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Sick Leave, effective 1 January  
2023

Alliant Global Knowledge Center

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## Ireland introduces employer-paid Sick Leave, effective 1 January 2023

By Maya K Alfaisal

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On 20 July 2022, the [Sick Leave Act 2022](#) was signed into law by the President providing for employer-paid statutory Sick leave. However, the start of paid Sick Leave entitlement was pending a Ministerial Order. On 12 October 2022, during a *Dáil Éireann* debate on Employment Rights, Tánaiste and Minister for Enterprise, Trade and Employment announced that the Sick Leave Act will commence on 1 January 2023.

The Sick Leave Act introduces 3 days of statutory employer-paid Sick Leave per year, which gradually increases to 10 days per year starting 1 January 2026.

### Employer-paid Sick Leave entitlement

Previously, there was no mandate that an employer continues paying an employee while they were on Sick Leave. Under the provisions of the Act, employees are entitled to employer-paid statutory Sick Leave of up to 3 days in 2023. Employee entitlements will

then gradually increase to 5 days starting 1 January 2024, to 7 days starting 1 January 2025; and to 10 days starting 1 January 2026.

Employees who need sick days in addition to their statutory employer-paid Sick Leave entitlement may, subject to social contributions, qualify for social security Illness Benefits.

### Employer payments during Sick Leave

Employer payment during Sick Leave will be 70% of the employee's base salary, capped at EUR 110 per day, which corresponds to an annual cap of EUR 40,889.16. The capped amount can be revised by Ministerial Decree in line with changes in the cost of living.

The Act provides that exemptions can be granted in cases where an employer is experiencing severe financial difficulty.

## Eligibility for employer-paid benefits

To be entitled to employer-paid statutory Sick Leave, employees must be working for their current employer for at least 13 weeks; and have a medical certificate by a General Practitioner stating that they are unfit to work. The medical certificate should be provided only if the employee takes Sick Leave for more than 2 consecutive days.

An employee on statutory Sick Leave will, for all other purposes, be treated as if they have not been absent from work.

## Employer's Sick Leave record keeping obligations

Employers must record statutory Sick Leave taken by their employees and retain the information for a period of 4 years. The records should include all the period of employment of each employee; the dates and times of each employee's Sick Leave; and the amount of Sick Leave payment made to each employee.

Employers who fail to record and retain employees' statutory Sick Leave information will be subject to a class C fine, which can be up to EUR 2,500.

## Public health outcomes and impact on employers and employees

Paid Sick Leave policies improve public health outcomes and supports employees' overall mental wellbeing and health. Access to paid Sick Leave reduces the spread of illnesses at the workplace and increases employee loyalty and productivity, which from employers translated into employee retention.

The forthcoming changes will entail employer obligation. Employers will need to plan for statutory paid Sick Leaves in terms of budgeting, taking into account the number of days of employer-paid Sick Leave will gradually increase from 3 days per year starting 1 January 2023 to 10 days per year starting 1 January 2026; update their leave policies; and prepare related communication materials to inform their employees of their new entitlements. Additionally, employers must develop record keeping processes for employees' statutory Sick Leave.



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As an International Account Manager, Maya works with multinational clients, ranging from small emerging companies to large accounts, by being a main contact for global HR managers and local broker partners daily to ensure clients have consistent support and communication for all benefits-related issues and inquiries. Maya has produced country overview reports, managed renewals, and created benchmark reports on the EMEA, APAC and LATAM regions.

As part of publication services offered by Alliant's Global Knowledge Center, Maya tracks and researches international news and government policy developments related to global benefits, to produce compliance articles and thematic reports for select countries in the EMEA and APAC regions.

Prior to joining Alliant, Maya was an International Benefits Research Analyst at Arthur J. Gallagher, a People Operations Planner at Apple Inc, and a Linguist at the Middle East Institute. She has also worked in Higher Education as a Language and Culture Lecturer and has lived in a total of 8 countries that helped shape her passion for a global career path.

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