



Promoting  
**Collective  
Bargaining**  
2024-2029

ICTU's  
General Election  
Manifesto



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## Key ICTU Manifesto Asks to Promote Collective Bargaining, 2024-2029

- Transpose and implement in full the provisions of the Adequate Minimum Wages Directive so that the state,
  1. promotes collective bargaining,
  2. facilitates the exercise of the right to collective bargaining for those who seek it,
  3. provides legal protections for workers and trade union representatives against victimisation and dismissal and for unions against acts of interference
  4. provides facilities in order that trade union representatives can carry out their role comprehensively
- Implement in full the Final Report of the LEEF High-Level Working Group on Collective Bargaining
- Implement the EU Council Recommendation on Strengthening Social Dialogue
- Honour Ireland's commitment under the ESF+ Regulation to support the capacity-building of social partners and of civil society organisations
- Transpose and implement the Provisions of the Pay Transparency Directive that promote Collective Bargaining
- Transpose and implement the Provisions of the Platform Work Directive that promote Collective Bargaining.
- Ratify the ILO Collective Bargaining Convention 154 (1981)
- Advocate for further measures to promote collective bargaining in the European Pillar of Social Rights Action Plan, 2025-2029

## Introduction

ICTU's manifesto for the forthcoming general election focuses on ensuring that clear commitments are included in the manifestos and programmes of political parties and independent candidates to promote collective bargaining if they form part of or support the next Government.

Most of these commitments are to give effect to measures that Ireland has already agreed at European level over recent years, principally through the Adequate Minimum Wages Directive but also other European legislation, as well as to the Final Report of the LEEF High-Level Working Group on Collective Bargaining.

The commitments also seek to anticipate what we consider likely to further European initiatives over the coming years to promote collective bargaining so that the next Government, to quote the High-Level Group report, is 'well-positioned to meet its obligations under EU law'.

These commitments are also intended to ensure that not only does Ireland live up to its obligations and commitments under European law, but also to enable Ireland attain the widely recognised benefits of higher levels of trade union membership and of rates of collective

bargaining coverage: as the EU Council acknowledged in 2023: 'Member States with robust frameworks for social dialogue and a wide coverage of collective bargaining tend to have more competitive and resilient economies'. We think this is essential if Ireland is to meet the many social, economic and political challenges it will face.

We look forward to working with political parties and independent candidates to ensure these commitments are central to the next Programme of Government.



## 2. Context

*'[The social partners] 'shall be encouraged to negotiate and conclude collective agreements in matters relevant to them, while respecting their autonomy and the right to collective action [and] support to increase the capacity of the social partners to promote social dialogue shall be encouraged'.*

(Principle 8 of the European Pillar of Social Rights, November 2017)

Measures currently being considered at national level to promote collective bargaining stem from developments at European level over recent years. These can be traced to the adoption of the European Pillar of Social Rights (EPSR) by the European institutions and European social partners, including the ETUC and SMEUnited (representing ICTU and ISME respectively) in November 2017.

The Pillar committed to implement 20 principles in the social policy field across three headings: equal opportunities and access to the labour market; fair working conditions; and social protection and inclusion. Of most relevance for this document is principle 8 *Social dialogue and the involvement of workers*.

In June 2018, the then Taoiseach Leo Varadkar TD described the Pillar as 'a political compass that will help guide our collective actions in the years ahead. At both national and EU levels, the social Pillar will help us chart the best course in dealing with the challenges that come with globalisation in the 21st century [and] will enable all our citizens to participate effectively in a world of such rapid change.'<sup>1</sup>

The European Council's *New Strategic Agenda 2019-2024* agreed by EU leaders including the Taoiseach in June 2019, called for the Pillar to 'be implemented at EU and Member State level, with due regard for respective competences' (European Council, 2019:5).

