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Central Public Administration: Working Conditions and Industrial Relations - Ireland

Abstract

[Excerpt] The political system in Ireland is highly centralised, with the vast majority of political and governing power vested in Dáil Éireann (lower house of parliament) and more particularly in the cabinet and the Taoiseach (prime minister). Ireland has what Pollitt and Bouckaert (2004) would call a unitary political system, with the upper house of parliament (Seanad Éireann) and the president having little influence, and the cabinet wielding huge influence over the legislation that is brought before the Dáil.

The total number of people employed in the public sector grew from around 317,000 in 2001 to 360,000 in 2008, a growth of 14%. Excluding commercial state-sponsored bodies, the numbers employed in the public service grew from 270,000 in 2000 to 320,000 in 2008, a growth of 19%. Since the financial recession, however, there has been a significant drop in the numbers employed in both the public sector and public service from 2008, with a drop of just under 6% in each case. Numbers employed in the public sector and public service in 2011 were just below 2007 levels of employment.

Growth in public service numbers from 2001 to 2008 was primarily concentrated in the health and education sectors. Two out of every three people employed in the public service work in either health or education. Numbers employed in the civil service, by contrast, have remained relatively stable over the period 2001 to 2011, increasing slightly from 36,100 to 36,600. Numbers rose slightly from 2001 to 2008, when there were 39,300 people employed in the civil service, but have declined since then.

The civil service is not large by European standards. An OECD (2010) study comparing eight countries (Canada, Denmark, Finland, Ireland, the Netherlands, New Zealand, Sweden and the UK) showed that Ireland had the third lowest general government employment per 1,000 population (67) in 2006, which was significantly behind Denmark (137), Sweden (125) and Finland (99). A subsequent OECD (2011) study showed that in 2008 in Ireland, employment in general government as a percentage of the labour force (14.8%) was around the OECD average.

In 2010, the OECD undertook a survey of the compensation of central government employees (OECD, 2011). This included not only salaries and wages, but also social benefits and future pension earnings. On average, top managers' (top public servants below the minister) total compensation in responding countries amounts to just under USD 230,000 (€168,212 as at 17 October 2013) PPP.¹ At just under USD 290,000 (€212,159) PPP, the compensation of top managers in Ireland is towards the higher end of the European countries surveyed. For the next level down from the top senior managers, a reduced sample of OECD countries shows compensation levels in Ireland to be close to the OECD average, at USD 184,000 (€134,552) PPP. The survey also examined the compensation of middle managers (defined as those responsible for planning, directing and coordinating the general functioning of a specific administrative unit within a government department or ministry). The average compensation for the European countries surveyed is just under USD 140,000 (€102,390) PPP. Compensation in Ireland for this group is USD 155,000 (€113,350) PPP, a little above the European average. Secretaries' (defined as general office clerks who perform a range of clerical and administrative tasks) compensation was also examined. In general, the level of compensation varies less across countries than it does for the management positions. Compensation in Ireland for secretaries was found to be somewhat below the average of the European countries surveyed, assessed at USD 44,000 (€32,175) PPP, compared with the European average of USD 49,000 (€35,830) PPP.

Keywords

central public administration, CPA, Ireland, Eurofound, public sector, industrial relations, working conditions

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Eurofound

Central public administration: Working conditions and industrial relations

Ireland

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Central public administration in Ireland: Reforms, working conditions and industrial relations

Introduction

The political system in Ireland is highly centralised, with the vast majority of political and governing power vested in Dáil Éireann (lower house of parliament) and more particularly in the cabinet and the Taoiseach (prime minister). Ireland has what Pollitt and Bouckaert (2004) would call a unitary political system, with the upper house of parliament (Seanad Éireann) and the president having little influence, and the cabinet wielding huge influence over the legislation that is brought before the Dáil.

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¹ PPP refers to purchasing power parity, which is used to compare the standard of living between countries by taking the impact of their exchange rates into account.

