REVIEW OF JOINT LABOUR COMMITTEES CARRIED OUT BY THE LABOUR COURT IN ACCORDANCE WITH SECTION 41A (1) THE INDUSTRIAL RELATIONS ACT, 1946.

INCLUDING

RECOMMENDATIONS OF THE LABOUR COURT MADE UNDER SECTION 41A (4) OF THE INDUSTRIAL RELATIONS ACT 1946

12 APRIL 2023

Review of Joint Labour Committees

12 April 2023

Introduction

Section 41A of the Industrial Relations Act 1946 ('the Act') requires the Labour Court to carry out a review of each Joint Labour Committee (JLC) at least once every five years. The last such review was completed on 20 April 2018. Following the completion of that Review and making of orders by the Minister as a result of the Review, the following Joint Labour Committees were in existence:

- 1. Agricultural Workers
- 2. Catering
- 3. Contract Cleaning
- 4. Hairdressing
- 5. Hotels
- 6. Retail, Grocery and Allied Trades
- 7. Security Industry

Two further JLCs have since been established for the Early Years' Service and for the English Language Schools.

The within review is undertaken in accordance with Section 41(A) of the Act, which provides as follows:

- 41A. (1) As soon as practicable after the commencement of section 11 of the Industrial Relations (Amendment) Act 2012, and at least once every 5 years thereafter the Court shall carry out a review of each joint labour committee.
 - (2) Before carrying out a review under subsection (1), the Court shall publish in the prescribed manner a notice setting out —
 - (a) that the Court proposes to carry out a review of a joint labour committee, and
 - (b) that submissions in respect of the review may, before a date specified in the notice, be made to the Court in writing setting out the grounds on which the joint labour committee concerned should be retained, abolished or amalgamated with another joint labour committee, and the Court shall consider any submissions made in accordance with paragraph (b) and carry out the review within 6 weeks of the date specified in the notice for receipt of submissions.
 - (3) When carrying out a review under subsection (1), the Court shall have regard to the following:
 - (a) a review by the Labour Relations Commission made under section 39 of the Industrial Relations Act 1990 in respect of the joint labour committee concerned;

- (b) the class or classes of workers to which the joint labour committee applies, and the Court shall have particular regard to changes in the trade or business to which the joint labour committee applies, since
 - (i) the committee was established, or
 - (ii) the last review under this section was carried out;
- (c) the type or types of enterprises to which the joint labour committee applies, and the Court shall have particular regard to changes in the trade or business to which the joint labour committee applies, since
 - (i) the committee was established, or
 - (ii) the last review under this section was carried out;
- (d) the experience of the enforcement of statutory minimum remuneration and statutory conditions of employment within the sector;
- (e) the experience of any adjustments made to the rates of statutory minimum remuneration and statutory conditions of employment;
- (f) the impact on employment levels, especially at entry level, of fixing statutory minimum remuneration and statutory conditions of employment;
- (g) whether the fixing of statutory minimum remuneration and of statutory conditions of employment by the joint labour committee has been prejudicial to the exercise of collective bargaining as a means of achieving the legitimate interests of employers and workers in the sector;
- (h) in the case of a joint labour committee that represents workers and employers in a particular region in the State, whether the basis for the continuation of such regional representation is justified;
- (i) any submissions made in accordance with subsection (2)(b).
- (4) Following a review under subsection (1)
 - (a) where the Court is satisfied that to do so would promote harmonious relations between workers and employers and assist in the avoidance of industrial unrest, the Court may recommend that
 - (i) the joint labour committee is maintained in its current form,
 - (ii) the joint labour committee is amalgamated with another joint labour committee, or
 - (iii) the establishment order pursuant to which the joint labour committee was established is amended,

or

(b) where the Court is satisfied that it is no longer appropriate to maintain a joint labour committee the Court may recommend that the joint labour committee is abolished.

Section 41A(3)(a) – The Court notes that, following the repeal of section 39 of the Industrial Relations Act 1990 by section 3 of the Industrial Relations (Amendment) Act 2012, no review has been undertaken by the Labour Relations Commission / Workplace Relations Commission since the completion of the last review in 2018. This matter, therefore, is not a matter which can impact on the Court's recommendation to the Minister in the case of any JLC.

Clarification

At the outset of this report, the Court clarifies that its function in carrying out this review is confined to that set out in the legislation. In essence that function is to have regard to the factors specified in the legislation at Section 41A (3) and, having done so, to make a recommendation to the Minister. The Court may, where to do so would promote harmonious relations between workers and employers and assist in the avoidance of industrial unrest, recommend the maintenance of a JLC in its current form or the amalgamation of one JLC with another or the amendment of the establishment order for the JLC. Alternatively, where the Court is satisfied that it is no longer appropriate to maintain a JLC, the Court may recommend the abolition of that JLC.

It is not the function of the Court in this review to recommend for or against the making of an Employment Regulation Order (ERO) for any sector. The procedure for the formulation of proposals for the making of an Employment Regulation Order is set out in the Act at Section 42A and Section 42B of the Act. The statutory functions of the Court in considering any such proposals are set out in the Act at Section 42B. The Act at Section 42A (6) sets out a clear and comprehensive range of matters to which a JLC when making proposals for an ERO must have regard.

The Act makes no provision for the Court to consider, as part of this review, the establishment of a new JLC.

The Act makes provision for this review to amend establishment orders for JLCs and this is dealt with in this report.

Background

Part IV of the Industrial Relations Act 1946 empowered the Labour Court to establish JLCs in certain circumstances. Following a decision of the High Court in July 2011 in relation to an action brought by a group of employers in the catering sector, which decision found Part IV of the Act to be unconstitutional, all JLCs were suspended. A review of JLCs conducted by Kevin Duffy and Frank Walsh, at the behest of the Government, was followed by legislative amendment and a revised statutory framework, as set out in the Industrial Relations (Amendment) Act 2012 (the Act of 2012).

The Act of 2012, at Section 11, provides for a review of all JLCs to be carried out at least once in every 5 years. The first such review was carried out by the Labour Court and completed on 22 April 2013. The second was completed on 20 April 2018.

Three JLCs have met since the completion of the last review by the Court, viz: Security Industry; Contract Cleaning and Early Years' Service. In the case of these JLCs, proposals have been formulated for the making of EROs in that period. These proposals have resulted in the making of EROs as follows:

1. Contract Cleaning

Employment Regulation Order (Contract Cleaning Industry Joint Labour Committee) 2022 S.I. No 110 of 2022.

Employment Regulation (Amendment) Order (Contract Cleaning Joint Labour Committee) 2020 S.I. No 608 of 2020.

2. Early Years

Employment Regulation Order (Early Years' Service Joint Labour Committee) Order No 1 2022 S.I 457 of 2022.

Employment Regulation Order (Early Years' Service Joint Labour Committee) Order No 2 2022 S.I 458 of 2022.

In relation to the Security Industry, proposals were formulated by the JLC and adopted by the Labour Court and in August 2022 the Minister signalled his intention to commence a new ERO, in line with the adopted proposals. Following a High Court injunction, the Minister was prohibited from commencing the proposed statutory instrument, pending the lifting of the injunction.

This report sets out briefly the history of the operation of each of the existing JLCs since the completion of the Court's Review in April 2018. The Report also sets out the detail of the Court's consideration in the case of each JLC of the factors set out in the Act at Section 41(A)(3). Finally, this report sets out the Court's recommendations in respect of each existing JLC in accordance with the Act at Section 41A (4).

Methodology

The Industrial Relations Act, 1969 (the Act of 1969) at Section 3 in relevant part provides as follows:

3.— Whenever the chairman is of opinion that for the speedy dispatch of the business of the Court it is expedient that the Court should act by divisions, he may direct accordingly, and, until he revokes his direction— ..

(c) for the purpose of the business so assigned to it, each division shall have all the powers of the Court and the chairman of the division shall have all the powers of the chairman and references in this Act to the Court and the chairman shall be construed as including references to a division and the chairman of a division respectively.

The conduct of the within review was assigned by the Chairman to a division of the Court comprising Tom Geraghty, (Deputy Chairman), Paul Bell and Paul O' Brien (Members). That division has, in accordance with the Act of 1969 at Section 3(c), carried out this review and formulated the within recommendations.

In accordance with the Act at Section 41(A)(2), the Court published a notice in national newspapers on 20 January 2023 and on the Court's website, advising that the Court was carrying out a review and inviting written submissions in respect of the review which would, taking account of the legislation at Section 41(A), address matters to be taken into consideration. The fact of the conduct of the Review was communicated by the Court to the Chairpersons of the existing JLCs at the same time and was also advised to bodies nominating persons to be members of the existing JLCs. The deadline for receipt of submissions was 28 February 2023. A total of 20 submissions was received by the Court by the date specified. The detail of bodies who made submissions is set out at **Appendix 1** to this document and summaries are set out in **Appendix 2**. A detailed review of submissions received, by reference to the relevant sub-sections of the Act and the conclusions of the Court in respect of each sub-section for each JLC is at **Appendix 3**.

In addition to advertising the fact of the review, the Court, in consideration of the requirement placed upon it by the Act at Section 41A(3)(d), requested from the Workplace Relations Commission detail of the experience of enforcement of statutory minimum remuneration and statutory conditions of employment within the sectors since the completion of the last review in 2018. The WRC information received is at **Appendix 4.**

The Court conducted this review on the basis of the submissions received and the information provided by the Workplace Relations Commission.

The full text of submissions received can be accessed at www.labourcourt.ie/en/publications/joint-labour-committees-review

The division met on the following dates to conduct the review:

- 19 December 2022
- 2 March 2023
- 10 March 2023
- 20 March 2023

Conclusions

The Court has considered the submissions of the parties and the response of the Workplace Relations Commission. The obligation of the Court is to have regard to the matters set out in legislation at Section 41(A)(3). The parties' observations have been most helpful to the Court in this regard. The Court, at **Appendix 2**, has set out a summary of the submissions of the parties as they impinge upon the matters required to be considered by the Court. The submissions of ICTU, IBEC and the main SIPTU submission are summarised in some detail, while the rest are summarised in tabular form.

As a general summation and where submissions were made, there appears to be significant support for the maintenance, in their current form, of all three JLCs which have met since the completion of the last review, namely the Contract Cleaning, Security and the Early Years' Service JLCs. In the case of the remaining six JLCs the parties have made submissions which demonstrate a more divided opinion.

The view of the employer representatives who made submissions is that the remaining JLCs, with the exception of the Hairdressing JLC, are not fit for purpose and should be abolished, (IBEC made no submission regarding the English Language Schools JLC). The view of the worker representatives, as set out by the ICTU, is that all should be retained. SIPTU made no submission in relation to the English Language Schools and Agricultural JLCs but its submission in relation to the remaining seven JLCs was supportive of their maintenance. The submission of the IWU was confined to the Security Industry JLC and no opinion was expressed either way by that organisation in relation to the remaining JLCs.

Those parties who made submissions to the Court and who addressed the issue of the conduct of industrial relations have asserted that industrial relations have been harmonious in the period since the date of the last review. The Court notes the assertion by ICTU that the abolition of a JLC would

mean that 'Unions would have to adopt a much more aggressive strategy in seeking to advance the terms and conditions of their members, most likely on an employer by employer basis'. In contrast, the Court notes that the Irish Hotels' Federation state that any re-introduction of a JLC in the sector would create tension that could damage industrial relations and could lead to industrial unrest.

Having considered all of the submissions received, the Court concludes that the maintenance of all existing JLCs will promote harmonious relations between workers and employers and assist in the avoidance of industrial unrest. The reason(s) for arriving at this view are as follows:

- JLCs allow for a collective negotiation of terms and conditions of employment tailored to the particular sector.
- Negotiation is with employer and worker groups representative of the sector.
- The absence of a JLC would result in the adoption by the unions of a more aggressive strategy on an employer-by-employer basis.
- A JLC can be abolished, or an establishment order amended by the Court on the application
 of any organisation or group of persons representative of employers and or workers in the
 sector in accordance with section 40 of the Act, reflecting the voluntarist framework of the
 structure.

Section 40 of the Act provides as follows:

40.— Where an establishment order in respect of any workers and their employers is in force, the Court, on the application (which shall specify the grounds on which it is made) of—

- (a) the Minister, or
- (b) any trade union, or
- (c) any organisation or group of persons which claims to be and is, in the opinion of the Court, representative of such workers or of such employers,

may make a recommendation to the Minister to abolish the joint labour committee established by such establishment order or amend such establishment order, and the provisions of section 38 and section 39 (amended by section 41 of the Industrial Relations (Amendment) Act 2015) of this Act shall apply in relation to such application as if the application were an application under section 36.

No application in accordance with the Act at Section 40 for a Recommendation to abolish any JLC or to amend any establishment order has been made by any party since the last review. The Court notes the comments by IBEC regarding the coverage of some JLCs and the need, they believe, for better definitions as to who might be covered by JLCs. If an application to amend an establishment order is made it will, of course, be considered in accordance with s.40 of the Act. The Court recognises that any such application has potential to be contested and notes that the Labour Employer Economic Forum, (LEEF), affords groups who are representative of employers and workers the opportunity to engage on issues on which there may be divergent views. The Court does not believe that the objective of ensuring harmonious industrial relations would be served by the Court recommending alterations in establishment orders for any of the JLCs, in advance of any such potential engagement.

On the basis of submissions received, the Court concludes that there is no evidence that any of the existing JLCs have, over the period since the completion of the last review (a) had a negative impact on employment levels in any sector, or (b) been prejudicial to the exercise of collective bargaining in any sector.

The Court notes the significant emphasis placed in some submissions on the existence of the Low Pay Commission, the National Minimum Wage and the body of employment law generally as a basis to conclude that a justification for the existence of JLCs no longer exists.

The Court does not consider it reasonable to contend that the extent of employment law obviates the need for sector specific engagement focused on the regulation of conditions of employment outside of those conditions regulated by law. The Court concludes that the JLC framework provides a mechanism for engagement on a range of matters not specifically dealt with in employment law and it provides opportunities where engagement at a sectoral level can find consensus on a framework of sector appropriate arrangements, as regards the regulation of conditions of employment. In reaching this conclusion the Court notes that the Act at Section 42A and 42B is comprehensive in relation to the matters to be taken account of in the development of proposals for the making of Employment Regulation Orders by JLCs.

The Court notes also the observations of the Final Report of the Labour Employer Economic Forum, (LEEF) High Level Working Group on Collective Bargaining, which deals at length with possible courses of action designed to improve the operation of JLCs, and which observed as follows;

The Group recognises that the legislative intention as set out in the Industrial Relations Act 1946 and updated in the Industrial Relations (Amendment) Act of 2012, is for the Joint Labour Committee (JLC) system to operate effectively as a mechanism for sectoral regulation of pay and conditions through agreement.

The Group acknowledges that the JLC system is not now functioning optimally in this capacity. In light of this, the Group will explore options to increase employer engagement with a modern, evidence-based and consensus- focussed JLC system, responsive to the economic environment, which can ensure this important sectoral bargaining mechanism operates effectively.

The proposals for better operation of JLCs set out in the LEEF report falls outside the scope of this review but the LEEF proposals suggest to the Court that there is no consensus that harmonious relations in sectors covered by JLCs will be better ensured by their abolition and the report suggests that there is a level of acceptance that JLCs should, in principle, continue to form part of the industrial relations landscape.

The Court notes the history of the JLCs since the completion of the last review. That history, in the case of five out of the seven sectors, that existed at the time of the 2018 review, is one of inactivity in relation to their operation. Two new JLCs have since been established in the Early Years' Service and the English Language Schools. The Court appointed employer and worker members to the Early Years' JLC in 2022 and in September 2022 two EROs were made for that Sector.

The Court cannot conclude that the inactivity of a JLC is, of itself, a basis for the abolition of the JLC.

The Court has set out in detail at **Appendix 3** its consideration of the submissions of the parties in each sector in the context of its statutory obligation to have regard to the matters set out in the Act at Section 41A(3).

The Court concludes that the existing JLCs should be maintained in their current form.

Recommendations to the Minister or Business, Enterprise and Innovation in accordance with Section 41(A)(4) of the Industrial Relations Act, 1946

1. Agricultural Workers JLC;

The Court, having had regard to the matters set out in the Act at Section 41(A)(3) and noting the submissions of the parties, recommends that the Joint Labour Committee be maintained in its current form. In making this recommendation the Court notes the assertions of the parties in their submissions that the sector has enjoyed harmonious industrial relations in the period since the last review and during which time the JLC has been in existence. The Court also notes the submission of ICTU that a consequence of abolition would be a more aggressive strategy by the unions in seeking to advance the terms and conditions of their members on an employer-by-employer basis. The Court takes account also of the LEEF observations regarding future engagement in JLCs for the purpose of promoting harmonious relations. Consequently, the Court is satisfied that the maintenance of the JLC in its current form would promote harmonious relations between workers and employers and assist in the avoidance of industrial unrest.

2. Catering;

The Court has had regard to the matters set out in the Act at Section 41(A)(3) and noting the submissions of the parties, recommends that the Joint Labour Committee be maintained in its current form. In making this recommendation the Court notes the assertions of the parties in their submissions that the sector has enjoyed harmonious industrial relations in the period since the last review and during which time the JLC has been in existence. The Court also notes the submission of ICTU that a consequence of abolition would be a more aggressive strategy by the unions in seeking to advance the terms and conditions of their members on an employer-by-employer basis. The Court takes account also of the LEEF observations regarding future engagement in JLCs for the purpose of promoting harmonious relations. Consequently, the Court is satisfied that the maintenance of the JLC in its current form would promote harmonious relations between workers and employers and assist in the avoidance of industrial unrest.

3. Contract Cleaning;

The Court, having had regard to the matters set out in the Act at Section 41(A)(3) and noting the submissions of the parties, recommends that the Joint Labour Committee be maintained in its current form. In making this recommendation the Court notes the assertions of the parties in their submissions that the sector has enjoyed harmonious industrial relations in the period since the last review and during which time the JLC has been in existence. The Court also notes the submission of ICTU that a consequence of abolition would be a more aggressive strategy by the unions in seeking to advance the terms and conditions of their members on an employer-by-

employer basis. The Court takes account also of the LEEF observations regarding future engagement in JLCs for the purpose of promoting harmonious relations. Consequently, the Court is satisfied that the maintenance of the JLC in its current form would promote harmonious relations between workers and employers and assist in the avoidance of industrial unrest.