1 Dáil debates, 21 June 2018.

The then nominee for European Commission President Ursula von der Leyen, in her July 2019 *Political Guidelines for the 2019-2024 European Commission*, committed to issuing an Action Plan to 'fully implement' the Pillar and to a proposal on minimum wages and collective bargaining (von der Leyen, 2019). The Commission opened consultations on the latter with the European social partners in January 2020, and issued its proposal for the Adequate Minimum Wages Directive in October 2020.

In March 2021, the Commission adopted its Action Plan to implement the Pillar over 2021-2025. This acknowledged the 'erosion of traditional collective bargaining structures in some countries' and stated that 'strengthened efforts are necessary to support collective bargaining coverage and prevent social partners' membership and organisational density from decreasing'. It identified a number of initiatives of relevance to collective bargaining, particularly the proposal for the Adequate Minimum Wages Directive and the initiative being prepared to strengthen social dialogue. It recommended that member states 'encourage and create the conditions for improving the functioning and effectiveness of collective bargaining and social dialogue (EC, March 2021).

At the May 2021 Porto Social Summit, EU leaders including the then Taoiseach, Micheál Martin TD, adopted the *Porto Declaration*. This stated that the social dimension, social dialogue and the active involvement of social partners 'have always been at the core of a highly competitive social market economy', and that the EU was determined to

'continue deepening implementation' of the Pillar (European Council, May 2021).

Three years on, the principal initiatives to promote collective bargaining contained in the EPSR Action Plan have been adopted. Furthermore, measures to promote collective bargaining have also been included in other European legislation adopted over this period. ICTU acknowledges and welcomes that in every case, Irish Ministers and MEPs from across the political spectrum have supported these measures when they were being formally adopted. While they are now legal obligations, they are ones that Ireland's public representatives have all voted for.

The key point as far as general election manifestos and programmes are concerned is that it will fall to the next Government to transpose and implement these measures over the coming years. That is why it is important they are acknowledged in manifestos and programmes.

The most important measure awaiting transposition and implementation is without doubt the Adequate Minimum Wages Directive.

## Trade Union Density and Collective Bargaining Coverage in Ireland

The CSO puts **density**, the proportion of the workforce who are members of trade unions/staff associations, at 22% in Q2 2023. This is down from 33% in Q2 2005, the earliest quarter available. A 2021 UCD Working in Ireland survey puts density at 28% in 2021. IHREC notes that 'structurally vulnerable groups are less likely to be members' (IHREC, May 2023). Research by IHREC and the ESRI suggests that younger workers and workers born outside Ireland, which are less likely to be members than workers born in Ireland (McGinnity, et al, 2021, Laurence, et al, 2023).

There is no CSO data on collective bargaining **coverage**, the proportion of the workforce covered by collective agreements. The 2021 UCD Working in Ireland survey puts coverage at 44%, down from approximately 60% in the early 1980s, whereas the most recent OECD estimates put it at 34% in 2017.

### 3. Adequate Minimum Wages Directive

The Adequate Minimum Wages Directive was adopted by the European Parliament in September 2022 (with 12 of the 13 Irish MEPs present voting in favour) and by EU Council in October 2022 (with the Minister for Finance representing Ireland). It establishes under European law a framework for promoting collective bargaining on wage-setting for Ireland and all other member states.<sup>2</sup> The deadline for transposition is 15 November 2024. The main provisions concerning collective bargaining include:

- It defines collective bargaining, for the purposes of the Directive, as between employers and trade unions (Article 3(3)). Therefore, only agreements between employers and trade unions will be considered in respect of other provisions, such as assessing coverage.
- It provides, with the aim of 'facilitating the exercise of the right to collective bargaining' and of increasing coverage, member states, with social partners' involvement, shall:
  - a. promote the building and strengthening of the capacity of the social partners to engage in collective bargaining, particularly at sector or cross-industry level
  - b. encourage constructive, meaningful and informed negotiations between the social partners, on an equal footing, where both parties have access to appropriate information in order to carry out their functions in respect of collective bargaining

<sup>2</sup> This framework also covers the adequacy of statutory minimum wages with the aim of achieving decent living and working conditions, and on enhancing effective access of workers to rights to minimum wage protection, where provided for in national law and/or collective agreements.