Reasons for reforms and reform priorities

Financial crisis

The collapse of the Irish economy from 2008 due to global recession has been dramatic, caused by the meltdown of the global financial industry and an old-fashioned bursting of the property bubble that had built up in Ireland as a result of exuberant ‘investment’ in property by Irish developers and households, fuelled by low interest rates, excessive lending and poor regulatory oversight in the Irish banking system. Gross domestic product (GDP) fell by some 11% between 2007 and 2010, the unemployment rate increased to around 14% and tax receipts in 2010 were about a third lower than in 2007, yet expenditure continued to rise. *The national recovery plan 2011–2014* (Department of Finance and Department of Public Expenditure and Reform, 2010, p. 14) stated: ‘A downturn of this size is without precedent in Ireland’s recorded economic history and has few modern parallels at an international level.’ In response to the crisis, at the end of 2010, the government signed a memorandum of understanding for the provision of €85 billion in financial support to Ireland by Member States of the EU through the European Financial Stability Fund (EFSF) and the European Financial Stability Mechanism (EFSM); bilateral loans from the UK, Sweden and Denmark; and funding from the International Monetary Fund’s (IMF) Extended Fund Facility (EFF). In essence, this programme sets out the overall fiscal limits and framework within which the Irish government has to operate up to 2014. Emigration has risen significantly (although it has not yet reached the levels of the late 1980s) and unemployment is at the highest level since 1992.

Following on from the EU/IMF ‘bailout’, a strict package of fiscal correction is necessary in Ireland. Over the four years to 2015, savings of €12.4 billion are required, with €3.8 billion needed in 2012 (expenditure €2.2 billion + tax €1.6 billion) in order to bring the budget deficit down to a level of around 8.6% of GDP. Given this background, it is clear that reforms in the Irish public service are being driven by financial necessity. The overriding objective is cost reductions.

Since early 2012, the Irish economic situation has been somewhat more stable than in recent years. The export sector has been performing well and competitiveness is improving. Much of this is grounded in the effective implementation of the EU/IMF reform agenda, with reviews suggesting that Ireland remains on track to meet its agreed fiscal targets by 2015. On the other hand, domestic demand is very weak, with consumer caution rather than confidence being the dominant characteristic. The banking sector remains problematic and business credit difficulties persist. Business investment also remains weak.

Public service reforms

While the financial crisis is the driving force for public service reform, the key enabler is the Public Service Agreement 2010–2014 (Department of Public Expenditure and Reform, 2010). Locally, this is referred to as the Croke Park Agreement, after the location where the deal was negotiated. The agreement is an industrial relations agreement between the government and the Public Services Committee of the Irish Congress of Trade Unions (ICTU). It is very different from the tripartite social partnership agreements that had operated in Ireland since the 1980s.

Between 1987 and 2010, Ireland had successive three-yearly social partnership agreements. In effect these were national pay agreements, where a trade-off was made between modest pay increases in return for a low income tax regime and an agreed programme of social policy objectives. On the trade union side, there was a commitment not to engage in industrial activity or strikes. Following a period of high inflation and weak economic growth, the process was initiated as a means of achieving industrial relations stability, which it was hoped would contribute to economic growth. The agreements were between the government, the main employer groups, the trade unions and representatives of the voluntary and community sector. Under later agreements (from 1996), a trend emerged of linking public service reform to wage increases.

The final agreement was negotiated in 2006. By 2008, the Irish economy was in difficulty. Concern at exchequer deficits of over €20 billion, resulting from the collapse of the construction speculative bubble, dominated political discourse. Given rising unemployment, the protected nature of public employment, combined with wage increases, was also increasingly called into question.

In 2009, as a means of addressing the escalating public service wage bill and with considerable anti-public service sentiment in the media, the government introduced a public service pension levy of on average 7%. This was described as a contribution to the defined benefit pension to which all public servants are entitled, but was viewed by most employees as a pay cut. Meanwhile, negotiations were ongoing between the social partners on ways to achieve reform and restructuring in the public sector, particularly cost reductions. With indications of salary cuts, the trade unions held a one-day strike in November 2009. However, as the economic difficulties escalated, discussions collapsed and in December 2009 the government announced public service pay cuts of between 5% and 20% depending on salary level in addition to the public service pension levy.

Despite the demise of social partnership, negotiations between the government and ICTU over terms and conditions of employment in the public sector and the trajectory of future reforms continued in 2010. This culminated in March 2010 with the Public Service Agreement 2010–2014 (aka the Croke Park Agreement). The deal, which was ratified by the trade union side in June 2010, gave employees assurances that there would be no compulsory redundancies from the public service and, insofar as could be foreseen, no further pay cuts. In return, the government obtained agreement on significant restructuring and reorganisation of the public service as a way to achieve cost reductions.

