

*These notes refer to the Employment Act (Northern Ireland)  
2010 (c.12) which received Royal Assent on 2 August 2010*

# Employment Act (Northern Ireland) 2010

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## **EXPLANATORY NOTES**

### **COMMENTARY ON SECTIONS**

#### ***Section 6: Compensation for financial loss***

*Section 6* provides a simplified process for claimants who have suffered direct financial losses as a result of unlawful deductions from wages, including failure to pay the National Minimum Wage, and the non-payment of statutory redundancy awards. Previously, an industrial tribunal could only order an employer to pay or repay the amount arising from the employer's direct liability for breaches of law in this area. The claimant was therefore left to bring a separate action in the civil courts for financial losses incurred over and above the amount owed but which could be attributed to the non-payment or unauthorised deduction; for instance, as a result of charges for unauthorised overdrafts. Section 6 allows an industrial tribunal to make an additional award against the employer to compensate workers (which includes employees) for the full financial loss they have sustained as a result of unlawful deductions from wages and employees for non-payment of redundancy awards.