- c. Take measures, as appropriate, to protect the exercise of the right to collective bargaining and to protect workers and trade union representatives from acts that discriminate against them in respect of their employment on the grounds that they participate or wish to in collective bargaining;
- d. For the purpose of promoting collective bargaining, take measures, as appropriate, to protect trade unions and employers' organisations participating or wishing to in collective bargaining against acts of interference by each other or each other's agents or members in their establishment, functioning or administration (Article 4(1)).
- It provides that member states with less than 80% coverage (e.g. Ireland), shall 'in addition' provide for 'a framework of enabling conditions for collective bargaining'. This is to be done either by law after consulting the social partners or by agreement with them. It also commits these countries to establish an Action Plan to promote collective bargaining by 1 October 2025. This is to be done after the Government consults the social partners, agrees it with them, or following a joint request by them, as agreed between them. This Action Plan will be made public, set out 'concrete measures' and a 'clear timetable' to progressively increase coverage, and be reviewed at least every five years (Article 4(2)).

With regard to the Article 4 measures, the Commission sees the framework of enabling conditions and the Action Plan as complementary, with the former establishing an 'overall regulatory framework', in line with the commitments under Article 4(1), and the latter setting out 'more concrete measures with a specific timeline' (EC, 2023:26).

The Commission also identifies specific recitals as important for Article 4. For example, Recital 16 acknowledges the impact of union-busting practices in the decline in trade union membership over recent decades. The range and scale of anti-union practices in Ireland have been documented recently by Murphy and O'Sullivan (2024). They emphasise the need for Ireland's transposition legislation to include measures, including dissuasive penalties, to protect trade union members and representatives from victimisation and dismissal in respect of their employment, and unions from acts of interference.

*'...traditional collective bargaining structures have been eroding during recent decades, due, inter alia, to structural shifts in the economy towards less unionised sectors and to the decline in trade union membership, in particular as a consequence of **union-busting practices** and the increase of precarious and non-standard forms of work'*

(Adequate Minimum Wages directive, recital 16)

Similarly, Recital 24 identifies 'measures easing the **access** of trade union representatives to workers' as one of the ways to promote collective bargaining on wage-setting. The Commission services acknowledge that although Article 4(1) does not explicitly mention a right of access, facilitating the access for trade unions to workers can be a measure Ireland may take to protect and promote collective bargaining on wage-setting (EC, 2023:25). As noted below, access is one of the measures the Final Report of the LEEF High Level Working Group on Collective Bargaining explicitly acknowledged the Group had not addressed - and had recommended that it be addressed 'in a similar tripartite manner to those examined in this report'.

The Commission also points out that most provisions in Article 4(1) were inspired by existing ILO Conventions. For example, it says that the reference to social partners being able to negotiate on an equal footing is 'in line with the spirit of the ILO Conventions mentioned in recital (24), in particular Convention 98 on the Right to Organize and Collective Bargaining' (EC, 2023:23).

While the 80% threshold is an indicator triggering Article 4(2) and not a mandatory target to be reached, it is clear that if any member state does not attain the threshold, it will continue to be bound by Article 4(2).<sup>3</sup>

<sup>3</sup> The European Parliament's May 2023 resolution 'Roadmap on a Social Europe: two years after Porto' calls on all member states to reach 'at least 80% coverage by 2030'. All Irish MEPs voted in favour of this resolution.

- The Directive aims to ensure compliance with wages set by collective agreements in the awarding and performance of public procurement or concession contracts (Article 9).

The Commission suggests that, in accordance with Article 4, member states below 80% coverage consider including measures on public procurement in their Action Plan to promote collective bargaining. Also, as noted below, public procurement is one of the issues the Final Report of the LEEF High-Level Group expressly acknowledged the Group had not addressed.

