IRELAND’S SOCIAL DIALOGUE IN OUTLINE

Abstract Ireland’s social dialogue in outline. The social dialogue which can be understood as a process which “includes all types of negotiation, consultation and exchange of information between, or among, representatives of governments, employers and workers on issues of common interest”\(^1\) operates in the wider industrial relations area. If we take into consideration a fact that there are the very dynamic issues in this area, we will have to explore the matters, for example, such as the legal and organizational frameworks for the social dialogue, actors of it (including the most important social partners), or, tendencies for this area. The main aim of the paper, therefore, is a presentation of these chosen issues in the context of the Irish social dialogue. It can be seen as an effort for the presentation of Ireland’s social dialogue in outline.

Irlandzki dialog społeczny w zarysie. Dialog społeczny, który może być postrzegany jako proces, który „włącza wszelkie typy negocjacji, konsultacji i wymiany informacji pomiędzy lub pośród przedstawicielami rządów, pracodawców i pracowników poświęcone zagadnieniom wspólnego interesu”\(^2\) funkcjonuje na szerzej arenie stosunków przemysłowych. Jeśli weźmiemy pod uwagę fakt, że w tym obszarze funkcjonują bardzo dynamiczne zjawiska, będziemy musieli zgłębić takie zagadnienia jak np. prawne, organizacyjne ramy dla dialogu społecznego, jego aktorów (włączając najważniejszych partnerów społecznych) lub tendencje w tym obszarze. Toteż głównym celem artykułu jest prezentacja tych wybranych zagadnień w kontekście irlandzkiego dialogu społecznego.

Keywords social partners, social dialogue, social pact, trade unions, employers associations
partnerzy społeczni, dialog społeczny, pakt społeczny, związki zawodowe, organizacje pracodawców

The main aim of the paper is a presentation of the chosen issues within the social dialogue in Ireland such as the frameworks of relations between the government and social partners, main actors as well as main tendencies in this area. The article, therefore, starts with a conceptualisation of the chosen legal and organisational basis for interactions between the actors of industrial relations in Ireland. It then describes the largest Irish social partners and it outlines the main tendencies within the social dialogue in Ireland. Finally, the paper focuses on the concluding remarks which can be useful to answer to the research questions as follows: Who is the most important Irish social partner? What are significant features for Ireland’s social dialogue? What are the processes, mechanisms characteristic for it? We, therefore, accept: firstly that the Irish social dialogue operates within the dynamic environment with the various features in industrial relations. Secondly, the Irish social dialogue themselves is changeable process. Thus, we will focus on this topic by the analysis of framework of industrial relations as well as the process and mechanisms within this area in Ireland.

1. **The legal and organisational framework for the Irish social dialogue**

Basically, Industrial Relations Act 1990 is the very important part of Irish legislation in area of collective bargaining, it passed into law on 18th July 1990. It has made the critical changes in the Irish legislation referring to this area. As Minister for Labour said on 13th July 1991 the purpose of Act: “is to put in place an improved framework for the conduct of industrial relations and for the resolution of trade disputes (with) the overall aim […] to maintain a stable and orderly industrial relations climate”.

The Act defines the terms as follows: the employer, trade dispute, trade union, worker, industrial action, strike. Moreover, this document is referred to the other issues such as trade union law, trade disputes, or organisational sphere of industrial relations. In the other words it includes for example peaceful picketing, actions against trade unions, secret ballots, injunction, the Labour Court (which was created by the Industrial Relations Act 1946) or the Labour Relations Commission (which was established by analysed Act of 1990), (see: table 1).

Table 1. The chosen provisions under Industrial Relations Act 1990

<table>
<thead>
<tr>
<th>The term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employer</td>
<td>A person for whom one or more workers work or have worked or normally work or seek to work having previously worked for that person.</td>
</tr>
<tr>
<td>Trade dispute</td>
<td>Any dispute between employers and workers which is connected with the employment or non-employment, or the terms or conditions of or affecting the employment, of any person.</td>
</tr>
<tr>
<td>Trade union</td>
<td>A trade union which is the holder of a negotiation licence under Part II of the Trade Union Act, 1941.</td>
</tr>
</tbody>
</table>

Worker | Any person who is or was employed whether or not in the employment of the employer with whom a trade dispute arises, but does not include a member of the Defence Forces or of the Garda Síochána (Police).

