

5th February, 2020

Mr Danny McCoy
Chief Executive Officer
IBEC
84/86 Lower Baggot Street
Dublin 2



Dear Danny

I am writing to you with regard to Ibec's comments on political parties' manifesto commitments, particularly those relating to industrial relations.

You will appreciate that many of these commitments reflect the dialogue that the Irish Congress of Trade Unions and our affiliated unions have had with political parties and independent politicians in the run-up to the general election on the need to transform Ireland's current, narrow and restrictive system of collective bargaining, including to ensure the right of workers to be represented by a trade union of their choice. Ibec I believe will be familiar with this campaign through your own engagement with ICTU in various fora. And it is clear to us that many political parties and independents have and are responding positively.

You will recall that in 2013, the Irish trade union movement commemorated the anniversary of the 1913 Lock-Out, when workers were denied the right to be represented by a trade union and to negotiate for decent pay and conditions.

It is a matter of deep regret that despite the Irish Constitution guaranteeing the right to join a union and Ireland having signed international treaties and conventions that commit to upholding the right to collective bargaining, including ILO conventions, the European Social Charter and the European Convention of Human Rights, workers in Ireland are still denied the fundamental right to engage in collective bargaining. A simple example of this would be the effective veto exercised by employers on the establishment of Joint Labour Committees (JLCs). Consequently, Ireland's current labour market flexibility inevitably results in Ireland having one of the highest levels of low-paid workers in the EU and the Irish state having to spend hundreds of millions each year subsidising low-paying firms through payments such as the Working Family Payment, monies that we believe could be better invested in tackling other labour market challenges such as skills shortages.

We are convinced that reforming Ireland's system of collective bargaining would also better enable us to address other challenges. You will be aware for example that the OECD has recently revised its position on collective bargaining and concluded that countries with well-developed and well-designed systems, such as Austria, Denmark, Germany, the Netherlands, Norway and Sweden, produce much better labour market outcomes - in terms of raising employment and reducing unemployment (particularly among women, young people and low-skilled workers), promoting wage equality, improving working conditions, building resilience among workers in the face of economic downturns and new risks, and crucially raising productivity - than countries where collective bargaining takes place mainly at the firm level (if at all).

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Bringing our system closer to the systems found in these countries would, we believe, better equip us to address other pressing labour market challenges and those posed by the need to reduce greenhouse gas emissions and changes in the world of work, amongst others. This we believe would have significant *positive* consequences for workers and for employers.

I believe that we both agree on the need to have a better system of tripartite social dialogue in Ireland. I am of the view that had this been in place over recent years and had the government engaged in a genuine social dialogue, we might have been able to address many of the societal challenges that have moved up the agenda over recent years. Regrettably, this proved not to be the case. However, as always, we live in hope.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Patricia King', written in a cursive style.

Patricia King
General Secretary