

# YOUR QUESTIONS ANSWERED

## **REVIEW OF BUILDING MOMENTUM**

#### **Statement from the Executive Committee**

#### IFUT Executive advises acceptance of the pay proposal "Building Momentum" Public Service Agreement 2021 – 2023

At a meeting of the Executive Committee of the Irish Federation of University Teachers on Saturday 24th September, representatives present considered the proposal in detail. This proposal was issued by the Workplace Relations Commission last month following negotiations between the Government and the ICTU's Public Services Committee. Click Here to view the proposal.

IFUT is a member of the Public Services Committee of the Irish Congress of Trade Unions. Together with our sister unions, this Committee represents over 90% of Ireland's public sector workers. In the context of the rising cost of living and inflation, the Trade Unions invoked the Building Momentum Agreement review clause in March 2022. Arising from this review a set of proposals were agreed in August which include additional pay increases for members in 2022 and increases in 2023. When the additional increases are taken into account, members' pay would increase by a minimum of 9.5% during the period covered by Building Momentum (2021 - 2023).

The current proposal advances the ethos of previous public service agreements which prioritised the pay of lower and middle-income earners by utilising flat rate pay increases for this cohort.

The Executive Committee recognise that the proposal does not fully alleviate the impact of inflation and the rise in energy costs faced by members. However, if accepted, the proposal would bring a degree of certainty to members and their financial situation.

In addition to the measures contained in the proposal, we expect the Government to make good on their promise that economy-wide cost-of-living supports would accompany this proposal. These are expected in the upcoming Budget and the Labour-Employer Economic Forum (LEEF) (Ireland's national forum for social dialogue between unions, employers and Government).

After careful consideration and scrutiny of the proposal, and taking into account the views of the membership as expressed by our Council, the Executive Committee advises that IFUT members should vote to accept these proposals. In this regard, a secret ballot vote will be held from Tuesday, 27th September to Thursday, 6<sup>th</sup>October.

The Ballot will be an electronic Ballot. Each member will receive an e-mail with a secure voting link and voting instructions from our professional online voting partner Mi-Voice. If you don't receive your e-mail from Mi-Voice in the coming days, don't hesitate to get in contact e: <u>support@mi-voice.com</u> or phone: +35315133293.

#### Please ensure to check your Junk Mail

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#### **Your Questions Answered**

#### **INTRODUCTION:**

On 30<sup>th</sup> August 2022, the Workplace Relations Commission (WRC) published proposals for a public service pay package to resolve differences between public service unions and the Government.

The WRC facilitated negotiations between public service unions and the Department of Public Expenditure and Reform (DPER). These meetings took place between May and June 2022 after the ICTU Public Services Committee (PSC) invoked a review clause in Building Momentum. The review clause was invoked in response to high and sustained inflation, which was not anticipated when the agreement was negotiated in late 2020.

The talks broke down on 17<sup>th</sup> June 2022 after union negotiators rejected a government offer totalling 5% (on top of existing Building Momentum pay adjustments).

Talks resumed on 29<sup>th</sup> August, and the Government made an improved offer, which was further improved following negotiations, which ended in the early hours of 30<sup>th</sup> August. Later that day, the WRC published its proposals.

The Public Services Committee (PSC) met and agreed that individual unions should consult members and/or Ballot on the proposals. The PSC will meet again on 7<sup>th</sup> October 2022, to make a collective decision on whether to reject or accept the package.

#### WHAT ARE THE PAY PROPOSALS?

The package would make the following pay adjustments:

- 3% with effect from 2<sup>nd</sup> February 2022
- 2% with effect from 1<sup>st</sup> March 2023
- 1.5% or €750 a year (whichever is the greater) with effect from 1<sup>st</sup> October 2023. The €750 a year floor means those on lower incomes will receive a larger percentage increase than higher paid staff.



