

Ballot on WRC proposal arising from review of Building Momentum Agreement

A Word From The President

Introduction

Following the conclusion of talks between the ICTU's Public Services Committee and the Government, the WRC issued a proposal which you are now being balloted on. The proposal includes three new pay increases, totalling 6.5%: the first a 3% increase backdated to 2nd February, 2022; the second a 2% increase from 1st March, 2023 and the third a 1.5% increase or €750 (whichever is greater) from 1st October, 2023.

Revision of pay terms

This WRC proposal represents a revision of the pay terms of the Building Momentum agreement. These are in addition to the original pay increases totalling 3% under the terms of Building Momentum – i.e. 1% or €500 (whichever was greater) from 1st October 2021 (already paid), 1% (or €500, whichever is greater) to be added to every point on scale from 1st October 2022 and the 1% payable under sectoral bargaining from 1st February 2022. Please note that the sectoral bargaining process has not concluded fully and is currently being finalised.

Ballot on WRC Proposal – Ballot 1

The Executive Committee of the TUI met on Monday, 5th September to discuss the WRC proposal, having regard to feedback from members around the country. We are now conducting a national ballot of members on the proposal.



TUI PRESIDENT, LIZ FARRELL

Cost-of-living crisis

The Executive Committee is acutely aware of the implications for members of the various crises in relation to the cost of living, including the cost and availability of accommodation, the cost and availability of childcare and spiralling energy prices. You, our members, in common with other workers, face a difficult winter with the threat that fuel and commodity costs will become increasingly unaffordable. Pay measures on their own will not adequately alleviate the pressure on all of you. Therefore, the TUI, working in concert with other unions, will do everything it can to hold Government to its promise to the Labour Employer Economic Forum (LEEF) to supplement these pay measures with additional supports through the upcoming Budget.

Different impacts of WRC proposal

The Executive Committee fully recognises that the WRC proposal, if accepted, will have different impacts depending on the

individual circumstances of members. The Executive Committee has therefore decided to issue this ballot (Ballot number 1) to you the members, without a recommendation. In line with longstanding practice, this TUI Ballot Special sets out arguments for, and the implications of both a “Yes” vote and a “No” vote. It is for you to decide, based on your own circumstances and considered view whether to vote “Yes” to accept the WRC proposal or “No” to reject it.

Ballot 2

Regardless of how you vote in Ballot number 1, we are recommending a “Yes” vote in Ballot number 2. This ballot asks that, in the event that the WRC proposal is rejected by members, you agree to engage in a campaign encompassing a range of industrial action, (e.g. work to rule, non-cooperation, withdrawal from various initiatives) up to and including strike action. There is a strategic need for this mandate. This mandate will of course be activated only if the Executive Committee is satisfied that it will not harm and can advance the interests of members. In this context, the Executive Committee, in deciding tactics, will take full account of the overall vote of the public service unions on the WRC proposal. The implications of Ballot 2 are further set out later in this TUI Ballot Special.

Every vote counts

Make sure that your voice is heard – complete both ballot papers and return to the auditors ahead of the closing date of Thursday, 29th September (5pm).

Background

In March 2022, the public service unions invoked a review clause in the Building Momentum public service agreement to take account of spiralling inflation. In May, the Government finally responded and accepted that the Building Momentum pay terms should be improved.

However, the improvement mooted by government was inadequate and talks between the Department of Public Expenditure and Reform (DPER) and the officers of the ICTU's Public Services Committee ended without agreement on 17th June.

On 15th July, the ICTU Public Services Committee agreed on a coordinated campaign – including ballots for industrial action – to force government to make an improved offer.

In a joint statement on 29th July, TUI, INTO and ASTI stated that they would begin preparations for September ballots of members on either an improved pay offer or, in the absence of such an offer, on a coordinated public service campaign designed to secure such an offer.

On 11th August, the Executive Committee of the TUI confirmed its previously stated position that members would be balloted in September on either an improved pay offer or on a coordinated campaign of industrial action with the other public sector unions should such an offer not be forthcoming. The Union urged Government to return to the Workplace Relations Commission (WRC) with an improved proposal that appropriately addresses the cost-of-living crisis that is having such a significant, negative effect on Irish workers and their families.

Following an invitation from the WRC, talks between DPER and the officers of the ICTU's Public Services Committee recommenced on Monday 29th August and, on the morning of 30th August, the WRC issued a new proposal in relation to public service pay measures.

What are you being asked?

BALLOT 1

Do you accept the WRC proposal in relation to the Building Momentum Agreement (as a result of the review of the agreement)?