4. Hairdressing;

The Court, having had regard to the matters set out in the Act at Section 41(A)(3) and noting the submissions of the parties, recommends that the Joint Labour Committee be maintained in its current form. In making this recommendation the Court notes the assertions of the parties in their submissions that the sector has enjoyed harmonious industrial relations in the period since the last review and during which time the JLC has been in existence. The Court also notes the submission of ICTU that a consequence of abolition would be a more aggressive strategy by the unions in seeking to advance the terms and conditions of their members on an employer-by-employer basis. The Court takes account also of the LEEF observations regarding future engagement in JLCs for the purpose of promoting harmonious relations. Consequently, the Court is satisfied that the maintenance of the JLC in its current form would promote harmonious relations between workers and employers and assist in the avoidance of industrial unrest.

5. Hotels;

The Court, having had regard to the matters set out in the Act at Section 41(A)(3) and noting the submissions of the parties, recommends that the Joint Labour Committee be maintained in its current form. In making this recommendation the Court notes the assertions of the parties in their submissions in that both ICTU and SIPTU note that the sector has enjoyed harmonious industrial relations in the period since the last review and during which time the JLC has been in existence. In their submission the IHF state that there are no objective grounds to support the contention that the JLC in any way promotes harmonious industrial relations. The Court also notes the submission of ICTU that a consequence of abolition would be a more aggressive strategy by the unions in seeking to advance the terms and conditions of their members on an employer-by-employer basis. The Court takes account also of the LEEF observations regarding future engagement in JLCs for the purpose of promoting harmonious relations. Noting these views, the Court is satisfied that the maintenance of the JLC in its current form would promote harmonious relations between workers and employers and assist in the avoidance of industrial unrest.

6. Retail, Grocery and Allied Trades;

The Court, having had regard to the matters set out in the Act at Section 41(A)(3) and noting the submissions of the parties, recommends that the Joint Labour Committee be maintained in its current form. In making this recommendation the Court notes the assertions of the parties in their submissions that the sector has enjoyed harmonious industrial relations in the period since the last review and during which time the JLC has been in existence. The Court also notes the submission of ICTU that a consequence of abolition would be a more aggressive strategy by the unions in seeking to advance the terms and conditions of their members on an employer-by-

employer basis. The Court takes account also of the LEEF observations regarding future engagement in JLCs for the purpose of promoting harmonious relations. Consequently, the Court is satisfied that the maintenance of the JLC in its current form would promote harmonious relations between workers and employers and assist in the avoidance of industrial unrest.

7. Security Industry;

The Court, having had regard to the matters set out in the Act at Section 41(A)(3) and noting the submissions of the parties, recommends that the Joint Labour Committee be maintained in its current form. In making this recommendation the Court notes the assertions of the parties in their submissions that the sector has enjoyed harmonious industrial relations in the period since the last review and during which time the JLC has been in existence. The Court also notes the submission of ICTU that a consequence of abolition would be a more aggressive strategy by the unions in seeking to advance the terms and conditions of their members on an employer-byemployer basis. The Court takes account also of the LEEF observations regarding future engagement in JLCs for the purpose of promoting harmonious relations. The Court received ten submissions regarding this sector, including submissions from both employers and unions operating in the sector. Every single submission received was supportive of the retention of the JLC and many were quite specific in declaring this support on the basis that the existence of the JLC promotes harmonious relations between employers and employees in the sector. Consequently, the Court is satisfied that the maintenance of the JLC in its current form would promote harmonious relations between workers and employers and assist in the avoidance of industrial unrest.

8. Early Years' Service;

The Court, having had regard to the matters set out in the Act at Section 41(A)(3) and noting the submissions of the parties, recommends that the Joint Labour Committee be maintained in its current form. In making this recommendation the Court notes the assertions of the parties in their submissions that the sector has enjoyed harmonious industrial relations in the period since the JLC was established. The Court also notes the submission of ICTU that a consequence of abolition would be a more aggressive strategy by the unions in seeking to advance the terms and conditions of their members on an employer-by-employer basis. The Court takes account also of the LEEF observations regarding future engagement in JLCs for the purpose of promoting harmonious relations. Consequently, the Court is satisfied that the maintenance of the JLC in its current form would promote harmonious relations between workers and employers and assist in the avoidance of industrial unrest.

9. English Language Schools.

The Court, having had regard to the matters set out in the Act at Section 41(A)(3) and noting the submissions of the parties, recommends that the Joint Labour Committee be maintained in its current form. In making this recommendation the Court notes the assertions of the parties in their submissions that the sector has enjoyed harmonious industrial relations in the period since the JLC was established. The Court also notes the submission of ICTU that a consequence of abolition

would be a more aggressive strategy by the unions in seeking to advance the terms and conditions of their members on an employer-by-employer basis. The Court takes account also of the LEEF observations regarding future engagement in JLCs for the purpose of promoting harmonious relations. Consequently, the Court is satisfied that the maintenance of the JLC in its current form would promote harmonious relations between workers and employers and assist in the avoidance of industrial unrest.

Appendix 1

List of Submissions received.

	DATE RECEIVED	NAME	DATE ACKNOWLEDGED
1	23/01/2023	Breen Hospitality	30/01/2023
2	08/02/2023	Manguard Plus	08/02/2023
3	13/02/2023	OCS, One Complete Solution	13/02/2023
4	14/02/2023	SII, Security Institute of Ireland	14/02/2023
5	16/02/2023	GZP Professional Security Limited	16/02/2023
6	23/02/2023	Securitas Security Services Ireland	23/02/2023
7	24/02/2023	Department of Children, Equality, Disability, Integration and Youth	24/02/2023
8	27/02/2023	Dublin & East Branch of the Independent Workers Union and Security Officers United	14/03/2023
9	27/02/2023	PSA, Private Security Authority	14/03/2023
10	27/02/2023	SIPTU	14/03/2023
11	28/02/2023	G4S Secure Solutions (Ire) Limited	28/02/2023
12	28/02/2023	IBEC	28/02/2023
13	28/02/2023	ICTU, Irish Congress of Trade Unions	28/02/2023
14	28/02/2023	IHF, Irish Hairdressers Federation	14/03/2023
15	28/02/2023	ISIA, Irish Security Industry Association	28/02/2023
16	28/02/2023	MEI, Marking English in Ireland	28/02/2023
17	28/02/2023	Sharpgroup	13/03/2023
18	28/02/2023	SIPTU Services Division	28/02/2023
19	28/02/2023	Sodexo	28/02/2023
20	28/02/2023	IHF, Irish Hotels Federation	01/03/2023

Appendix 2

Outline summaries of key points in submissions received.

Name of	Relevant JLC	Detail	Abolish/Retain/
Organisation			Amend/Amalgamate
1. Department of Children, Equality, Disability, Integration and Youth (DCEDIY)	Early Years Service Sector	 Recommends JLC for Early Years Services should be maintained. Established JLC in 2021 in line with Government Policy ERO mechanism in place to determine minimum rates of pay for childcare workers, as well as terms and conditions of employment. 	Retain
2. G4S Secure Solutions (Irl) Ltd	Security Industry	 JLC should be maintained. Enables industry to negotiate terms & conditions of employment, rates of pay. JLC supports harmonious industrial relations. Allows industry to recruit workers. 	Retain
3. Irish Hairdressing Federation	Hairdressing	 JLC should be abolished. No tangible impact on the industry Landscape is vastly different to that when JLCs first introduced. Significant increases in the minimum wage and future introduction of a Living Wage undermine the rationale for a JLC. Absence of ERO has allowed members and their workers agree market level wage. JLC is irrelevant, inactive, and ineffective. 	Abolish
4. Irish Hotels Federation (IHF)	Hotels	 JLC should be abolished. Original purpose of JLCs has been subsumed by the Low Pay Commission. The terms and conditions of employees in the sector are adequately captured in employment legislation such as the minimum wage, conditions of employment, statutory sick leave, allocation of tips and gratuities and service charges, pension auto enrolment and commitments to the development of a living wage. Hotel JLC has been dormant since 2011 and there has been no industrial unrest in the hotel sector. No objective grounds to support the contention that the JLC in any way promotes harmonious industrial relations. 	Abolish

		 The abolition of the ERO has in part contributed to a positive impact on employment levels in the sector. The re-introduction of a JLC or ERO would impact the industry ability to sustain and create employment. Strong view that industrial relations pressures would arise from any reintroduction of a JLC or ERO and would damage current harmonious industrial relations. 	
5. Independent Workers Union (IWU)	Security Industry	 JLC should continue to be maintained. Supports provides harmonious relationships between employees and employer bodies. 	Retain
6. Manguard Plus	Security Industry	 Fully support continuance of JLC. Benefit of ERO is that it removes wages as a competitive factor. Enables collective bargaining within the JLC structure. Supports and attracts workers to the industry. JLC leads to harmonious industrial relations. 	Retain
7. Marketing English in Ireland (MEI)	English Language Schools	 Established in 2019 but has yet to meet so no rates of statutory minimum remuneration have been set. Misconception that teacher rates are low is demonstrably not true. Post Covid there have been no reports regarding low pay in the sector and relations in the industry have been harmonious. Imminent introduction of International Education Mark (IEM) will result in restructuring of ELT sector with regulation for English language education for first time in Ireland. Sector already has a comprehensive statutory process in place that will address the same areas as a JLC. View that JLC is now superfluous for the sector. No MEI members are unionised and less than 5% of language school employees are members of a union. 	Abolish
8. OCS	Security Industry	 Support maintaining JLC. Enables industry to negotiate terms & conditions of employment and rates of pay. JLC supports harmonious industrial relations which is critical for industry. 	Retain

		JLC supports business, which operates in a regulated sector	
9. Professional Security Ltd	Security Industry	 Support continuance of JLC / ERO. Challenge to recruit workers into the security industry. 	Retain
10. Ross Breen Consultant (Tourism)	Hotels	 In absence of the functioning JLCs there is no mechanism for those employed in hotels to ensure that they are paid a Sunday Work premium. This needs to be addressed to ensure harmonious industrial relations. 	
11. Security Institute of Ireland	Security Industry	 Support continuance of JLC in current form JLC has assured improvement in terms & conditions for workers employed in the sector. JLC provides forum for maintaining harmonious industrial relations. An ERO is important to attract and retain workers. Absence of ERO has led to disharmony in the industry. 	Retain
12. Securitas	Security Industry	 Full support of continued existence of JLC. JLC has been instrumental in improving terms & conditions of employment for workers in the industry. Promotes collective bargaining and contributes to harmonious industrial relations. Ensures compliance with regulatory requirements. Absence of new ERO creates challenges for the industry 	Retain
13. SHARPGROUP	Security Industry	 Support maintaining JLC. Facilitates negotiations on rates of pay and terms and conditions of employment. Enables harmonious industrial relations which is critical for industry. Attracts workers to regulated industry 	Retain
14. SIPTU* (*additional submission)	Early Years Service Sector	 Recommend JLC is retained in its current form. Sector is comprised of 4,700 individual services and 27,000 workers approximately. Ability to improve pay and conditions of employment is critical to address recruitment and retention to the sector. 	Retain

		 The goal is to achieve a graduate led sector by 2028. JLC existence has promoted harmonious industrial relations between workers and employers and assisted in avoidance of industrial unrest. State funding in the sector is key for further improvements in pay and terms and conditions of employment for workers in the sector. 	
15. Sodexo	Security Industry	 Agree to maintaining the security industry JLC. Permits the industry to negotiate and agree rates of pay and terms of condition of employment which supports harmonious industrial relations. JLC supports our industry in a regulated environment. Challenges in recruiting staff is assisted by guaranteed rates of pay. 	Retain
16. The Private Security Authority (PSA)	Security Industry	 Regulator for the security industry. Strongly supports the JLC and urges a recommendation for continuation. JLC creates harmony between employees and employers and raises standards across the industry. Enforcement experience suggests high level of compliance across the sector with ERO. No negative impact on employment levels since introduction of ERO in 2017. JLC / ERO system compliments the regulatory role of the PSA and is compatible to mission statement. 	Retain

Summary of ICTU submission

Introduction

There have been significant developments since the last review, two new JLCs have been established; the EU has adopted a new Directive on adequate minimum wages with a requirement on member states to ensure 80% collective bargaining coverage and the LEEF High Level Group has recommended specific reforms to the JLC system.

That system continues to be an important part of the IR infrastructure. Some JLCs have been unable to fulfil their function because of a veto by employers but the LEEF recommendations, accepted by Government, seek to restore balance and potentially remove the employer veto.

Agricultural Workers JLC

This has not met since the last review because employers have refused to co-operate. This is contributing to exploitation of workers, particularly in the horticultural industry, which is highly dependant on migrant workers. An overhaul of the work permits system proposes to allow for seasonal work permits and, without a functioning JLC, this poses a serious risk of increased exploitation.

If the LEEF recommendations are implemented, the failure of employers to participate will not prevent it from fulfilling its mandate.

The Court should recommend that this JLC be maintained.

Catering JLC

This has not met since the last review due to the failure of employers to participate.

The implementation of the LEEF recommendations, if fully implemented, would mean that the employer non- participation would not prevent the JLC from operating.

The Court should recommend that this JLC be maintained.

Contract Cleaning JLC

This JLC is active and there is an ERO in place.

The Court should recommend that this JLC be maintained.

Hairdressing JLC

This JLC has not met since the last review due to the failure of employers to participate.

The recommendations from LEEF, if fully implemented, will mean that non co-operation of employers will not prevent the JLC from operating.

The Court should recommend that this JLC be maintained.

Hotels JLC

This JLC has not met since the last review due to the failure of employers to participate.

The recommendations from LEEF, if fully implemented, will mean that non co-operation of employers will not prevent the JLC from operating.

The Court should recommend that this JLC be maintained.

Retail, Grocery and Allied Trades JLC

This JLC has not met since the last review due to the failure of employers to participate.

The recommendations from LEEF, if fully implemented, will mean that non co-operation of employers will not prevent the JLC from operating.

The Court should recommend that this JLC be maintained.

Security Industry JLC

This JLC continues to operate and is supported by the union that organises workers in the sector and the majority of employers. The process to make a new ERO has commenced. However, a small group of employers are pursuing a legal action to prevent this.

The LEEF group's recommendations, if fully implemented, should strengthen the JLC system and provide for a more sustainable methodology for making EROs.

English Language Schools JLC.

This JLC has been established since the last review and members have been appointed recently by the Labour Court. It is the unions' intentions to seek a first ERO this year.

The Court should recommend that this JLC be maintained.

Early Learning JLC

This JLC was established since the last review and a first ERO was approved last year with work underway to approve a second ERO. ICTU supports the SIPTU submission on this JLC.

The Court should recommend that this JLC be maintained.

Conclusion

The existence of JLCs has promoted orderly and constructive industrial relations. If the Court was to recommend the abolition of any JLC, it would mean that unions would have to adopt a much more

aggressive strategy in seeking to advance terms and conditions, most likely on an employer by employer basis.

It is regrettable that non co operation by employers has meant that some JLCs have not operated but the implementation of the LEEF recommendations should mean that they can operate effectively in future, so it would be a mistake for the Court to recommend the abolition of a JLC.

Summary of SIPTU submission

Introduction

SIPTU Services Division represents workers in the following sectors covered by JLCs.

Catering

Contract Cleaning

Hairdressing

Hotels

Retail, Grocery and Allied Trades

Security.

SIPTU seeks that all of these JLCs be retained. The JLC system is an important industrial relations infrastructure with the capacity to provide a minimum set of terms and conditions of employment for workers concerned, covering far more than pay. The system operated traditionally in sectors where enterprises are small and the sector is highly fragmented.

The EU has adopted a Directive to ensure collective bargaining coverage of 80%. The JLC system will help Ireland to meet its obligations under this Directive.

The Government has accepted a report from the LEEF that recommends reforms to the JLC system.

Security Industry JLC

This JLC continues to operate and has attempted to process two EROs since the last review. Unfortunately, a very small group of employers in the sector has taken legal actions to prevent this.

The JLC has been pivotal in maintain a level playing pitch by setting wages and other terms, which has contributed to decades of industrial peace in the sector. This is highly a regulated industry, which generates a need for investment in training and licencing, which again creates a need for sustainable pay rates to maintain a low level of employee turnover to ensure manageable training costs for employers.

The absence of an ERO would force competition on labour costs in a downward race to the bottom. Cuts to wages and hours could result in industrial unrest.

This JLC should be maintained.

Contract Cleaning JLC

This JLC continues to operate and has issued two EROs since the last review.

The ERO is a critical piece of infrastructure that helps to maintain sustainable pay rates and other conditions of employment making it a sustainable industry for all stakeholders.

The role of a contract cleaner has expanded to include aspects of infection control and prevention, which requires increased investment in training, which again creates a need to avoid high turnover rates to keep training costs manageable.

The absence of EROs would force contractors to compete on labour costs, likely then pushing wages down towards the national minimum wage. Any such cuts would result in industrial unrest.

This JLC should be maintained.

Catering JLC

The amalgamated JLC recommended in the last review has not operated as employers have refused to participate. If the LEEF recommendations are implemented in full, the failure of employers to participate will not prevent the JLC from fulfilling its mandate.

The lack of a JLC is forcing contractors to compete on labour costs in tendering. The effect is driving down wages. If wages and conditions continue to be a competitive factor it will lead to industrial unrest as workers will have to agitate in order to have some influence over their pay and conditions.

This JLC should be maintained.

Hairdressing JLC

This has not met since the last review as employers have refused to participate. If the LEEF recommendations are implemented in full, the failure of employers to participate will not prevent the JLC from fulfilling its mandate.

This JLC should be maintained.

Retail, Grocery and Allied Trades JLC

This has not met since the last review as employers have refused to participate. If the LEEF recommendations are implemented in full, the failure of employers to participate will not prevent the JLC from fulfilling its mandate.

This JLC should be maintained.

Hotels JLC

This has not met since the last review as employers have refused to participate. If the LEEF recommendations are implemented in full, the failure of employers to participate will not prevent the JLC from fulfilling its mandate.

This JLC should be maintained.

Conclusion

JLCs are an important forum to discuss pay and conditions of employment. The original rationale was to protect both workers and good employers.

At present, employers hold a veto over the working of JLCs.

JLCs promote orderly and constructive industrial relations. Where they do not exist, SIPTU Services

Division would have to adopt a more aggressive strategy.

The non working of some JLCs is regrettable but the implementation of the LEEF report should mean that these will operate effectively in the future and it would be a mistake to abolish any of the JLCs.