#### IS THIS IN ADDITION TO EXISTING BUILDING MOMENTUM PAY ADJUSTMENTS?

Yes. The WRC-proposed increases would come on top of those paid and scheduled under the original Building Momentum agreement. These are:

- 1% or €500 a year (whichever is the greater) from 1<sup>st</sup> October 2021.
- The equivalent of a 1% increase through sectoral bargaining from 1<sup>st</sup> February 2022 (many public servants received this as a straight 1% payment – see 'sectoral bargaining' below).
- 1% or €500 a year (whichever is the greater) from 1<sup>st</sup> October 2022. Again, the €500 floor means those on lower incomes will receive a larger percentage increase than higher paid staff (see below).
- 9.5% 12% between 2021 and 2023, all told.

#### **HOW DO LOWER-PAID WORKERS BENEFIT MORE?**

In percentage terms, the package is worth an additional 6.5% between February 2022 and December 2023, on top of existing Building Momentum pay adjustments.

But the cash floor of  $\in$ 750 (in October 2023) means a higher percentage increase for workers who earn below  $\in$ 50,000.

For example, the salary level of a person earning  $\in 25,000$  a year would increase by 8%, and the salary level of a person earning  $\in 37,500$  would increase by 7%.



#### WHEN WOULD I RECEIVE THE 3% INCREASE DUE IN FEBRUARY 2022?

If the package is accepted, the first additional increase of 3% will be backdated to  $2^{nd}$  February 2022. This would appear in pay packets as a 'lump sum' back payment after the agreement is ratified. This would likely be paid in November 2022.

#### ARE THERE ADDITIONAL NON-PAY ELEMENTS TO THE PACKAGE?

While there are no additional non-pay elements in this specific package, the Government came to the negotiations promising that economy-wide cost-of-living supports would accompany any pay improvements. These are expected to come through the 2023 Budget announcement (scheduled for 27th September 2022) and the Labour-Employer Economic Forum (LEEF), which is Ireland's national forum for social dialogue between unions, employers and the Government.

#### DOES THE WRC PACKAGE AFFECT SECTORAL BARGAINING UNDER BUILDING MOMENTUM?

No. The 'sectoral bargaining fund' established under the original Building Momentum agreement is not affected by the WRC proposals. IFUT opted to use the allocation as a straight 1% payment, and most institutes have either received it or are due to receive it from 1st February 2022.

#### DO THE PAY IMPROVEMENTS APPLY TO ALLOWANCES?

Yes, the increases would apply to pensionable allowances.



#### WHAT ABOUT PART-TIME WORKERS, JOB-SHARERS, HOURLY PAID STAFF, ETC?

Pay adjustments will be delivered through revised pay scales if the proposed agreement is accepted. Part-time workers and others who don't work full-time hours will get pro-rata adjustments based on the number of hours they work.

#### WHO WOULD THE PACKAGE APPLY TO?

The package would apply to workers currently covered by the Building Momentum agreement, including Universities and other Higher Education Institutions covered by public sector pay agreements.

#### ARE THERE ANY PRODUCTIVITY MEASURES IN THE PACKAGE?

There are no additional productivity measures in the WRC-proposed package. Moreover, it reaffirms the measures in the original Building Momentum agreement.

#### WHAT IS THE DURATION OF THE WRC-PROPOSED PACKAGE?

The package would extend the duration of Building Momentum by one year so that it would expire on 31st December 2023. Unions would expect to be in negotiations on a successor agreement around the middle of next year.

#### HOW WOULD THIS AFFECT PUBLIC SERVICE PENSIONERS?

IFUT has written to Minister McGrath through ICTU. Minster McGrath has confirmed that the current pensions increase policy of maintaining parity between the pay of serving staff and pensioners will be extended for the duration of the new pay agreement.

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#### HOW WILL A DECISION ON ACCEPTING OR REJECTING THE PROPOSAL BE REACHED?

The IFUT Executive Committee is advising acceptance of the proposals. Accordingly, a secret ballot vote will be held from Tuesday, 27th September, to Thursday, 6th October. The Ballot will be an electronic Ballot. As distinct from a Ballot on Industrial Action, a Ballot on a Public Sector pay proposal is conducted across all IFUT institutions covered by the proposal and not on an institution-byinstitution basis.

