Your Say On Pay 2024!





Read the full text of the proposed agreement <u>here</u>.

Press Release: New public sector pay agreement is <u>maximum achievable</u>.



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Introduction

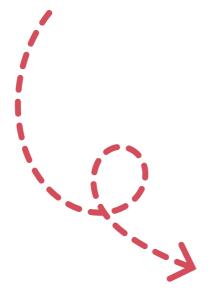
A new public sector pay agreement has been negotiated. The proposed agreement was published on Friday 26th January 2024, following two months of challenging negotiations.

Going into the negotiations the union side had a clear set of priorities agreed by the Public Services Committee of ICTU on 27th September 2023: that any new agreement would address the rising cost of living, especially for low-to middleearners, that it would contain provisions to allow for the normalisation of industrial relations, that it would contain a measure to stabilise the agreement through the inclusion of a local bargaining clause, and that proposals for future proofing public services would be considered.

The talks adjourned on 10th January after union negotiators rejected a Government offer totalling 7.5%. It is the view of the negotiators that the agreement reached on Friday 26th represents the "maximum achievable through negotiation at this moment."

The pay terms of the new agreement are valued at 9.25% over 2.5 years. The improvements in the pay adjustments due in 2024 – valued at 4.25% for the year – would mean that public service workers would receive more money in the first year than originally envisaged in the Government's initial pay offer, providing a noticeable difference in pay this year at a time when workers are still feeling the impact of three consecutive years of inflation.

The pay provisions in each year of the agreement will deliver more for lower paid workers.



What is the duration of the agreement?

If the agreement is ratified by union members in a ballot, the agreement would cover the period from 1st January 2024 to 30th June 2026.

Has Fórsa taken a position on the proposed agreement?

Fórsa members will ultimately decide whether or not the union will back the new agreement. This will be done through a national ballot. The union's elected National Executive Committee (NEC) met on Tuesday 30th January and unanimously recommended acceptance of the proposed new deal to members.



What are the pay terms?

The proposed Public Sector Pay adjustments for the period 1st January 2024 to 30th June 2026 are as follows:

2024

- A general round increase in annualised basic salary for all public servants of 2.25% or €1,125, whichever is greater, from 1st January 2024
- A general round increase in annualised basic salary for all public servants of 1% on 1st June 2024
- A general round increase in annualised basic salary for all public servants of 1% or €500, whichever is greater, on 1st October 2024.

2025

- A general round increase in annualised basic salary for all public servants of 2% or €1,000, whichever is greater, on 1st March 2025
- A general round increase in annualised basic salary for all public servants of 1% on 1st August 2025

2026

- A general round increase in annualised basic salary for all public servants of 1% or €500, whichever is greater, on 1st February 2026
- A general round increase in annualised basic salary for all public servants of 1% on 1st June 2026.

The pay proposals are estimated to be worth up to 17.3% for lower paid workers. This is because the flat-rate elements of the pay deal are worth more to public servants earning below €50k per annum. The benefit is greater for incomes below this level.

If the proposed agreement is accepted, unions will not be able to lodge any 'costincreasing' claims for improvements in pay or conditions during the lifetime of the agreement. However, there are specific provisions for local bargaining.

What is meant by local bargaining?

The proposed Public Sector Pay Agreement 2024-2026 contains a local bargaining clause that provides for claims or proposals up to 3% of the payroll cost of a bargaining unit. That could be a grade, group or category.

While other cost increasing claims are precluded, this represents a significant improvement on the blanket exclusion of cost increasing claims that has been a feature of public service agreements for several years.

It is different to sectoral bargaining as defined in *Building Momentum*. There is no fund as such. However, it will be possible to use local bargaining to address structural issues and work practices. Accordingly, it is the first opportunity in many years to negotiate on these issues.

While it is described as local bargaining, this is really to differentiate it from the national pay terms. In practice, it will still make sense to approach this from a national perspective but related to particular grades, groups and categories.

While the calculations made related to the pay deal refer to a straight 1% pay increase from 1st September 2025 there is scope to use the cost involved to address other issues such as the pay and grading structures.

In considering this, account would be taken of the entire 3% not just the first phase to be implemented during this agreement. So, agreements on local bargaining would be focused on using the full 3% and, in effect, the implementation of the 2% balance would be to the fore in 2026 in negotiations on a successor deal.

