IRELAND

Trade Union Monitor

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POLITICAL, ECONOMIC AND SOCIAL FRAMEWORK

POLITICAL DEVELOPMENT

As in most of Europe, the Irish political context has been somewhat volatile over the past decade. However, the form this has taken is somewhat different to many countries. Ireland was one of the countries hit hardest by the financial crisis post-2008, following a collapse in the banking and construction sectors, and required a »bail-out« from the IMF-ECB- European Commission (the ›Troika‹). The general election of 2011 resulted in huge losses for the incumbent Fianna Fáil party, traditionally the largest political part in the state. The resulting Government, a coalition of Fine Gael (traditionally the second largest party) and the Labour Party (the »third« traditional force in Irish politics), was tasked with implementing most of the austerity agenda on which the financial support package from the Troika was contingent. This involved large cuts to public spending and social security, and significant wage reductions in the public sector. After recording real Gross Domestic Product (GDP) growth of more than 5 percent in 2007, in 2009 real GDP in Ireland shrank by the same figure. The unemployment rate rocketed from under 5 percent in January 2007 to more than 15 percent by January 2012. Economic recovery, however, was swift. By the time of the election of 2016, Ireland had exited the EU-IMF programme, unemployment had declined to under 8 percent, the annual GDP growth rate was over 9 percent, and the public finances were comfortably meeting EU budgetary targets.

That election produced no clear majority for any party, or coalition grouping. The Labour Party was the main loser, seeing a huge drop in support, as voters seemed to blame it for the effects of austerity. Fine Gael formed a minority government. From 2016 until the outbreak of the Covid-19 pandemic, the Irish political context was almost completely dominated by Brexit, as Ireland remains the country most directly affected by the UK vote to leave the EU (politically, economically, and culturally). While the economy continued to improve (unemployment dropped below 5 percent in early 2020), the general election of February 2020 produced a new shock as the left-leaning Sinn Féin (the only political party active in both the north and south of Ireland) won a record number of seats, resulting in, effectively, a three way-tie between the traditional (centrist/centre right) parties of Fianna Fáil and Fine Gael, and Sinn Féin (the Labour Party secured under 5 percent of the vote). The stalemate resulted in Ireland having a ›caretaker‹ government until June 2020, when traditional rivals Fianna Fáil and Fine Gael formed a new administration, with the support of the Green Party. This government has established a Social Dialogue Unit in the Department of Taoiseach (Prime Minister) to coordinate social dialogue, and to create new models of sectoral engagement.

Thus, Ireland has gone from economic boom (2000–2007) to economic collapse (2008–2015), to economic recovery (2016–2020), to economic uncertainty (Brexit), to the Covid-19 pandemic. It is notable that there has been little or no support for any political parties espousing a far-right agenda; notably, it is widely felt that the outcome of the 2020 election, in fact, reflected an increase in support for the left. Since the election, opinion polls have consistently shown the most popular political party to be Sinn Féin.

ECONOMIC AND SOCIAL SITUATION

As noted above, the economic situation in Ireland has been extremely volatile over the past decade. Although the economy, and public finances, were in a strong position in early 2020 (low unemployment, strong economic growth), many threats were present. Prior to the Covid-19 outbreak, the biggest fears revolved around the possible impact of a ›no deal‹ Brexit. There was widespread relief when the Withdrawal Agreement between the UK and the EU was reached at the end of 2020, although there have been continued political and economic difficulties with the implementation of the ›Northern Ireland Protocol‹. Reaction to the election of US President Biden (of Irish descent, a vocal critic of Brexit, and a supporter of trade union rights) has been very positive, as

Ireland is a small, open, export-driven economy, which is heavily dependent on foreign direct investment (FDI), particularly from the US. US firms in the pharmaceutical (e.g. Pfizer, Amgen,) and technology (e.g. Google, Apple) sectors have large operations in Ireland, and employ significant numbers. However, Ireland's EU partners have long been critical of Ireland's corporate taxation policies (and the Commission has ordered Apple to pay more than 13 billion Euros in »illegal tax benefits« to the Irish state; the Irish government rejects the view that it granted illegal aid, and the issue will likely be determined, ultimately, by the Court of Justice).

The election of February 2020 had demonstrated that, despite a strong economic performance, there was a general mood that macro-economic success had not been felt at all levels of society. There was significant disquiet about the lack of housing supply (and an associated rise in homelessness), and the perceived crisis in public healthcare.