- It commits Ireland to report to the Commission by 1 October 2025 on the 'rate and development of collective bargaining coverage' over 2021-2023, and thereafter every two years (Article 10).

The Commission says this provision foresees a 'significant role' for the social partners as they 'hold a large part of the data to be collected' (EC, 2023:52).

- It commits to taking measures necessary to protect workers and workers' representatives, including trade union members or representatives, from any **adverse treatment** by employers or from any adverse consequences resulting from a complaint or from proceedings about breaches of the rights relating to minimum wage protection provided for in national law or collective agreements (Article 12), and to ensure that penalties applicable to infringement of minimum wage rights are **effective, dissuasive and proportionate** (Article 13).

The Commission says these provisions cover the rights to minimum wages set by sectoral regulations in Ireland (EC, 2023:18).

Finally, the Commission has made clear that that it will 'duly examine' complaints about non-compliance by member states from social partners or citizens and if disputes arise, 'Member States could be taken to Court for further deliberation' (EC, 2023:64 & 37).

**Commitment: Transpose and implement in full the Provisions of the Adequate Minimum Wages Directive that promote Collective Bargaining as outlined in page 3 of this paper.<sup>4</sup>**

Before addressing other recently adopted European initiatives that promote collective bargaining, it is necessary to consider the 2022 Final Report of the High-Level Group on Collective Bargaining, given that this work was 'undertaken very much in the context of upcoming EU law obligations', namely the (then) proposal for the Adequate Minimum Wages Directive (High-Level Group report, 2022:8).

4 This would be similar to the commitments regarding specific directives included in political parties' manifestos for the last general election: for example, by Fine Gael regarding the Unfair Trading Practices, Anti-Money Laundering, and Working Time Directives; by Fianna Fail regarding the Unfair Trading Practices and Working Time Directives; by Sinn Fein regarding the Unfair Trading Practices Directive; by the Greens regarding the Water Framework, Victims of Crime, and Animal Welfare and Biodiversity Directives; by Labour regarding Public Procurement and the Single-Use Plastics Directives, and by the Social Democrats regarding Public Procurement and Working Time Directives.

## 4. Final Report of the LEEF High-Level Group on Collective Bargaining

The High-Level Working Group under the auspices of the Labour Employer Economic Forum (LEEF) was established in March 2021 to review collective bargaining and Ireland's industrial relations landscape and to make recommendations for its improvement. The Group's Final Report published in October 2022 recommends action in four areas, according to the Government:

- Proposals to incentivise engagement by a party in a Joint Labour Committee
- Greater use of 'technical assessors' before the Labour Court
- Measures to encourage 'good faith' engagement at enterprise level
- Provision of training and a code of practice for representatives engaging in collective bargaining (Government of Ireland, April 2023:62)

The High-level Group considered that its package of recommendations, 'if implemented in full', would improve the functioning of collective bargaining and Ireland's industrial relations landscape, and would also ensure Ireland is 'well-placed to fulfil upcoming EU law obligations, in a meaningful way'.

It did acknowledge however there were some aspects of the (then draft) Adequate Minimum Wages Directive which it had not addressed; it itself identified measures on public procurement and concession contracts, and easing the access of trade union representatives to workers (High-Level Group Report, 2022:8). It recommended that 'any remaining issues of transposition' be addressed 'in a similar tripartite manner to those examined in its report'.

This Report however still has not been implemented. In April 2024, the Department of Enterprise, Trade and Employment (DETE) stated it was waiting on legal advice from the Office of the Attorney General, that it would [then] 'make proposals', consult the Labour Employer Economic Forum (LEEF), and draft a Memo for Government on measures to be taken' (DETE, April 2024:30).

ICTU wants to see clear commitments in the next Programme for Government to implement the Final Report. In particular, we see the report as forming part Ireland's first Action Plan to promote collective bargaining under the Adequate Minimum Wages Directive (see above).