Once you have voted, all the IFUT Ballots will be counted, and a result declared.

Thereafter the Unions within the Public Services Committee of ICTU will meet on Friday, 7th October. Based on the outcome of their respective Ballots, each Union will take part in a collective decision on whether to accept or reject the package. Voting at that meeting will be weighted to reflect the number of public servants that each Union represents.

#### HOW DOES THE ELECTRONIC BALLOT WORK?

IFUT members who are eligible to vote will receive a 'unique voter code' and a link to a secure electronic voting platform by email. The voting platform carries full instructions on how to cast your vote.

Note that your 'unique voter code' can only be used once, and that it cannot be reissued.

If you don't receive your email from our professional ballot partners, Mi-Voice in the coming days, please contact e:support@mi-voice.com or phone: +353 15133293



#### WHAT ABOUT PLANNED INDUSTRIAL ACTION BALLOTS?

The ICTU Public Services Committee (which represents most unions in the sector) has recommended that planned industrial action ballots be suspended while unions consult on the WRC package.

#### WHAT DO I DO IF I HAVE OTHER QUESTIONS OR QUERIES?

If you have any other questions or queries, please don't hesitate to contact the IFUT head office <u>admin@ifut.ie</u>

We would like to thank you for taking the time to read this "Your Questions Answered Guide".

#### Yours Fraternally,

**Frank Jones** 

General Secretary IFUT **Miriam Hamilton** 

Deputy General Secretary IFUT





# Appendix 1



**TO:** Department of Public Expenditure & Reform Irish Congress of Trade Unions Public Sector Committee

Tuesday 30 August 2022

#### Case No: C-166518-22 Issue: Review of Building Momentum

Further to the request for a review of the *Building Momentum* Agreement in accordance with section 5.7 of the Agreement, and following extensive engagement with the parties, the Workplace Relations Commission makes the following proposal (attached) on the basis that it is being recommended by all parties for acceptance.

In the event of its rejection, this proposal will be deemed to be withdrawn and without status.

Liam Kelly Director General

ina Pos Anna Perry

Director of Conciliation

ben to Sullable

Aoibheann Ni Shuilleabhain Deputy Director of Conciliation

0 Sylda Langford **Regional Manager** 

#### 1. Review of Building Momentum

1.1 A review of Building Momentum was conducted in accordance with Section 5.7 of the Agreement in acknowledgement of changes to the underlying assumptions of the Agreement regarding inflation.

1.2 The parties have noted that inflationary pressures have evolved over the period of the Agreement in a manner that was not anticipated in late 2020. The parties also recognise the high level of economic uncertainty which forms the backdrop to this Review Agreement.

1.3 The parties agree to re-affirm the text and commitments of Building Momentum (and previous public service agreements) save where varied by the provisions of this review Agreement.

1.4 The parties agree to an extension in the terms of the existing public service agreement, Building Momentum, by 12 months to 31 December 2023.

#### 2. Commitment to delivery

2.1 Building Momentum was agreed in an unprecedented time, in a landscape that was dominated by the challenges of Brexit and the Covid-19 public health emergency. The Covid-19 pandemic saw an extraordinary display of commitment, flexibility hard work and agility in service provision across the range of civil and public services. Building Momentum reflects a commitment to harness this momentum for change to meet immediate and future challenges.

2.2 Chapter 1 of Building Momentum and the appendix includes a comprehensive agenda for reform and delivery of quality public services.

2.3 Owing to the commendable effort and commitment of public servants throughout the system, significant progress has already been made in delivering on key productivity and reform measures across all sectors. The progress made in this regard has been reflected in periodic reports on sectoral reform action plans.

2.4 The parties agree that the efforts to deliver on this extensive reform agenda will continue. The agility demonstrated by the public service in response to the Covid-19 pandemic will continue as the crisis subsides; and the need to address issues arising from Brexit remains. The conflict in Ukraine brings fresh challenges that can also be addressed within the framework of the existing reform agenda.