Summary of IBEC submission

Introduction

The JLC structure, as it currently operates, is not fit for purpose in the modern workplace. The establishment of the Low Pay Commission undermines the rationale for JLCs in many sectors. There is an extensive body of employment rights legislation which has emerged, particularly in the last 5 years, which has set a high floor of minimum rights. While JLCs might be useful in some sectors, the system, as a whole, is not fit for purpose. If it is to be used more broadly, a significant review and greater consideration of benefits to all parties is required.

Impact of legislative driven agenda

In refuting IBEC's position that a justification for JLCs no longer exists, the Labour Court in its 2018 review referred to the section in the Duffy/ Walsh report on EROs and Registered Employment Agreements to conclude that JLCs provided a mechanism for engagement on matters not specifically dealt with in employment law. However, it is increasingly difficult to identify traditional areas of collective negotiation that are not now regulated by statute. In the last 5 years, there has been the introduction of statutory sick pay, the extension of statutory leaves, the introduction of new statutory leaves, increases in minimum wage and the roll out of a living wage, with further legislation pending on auto-enrolment for pensions, to name but a few. If statutes regulate pay and conditions then , unless there is proper examination and provision of some benefits to employers operating under the JLC structure, the relevance of JLCs is questionable.

IBEC estimates that the roll-out of auto-enrolment, the living wage, pensions, statutory sick pay and new statutory leaves will add 9% to average labour costs over the coming decade. For many companies

in domestic-facing sectors, low-margin exporters and the SME community, the cost of implementing pensions coverage and wage floors will be even higher coming on top of existing cost pressures with energy, commodity and transport costs challenging profitability for many. While many of these changes have merit on their own, the impact of a lack of co-ordination in cumulative cost measures is placing pressures on employers. Businesses are facing several years of legislative driven increases in employment costs.

Without significant reform, the JLC mechanism no longer has the same relevance that it once had. With the existence of a statutory national minimum wage and the establishment of a Low Pay Commission, there is limited need and justification for different minimum rates to be set in certain sectors and not others.

Where JLCs have been inactive in the past five years, those sectors have shown no ill effects from the absence of EROs and an examination is required to determine how employers operating under JLC structures can benefit from such engagement.

Impact of minimum wage and living wage on employment

In its review, the Court is required to have regard to the impact on employment levels, particularly at entry level, of fixing statutory minimum remuneration and statutory conditions of employment. IBEC's position is that, in many sectors, continuing JLCs will lead to artificially high sectoral wages, damaging competitiveness and employment retention in key labour intensive sectors.

Imposing sector wide pay rates will have a significant impact on many smaller and medium sized businesses who will be unable to meet unsustainable, but legally enforceable, rates. Potentially this will lead to redundancies. In the absence of a JLC, businesses will continue to negotiate, individually or collectively, rates of pay applicable to the needs and sustainability of the business. Rates cannot be such as to undermine competitiveness and put employment at risk. Fixing sectoral rates must take account of the fact that Ireland has one of the highest statutory minimum wage rates in the EU, which will keep increasing until replaced by a mandatory living wage in 2026.

Ireland has the second highest minimum wage in the EU, at €11.30 per hour, and, when adjusted for purchasing power it ranks sixth out of 21. The share of workers on this rate has reduced since 2016 from 9.3% to 6.8%.

Increases in the minimum wage fail to take account of competitiveness and the challenges faced in certain sectors. Those sectors where JLCs have been inactive have shown no ill effects from this. In fact, many employers in those sectors already pay rates in excess of the national minimum wage. Notably, the national minimum wage has not become the default entry level wage.

The lack of EROs has not been detrimental to the sectors concerned and average weekly earnings rose by12.4% since 2019 with annual average hourly rates increasing by 3.5% annually.

IBEC is concerned about the Government intention to move to a living wage, which would be a significant increase to the further costs impacting business arising from employment rights legislation, inflation and energy costs. It will impact all businesses, particularly in hospitality, retail and agriculture.

The cumulative effect of this scale of legislative regulation is unaffordable and unsustainable for many sectors.

Jurisdiction and scope of establishment orders

Many establishment orders for JLCs are imprecise in identifying workers and undertakings covered. They are statutory instruments and must be devoid of ambiguity. Maintaining JLCs in their current form does not ensure that they are certain and concise. The Agricultural JLC is so wide that it is unclear who does or does not fall within it. Employers would not know that they were legally bound by an ERO.

The Catering JLC fails to take account of the fact that contract catering is a different business to the restaurants that the JLC was intended to cover. The same imprecise and ambiguous wording as previous establishment orders was used to set up the new amalgamated JLC following the last review. An establishment order should, at the least, specify the type of business and worker to which the JLC will apply.

Maintaining JLCs in their current form fails to provide assistance where it is unclear under which of two possible JLCs a worker might be covered. For example, a significant number of retail outlets operate cafes and it is unclear which JLC covers workers who spend parts of each week in the café and parts in the retail outlet. How is an employer to determine which JLC applies?

JLCs need to be fit for purpose.

While a minority of JLCs function well at present, the inefficiencies of the system and the legislative framework within which it operates, impacts the effectiveness of this statutory mechanism.

The JLC system, as it operates currently, is not an effective tool to promote collective bargaining in the form envisaged by EU Directive 2022/2041. For it to become an effective mechanism requires a significant review of the JLCs to determine how collective bargaining can have the confidence of relevant parties.

Analysis of individual sectors

Catering

A majority view of employers is that the JLC is not fit for purpose.

The absence of a JLC in the past 5 years has not upset the balance of harmonious industrial relations in the sector. The absence of an ERO has allowed employers and workers to agree, collectively or individually, wage levels that are sustainable.

Despite the amalgamation of previous JLCs, nothing was done to remedy the uncertainty regarding the scope of the JLC. There is unnecessary ambiguity. The sector is fragmented into disparate sectors that cannot be easily aligned. A range from ice cream parlours to high end restaurants cannot fairly be combined into one wage setting mechanism.

Uncompetitive wage rates have the potential to reduce earnings in the sector, coming on top of the impact of the pandemic. Businesses in the sector are very sensitive to the inflexibility of an ERO.

A majority of employers can see no benefit in an ERO that would increase their obligations.

IBEC submits a minority view that a contract catering JLC, with a narrowly defined scope would assist in streamlining pay rates and could, potentially, decrease the volume of pay claims.

Retail, Grocery and Allied Trade

This JLC is not fit for purpose.

The retail sector is different from that when this JLC was established. With the extensive legislative intervention, there is little scope for a JLC. An ERO would increase costs in excess of the high floor of legislative entitlements, with significant implications for employers.

The sector is now multi-faceted with diverse components and it is difficult to fit the range of businesses into a one-size-fits-all wage-setting mechanism. There has largely been industrial peace in the absence of a JLC in recent years.

The absence of an ERO has allowed employers and workers to agree, collectively or individually, wage levels that are sustainable.

The differences in pay are understandable as the sector ranges from corner shops to multi-national employers. Employers in the sector can see no value in increasing their obligations.

Hairdressing.

Although this JLC is inactive, there may be some value in its retention pending the next review in 2028, in order to address challenges that include appropriate levels of training, retention of key skills and assistance in addressing the issue of bogus self-employment. However, not having met since 2017, this JLC has lost some of its relevance and there has been largely industrial peace despite the absence of an ERO. The absence of an ERO has allowed employers and workers to agree, collectively or individually, wage levels that are sustainable.

Uncompetitive wage rates have the potential to reduce earnings in the sector, coming on top of the impact of the pandemic. Businesses in the sector are very sensitive to the inflexibility of an ERO and would have concerns about affordability.

Hotels

This JLC is not fit for purpose.

There has largely been industrial peace in the absence of a JLC in recent years.

The absence of an ERO has allowed employers and workers to agree, collectively or individually, wage levels that are sustainable. Employers in this sector are placing great emphasis on employee engagement to ensure harmonious relations.

Uncompetitive wage rates have the potential to reduce earnings in the sector, coming on top of the impact of the pandemic.

Many employers offer rates and conditions above the statutory minimum reflecting recruitment and retention difficulties. The industry has had to look abroad for employees. The costs of providing accommodation, and energy, for staff have risen massively and, if this JLC is retained, it will be necessary to reflect the challenges of increased costs and the challenges of recruitment and retention. How employers can best address these challenges in a manner to benefit all parties would need to be addressed in any sectoral collective bargaining, should it occur.

Agricultural

This JLC is not fit for purpose.

Despite its retention following the 2013 and 2018 reviews, no ERO has been established by this JLC and the sector shows no signs of ill-effects. The evolution of employment rights legislation and the incrementally increasing minimum wage have resulted in the JLC structure being superfluous to this sector.

If this JLC is to be retained, its scope needs to be amended, restricting its application to workers on farms where crops and livestock are raised for human consumption. The manner in which this JLC is drafted is uncertain and ambiguous.

Contract Cleaning

This JLC should be retained as the industry is suited to a centralised system of setting pay and conditions. The absence of a JLC could create downward pressure on wage rates, notwithstanding the semi-skilled nature of many of the roles. This could generate recruitment and retention difficulties.

The existence of an ERO has tended to promote harmonious relations in the sector.

Security

This JLC should be retained.

Employers in the industry support the retention of the JLC as a means of streamlining pay and conditions in an industry where it has become difficult to attract staff.

It is noted that the High Court has granted an injunction prohibiting the commencement of a statutory instrument giving effect to an ERO.

The existence of EROs has promoted harmonious relations in this sector.

Early Years

This JLC should be retained.

There have been two EROs since this JLC was established in 2021 and, while it is too early to determine their full impact, the ERO rates have improved recruitment and staff turnover rates.

A fee freeze will make future pay increases unsustainable for many in the sector.

Unlike Full Day-care services, (FDC), ECCE services do not charge parental fees. Core funding has helped with meeting ERO rates but smaller services, particularly ECCE services, are struggling to meet those rates.

English Language Schools

IBEC does not have any nominated members on this JLC and has no submission to make.

Conclusion

If the JLC system is to be used more broadly than at present, it will require significant review and greater consideration of the value to all parties, in light of the vast amount of statutory legislation in place.

Appendix 3

Consideration of matters set out at Section 41A (3) of the Act.

Section 41A(3)(a) – The Court notes that following the repeal of section *39* of the Industrial Relations Act 1990 by section 3 of the Industrial Relations (Amendment) Act 2012, no review has been undertaken by the Labour Relations Commission / Workplace Relations Commission since the completion of the last review in 2018. This matter therefore is not a matter which can impact on the Court's recommendation to the Minister in the case of any JLC.

Agricultural Workers Joint Labour Committee

Operation of Agricultural Workers JLC Since 20 April 2018

Chairman: Una Cronin

Established by order pursuant to Section 4 (1) of the Industrial Relations Act 1976 (the Act of 1976), the Joint Labour Committee for Agricultural Workers has not met since the date of the last review on 20th April 2018.

No Employment Regulation Order in being.

Section 41A(3) – Summary of key points submitted to the Court and conclusions

Section 41A(3)(b)

The class or classes of workers to which the joint labour committee applies, and the Court shall have particular regard to changes in the trade or business to which the joint labour committee applies, *since* —

- (i) the committee was established, or
- (ii) the last review under this section was carried out

IBEC

"The Agricultural JLC is so wide that it is unclear who does or does not fall within it. Employers would not know that they were legally bound by an ERO.

If this JLC is to be retained, its scope needs to be amended, restricting its application to workers on farms where crops and livestock are raised for human consumption. The manner in which this JLC is drafted is uncertain and ambiguous."

Conclusion:

The Court notes the IBEC submission as regards the scope of this JLC. The Court does not consider that this demonstrates a compelling reason for the abolition of this JLC. Neither does the Court consider, given the absence of detailed submissions from all parties on this matter, that is has been provided with sufficient detail to allow a proposal to amend the establishment order for this JLC. The Court considers that this JLC, if it was to meet, would have the capacity to consider matters related to the operation of the sector in considering whether to make proposals for the making of an ERO.

Section 41A(3)(c)

the type or types of enterprises to which the joint labour committee applies, and the Court shall have particular regard to changes in the trade or business to which the joint labour committee applies, since —

- (i) the committee was established, or
- (ii) the last review under this section was carried out;

IBEC

See comments under section 41A(3)(b) above

ICTU

"The non-operation of the JLC is contributing to exploitation of workers, particularly in the horticultural industry, which is highly dependent on migrant workers. An overhaul of the work permits system proposes to allow for seasonal work permits and, without a functioning JLC, this poses a serious risk of increased exploitation."

Conclusion:

The Court notes the submissions as regards the scope of this JLC and the nature of enterprises engaged in the sector. The Court does not consider, however, that the submissions received demonstrate compelling reasons for the abolition of this JLC. Neither does the Court consider, given the absence of detailed submissions from all parties on this matter, that is has been provided with sufficient detail to allow a proposal to amend the establishment order for this JLC. The Court considers that this JLC, if it was to meet, would have the capacity to consider matters related to the operation of the sector in considering whether to make proposals for the making of an ERO.

Section 41A(3)(d)

the experience of the enforcement of statutory minimum remuneration and statutory conditions of employment within the sector;

IBEC

"The Agricultural JLC is so wide that it is unclear who does or does not fall within it. Employers would not know that they were legally bound by an ERO."

Conclusion:

The Court, noting the submissions and the information sourced from the Workplace Relations Commission concludes that the experience of enforcement is not of such a nature as to lead to a conclusion that the JLC should be abolished or that the establishment order should be amended.

Section 41A(3)(e)

the experience of any adjustments made to the rates of statutory minimum remuneration and statutory conditions of employment

IBEC

"The establishment of the Low Pay Commission undermines the rationale for JLCs in many sectors. There is an extensive body of employment rights legislation which has emerged, particularly in the last 5 years, which has set a high floor of minimum rights.

IBEC is concerned about the Government intention to move to a living wage, which would be a significant increase to the further costs impacting business arising from employment rights legislation, inflation and energy costs. It will impact all businesses, particularly in hospitality, retail and agriculture.

The cumulative effect of this scale of legislative regulation is unaffordable and unsustainable for many sectors.

With the existence of a statutory national minimum wage and the establishment of a Low Pay Commission, there is limited need and justification for different minimum rates to be set in certain sectors and not others."

Conclusion:

The Court has not received submissions which would cause it to recommend the abolition of this JLC. The national minimum wage sets a minimum hourly wage rate across the State. It does not have regard to the particular skills of workers in particular sectors nor does it take into account terms and conditions of employment suitable to particular sectors such as agriculture. That is the function of the JLC, which is comprised of an equal number of worker and employer representatives in the sector. A JLC when formulating proposals is required under the legislation to set minimum rates appropriate to the sector having regard to the national minimum hourly wage and the appropriateness or otherwise of fixing a minimum rate above that. The Court considers that the JLC, were it to meet, would be in a position to consider all matters impinging on the sector including any increases in the minimum/living wage.

Section 41A(3)(f)

the impact on employment levels, especially at entry level, of fixing statutory minimum remuneration and statutory conditions of employment;

IBEC

"In its review, the Court is required to have regard to the impact on employment levels, particularly at entry level, of fixing statutory minimum remuneration and statutory conditions of employment. IBEC's position is that, in many sectors, continuing JLCs will lead to artificially high sectoral wages, damaging competitiveness and employment retention in key labour intensive sectors.

Imposing sector wide pay rates will have a significant impact on many smaller and medium sized businesses who will be unable to meet unsustainable, but legally enforceable, rates. Potentially this will lead to redundancies. In the absence of a JLC, businesses will continue to negotiate, individually or collectively, rates of pay applicable to the needs and sustainability of the business. Rates cannot be such as to undermine competitiveness and put employment at risk. Fixing sectoral rates must take account of the fact that Ireland has one of the highest statutory minimum wage rates in the EU, which will keep increasing until replaced by a mandatory living wage in 2026.

Ireland has the second highest minimum wage in the EU, at €11.30 per hour, and, when adjusted for purchasing power it ranks sixth out of 21. The share of workers on this rate has reduced since 2016 from 9.3% to 6.8%."

Conclusion:

The Court has not received submissions which would lead it to a conclusion that this JLC should be abolished. A JLC when formulating proposals is required under the legislation to set minimum rates appropriate to the sector having regard to the national minimum hourly wage and the appropriateness or otherwise of fixing a minimum rate above that. The Court considers that the JLC, were it to meet, would be in a position to consider all matters impinging on the sector, including any increases in the minimum/living wage.

Section 41A(3)(g)

whether the fixing of statutory minimum remuneration and of statutory conditions of employment by the joint labour committee has been prejudicial to the exercise of collective bargaining as a means of achieving the legitimate interests of employers and workers in the sector;

Conclusion:

No fixing of statutory minimum remuneration and of statutory conditions of employment by the Joint Labour Committee has taken place since completion of the last review, so no matter arises for consideration in this regard.

Section 41A(3)(h)

in the case of a joint labour committee that represents workers and employers in a particular region in the State, whether the basis for the continuation of such regional representation is justified;

Conclusion:

No such matter arises in the case of this JLC

Section 41A(3)(i)

any submissions made in accordance with subsection (2)(b).

Conclusion:

The submission of IBEC sought abolition of this JLC. The submissions of ICTU and SIPTU sought retention of the JLC. In the absence of engagement of the parties at the JLC since the completion of the last review, the Court does not have the benefit of the parties' experience in dealing with the matters referred to in submissions. In all the circumstances the Court cannot conclude on the basis of the submissions that this JLC should be abolished.

Catering Joint Labour Committee

Operation of Catering JLC since 20 April 2018

Chairman: Damien Cannon

Established by S.I. No. 236 of 1992 the Catering Joint Labour Committee has not met since the completion of the last review. As a result of the last review, two JLCs for this sector (one for the County Borough of Dublin and Dun Laoghaire and one for the rest of the Country) were amalgamated by way of S.I. No. 590 of 2018 Catering Joint Labour Committee (Abolition) Order 2018 and the introduction of S.I. No. 591/2018 Catering Joint Labour Committee Establishment Order.

No Employment Regulation Order in being.

Section 41A (3) – Summary of key points submitted to the Court and conclusions

Section 41A(3)(b)

The class or classes of workers to which the joint labour committee applies, and the Court shall have particular regard to changes in the trade or business to which the joint labour committee applies, *since* —

- (i) the committee was established, or
- (ii) the last review under this section was carried out

IBEC

"In its 2018 submission, Ibec referred the Labour Court to the Catering JLC, established under S.I. 351/1992, which, due to its loose drafting, has been interpreted to apply to some locations in which in-house catering facilities have been contracted out to a catering contractor. This was never the intention of the JLC. It is the case that contract catering operators have an entirely different business model to the restaurants that the JLC was intended to cover. The Labour Court as part of its 2018 findings, recommended that the two Catering JLCs, which were distinguished only by their geographical applicability, should be amalgamated. On 18 December 2018, S.I. 590/2018, abolished the two Catering JLCs, resulting in S.I. 591/2018 applying to workers "throughout the State". Despite concerns being raised as to the loose wording of the previous establishment orders, the same imprecise and ambiguous wording remains in S.I 591/2018, which does little to improve the effectiveness of the JLC. Ibec submits that if JLCs are to be effective then it must be clear as to who falls within its scope. Ibec submits that it is essential that each establishment order should, at the very least, clearly specify the type of business and worker to which the JLC will apply.