Industrial action | Any action which affects, or is likely to affect, the terms or conditions, whether express or implied, of a contract and which is taken by any number or body of workers acting in combination or under a common understanding as a means of compelling their employer, or to aid other workers in compelling their employer, to accept or not to accept terms or conditions of or affecting employment.

Strike | A cessation of work by any number or body of workers acting in combination or a concerted refusal or a refusal under a common understanding of any number of workers to continue to work for their employer done as a means of compelling their employer, or to aid other workers in compelling their employer, to accept or not to accept terms or conditions of or affecting employment.

The chosen provisions of Industrial Relations Act 1990

| Peaceful picketing | Picketing is lawful at any place where employee works or where an employer carries out business or, where this is not practical, at the approaches to the place of work.

| Actions against trade unions | An action against trade union, workers, employers, its trustees or officials on behalf of themselves and all other members of trade union in respect of any tortious act committed by or on behalf of trade union shall not be entrained by any court.

| Secret ballots | The union shall not organize, participate in, sanction or support a strike or other industrial action without a secret ballot. The trade union shall take reasonable steps to ensure that every member has a fair opportunity of voting. The management shall have discretion in relation to organizing, participating in, sanctioning or supporting a strike or other industrial actions.

| Right to injunction | An injunction not be granted in the following cases: a secret ballot has been held, a majority voted in favour of strike or other industrial action, not less than a week notice of such action has been given to the employer.

| Industrial Relations generally | Bodies of IR in the form of the Labour Court and the Labour Relations Commission which shall promote the improvement of industrial relations and provide a conciliation service, an industrial relations advisory service; prepare codes of practice relevant to industrial relations after consultation with unions and employer organisations; offer guidance on codes of practice and help to resolve disputes concerning their implementation; appoint equality officers of the Commission and provide staff and facilities for the equality officer service; select and nominate persons for appointment as rights commissioners and provide staff and facilities for the rights commissioner service; research the matters relevant to industrial relations; review and monitor developments in the area of industrial relations; assist joint labour committees and joint industrial councils in the exercise of their function.


Act which is directly referred to the organisational framework of Irish social dialogue at the central level is the National Economic and Social Development Office Act of 2006. It linked three Irish social partnership bodies such as the National Economic and Social Council (NESC, more about it see: below), the National Economic and Social Forum (NESF, which was the advisory body in the area of social inclusion as well as social equality) and the National Centre for Partnership and Performance (NCPP, that was
advisory body promoting partnership at the level of enterprise and workplace changes). These two last organisations were dissolved on 1st April 2010 and they were absorbed by the NESC.

Focusing on the NESDO as we read in the National Economic and Social Development Office Act of 2006 “the function of the Office shall be to advise the Taoiseach on all strategic matters relevant to economic and social development in the State”. Currently this body supports the National Economic and Social Council through the administrative and technical services as well as through a submitting of various documents of NESC to the government and handling of reports publication process. The National Economic and Social Council was established by the government in 1973 and it was created on the basis of National Industrial and Economic Council that was established in 1960s. As Tim Hastings, Brian Sheehan and Padraig Yeates notes the NESC is “statutory body, with representatives from government and the social partners, which develops the strategic economic and social framework that informs negotiations on national agreements”. Indeed, the Council includes the various representatives of interest groups as well as government and it prepares the reports which are base of social partnership agreements. It has made it since 1986, i.e. since the first strategy report A Strategy for Development which was a groundwork for the conclusion of the first social pact of 1987 entitled the Programme for National Recovery. “The NESC continued to produce strategy reports which formed the basis of negotiation for the next six social partnership agreements, from 1990 to 2006. During this period, specific reports on employment, industry, social policy, education, rural development and public services also continued to be published”.