2.5 The enabling reform agenda outlined in Building Momentum will, therefore, continue to drive improvements in service delivery for the citizen. As inflationary pressures create a cost of living challenge for all citizens, the public service will need to be responsive, adaptable and progressive in order to support our citizens in meeting that challenge.

2.6 Accordingly, the parties reaffirm their commitment to the productivity and reform agenda and commitments set out in Section 1 of the Building Momentum agreement.

2.7 There will also be engagement between the parties on the implementation of the McLoughlin Report with a view to commencing implementation from December 1<sup>st</sup> 2022, on a cost neutral basis. In addition, in line with Labour Court Recommendations LCR21900, LCR21901 and LCR22075 and,

more recently, the Report of the Expert Review Body on Nursing and Midwifery, the parties agree that Recommendation 38 of that review will be immediately implemented in full.

#### 3. Pay

3.1 The following pay adjustments will apply in addition to the existing pay terms in Building Momentum:

- An increase in annualised basic salaries for public servants of 3% on 2 February 2022. Section 3.1.4. of the existing Agreement will apply in respect of this adjustment.
- An increase in annualised basic salaries for public servants of 2% on 1 March 2023.
- An increase in annualised basic salaries for public servants of 1.5% or €750, whichever is greater, on 1 October 2023.

3.2 These adjustments are in acknowledgment of the fact that higher than anticipated rates of inflation have emerged since mid-2021, the current projections for inflation in 2022 and 2023, and the particular impact of cost of living pressures for those on lowest incomes.

3.3 The Public Service Pay Commission in the context of its reports on recruitment and retention issues in the public service over 2018 and 2019 recommended that the parties should consider putting arrangements in place, at an appropriate time, and without compromising the stability of the public service pay bill, by which a broader review of public service pay could be progressed. A sectoral bargaining fund was established under Building Momentum, to provide a mechanism (as set out in section 2.1.1) to address some outstanding adjudications, commitments, recommendations, awards and claims. In order to build on this process, the parties agree that an initial exploratory engagement on the potential options for a future approach to such issues will take place in early 2023 with a view to informing negotiations on a successor public service agreement.

#### 4. Resolving disagreements and ensuring industrial peace

4.1 The parties reaffirm their commitment to the provisions of Chapter 5 of Building Momentum as clarified in February 2022 and to utilising the dispute resolution procedures.

4.2 As stated in section 5.5.4 of the Agreement the benefits of the Agreement as amended by the Review Agreement, will be confined to those employees represented by unions in membership of the Irish Congress of Trade Union or other unions or representative associations which have notified the WRC of their intention to comply with the Agreement.



# Appendix 2



9 September 2022

Mr Kevin Callinan ICTU Public Services Committee 31-32 Parnell Square Dublin 1

Dear Mr Callinan

I refer to your letter dated 31 August 2022 seeking clarification in relation to future pension increase policy, as part of the new pay agreement, negotiated in the Workplace Relations Commission.

Following consultation with officials from this department, I have agreed that the current pensions increase policy, of maintaining parity between the pay of serving staff and pensions, will be extended for the duration of the new pay agreement.

I trust this information will be of assistance as you actively campaign for the agreement to be ratified by your members.

Yours sincerely

Michael Mc Grath

Michael McGrath TD Minister for Public Expenditure and Reform

c.c. Gerry Foley, Chair, Alliance of Retired Public Servants

### REVIEW OF BUILDING MOMENTUM WRC PROPOSAL

## Building Momentum

Building Momentum Review Total Increases if Accepted

Percentage Increase	Received/Due Date	Which Agreement
The greater of 1% or €500	1st October 2021 (Received)	Building Momentum
(Sectoral Bargaining)1%	1st February 2022 (Received)	Building Momentum
(Backdated) 3%	2nd February 2022 (Due Nov 2022)	Building Momentum Review
The greater of 1% or €500	1st October 2022 (Due)	Building Momentum
2%	1st March 2023 (Due)	Building Momentum Review
The greater of 1.5% or €750	1st October 2023 (Due)	Building Momentum Review
Total Minimum 9.5%		
Cumulative 9.95%		Contraction of the second

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