A bit like *Building Momentum*, there will need to be initial agreement on the groups. Fórsa will engage in a consultative exercise with national representatives of our grades, groups and categories to see what they want to do.



However, a useful rule of thumb would be to see those as the traditional negotiating units. These would have been used most recently for the benchmarking exercises that took place between 2000 and 2007.

Although only the first phase of any outcomes will be implemented during the lifetime of the proposed agreement, the 3% amount provides reasonable scope to make progress.

Local negotiations can start in July 2024. They can run until June 2025.

Do the pay improvements apply to allowances?

The increases will apply to pensionable allowances.

What about part-time workers, job-sharers, etc?

If the proposed agreement is accepted, pay adjustments will be delivered through revised pay scales. Part-time workers and others who don't work fulltime hours will get pro-rata adjustments based on the number of hours they work.

What does the agreement say about working hours?

The additional working hours known as the 'Haddington Road' hours were addressed during the period covered by the previous pay agreement, *Building Momentum.* The new agreement commits unions and the employer to remain in a process aimed at resolving the issue of divisors for the calculation of overtime in the Civil Service affected by the 2013 Haddington Road Agreement.



What is FEMPI? Why does repealing it matter?

One of the agreed priorities for the union side going into negotiations was the normalisation of public service industrial relations through the repeal of emergency legislation put in place during the financial crisis in 2009.

This legislation is known as FEMPI, which stands for Financial Emergency Measures in the Public Interest (No 2) Act 2009. The vast majority of FEMPI measures have now been repealed, however some elements remain in place.

Section 4 of this legislation centralised control in the Department of Public Expenditure, NDP Delivery, and Reform (DPENDPDR) to an excessive extent. This was stopping ordinary industrial relations from progressing, even when there was agreement between employers and unions. Before section 4 was introduced, public bodies could decide to increase pay with the consent of the appropriate Minister and the approval of the Finance Minister.

With this level of central control being exerted by one Department the statutory system of industrial relations, including the Workplace Relations Commission, the Labour Court, and even in some instances, conciliation and arbitration schemes, couldn't work as they are meant to.

Getting rid of what remains of FEMPI would allow industrial relations to return to pre-recession norms.

In November the Minister indicated that he would commit to the repeal of section 4(2) of the Financial Emergency Measures in the Public Interest (No 2) Act 2009 (FEMPI), in the context of the agreement and ratification of a multi-annual pay agreement. The union side had made it clear that without this commitment its focus would be on a shorter deal.

The government side has said it will move fast on this commitment, but we won't know for sure if the union side's priority of returning industrial relations to precrisis norms until we see the actual legislative measures.



The proposed agreement contains a simplified dispute resolution process compared to Building Momentum with clearer roles for the Workplace Relations Commission and the Labour Court (or Conciliation and Arbitration schemes where appropriate). This will also contribute to the normalisation of industrial relations.

What about outsourcing?

Strong protections against outsourcing are in this agreement, consistent with other public sector pay agreements dating back to 2010. All public service bodies are required to engage with unions and representative associations in the development of any service delivery plan and must consult prior to the outsourcing of any service.

The new agreement reaffirms the employer's commitment to the use of direct labour "where consistent with efficient and effective public service delivery."

What modernisation and reform measures are in the package?

The agreement reaffirms the provisions of previous agreements on the continuing transformation of public services and continues to provide a framework to enable the sustained transformation of public services. The agreement also acknowledges a leading role for the public service in embracing and adapting to developments in digitalisation and commits unions and the employer to a process of consultation and engagement, with a view to achieving the Government's target of making 90% of applicable public services accessible online by 2030.



Is there a 'no strike' clause?

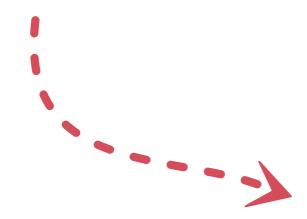
Every public service agreement has included restrictions on industrial action, and this agreement is no exception. The agreement sets out a simplified dispute resolution process, compared to the previous *Building Momentum* agreement, including an 'industrial peace' clause

What does the agreement say about public service apprenticeships?

The agreement outlines commitments to expand the range of available apprenticeship schemes, and the implementation of the Public Service Apprenticeship Plan (2023), which sets a target of at least 750 annual registrations across all public service organisations by 2025. This includes specific targets for craft apprenticeships.