Ibec submits that the Court's recommendation that JLCs are maintained in their current form, also fails to address the double applicability of a number of JLCs. It is the case that JLC establishment orders contain exclusion provisions designed to prevent any given worker being covered by EROs made by more than one JLC. However, retaining JLCs in their current form continues to fail to provide any assistance in cases where it is entirely unclear which of two possible JLCs may operate in respect of a particular worker. For example, a significant number of retail grocery outlets operate cafes. A question arises about whether a worker at that outlet who spends a part of her or his working week in the café is covered by the relevant Catering JLC or the Retail Grocery and Allied Trade JLC. There remains a lack of clarity in respect of which of the two relevant JLCs operates in respect of the worker in question. As the exclusion applies to workers to whom an ERO from another JLC applies, it means that two, or more, JLCs, with no ERO, can apply to a worker, as there is no restriction on different JLCs having multiple jurisdictions in respect of the same worker. How is an employer meant to determine which JLC applies? Ibec submits that for JLCs to be utilised effectively they must have very clear scope, be concise, fit for purpose and not expose employers unnecessarily to liability.

Ibec submits that a minority view is that a contract catering JLC, with a narrowly defined scope as to the catering establishments that fall within same, and an ERO would assist in streamlining pay rates across the sector. The minority anticipates that an ERO could potentially decrease the volume of pay claims within the sector, should same arise."

SIPTU

"Contract Catering Companies tender, as part of a competitive process, for catering services in factory canteens, hospitals, and government departments etc, similar to the tendering process that operate in the Security Industry and Contract Cleaning.

The lack of a functioning JLC is contributing to an environment where contractors are forced to compete on labour costs, given that they account for a substantial share of the cost base. This has the effect of driving down wages, which has resulted in cuts in the hourly rate of pay and/or cuts to workers' hours.

Contract Catering is already a relatively low paid, labour-intensive industry. Without a JLC for Catering, wages and terms and conditions of employment will likely continue to be a competitive factor leading to sustained levels of industrial unrest as workers will have to agitate to engage in collective bargaining in order to have some influence over their pay and terms and conditions of employment."

Conclusion:

The Court notes the Ibec submission as regards re-defining the scope of this JLC. The SIPTU submission suggests a contrary view and favours a comprehensive JLC for all aspects of the sector. The Court does not consider that it has been provided with compelling reason for the abolition of this JLC. Neither does the Court consider, given the absence of detailed submissions from all parties on this matter, that it has been provided with sufficient detail to allow a proposal to amend the establishment order for this JLC, while noting the Ibec observations regarding what they say is an overlap

and consequent uncertainty in the coverage of workers as between different JLCs. The Court notes that no formal application for such an amendment has been made in accordance with s.40 of the Act. The Court considers that this JLC, if it was to meet, would have the capacity to consider matters related to the operation of the sector in considering whether to make proposals for the making of an ERO.

Section 41A(3)(c)

the type or types of enterprises to which the joint labour committee applies, and the Court shall have particular regard to changes in the trade or business to which the joint labour committee applies, since —

- (i) the committee was established, or
- (ii) the last review under this section was carried out;

IBEC

See s. 41A(3)(b) above

SIPTU

See s.41(3)(b) above

Conclusion:

The Court notes the Ibec submission as regards re-defining the scope of this JLC. The SIPTU submission suggests a contrary view and favours a comprehensive JLC for all aspects of the sector. The Court does not consider that it has been provided with compelling reason for the abolition of this JLC. Neither does the Court consider, given the absence of detailed submissions from all parties on this matter, that it has been provided with sufficient detail to allow a proposal to amend the establishment order for this JLC, while noting the Ibec observations regarding what they say is an overlap and consequent uncertainty in the coverage of workers as between different JLCs. The Court notes that no formal application for such an amendment has been made in accordance with s.40 of the Act. The Court considers that this JLC, if it was to meet, would have the capacity to consider matters related to the operation of the sector in considering whether to make proposals for the making of an ERO.

Section 41A(3)(d)

the experience of the enforcement of statutory minimum remuneration and statutory conditions of employment within the sector;

No submission made in relation to section 41A(3)(d)

Conclusion:

The Court, noting the information sourced from the Workplace Relations Commission, concludes that the experience of enforcement is not of such a nature as to lead to a

conclusion that the JLCs should be abolished or that the establishment order should be amended.

Section 41A(3)(e)

the experience of any adjustments made to the rates of statutory minimum remuneration and statutory conditions of employment

IBEC

"The establishment of the Low Pay Commission undermines the rationale for JLCs in many sectors. There is an extensive body of employment rights legislation which has emerged, particularly in the last 5 years, which has set a high floor of minimum rights.

Ibec is concerned about the Government intention to move to a living wage, which would be a significant increase to the further costs impacting business arising from employment rights legislation, inflation and energy costs. It will impact all businesses, particularly in hospitality, retail and agriculture.

The cumulative effect of this scale of legislative regulation is unaffordable and unsustainable for many sectors.

With the existence of a statutory national minimum wage and the establishment of a Low Pay Commission, there is limited need and justification for different minimum rates to be set in certain sectors and not others."

Conclusion:

The Court has not received submissions which would lead it to a conclusion that this consideration should lead to the abolition of this JLC. The national minimum wage sets a minimum hourly wage rate across the State. It does not have regard to the particular skills of workers in particular sectors nor does it take into account terms and conditions of employment suitable to particular sectors such as catering. That is the function of the JLC which is comprised of an equal number of worker and employer representatives in the sector. A JLC when formulating proposals is required under the legislation to set minimum rates appropriate to the sector having regard to the national minimum hourly wage and the appropriateness or otherwise of fixing a minimum rate above that. The Court considers that the JLC, were it to meet, would be in a position to consider all matters impinging on the sector including any increases in the minimum/living wage.

Section 41A(3)(f)

the impact on employment levels, especially at entry level, of fixing statutory minimum remuneration and statutory conditions of employment;

IBEC

"The perception of the affordability of Ireland as a tourist destination is a very live issue as the impact of Brexit and the current cost of living crisis takes hold. Uncompetitive wage rates have the potential to reduce the total earnings in the sector by discouraging both foreign and domestic customers from spending across the whole range of businesses in our catering sector and the related experience economy. This sector bore the brunt of the Covid pandemic, with the closure of many businesses and many more at risk. Furthermore, the length of public health restrictions has meant that business debt levels have risen sharply amongst employers in this sector. Employers in the

catering sector, the majority of whom are small or medium size enterprises, are therefore, very sensitive to the inflexibility of an ERO."

Conclusion:

This review is confined to consideration as to whether a JLC should be retained, abolished or amalgamated or if there is a need to amend the establishment order. Nothing has been put to the Court to suggest that, of itself, the existence of this JLC would have an impact on employment levels in the sector. The affordability or otherwise of provisions in an ERO are matters to be considered in the process of fixing wage rates and conditions of employment. The Court considers that a JLC, if it was to meet, would be in a position to consider all matters impinging on the sector.

Section 41A(3)(g)

whether the fixing of statutory minimum remuneration and of statutory conditions of employment by the joint labour committee has been prejudicial to the exercise of collective bargaining as a means of achieving the legitimate interests of employers and workers in the sector;

IBEC

"Ibec submits that wages have increased within the sector. The absence of an ERO has allowed employers and their workers to agree, individually or collectively, wage levels which are appropriate and sustainable for each undertaking in light of prevailing labour market conditions."

SIPTU

"Without a JLC for Catering, wages and terms and conditions of employment will likely continue to be a competitive factor leading to sustained levels of industrial unrest as workers will have to agitate to engage in collective bargaining in order to have some influence over their pay and terms and conditions of employment."

ICTU

"The JLC system continues to be an important part of the industrial relations infrastructure in Ireland. It has the capacity to provide minimum, legally enforceable terms and conditions of employment for thousands of workers."

Conclusion:

This JLC has not met since the last review. Therefore, statutory minima for the sector specifically were not fixed, so the question of whether they might, or might not, have been prejudicial to collective bargaining is impossible to judge with any certainty. The existence of the JLC did not cause difficulties for harmonious relations. The Court is satisfied that, if it was to meet, the JLC for the sector would be capable of taking account of all factors impinging on the sector.

Section 41A(3)(h)

in the case of a joint labour committee that represents workers and employers in a particular region in the State, whether the basis for the continuation of such regional representation is justified;

This subsection is not applicable to this sector. The Establishment Order has national application.

Section 41A(3)(i)

any submissions made in accordance with subsection (2)(b).

Conclusion:

The submission of IBEC sought abolition of this JLC. The submissions of ICTU and SIPTU sought retention of the JLC. In the absence of engagement of the parties at the JLC since the completion of the last review, the Court does not have the benefit of the parties' experience in dealing with the matters referred to in submissions. In all the circumstances the Court cannot conclude on the basis of the submissions that this JLC should be abolished. The JLC should be maintained in its current form.

Contract Cleaning Joint Labour Committee

Operation of Contract Cleaning JLC since 20 April 2018

Chairman: Brendan Cunningham

This JLC was established by S.I. No. 626/2007 - Contract Cleaning Joint Labour Committee Establishment, Order 2007. That S.I was amended by S.I. No.25 of 2014.

Since the last review this JLC has met 19 times. In the period since April 2018 there have been two Employment Regulation Orders for the Contract Cleaning Industry. Employment Regulation Order (Contract Cleaning Industry Joint Labour Committee) 2022 S.I. No 110 of 2022 and Employment Regulation (Amendment) Order (Contract Cleaning Joint Labour Committee) 2020 S.I. No 608 of 2020.

Section 41A(3) – Summary of key points made to the Court and conclusions.

Section 41A(3)(b)

The class or classes of workers to which the joint labour committee applies, and the Court shall have particular regard to changes in the trade or business to which the joint labour committee applies, *since* —

(i) the committee was established, or

(ii) the last review under this section was carried out

IBEC

"Ibec submits that the Contract Cleaning JLC should be retained as this industry is suited to a centralised system for setting pay and conditions and it is considered desirable for the industry to maintain such a system. Ibec submits that in the absence of a JLC, commercial pressures between contract service providers may create a downward pressure on wage rates notwithstanding the semi-skilled nature of many of these roles. This would lead to a comparative diminution of rewards and incentives and would create a difficulty in recruiting and retaining employees. Ibec submits that staff retention, in this sector, through good terms and conditions reduces training costs."

SIPTU

"In the absence of an ERO, contractors would be forced to compete on labour costs given that they account for a substantial share of the cost base. This would likely push wages down towards the national wage floor of the national minimum wage, resulting in cuts in the hourly rate of pay and/or cuts to workers' hours. Contract cleaning is already a relatively low paid, labour-intensive industry. Cuts to wages and hours would result in some industrial unrest, disruption of service (including critical services) and increasing non-compliance with TUPE."

Conclusion:

The submissions raise no issues in relation to this matter which would lead to a conclusion that the JLC should be abolished or that there should be any change in the establishment order for the JLC. The JLC should be maintained in its current form.

Section 41A(3)(c)

the type or types of enterprises to which the joint labour committee applies, and the Court shall have particular regard to changes in the trade or business to which the joint labour committee applies, since —

- (i) the committee was established, or
- (ii) the last review under this section was carried out;

IBEC

See s. 41A(3)(b) above

SIPTU

See s.41A(3)(b) above

Conclusion:

The submissions raise no issues in relation to this matter which would lead to a conclusion that the JLC should be abolished or that there should be any change in the establishment order for the JLC. The JLC should be maintained in its current form.

Section 41A(3)(d)

the experience of the enforcement of statutory minimum remuneration and statutory conditions of employment within the sector;

Conclusion:

The Court notes that the submissions of the parties make no reference to any issues regarding enforcement. The Court notes also the information provided by the Workplace Relations Commission. The Court concludes that the JLC should be maintained in its current form.

Section 41A(3)(e)

the experience of any adjustments made to the rates of statutory minimum remuneration and statutory conditions of employment

ICTU

"The most recent ERO came into effect in March 2022 and amongst other things provides for increases in basic pay in 2022, 2023 and 2024. This ERO also confirms a range of other terms and conditions of employment including holiday entitlement, Sunday premium, sick pay and uniform provision."

SIPTU

"The Contract Cleaning JLC continues to operate and has agreed two Employment Regulation Orders (EROs) since the last review by the Labour Court. The most recent ERO, 7th March 2022, provides for a 9.8% increase in the hourly wage rate from €11.20 to €12.30 over a three-year period, with the final increase taking affect from the 1st April 2024. This ERO also confirms other terms and conditions of employment including sick pay, uniform provision and holiday entitlements.

The ERO in Contract Cleaning is a critical piece of infrastructure that contributes to the maintenance of fair and sustainable rates of remuneration and other conditions of employment in the sector and a sustainable industry for all stakeholders. The role of the Contract Cleaner has developed significantly over the years. Contract cleaning companies have seen increased levels of responsibility, more detailed service provision and higher standards built into contract cleaning contracts with clients. Infection control and prevention continues to be a critically important aspect of the contract cleaners' role in the context of Covid 19. This increased role brings with it an additional investment in training, which again creates a need for sustainable rates of pay in the industry to maintain a low level of employee turnover to ensure training costs are manageable for employers."

IBEC

"Ibec submits that the operation of this JLC and the streamlining of pay and conditions in an ERO has tended to promote harmonious industrial relations between workers and employers both in unionised and non-unionised places of employment."

Conclusion:

The Court notes that no submission has been made which would lead to a conclusion that the JLC should be abolished or amalgamated or that the establishment order should be changed. The JLC should be maintained in its current form.

Section 41A(3)(f)

the impact on employment levels, especially at entry level, of fixing statutory minimum remuneration and statutory conditions of employment;

IBEC

"Ibec submits that in the absence of a JLC, commercial pressures between contract service providers may create a downward pressure on wage rates notwithstanding the semi-skilled nature of many of these roles. This would lead to a comparative diminution of rewards and incentives and would create a difficulty in recruiting and retaining employees. Ibec submits that staff retention, in this sector, through good terms and conditions reduces training costs."

SIPTU

"Contract cleaning companies have seen increased levels of responsibility, more detailed service provision and higher standards built into contract cleaning contracts with clients. Infection control and prevention continues to be a critically important aspect of the contract cleaners' role in the context of Covid 19. This increased role brings with it an additional investment in training, which again creates a need for sustainable rates of pay in the industry to maintain a low level of employee turnover to ensure training costs are manageable for employers."

ICTU

"The most recent ERO came into effect in March 2022 and amongst other things provides for increases in basic pay in 2022, 2023 and 2024. This ERO also confirms a range of other terms and conditions of employment including holiday entitlement, Sunday premium, sick pay and uniform provision.

The Congress therefore believes that the Court should recommend that the Contract Cleaning JLC be maintained."

Conclusion:

No arguments have been put to the Court in relation to this matter which would lead the Court to conclude that the JLC should be abolished or amalgamated or that the establishment order should be changed.

Section 41A(3)(g)

whether the fixing of statutory minimum remuneration and of statutory conditions of employment by the joint labour committee has been prejudicial to the exercise of collective bargaining as a means of achieving the legitimate interests of employers and workers in the sector;

IBEC

"Ibec submits that the Contract Cleaning JLC should be retained as this industry is suited to a centralised system for setting pay and conditions and it is considered desirable for the industry to maintain such a system."

ICTU

"The most recent ERO came into effect in March 2022 and amongst other things provides for increases in basic pay in 2022, 2023 and 2024. This ERO also confirms a range of other terms and conditions of employment including holiday entitlement, Sunday premium, sick pay and uniform provision.

The Congress therefore believes that the Court should recommend that the Contract Cleaning JLC be maintained."

SIPTU

"In the absence of an ERO, contractors would be forced to compete on labour costs given that they account for a substantial share of the cost base. This would likely push wages down towards the national wage floor of the national minimum wage, resulting in cuts in the hourly rate of pay and/or cuts to workers' hours. Contract cleaning is already a relatively low paid, labour-intensive industry. Cuts to wages and hours would result in some industrial unrest, disruption of service (including critical services) and increasing non-compliance with TUPE."

Conclusion:

No arguments have been put to the Court in relation to this matter which would lead the Court to conclude that the JLC should be abolished or amalgamated or that the establishment order should be changed. The JLC should be maintained in its current form.

Section 41A(3)(h)

in the case of a joint labour committee that represents workers and employers in a particular region in the State, whether the basis for the continuation of such regional representation is justified;

This subsection is not applicable to this sector.

Section 41A(3)(i)

any submissions made in accordance with subsection (2)(b).

SIPTU

"The SIPTU Services Division believe that the Contract Cleaning Joint Labour Committee should be maintained."

ICTU

"The Congress therefore believes that the Court should recommend that the Contract Cleaning JLC be maintained."

IBEC

"Ibec submits that the JLC should be retained in this sector, pending the next review in 2028."

Conclusion:

All submissions received favoured the retention of this JLC. No reasons have been put to the Court to justify the abolition of this JLC or any alteration in the classes of workers or types of enterprises covered by the JLC. The JLC should be maintained in its current form.

Hairdressing Joint Labour Committee

Operation of Hairdressing JLC Since 20 April 2018

Chairman: Louis Mooney, (since retired). Vice Chair: Anna Perry

The Joint Labour Committee for the current Hairdressing Industry JLC was established by S.I. No. 45/2009 - Hairdressing Joint Labour Committee Establishment Order 2009. That order was amended by S.I. No. 26/2014.

This JLC has not met since the last review.

No Employment Regulation Order in being.

Section 41A(3) – Summary of key points made to the Court and conclusions.

Section 41A(3)(b)

The class or classes of workers to which the joint labour committee applies, and the Court shall have particular regard to changes in the trade or business to which the joint labour committee applies, *since* —

- (i) the committee was established, or
- (ii) the last review under this section was carried out

Irish Hairdressers' Federation

"The JLC should be abolished, given its lack of operation in recent years, it has no tangible impact on the industry and is ineffective as a mechanism to set any sort of regulation for the hairdressing industry.