The outbreak of the Covid-19 pandemic of course, dealt a huge economic blow to the Irish economy. Ireland enacted one of the harshest coronavirus lockdowns in the world (it was consistently near the top of Oxford University's global »stringency index«), with extensive workplace closures and stay-at-home rules. The two major pandemic income supports, the employment wage subsidy scheme (EWSS, which aims to support employers in maintaining their workforce) is scheduled to remain in place until April 2022, and the pandemic unemployment payment (PUP, which is paid to those who have lost jobs due to the pandemic) is scheduled to end in March 2022. The PUP closed to new entrants in January 2022. The Irish economy, however, looks to have recovered quite quickly with the economy projected by the European Commission to grow overall by 5.5 percent in 2022, supported by a rapidly recovering labour market (unemployment has fallen to approx. 5 percent). As with the global economy, however, price rises and inflation have become pressing issues.

TRADE UNION-POLITICAL CONTEXT

The trade union movement in Ireland has been quite central to political developments over the past decades. Between 1987 and 2010, a series of social pacts was concluded between the unions, employers and the State (the »social partnership« process). The social pacts each ran for three years, focusing on issues of pay (for the public, and unionised private, sector), tax reform and a range of other socio-economic issues. Although the pacts were not legally binding, the Irish trade union movement had a strongly institutionalised, and State-sanctioned, role in national socio-economic governance, during a period of unprecedented economic success, and historically low levels of industrial conflict.

After the economic crisis hit in 2008, attempts to negotiate a new social partnership agreement collapsed. In March 2010, the public sector unions and employers concluded a new four-year Public Service Agreement. This was the first in a series of public service agreements, all of which sought to stabilise the public finances (through public service pay cuts and voluntary redundancies), and, in more recent times, to restore pay cuts imposed during the Troika years. The latest agreement, *Building Momentum*, was ratified by public service unions in early 2021, and runs until the end of 2022. It provides for modest annual pay increases for public servants (1 percent), and a ›sectoral bargaining fund‹ (equivalent to 1 percent of basic salaries), to deal with grade or sector-based claims within the public service.

In late 2016, the government established the Labour Employer Economic Forum (LEEF), envisaged as a space where the main trade union and employer representative bodies can meet to discuss areas of shared concern affecting the economy, employment, and labour relations. Importantly, after discussions at the LEEF, a *Return to Work Safely Protocol* was agreed between the social partners in 2020, to support employers and workers to put measures in place to prevent the spread of Covid-19 in the workplace.

Trade unions in Ireland, therefore, continue to play an important role at the national political level, and continue to be important stakeholders in socio-economic governance. Importantly, the pandemic appears to have reinvigorated the desire for deeper social dialogue amongst (some) employers. The Irish Business and Employers Confederation (IBEC; the main employers' representative group) has called for a more extensive social dialogue model which, it argues, is vital in a time of crisis and recovery. The Irish government has convened a tri-partite High-Level Working Group to review collective bargaining and the industrial relations landscape in Ireland, including the issue of trade union recognition and collective bargaining processes. The Group is due to report in 2022.

TRADE UNIONS IN IRELAND – FACTS AND FIGURES

HISTORICAL OVERVIEW

The history of Irish trade unions can be traced back to the 18th century, with the establishment of local ›craft‹ societies (representing bricklayers, printers, and other craftsmen). Until Ireland gained independence from the UK in 1922, developments often reflected those in the UK, with the establishment of unions organising skilled workers, railwaymen, and general workers. The Irish Trade Union Congress (ITUC) was founded in 1894. In 1912, the political arm of the union movement was founded, the Irish Labour Party and Trade Union Congress (ILPTUC).

In the 1940s, Irish-based unions split from their British-based colleagues, to form the Congress of Irish Unions (in 1945), and union federations in the North and South of Ireland united in 1959 to form the Irish Congress of Trade Unions (ICTU). The ICTU remains one of the most significant all-Ireland institutions. Notwithstanding historic links, the ICTU is not affiliated to any political party.

