment (the **DETE**) of any changes to their home or email addresses. When the Act comes into force, it will make it an obligation for an employment permit holder and their employer to notify the DETE of any such changes.

Salary index

The Act creates a salary index for Ireland's employment permits system, using data obtained from the Central Statistics Office. The Act provides that the Minister will, on a yearly basis, carry out a review of

regulations made with respect to minimum salary thresholds for the granting of employment permits, having regard to the most recent information on average weekly earnings made available by the Central Statistics Office.

Where, following such review, the Minister is satisfied that there has been an increase in the average weekly earnings, they shall increase the minimum salary thresholds accordingly.

The full text of the 2024 Act can be found here.

ALG's Corporate Immigration team advises clients on all aspects of Irish immigration law. The team manages and assists clients with their corporate immigration and global mobility requirements. For further information in relation to this topic, please contact Noeleen Meehan, Partner or Colm Byrne, Associate from our Corporate Immigration team.

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