Although, the NESC’s role in the public policy was not crucial before re-establishment of social partnership process. The National Economic and Social Council, therefore, was being rather a peripheral body until the period of social partnership agreements in the Republic of Ireland. As Damian Thomas points: “Over the course of the social partnership, the NESC had clearly moved from the periphery to the centre of the public policy domain. Indeed this key social partners institution is to be made a statutory body thus further institutionalizing its position as an integral part of the state’s public policy infrastructure”. Despite collapse of Irish social partnership in 2009 the NESC keeps its position as the consultative body. As Enda Kenny, the Taoiseach (Prime Minister), emphasizes: “Clearly, sectors and organisations of strategic importance in Irish life should have opportunities to engage in discussion with the Government. In particular, the National Economic and Social Council… provides a forum to find solutions to common problems”.

The NESC is chaired by the Secretary General of the Department of the Taoiseach and its regular meetings take place generally on a monthly basis for discussing of NESC

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8 Department of the Taoiseach, Speech by the Taoiseach, Mr. Enda Kenny T.D., at the Impact Annual Conference, Killarney, www.taoiseach.gov.ie/eng/News/Archives/2012/Taoiseach%27s_Speeches_2012/Speech_by_the_Taoiseach__Mr_Enda_Kenny_T_D__at_the_Impact_Annual_Conference__Killarney.html#sthash.ISF3tB3Edpuf (4.11.2013).
analytical staff’s reports. The National Economic and Social Council produced the strategy reports since 1986 to 2006. The main NESC’s function is an advising to the Taoiseach in the area of economic and social development of Ireland. Moreover, the National Economic and Social Council should performs the following functions: analyse and report to the Taoiseach in the field of strategic matters referring to the development of economy and the achievement of social justice as well as development of strategic groundwork for the conduct of relations and negotiations of agreements taking place between the government and social partners.9

A composition of NESC reflects the wide range of social partnership. The five pillars of social partners nominees are the parts of NESC Council, moreover within it there are Chairperson and Deputy Chairperson of NESC as well as the government department nominees and independent (expert) nominees. The National Economic and Social Council has NESC staff (including analytical and administrative team). A structure of National Economic and Social Council presents table 2.

Table 2. Structure of NESC

<table>
<thead>
<tr>
<th>NESC Council</th>
<th>NESC Staff</th>
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</thead>
<tbody>
<tr>
<td>• Chairperson</td>
<td>• Director NESC – one</td>
</tr>
<tr>
<td>• Deputy Chairperson</td>
<td>• Policy Analyst NESC – five (1)</td>
</tr>
<tr>
<td>* Secretary General, Department of the Taoiseach</td>
<td>• Senior Policy Analyst NESC – three (2)</td>
</tr>
<tr>
<td>* Assistant Secretary, Department of the Taoiseach</td>
<td>• Economist NESC – one</td>
</tr>
<tr>
<td>• Trade Union Pillar</td>
<td>• Senior Economist NESC – one</td>
</tr>
<tr>
<td>* ICTU – two nominees</td>
<td>• Accounts Department NESC – two</td>
</tr>
<tr>
<td>* IMPACT – one nominee</td>
<td>• Administrative Secretary NESC – one (3)</td>
</tr>
<tr>
<td>* SIPTU – one nominee</td>
<td>• Executive Secretary NESC – one</td>
</tr>
<tr>
<td>• Business and Employer Organisation Pillar</td>
<td>• Administrative Staff NESC – one</td>
</tr>
<tr>
<td>* IBEC – two nominees</td>
<td>• Head of Administration NESDO – one</td>
</tr>
<tr>
<td>* CIF – one nominee</td>
<td>• NESDO Secretariat – three (4)</td>
</tr>
<tr>
<td>* Chambers Ireland – one nominee</td>
<td></td>
</tr>
<tr>
<td>• Agricultural and Farming Organisation Pillar</td>
<td></td>
</tr>
<tr>
<td>* ICOS – one nominee</td>
<td></td>
</tr>
<tr>
<td>* IFA – one nominee</td>
<td></td>
</tr>
<tr>
<td>* Macra na Feirme – one nominee</td>
<td></td>
</tr>
<tr>
<td>* ICMSA – one nominee</td>
<td></td>
</tr>
<tr>
<td>• Community and Voluntary Pillar</td>
<td></td>
</tr>
<tr>
<td>* Social Justice Ireland – one nominee</td>
<td></td>
</tr>
<tr>
<td>* INOU – one nominee</td>
<td></td>
</tr>
<tr>
<td>* Saint Vincent de Paul – one nominee</td>
<td></td>
</tr>
<tr>
<td>* NYCI – one nominee</td>
<td></td>
</tr>
<tr>
<td>• The Environmental Pillar</td>
<td></td>
</tr>
<tr>
<td>* Friends of the Earth – one nominee</td>
<td></td>
</tr>
<tr>
<td>* Coast Watch – one nominee</td>
<td></td>
</tr>
<tr>
<td>* BirdWatch Ireland – one nominee</td>
<td></td>
</tr>
<tr>
<td>* Irish Environmental Network – one nominee</td>
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</tbody>
</table>

