Updated Minimum Salary Thresholds for Employment Permits in Ireland

Effective March 1, 2026, the Department of Enterprise, Tourism and Employment will implement updated minimum salary thresholds for Ireland’s Employment Permit System. Under the revised framework, the minimum salary for a General Employment Permit will increase from €34,000 to €36,605, while the threshold for a Critical Skills Employment Permit will rise from €38,000 to €40,904. Reduced entry thresholds will continue to apply for recent graduates, supporting access to employment at early career stages.

While earlier proposals anticipated that all increases would be in place by 2026, the Department has confirmed a phased implementation approach extending into 2030. This approach is intended to balance enhanced worker protections with business sustainability and is aligned with the objectives of the Employment Permits Act 2024. The updated thresholds reflect broader efforts to promote fair employment conditions, respond to feedback from employers and advocacy groups, and align salary requirements with average earnings amid ongoing global economic uncertainty.

Clarification of Hourly Rates

Employers should also note the clarification provided on hourly rate calculations. The Minimum Annual Remuneration (MAR) is calculated by dividing the annual amount by 2,028 hours (based on a 39-hour work week).

- For roles with fewer than 39 hours per week, a higher hourly rate will be required to meet the annual threshold.
- For roles exceeding 39 hours, any additional hours must be paid at least the minimum hourly rate.

Industry Impact

The revised thresholds are expected to have a varied impact across sectors and regions. Industries such as healthcare, agri-food and hospitality, particularly in rural areas, are likely to experience the greatest pressure due to their reliance on permit holders earning close to current thresholds. Smaller businesses may face financial strain and will need to adjust budgets accordingly, while larger organizations may be better positioned to absorb these increases. Employers should also consider the implications for talent retention, as lower entry thresholds for graduates will help attract talent, but permit renewals will require meeting higher salary levels.

Next Steps for Employers

Employers should take proactive steps to prepare for the upcoming changes, including:

- Reviewing and updating employment contracts and salary structures
- Ensuring compliance with the revised thresholds by March 1, 2026
- Auditing roles that sit close to current thresholds and planning for phased increases
- Confirming that hourly rates for variable-hour roles meet MAR requirements

Conclusion

The upcoming changes to Employment Permit salary thresholds mark a significant shift in Ireland’s labor market policy. While the phased rollout provides employers with time to adapt, early action will be essential. Reviewing compensation structures now will help mitigate financial pressure, support permit renewals, and strengthen talent retention strategies in an increasingly competitive environment. These adjustments are designed to promote fair employment practices and align with evolving economic conditions, making early preparation essential for long-term business sustainability.