The Public Service Agreement is not a cost-saving plan in and of itself, but rather, it is a mechanism for securing the active cooperation of staff for the reforms needed to ensure cost reductions. This would include a continuation of the moratorium on recruitment and promotion, the selective recruitment of appropriately skilled personnel from outside the public service at all grades if required, cooperation in respect of processes and systems to allow for shared services and e-government initiatives, commitment to the redesign of work processes and the dismantling of barriers to a unified public service. The latter would be achieved through progress towards standardised terms and conditions of employment across the public service.

The Public Service Agreement also sets out the precise arrangements for the redeployment of staff across the different sectors of the public service. In general, organisations will be expected to manage with the reduced numbers due to staff departures. However, where a specific sanction is received from the Department of Public Expenditure and Reform to replace a departing employee or where new areas of work are acquired by a department/office, in the vast majority of cases these positions need to be filled from public servants being redeployed from their own organisation due to a surplus. In order to manage this process, the Public Appointments Service (PAS) has established resource panels for each general service and professional and technical grade. It is the responsibility of each organisation to supply the PAS with details of staff for redeployment.

A new government

The Irish government collapsed in early 2011 in the aftermath of the EU/IMF deal. Political and public sector reform was a prominent issue in the election campaign. A new Fine Gael and Labour Party coalition came into power in March 2011. Its programme for government, titled *Government for national recovery 2011–2016*, signalled the government's intention to introduce significant public service reforms.

Revised targets for reductions in public sector numbers were set out by the new government in the Public Service Reform Plan (Department of Public Expenditure and Reform, 2011). It is anticipated that public service numbers will be reduced by 37,500 from peak 2008 figures to 282,500 by 2015. The Public Service Reform Plan also sets out reform initiatives for areas including shared services, e-government, procurement reform and performance management.

Reduction in public employment

Against a background of rapidly deteriorating public finances, since 2009 successive governments have sought to reduce public service numbers. Incentivised early retirement (available to staff aged over 50 years) and career break schemes were introduced in 2009; staff availing of these programmes were not replaced.

In December 2009, a further decision imposed new ceilings on total public service numbers, which are to be achieved through the implementation of employment control frameworks (ECFs) in respect of each organisation. These specify staffing reductions and, in some cases, the distribution of posts. A moratorium on filling vacancies by either recruitment or promotion will remain in place until the ECF is shown to be operating effectively to bring about the permanent reduction in staff numbers required. In order to further reinforce the need to reduce staffing levels, administrative budgets for all organisations have been cut.

Facilitated by an ageing public service, these reductions can be accommodated through retirements and voluntary departures. Under the terms of the Public Service Agreement 2010–2014, there are no compulsory redundancies.

There is no specific public law for the reductions in civil and public service numbers. These are government objectives, set out in the programme for government and the Public Service Reform Plan.

Employment in the civil service versus the public service and private sector

The most significant difference between all public service jobs and those in the private sector is that the former are deemed to be permanent – ‘jobs for life’. The Civil Service Regulations Act 1956 determined that the Minister for Finance is responsible for the terms and conditions of civil servants. It also provides that civil servants hold office ‘at the will and pleasure of the government’. In other words, civil servants could only be removed from their position by government decision. This situation was somewhat revised in the 1997 Public Service Management Act, which gave secretaries general (administrative heads of ministries) power to discipline and dismiss civil servants up to principal officer (senior middle management) level. However, this would only be in cases of serious misconduct. The de facto position in the Irish civil and public service remains one of job security.

The Public Service Agreement 2010–2014 confirmed this position. Despite the serious economic crisis and the cost of the public service pay bill, the government agreed that there would be no compulsory redundancies over the lifetime of the agreement. While employees and trade unions expect that this long-held assurance in respect of public employment will be maintained, given current economic uncertainties it is not possible to say that this will definitively be the case.

Public service pensions are the other key distinction between civil and public service employment and private employment. Public pensions are defined benefit, traditionally realising a guaranteed pension of 50% of an employee’s salary. They are paid for out of current government revenue. In 2010, a number of changes to public service pensions were announced. The pension age would rise from 65 to 66 and pensions would be based on career average earnings rather than final salary. However, these changes would only apply to new entrants.

In 2008, at the request of the then Irish government, the OECD carried out a review of the Irish public service (OECD, 2008). A central recommendation of the report was the need for greater ‘connectivity’ between different sectors of the Irish civil service to enable ‘more collaborative, horizontal approaches to policy development and greater agility in identifying and responding to societal needs’ (OECD, 2008, p. 7).

