

Postal Ballot of Members on New Pay Agreement

Talks between the social partners - including employers, Government and the trade unions - on the Social Partnership Agreement, *Towards 2016 - Review and Transitional Agreement (2008-2009)* concluded on September 17th.

The ASTI's Central Executive Council met on Saturday, October 11th and adopted the following resolution:

That Towards 2016 Transitional Agreement (Pay and the Workplace) be put out to a ballot

The proposed agreement resulting from the social partnership talks involves a cumulative pay increase of 6% over a 21-month period subject to co-operation with the terms of the agreement.

For teachers and other public servants, the first pay increase (3.5%) will be payable on September 1st, 2009. The second pay increase (2.5%) will be payable on June 1st, 2010.

A ballot will be sent to the last home address notified by members to Head Office. Closing date for the return of the ballot is 5pm on Friday, November 7th. Your membership number is on your membership card and on the label of the envelope sent to you. Ballots will be counted independently by a firm of auditors.

Following the result of the ASTI ballot, an ICTU Special Delegate Conference will take place on Monday, November 17th. ASTI representatives will attend the Conference and will vote on the new pay agreement in accordance with the outcome of the ASTI ballot.

This Nuacht contains the extract from the agreement which sets out the terms of the agreement as it applies to public sector employees including teachers.

Details regarding ballot arrangements are also available on the ASTI website

The closing date for the return of your ballot paper is 5pm on Friday, November 7th.

All members are encouraged to exercise their right to vote

Extract from Towards 2016 - Review and Transitional Agreement 2008-2009

Public Service Pay and Related Issue

Section 17: Public Service¹ Pay

Support for Modernisation and Flexibility

17.1 *Sustaining Progress* and *Towards 2016* set out a number of principles concerning public service modernisation and flexibility. The parties to the current agreement consider that these principles have established a worthwhile framework within which the process of ensuring that our public services meet the evolving requirements of the Irish people can be advanced. These principles are incorporated in the current agreement.

Maintenance of Essential Services

17.2 Continuity of service is a primary concern for the public. In *Towards 2016* the parties acknowledged the importance of stable industrial relations and committed themselves to maintaining a well-managed industrial relations environment to prevent disputes affecting the level of service to the public. A stable industrial relations climate has important benefits for the general public and the public service itself. These benefits include the provision of uninterrupted services, improved productivity and staff morale, increased public confidence and the maintenance of Ireland as a desirable location for foreign direct investment.

17.3 *Towards 2016* recognises that many public services differ from services which are provided by the private sector in that they are essential services which the public cannot obtain from alternative sources. The parties accepted, therefore, that providers of essential services and their staff have a special responsibility to ensure that they have well developed communication channels and to seek to resolve problems before they escalate into industrial disputes. It was agreed that if a problem cannot be resolved all parties would take up all available dispute resolution mechanisms (both statutory and non-statutory).

17.4 In order to develop further procedures for the resolution of disputes involving essential services, the parties commit themselves to developing, over the duration of the new pay agreement, workable protocols for the resolution of disputes in essential services and the maintenance of an acceptable level of service.

Current Agreement

17.5 The parties are agreed on the importance of confidence in regard to wage developments. Specifically, employers expect unions to adhere to the terms agreed and unions expect the terms to be applied to their members in accordance with the provisions of this Agreement.

¹The term "Public Service" does not include commercial State-sponsored bodies

17.6 This Agreement:

- Provides that no cost-increasing claims by trade unions or employees for improvements in pay or conditions of employment, other than those provided in Section 17.18 and Section 17.21 will be made or processed during the currency of this Agreement;
- Commits employers, trade unions and employees to promoting industrial harmony; and
- Precludes strikes or other forms of industrial action by trade unions, employees or employers in respect of any matters covered by this Agreement, where the employer or trade union concerned is acting in accordance with the provisions of this Agreement.

17.7 The parties are agreed that engagement at local level in relation to issues in dispute must be meaningful and undertaken in a spirit of making every effort to reach agreement at the earliest possible stage.

17.8 Where the parties cannot reach agreement through negotiations on any matters covered by this Agreement after local discussion, these will be referred to the Labour Relations Commission (LRC) and, if unresolved, shall jointly be referred to the Labour Court or, where appropriate, to other agreed machinery. Where a Conciliation and Arbitration Scheme applies, the referral shall be to the Conciliation machinery under the Scheme and, if unresolved, shall be jointly referred to the Arbitration Board acting in an ad hoc capacity.