### **Commitment: Implement in full the Final Report of the LEEF High-Level Working Group on Collective Bargaining**

## 5. Ireland's commitments under other EU law to Promote Collective Bargaining, 2024-2029

As noted above, other recent European legislation commit Ireland to promote collective bargaining over the coming years. The most important of these include:

### 5.1 Strengthening Social Dialogue Recommendation

*'Member States with robust frameworks for social dialogue and a wide coverage of collective bargaining tend to have more competitive and resilient economies'.*

(EU Council Strengthening Social Dialogue Recommendation, June 2023)

In June 2023, the EU Council adopted a Recommendation on Strengthening Social Dialogue, with Roderic O'Gorman TD, Minister for Children, Equality, Disability, Integration and Youth, representing the Government.

The Recommendation defines social dialogue as between or among governments, employers and workers and as including collective bargaining between employers and unions, and distinguishes this from dialogue involving

a 'broader set of stakeholders'.<sup>5</sup> Many of its recommendations on collective bargaining build upon provisions of the Adequate Minimum Wages Directive. For example, it states that: 'Capacity-building activities typically help social partners to improve the size of their membership base' and is 'primarily a bottom-up process, dependent on the will and efforts of the social partners themselves who are best placed to identify their needs and indicate the measures they are already taking to strengthen their capacities'. It recommends that member states, in accordance with national law and/or practice, after consultation and in close cooperation with social partners, while respecting their autonomy:

- ensure an 'enabling environment' for collective bargaining, which encompasses 'the existence of strong, independent trade unions and employers' organisations'
- 'enable collective bargaining at all appropriate levels, and encourage coordination between and across those levels'
- 'actively promote the benefits and the added value of collective bargaining'
- Encourage and where appropriate support social partners to 'put forward initiatives and develop new and innovative approaches and strategies to increase their representativeness and membership bases'.

<sup>5</sup> The April 2024 *Val Duchesse Declaration*, discussed below, also distinguishes social dialogue between or among governments, trade unions and employers from dialogue with civil society.

Promote 'the building and strengthening of [social partners'] capacity at all levels, depending on their needs',

It states that the Recommendation 'cannot, under any circumstances, be cited to justify reducing the level of support already afforded to social dialogue, including collective bargaining, within Member States'.

Member states are asked to send to the Commission by 7 December 2025 the list of measures, drawn up in consultation with social partners, 'which are taken or have already been taken to implement this Recommendation'. The Commission is to evaluate its implementation by 7 December 2029.

### **Commitment: Implement the EU Council Strengthening Social Dialogue Recommendation**

## **5.2 European Social Fund+ Regulation**

In addition to the provisions of the Adequate Minimum Wages Directive and the Strengthening Social Dialogue Recommendation that promote capacity-building of the social partners, the 2021 Regulation establishing the European Social Fund+ over 2021-2027 also promotes the capacity-building of the social partners.

This requires member states to allocate an 'appropriate amount' of ESF+ funds for supporting the capacity-building of social partners and of civil society organisations over this period. Ireland however has not provided any such support and is one of just two countries (the Netherlands being the other) despite coming under Article 4(2) of the Adequate Minimum Wages Directive, that have not done so.

### **Commitment: Honour Ireland's commitments under the ESF+ Regulation to support the capacity-building of social partners and of civil society organisations**

## **5.3 Pay Transparency Directive**

The 2023 Pay Transparency Directive was adopted by the European Parliament in March 2023, with all 13 Irish MEPs voting in favour, and by the EU Council in April 2023, with the Minister for Foreign Affairs representing the Government. This Directive seeks to strengthen the application of the principle of equal pay for equal work or work of equal value between men and women through pay transparency and enforcement mechanisms. It must be transposed by 7 June 2026. This Directive commits to

## **Citizens Assembly on Gender Equality**

Recommendation 35(a) of the 2019-2021 Citizens Assembly on Gender Equality is to establish 'a legal right to collective bargaining to improve wages, working conditions and rights in all sectors.' This Recommendation was approved by 87 (97%) of the 90 Assembly members present for the vote, with just three voting against.

encouraging the exercise of the right to collective bargaining on measures to tackle pay discrimination and its adverse impact on the valuation of jobs predominantly carried out by workers of one sex' (Article 13), and requires employers to 'make easily accessible to their workers the criteria that are used to determine workers' pay, pay levels and pay progression' (Article 6).