The Public Service Agreement reinforced the idea of greater integration across the public service. The agreement notes that ‘public bodies and individual public servants will have to increase their flexibility and mobility to work together across sectoral, organisational and professional boundaries’ (Department of Public Expenditure and Reform, 2010, p. 2).

Initiatives aimed at achieving this objective have included the introduction of standardised annual leave arrangements, progress being made in respect of standardised sick leave arrangements and a new single pension scheme for all new entrants to the public service.

Fixed-term contracts

Irish civil servants have public law status under the 1956 Civil Service Regulation Act, which sets out their terms and conditions and means of recruitment.

In the past, there was some distinction between what were referred to as ‘established’ civil servants (appointed after being successful in a public examination for the purpose of recruiting civil servants) and ‘non-established’ civil servants (appointed by ministerial decision). The latter, typically specialists, had some differences in terms and conditions; for example, they could only retire at 65, whereas established civil servants could retire at 60. However, these differences were ended in 2004 and the distinction is no longer meaningful. Regardless of the mode of recruitment, all civil servants now have the same terms and conditions, rights to tenure, and pensions.

Employment of staff on fixed-term contracts is not a particular feature of the Irish civil service. During the economic ‘boom’ years in the late 1990s and 2000s, some specialists and advisers were appointed on a contract basis, but in the current climate, with an objective of reducing numbers, these types of appointments no longer pertain. Similarly, and particularly at clerical level, people may have been appointed on a contract basis to cover for maternity leave or term-time working (where an employee takes unpaid leave during the school summer holidays). However, again in light of the current economic climate, these types of appointments are not being made. When they did apply, these contract appointments would have primarily been taken up by younger workers and women.

All secretary general appointments (administrative head of a ministry) are made on a contract basis for a period of seven years. This is to ensure turnover and consequently new ideas at senior management level. Ireland introduced a senior public service in 2011, which was one of the recommendations of the 2008 OECD review of the Irish public service. Initially, the senior public service is being limited to senior managers in the civil service. The intention is to widen it out to include senior managers in the wider public service as soon as is considered practicable. Senior management appointments are made by the Top Level Appointments Committee (TLAC) and ratified by government.

Working conditions

Changes in working conditions

Working time

Working time in the civil service has not changed. Civil service office hours are from 09.15 to 17.30, Monday to Thursday (17.15 on Friday). Most civil servants work 41 hours gross per week (inclusive of lunch breaks). Most government departments/offices operate a system of flexible working hours (FWH). Under this system, civil servants must work their full quota of hours, but they are given flexibility in doing so. For example, staff may, within certain limits, vary their arrival times, departure times and lunch breaks. Hours that are open to variation in this way are known as flexible hours. The main part of the day, when all staff should be at their jobs, is not open to variation and is known as core time.

Annual leave arrangements have been standardised across the public service, with entitlements ranging from 22 to 32 days depending on grade. This has resulted in a small reduction in the entitlement of senior civil servants. For new entrants or those who are promoted, the entitlement will range from 22 to 30 days.

Pay

Pay for Irish public servants has decreased. In early 2009, it was announced that ‘cost of living’ pay increases due to be paid to public servants in September 2009, under the terms of the 2008 social partnership agreement, would not be paid. Also, in spring 2009, a public service pension levy was announced, with pension contributions of between 5% and 10%, depending on salary level, being required of all civil servants. For existing public servant pension-holders, there was a reduction in their entitlement of 4%.

Following the collapse of social partnership in December 2009, the government announced tiered pay cuts for public servants: 5% on the first €30,000 of salary, 7.5% on the next €40,000 and 10% on the next €55,000 of salary. For secretaries general and elected representatives, the cuts were higher.

In addition, a universal 10% pay cut has been made for all new entrants to the civil service. In other sectors of the public service where special allowances were common, such as An Garda Síochána (the Irish police service) and in education, there have been initiatives to eliminate these.

Work pressure

Due to a recruitment moratorium in place since 2009 and various incentivised early retirement schemes, Irish civil service numbers have declined, resulting in the need for productivity increases, redistribution of work and redeployments to ensure that service delivery is maintained. As a result, work intensity and time pressure have increased. One of the senior managers interviewed commented that she frequently had to work in the evenings and at weekends and that pressures of work did impact on family life.

However, the views expressed by the trade union officials may be more representative of the experiences of civil servants in general. One union official commented that while volume of work and work intensity had increased, there was no evidence of unreasonable pressure. Another union official commented that staffing levels remain higher than they were 15 years ago.