Trade union density in Ireland hit a peak of approx. 62 percent in 1980 (although membership levels hit a peak in 2009 of approximately 612,000). The recession of the 1980s, coupled with the rise of Thatcher and Reagan in the UK and US, led to a strategy of social dialogue (see above) from 1987–2010. Significant legal interventions in recent years include the *Industrial Relations Act 1990* (which regulates the conduct of trade disputes), and the *Industrial Relations (Amendment) Acts 2001–2015* (which outline the legal framework for collective bargaining in Ireland). Current trade union density in Ireland is estimated at approx. 26 percent of the workforce, collective bargaining coverage is estimated at approx. 35 percent. Recent data from the 2021 Working In Ireland Survey suggests that a majority of trade union members are women (approx. 54 percent).

TRADE UNION LANDSCAPE

The ICTU is the single union confederation in Ireland, with 43 individual affiliated trade unions. Although the ICTU plays an important role in relationships with government, it is a grouping of independent and autonomous unions, and does not direct its affiliates. By far the largest union affiliated to the ICTU is SIPTU, a general union, which makes up approximately one-third of ICTU's membership. SIPTU has members in many industrial sectors, and in both the private and public sectors. The main public service union is Fórsa, formed in 2018 after the merger of three unions (IMPACT, the Civil, Public and Services Union (CPSU), and the Public Service Executive Union (PSEU)). The other three largest unions are Connect (formed in 2018 after the merger of the technical, engineering and electrical union, the TEEU, with the Republic of Ireland membership of the former UK building union UCATT); the Irish Nurses and Midwives Organisation (INMO), and the retail workers' union Mandate.

WORKING CONDITIONS OF TRADE UNIONS

In terms of collective employment rights, Ireland provides notably weak legal protection for collective bargaining, and collective worker representation. The Irish Constitution protects the right of freedom of association, but trade unions in Ireland enjoy no rights to be recognised for bargaining purposes by an employer. Thus, while employees are free to join a trade union, they cannot insist their employer negotiate with that union regarding their pay and conditions. Collective

Table 1
Main trade unions confederations in Ireland

Confederation	General Secretary / Assistant GS	Members	International Memberships
Irish Congress of Trade Unions (ICTU)	Gen Sec: Patricia King Asst Gen Sec: Owen Reidy	Republic of Ireland: 517,830 Northern Ireland (part of the UK): 196,024 Total: 713,854	ITUC, ETUC

Table 2
Main sector federations and individual trade unions in Ireland

Trade association / Trade union	Confederation	Gen. Secretary	Members	International Membership
Services Industrial Professional Technical Union, SIPTU	ICTU	Joe Cunningham	180,000	BWI, EFBWW, IndustriAll, IndustriAll Europe, IUF, EFFAT, UNI, UNI Europa
Fórsa (public service)	ICTU	Kevin Callinan	89,400	PSI, EPSU, UNI, UNI Europa
Irish Nurses and Midwives Organisation, INMO	ICTU	Phil NÍ Sheaghdha	39,150	ICN (International Council of Nurses)
Connect (technical and construction workers)	ICTU	Paddy Kavanagh	39,000	IndustriAll, IndustriAll Europe
Mandate (retail workers)	ICTU	Gerry Light	33,460	UNI, UNI Europa

bargaining in Ireland, therefore, is seen as normative; collective agreements are usually not legally enforceable, as they do not generally intend to create legal relations. Collective agreements can be given legal effect if they are registered with the Labour Court (known as »Registered Employment Agreements«; REAs). Such agreements only bind the workers and employer, or employers that are parties to the agreement.

Sectoral Employment Orders (SEOs) cover pay, sick pay, and pension schemes in a sector (and have *erga omnes* effect). These may be applied for by a trade union (alone or jointly with an employer organisation); they are particularly important in the construction, mechanical engineering, and electrical contracting sectors. In 2021, in a hugely significant decision, the Irish Supreme Court confirmed the constitutionality of the SEO system, following a challenge by a group of employers in the Electrical Contracting Sector.

Joint Labour Committees (JLCs) are social partner bodies which agree minimum rates of pay, and the regulation of employment, in certain sectors where there is little or no collective bargaining and where significant numbers of vulnerable workers are employed; traditionally, these were important in sectors like retail, catering, and hotels. At present, however, the only significant JLCs operating are in the contract cleaning, and security, sectors. Two new JLCs were established in 2021; for the Early Learning and Care (ELC) and School-Age Childcare (SAC) sector, and for the English Language Schools sector.

