

Public Service pay: early autumn timetable suits the parties

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Both sides in forthcoming public service pay talks would seem to prefer a broadly similar timetable to last year when a deal was concluded after the August holiday period and in advance of October's Budget.

Apart from behind-the-scenes informal contacts, the Department of Public Expenditure (DPER) and the public services committee of ICTU have been engaged in formal discussions on issues covered by clause 3.3 of the current Building Momentum agreement.

That clause covers the question of "outstanding adjudications, commitments, recommendations, awards and claims" and how these might be approached in a new agreement. It is self-evident that the outcome of these clause 3.3 talks will impact on the structure of any new deal.

Neither party has revealed what stage these discussions are at, or whether they have come to any level of agreement. But they know that they will need a broad consensus on the architecture of a new agreement before entering formal negotiations on the details, in late August or early September. So, they will need to have made progress on the issues covered in clause 3.3 before formal talks get underway on a wider agreement.

DPER told IRN this week: "Given Building Momentum 2020–2023 will conclude at the end of 2023, it is expected that engagement will get underway in the coming period on the potential for a successor Agreement". (See *NEWS in this issue*)

BUILDING BLOCKS

The key elements to consider ahead of future talks are:

- **Pay and inflation:** What level of basic pay rises will be on offer and what are the unions - and their members - likely to find acceptable? A key determinant in this regard is going to be the cost of living/rate of inflation. It is in the interest of both sides to see the recent fall in the rate of inflation continue to decline. A reversal of this recent drop off would not be good news for anyone.
- **Sectoral/Local bargaining:** A new deal must also include a formula to cover the management of grade, category or group claims. PSC chairman and Fórsa general secretary, Kevin Callinan, said as much at the IRN annual conference in June, when he cautioned that there can be no agreement without a form of local bargaining that

allows for 'cost increasing claims'. Mr Callinan was quite specific, warning that a local bargaining process must lift the current bar on "grades, groups and categories" submitting such claims. He offered a possible prototype: the deal agreed by German public service union, Verdi, involving lump sum payments free from tax and social insurance deductions, on top of a regular pay rise.

- The public finances: The question for DPER negotiators and the Government is whether trade union demands can be accommodated within the context of prudent management of the public finances. Today, the size of the public service vis a vis the private sector is relatively small. Can DPER, the gatekeeper of public expenditure, rise to meet the challenge of recruitment and retention – not just in the health sector – in a way that meets the public's legitimate expectation of better quality public services?
- IR disputes procedures/processes: Prior to the current Building Momentum agreement, post-financial crash and pay restoration agreements were governed by a joint agreement on voluntary binding arbitration. That changed after the nurses and midwives 2019 strike, resulting in an exceptionally complex set of processes and procedures under the current agreement. While these provisions have mostly – with some notable exceptions – continued to secure industrial peace, there is perhaps a need for something akin to what prevailed between 2010-2019. In addition, the tension between the Labour Court/WRC and the parties to the current agreement over the disputes resolution measures in BM also needs to be eased. There have been several instances where the Court has advised the parties to use their own agreement to settle disputes before coming to it for solutions.

SOUND LEADERSHIP

Ahead of talks, the parties will also consider what they gain more broadly from having such agreements in the first place. They need only glance across the water to the UK, where the level of industrial action and the weakness of ACAS stands in marked contrast to the successful role played by our dispute resolution agencies.

But maintaining the benefits of national-level collective bargaining in the public service remains dependent on sensible and intelligent management of the process by those conducting negotiations.