One of the reforms that was being instigated by the Department of Public Expenditure and Reform in 2012 was the introduction of workforce planning. All government departments were required to prepare workforce plans by June 2012. In the future, resource requests (including recruitment, redeployment and promotion) to the Department of Public Expenditure and Reform will only be considered in the context of the workforce plan.

Working time arrangements

Civil service working time has not changed in recent years. The introduction of flexible working hours in most organisations, although typically not at grades above senior middle management, affords staff considerable flexibility and gives them options (such as start early and leave early or start late and stay late) depending on their particular situation. The vast majority of civil servants would also agree that taking an hour or two off during working hours to take care of personal or family matters is ‘not difficult at all’, although time taken would have to be made up. Equally, however, it is possible, with the permission of an employee’s line manager, to claim back any overtime worked as time in lieu.

The Irish civil service offers an extensive range of flexible work arrangements. As well as giving employees the opportunity to balance their work and other commitments, these arrangements are seen as a cost saving, as typically staff are not replaced. Career breaks (six months to five years), reduced working weeks and annual blocks of unpaid leave are all available and can be requested by any civil servant through the human resource (HR) manager in their organisation. These options do not count for remuneration or superannuation purposes. Staff taking career breaks are guaranteed their old grade upon returning, but not necessarily their old position or department.

All flexible work arrangements are subject to the operational requirements of a department and must be approved by an employee's line manager. There is some evidence from 2012 that this approval is not as forthcoming as it might have been in the past. For example, one organisation decided not to offer term-time working in 2012 and others have restricted its availability. In addition, one of the senior managers interviewed for this research works a nine-day fortnight and commented that this has been difficult to maintain.

All Irish employees have a statutory right to take career leave and parental leave. Force majeure (emergency) leave means that all civil servants have a limited right to paid time off (three days in any period of 12 consecutive months, and five days in any period of 36 consecutive months) for urgent family reasons owing to accident or illness.

Based on the evidence from the interviews conducted for this research, it would appear that the amount and pressure of work across the civil service have increased. Employees who retire or are on leave are not replaced. However, while varying considerably according to grade and department, it would appear that this pressure is not excessive, and for most civil servants work does not impact disproportionately on family and other commitments.

Job autonomy

The level of job autonomy depends greatly on the function of the department (policy or service delivery), the nature of the position (frontline or other) and the grade (clerical, executive, management). However, where possible it would be the tradition in the Irish civil service to give employees a fair degree of autonomy and flexibility.

Training

Opportunities for training and development have become more restricted in the current economic environment. However, a wide range of courses (civil service-specific knowledge and skills, people management, leadership, EU related and languages) is still provided by the Civil Service Training and Development Centre. It is also possible for civil servants to be refunded fees in respect of educational, professional or vocational qualifications with approved external institutions that are deemed by the head of their organisation to be relevant to the civil service employment of the member of staff attending them. Attendance at courses is expected to be predominantly during the employee's own time. Limited paid study and exam leave are available.

Managers interviewed for this research believed that while training is not as freely available as it was in the past, legitimate requests that can be financed within budgetary restrictions are still being approved. Interviewees from the trade unions were somewhat more sceptical about this, with one official commenting in respect of training that there was 'virtually none' taking place at present.

Health and safety

The main legislation providing for the health and safety of people in the workplace is the Safety, Health and Welfare at Work Act 2005. The Act sets out the rights and obligations of both employers and employees and provides for substantial fines and penalties for breaches of the health and safety legislation. Under the Act, both employers and employees have a responsibility to ensure that their work environment is safe. Even though the onus is on the employer to ensure a safe and healthy workplace, it is important that employees also take responsibility for their own health and safety and that of others who may be affected by their actions.

Each department or office is required to have a safety statement and evacuation plan. A safety statement is a documented account of health and safety risks that exist in the workplace, together with a strategy to manage and monitor them. It also lists responsible people and health and safety personnel for each area, including fire wardens and staff trained in first aid, along with procedures to be followed in the event of an emergency. In accordance with the Safety and Health at Work General Applications Regulations 2007, all civil servants using a visual display unit (VDU) as part of their work are entitled to regular free eye tests.

The civil service recognises the right of all employees to be treated with dignity and respect in the workplace. It is committed to ensuring that all employees are provided with a safe working environment that is free from all forms of bullying, sexual harassment and harassment. The Charter on Dignity in the Workplace was introduced in 2004.

None of the interviewees for this research indicated that there are any problems in respect of workplace health and safety.