The NESC Council members are appointed by the Taoiseach for three years cadence and, as we indicated above, it includes the representatives of various areas of society such as trade unions, employer associations, agricultural organisations, environment organisations, community and voluntary sector as well as government departments or experts. Recently, the National Economic and Social Council also deals with the challenges referring to the economic crisis. The NESC, therefore, is responsible for analysing of economic and social environment in the Republic of Ireland. Moreover, after the collapse of social partnership process in 2009, the NESC continues a serving of social dialogue.

### 2. The main actors and tendencies within the Irish social dialogue

As Gary Murphy notices the interest groups play an important role in Ireland and it is visible even by casual look at the number of operating interest groups in this country.\(^\text{10}\) This researcher points the data of 2008 when in Ireland there were 17 agricultural organisations, 24 educational organisations, 23 professional health organisations, six civil service organisations, four Garda (police) representative bodies, three defence force representative bodies, 11 local government organisations, 55 trade unions affiliated to the Irish Congress of Trade Unions (ICTU), and just under 265 other trade and professional bodies (including business organisations such as the Irish Business and Employers

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Confederation [IBEC] with close 50 sectoral associations affiliated to it).\textsuperscript{11} Of course, since 1987 (since the first social partnership agreement, see: below) the various kinds of organisations of interest groups have participated in the social dialogue at the central level. The negotiations over the Irish social pacts were extend by the introduction of new social partners within this process and since 1996 this process has included the social pillar (community and voluntary sector C&V). Although, as Rory O’Donnell underlines earlier because “in 1994 the membership of NESC was widened to include a representative of the Irish National Organisation of the Unemployed (INOU) among the government nominees. In 1998, the membership was further widened, to include the range of groups from the community and voluntary sector, involved in the National Economic and Social Forum”.\textsuperscript{12}

In this wide context of Irish social partnership four types of social partners organisations participate in the social partnership agreements. These kinds (strands) include the trade unions, the employer associations, the agricultural and farming associations (above categories we can name the traditional social partners) as well as the new social partners in the form of community and voluntary sector organisations. Of course, the Irish social pacts are also signed by the government. Moreover, within the National Economic and Social Council there is another collective actor who are the environmental organisations, in additional in this body there are the independent experts. In the other words we could say that the representatives of state, the traditional and new social partners as well as the experts have been involved in the Irish social dialogue characterised by the social partnership until 2009. Although, currently we could see a movement towards narrower social dialogue in Ireland.

