

Introduction to Employee Relations

Collective Bargaining

Definitions

- ‘[means through which trade unions achieve their objectives of] maintaining and improving the conditions of their members’ working lives’ (Webb and Webb 1897:1 cited in Wallace et al 2013: 270)
- ‘the process through which agreement on pay, working conditions, procedures and other negotiable issues are reached between organised employees and management representatives’ (Gunnigle and Flood 1990:227 cited in Wallace et al 2013)

Definitions

- “all negotiations which take place between an employer, a group of employers or one or more employers' organisations, on the one hand, and one or more workers' organisations, on the other, for: (a) determining working conditions and terms of employment; and/or (b) regulating relations between employers and workers; and/or (c) regulating relations between employers or their organisations and a workers' organisation or workers' organisations.” (Article 2, ILO Convention No. 154)

Definition

INDUSTRIAL RELATIONS (AMENDMENT) ACT 2015

- “For the purposes of this Act, ‘collective bargaining’ comprises voluntary engagements or negotiations between any employer or employers’ organisation on the one hand and a trade union of workers or excepted body to which this Act applies on the other, with the object of reaching agreement regarding working conditions or terms of employment, or non-employment, of workers.”

History of Collective Bargaining in Ireland

(Wallace et al 2013, pp. 277-299)

- Before 1941 – sporadic CB; applied to a minority of workers and lacked coordination
- From 1941 – WWII emergency years; state regulation; CB stopped – Wage Standstill Order of 1941; ended after the war
- From 1946 – craft-led pattern bargaining/initiation of wage round system – lasted until 1970; CB as main method for determining wages and conditions of employment (also saw growth in union density and employer orgs)
- From 1970-1981 – series of (7) national wage agreements (1970-78) and (2) national understandings (1979 and 1980) that set wage increases for unionised workers and set standard for wage increases for non-union workers; 1970's CB played role in wage increases in unionised/non-unionised

History of Collective Bargaining in Ireland

(Wallace et al 2013, pp. 277-299)

- From 1982-87 – period of decentralised bargaining (1980-87 economic recession characterised by high unemployment, emigration, inflation)
- 1987 to 2009 – By 1987 employers, unions and governments were all dissatisfied with the system; 1987 saw return of a series of centralised agreements that featured mix of tax provisions, wage increases, and social provisions beginning with Programme for National Recovery (PNR) from 1987-1991 (see Table 13.4, p. 287 and Table 13.6, p. 290 in Wallace et al 2013); PNR started a ‘consensus approach’ to CB later known as ‘social partnership’; Irish economy went through a period of economic transformation – from ‘Celtic Tiger’ (1994-2007) to economic crisis (2008-2012)

History of Collective Bargaining in Ireland

- Croke Park Agreement

- Public sector agreement (2010-2014)
- approved by ICTU
- No reductions to pay in exchange for reductions in number of employees through voluntary redundancies and co-operation with change and restructuring

- Haddington Road Agreement

- Public Service Stability Agreement 2013-2016
- agreement between the government and public service TU's in 2013 to reduce the public service pay and pensions bill by €1 billion
- built on the measures set out in the Croke Park Agreement
- Reform in: Redeployment; Performance management; Flexible working arrangements; Work-sharing arrangements; Workforce restructuring.

History of Collective Bargaining in Ireland

- Landsdowne Road Agreement
 - Public Services Stability Agreement (2013-2018)
 - began to reverse pay and pension cuts made to the public service since 2008
- PSSA 2018-2020
 - Unwinding of financial emergency legislation
 - extension of Landsdowne Road Agreement and other PSAs
 - costs €877 million
 - “At the end of the agreement, the FEMPI Act pay reductions will be reversed for all public servants earning up to €70,000, which equates to almost 90% of public servants”

Collective Bargaining in Ireland

Industrial Relations (Amendment) Act 2015

- Came into effect in August 2015
- **amends the law in relation to collective bargaining**
- reformed the existing Joint Labour Committee wage-setting mechanisms
- reintroduced REA's (registered employment agreements); statutory framework for LC to examine/establish rates of pay in certain sectors
- Employment Regulation Orders in the Security and Contract Cleaning sectors have been established since the legislation was introduced
- gives LC powers to make orders against employers re: terms of employment against employers who don't already have collective bargaining arrangements in place (with a TU/ 'excepted body')

Collective Bargaining in Ireland

Industrial Relations (Amendment) Act 2015

- To bargain or not?
 - the Act maintained employer choice/‘**voluntarist**’ **tradition** – not mandatory for an employer to recognise/negotiate with a trade union
 - a question of perspective (unitarist, etc.), power, strategy, law
 - restricts ability of non-unionised employers to ignore the pressure of TU’s (trade disputes with non-unionised employers can be referred to the LC by TU’s) and so encourages employers to engage in collective bargaining
 - within EU context - right to collective bargaining is in Article 28 of EU Charter of Fundamental Rights

Additional Sources

- [‘Working life in Ireland: Collective Bargaining’ \(European Foundation for the Improvement of Living and Working Conditions/Eurofound 2021\)](#)
- [Collective Bargaining in Ireland \(worker-participation.eu, European Trade Union Institute, 2021\)](#)
- [Collective Bargaining Database – Ireland \(OECD, 2021\)](#)
- [Dáil Éireann debate - Thursday, 8 Oct 2020 \(regarding proposed Trade Union Representation \(Miscellaneous Provisions\) Bill 2018\)](#)

Opposing Arguments: 1

“If the right to join a union means anything, it means union members have the right to bargain collectively. Collective bargaining is based on a recognition of the fact that employer enjoys greater socioeconomic power than individual workers. Workers, therefore, need to act together to provide themselves collectively with sufficient power to bargain effectively with employers. The current situation is that although the Constitution gives workers the right to join a union and, by implication, the right to bargain collectively, the law that underpins that right makes recognition of that right by employers voluntary. That is obscene. It is not worth the paper on which it is written.” [Deputy Imelda Munster](#)

Opposing Arguments: 2

“The 2015 Act already provides a definition for collective bargaining as being voluntary engagements or negotiations between any employer or employers' organisation on the one hand and a trade union of workers or excepted body to which this Act applies on the other... The 2015 Act ensures that where an employer does not engage in collective bargaining, an effective framework now exists that allows a trade union to have the remuneration and terms and conditions of its members assessed against relevant comparators and determined in a binding way by the Labour Court. The process in the 2015 Act is designed to be compliant with the Constitution... The right of association does not place any requirement on an employer to recognise or negotiate with any union. The implication is that although there is a right to form unions, this does not have the corollary right to recognition, negotiation or representation. Engagement remains voluntary. That system has served us quite well in most cases in our history.” [Damien English, Minister of State at the Department of Enterprise, Trade and Employment](#)

Class Discussion

- Which of these opposing arguments do you most agree with? Why?
- Who benefits from the ‘voluntary engagement’ referred to in argument 2? How?
- Are there characteristics of different IR perspectives expressed in these arguments?