

# 2024-2026 Public Sector Pay Agreement FAQs - Fórsa Your questions answered

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Read the full text of the proposed agreement HERE

Press Release: New public sector pay agreement is maximum achievable.

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## Introduction

A new public sector pay agreement has been negotiated. The proposed agreement was published on Friday 26<sup>th</sup> January 2024, following two months of challenging negotiations.

Going into the negotiations the union side had a clear set of priorities agreed by the Public Services Committee of ICTU on 27<sup>th</sup> September 2023: that any new agreement would address the rising cost of living, especially for low-to middle-earners, that it would contain provisions to allow for the normalisation of industrial relations, that it would contain a measure to stabilise the agreement through the inclusion of a local bargaining clause, and that proposals for future proofing public services would be considered.

The talks adjourned on 10<sup>th</sup> January after union negotiators rejected a Government offer totalling 8.5%. It is the view of the negotiators that the agreement reached on

Friday 26<sup>th</sup> represents the "maximum achievable through negotiation at this moment."

The pay terms of the new agreement are valued at 9.25% over 2.5 years.

The improvements in the pay adjustments due in 2024 – valued at 4.25% for the year – would mean that public service workers would receive more money in the first year than originally envisaged in the Government's initial pay offer, providing a noticeable difference in pay this year at a time when workers are still feeling the impact of three consecutive years of inflation.

The pay provisions in each year of the agreement will deliver more for lower paid workers.

# What is the duration of the agreement?

If the agreement is ratified by union members in a ballot, the agreement would cover the period from 1<sup>st</sup> January 2024 to 30<sup>th</sup> June 2026.

# Has Fórsa taken a position on the proposed agreement?

Fórsa members will ultimately decide whether or not the union will back the new agreement. This will be done through a national ballot. The union's elected National Executive Committee (NEC) met on Tuesday 30<sup>th</sup> January and unanimously recommended acceptance of the proposed new deal to members.

## What are the pay terms?

The proposed Public Sector Pay adjustments for the period 1st January 2024 to 30th June 2026 are as follows:

## 2024

- A general round increase in annualised basic salary for all public servants of 2.25% or €1,125, whichever is greater, from 1st January 2024
- A general round increase in annualised basic salary for all public servants of 1% on 1st June 2024
- A general round increase in annualised basic salary for all public servants of 1% or €500, whichever is greater, on 1st October 2024.

#### 2025

- A general round increase in annualised basic salary for all public servants of 2% or €1,000, whichever is greater, on 1st March 2025
- A general round increase in annualised basic salary for all public servants of 1% on 1st August 2025

#### 2026

 A general round increase in annualised basic salary for all public servants of 1% or €500, whichever is greater, on 1st February 2026  A general round increase in annualised basic salary for all public servants of 1% on 1st June 2026.

The pay proposals are estimated to be worth up to 17.3% for lower paid workers. This is because the flat-rate elements of the pay deal are worth more to public servants earning below €50k per annum. The benefit is greater for incomes below this level.

If the proposed agreement is accepted, unions will not be able to lodge any 'cost-increasing' claims for improvements in pay or conditions during the lifetime of the agreement. However, there are specific provisions for local bargaining.

## What is meant by local bargaining?

A local bargaining clause is different to the sectoral bargaining arrangements that were included in *Building Momentum*. Local bargaining terms included in the agreement would allow trade unions to negotiate outcomes up to an **additional 3% of payroll costs**, inclusive of allowances, for particular grades, groups or categories of employee.

Detailed arrangements for local bargaining are to be agreed by the 30th of June this year. Local negotiations could then take place between July 2024 and June 2025. To the greatest extent possible agreements would be secured through direct negotiations.

This process will provide opportunities for specific groups, grades and categories to deal with issues of particular concern, including structural changes, and to have those addressed through the additional 3% secured under the terms of the new agreement.

The first phase of local bargaining is due on 1<sup>st</sup> September 2025, equivalent to 1% of payroll costs. The remaining balance, equivalent to 2% of payroll costs, will be due to be implemented during the term of a successor agreement.

## Do the pay improvements apply to allowances?

The increases will apply to pensionable allowances.

## What about part-time workers, job-sharers, etc.?

If the proposed agreement is accepted, pay adjustments will be delivered through revised pay scales. 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.