BALLOT 2

In the event that TUI members vote to reject the WRC proposal, are you willing to engage in a campaign encompassing a range of industrial action (e.g. work to rule, non-cooperation, withdrawal from various initiatives) up to and including strike action, as directed by the Executive Committee to achieve an improved proposal?

What is the TUI Executive Committee recommending?

BALLOT 1

The TUI Executive Committee is issuing the ballot without a recommendation.

BALLOT 2

The TUI Executive Committee recommends that you vote 'Yes' to provide a mandate for a campaign of industrial action.

Why is the TUI Executive Committee issuing Ballot 1 without a recommendation?

The Executive Committee noted that the proposal has varying implications for TUI members, depending on sector, grade and career stage. It was therefore decided that given the significant implications of either acceptance or rejection of the proposal, members will be provided with comprehensive information on all aspects of the proposal so that they can make a considered decision. This information is set out in this bulletin.

Why is the TUI Executive Committee recommending that you vote 'Yes' to provide a mandate for industrial action should the WRC proposal be rejected by TUI's membership (Ballot 2)?

Should the WRC proposal be rejected by the TUI's membership, the Executive Committee will need to formulate an alternative strategy to seek an improvement on the proposal. Securing a mandate for industrial action from the Union's membership will provide the Executive Committee with more options in formulating this alternative strategy.

When will the ballots take place?

Ballot papers will be posted to members on **Monday, 12th September, 2022**. Completed ballot papers must be returned - in the envelopes provided - to the Union's auditors, Deloitte, by **5pm, Thursday, 29th September, 2022**. (To ensure that completed ballots reach Deloitte by the closing date, they should be posted by Tuesday, 27th September, 2022 at the latest.)

Make your voice heard – ensure that you vote

Ballot papers must be returned to Deloitte by 5pm, Thursday 29th September

What does the WRC proposal provide for in terms of pay?

The following pay increases will apply over the period of this proposal:

2nd February 2022:	3% (note that this is the applicable date i.e. backdated to this date)
1st March 2023:	2%
1st October 2023:	1.5% or €750 (whichever is the greater) added to each point of scale.

Are these in addition to the increases already provided for under Building Momentum?

Yes. Already, members received a 1% increase (or €500, whichever was greater) to every point of scale on 1st October 2021. TUI chose to use a 1% increase due on 1st February 2022 to resolve outstanding issues through a sectoral bargaining process (see note below) or as a general pay increase for some grades.

The following pay increase is due under the original Building Momentum agreement and will be paid in addition to the increases set out in the WRC proposal:

1st October 2022:	1% or €500 a year (whichever is the greater) added to each point of scale.
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What about the value of the 1% pay increase due on 1st February 2022 that TUI chose, where possible, to use to resolve specific issues through a sectoral bargaining process?

For some grades, for example in Further Education, a pay increase of 1% has already been paid with effect from 1st February 2022.

For the teacher grade - using the sectoral bargaining process under Building Momentum - the money value of the 1% payable on 1st February 2022 was used to achieve pay equality, specifically by way of payment of the value of the PME/H.Dip. allowance to those who commenced teaching on or after 5th December 2011. The circular letter authorising payment issued on 5th September 2022 (Circular 59/2022) and the monies due will be backdated to 1st February 2022 (or the appointment date of the teacher if later). Usage of the remainder of the sectoral bargaining fund for the teacher grade is currently under negotiation.

The Union is also using the sectoral bargaining process to address outstanding issues at Third Level – particularly AF 25/2015 (LCR 18366). Once the process is concluded,

appropriate payment will be made to the affected members, retrospective to 1st February 2022. As resolution of AF25/2015 involves a one-off, non-recurring cost that can be met from the money value of the first year – February 2022 to January 2023 - of the 1% available under sectoral bargaining, a pay increase of 1% will be paid to all grades in Third Level with effect from 1st February 2023.

The above measures are separate from and additional to the provisions in the WRC proposal that is the subject of the ballot.

How would members receive the 3% increase backdated to 2nd February 2022 if the proposal was accepted?

Members would receive this as a 'lump sum' back payment if the proposal is ratified.

If the WRC proposal is rejected by the members of TUI but is accepted by the aggregate weighted vote of affiliate unions of the ICTU Public Services Committee, what will happen?

It is longstanding TUI policy that it will not be bound by an aggregate vote of affiliated unions of the ICTU Public Services Committee in matters that affect terms and conditions. Therefore, if the proposal is rejected in the ballot of members, TUI will, as it has done before, make a sovereign decision in respect of whether or not to consider itself encompassed by the agreement if it is accepted by an aggregate vote of affiliated unions of the ICTU Public Services Committee.