17.9 If a dispute arises as to what constitutes a breach of the Agreement, after local discussion, the matter will be referred to the LRC and, if unresolved, it shall jointly be referred to the Labour Court under Section 20(2) of the Industrial Relations Act, 1969, and the parties will accept the outcome. Where a Conciliation and Arbitration Scheme applies, the referral shall be to the Conciliation machinery under the Scheme and, if unresolved, shall be jointly referred to the Arbitration Board acting in an ad hoc capacity, and the parties will accept the outcome.

17.10 Where there is disagreement as to what constitutes normal ongoing change, after local discussion the matter will be referred to the LRC, and if unresolved, it shall jointly be referred to the Labour Court for adjudication under Section 20(2) of the Industrial Relations Act, 1969, and the parties will accept the outcome. Where a Conciliation and Arbitration Scheme applies the referral shall be to the Conciliation machinery under the Scheme and, if unresolved, shall be jointly referred to the Arbitration Board, acting in an ad hoc capacity, and the parties will accept the outcome.

17.11 The parties will ensure that the foregoing processes will operate expeditiously. The assistance of the Public Service Monitoring Group may be sought if required.

NIB and the Public Service

17.12 The Agreement provides for the continuation of the National Implementation Body to ensure the delivery of the stability and peace provisions of this Agreement.

Public Service Monitoring Group

17.13 A Public Service Monitoring Group (PSMG) was set up under the *Programme for Prosperity and Fairness* (PPF) and continued under *Towards 2016* to oversee implementation of the public service pay agreement. The PSMG deals with any overarching issues that arise in implementing these agreements as well as any other issues which both sides agree would help to improve the operation of public service pay and industrial relations arrangements. The PSMG will continue to meet on a regular basis under this Agreement.

General

17.14 The parties, their officials and members accept as essential, adherence to the spirit and intent of the Agreement and will communicate these commitments, obligations and responsibilities in good faith.

17.15 In this context, the parties to the Agreement recommit themselves to developing the partnership process at the workplace in accordance with commitments under previous national agreements. It is intended that the National Centre for Partnership and Performance will play a key role in supporting this process.

17.16 All other aspects of the Agreement apply equally in the Public Service.

Pay Increases

17.17 This Agreement shall come into force on the expiry of the first pay agreement under *Towards 2016* and will last for 21 months.

17.18 It is agreed by the parties that the following basic pay terms shall apply:

- A pay pause of 11 months from the expiry of the last phase of the first module under *Towards 2016*;
- An increase of 3.5% from 1 September 2009; and
- An increase of 2.5% from 1 June 2010 - except for those earning up to and including €430.49 per week (€22,463 per annum) on commencement of the second phase where a 3% increase will apply.

17.19 The payment of these increases is dependent, in the case of each sector, organisation and grade, on verification of co-operation with flexibility and ongoing change, including co-operation with satisfactory implementation of the agenda for modernisation set out in the Agreement, maintenance of stable industrial relations and absence of industrial action in respect of any matters covered by the Agreement. The arrangements under Section 33 of *Towards 2016* to verify that the conditions for the payment of these increases have been met will continue

17.20 Under the provisions set out in Section 33.3 of *Towards 2016* a Secretary General may refuse to sanction the payment of any of the increases outlined at Section 17.18. If the matter which gave rise to that decision is subsequently resolved then the payment may be made from the date which the relevant Secretary General deems appropriate in the circumstances. In the event that there is disagreement in relation to the effective date, it is accepted that the question will be processed through the existing industrial relations machinery and that the outcome will be binding.

Benchmarking

- 17.21 It is agreed by the parties that the increases recommended in the second report of the Public Service Benchmarking Body will be paid as follows:
- (a) 5% from 1 September 2008, or where the total increase is less than 5%, the full increase from that date;
- (b) The issue of the payment of any balances will be discussed between the parties in the context of any successor to this Pay Agreement which might be agreed between the social partners, or whatever other arrangements may be in place on the expiry of this Agreement.
- 17.22 The provisions above including the phasing specified will apply to any increases that may arise from the Craft Parallel benchmarking process and the related processes for the non-nursing grades and the general operatives.