**Commitment: Transpose and implement in full the provisions of the Pay Transparency Directive that promote Collective Bargaining**

### 5.4 Platform Work Directive

The Platform Work Directive, agreed in early 2024, aims to improve the working conditions of people working through digital platforms. It was endorsed in principle by the EU Council on 11 March 2024, with the Minister of State at the Department of Enterprise, Trade and Employment, Mr Neale Richmond, TD, representing the Government, and is currently awaiting formal adoption by the Council, and was adopted by the European Parliament in April 2024, with the 12 Irish MEPs present voting in favour. It has to be transposed within two years (exact date to be confirmed and likely to be in the second half of 2026). Key provisions of this Directive concerning collective bargaining include:

- It prohibits digital labour platforms, through automated monitoring or decision-making systems, from processing personal data to, inter alia, 'predict the exercise of fundamental rights, including the right of association, the right of collective bargaining and action or the right to information and consultation' (Article 7(d))
- It commits to promoting the role of the social partners and encourage the exercise of the right to collective bargaining in platform work, including to facilitate the exercise of their rights related to algorithmic management (Article 25)
- It commits to ensuring the effective involvement of the social partners and to promote and enhance social dialogue with a view to implementing this Directive (Article 29(3)).

**Commitment: Transpose and implement in full the Provisions of the Platform Work Directive that promote Collective Bargaining.**



## 6. ILO Collective Bargaining Convention 154 (1981)

As noted above, most of the provisions promoting collective bargaining of Article 4(1) of the Adequate Minimum Wages Directive are inspired by specific ILO Conventions, referenced in recital 24, including the ILO Collective Bargaining Convention No 154 (1981). This Convention has not been ratified by Ireland. As Ireland is now committed to transposing and implementing this Directive, it should ratify ILO convention 154 (1981).

**Commitment: Ratify ILO Collective Bargaining Convention 154 (1981).**





## 7. Further European Initiatives to Promote Collective Bargaining, 2024-2029

It is possible indeed likely there will be further European initiatives to promote collective bargaining over the coming years. We would point to the following developments:

- The January 2024 *Tripartite Declaration for a Thriving European Social Dialogue* initiated negotiations towards agreeing a 'Pact for European Social Dialogue' by early 2025. This was signed by the EU Institutions and the ETUC (representing ICTU), BusinessEurope (representing IBEC), and SMEUnited (representing ISME).
- The February 2024 Opinion on *Future policy priorities for the European Pillar of Social Rights* of the EU Employment Committee and the EU Social Protection Committee<sup>6</sup> acknowledges the provisions of the Adequate Minimum Wages that promote collective bargaining and that the Strengthening Social Dialogue Recommendation seeks to ensure an enabling environment social dialogue at all levels, but

acknowledges that further efforts to promote collective bargaining may be required.

*'...the declining trends in trade union density, the low share of workers covered by collective agreements in most Member States, the declining wage share, as well as the persistent lack of agreements at Union level between EU social partners, may require further efforts in this direction'.*

(Council's advisory Employment and Social Protection Committees, February 2024).

This opinion was endorsed by the EU Council in March 2024, with Minister of State at the Department of Enterprise, Trade and Employment, Mr Neale Richmond, TD, representing the Government.