Satisfaction with working conditions

Interviewees for this research were satisfied with their working conditions and, insofar as it is possible to predict, they will remain in the civil service.

Aspects of the job

Job anxiety

Irish civil servants have very little anxiety about the possibility of losing their job. Under the terms of the Public Service Agreement, there are no compulsory redundancies. If cost-cutting measures continue to be implemented and commitments in respect of the EU/IMF are met, this position will hold.

Impact of salary cuts

The interviewees for this research were all at middle management level or above, and while salary cuts have been significant (including the pension levy, on average 15%), these workers would not be affected to the same extent as more junior grades. A commitment has been made by the government that if and when there is any money available for pay increases, those on an annual salary of €35,000 or less will get priority.

Employee motivation

Employee interviews were all within the Department of Public Expenditure and Reform, a new, central department established to manage public service reform. The work in this department would be interesting and varied, and as a result the interviewees all felt motivated.

Promotion opportunities

Currently in the Irish civil service, there are restrictions on promotion, so some civil servants will experience frustration at the lack of opportunity for progression. The Department of Public Expenditure and Reform is not representative in this regard. It was established in 2011 by the new government as a way to prioritise public service reform. Parts of the Department of the Taoiseach (prime minister's office) and the Department of Finance were merged in creating the new department. The Department of Finance has quite an old age profile and has experienced a high number of retirements in recent years. Given the importance afforded by the government to public service reform, approval has been given to replace retiring officials. This is not necessarily the case in other departments.

Performance management

Performance assessment is carried out under the Civil Service Performance Management and Development System (PMDS). In the course of a performance review, managers give staff a ranking of between one and five. There are difficulties with this system, as traditionally managers have been reluctant to give fully objective ratings (most employees will obtain a four or five). Where some managers do provide more balanced ratings, their staff are concerned that they appear to be performing less well than their colleagues.

Among the interviewees, attitudes to PMDS varied. Management representatives were reasonably positive, highlighting the fact that tackling underperformance, long a source of frustration among civil servants, is now being addressed as a result of new guidelines being put in place. Among the trade union officials, one interviewee was quite positive, noting

that it provided an opportunity for civil servants to discuss their role and their work with their line manager and that it also provided an opportunity to identify and discuss training needs.

However, another trade union official was highly critical, stating that it decreased productivity (due to the time involved in preparing and participating in review meetings), had no impact on one's career (reviews were not perceived to have any meaningful value in promotion reviews) and created resentment (people dissatisfied with their ranking). The discrepancy between PMDS reviews and promotion assessments was identified by a further interviewee, who commented that promotion boards 'pay no heed to PMDS'. Lastly, the most critical of the union officials commented that, in general, people management in the civil service 'leaves a lot to be desired' and 'has to happen in a more systematic way than it happens at present'.

Social dialogue and industrial relations

Before discussing existing arrangements, it is worth pausing to examine the collapse of the social partnership framework, mentioned above. A particularly interesting element of an independent assessment of the role played by the Department of Finance in Ireland's economic downturn (Wright, 2010, p. 23) is the conclusion that the government's budget process was completely overwhelmed by two dominant processes: programmes for coalition governments and the social partnership process. Social partnership had been widely praised as a pre-eminent reason for Ireland's recovery from the recession of the 1980s and the creation of the Celtic Tiger. Government programmes were seen as important in providing stability. These were agreements reached by the parties in government following their election and necessitated by the continued presence of coalition governments in Ireland since the late 1980s. How did the perception of these institutional processes go from hero to zero?

The social partnership agreements began primarily as a way to determine pay settlements in the private and public sectors in the late 1980s, and a series of multi-year social partnership agreements were reached between 1987 and 2009. Over time, the social partnership process increasingly covered a wider range of issues than just pay, incorporating broad social and economic policy across most sectors and impacting significantly on expenditure and taxation decisions. Tax cuts and tax expenditures (such as tax allowances and reliefs) were a part of the mix, aimed at securing wage restraint in the years of the boom. Inclusion of these non-pay elements was generally seen as a helpful contribution to the policy process. As Hardiman (2006, p. 344) claimed:

The non-pay elements of the agreements have not replaced conventional methods of developing policy, but they have generated new networks of linkages through which issues can emerge into the political process. Although these networks are open to some criticism on grounds of both effectiveness and legitimacy, the claim here is that they extend rather than undermine democratic deliberative capacity.