# What does the agreement say about working hours?

The additional working hours known as the 'Haddington Road' hours were addressed during the period covered by the previous pay agreement, *Building Momentum*. The new agreement commits unions and the employer to remain in a process aimed at resolving the issue of divisors for the calculation of overtime in the Civil Service affected by the 2013 Haddington Road Agreement.

## What about outsourcing?

Strong protections against outsourcing are in this agreement, consistent with other public sector pay agreements dating back to 2010. All public service bodies are required to engage with unions and representative associations in the development of any service delivery plan and must consult prior to the outsourcing of any service.

The new agreement reaffirms the employer's commitment to the use of direct labour "where consistent with efficient and effective public service delivery."

## What modernisation and reform measures are in the package?

The agreement reaffirms the provisions of previous agreements on the continuing transformation of public services and continues to provide a framework to enable the sustained transformation of public services.

The agreement also acknowledges a leading role for the public service in embracing and adapting to developments in digitalisation and commits unions and the employer to a process of consultation and engagement, with a view to achieving the Government's target of making 90% of applicable public services accessible online by 2030.

## Is there a 'no strike' clause?

Every public service agreement has included restrictions on industrial action, and this agreement is no exception. The agreement sets out a simplified dispute resolution process, compared to the previous *Building Momentum* agreement, including an 'industrial peace' clause.

# What does the agreement say about public service apprenticeships?

The agreement outlines commitments to expand the range of available apprenticeship schemes, and the implementation of the Public Service Apprenticeship Plan (2023), which sets a target of at least 750 annual registrations across all public service organisations by 2025. This includes specific targets for craft apprenticeships.

## What happens if the economic and fiscal situation changes?

Like the previous agreement, *Building Momentum*, the proposed new agreement contains the same provision to review the terms of the agreement "where the underlying assumptions of the agreement need to be revisited." This provision, for example, enabled unions to seek review of *Building Momentum* in 2022 because of high and sustained inflation, which was not anticipated when that agreement was negotiated in 2020.

## What are the implications for public service pensioners?

The negotiators secured a commitment that the pay increases would be applied to public service pensions for the duration of the agreement. In the main, this means that pension payments will be adjusted in line with pay adjustments for serving staff.

Pensions are adjusted in line with inflation (the Consumer Price Index, or CPI) in the case of the single public service pension scheme, which applies to all civil and public

servants who entered public service employment on or after 1<sup>st</sup> January 2013. This means that the pensions of members of this scheme are not affected by pay movements, including those in the proposed agreement.

# What happens if the proposed agreement is rejected?

The *Building Momentum* agreement expired on 31<sup>st</sup> December 2023. If the new agreement is rejected, there will continue to be no public service agreement in place. The absence of an agreement means that existing protections, which restrict management's ability to impose workplace changes without consultation or agreement, are no longer in place.

Union negotiators advised affiliate unions on Friday 26<sup>th</sup> January that the pay terms of the new agreement, valued at 9.25% over 2.5 years, represented the "absolute maximum achievable" through negotiations at this time, and the outcome of a challenging negotiations process. Union negotiators don't believe it would be possible to agree a better outcome at this time.

In the event of a rejection of the proposals, consideration would need to be given to a campaign of industrial action aimed at securing better terms.

# What happens next?

The 19 affiliate unions will commence preparations for their ballots once the terms of the new agreement have been considered by each union's national executive. The Public Services Committee will meet on the 25<sup>th</sup> March to aggregate the results of all ballots, after which the ICTU Public Services Committee will accept or reject the package on the basis of aggregated union ballot results.

The ICTU Public Service Committee (PSC) represents all 19 ICTU-affiliated unions with members in the civil and public service. It decides through a weighted aggregate of the outcomes of all the union ballots, which means the voting strength of each union is determined by the number of members it has in the civil and public service.

## How can Fórsa members have their say?

Information meetings will take place online and in workplaces from Tuesday 6<sup>th</sup> February. A ballot of Fórsa members will commence on Monday 19<sup>th</sup> of February and conclude on Friday 15<sup>th</sup> of March at 12 noon.

# Ask a question

If you have a question about the proposed agreement, please <u>contact us by email</u> <u>here</u>.

Read the full text of the proposed agreement HERE.

It's never been more important – or easier – to get the protections and benefits of union membership. Join Fórsa <u>HERE</u> or contact us <u>HERE</u>.