Review of the process

- 17.23 Public Service Pay in the late 1990s was characterised by a disconnection with the labour market generally, internal leap-frogging and considerable industrial action. In this context, the parties to the *Programme for Prosperity and Fairness* in 2000 recognised that there was an urgent need to find a more appropriate way of determining public service pay which would benchmark public service pay by reference to pay in the labour market in Ireland generally. It was accepted that such an approach was required in the interests of fairness both to public servants and taxpayers; to assure industrial peace in the public service; and to ensure that the public service is in a position to attract and retain the staff of the number and calibre needed to deliver the quantum and quality of services that the public are entitled to expect. It was also agreed that this system of pay determination was allied to a continuing programme of public service modernisation and change.
- 17.24 There was agreement that the traditional approach to pay reviews in the public service, based on analogues and relativities, had given rise to serious difficulties in the past. The parties committed themselves, therefore, to an alternative approach grounded in a coherent and broadly-based comparison with jobs and pay rates across the economy.
- 17.25 The agreement between the parties provided for benchmarking exercises on the following basis:
- in-depth and comprehensive research, involving examination and analysis of pay levels across the private sector;
 - an examination of overall public service and private sector pay levels as well as an examination of the pay rates of particular occupational groups (such as clerical/administrative staff, and technicians) and other identifiable groupings (such as graduate recruits);
 - an examination of the overall pattern of pay rates in the private sector and employments across a range of type, size or sector, taking account of the way reward systems are structured in the private sector;
 - an acceptance by both sides that cross-sectoral relativities are incompatible with the operation of benchmarking while

acknowledging that, in practice, wide variations would be unlikely to emerge between the various sectors in the pay of common groups such as clerical/administrative staff, engineers and technicians;

- an acceptance that internal relativities would be a relevant criterion but that traditional or historical relativities between groups in a sector would not prevent the Benchmarking Body from recommending what it considered to be appropriate pay rates on the basis of existing circumstances; and
- an opportunity for employers and unions to make written and oral submissions to the Benchmarking Body.

17.26 It remains the view of the parties, that the principle of benchmarking on the basis set out above is the right one. Periodic and independent reviews are a necessary assurance that public servants are neither lagging behind, nor benefitting excessively, relative to their private sector counterparts. Since the agreement reached under the Programme for Prosperity and Fairness in 2000, two benchmarking exercises have been carried out by the Public Service Benchmarking Body. It is appropriate at this stage that the parties should review the manner in which the benchmarking process has operated.

17.27 Over the course of this agreement, the parties will conduct a joint review of the benchmarking process. While acknowledging that the principle of benchmarking remains appropriate, the review will consider the manner in which benchmarking has operated, the terms of reference for future reviews, the methodology to be used and the basis for comparisons between remuneration in the public service and the private sector. Concerns expressed by the Public Services Committee of the Irish Congress of Trade Unions in relation to these and other matters relating to benchmarking will be covered in this review. In the context of these discussions, there will also be a focus on the development of a more citizen-centred approach to public services (including the impact of the OECD Report on the Public Services) and consideration of how this might be comprehended as part of the benchmarking process.

Public Service Modernisation

Section 18: Focus on the needs of citizens

18.1 The parties will support the development of a more customer-focussed approach to the delivery of public services which puts the public at the centre of public services and acknowledges that there are challenges that must be addressed if the public service is to meet the needs and expectations of our citizens.

18.2 The public service must review continuously its systems, processes and procedures, to ensure that it is responsive and efficient and that it provides high quality, value for money services. The provision of public services must be centred on the needs of the citizen with a clear customer focus as the guiding principle which ensures that citizens are provided with the public service that will deliver the services they expect when needed.

18.3 The parties accept, therefore, that the public service modernisation process must deliver results that are clear, useful and verifiable to the user and must provide a level of performance that delivers outcomes in line with the needs of citizens. This requires that the public service should be organised around the attainment of societal goals with a

focus on the outputs needed and the development of indicators to monitor their achievement. There will be a need also for changes in skill mix; in how services are delivered; when and where they are delivered; and by whom they are delivered. Therefore, in accordance with the provisions of *Towards 2016*, the parties acknowledge the requirement for developing the range of service delivery options, for utilising shared services in areas such as HR, ICT and financial management and for developing cross-organisational solutions as a way of addressing problems of service delivery on a 'whole of Government' basis.