If TUI members reject the WRC proposal, what status do previous agreements have?

The members of the TUI have fully abided by and continue to discharge the commitments entered into under the terms of Building Momentum and previous agreements. They have not repudiated those agreements and have agreed to be encompassed by them. Therefore, it is the Union's clear position that the protections and pay measures provided for in Building Momentum and in previous agreements continue to apply to TUI members.

How would the WRC proposal affect public service pensioners?

Under public service agreements, increases in public service pay scales are generally reflected in public service pensions that are linked to pay scales. The Public Services Committee of the ICTU has written to the Minister for Public Expenditure and Reform seeking confirmation that, if accepted, this will apply to the WRC proposal in the usual way.

Reasons to accept the WRC proposal by voting 'YES'

- The proposal provides for actual and meaningful increases in pay for public servants at a time of significant national economic challenges.
- Recognising the effects of inflation over recent months, almost half (3%) of the additional increases (of 6.5%) are backdated to 2nd February 2022.
- There is an appropriate and necessary focus in the proposal on the lower paid – those who, by definition and in practical terms, are most impacted by inflation and the erosion of purchasing power. The proposal is progressive in this regard.
- Rejection of the proposal by TUI, if followed by repudiation of the Building Momentum Agreement, would cause members to lose out on the proposed pay increases. Repudiation could also result in removal of protections (such as that against compulsory redundancy) that apply to members of public service unions “covered” by the agreement.
- If the proposal is accepted by a majority of public service unions, it will be very difficult for any union acting alone to secure any changes to its terms.
- The proposed agreement involves an extension of Building Momentum by one year (to the end of 2023), with revised pay terms. It has a relatively short life span and discussions on a replacement will likely commence in 2023. Unions will therefore have an early opportunity to address such issues and difficulties as may arise.
- Moreover, in the event that the rate of inflation continues to rise into 2023, the terms of Building Momentum allow the Public Services Committee of the ICTU to seek a further review of the pay terms. It was precisely such a review, secured by the PSC, that has resulted in the WRC proposal that is the subject of this ballot and that involves pay increases of 6.5% over and above what the original pay terms of Building Momentum provided.
- The proposed pay measures should not be considered in isolation. There is a clear expectation that government will, through the 2023 Budget (to be announced in October 2022), put in place a range of other measures to alleviate the difficulties caused by the current inflationary pressures.
- The WRC proposal comes without any additional productivity requirements. It is a straightforward pay increase proposal.
- The proposal does not impede the TUI's ongoing campaign to secure permanent, full-time contracts for members to date marooned in precarious employment, part-time and/or fixed-term contracts. That campaign will be prosecuted vigorously.
- The discussions that are to take place, during the timeframe of the agreement, about the possible inclusion of sectoral bargaining in future national agreements are described in the WRC proposal as “exploratory”. There is absolutely no commitment to acceptance by the unions of such a mechanism. The TUI's concerns about the dynamics of sectoral bargaining have been made clear to the PSC, the relevant Departments and in the media.

Reasons to reject the WRC proposal by voting 'NO'

- The proposal will not fully compensate for the effects of spiralling inflation on the standard of living of members.
- In particular, the proposal does not do enough to protect the most financially vulnerable in TUI's membership from the damaging effects of the cost-of-living crisis - those who by definition and in practical terms are most impacted by inflation and the erosion of purchasing power.
- Inflation and the cost-of-living crisis could worsen in the coming months, leaving TUI members and their families in an even worse position financially.
- The proposal does not resolve key, longstanding issues such as the precarious employment status of many members. Members on part-time hours will only benefit from the proposed pay increases on a pro-rata basis.
- There is no guarantee that members will benefit in any significant way from any additional measures that may be announced by Government in Budget 2023.
- TUI could seek to find common cause for a joint campaign with other unions whose membership may choose to reject the proposal.
- Acceptance of the proposal would place significant limits on the Union's ability to take industrial action in areas covered by the original Building Momentum agreement.
- The proposal commits the unions to discussions, during the timeframe of the agreement, about the possible inclusion of sectoral bargaining in future national agreements. In general, sectoral bargaining is a mechanism that is used by government to foster division between and within unions. It is also used to have trade union members pay from their own pockets to resolve problems and anomalies created by government decisions – “new entrant” pay inequality being a case in point.
- Of their very nature, national pay agreements limit the scope of individual unions to take action to protect the interests of members and therefore weaken the union movement.