Among the Irish social partners there are two the biggest organisations of interest groups, which include the large economic interest groups in the form of traditional social partners (what is generally characterised for the social dialogue) such as trade union and employer associations. In the case of Irish industrial relations the Irish Congress of Trade Unions (ICTU) and the Irish Business and Employers Confederation (IBEC) play the main role in this area. Although, in this part of the paper we focus on the main tendencies in the trade union density as well as in the employer organisation density in Ireland. The ICTU indicates that the trade union density amounts around 40 per cent and in 2011 there were 633,000 union members in Ireland, with 600,000 members who are affiliated with ICTU and 33,000 members of non-ICTU affiliates.\textsuperscript{13} While, the Central Statistics Office (CSO) points that 34 per cent of employees were union members in the second quarter of 2009.\textsuperscript{14} It is a growth against density of 2007 when it amounted 31 per cent, although the density was higher in the previous period (before 2007), because for example in 2004 a density was at the level of 35 per cent, whereas in 1994 it amounted 45.8 per cent.\textsuperscript{15} Table 3 presents a union membership and density in Ireland.

\begin{table}
\centering
\caption{Union membership and density in Ireland.}
\begin{tabular}{|l|c|}
\hline
Year & Density \% \\
\hline
1994 & 45.8 \\
2004 & 45.8 \\
2007 & 31.0 \\
2009 & 34.0 \\
2011 & 34.0 \\
\hline
\end{tabular}
\end{table}

\textsuperscript{11} Institute of Public Administration quoted Politics in the Republic of Ireland, pp. 333–334.
\textsuperscript{12} R. O’Donnell, Social Partnership: principles, institutions and interpretations (manuscript).
\textsuperscript{13} EIRO, the European Industrial Relations Observatory, Main actors, www.eurofound.europa.eu/eiro/country/ireland_3.htm (8.11.2013).
\textsuperscript{14} EIRO, the European Industrial Relations Observatory, Main actors, op. cit.
Table 3. Union membership and density, 1994–2009

<table>
<thead>
<tr>
<th>Year</th>
<th>Membership</th>
<th>Density</th>
</tr>
</thead>
<tbody>
<tr>
<td>1994</td>
<td>432,900</td>
<td>45.8%</td>
</tr>
<tr>
<td>1996</td>
<td>468,600</td>
<td>44.5%</td>
</tr>
<tr>
<td>1997</td>
<td>463,600</td>
<td>42.3%</td>
</tr>
<tr>
<td>2001</td>
<td>534,900</td>
<td>38%</td>
</tr>
<tr>
<td>2003</td>
<td>553,000</td>
<td>37%</td>
</tr>
<tr>
<td>2004</td>
<td>538,000</td>
<td>35%</td>
</tr>
<tr>
<td>2007</td>
<td>565,000</td>
<td>31%</td>
</tr>
<tr>
<td>2009</td>
<td>535,000</td>
<td>34%</td>
</tr>
</tbody>
</table>


Between 2004 and 2012 the union membership in the second quarter (April–June) of each subsequent year amounted over 30 per cent. In this way for the question: are you a member of a trade union or staff association which represents its members in labour and industrial relations issues, 33 per cent Irish employees answered yes in 2010, then in 2011: 32 per cent of employees said yes, and in 2012: 31 per cent of respondents answered yes. Whereas, the largest Irish employer organisation (the Irish Business and Employers Confederation, IBEC) represents the interests of over 4,000 direct affiliates which belong to all sectors of economic and commercial activity, but total membership, which also includes indirect members, is around 7,500 organisations. Moreover, as the Small Firms Association (SFA) claims to represent 8,000 small firm members, the Irish Small and Medium Enterprises Association (ISME) maintains to represent 8,500 members, the Chamber of Commerce Ireland (CCI) claims to represent 60 member chambers, the American Chamber of Commerce represents approximately 570 US firms in Ireland and the Construction Industry Federation (CIF) represents and services over 3,000 members, including 13 Branches in three Regions in Ireland and its 37 Sectoral Associations.

3. ICTU and IBEC – the biggest Irish social partners

Focusing on the main actors (among trade unions and employers associations), below we analyse two interest groups such as the Irish Congress of Trade Unions (ICTU) and the Irish Business and Employers Confederation (IBEC).

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17 Central Statistics Office, *Employees aged 15 years and over classified by sex…*, op. cit.