Outside of EU law requirements (e.g. European Works Councils; EWCs), there is no developed employee participation system in Ireland (nothing close to the German works councils model) and, outside of a very small number of State companies, no rights for employee participation on company boards. Indeed, little attention has been paid in Ireland to EWCs. Following the UK's withdrawal from the EU, however, it appears that as many as half of the 200 estimated UK-based European Works Councils have re-located their legal base to to Ireland, including firms like HP, Oracle, GE and Emerson. The operation of EWC legislation in Ireland, therefore, is likely to come under renewed scrutiny.

The *Industrial Relations (Amendment) Acts 2001–2015* set out procedures to allow unions, with members in organisations where employers do not recognise unions for bargaining purposes, to seek to have specific disputes with regard to pay, terms and conditions of employment, and dispute resolution procedures addressed, by means, ultimately, of a legally binding determination of the Labour Court. This legislation is controversial (many employers view it as a breach of the »voluntarist« Irish model, and many unions feel it falls short of offering a route to genuine collective bargaining), and few claims have been taken under it in the last decade.

As noted above, a high-level working group has been established to report to the Government on possible reform of some of the key areas.

TRADE UNIONS AND THEIR CORE TASKS

In practice, collective bargaining in the public sector is centralised, and pay and terms and conditions negotiated between the Public Services Committee of the ICTU and the public service employers (responsible ultimately, of course, to the government). The Public Service Agreements since 2010 have set out pay and conditions for public servants.

In the private sector (subject to some sectoral mechanisms, outlined above) bargaining takes place at enterprise level (but, again, there is no legal obligation on employers to bargain with a trade union). The bargaining agenda tends to be relatively limited, and focused on pay, working time, and pensions. Prior to the outbreak of Covid-19, SIPTU had been trying to coordinate pay bargaining in the manufacturing sector, and seeking approximately 2 percent pay increases over a 12 months period. During 2020, bargaining activity decreased significantly, although the chemicals, pharmaceuticals and medical devices sector saw a number of collective agreements concluded (with average increases of 2.5 percent). As we move into a post-pandemic era, where inflation is a big concern, the ICTU has issued calls for private sector pay rises of between 2.5 and 5.5 percent.

A big issue in Ireland, as in many other countries, has been the rise of precarious work, particularly in retail and personal services. Mandate, for example, has been active in negotiating »banded hours« arrangements (where part-time workers gain access to a greater level of *minimum* working hours) with many large retailers. Equally, a big area of policy debate in Ireland has been around »bogus (false) self-employment«, and the implications for workers' rights, and the State's tax and social insurance coverage, where employment status is misclassified; attention here has focused on the co-called »dependent self-employed« (including platform workers). Post-pandemic there is a considerable focus on the right to request remote working and legislation is expected in this area in 2022.

In the past decade, strike action has been most frequent in the public transport sector, and there was a recent, large-scale nursing dispute. Overall, however, strike action in Ireland remains at historically low levels in relative terms. Secondary action and political strikes are not permitted by Irish law.

TRADE UNIONS AND THEIR (POLITICAL) WEIGHT

Irish trade unions (and the ICTU) are not closely linked to any one political party in the manner observed in many other European countries. For example, while SIPTU operates a political fund (to which members *may* subscribe) the fund is available to any members running in an election for *any* political party, or as an independent, on condition that they sign a pledge to support the policy of the union. Nonetheless, as noted above, the trade union movement does retain significant political influence. There has never been a »Thatcherite« attack on union rights, as in the UK, and, to date, there has never been a major anti-union public policy in Ireland. The unions' legitimacy has not been challenged by any political party. The trade union movement continues to play an important political role at national level (in the public service, and in the LEEF), and at sectoral level (through participation in JLCs, for example). The union movement has representation rights on all of the key State employment relations bodies, for example:

– The Workplace Relations Commission: established in 2015, it is the body that determines individual employment disputes at first instance. It incorporates the labour inspectorate, and has a mediation, conciliation, and advisory service;

– The Labour Court: deals with individual disputes (on appeal), and collective dispute referrals;

– The Health & Safety Authority: enforces occupational health and safety law, promotes accident prevention, and provides information and advice across all sector

Furthermore, legislation in 2015 set up a Low Pay Commission, made up of representatives of unions, the employers and independent academics, whose main role is to make recommendations on increasing the level of the national minimum wage. The current government has pledged to overhaul this body so that it becomes a »Living Wage Commission«.

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