All the while, the current employment rights landscape is vastly different to that which existed when JLCs were first provided for in legislation as there have been significant increases in the national minimum wage and the future introduction of the living wage. Undermining the rationale for such JLCs.

The absence of an ERO has allowed employers and their workers to agree market level wage which are appropriate for each operator in the industry."

IBEC

"Ibec submits that there may be some value in retaining a JLC in this sector in order to create a framework to address some of the challenges arising in a sector which by its very nature is somewhat fragmented. These challenges, which Ibec raised in 2018 and continue to impact the sector, include appropriate standards of training, retention of key skills of trained workers and assistance in addressing the issue of bogus self-employment, where it arises. However, employers are concerned that, having not met since 2017, the JLC has lost some of its relevance to the sector. Ibec submits that there has largely been industrial peace within the hairdressing sector in recent years despite the lack of an ERO. In fact, the absence of an ERO has allowed employers and their workers to agree, individually or collectively, wage levels which are appropriate for each undertaking in light of prevailing labour market conditions."

SIPTU

"The Hairdressing JLC has not met since the last Labour Court review. It has not met because the employers in the sector have refused to participate in the JLC. The recommendations of the LEEF High Level Group, if fully implemented by the government, will mean the failure by the employers to participate in this JLC will not prevent it from fulfilling its mandate."

ICTU

"The recommendations of the LEEF High level Group, if fully implemented by Government, will mean that failure by the employers to participate in this JLC will not prevent it from fulfilling its mandate. Congress therefore believes that the Court should recommend that the Hairdressing JLC be maintained."

Conclusion:

The Court notes that no submission received suggests any amendment to the establishment order for this JLC to vary the classes of workers to be covered. The Irish Hairdressers' Federation submit that the JLC should be abolished in its entirety. ICTU and SIPTU submit that the JLC should be left in place and IBEC, with some reservations, agree that the JLC should be retained. The Court considers that this JLC, if it was to meet, would have the capacity to consider matters related to the operation of the sector in considering whether to make proposals for the making of an ERO.

Section 41A(3)(c)

the type or types of enterprises to which the joint labour committee applies, and the Court shall have particular regard to changes in the trade or business to which the joint labour committee applies, since —

- (i) the committee was established, or
- (ii) the last review under this section was carried out;

See s.41A(3)(b) re submissions received.

Conclusion:

The Court notes that no submission was received to suggest that the types of enterprises to be covered by this JLC should be varied. The Irish Hairdressers' Federation submit that the JLC should be abolished in its entirety. ICTU and SIPTU submit that the JLC should be left in place and IBEC, with some reservations, agree that the JLC should be retained. The Court considers that this JLC, if it was to meet, would have the capacity to consider matters related to the operation of the sector in considering whether to make proposals for the making of an ERO.

Section 41A(3)(d)

the experience of the enforcement of statutory minimum remuneration and statutory conditions of employment within the sector;

No submissions were received in relation to Section 41A(3)(d) of the Act

Conclusion:

The Court notes the information sourced from the Workplace Relations Commission. No issues arise which would cause the Court to recommend abolition of this JLC or which would cause the Court to recommend amendment of the establishment order.

Section 41A(3)(e)

the experience of any adjustments made to the rates of statutory minimum remuneration and statutory conditions of employment

No submissions were received in relation to Section 41A(3)(e) of the Act

Conclusion:

This subsection is not applicable to this sector.

Section 41A(3)(f)

the impact on employment levels, especially at entry level, of fixing statutory minimum remuneration and statutory conditions of employment;

IBEC

"Like other sectors, the perception of the affordability of services in Ireland remains a very live issue as the impact of Brexit and the current cost of living crisis continues. Uncompetitive wage rates have the potential to reduce the total earnings in the sector by discouraging customers from spending across the hairdressing sector. This sector was severely impacted by the Covid pandemic, with the closure of many businesses and many more at risk. Furthermore, the length of public health restrictions has meant that

business debt levels have risen sharply amongst employers in this sector. Ibec submits that employers in the hairdressing sector, the majority of whom are SMEs are, therefore, concerned by the inflexibility and unaffordability of an ERO given its potential to increase their obligations over and above the already onerous burden of statutory employment legislation, for little or no return."

Irish Hairdressers' Federation

"The absence of an ERO has allowed employers and their workers to agree market level wage which are appropriate for each operator in the industry."

ICTU

"The Hairdressing JLC has not met since the last Court review. It has not met because the employers in the sector have refused to participate in the JLC."

SIPTU

"The Hairdressing JLC has not met since the last Labour Court review. It has not met because the employers in the sector have refused to participate in the JLC. The recommendations of the LEEF High Level Group, if fully implemented by the government, will mean the failure by the employers to participate in this JLC will not prevent it from fulfilling its mandate.

The SIPTU Services Division believe that the Hairdressing Joint Labour Committee should be maintained."

Conclusion:

This JLC has not met since the last review. The Court considers that this JLC, if it was to meet, would have the capacity to consider matters related to the operation of the sector in considering whether to make proposals for the making of an ERO.

Section 41A(3)(g)

whether the fixing of statutory minimum remuneration and of statutory conditions of employment by the joint labour committee has been prejudicial to the exercise of collective bargaining as a means of achieving the legitimate interests of employers and workers in the sector;

Irish Hairdressers' Federation

"The absence of an ERO has allowed employers and their workers to agree market level wage which are appropriate for each operator in the industry."

IBEC

"Ibec submits that there has largely been industrial peace within the hairdressing sector in recent years despite the lack of an ERO. In fact, the absence of an ERO has allowed employers and their workers to agree, individually or collectively, wage levels which are appropriate for each undertaking in light of prevailing labour market conditions."

SIPTU

"The Hairdressing JLC has not met since the last Labour Court review. It has not met because the employers in the sector have refused to participate in the JLC. The recommendations of the LEEF High Level Group, if fully implemented by the government, will mean the failure by the employers to participate in this JLC will not prevent it from fulfilling its mandate."

ICTU

"The Hairdressing JLC has not met since the last Court review. It has not met because the employers in the sector have refused to participate in the JLC."

Conclusion:

No submission received argued that the existence of the JLC was prejudicial to collective bargaining. The submissions from IBEC and the IHF argue that the absence of a functioning JLC has enabled rates and conditions to be agreed individually or collectively in each employment. The ICTU and SIPTU argue that the JLC should be restored to functioning capacity, a view that is shared, with some reservations, by IBEC. The Court is satisfied that no argument has been made that would justify the abolition of this JLC due to its existence being an impediment to collective bargaining.

Section 41A(3)(h)

in the case of a joint labour committee that represents workers and employers in a particular region in the State, whether the basis for the continuation of such regional representation is justified;

This subsection is not applicable to this sector.

Section 41A(3)(i)

any submissions made in accordance with subsection (2)(b).

IHF

"The JLC should be abolished, given its lack of operation in recent years, it has no tangible impact on the industry and is ineffective as a mechanism to set any sort of regulation for the hairdressing industry."

IBEC

"Although it continues to remain inactive, Ibec submits that there may be some value in retaining this JLC, pending the next review in 2028."

SIPTU

"The SIPTU Services Division believe that the Hairdressing Joint Labour Committee should be maintained."

ICTU

"Congress therefore believes that the Court should recommend that the Hairdressing JLC be maintained."

Conclusion:

In the absence of engagement of the parties at the JLC since the completion of the last review, the Court does not have the benefit of the parties' experience in dealing with the matters referred to in submissions. In all the circumstances the Court cannot conclude on the basis of the submissions that this JLC should be abolished or amalgamated or that the establishment order should be changed.

The Court concludes that this JLC should be retained in its current form.

Hotels Joint Labour Committee

Operation of Hotels JLC Since 20 April 2013

Chairman: Aoibheann Ni Shuilleabhain

The Joint Labour Committee for the Hotel Industry was established by S.I. No. 81/1965 - Hotels Joint Labour Committee Establishment Order, 1965, which order was amended by S.I. No.28 of 2014 on the 28th January 2014.

No Employment Regulation Order in being.

This JLC has not met since the completion of the last review.

Section 41A(3) – Summary of key points made to the Court and conclusions.

Section 41A(3)(b)

The class or classes of workers to which the joint labour committee applies, and the Court shall have particular regard to changes in the trade or business to which the joint labour committee applies, since —

- (i) the committee was established, or
- (ii) the last review under this section was carried out

IBEC

"Ibec submits that many within the sector offer rates and conditions of employment in excess of the statutory minimum. However, the operating environment within the sector is now hugely different to the environment in which the JLC was initially established."

Irish Hotels' Federation

"Apart from developments in IT, Marketing / Digital Marketing, there is no new class or classes of workers or fundamental changes in the industry. The hotel sector provides early access to roles of responsibility that will be of enormous medium to long-term advantage to staff that demonstrate a strong work ethic, are flexible in terms of deployment and have an interest in career progression. The key issue is the entry-level

rate that enables staff to quickly progress into roles and remuneration in excess of that provided for by any statutory minimum wage.

This also affords a key opportunity for young people to access employment which is a key national objective — setting entry rates in excess of the statutory minimum wage will create a barrier to entry and remove an important stepping stone into long term employment."

SIPTU

"The Hotels JLC has not met since the last Labour Court review. It has not met because the employers in the sector have refused to participate in the JLC. The recommendations of the LEEF High Level Group, if fully implemented by the government, will mean the failure by the employers to participate in this JLC will not prevent it from fulfilling its mandate."

ICTU

"The Hotels JLC has not met since the last Court review. It has not met because the employers in the sector have refused to participate in the JLC."

Conclusion:

No submission received argues for alteration in the establishment order for this JLC to vary the classes to be covered. The Court is satisfied that the JLC, if it was to meet, could take account of all relevant matters in consideration of any possible ERO. The Court is satisfied that consideration of this subsection cannot lead to a conclusion that the JLC should be abolished or that the establishment order should be amended.

Section 41A(3)(c)

the type or types of enterprises to which the joint labour committee applies, and the Court shall have particular regard to changes in the trade or business to which the joint labour committee applies, since —

- (i) the committee was established, or
- (ii) the last review under this section was carried out;

IHF

"There are increasing demands on hoteliers in terms of regulation (environment, health and safety, food production and presentation). Fuel & energy costs are increasing; visitors are spending less and are actively seeking lower-priced alternatives.

Price competition is intense and we have increasing competition from hotels in the North of Ireland and Great Britain in the context of Brexit.

However, our Northern Ireland counterparts operate under an entirely different cost regime with statutory minimum rates from April 2022 as follows:

- £9.50 National Living Wage (23 years old and over)
- £9.18 per hour 21-22 yrs old
- £6.83 per hour 18 20 yrs old
- £4.81 per hour under 18 yrs old
- £4.81 for apprentices under 19 or 19 or over who are in the first year of apprenticeship.

The reintroduction of a JLC structure governing hotels will impact very negatively and significantly on the competitiveness, profitability, and ability of hotels to reinvest and sustain employment."

Other submissions

See s.41A(3)(b) above.

Conclusions:

The Court has been provided with a detailed statement of the current dynamics of the industry but no analysis of how that represents change over the period. The Court has not received detail as regards the impact of the JLC as distinct from a potential proposal for an Employment Regulation Order. Noting that the mechanisms for the making of proposals for an ERO are comprehensive in terms of consideration of the sector concerned, the Court is of the view that consideration of this subsection cannot lead to a conclusion that the JLC should be abolished or that the establishment order should be amended.

Section 41A(3)(d)

the experience of the enforcement of statutory minimum remuneration and statutory conditions of employment within the sector;

IHF

"The Irish Hotels Federation does not support any employers who break the law. Much of the reported non-compliance, we believe, relates to complexity of interpretation and implementation. We would dispute certain interpretations of the legislation by WRC Inspectors and much of non-compliance has been of a technical nature. However, the JLC system was increasingly falling into disrepute and employers in all sectors were experiencing difficulties in adhering to their various terms.

WRC statistics in the past have not differentiated between major and minor breaches or between technical and substantive breaches and cannot be relied upon as a basis for objective decision making on this issue."

Conclusion:

There is some frustration expressed by the IHF around the interpretation and application of existing legislation by WRC inspectors. The Court notes the submission made and the detail of information from the Workplace Relations Commission. The Court is of the view that consideration of the submissions made in respect of this subsection of the Act cannot lead to a conclusion that the JLC should be abolished or that the establishment order should be amended. Interpretation of the legislation is a matter for the WRC and is outside the scope of this review.

Section 41A(3)(e)

the experience of any adjustments made to the rates of statutory minimum remuneration and statutory conditions of employment

IHF

"The IHF experience of adjustments made to the rates of minimum remuneration and conditions of employment within the JLC process was extremely negative. We found it impossible to get any effective consideration of the employer view in discussions at the JLC and have no confidence in any new system operating in a manner that is fair to employers.

JLCs operated with some relevance until the introduction of the National Minimum Wage (NMW) following which a series of aggressive NMW increases were duplicated and compounded by the JLC process which blindly implemented increases agreed as part of the ill-conceived national understandings. The NMW was superimposed on JLC rates and the JLCs used the NMW to compound the increases despite strong opposition from employers. Employers' defence of exorbitant rate increases were disregarded by the JLC Chairs time after time."

IBEC

"S.I. No 137/2002, which has since ceased to have statutory effect arising from the 2011 High Court decision in *John Grace Fried Chicken Ltd v Catering JLC*, restricted the amount that an employer could deduct for staff accommodation and food to a daily rate, which if it were in force today, would have significant implications for employers given that the cost of providing accommodation and energy has increased massively."

Conclusion:

The Court considers that if the JLC was to meet it would have the capacity to address all matters impacting on the sector in coming to conclusions regarding remuneration and conditions of employment. The Court concludes that no matter has been raised of

such a nature that would lead it to the view that the JLC should be abolished or that the establishment order should be amended.

Section 41A(3)(f)

the impact on employment levels, especially at entry level, of fixing statutory minimum remuneration and statutory conditions of employment;

IHF

"Setting a new minimum rate of pay for the hotel sector in excess of the statutory minimum wage/ Living wage will undoubtedly affect employment numbers at entry level. Since the abolition of the EROs in July 2011, the numbers employed in the accommodation and food services sector has increased as follows:

Q1 2011 = 110,700

Q4 2022 = 170,400

Therefore, the abolition of the ERO has in part contributed to a positive impact on employment levels in the Sector.

The period since the High Court decision of 2011 has seen a recovery within the hotel sector apart from the period during the Covid – 19 pandemic. Employment levels and occupancy rates have improved. A number of significant factors have led to this improvement, some of which are unrelated to the abolition of the EROs.

The reintroduction of EROs over some or all of the state would be a massive blow to the ability of hotels to sustain and create employment. (In an IHF survey of members conducted in 2012, 89% of employers stated that the reintroduction of the JLC system would hinder their ability to take on additional staff over the following 12 months.)

Much esoteric economic argument on the barriers to entry into employment fails to take into account the reality of daily decisions taken in businesses. The best interests of employees and those unemployed are absolutely prejudiced by high minimum rates that exclude them from employment. The choice of taking up employment at entry level is taken away from many first time workers and critically their opportunity to commence developing career skills."

IBEC

"The current recruitment and retention difficulties experienced by those within the sector has driven change resulting in employers offering pay and conditions of employment above and beyond the statutory requirements."

Conclusion:

The Court has considered the submissions insofar as they addressed this sub-section and notes that a considerable focus is on the impact of Employment Regulation Orders. The Court concludes that the provisions of the Act in relation to the making of an Employment Regulation Order require consideration by the JLC of a comprehensive range of factors prior to the making of a proposal for such an Order. The Court concludes that matters raised in relation to this sub-section of the Act are not of such a nature as to allow a conclusion that the JLC should be abolished or that the establishment order should be amended.

Section 41A(3)(g)

whether the fixing of statutory minimum remuneration and of statutory conditions of employment by the joint labour committee has been prejudicial to the exercise of collective bargaining as a means of achieving the legitimate interests of employers and workers in the sector;

IHF

"There are some examples where employers and workers and / or employers & trade unions undertake collective bargaining on issues of common concern across the sector.

In some unionised employments wage increases have been negotiated with trade unions and a small number of hotels.

However, if a JLC sets rates of pay that are in excess of the statutory minimum wage/ Living wage it will act in a manner that is prejudicial to the exercise of collective bargaining as a means of achieving the legitimate interests of employers and workers in the sector. The JLC effectively becomes another forum for pay determination that will (in combination with the minimum wage) inevitably narrow the opportunity for collective bargaining in the sector. There would be up to three tiers of pay determination:

- 1. The statutory minimum/living wage and protective employment legislation
- 2. The JLC system
- 3. Collective bargaining between employers and workers and / or employers & trade unions

In this context, the scope for collective bargaining will effectively be narrowed by the combination of a statutory minimum wage and the content of any ERO. The alternative is to allow collective bargaining to operate at a level above the statutory minimum wage rather than create a further zone without collective bargaining between the statutory minimum wage and an ERO."

Conclusion:

The submission received contends that, in the absence of an ERO, collective bargaining will be more prevalent. The Court notes that no ERO has been in place in the sector since the completion of the last review. The Court also notes that the JLC has been in existence since the completion of the last review and no submission has been made that its existence has been prejudicial to the exercise of collective bargaining in the period. The Court concludes that the matters raised are not of such a nature as to allow a conclusion that the JLC should be abolished or that the establishment order should be amended.

Section 41A(3)(h)

in the case of a joint labour committee that represents workers and employers in a particular region in the State, whether the basis for the continuation of such regional representation is justified;

This subsection is not applicable to this sector.

Section 41A(3)(i)

any submissions made in accordance with subsection (2)(b).

IHF

".....the Court may only recommend that a JLC be retained (either in its existing form or in an amended of amalgamated form) if it is satisfied that 'to do so would promote harmonious relations between workers and employers and assist in the avoidance of industrial unrest.

This is a key test (with two distinct elements to be addressed) that is required by the legislation in determining whether a JLC should be retained. We can understand that when legislation on JLCs was first enacted in 1946 that there were concerns about promoting harmonious relations between workers and employers and avoiding industrial unrest.

This position no longer obtains in relation to 'industrial unrest' in the hotel sector specifically. Industrial unrest implies a state of ongoing discord and industrial action rather than a single isolated event. There is no evidence of 'industrial unrest' in the hotel sector in the past 20 years nor can any be reasonably anticipated. CSO figures on person days lost due to industrial action simply confirm this.

In fact the Irish Hotels Federation strongly believes that the IR pressures that would arise from any re-introduction of a JLC and ERO would create significant tensions that could damage current harmonious relations and contribute to possible industrial unrest. It is inevitable that there would be knock-on pay claims to retain relativities.