However, as the economic situation deteriorated, the process of social partnership was seen as accelerating the momentum for spending and contributing to the consequent deterioration of the Irish economy's competitiveness.

With regard to general government programmes, the policies formed by agreements among coalition partners at the start of a new government were typically detailed agreements with specific policy commitments and associated spending and taxation implications. The agreements set the framework for subsequent policy decisions. Some economic commentators saw this as promoting upward pressure on government spending as key electoral commitments of each party were promoted and promoting downward pressure on government revenue as taxation options were closed off (*Sunday Independent*, 2011).

The Wright report concluded that the budgetary process became subservient to social partnership and programmes for government:

Over the ten year period of review, the Programme for Government and Social Partnership Processes helped overwhelm the Budget process. Instead of providing an appropriate fiscal framework for prioritisation of competing demands on the Government's overall agenda, the Budget essentially paid the bills for these dominant processes. Relatively clear advice to Cabinet in June on the risks of excessive spending and tax reductions was lost by the time of December Budgets.

(Wright, 2010, p. 25)

It has also been argued that the predominance of these social partnership programmes limited, and to some extent marginalised, the impact of parliament in its scrutiny role (O'Connell, 1999). The contention here is that all the major policy decisions were made outside of parliament, with the role of parliament reduced to that of commenting on commitments made elsewhere, and that this limited the engagement of parliamentarians in the process.

Collective bargaining for central public administration

The forum for collective bargaining in the Irish civil service is known as the Civil Service Conciliation and Arbitration Scheme (C&A). This is a voluntary system of engagement on industrial relations matters between the civil service employers, represented by the Department of Public Expenditure and Reform and the recognised trade unions. Fixed monthly meetings are chaired by a senior manager from the department. Traditionally, C&A addressed all issues related to terms and conditions. However, at present, in the context of the Public Service Agreement, no pay-related or cost-increasing claims will be accepted. The objective is always to reach consensus at C&A. However, if this is not possible, an independent arbitration board (an independent, non-civil servant chairperson and staff and management representatives) will make a decision.

At departmental level, some organisations, particularly the large service delivery departments, have local councils (department conciliation and arbitration schemes). These operate in the same way as the general civil service C&A scheme. Also at individual organisation level, it would be typical for the HR manager to meet with the representatives of each civil service trade union on a regular basis.

As a result of the participation of their representative trade unions in the C&A scheme, civil servants do not have access to the traditional Irish industrial relations infrastructure (the Labour Court and Labour Relations Commission) for grievances not covered by employment legislation. Over the years, the unions have debated whether they would benefit from opting out of the voluntary C&A scheme and instead have recourse, in respect of all disputes, to the Labour Court. However, this would signal a somewhat more adversarial approach to civil service industrial relations. Critically, the four main civil service trade unions would also lose the sole negotiating rights that they have under the C&A scheme for their respective categories/grades of civil servants.

A small number of departments (such as the Office of the Revenue Commissioners) have retained partnership committees (working groups of management, union and employee representatives). These committees were a requirement in all public service organisations during the latter years of social partnership (around 2000–2009). These organisations have retained their committee despite the breakdown of social partnership, as they found them a useful forum for negotiating and managing change and had invested significantly in the process.

Social dialogue also takes place under the auspices of the Public Service Implementation Body, set up to oversee and monitor the Public Service Agreement. The Public Service Agreement between the government and public service trade unions, as noted previously, sets out a series of measures for reducing staff numbers in the public service, for securing

significant savings and efficiencies and for reforming the public service. The Implementation Body is comprised of an independent chairperson, appointed by the government, and includes four management representatives from the Department of Public Expenditure and Reform and four public service union representatives.

Sectoral groups have been established by the Implementation Body to assist employers and trade unions to implement the agreement in the education sector, health sector, civil service sector, state agency sector and local government sector. Groups have also been established for the prison sector, the defence sector and An Garda Síochána (police service).

Social dialogue does not differ according to employment status (permanent or contract). However, given that the C&A scheme is a collective bargaining forum, in order to be represented it is necessary to be a member of one of the recognised trade unions.

In respect of other sectors of the civil service, education and defence have their own C&A scheme. However, the health and local government sectors have recourse to the state dispute resolution infrastructure of the Labour Court and the Labour Relations Commission.

As noted above, at present all pay or cost-increasing claims are excluded from the C&A scheme. Also, in the current environment, management is using the C&A scheme as a forum for presenting initiatives likely to lead to greater efficiency (such as moving all staff on a weekly or fortnightly payroll to monthly).