- The April 2024 *La Hulpe Declaration* on the future of the European Pillar of Social Rights commits to upholding and reinforcing the right to collective bargaining, including by further enhancing EU cooperation with the Council of Europe and the International Labour Organisation (ILO). It calls for 'sustainable public procurement, including to promote collective bargaining' and says the public procurement directives could be evaluated and, if needed, further steps taken. It notes the Commission is to review its 2021 EPSR Action Plan in 2025, and says this will provide 'a basis for further actions at EU level'. This was signed by the EU Institutions, 25 member states (all bar Sweden and Austria), the ETUC, SMEUnited, and civil society organisations.

<sup>6</sup> These committees advise the EU Council and are made up of national civil servants, including from the Department of Enterprise, Trade and Employment and the Department of Social Protection.

- The April 2024 Report on the Future of the European Single Market by former Italian Prime Minister Enrico Letta emphasises the importance of an 'ambitious transposition' of the Adequate Minimum Wages Directive. It goes on to state that EU public procurement rules must ensure that contracts 'foster the creation of high-quality jobs, characterised by fair wages and conditions underpinned by collective agreements,' and that it is 'essential to include social responsibility clauses that ensure respect for workers' rights, trade union involvement and the protection of collective agreements' (Letta, 2024:46 and 105).
- The European Council's *Strategic Agenda, 2024-2029*, adopted by EU leaders including the Taoiseach, Simon Harris TD in June 2024, recalls the Pillar and commits the EU and Member States to 'aim to strengthen social dialogue'.
- Ursula von der Leyen's July 2024 *political guidelines for the 2024-2029 Commission* include a commitment to coming forward with a *Quality Jobs Roadmap*, to be developed with the social partners, to support fair wages, good working conditions, training and fair job transitions

'notably by increasing collective bargaining coverage'. The guidelines also commit to revise the public procurement directive (von der Leyen, 2024:18 & 11).

*'We must ensure fair transitions and good working conditions for workers and self-employed people. And crucial for that is Social Dialogue – the hallmark of our social market economy. We will therefore work to increase collective bargaining and strengthen European Social Dialogue.'*

(Ursula von der Leyen Political Guidelines for 2024-2029 Commission, July 2024)

While it is impossible to say what may arise from the above, they do indicate the discussions taking place about the future of collective bargaining at European level and set down clear commitments to further initiatives to promote collective bargaining in the years ahead. These are likely to be clarified in the European Commission's 2025-2029 Action Plan on the European Pillar of Social Rights, due by early 2025.

**Commitment: Advocate for further measures to promote collective bargaining in the European Pillar of Social Rights Action Plan, 2025-2029**



## 8. Conclusion

*'Ireland is an outlier in respect of protecting an entitlement to engagement in collective bargaining, and a statutory framework is essential to protect the right effectively'*

(IHREC, 2023)

Ireland has been described as an 'outlier' in respect of (not) protecting an entitlement to engage in collective bargaining by the Irish Human Rights and Equality Commission (IHREC, 2023).

This document seeks to identify the main provisions of the Adequate Minimum Wages Directive that promote collective bargaining and similar provisions of other European measures that Ireland is committed to transposing and to implementing over the coming years, as well as those agreed in the Final Report of the LEEF High-Level Working Group. It also points to a number of recent European developments that may give rise to further initiatives to promote collective bargaining over the years ahead.

The provisions of the Adequate Minimum Wages Directive that promote collective bargaining are about bargaining on wage-setting but as the European Commission acknowledges their implementation could 'benefit collective bargaining in general' (EC, 2023:26-27). The National Economic and Social Council (NESC) also acknowledges how this Directive was 'bringing to the fore a richer debate about the need to reframe our approach to employment relations policy given its potential to generate a broader range of economic and social benefits' (Thomas, 2022: 32) and highlights how a 'reimagined system of statutory

wage setting provisions could potentially contribute to the achievement of broader economic and social goals, including the development of a more dynamic, fairer and inclusive labour market' (Thomas, 2022: 19).