Many employers in the sector have strong HR policies and practices with high retention and low absenteeism rates. They are continuously improving HR practices in such areas as recruitment, onboarding, performance management and development, training and

development and communications. The Irish Hotels Federation and individual employers in the sector are working very hard to promote harmonious relations and we have no doubt that the re-introduction of JLCs in the sector will compromise these efforts especially in the current climate.

The Irish Hotels Federation will be particularly interested to examine any evidence base that will be used by the Labour Court to satisfy the requirements of this section of the legislation.

Conclusion

In summary the Joint Labour Committees (JLC) system is archaic, discourages employment and should be abolished. It was introduced at a time when there were no statutory minimum rates of pay and minimal regulation of conditions of employment. They were intended to support collective bargaining as the primary means of wage determination by providing a floor on wages and terms and conditions of employment. This floor is now provided by a combination of the Statutory Minimum Wage, the Low Pay Commission and protective employment legislation. The core argument of trade unions that the system protects vulnerable workers from exploitation is no longer tenable."

IBEC

"IBEC submits that this JLC is not fit for purpose."

SIPTU

"The SIPTU Services Division believe that the Hotels Joint Labour Committee should be maintained."

ICTU

"The recommendations of the LEEF High level Group, if fully implemented by Government, will mean that failure by the employers to participate in this JLC will not prevent it from fulfilling its mandate."

Ross Breen Hospitality

"In the absence of the functioning JLCs there is therefore no mechanism for those employed in hotels to ensure that they are paid a reasonable premium and I believe that this anomaly needs to be addressed in order to ensure harmonious industrial relations."

Conclusion:

The JLC has been in existence since the last review. No submission has argued that its existence in that time has been detrimental to harmonious relations although the IHF has expressed the view that it is the inactive state of the JLC that have kept relations in the sector harmonious. While views have been expressed that the JLC system is no longer fit for purpose, having regard to the various sub sections of the Act as set out above, the Court cannot conclude that the JLC should be abolished or that the establishment order should be amended. The Court is satisfied that the JLC, if it met, could take account of all considerations specific to the sector in determining if an ERO was appropriate for the sector.

The JLC should be retained in its current form.

Retail Grocery & Allied Trades Joint Labour Committee

Operation of Retail Grocery and Allied Trades Establishments JLC Since 20 April 2018

Chairman: Niamh King

The Joint Labour Committee for Retail Grocery and Allied Trades Establishments was established by S.I. No. 58 of 1991. The JLC has not met since the completion of the Court's last review in April 2018.

No Employment Regulation Order in being.

Section 41A(3) – Summary of key points made to the Court and conclusions

Section 41A(3)(b)

The class or classes of workers to which the joint labour committee applies, and the Court shall have particular regard to changes in the trade or business to which the joint labour committee applies, *since* —

- (i) the committee was established, or
- (ii) the last review under this section was carried out

IBEC

"The sector has developed into a multi-faceted suite of business models, containing a range of components which bear little resemblance to each other. It is much more difficult, therefore, to combine the range of businesses which exist today in this sector into a one-size-fits-all wage setting mechanism.

..... a significant number of retail grocery outlets operate cafes. A question arises about whether a worker at that outlet who spends a part of her or his working week in the café is covered by the relevant Catering JLC or the Retail Grocery and Allied Trade JLC. There remains a lack of clarity in respect of which of the two relevant JLCs operates in respect of the worker in question. As the exclusion applies to workers to whom an ERO from another JLC applies, it means that two, or more, JLCs, with no ERO, can apply to a worker, as there is no restriction on different JLCs having multiple jurisdictions in respect of the same worker. How is an employer meant to determine which JLC applies? Ibec submits that for JLCs to be utilised effectively they must have very clear scope, be concise, fit for purpose and not expose employers unnecessarily to liability."

SIPTU

"The SIPTU Services Division believe that the Joint Labour Committee should be maintained."

Conclusion:

The Court notes the IBEC submission as regards re-defining the scope of this JLC. The SIPTU submission suggests a contrary view and favours a comprehensive JLC for all aspects of the sector. The Court notes that the JLC has been in existence since the last review and that there is no evidence that its existence has been detrimental to harmonious relations in the sector. The Court does not consider that it has been provided with compelling reason for the abolition of this JLC. Neither does the Court consider, given the absence of detailed submissions from all parties on this matter, that it has been provided with sufficient detail to allow a proposal to amend the establishment order for this JLC, while noting the IBEC observations regarding what they say is an overlap and consequent uncertainty in the coverage of workers as between different JLCs. The Court notes that no formal application for such an amendment has been made in accordance with s.40 of the Act. The Court considers that this JLC, if it was to meet, would have the capacity to consider matters related to the operation of the sector in considering whether to make proposals for the making of an ERO.

Section 41A(3)(c)

the type or types of enterprises to which the joint labour committee applies, and the Court shall have particular regard to changes in the trade or business to which the joint labour committee applies, since —

- (i) the committee was established, or
- (ii) the last review under this section was carried out;

See s.41A(3)(b) above re submissions.

Conclusion:

It is clear that the employer side believe that the industry has changed over a period of many years. The Court notes that the JLC has been in existence since the last review. The Court considers that the JLC, were it to meet, would have the capacity to consider the current nature of the sector and all factors impinging upon it in the context of exploring the potential to form proposals for an ERO. The Court concludes that the submissions received do not allow a conclusion that the JLC should be abolished or that the establishment order should be amended.

Section 41A(3)(d)

the experience of the enforcement of statutory minimum remuneration and statutory conditions of employment within the sector;

IBEC

"Employers in the retail sector, many of whom are small or medium size enterprises are, therefore, also very sensitive to the inflexibility of an ERO. Ibec submits that it would increase their obligations over and above the already onerous burden of statutory employment legislation, for no return as they cannot identify any benefit to their business accruing from an ERO."

Conclusion:

The Court notes the submissions and takes account of the information sourced from the Workplace Relations Commission. The JLC has been in place since the last review but has not met. There is no evidence that its existence in this time has given rise to difficulties under this sub section that would lead the Court to a conclusion that the JLC should be abolished or that the establishment order should be amended.

Section 41A(3)(e)

the experience of any adjustments made to the rates of statutory minimum remuneration and statutory conditions of employment

IBEC

"While different elements of the sector tend towards different rates of pay, Ibec submits that this is understandable and appropriate when you consider that businesses in this sector range from corner shops to large multi-national employers, given the scope of the Establishment Order. Employers in the retail sector, many of whom are small or medium size enterprises are, therefore, also very sensitive to the inflexibility of an ERO."

Conclusion:

This review is concerned with the JLC, which has been in existence since the completion of the last review. The procedure for making proposals for an ERO allows comprehensive consideration of all matters impacting on the sector. The submissions received do not bring the Court to a conclusion that the experience of the matters referred to in this subsection are such as to mean that the JLC should be abolished or that the establishment order should be amended. The issues raised are matters which employer and employee members of the JLCs can take into account when considering proposals for an ERO if the JLC was to meet.

Section 41A(3)(f)

the impact on employment levels, especially at entry level, of fixing statutory minimum remuneration and statutory conditions of employment;

IBEC

"The absence of an ERO has allowed employers and their workers to agree, individually or collectively, wage levels which are appropriate and sustainable for each undertaking, which are linked to the prevailing labour market conditions."

Conclusion:

The Court has not been given detailed submissions on this matter and draws no conclusions which would suggest that the JLC should be abolished or the establishment order amended.

Section 41A(3)(g)

whether the fixing of statutory minimum remuneration and of statutory conditions of employment by the joint labour committee has been prejudicial to the exercise of collective bargaining as a means of achieving the legitimate interests of employers and workers in the sector;

IBEC

"The absence of an ERO has allowed employers and their workers to agree, individually or collectively, wage levels which are appropriate and sustainable for each undertaking, which are linked to the prevailing labour market conditions."

Conclusion:

The Court notes that there has been no experience of the fixing of statutory minima in this sector since the completion of the last review. There is no basis for concluding that the existence of the JLC has been prejudicial to the exercise of collective bargaining. The Court does not consider that the matters arising in this subsection are of such a significance as to allow the Court to conclude that the JLC should be abolished or the establishment order amended. The Court is satisfied that if the JLC was to meet, it would be capable of taking account of all relevant factors in considering any possible legitimate interests of employers and workers in the sector.

Section 41A(3)(h)

in the case of a joint labour committee that represents workers and employers in a particular region in the State, whether the basis for the continuation of such regional representation is justified;

This subsection is not applicable to this sector.

Section 41A(3)(i)

any submissions made in accordance with subsection (2)(b).

IBEC

"Ibec submits that the JLC is not fit for purpose."

ICTU

"The recommendations of the LEEF High level Group, if fully implemented by Government, will mean that failure by the employers to participate in this JLC will not prevent it from fulfilling its mandate. Congress therefore believes that the Court should recommend that the Retail, Grocery and Allied Trades JLC be maintained."

SIPTU

"The SIPTU Services Division believe that the Retail, Grocery and Allied Trades Joint Labour Committee should be maintained."

Conclusion:

Parties have made directly opposing submissions on this matter. The Court notes that, notwithstanding the views of the parties, the JLC has been in existence since the last review and no submission has been made that the existence of the JLC has impacted on the sector's capacity to respond to the challenges encountered in the period. The fact that the JLC has not met deprives the Court of an opportunity to assess the current relevance or value of the JLC on an evidential basis. In all of the circumstances the Court concludes that the submissions do not provide a basis to find that the JLC should be abolished or that the establishment order should be amended.

The Court considers that this JLC should be retained in its current form.

Security Industry Joint Labour Committee

Operation of Security JLC Since 20 April 2018

Chairman: Mairead Daly

The Joint Labour Committee for the Security Industry was established by S.I. No. 377/1998 - Security Industry Joint Labour Committee Establishment Order, 1998 which order was amended by S.I. No.30 of 2014. Since the last review the Committee has met on 10 occasions.

Proposals were formulated by the JLC and adopted by the Labour Court and in August 2022 the Minister signalled his intention to commence a new ERO, in line with the adopted proposals. Following a High Court injunction, the Minister was prohibited from commencing the proposed statutory instrument, pending the lifting of the injunction.

Section 41A(3) – Summary of key points made to the Court and conclusions

Section 41A(3)(b)

The class or classes of workers to which the joint labour committee applies, and the Court shall have particular regard to changes in the trade or business to which the joint labour committee applies, *since* —

- (i) the committee was established, or
- (ii) the last review under this section was carried out

Private Security Authority, (PSA)

"The PSA believes the class of workers currently covered by the JLC remains appropriate for the industry and does not require changing at this time. We note the representation of employers and employees appointed to the JLC, all of whom are known to the PSA as representatives of the class of workers as detailed.

The PSA notes that the employers represented on the JLC account for just over 70% of the sector in terms of turnover and employment. The employee representatives on the JLC, SIPTU, have been represented on the Board of the PSA since its establishment, and we recognise them as representing employees in the security guarding sector."

Irish Security Industry Association, (ISIA)

"Given that we are providing contracted services, contracts regularly transfer between employers and the provision of the security ERO has resulted in greater acceptance of transfer of employees between contractors. When the security JLC was not in place, the acceptance of TUPE by some contractors outside of the ISIA was not applied and this had a negative impact on employees and contractors and ultimately resulted in referrals to the Workplace Relations Commission (WRC)."

Security Institute of Ireland, (SII)

"Class of Workers: our view is that the class of workers currently covered by the JLC remains appropriate for the industry."

ICTU

"The process to make a new ERO has commenced and the Labour Court have requested submissions on proposals for a new ERO. However, a small group of employers in the sector are currently taking legal action to prevent the making of an ERO for the sector."

Independent Workers' Union, (IWU)

"We would urge the Labour Court to continue and maintain a Joint Labour Committee in its current form for the security industry sector."

Manguard Plus

"Class of Workers: the class of workers currently covered by the JLC remains appropriate for the industry and should not be expanded upon or changed. The representatives currently appointed to the JLC are representative only of the class of workers as detailed."

Securitas

"The class of Security workers currently covered by the Security JLC is correct for the Irish Security industry."

Conclusion:

The Court considers that no issue arises from submissions received regarding this this subsection which would lead to a conclusion that the JLC should be abolished or that the establishment order should be amended.

Section 41A(3)(c)

the type or types of enterprises to which the joint labour committee applies, and the Court shall have particular regard to changes in the trade or business to which the joint labour committee applies, since —

- (i) the committee was established, or
- (ii) the last review under this section was carried out;

PSA

"The types of enterprise to which the JLC applies remains unchanged since the last review and mirrors the activities regulated by the PSA."

SII

"Types of Enterprise: the most recent figures provided by the Private Security Authority confirm that there are 185 companies licensed in the Security Guarding sector, a small decrease of 5 companies since the last review in 2018. The number of licensed security guards is 27,000, of which approximately 3,000 are in-house guards and not covered by the JLC. The number of security guards *actively* employed by security companies in this sector is estimated at 16,500."

Manguard Plus

"Types of Enterprise: There has been no change in the structure of operating methodology of the industry such that the type of enterprise covered needs to be reconsidered and the enterprises currently covered by the JLC remain appropriate.

The PSA annual reports for 2018 and 2021 indicate there has been no significant change in the number of companies licensed in the sector since the last review in 2018 (290 2018; 284 2019; 284 2020; 285 2021) but a strong increase in annual turnover attributed to those companies during the same period, from €360m to €430m.

The structure of the industry, reflecting a Europe wide trend, is such that the top 10 companies in the sector account for almost 70% of the turnover (and therefore 70% of employees), with the remaining 175 companies being micro, small or medium sized enterprises.

Having previously been an SME company, we believe they are better represented in a JLC than in any negotiations that may produce an SEO between a group of the larger companies and a union of workers."

Securitas

"Since 1999, the range of enterprises included under the JLCs coverage has remained the same, and there has been no notable change in the number of employers or employees in the industry since the last review in 2018."

Conclusion:

The Court considers that no issue arises from submissions received regarding this subsection which would lead to a conclusion that the JLC should be abolished or that the establishment order should be amended.

Section 41A(3)(d)

the experience of the enforcement of statutory minimum remuneration and statutory conditions of employment within the sector;

PSA

"Our enforcement experience is that there is a high level of compliance with the ERO across the security industry. Checks on ERO compliance are undertaken as part of our audit and inspection programme. Where non-compliance is identified and not rectified, we report the matter to the WRC. We have in the past revoked the licences of a small number of employers found in continuing breach of the ERO."

SII

"Experience of Enforcement: Although there are concerns with some entities attempting to avoid the ERO by distinguishing their employees from those covered by the JLC, our members feel this is happening in a very small way and do not believe enforcement to be an issue in the industry.

We are aware of the active role played by the Private Security Authority in monitoring and inspecting security companies and, although the PSA are not the body concerned with enforcement of EROs, where they believe they find non-compliance, they report this to the WRC."

Securitas

"Securitas Security Services Ireland expresses confidence that the Security Industry in Ireland is subject to satisfactory levels of enforcement and oversight.

The company believes that the Private Security Authority (PSA) is highly proactive and diligent in this regard, ensuring that industry standards are fully upheld, and any issues are addressed promptly.

While there are reservations about certain entities trying to evade the ERO by making a distinction between their employees and those falling under the remit of the JLC, we are of the opinion that such occurrences are few and far between, and that the enforcement of ERO is not a major concern within the industry as the Workplace Relations Commission (WRC) are great stewards in this regard ensuring non-compliances are rectified.

We acknowledge the proactive stance of the Private Security Authority in overseeing and scrutinising Security enterprises, and although the PSA is not responsible for enforcing

EROs, they can bring to the attention of the WRC any instances of non-conformity that they may come across."

Manguard Plus

"Experience of Enforcement: enforcement of the ERO does not seem to be an issue. The Private Security Authority is active in auditing companies for compliance with licensing standards where non-compliance with the ERO is found, this in notified to the WRC.

In addition, Security contracts transfer regularly between companies in the industry, under both public and private tenders, with a high percentage of these requiring that TUPE be applied to the staff involved, so a company's terms and conditions of employments are very transparent."

Conclusion:

The Court notes the submissions received and the information obtained from the Workplace Relations Commission. The Court concludes that no issue arises in consideration of this sub-section which would lead to a conclusion that the JLC should be abolished or that the Establishment Order should be amended.

Section 41A(3)(e)

the experience of any adjustments made to the rates of statutory minimum remuneration and statutory conditions of employment

PSA

"From our perspective, those periods when there has been an ERO have benefited employees, supported harmony between employees and employers as well as among employers and raised standards across the industry."

SII

"The experience of adjustments: Our members have found that they have been able to recover most, if not all, of the cost increases since the 2018 review, associated with the remaining two increases under the 2017 ERO.

In fact, having been notified of the proposals that were forwarded to the Minister for approval in 2020, many of our members have implemented the first phase of those proposals and recovered the costs from most of their commercial clients, the State, as a client of security companies, being the exception to this due to the contractual terms of contracts under the Office of Government Procurement."

Securitas

"The Irish Security ERO enforces a baseline standard for the minimum hourly wage that must be offered to Security Officers in Ireland, which historically has exceeded the National Minimum Wage (NMW) and in 2011 by a substantial amount compared to today in 2023.

Because of inadequate Security EROs except for one in 2017, which resulted in a €0.90 cent enhancement overall, Security Officers have not received any other salary increases at the core base wage level since the core pay of €10.75 was established under the 2007 Security ERO which became applicable on the 1st of January 2009, which has now risen to €11.65 as of late February 2023. The Security Industry in Ireland stands unparalleled against any other industry with a small percentage increase of only 8.4% over the past 14 years, equating to a mere 0.6% per annum, thereby surpassing all other industries in the country as regards core wage increases and the Irish Security Industry is peerless in this regard in a negative light. The Security ERO has increased wages to today by 8.4% since 2011 and the National Minimum Wage (NMW) has increased wages since 2011 to today by 47.7% over the same timeframe.

Securitas has recouped all the expenses accrued following the 2018 assessment, pertaining to the small increases arising from the 2017 ERO which amounted to 8.4% or just over half of one percent over the past 14 years (0.6%)

Please see below the ERO and NMW differences and changes over the last 14 years

- ERO 2011 = €10.75, NMW 2011 = €7.65, Difference is €3.10 or 40.5%
- ERO 2023 = €11.65, NMW 2023 = €11.30, Difference €0.35 or 3.1%
- ERO 2011 = €10.75, ERO 2023 = €11.65, Difference is €0.90 or 8.4%
- NMW 2011 = €7.65, NMW 2023 = €11.30, Difference €3.65 or 47.7%"

Manguard Plus

"The experience of adjustments: we have generally found clients accepting of the adjustments. Although naturally concerned with budget increases, they are accepting of the fact that the industry needs to attract and retain quality, experienced staff and that terms and conditions of employment are the most fundamental deciding factor when employees are deciding where to work.