There is no legal right to conclude collective agreements.

Civil servants and public employees, with the exception of the defence forces and An Garda Síochána (the police service), have the right to strike. The most recent strike was a one-day strike organised by ICTU and its affiliated unions in November 2009 in response to proposed pay cuts. Following the pay cuts announced in the budget in December 2009, there were a series of protests and marches, with the trade unions suggesting a series of strikes would take place in 2010. It was against this background that the government and trade unions engaged in negotiations that led to the Public Service Agreement in March 2010. This gave management a way to achieve number and cost reductions across the civil service in return for a commitment that there would be no compulsory redundancies and no further pay cuts.

Trade union membership

Four trade unions are recognised by the Department of Public Expenditure and Reform as having representation and negotiation rights in the Irish civil service: the Association of Higher Civil and Public Servants (AHCPS), representing senior middle management; the Public Service Executive Union (PSEU), representing executive grades; the Civil Public and Services Union (CPSU), representing clerical and administrative grades; and the Irish Municipal Public and Civil Trade Union (IMPACT), representing professional and technical staff. Rates of union membership remain exceptionally high (approximately 90%). This applies at all levels up to top management. In fact, trade union penetration increases with grade and seniority.

There are a number of reasons for the high level of membership, which is at variance with the level in the private sector (approximately 30%). Firstly, within the civil service there is a long tradition of trade union membership and of collective bargaining where employees are represented by their union. Secondly, there has been very limited appointment of employees on fixed-term contracts in the Irish civil service. The vast majority of civil servants are permanent employees who remain in the service for their entire career. Lastly, membership of a union provides benefits in terms of access to attractive insurance schemes (for car, house, illness) that are restricted to union members.

The introduction of pay cuts in 2009 boosted trade union membership. For the clerical and executive unions, this has dropped back somewhat following an effective tax increase (through the introduction of a Universal Social Charge) introduced in January 2011. However, overall trade union membership has increased during the financial crisis, indicating that civil servants see advantages in the representation and protection afforded by union membership. While the union officials acknowledged that experiences might vary, they were of the opinion that most civil servants would know their union representatives.

Future trends

Despite the breakdown of social partnership in 2009, relations between the social partners are good. This was acknowledged in both the management and trade union interviews for this research. Social dialogue happens on an ongoing basis and the Public Service Agreement did much to resolve tensions present since the break-up of social partnership and in the aftermath of pay cuts.

On the trade union side, there is regret at the break-up of social partnership. Interviewees commented variously that social partnership had contributed to Ireland's prosperity in the late 1990s and early 2000s, that an institutional structure for social dialogue is always better, and that their inability to impact on economic and social policy is a loss. On the management side, the end of social partnership would appear to be less of a source of regret. It was noted that it had become very personality driven and that a new approach was needed.

In conclusion, there was an awareness among some of the trade union officials and among the most senior management interviewee that despite the severity of the financial crisis in Ireland, traditional characteristics of civil service employment (security of tenure, a common grade and pay system, defined benefit pension) have remained intact. While generally optimistic that this would remain the case, none of the interviewees wished to provide guarantees. It will depend on whether or not growth rates in the economy match expectations and if targets set by the EU/IMF team are met.

There is no doubt that the reduction in numbers employed in the civil service will have a major impact on working conditions over the coming years. A clear illustration of this is the redeployment of staff from 'surplus' areas in ministries and associated agencies to back-fill vacancies arising from staff departures where it is deemed important that the post is retained. In many cases, this will mean staff having to move location and organisation and to work in an area in which they may have no or limited knowledge. The challenges this will present, both at a personal level and in terms of the management of organisations, are significant.

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Interviewees

Details of the interviewees who took part in the study are as follows:

- principal officer (senior manager), male, Department of Public Expenditure and Reform, Remuneration and Industrial Relations Division;
- principal officer (senior manager), female, Department of Public Expenditure and Reform, Civil Service Human Resource Division;
- assistant principal officer (mid-level manager), male, Department of Public Expenditure and Reform, Civil Service Human Resource Division;
- assistant principal officer (mid-level manager), male, Department of Public Expenditure and Reform, Civil Service Human Resource Division;
- assistant principal officer (mid-level manager), male, Department of Public Expenditure and Reform, Civil Service Human Resource Division;
- general secretary, male, Association for Higher Civil and Public Servants;
- general secretary, male, Public Service Executive Union;
- general secretary, male, Civil Public and Services Union.