

DRAFT PUBLIC SECTOR AGREEMENT 2010-2014

CLARIFICATION (06-05-10)

CONTEXT

The overarching intent of the negotiations conducted in March 2010, and which led to the “Draft Public Service Agreement: 2010-2014” was to enhance the country’s prospects of recovery, the protection of public services for its citizens in terms of the resources available and bringing a major degree of certainty to public servants in terms of their remuneration, and their terms and security of employment over the immediate future.

It was recognised that these objectives could best be achieved by a centralised negotiated and agreed outcome under an independent third party process.

The facilitators confirm that the Draft Agreement represents the best that can be achieved by negotiation in the current economic and financial circumstances.

The Draft Agreement is intended to achieve a reorganisation of public service delivery to the benefit of the people of Ireland in a manner that recognises both the employment rights of those who work in the public service and their reasonable expectations to be engaged in the process of creating a citizen-centred and performance-focussed Public Service. The Draft Agreement commits public service management to being proactive and ambitious in leading the implementation of the full range of transformation measures set out in this Draft Agreement, to facilitating the full participation of staff and their trade unions, and to seeking the early resolution of any problems arising through agreed third party mechanisms.

A number of issues have arisen since the conclusion of the negotiations on the “Draft Public Service Agreement: 2010-2014”.

The facilitators believe that the Draft Agreement would benefit from a further elaboration in a number of areas.

Pay:

It is the expressed intention and expectation of the Government that there will be no further reductions in the remuneration of employees in the public service for the lifetime of this Draft Agreement subject to compliance with the terms of the Draft Agreement.

The Government has agreed that the terms of paragraph 1.28 of the Draft Agreement which stated, "The implementation of this Agreement is subject to no currently unforeseen budgetary deterioration", will be applied in a *bona fide* manner by the Government side. Similar clauses have applied in previous agreements and it is not envisaged that, on the basis of any currently known facts, that the clause would be utilised. Adoption of the Draft Agreement will itself give a measure of certainty about policy and spending that will assist in the process of economic recovery. It is confirmed that, in the event that such a situation was to arise, the parties would meet at central level (i.e. Government/ICTU) to discuss the circumstances that had arisen and the implications for the Draft Agreement prior to any decision being taken that would adversely affect the pay provisions of this Agreement.

The Unions have made it clear that in the event of the Government invoking that provision the unions will cease to be bound by the terms of the Draft Agreement.

Savings generated from the implementation of the Agreement and the agreements in each of the sectors will be used, in a manner to be agreed between the parties, to commence the process of addressing the effect on pay rates of the Financial Emergency Measures in the Public Interest Act 2009 and reducing the effect of the pension levy.

The facilitators confirm that, though the parties have agreed that priority will be given in the Spring 2011 review of public service employees with pay rates

of €35,000 or less, this does not prevent staff with salaries in excess of that amount from benefiting from this initial or subsequent yearly reviews.

No Compulsory Redundancy Protection:

The Draft Agreement proposal precludes compulsory redundancy, save where existing exit provisions apply.

The Government have made this commitment on the basis that the redeployment arrangements in the Draft Agreement are utilised as an alternative to redundancy where staff have become surplus for whatever reason in order to fill vacancies that are approved for filling in accordance with Government policy.

Redeployment:

The Government confirms that the agreed provisions on redeployment in the Draft Agreement will be operated in a reasonable manner and with due regard for the personal circumstances of public servants. There will not be serial or multiple redeployments and the work location from which the first location is proposed/home address of staff will be used to determine the radius for any redeployment.

Pensions:

The Draft Agreement provides that discussions are due to take place in Spring 2011 in relation to pensions of existing public service pensioners and current public servants, in the context of the review of pay. The Minister for Finance announced in Budget 2010 that he is reviewing the current arrangements and considering linking public service pensions to increases in the cost of living. In the prevailing circumstances the Government has clarified that no change in the current arrangements for the indexation of pensions for current public service pensioners and serving public servants will be implemented during the period of the Agreement.

The Government acknowledge that nothing in the Draft Agreement commits the Union side to any position on the issues involved. The Government also

accept that the dispute resolution provisions set out in the Draft Agreement do not apply to the engagement on pensions in Spring 2011.

A separate process of engagement between the Department of Finance and the Trade Union representatives is underway to discuss pension scheme arrangements for new public servants, which the Government has decided to introduce before the end of 2010. This process is independent of the terms of the Draft Agreement and was in place in any event prior to the engagements which produced the Draft Agreement.

Public Service Numbers:

The Government has confirmed that its policy on staff numbers in the Public Service is a matter which is independent of the Draft Public Service Agreement.

However, the Government has clarified that the application of the moratorium on recruitment and promotion will be kept under review and will be revisited in each sector as the staffing levels specified (or to be specified) in the Employment Control Framework for the sectors are achieved.

Dispute Resolution:

The mechanisms to resolve disagreements and ensure a stable industrial relations climate are consistent with arrangements that apply in previous agreements. Additional provisions have been made to provide a more time-limited “fast-track” arrangement for dispute resolution.

Outsourcing:

The Appendix dealing with Service Delivery Options (outsourcing) has general application across the Public Service.

Kieran Mulvey
Facilitator

Kevin Foley
Facilitator

6th May 2010