Where it is feasible, clients have looked at a mix of manned guarding and electronic solutions in order to maintain their budgets, while also maintaining, or improving, the integrity of their security routines.

They also now have increased expectations of their security guards, with added responsibilities around, for example, the monitoring of building maintenance and of Health & Safety.

Of course, there are clients that will go to market on receipt of a proposed increase in cost, but these clients would tend to go to market regularly in any event even when there is no ERO increase, in order to test the price they are being charged. The benefit of an ERO is that it removes wages as a competitive factor, so any variations from one company to another is either due to operational efficiencies, or reduced profits. If the client is convinced that the operational efficiencies will not impact on the integrity of their security and/or the company is sufficient financially robust that it can survive on a lower profit, then they may change provider.

One of the great improvements over the years has been that the Office of Government Procurement (OGP), who manage pretty much all of the security procurement by bodies that receive funding from the State, now provide for price increases caused by Statutory Instrument increases within their contracts with security companies.

However, the other side of this coin is that they are unable to provide increases outside of an SI. Which means that, where commercial clients are dealing with the current stresses caused by labour shortages in the sector by providing for better terms and conditions in their contracts that are mandatory under the S.I.231:2017, the State contracts struggle to retain their experienced guards as these staff naturally move to higher wage contracts.

The 20% in turnover in the sector since the last review proves that the industry has met any challenge caused by price adjustments doe to the final two phases of S.I.231:2017."

Conclusion:

The Court considers that no issue arises in consideration of this sub-section which would lead to a conclusion that the JLC should be abolished or that the establishment order should be amended.

Section 41A(3)(f)

the impact on employment levels, especially at entry level, of fixing statutory minimum remuneration and statutory conditions of employment;

PSA

"There has been no negative impact on employment levels. Since the introduction of the current ERO in 2017, the number of security guarding employee licences has increased from 23,860 to 27,294 at the end of 2022. This reflects the strong demand for security guarding services particularly over the past 3 years and is evidenced in the rise in turnover for the sector from €343.2 million in 2017 to €482.7 million last year."

ISIA

"Having set rates of pay through an ERO for security operatives for many years now, it is evident to our members that this allows the industry to attract the right calibre of people, justify the training level required for licensing and not allow for standards to be depleted. This is crucial for an essential service that manages risk and aims to secure and protect people, property, and assets."

SII

"Impact on Employment Levels: As we have stated above, the number of Security Guards in the industry has been very stable since the 2018 review, with only a very small 3.5% decline during the two years of very significant business interruption caused by the pandemic in 2020.

We would restate the importance of the EROs in making the industry attractive to prospective employees and as a tool in the retention of long serving, experienced staff. The lack of an ERO to replace S.I.231:2017 has permitted the NMW to catch up with the base hourly rate for employees and, subsequently, our members are experiencing the depletion of their experienced staff and finding they are unable to attract new employees.

At this point, members are reporting that they are not in a position to provide sufficient staff to fulfil their contracts and are not availing of tender opportunities as and when they arise where they believe it will be difficult to attract or retain staff, for example, short contract term requirements or short daily hours.

Given the additional hurdles, of vetting, licensing and very significant training, people must cross before they can even be employed as security guards, it is vital that this imposition is reflected in the pay rate gap between the security guard wage and the NMW."

Securitas

"As previously mentioned, the Security Guard workforce has remained remarkably steady since the 2018 assessment, experiencing only a minor 3.5% dip despite the extensive operational disruptions created initially by the COVID-19 pandemic.

We cannot stress enough the vital role played by ERO's in enhancing the industry's appeal to potential recruits and preserving the tenure of seasoned personnel over the years. Regrettably, the absence of a replacement of the 2017 ERO in the form of a new 2023 ERO has enabled the NMW to nearly catch up on the current ERO core hourly wage of €11.65 and remarkably in percentage terms the NMW has performed nearly 6-fold times better since 2011 that the ERO. This erosion is leading to a troubling loss of valuable, trained, and experienced staff leaving the industry and who are going elsewhere, and it is leading to a serious failure to attract new talent to our industry.

Security firms today in Ireland are grappling with a scarcity of personnel to meet contractual obligations, resulting in their inability to look at tender opportunities in instances where staff retention or recruitment poses a challenge, and this is affecting the ability of the companies to operationally service the needs of the client in that tender should they be successful.

Considering the additional obstacles of stringent screening, licence approval, and extensive training and instructions that individuals must overcome to secure a position as a PSA licenced Security Guard, it is imperative that the disparity in remuneration between the Security Guard salary and the National Minimum Wage is not eroded to parity and that differences going forwards start to get some way to where they were in 2011."

Manguard Plus

"Impact of Employment Levels: The number of Security Guard licensed by the Private Security Authority (PSA) since the last review are: 2018 - 27,900; 2019 - 26,900; 2020 - 26,400; 2021 - 27,500. Although it is accepted that this figure is much higher than the number of people active in the industry – this is estimated at 16,000 – and the approximately 2,500 are employed *in*-house so not a class of worker covered by the ERO, they indicate that there has been no negative impact on the numbers employed.

In fact, they indicate the robustness of the industry given that 2020 and 2021 were the years of industrial disruption and business closures caused by the pandemic. (They also reflect the significant role played by the security industry in society, when security guards operated on the front line of the States response to the pandemic).

There is some movement towards the use of a mixture of technology and labour, replacing some element of labour while generally improving the levels of security, but this reflects the normal evolution of any industry."

IBEC

"Ibec submits that employers within the sector support the retention of a Security JLC to streamline rates of pay as a means of recruiting and retaining talent within the sector, in an industry where it has become difficult to attract staff."

SIPTU

"In the absence of an ERO, contractors would be forced to compete on labour costs given that they account for a substantial share of the cost base. This would likely undercut the established pay rates and terms of conditions in a downward race to the bottom."

Conclusion:

The Court considers that no issue arises in consideration of this sub-section which would lead to a conclusion that the JLC should be abolished or that the establishment order should be amended.

Section 41A(3)(g)

whether the fixing of statutory minimum remuneration and of statutory conditions of employment by the joint labour committee has been prejudicial to the exercise of collective bargaining as a means of achieving the legitimate interests of employers and workers in the sector;

ISIA

"Wage regulation is of great importance to the Security Industry for several critical reasons and the ISIA as an employer representative body are in favour of continuing and maintaining employment regulation within the security sector and therefore attaches great value to the structure provided by the Security Industry Joint Labour Committee (JLC). The ability for our industry to negotiate and agree rates of pay, terms and conditions of employment, ensuring adequate renumeration and harmonious industrious relations is something we view as critical."

SII

"Collective Bargaining: Members are reporting that they are entering into collective agreements with their unions over and above the terms of S.I.231:2017, so the existence of an ERO has not replaced this process. It has, however, provided a floor from which to negotiate.

And we would reiterate from our submission of 2018 that the creation of an ERO by a JLC permits those employees that do not have representative unions to gain the benefit of collective bargaining for their sector.

We also mentioned in 2018 that the industry had enjoyed harmonious relations since the inception of the JLC in 1999 except for some unrest during the period 2011 to 2015, when no ERO existed. We now find that there has been regular protest and industrial *disharmony* since the ERO that was proposed to replace S.I.231:2017 was frozen in the Courts."

SIPTU

"In the absence of an ERO, contractors would be forced to compete on labour costs given that they account for a substantial share of the cost base. This would likely undercut the established pay rates and terms of conditions in a downward race to the bottom. Cuts to wages and hours could result in industrial unrest, disruption of service (including critical services) and increasing non-compliance with TUPE."

IBEC

"Ibec submits that the operation of this JLC and the streamlining of pay and conditions in an ERO has tended to promote harmonious industrial relations between workers and employers both in unionised and non-unionised places of employment."

ICTU

"The recommendations of the LEEF High level Group, if fully implemented by Government, should strengthen the position of the JLC system and provide a more sustainable methodology for the making of ERO's."

Manguard Plus

"Collective Bargaining: we recognise SIPTU as the sole representative of employees within our company and are happy that the negotiations around the *minimum* terms and conditions for employees be agreed within the JLC structure.

Separately, we have company agreements with SIPTU around enhanced terms above those in the ERO, such as an enhanced Bereavement payments for all employees.

Although there have been proposals for a new ERO produced by the JLC since the last review, there has been no Statutory Instrument to replace SI231:2017 and this is now causing a great deal of frustration among employees, with demonstrations taking place at various venues where they believe the delay is caused.

In addition, we believe there is a fracturing within employee representation, with both registered unions and non-registered groups organising separate demonstrations. This is reflective of the disputes that erupted during the period of no JLC, 2012 to 2014

It is a reflection of the success of the JLC process that previously, during the periods that it had been operating normally there was little, if any, industrial disharmony at company, regional or national level."

Securitas

"The Security Officer rates, terms and conditions can be enhanced by any collective bargaining that a company may have with its employees and/or unions and there is nothing barring this from being the case by having a ERO in place. Securitas Security Services Ireland clearly asserts that the Security ERO mechanisms in the past have unequivocally bolstered the remunerations, conditions, and benefits of all applicable security personnel in Ireland and this was never more so than in the period 2009 to 2011, irrespective of their union representation or lack thereof, to a respectable mark.

Our extensive international presence and established operations within the Security Industry have yielded overwhelmingly positive results. Conversely, in regions with minimal regulatory standards and lacklustre investment, the Security industry there suffers from a lack of maturity and inadequate service levels, resulting in dissatisfied customer expectations which are typically at the bottom rung of the ladder.

The Irish Security Industry has enjoyed commendable stability in terms of industrial harmony and amicable engagement with stakeholders, save for a brief interlude of turbulence between 2011 and 2015 when the lack of an ERO led to a free-for-all and a race to the bottom on all fronts. While the ERO has established a minimum baseline for negotiations, it's important to note that there are still numerous collective agreements in place between staff and/or their unions that exceed the terms outlined in the current ERO.

Essentially, the existence of the ERO has not superseded this process, but rather served as a starting point for further discussions and is a baseline. Securitas Security Services Ireland stand firm in our submission from 2018, affirming that the establishment of an ERO by a JLC paves the way for unrepresented employees to partake in the advantages of collective bargaining in the Security industry.

In 2018, we noted the industry's sustained calmness since the establishment of JLC in 1999, except for a turbulent period from 2011 to 2015 during which no ERO was in place due to a successful constitutional challenge on the whole JLC/ERO mechanisms at the time.

Unfortunately, the intended replacement ERO proposal in 2022 has been legally suspended as the Minister of State at the Department of Enterprise has been injuncted from signing the 2022 proposal and the ex parte injunction on the Minister of State at the Department of Enterprise remains in place and it has yet to be formally challenged by the Irish Government. As a result of this inaction, we have since observed recurring protests and industrial discord amongst Security workers which will only increase as dissatisfaction while the current impasse continues. It must be noted that the 2022 ERO proposal is not injuncted by the High Court, it is the Minister of State at the Department of Enterprise solely that is injuncted."

OCS

"The ability of our industry to negotiate and agree rates of pay, terms and conditions of employment ensuring adequate remuneration and harmonious relations is critical to the success of our business."

Sodexo

"As a regulated industry the implementation of the rates of pay is guaranteed as the introduction of a statutory instrument allows the regulator for the industry, the Private Security Authority (PSA), to monitor compliance with the legislation providing further guarantees and assurance to those working in the industry."

G4S

"Our services and our employees manage risk to the security of people, property, and assets.

Therefore, it is essential that we have a mechanism to apply appropriate minimum rates of pay relative to the work being completed by our employees."

GZ Professional Security, (GZP)

"Security persons on a daily base deal from everything from theft to physical altercations, this is not your normal Job and can be at times very difficult. Again, this should reflect on rate of pay. $\leq 11 / \leq 12$ euro an hour is not very appealing to any reasonable person.

From our submissions of 2018 that the creation of an ERO by a JLC permit those employees that do NOT have representation unions to gain the benefit of collective bargain for their sector."

IWU

"There is no doubt that the Security Industry Joint Labour Committee does and has to date provided a harmonious relationship between employees and employer bodies who work in the security industry sector, thus assisting in the avoidance of unnecessary industrial unrest and litigation. The Labour Court is amply aware that the Joint Labour Committee framework, as a model, does provide a mechanism for engagement on a range of work related matters which are not specifically dealt with in current employment law scenarios and where engagement at a sectoral level can reach consensus when it comes conditions of employment."

Sharpgroup

"Since the previous review of JLCs five years ago our industry has remained strong and continued to grow..."

Conclusion:

The Court received ten submissions relating to this sector. Not one made the case that the existence of a JLC for the sector has been prejudicial to the exercise of collective bargaining in the sector. The Court is of the view that the submissions received do not lead to a conclusion, taking account of this sub-section, that the JLC should be abolished or that the Establishment Order should be amended.

Section 41A(3)(h)

in the case of a joint labour committee that represents workers and employers in a particular region in the State, whether the basis for the continuation of such regional representation is justified;

Conclusion: This sub-section has no application in the sector.

Section 41A(3)(i)

any submissions made in accordance with subsection (2)(b).

PSA

"The PSA favours the continuance of the Security Industry Joint Labour Committee and this submission is being made in support of our position."

SII

"We write in support of the continued existence of the Security Industry Joint Labour Committee, in its current form and representativeness."

ISIA

"As a body representing companies who account for approximately 70 per cent of the turnover in the provision of security guarding services, we ask that you ensure the Security JLC is maintained to provide a mechanism for negotiating Security Employment Regulation Orders (ERO's) and ensuring harmonious industrial relations in our industry for the benefit of our members, their employees and the public and private sector clients that they ensure the safety and security of."

IBEC

"Ibec submits that the JLC should be retained, pending the next review in 2028."

ICTU

"The Security JLC continues to operate and is supported by the union organising workers in the in the sector and the majority of employers. The process to make a new ERO has commenced and the Labour Court have requested submissions on proposals for a new ERO. However, a small group of employers in the sector are currently taking legal action to prevent the making of an ERO for the sector."

SIPTU

"The SIPTU Services Division believe that the Security Industry Joint Labour Committee should be maintained."

IWU

"We would urge the Labour Court to continue and maintain a Joint Labour Committee in its current form for the security industry sector."

OCS

"OCS One Complete Solution is an advocate of the JLC and we ask that you do your utmost to reinstate the JLC..."

Securitas

"Securitas Security Services Ireland Limited is in full support of the continued existence of the Security Industry Joint Labour Committee (JLC), in its current form which creates the Security Employment Regulation Orders (ERO)."

Sodexo

"As a provider of Security Services, I am writing to express my company's interest in ensuring the maintenance of the Security Join Labour Committee (JLC)."

GZP

"We at GZ Professional Security Ltd have been in the security Industry since April 2007, and in full support with the JLC / ERO."

Manguard Plus

"We have been supporters of, and engage with, the JLC process since its inception in 1999 and whole heartedly support the continuance of the Security JLC."

Sharpgroup

"As a provider of Security Services, I am writing to express my company's interest in ensuring the maintenance of the Security Industry joint Labour committee, (JLC)."

Conclusion:

The submissions received from employer representatives contended that the JLC should be retained. The worker side submissions similarly contended that the JLC should be retained. The submission from the regulatory body contended that the JLC should be retained. In all of the circumstances the Court is of the view that submissions made as regards this subsection do not lead to a conclusion that the JLC should be abolished or that the establishment order should be amended.

The Court concludes that the JLC should be retained in its current form.

English Language Schools Joint Labour Committee

Operation of English Language Schools JLC since its establishment in December 2019

Chairman: Mairead Daly

The Joint Labour Committee, (JLC) for English Language Schools was established in December 2019 under S. I. No. 593/2019 Employment Regulation Order (English Language Schools Joint Labour Committee Establishment Order) 2019. This was revoked by S.I. No. 42/2020 English Language Schools Joint Labour Committee Establishment Order 2020. Employer and worker members were appointed in October 2022. To date, the JLC has not met.

No Employment Regulation Order in being.

Section 41A(3) – Summary of key points made to the Court and conclusions

Section 41A(3)(b)

The class or classes of workers to which the joint labour committee applies, and the Court shall have particular regard to changes in the trade or business to which the joint labour committee applies, *since* —

- (i) the committee was established, or
- (ii) the last review under this section was carried out

The Court received no submissions on this sub-section.

Conclusion:

The Court considers, given the absence of submissions from parties on this matter, that is has not been provided with sufficient detail to allow a proposal to amend the Establishment Order for this JLC or to lead to a proposal for its abolition.

Section 41A(3)(c)

the type or types of enterprises to which the joint labour committee applies, and the Court shall have particular regard to changes in the trade or business to which the joint labour committee applies, since —

(i) the committee was established, or

(ii) the last review under this section was carried out;

MEI

"The Qualifications and Quality Act (Education and Training) (Amendment) 2019 (the Act), allows for the introduction of a new regulatory framework that will govern the international education sector in Ireland. The passing into law of the Act has kickstarted a root and branch regulatory reform of the English Language School sector through QQI. Our member schools are engaging with QQI on preparations for the new legislative framework and accompanying accreditation mark. The statutory quality assurance regulations will cover all areas of corporate fitness, governance, human resources, academic structures, and student protections. The interim title for the accreditation is the International Education Mark (IEM).

On the 6th of November 2022, Minister for Further and Higher Education, Research, Innovation and Science Simon Harris released a statement announcing significant progress in the development of the IEM. Minister Harris stated that "The IEM, and the new International Education, Research and Innovation Strategy which is currently being developed by my Department, will be key to promoting public confidence in the quality of the educational experience." and that he is "pleased to announce that the application process for the IEM will open in 2023."

The progress of the IEM is a major advancement for the English Language School sector. The ramifications of a new education mark advanced by a statutory framework will greatly impact the context of a Joint Labour Committee on English Language Schools. The increased academic support, upgrades to learning and teaching environment, enhanced syllabus design, and staff development requirements will all positively impact the profession.

QQI has established an expert panel of advisors with a variety of backgrounds in law, policy development, education, governance and law enforcement. The final draft of the statutory guidelines and code of practice are expected to be finalised shortly. Our members are now preparing for the application process and inspections which are expected to commence by independent external experts towards the end of this year. There are two components to the inspections:

- 1. Governance experts will conduct due diligence and corporate fitness reviews of each individual English Language School.
- 2. An internationally recognised organisation with expertise in English Language Education will be appointed to conduct the academic and code of practice inspections.

