

EMPLOYMENT

## Employment Law in 2026: *What's on the horizon?*

2025 saw plenty of developments on the employment law front and that trend is certainly set to continue into 2026. There will be lots happening, with two major EU directives due to be implemented, changes due in areas of law such as retirement and equality, along with evolving challenges in the use of AI and the debate around approaches to remote working is set to continue.

In this briefing, we highlight what lies ahead, focusing on the key employment law changes and developments employers can expect this coming year.



**Minimum wage and living wage**

Since 1 January 2026, the national minimum wage has increased to €14.15 per hour.

During 2025, the Irish government decided to postpone a plan to replace the minimum wage structure with the implementation of a “living wage” (which would be significantly higher), from 2026 until 2029. The decision to postpone was taken to bolster business resilience and support competitiveness.

**Collective bargaining**

In November 2025, the Irish government published an [Action plan to promote collective bargaining 2026-2030](#) in accordance with the EU Adequate Minimum Wages Directive. The plan aims to increase collective bargaining coverage through encouragement rather than enforcement, reinforcing Ireland’s system of voluntary industrial relations. Read more [here](#).

**Gender pay gap reporting**

2025 was the first year in which employers with 50+ employees had to publish their gender pay gap report on their website (or otherwise make it available for inspection) and it is expected that legislation will be passed in 2026 requiring all such employers to publish their gender pay gap reports on a [centralised portal](#).

**Pay transparency**

Probably the most hotly anticipated development on the horizon is the implementation into Irish law of the [EU Pay Transparency Directive](#), due to be transposed by 7 June 2026. The Directive is designed to make it easier for employees to bring claims related to equal pay for equal work and its consequences are significant. It will undoubtedly lead to an increase in employee and representative involvement in addressing pay equity and contains strict requirements to categorise employees into those performing equal work or work of equal value, along with a significant level of information sharing with employees.





The Heads of a Pay Transparency Bill, which will transpose the Directive into Irish law, are currently in preparation and many employers will, by now, be getting ready for its implementation. You can find more information on gender pay gap reporting and preparing for pay transparency on our [ALG Hub](#).

**Auto-enrolment**

Since 1 January 2026, “My Future Fund” has been in operation. While emergency regulations introducing exemption standards were signed at the last minute, and teething issues are expected, the scheme is now up and running. It is designed to bring over 750,000 workers into pension saving for the first time, with contributions due from the first payroll of 2026. You can read more [here](#) and [here](#).

**Retirement age**

The Employment (Contractual Retirement Ages) Act 2025 was signed into law on 16 December 2025. It has been indicated by the Department of Enterprise, Tourism

and Employment that it will not come into operation until an updated Code of Practice is published by the Workplace Relations Commission (**WRC**). This new law will mean that employees who have a contractual retirement age that is less than 66 may object to retiring. You can read more about the new law [here](#) and we will keep you updated on its commencement.

**EU Platform Work Directive**

The [EU Platform Work Directive](#) must be implemented into national law by 2 December 2026.

Platform work is work that is organised through a digital labour platform and performed in the EU. The Directive’s key focus areas are:

- (i) a rebuttable presumption of employment for those engaged in platform work and;
- (ii) regulating algorithmic management, emphasising transparency, human oversight and data protection. For companies operating in the digital labour sector, the impact of this new law will be profound.

Employers should consider whether they come within its scope and if so, plan their compliance strategy. We will keep you updated on this Directive’s implementation as we move towards the deadline.

**Equality law reform**

On 9 October 2025, the Joint Committee on Children and Equality published their [report](#) on pre-legislative scrutiny of the general scheme of the Equality and Family Leaves (Miscellaneous Provisions) Bill.

Included in this draft legislation are two measures to transpose the obligations under the EU Pay Transparency Directive relating to job seekers. One to introduce a ban on asking job applicants for information regarding their current or former remuneration and another to ban job advertisements which do not include the remuneration rate or range. The latter requirement goes beyond what is in the Directive, which requires employers to provide the information in a job vacancy notice, prior to the job interview or otherwise.



Another proposal of note was an increase in the time limit for bringing a claim under the Employment Equality Acts, from six months to twelve months. It remains to be seen how this, and other proposals, will feature in the revised draft, the publication of which is eagerly awaited.

### Employment Works Councils

Although the deadline for transposition of the revised European Works Councils (**EWC**) Directive into national law is not until 1 January 2028, multinational employers with at least 1,000 employees in the EU or EEA (including at least 150 in each of two or more member states) will need to ensure they are ready. You can read more about the revised Directive [here](#).

Following on from the High Court's judgment in *Charpentier v Verizon Ireland Limited* (read our briefing [here](#)), it remains to be seen whether legislative changes will take place sooner than the transposition deadline, to clarify employers' obligations under the [TICEA](#).

### The rise of Artificial Intelligence

2025 saw a significant uptick in the use of generative AI in employment litigation and workplace procedures, such as those relating to grievance and disciplinary. Such use raises a myriad of issues, from false legal references to the protection of sensitive information.

In October 2025, the WRC issued a much-publicised decision, [Fernando Oliveira v Ryanair](#), in which it found the complainant's submissions, which he admitted "may" have been drafted using AI, contained phantom citations and irrelevant claims. Not long after this decision, the WRC published [guidance](#) on the use of AI tools when preparing material for submission to the WRC. The guidance emphasises that responsibility lies with parties using AI tools to prepare submissions to ensure all content is accurate, relevant and based on Irish law, as they remain fully responsible for their submissions and should verify information, avoid sensitive data, and use AI transparently and responsibly.

Moving forward in 2026, it will be vital that such guidance in relation to the use of AI is followed, and that employers emphasise responsible AI use in policies and procedures and train staff in how to recognise and handle AI generated complaints.

### Remote working

Remote and hybrid working continue to dominate employment news. At the end of 2025, the Department of Enterprise, Tourism and Employment conducted a public consultation on the operation of an employee's legal right to request remote working. A legislative review of the remote working provisions of the Work-Life Balance and Miscellaneous Provisions Act will now take place and a report will be produced. Whether any change to the 'right to request' will take place remains to be seen.

For further information on any of these topics, please contact [Triona Sugrue](#), Senior Practice Development Consultant, or any member of ALG's [Employment Law team](#).



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