

# Public service unions back extension to Building Momentum by historic margin

## BRIAN SHEEHAN

**The Minister for Public Expenditure & Reform, Michael McGrath, has welcomed the acceptance by public service unions of the pay terms in the extension to the current Building Momentum agreement – by a record margin.**

All affiliated unions taking part in the ICTU ballot ahead of a meeting of public service unions last week, voted in favour of the proposals to extend the current public service pay agreement to the end of 2023.

The margin of acceptance in the four key unions, whose representatives make up the Public Services Committee of ICTU (SIPTU, Fórsa, INTO and INMO), were exceptionally large, such as the huge 97% vote in favour by members of the nurses and midwives union, the INMO. SIPTU and Fórsa recorded margins of 90% and 91%.

Significantly, the margin of acceptance was well over 80% in the secondary teacher unions, TUI and the ASTI, both of whose members had voted against several previous public service agreements. Likewise, in the case of Unite.

Separately, two associate members of ICTU, the defence force bodies, PDFORRA and RACO, both voted by 97% in favour of the deal. Their votes were counted as part of the Congress affiliates total.

Not only was this an historic result when set against the public service deals that have been agreed since the Croke Park Agreement of 2010, it also exceeded some hefty votes in favour of various social partnership deals between 1987-2008.

## THE TERMS

The fresh terms are in addition to the pay rises that made up the original Building Momentum agreement (2021-2022), which allowed for a one per cent basic increase in 2021 and a further two per cent this year: that is, 1% in the form of sectoral bargaining, followed by 1% due this October (*see table below*).

The adjustments that make up the newly-agreed terms of the revised Building Momentum agreement are as follows:

- An increase in annualised basic salaries for public servants of 3% backdated to 2 February 2022.
- An increase in annualised basic salaries for public servants of 2% on 1 March 2023.
- An increase in annualised basic salaries for public servants of 1.5% or €750, whichever is greater, on 1 October 2023.

In addition, DPER said most retired public servants will also benefit from the terms of the deal following a decision by Minister McGrath to maintain pay parity with current public servants.

## THE “CLINCHER”

Sources in a number of unions agreed that the “clincher” in securing such high margins of acceptance was the restoration of the so-called “HRA hours” – worth a reduction of between 1.5 to 2 hours. This proved to be an extremely popular measure for those who had worked these hours “for free” due to impact on the public finances of the financial crash.

But it also means a big improvement in the terms and conditions of thousands of new staff recruited since the HRA hours were imposed. (See [‘Unions waste no time in backing Mulvey Body’s “HRA hours” recommendation’ in IRN 01/02 - 13/01/2022](#))

## INFLATION

DPER Minister Michael McGrath said that by engaging with public service unions and representative associations “our overwhelming motivation was to agree terms which would reflect the very real impact that inflation was having on the living standards of public service workers while at the same time underpinning the overall stability of the public finances”.

He believed that “we have achieved that balance and given much needed certainty in the delivery of services during these very difficult times.”

The Minister said he would be bringing a memo to Government this week “to advise my colleagues of the endorsement of the extension to the pay deal”.

He said he was pleased that the terms give a greater percentage benefit to lower paid staff: “For example, an employee on a salary of €25,000 at the start of this year will receive an increase of 11.2% over two years while someone on a salary of €35,000 would benefit from a rise of 9.7% across 2022 and 2023.”

“It is important that the benefits of the agreement should also be viewed in the context of the substantial cost of living measures including tax cuts that the government brought forward in the budget”, he said. Mr McGrath also said last week that the public service has “demonstrated its ability to support the people of Ireland in difficult circumstances”.

The extension to the agreement “means that we retain in the future the key reform enabling provisions from the Covid period and I believe this will lead to a more efficient and responsive public service,” he said.

### CAUTIONARY NOTE

Meanwhile, Kevin Callinan, general secretary of Fórsa and chair of the PSC, said that the unions expect to be back in talks next year, “to secure pay terms beyond the lifetime of the current agreement, which will expire at the end of 2023”.

In a cautionary note – evidently with an eye to new forecasts that inflation next year could range from 6% to 7% - the union leader said they will “continue to closely monitor living costs and income pressures.”

### ADDING UP THE BENEFITS

Figures provided by DPER show that benefits from previous Building Momentum Deal and the latest revised BM review as follows:

	<b>Benefit from previous Building Momentum Deal</b>	<b>Benefit from Building Momentum Review</b>	<b>Total Benefit</b>
<b>Headline Benefits</b>	3.00%	6.50%	9.50%
<b>Benefit for Lower Paid (€27,500)</b>	4.70%	7.80%	12.50%

DPER says total number of public service employees on a full-time equivalent (FTE) basis at end-Quarter 2 2022 was 370,060.

This figure includes Local Authority staff (31,239) and Oireachtas staff (662) who are not Exchequer funded:

<b>Sector</b>	<b>Q2 2022</b>	<b>Sector</b>	<b>Q2 2022</b>
<b>Health</b>	<b>134,833</b>	<b>NCSSAs</b>	<b>15,946</b>
<b>Education</b>	<b>118,282</b>	<b>Defence</b>	<b>8,512</b>
<b>Civil Service</b>	<b>45,039</b>	<b>Industrials</b>	<b>1,895</b>
<b>Local Authorities</b>	<b>31,239</b>	<b>Total</b>	<b>370,060</b>
<b>Justice</b>	<b>14,314</b>		