The IEM framework recognises the need to maintain a flexible and agile approach to reflect and respond to continuously evolving learner needs, emerging markets, and international developments. There is significant diversity in institutional missions and practice across English Language Schools. In our opinion, a 'one size fits all' approach

taken by the JLC system could conflict with the statutory accreditation framework as set out in the Act."

ICTU

"The English Language JLC was formed since the last Labour Court review in 2018. The members of the JLC have recently been appointed by the Labour Court.

It is the intention of the unions to seek to develop proposals for a first ERO later this year."

Conclusion;

The Court notes that this JLC has yet to meet. The Court considers that is has not been provided with sufficient detail to allow a proposal to amend the establishment order for this JLC or to propose its abolition. The Court has been given no reason to believe that the JLC, if it met, would not be capable of addressing any issues that might arise regarding changes in the sector and the applicability of an ERO.

Section 41A(3)(d)

the experience of the enforcement of statutory minimum remuneration and statutory conditions of employment within the sector;

MEI

"The JLC on English Language Schools was established in 2019 but has yet to meet. A poll of EFL teachers conducted in 2019 showed that rates of pay were between €17 - €22 per hour. Since that time, the average rate of pay for workers in the sector has risen further. We feel that there is a misconception regarding rates of pay within the sector and are confident that it can be clearly demonstrated that the idea that teacher wages are low is not the case. Indeed, we estimate that the starting pay rates for EFL teachers now average between €19 - €25 per hour. Since reopening after Covid there have been no reports regarding low pay in the sector and relations in the industry have been harmonious."

Conclusion;

Currently, there are no statutory rates of pay or statutory minimum conditions of employment in place specific to this sector and there is no experience of enforcement. The Court cannot conclude that this is a basis on which to recommend the abolition or amendment of the JLC.

Section 41A(3)(e)

the experience of any adjustments made to the rates of statutory minimum remuneration and statutory conditions of employment

MEI

"The JLC on English Language Schools was established in 2019 but has yet to meet so no rates of statutory minimum remuneration or conditions have been set. However, as referenced above we estimate that average teaching rates in the sector are very high with starting wages already averaging twice the minimum wage."

Conclusion;

The Court considers that this JLC has the capacity to take account of matters related to the operation of the sector in considering whether to make proposals for the making of an ERO. The fact that the committee has not met and has yet to formulate an ERO means that the Court has no basis for evaluating the experience of adjustments to statutory minimum rates of remuneration or to statutory minimum conditions of employment.

Section 41A(3)(f)

the impact on employment levels, especially at entry level, of fixing statutory minimum remuneration and statutory conditions of employment;

MEI

"The JLC on English Language Schools was established in 2019 but has yet to meet so no rates of statutory minimum remuneration or conditions have been set. However, as referenced above we estimate that average teaching rates in the sector are very high with starting wages already averaging twice the minimum wage."

Conclusion;

The Court considers that this JLC has the capacity to consider matters related to the operation of the sector in considering whether to make proposals for the making of an ERO.

s. 41A(3)(g)

whether the fixing of statutory minimum remuneration and of statutory conditions of employment by the joint labour committee has been prejudicial to the exercise of collective bargaining as a means of achieving the legitimate interests of employers and workers in the sector;

See s.41A(3)(f) above.

Conclusion;

As no statutory minimum remuneration or conditions of employment have been fixed for this sector, the Court cannot conclude that the existence of a JLC has had a prejudicial impact on collective bargaining. The Court has not been given any reason to believe that a JLC, if it was to meet, would not have the capacity to make proposals for an ERO, taking into account all relevant factors.

Section 41A(3)(h)

in the case of a joint labour committee that represents workers and employers in a particular region in the State, whether the basis for the continuation of such regional representation is justified.

This section is not applicable in this sector.

S41A(3)(i) any submissions made in accordance with subsection (2)(b).

MEI

"Since the committee was established, regulatory reform of the English Language School sector through Quality and Qualifications Ireland (QQI) has progressed significantly. The imminent introduction of the IEM (International Education Mark) will result in a comprehensive restructuring of the ELT sector and will mean that English language education in Ireland will be fully regulated for the first time. The IEM is due to come into effect in September 2023 and is greatly welcomed by all stakeholders who wish to see a professional and accountable ELT sector in Ireland.

The IEM will set a very high bar of standards that all ELTOs must reach in order to teach international students. This accreditation system has been long awaited by our sector and will ensure that ELTOs meet the highest levels of corporate fitness and service delivery. This is a watershed moment for our sector that will result in higher standards across the board, increased professionalisation, and increased security for staff and students. Please find further information on the IEM in the section below.

As pay in the sector is high, industrial relations are good, and there is already a comprehensive statutory process in place that will address the same areas that are the subject of the JLC, we feel that the role of the JLC has become superfluous. Our view is that two separate, independent statutory processes running in tandem is likely to result in needless inefficiency and duplication of work. There is also a concern that until such time as the IEM comes into effect English Language Training Organisations (ELTOs) will remain in a regulatory vacuum and any JLC process may not have a firm legal footing. For example, currently it is arguable that there is not an agreed upon legal definition of what constitutes an ELTO."

ICTU

"Congress therefore believes that the Court should recommend that the English Language School JLC should be maintained."

Conclusion;

The Court notes the divergent views as between MEI and ICTU. The Court is of the view that it would be premature to conclude that this JLC would be incapable of functioning

effectively into the future. The Court is of the view that the JLC itself would be capable of addressing any issues that arise for the sector in its determination of pay, conditions of employment. The Court sees no reason to recommend that this JLC be abolished or that its establishment order should be amended. The Court notes that no case has been put to it, in any submission, that since the JLC was established, relations have been anything other than harmonious in the sector. The Court concludes that the JLC should remain in place in its current form.

Early Years' Service Joint Labour Committee

Operation of English Language Schools JLC since 1 July 2021

Chairman: Margaret Lawlor

The Joint Labour Committee, (JLC) for the Early Years sector was established in 1 July 2021 under S. I. No. 292/2021 Early Years' Service Joint Labour Committee Establishment Order, 2021. The Committee has met on ten occasions since it was established.

Two EROs were made, effective from 15 September 2022 – S.I. No. 475/2022 Employment Regulation Order (Early Years' Service No.1 Joint Labour Committee) 2022 and S.I. No. 458/2022 Employment Regulation Order (Early Years' Service Joint Labour Committee) Order No.2, 2022.

- S.I. 475/2022 set minimum rates of remuneration and conditions of employment for Early Years' Educators and School Age Childcare Practitioners.
- S.I. No. 458/2022 set minimum rates of remuneration and conditions of employment for a) Lead Educators and School Age Co-ordinators b) Deputy Asst. Managers and c) Centre Managers (including graduate rate)

Section 41A(3) – Summary of key points made to the Court and conclusions

Section 41A(3)(b)

The class or classes of workers to which the joint labour committee applies, and the Court shall have particular regard to changes in the trade or business to which the joint labour committee applies, *since* —

- (i) the committee was established, or
- (ii) the last review under this section was carried out

No submissions were received regarding changes since the establishment of the committee.

Conclusion:

There is nothing to suggest that there have been any changes such as to justify an amendment to the establishment order or for the abolition of the committee. The Court concludes that there is no basis under this sub-section to make any such recommendation and, therefore, the committee should be maintained in its current form.

Section 41A(3)(c)

the type or types of enterprises to which the joint labour committee applies, and the Court shall have particular regard to changes in the trade or business to which the joint labour committee applies, since —

- (i) the committee was established, or
- (ii) the last review under this section was carried out;

Submissions

See s.41A(3)(b) above.

Conclusion;

There is nothing to suggest that there have been any changes such as to justify an amendment to the establishment order or for the abolition of the committee. The Court concludes that there is no basis under this sub-section for making any such recommendations and concludes also that the committee should be maintained in its current form.

Section 41A(3)(d)

the experience of the enforcement of statutory minimum remuneration and statutory conditions of employment within the sector;

No submissions were received on this sub-section.

Conclusion;

The statutory minimum rates of remuneration and conditions of employment only became effective in September 2022. No conclusions can be drawn regarding enforcement and no statistics for the sector have been provided by the WRC. The Court concludes that there is no basis under this sub-section to recommend change in the establishment order or to recommend the abolition of the committee.

The JLC should be retained in its current form.

Section 41A(3)(e)

the experience of any adjustments made to the rates of statutory minimum remuneration and statutory conditions of employment

Department of Children, Equality, Disability, Integration and Youth ("Department")

"Prior to the establishment of the JLC, the Irish ELC workforce was less well paid than the ELC workforce in comparable countries, both in absolute terms and when compared to average wages and the national minimum wage, though low wages and recruitment challenges are widely reported across countries. In a study produced by Frontier Economics as part of work on a new funding model, the wages of Irish ELC staff were the second lowest of the eight countries studied.

The staff turnover rate (which includes staff moving between services, as well as staff leaving the sector) over the 12-month period to mid-2021 was 19%. According to the Sector Profile data, almost 49% of managers reported recruitment challenges in the year to mid-2021, an increase from 44% the previous year.

Pay and working conditions are key factors explaining the staff turnover rate as well as reported recruitment difficulties. High staff turnover impacts negatively on the consistency of care and on children's experiences and outcomes. It also presents a challenge to employers and makes it harder to achieve Government targets for increasing qualification levels in the workforce."

SIPTU

"It is submitted the JLC is the appropriate mechanism to raise wages across the Sector while also promoting harmonious industrial relations and avoiding widespread industrial unrest."

IBEC

"On 1 July 2021, a JLC for the Early Years' service was established, resulting in two EROs, each applicable to particular categories of worker, which came into effect on 15 September 2022. Although the EROs are at their infancy and it is too early to determine their full impact on the sector.

Ibec submits that, to date, the ERO rates have improved recruitment and staff turnover rates within the sector for most childcare services. However, it is the case that smaller childcare services are struggling to pay the ERO rates. Since the establishment of the EROs, a fee freeze has been implemented which will make any future pay increases unsustainable for many within the sector. Employers are not in a position to offset any wage increase to operating costs. Notably, the childcare sector is made up of Full-Daycare (FDC) services and ECCE services. FDC services charge parental fees

and can be small, medium, or large services. However, ECCE services do not charge parental fees and are predominantly small services which operate on a part-time basis."

Conclusion;

The statutory minimum rates of remuneration and conditions of employment only became effective in September 2022. No conclusions can be drawn regarding enforcement. The Court concludes that there is no basis under this sub-section to recommend change in the establishment order or to recommend the abolition of the committee. The JLC should be retained in its current form.

Section 41A(3)(f)

the impact on employment levels, especially at entry level, of fixing statutory minimum remuneration and statutory conditions of employment;

Department

"Pay and conditions impact the recruitment, motivation, development and retention of the early learning and care (ELC) and school-age childcare (SAC) workforce, all of which are required to ensure that children have stable and consistent interactions with staff, on which quality early childhood development depends. Given its successful role in supporting recent pay improvements in ELC and SAC, the Joint Labour Committee (JLC) for Early Years Services is therefore a key institution for the delivery of Government commitments to high quality ELC and SAC."

SIPTU

"The retention of the JLC resulting in on-going improvements to pay and conditions of employment through future EROs are essential to support the recruitment and retention of staff."

IBEC

"Ibec submits that, to date, the ERO rates have improved recruitment and staff turnover rates within the sector for most childcare services. However, it is the case that smaller childcare services are struggling to pay the ERO rates."

Conclusion;

The Court notes, on the basis of submissions received, that the impact on employment levels at entry level has been mainly positive. The Court concludes that there is no reason to amend the establishment order or to recommend the abolition of the committee.

The JLC should be maintained in its current form.

Section 41A(3)(g)

whether the fixing of statutory minimum remuneration and of statutory conditions of employment by the joint labour committee has been prejudicial to the exercise of collective bargaining as a means of achieving the legitimate interests of employers and workers in the sector;

Department

"The JLC provides a mechanism to amend and recommend mandatory minimum rates of pay and terms and conditions of employment for certain workers employed in the sector on an ongoing basis. For DCEDIY the continuation of a formal mechanism for the negotiation of pay and conditions for staff in ELC is a central consideration in further

funding and policy development for sector. DCEDIY therefore recommends that the JLC for Early Years Services should be retained."

SIPTU

"It is submitted that the existence of the JLC has promoted harmonious industrial relations between workers and employers and assisted in the avoidance of industrial unrest."

Conclusion;

Statutory minima for the sector have only been in place since September 2022. No submission has suggested that their existence is prejudicial to the exercise of collective bargaining. The Court concludes that it is too early to make a full assessment of the impact and has no reason to recommend that the JLC be abolished or that the establishment order be amended.

Section 41A(3)(h)

in the case of a joint labour committee that represents workers and employers in a particular region in the State, whether the basis for the continuation of such regional representation is justified;

This sub section is not applicable in this sector.

S41A(3)(i) any submissions made in accordance with subsection (2)(b).

Department.

"Given its successful role in supporting recent pay improvements in ELC and SAC, the Joint Labour Committee (JLC) for Early Years Services is therefore a key institution for the delivery of Government commitments to high quality ELC and SAC.

The establishment of the JLC for Early Years Services in 2021 is also in line with a the commitment in the Programme for Government to "support the establishment of a Joint Labour Committee in the childcare sector and the drawing up of an Employment Regulation Order, which would determine minimum rates of pay for childcare workers, as well as terms and conditions of employment."

The JLC now provides a mechanism to recommend mandatory minimum rates of pay and terms and conditions of employment for certain workers employed in the sector on an ongoing basis. For the Department of Children, Equality, Disability, Integration and Youth (DCEDIY), the continuation of a formal mechanism for the negotiation of pay and conditions for staff in ELC and SAC is a central consideration in further funding and

policy development for the sector. DCEDIY therefore recommends that the JLC for Early Years Services should be retained."

SIPTU

"We therefore respectfully request the Labour Court to recommend that the Early Years' Service Joint Labour Committee is retained in its current form."

IBEC

"The EROs are at their infancy and it is too early to determine their full impact on the sector, Ibec submits that, to date, the ERO rates have improved recruitment and staff turnover rates within the sector for most childcare services. However, it is the case that smaller childcare services are struggling to pay the ERO rates. Since the establishment of the EROs, a fee freeze has been implemented which will make any future pay increases unsustainable for many within the sector. Employers are not in a position to offset any wage increase to operating costs. Notably, the childcare sector is made up of Full-Daycare (FDC) services and ECCE services. FDC services charge parental fees and can be small, medium, or large services. However, ECCE services do not charge parental fees and are predominantly small services which operate on a part-time basis.

Ibec submits that the JLC should be retained, pending the next review in 2028."

ICTU

"Congress therefore believes that the Court should recommend that the Early Year JLC should be maintained."

Conclusion;

The Court concludes, on the basis of submissions received, that it has no reason to recommend the abolition or amalgamation of this JLC or that the establishment order should be changed. The view of all parties that made submissions is that the JLC should be retained in its current form pending the next review. While IBEC have expressed reservations about the future impact of statutory rates on some services, the Court is of the view that this is a matter that the JLC itself is capable of addressing. The Court recommends that the JLC be maintained in its current form.

Appendix 4

WRC Statistics on Enforcement

2018 - Inspections and								
Outcomes								
Sector	Cases	No in Breach	Incidence of Breach %	Employees	Unpaid Wages			
AGRICULTURE	106	46	43%	6,312	188,597			
CONTRACT CLEANING	22	8	36%	10,351	4,119			
FOOD & DRINK	656	439	67%	14,113	472,824			
HEALTH NURSING AND CHILDCARE	69	35	51%	11,607	824,216			
HOTEL	64	37	58%	3,950	129,453			
SECURITY	18	9	50%	14,113	29,286			
WHOLESALE AND RETAIL	363	216	60%	24,117	731,351			
TOTALS	1,298	790	61%	84,563	2,379,845			
2019 - Inspections and Outcomes								
Sector	Cases	No in Breach	Incidence of Breach %	Employees	Unpaid Wages			
AGRICULTURE	48	20	42%	2,661	84,656			
CONTRACT CLEANING	41	15	37%	4,158	22,746			
FOOD & DRINK	337	247	73%	5,394	435,936			
HEALTH NURSING AND CHILDCARE	27	13	48%	5,519	371,558			
HOTEL	26	19	73%	2,234	53,643			
SECURITY	9	5	56%	4,295	30,255			
WHOLESALE AND RETAIL	1,049	256	24%	19,460	296,121			
TOTAL	1,537	575	37%	43,721	1,294,915			
2020 - Inspections and Outcomes								
Sector	Cases	No in Breach	Incidence of Breach %	Employees	Unpaid Wages			
Agriculture	41	17	41%	902	€26,396			
Contract Cleaning	48	24	50%	3,470	€55,316			
Food Service Activities	1,536	492	32%	14,265	€327,067			
Hotels	139	33	24%	7,833	€69,377			
Human Health & Social Work	132	29	22%	2,912	€91,978			
Security	31	13	42%	2,382	€74,447			
Wholesale & Retail Trade	3,942	645	16%	39,889	€334,633			
TOTAL	5,869	1,253	21%	71,653	979,213			

2021 - Inspections and Outcomes								
Sector	Cases	No in Breach	Incidence of Breach %	Employees	Unpaid Wages			
Agriculture	57	31	54%	894	€28,189			
Contract Cleaning	17	7	41%	5,250	€28,313			
Food Service Activities	763	263	34%	7,136	€145,609			
Hotels	38	9	24%	1,419	€9,466			
Human Health & Social Work	75	23	31%	9,530	€60,255			
Security	16	7	44%	2,724	€73,853			
Wholesale & Retail Trade	2414	599	25%	35,662	€456,856			
TOTAL	3,380	939	28%	62,615	€802,541			
2022 - Inspections and Outcomes								
Sector	Cases	No in	Incidence	Employees	Unpaid			
		Breach	of Breach %		Wages			
Agriculture	49	23	47%	1,343	€14,416			
Contract Cleaning	19	12	63%	4,717	€14,411			
Food Service Activities	1,390	636	46%	15,905	€492,754			
Hotels	89	27	30%	5,413	€95,027			
Human Health & Social Work	59	20	34%	2,034	€34,558			
Security	15	6	40%	13,284	€4,119			
Wholesale & Retail Trade	1,212	535	44%	42,490	€363,013			
TOTAL	2,833	1,259	44%	85,186	€1,018,298			