Section 19: Provisions of *Towards 2016*

- 19.1 *Towards 2016* is a ten year framework agreement. The Agreement sets out an agenda for the further modernisation of the public service. It commits the parties to the Agreement to continued co-operation with change and modernisation initiatives, as well as improved productivity across the public service. It builds on the progress made under previous agreements on modernising the public service, through the Strategic Management Initiative/Delivering Better Government in the Civil Service and similar frameworks in other sectors.
- 19.2 The Agreement recognises the necessity for a flexible approach to working practices by individual public servants, management and unions to satisfy the increasing demand for improvements in the provision of public services. This flexibility involves the removal of unnecessary demarcations; the adoption of more modern approaches to work; and the promotion of innovative ways of meeting the demand for services. It is also accepted that it is necessary that managers have the flexibility to adapt procedures to respond to particular pressures, which may vary from sector to sector, and to ensure that work methods are suited to the efficient delivery of services.
- 19.3 *Towards 2016* recognises that the public service must continue to modernise and at a faster rate than heretofore if it is to continue to meet the objectives of an increasingly sophisticated, complex and diverse society. This requirement has even greater force in the challenging economic environment now faced and the Agreement provides an important framework for meeting the economic and social challenges that lie ahead.
- 19.4 There is a well established acceptance of the requirement for co-operation with modernisation and flexibility. While recognising that it is not possible to set out a comprehensive definition of such co-operation which would cover every circumstance which will arise, *Towards 2016* describes key principles of organisational change and gives examples of specific areas of flexibility and change which are covered by the Agreement. It further recognises that while these examples are not exhaustive, the principles and examples, taken together, provide clear guidance on the co-operation that is required. In light of the importance of this issue, the parties reaffirm their commitment to co-operate with normal ongoing change and the flexibility and modernisation provided for in Sections 28 to 32 of the Agreement.
- 19.5 The specific provisions of *Towards 2016* in regard to modernisation of the public service are unaltered and remain in force. The parties consider, however, that it is necessary to take account of developments which have occurred since the *Towards 2016* Agreement and to reflect the appropriate response to these in the current agreement.

Section 20: Developments since the Towards 2016 Agreement

- 20.1 Significant progress has been made at sectoral, organisational and grade level in the public service on advancing the modernisation agenda during the lifetime of the pay agreement that forms part of *Towards 2016*. Through the performance verification process, it has been possible to establish that there has been co-operation with flexibility and ongoing change, including co-operation with satisfactory implementation of the agenda for modernisation set out in the Agreement. Stable industrial relations have been broadly maintained and, with a few exceptions, there has been an absence of industrial action. The parties recognise, however, that further attention must be given to implementing the principles and examples set out in the Agreement and in ensuring a stable industrial relations environment.

Section 21: OECD Review of the Irish Public Service

- 21.1 The OECD review of the Irish Public Service, *Towards an Integrated Public Service*, marks an important stage in the ongoing modernisation of the public service. It acknowledges the central role played by the public service in contributing to national growth and development. It concludes that our public service is on a sound path of modernisation and that our public service has contributed to our competitive advantage. However, the review also pointed to the requirement for an integrated public service and a greater focus on meeting the needs of citizens
- 21.2 The Government has established a Task Force to develop a new Action Plan for the public service of the 21st Century in the light of the recent comprehensive Review by the OECD.
- 21.3 While the detailed implementation of the Action Plan will require discussions with all relevant interests, the parties to this agreement commit themselves to implementation of the basic principles emerging from the OECD report. In particular, the parties accept the need identified by the OECD to give more emphasis to the public service as an integrated system with a greater focus on meeting the needs of citizens. This requires that people within the different elements of the public service system work in a more consistent, co-ordinated, networked way across the traditional sectoral and organisational boundaries. It also means that Departments, Offices, and Agencies must interact with each other in new ways to ensure integrated action in policy-making, delivery and implementation.

Section 22: Open Recruitment

- 22.1 *Towards 2016* recognises that an expanded use of open recruitment is essential to allow the public service to attract staff with the wide range of skills and experience needed in a modern public administration. The parties affirm their commitment to implementing the agreed provisions in *Towards 2016* in regard to open recruitment, particularly in areas of scarce skills and to leveraging the best internal talent through mentoring, training and promotion.

Section 23: The Health Sector

- 23.1 The modernisation process presents some particular challenges in the health sector including the ongoing evolution of the HSE during the course of the new agreement, as revised structures, reallocation of functions and redeployment of staff, and associated measures will be implemented. It is agreed that, as provided for in Section 28.13 of *Towards 2016*, this will be progressed in a collaborative manner between the parties and that there will be co-operation with the implementation of the changes.