18 EIRO, the European Industrial Relations Observatory, *Main actors*, op. cit.

19 EIRO, the European Industrial Relations Observatory, *Main actors*, op. cit.
The ICTU was established in 1959 by the amalgamation of two organisations in the form of the Irish Trade Union Congress (ITUC) and the Congress of Irish Unions (CIU). The ICTU “is the central co-ordinating body for the Irish trade union movement”.20 The main functions of Irish Congress of Trade Unions are following: a furthering of interests of workers by a safeguarding and improving their living standards and their standards of work, a representation of collective will and purpose of Irish trade unionism movement, an encouraging of effective organisation of workers in appropriate Union, a providing of assistance to affiliated organisations, a strengthening of trade union movement.21

A structure of ICTU includes the Biennial Delegate Conference which determines overall policy and it is the governing authority of ICTU. Other agency within the Irish Congress of Trade Unions structure is the Special Delegate Conferences which “are held to vote on the ratification of national agreements”.22 Whereas, within the ICTU there also is the Executive Committee (including Dublin Office with a general secretary and Belfast Office). The executive authority of Irish Congress of Trade Unions is the Executive Council. It is responsible for a policy execution, an implementation of decision of Biennial and Special Delegate Conferences as well as a general administration and management. Composition of Executive Council 2011–2013 of ICTU is based on a president, two vice-presidents, treasurer and 31 members. This agency also has a secretariat. ICTU contains within its structure the Congress Committees including 23 various groups.

The Irish Congress of Trade Unions had participated in negotiations of national agreements by which it influenced on economic and social policy. As Damian Thomas highlights “since 1987 […] the ICTU has been transposed from the margins to the centre of the public policy-making domain”23 through the participation in the social partnership agreements. In this way the ICTU was a part of dense network of Irish industrial relations actors who have shaped increasingly wider economic and social issues. After the collapse of social partnership at the end of 2009 the Irish Congress of Trade Unions and the Irish Business and Employers Confederation (IBEC) have concluded the IBEC – ICTU National Protocol for the Orderly Conduct of Industrial Relations and Local Bargaining in the Private Sector (see: below).

The IBEC was established on 1st January 1993 by the merger of Federation of Irish Employers (FIE, previously the Federated Union of Employers FUE) and Confederation of Irish Industry (CII). The Irish Business and Employers Confederation, which is a national umbrella business and employers organisation, provides professional services for its members. It is the largest employer association in Ireland and it represents Irish business in all sector of economy. We can read in the IBEC Strategy about new vision of IBEC which is “the most influential, dynamic business representative organisation in Ireland, driving our (Irish – authors note) business agenda in Europe”.24

The structure of IBEC includes the National Council, which is the central, final policy-making authority with director general, president as well as deputy president. In general this agency has 70 members who have the meeting five times per annum. The IBEC

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21 The Irish Congress of Trade Unions, *Constitution and standing orders*, p. 7.
structure contains Board that “meets eight to nine times a year and is responsible for IBEC's corporate governance and strategic direction”. Leadership Team with IBEC CEO are responsible for an implementation of strategic priorities pointed out by the National Council and the Board. Moreover, “the organisation is arranged into five divisions: policy, business sectors, industrial relations/human resources, communications and operations; and six offices: Dublin HQ, Waterford, Cork, Limerick, Galway and Donegal”.

To influence on business environment the IBEC policy committees (15 committees) work out policy and lobbying strategy, which can be used for the challenges and issues of business and employers. The Irish Business and Employers Confederation seeks an influence on the public policy for shaping of business condition and economic growth. It also cooperated with the representatives of public authorities and other social partners during the social partnership period. In this way the IBEC was the side of social partnership agreements, which have determined Irish economic and social policy. As Damian Thomas highlights “as with the other social partners IBEC’s engagement with both the government and the state administration has become more intensive, institutionalised and personalised in the context of social partnership”.