International institutions such as the World Bank, the IMF and the OECD have all acknowledged the positive benefits of higher levels of trade union membership and of collective bargaining coverage over the past decade.<sup>7</sup>

*'...unions and collective bargaining have an equalising effect on earnings' distributions by compressing wage differentials. Research has shown that wage inequality falls during periods when union density is increasing and rises when union membership is in decline.'*

(World Bank, 2012)

*"Our key findings are that the decline in unionisation is related to the rise of top income shares and less redistribution, while the erosion of minimum wages is correlated with considerable increases in overall inequality... Inequality dampens investment, and hence growth, by fuelling economic, financial, and political instability."*

(IMF, 2015)

<sup>7</sup> See McDonnell, T. (2024). Economic Security Series. Part 3: Collective Bargaining. Dublin: NERI.

*'...collective bargaining systems can help smooth the transition to an increasingly complex labour market. But making the most of collective bargaining in the future world of work will require some governmental intervention, notably to lift the legal barriers to collective bargaining.'*

(OECD, 2019)

In our view, the type of governmental intervention required is in the first instance to transpose and implement in full Ireland's commitments under the Adequate Minimum Wages Directive to promote collective bargaining and similar provisions in other European legislation to be transposed and implemented over the next five years. Second, the next Government should advocate for further European initiatives over the next five years to promote collective bargaining.

We do not see the Irish Constitution as a barrier to the enactment of provisions promoting collective bargaining (see Eustace and Kenny, 2023).

*'We therefore conclude that Constitution is not a barrier to a statutory right to collective bargaining, and that no constitutional change would be necessary to facilitate a statutory right of this sort. The legislature is free to pursue such a course, having careful regard to safeguards that would ensure all other relevant constitutional rights and principles are respected.'*

(Eustace and Kenny, 2023)

We are willing and keen to work with political parties and independents in the forthcoming general election to ensure that Ireland attains the potential of collective bargaining for all over the years to come.

## Public support for collective bargaining

According to the 2021 *UCD Working In Ireland* survey, 44% of non-members (including 67% of 16-24 year olds) indicated they would vote to establish a union (Geary and Belizon, 2021). 74% of respondents said employers should be legally required to negotiate with a union if its members want this, according to a 2021 survey, including 56% of Fine Gael and 66% of Fianna Fail voters, and rates above 80% for the other parties' (FSU, 2021). 82% of respondents said workers' rights through union representation was a 'very/somewhat' important aspect of working life in a 2022 poll for the Irish Human Rights and Equality Commission (IHREC, 2022).

## Annex – Key Deadlines for the Promotion of Collective Bargaining, 2024-2029

Year	Commitment
2024	15 November – deadline for transposition of Adequate Minimum Wages directive
2025	<p>'Early 2025' – European Commission to present European Pillar of Social Rights Action Plan, 2025-2029</p> <p>'Early 2025' – Pact for European Social Dialogue to be agreed</p> <p>1 October – Ireland to establish Action Plan to promote collective bargaining</p> <p>1 October – Ireland to report to European Commission on rate and development of collective bargaining coverage over 2021-2023</p> <p>7 December – Ireland to report to European Commission on implementation of Strengthening Social Dialogue Recommendation</p>
2026	<p>7 June – deadline for transposition of Pay Transparency Directive, including provisions promoting collective bargaining</p> <p>Late 2026 – deadline for transposition of Platform Work Directive, including provisions promoting collective bargaining (exact date tbc).</p>
2027	1 October – Ireland to report to European Commission on rate and development of collective bargaining coverage over 2024-2025
2028	
2029	<p>1 October – Ireland to report to European Commission on rate and development of collective bargaining coverage over 2026-2027</p> <p>15 November – European Commission to evaluate Adequate Minimum Wages Directive, prepare report reviewing its implementation and propose, where appropriate, legislative amendments</p> <p>7 December – European Commission to evaluate actions taken in response to the Strengthening Social Dialogue Recommendation</p>

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