Are CORU fees covered by the agreement?

On foot of a union demand, the annual fee health and social are professionals' registration with CORU was reduced from €295 to €100 under the Haddington Road agreement and subsequent national deals. The €100 cap was extended under *Building Momentum* and will now remain in place for the duration of the Public Service Pay Agreement 2024 -2026.



Why are issues like 72 Hours, 32 Hours, Minimum Qualifications etc. not being covered in this Public Service Agreement?

These issues which affect the day to day working conditions of Special Needs Assistants are not being covered as part of the Public Service Agreement as they are part of the Contract Review that is being negotiated separately.

What happens if the economic and fiscal situation changes?

Like the previous agreement, *Building Momentum*, the proposed new agreement contains the same provision to review the terms of the agreement "where the underlying assumptions of the agreement need to be revisited." This provision, for example, enabled unions to seek review of *Building Momentum* in 2022 because of high and sustained inflation, which was not anticipated when that agreement was negotiated in 2020.

What are the implications for public service pensioners?

The negotiators secured a commitment that the pay increases would be applied to public service pensions for the duration of the agreement. In the main, this means that pension payments will be adjusted in line with pay adjustments for serving staff.

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Pensions are adjusted in line with inflation (the Consumer Price Index, or CPI) in the case of the single public service pension scheme, which applies to all civil and public servants who entered public service employment on or after 1st January 2013. This means that the pensions of members of this scheme are not affected by pay movements, including those in the proposed agreement.

The principle of pay parity under pre-existing pension schemes has been agreed for the lifetime on the new Public Service Agreement 2024 to 2026, subject to ratification of the Agreement.

The lump sums of people who retired on or after 1 January 2024 should also be revised by reference to the adjustments of basic pay as appropriate. The lump sum of people who retired before 1 January should not be adjusted. Guidance in relation to the calculation of any adjustments to pay and pensions will issue in the event of the Agreement being ratified.

What happens if the proposed agreement is rejected?

The Building Momentum agreement expired on 31st December 2023. If the new agreement is rejected, there will continue to be no public service agreement in place. The absence of an agreement means that existing protections, which restrict management's ability to impose workplace changes without consultation or agreement, are no longer in place.

Union negotiators advised affiliate unions on Friday 26th January that the pay terms of the new agreement, valued at 9.25% over 2.5 years, represented the "absolute maximum achievable" through negotiations at this time, and the outcome of a challenging negotiations process. Union negotiators don't believe it would be possible to agree a better outcome at this time.

In the event of a rejection of the proposals, consideration would need to be given to a campaign of industrial action aimed at securing better terms.



How will the outcome of the ballot be determined?

Fórsa's ballot is being conducted in parallel with ballots in other ICTU affiliate unions that represent members in the civil and public service.

The first step in determining the outcome, involves each union holding their own independent ballot and counting the votes in favour of the proposal and the votes against.

Fórsa's ballot opens on 19th February. When the ballot closes, on 15th March at 12:00 noon, the votes of all eligible Fórsa members, received by the deadline, will be aggregated on a national basis to determine the result of the Fórsa ballot.

Once all affiliate unions have closed their ballots and counted their votes, there will be a meeting of the ICTU Public Service Committee. That meeting is scheduled to take place on 25th March.

During the Public Service Committee meeting, a weighted aggregate of the outcomes of all the affiliate union ballots will be considered and a decision to accept or reject the proposed pay agreement will be made.

The ICTU Public Service Committee (PSC) represents all 19 ICTU-affiliated unions with members in the civil and public service.

Ask Fórsa

There will be information meetings online and in workplaces from Tuesday 6th February.

If you have a question about the agreement, please <u>contact us by email here</u>.

Email Fórsa @

- Civil Service Helpdesk <u>cshelp@forsa.ie</u>
- Education Helpdesk edhelp@forsa.ie
- Service and Enterprises Helpdesk <u>sehelp@forsa.ie</u>
- Health and Welfare Helpdesk <u>hwhelp@forsa.ie</u>
- Local Government Helpdesk lghelp@forsa.ie

Read the full text of the agreement please click <u>HERE</u>.

Don't leave others speak for you.

Join Fórsa so you can vote on your job, your career, your rights!