The main Irish tendencies

In the context of grave economic crisis the Irish social partners (the trade unions, employer associations, farmers organisations) and the government concluded the first social pact in Ireland in 1987. The Irish breakdown from the late 1980s could be illustrated by the factors such as unemployment rate or the debt ratio. In the light of this Rory O’Donnell and Colm O’Reardon highlight that in Ireland the period 1980 to 1987 was one of prolonged recession and falling living standards. The rate of unemployment increased from 7.1 per cent in 1979, to almost 18 per cent in 1987, despite the resumption of very high levels of emigration in the mid and late 1980s. Total employment declined by almost 6 per cent and employment in manufacturing by 25 per cent […] In addition, this weak real performance coincided with increasing public sector deficits and debt. By 1987, the debt/GNP ratio was approaching 130 per cent and real fears of national insolvency emerged.

In this economic breakdown the government and social partners signed the Programme for National Recovery in 1987. It was negotiated on the basis of strategic report of National Economic and Social Council, entitled A Strategy for Development. It was a beginning of series of social partnership agreements. Initially the Irish social pacts were oriented on the economic issues and subsequently they have included the social questions too. Moreover, the process of negotiations have also widened by the addition of new

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social partners in the form of community and voluntary sector. Partnership 2000 was the first agreement, which had involved the wider range of interest groups. In general, the Irish social pacts were three-year agreements, although currently agreement has longer perspective and it is even indicated in its name – Towards 2016. Ten-Year Framework Social Partnership Agreement 2006–2015. Table 4 presents all Irish social partnership agreements and preceding strategic reports of NESC.

Table 4. Social partnership agreements in Ireland

<table>
<thead>
<tr>
<th>Strategic report of NESC</th>
<th>Social partnership agreement</th>
<th>Objectives / challenges of agreement</th>
<th>Sides of agreement</th>
</tr>
</thead>
</table>
## Strategic report of NESC

### Social partnership agreement

<table>
<thead>
<tr>
<th>Opportunities, Challenges and Capacities for Choice</th>
<th>Programme for Prosperity and Fairness PPF (2000–2003)</th>
<th>Building of fair, inclusive society in Ireland based on: a dynamic and competitive economy, full employment and elimination of long-term unemployment, equal opportunity, lifelong learning, adaptation to the Information Society, the promotion of research and development, balanced and sustainable development between and within regions and between urban and rural areas, an entrepreneurial culture, strong position of Ireland in EU and international community.</th>
<th>Government, IBEC, ICTU, CIE, IFA, ICMSA, ICOS, Macra na Feirme, INOU, Congress Centres for the Unemployed, The Community Platform, CORI, NWCI, NYCI, Society of Saint Vincent de Paul, Protestant Aid, SFA, IEA, ITIC, CCI.</th>
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### Objectives / challenges of agreement

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<th>Sides of agreement</th>
</tr>
</thead>
<tbody>
<tr>
<td>An investment in Quality: Services, Inclusion and Enterprise</td>
<td>Sustaining Progress SP (2003–2005)</td>
<td>Economic inclusion through full employment, economic development which is socially and environmentally sustainable, social inclusion, commitment to social justice, adaptation to change.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Government, IBEC, ICTU, CIF, IFA, ICMSA, ICOS, Macra na Feirme, INOU, Congress Centres for the Unemployed, The Community Platform, CORI, NWCI, NYCI, Society of Saint Vincent de Paul, Protestant Aid, SFA, IEA, ITIC, CCL.</td>
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**NESC Strategy 2006: People, Productivity and Purpose**


Dynamic, internationalised, participatory society and economy, in which there is a strong commitment to social justice, where economic development is environmentally sustainable, and internationally competitive.


Of course, in the case of social partnership agreement Towards 2016 not all of issues are regulated in the ten year framework, for example pay agreement were not included into ten-year agenda. Towards 2016: Review and Transitional Agreement 2008–2009, therefore, was published in September 2008 in which they agreed a pay pause for 11 months in the public sector and three months pause in the private sector, followed by a six per cent increase of wage over 18 months. Although, in the period of currently crisis the Irish social partnership system collapsed in December 2009. It was a result of fall of talks between the government and public sector trade unions. In the other words this collapse was caused by the impossibility of achievement of accord between the government and Public Service Committee of Irish Congress of Trade Unions (PSC) over the cuts in the

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public sector. “The government and the PSC had been attempting to reach agreement on savings of between €1 billion and €1.3 billion from the public sector payroll bill in 2010 […] The total targeted public spending reduction for 2010 is €4 billion, which is part of an overall fiscal adjustment approved by the EU, to be achieved by 2014”.

The trade unions of public sector did not accept any pay cuts of civil servants and the PSC proposed an alternative way including an unpaid leave days and public sector reform. However, 4th December 2009 Brian Cowen, the Taoiseach, stated: “unfortunately, the proposals put to government do not provide an acceptable alternative to pay cuts. Therefore, the government was unable to agree to the terms they had proposed”.

In this way the social partnership in Ireland collapsed. Moreover, the IBEC withdrew from the social partnership agreement Towards 2016 on the private sector pay. Although, in March 2010 the Irish Business and Employer Confederation and the Irish Congress of Trade Unions negotiated IBEC and ICTU National Protocol for the Orderly Conduct of Industrial Relations and Local Bargaining in the Private Sector (the IBEC-ICTU Protocol), which was reviewed and prolonged in February 2011 and likewise in 2012 the protocol was extended from 2012 to the end of 2013. This Protocol focuses on growth of sustainable employment securing of economic recovery. But as Aidan Regan highlights: “in practice, it is symbolic, and serves as a mechanism to show the dispute resolution agencies of the State that ICTU and IBEC still recognize one another”.

Whereas, after the collapse of social partnership agreement the Public Service Agreement 2010–2014 (the Croke Park Agreement) was negotiated in 2010. Its core features include no more pay cuts for public servants in return for industrial peace, reform of bonus payments, a recruitment freeze in health and education, as well as new pay and conditions for entrants to the public service. In 2013 the government (Fine Gael and Labour Party coalition) tended to amend this agreement and “in effect, conclude what has become known as the «Croke Park Two» agreement. The immediate aim was to further trim the public service wage bill by €300 million this year and by €1 billion in total by the end of 2015”. Although, a major of trade unions of public sector have rejected this deal. “However, that had just 1,000 members of the country’s largest union, the Services, Industrial, Professional and Technical Union (SPITU), voted the other way, this would have resulted in a «yes» vote within the PSC and «Croke Park Two» would have been accepted”.

**Concluding remarks**

Above indicates that Irish industrial relations has changed, from social partnership, which was network of various kinds of social partners and government to the social

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31 Quoted by B. Sheehan, *End of social partnership…*, op. cit.
32 A. Regan, *The impact…*, op. cit., p. 15.
34 B. Sheehan, *Unions reject plan to cut public pay bill by €1 billion*, www.eurofound.europa.eu/eiro/2013/05/articles/ie1305029i.htm (“15.11.2013”)
35 B. Sheehan, *Unions reject plan…*, op. cit.
dialogue, which is less inclusive system of central bargaining than former Irish social partnership model. As Micheál Martin Teachta Dála (TD, deputy to Dáil – the House of Representatives) Fianna Fáil emphasizes “social partnership is not only a social dialogue with trade unions. It involves a more comprehensive round table approach involving agricultural interests, employers, trade unions, the community and voluntary pillar and contributions and submissions from others”.

Moreover, the role of Department of the Taoiseach (Irish Prime Minister) is not still clear in this new system of social dialogue. It was the key player in the social partnership model, which stimulated, institutionalised and sustained this process. Currently this role is not filled out. It can be seen in the context of changeability of Irish industrial relations. Although, the social dialogue has the legal and organisational basis in Ireland, which serves the negotiations at the central level, it does not set out inflexible trajectory of running of social dialogue. The wide composition of social partners at the central level of Irish social dialogue is the feature of this model which includes the trade union, business and employer organisation, agricultural and farming organisation, community and voluntary as well as environmental pillars. But among them the trade unions and employers organisations have the most important role. “The triad of unions, employers and government remained the key component of the partnership process in Ireland, or, as one senior participant observes: «At the end of the day, the core relationship are between government, employers and unions»”. It is referred to the current tendency within social dialogue that runs away from the wide social partnership (which collapsed in the late 2009).

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