

The IR and employment law outlook for 2025

ANDY PRENDERGAST

As Fianna Fail and Fine Gael work to form a new government by mid-January 2025, any significant IR change might be stifled by wider issues, such as the return of a Donald Trump presidency. However, we can expect activity in Brussels, with a number of new employment directives in the mix.

What could a new 'Fianna Fail/Fine Gael plus' government mean for industrial relations? While both of the major parties were relatively quiet on industrial relations questions in the run up to the November General Election, that is not to say IR won't feature in a programme for government.

Fianna Fail had made no mention of collective bargaining in its election manifesto but did state its support for "Social Partnership", saying it would continue to "strengthen the Social Partnership" model.

At the same rate, there is no suggestion that any new national wage deal will be anything other than a deal for public and civil servants. Limiting national pay deals to the public service will find favour with Fine Gael, the party much less associated with Social Partnership but which has overseen most public service agreements since 2010.

Fine Gael said it will publish an Action Plan for collective bargaining in 2025 – an obligation under the EU Directive on Adequate Minimum Wages, outlining how Ireland will promote collective bargaining.

It is expected that a public consultation on what should feature in an 'action plan' will be opened in the New Year. FG said that "if necessary", it would bring forward legislation to support the action plan.

It is not unlikely that Fine Gael will retain the Enterprise, Trade and Employment portfolio, which could point to a similar approach to IR reforms witnessed over the last few years.

TRUMP FACTOR

Despite raising potential Constitutional barriers to the recommendations of the 2022 High Level Group, based on legal advice, the late implementation of the report (including 'good faith engagement' and State funding for IR training) can be expected to tie in with the Action Plan.

Nevertheless, pressure will continue on the government by trade unions to do more on the transposition of the Directive, including the issue of access for trade union officials.

Squaring more impactful demands with a Fianna Fail/Fine Gael led government now has an extra layer of complexity, due to the Donald Trump's return to the White House in 2025.

There will strong caution against introducing significant new rules on the American FDI sector's freedom to do business here, given the repatriation policy expected from the White House.

NEW DIRECTIVES

While doubts abound about the extent of IR structural change in Ireland next year, we can expect a busy period in Brussels, with the new second Von der Leyen Commission now in place.

The assumption that the new Commission might be more focused on bedding in the significant bulk of employment-related directives of the last Commission might be somewhat misplaced as there are at least three directives likely to arise soon.

A revised EWC Directive is likely to be first up; a European Parliament committee agreed to the second report of Dennis Radtke MEP, a reiteration of his first set of proposals to update EWC law – which include some significant measures such as court injunctions over breaches of information and consultation rules.

This will likely form the basis of the European Parliament's negotiation mandate with the Council, with negotiations to kick off early in the New Year.

A well-placed source told IRN that a possible outcome of these negotiations could be to have injunctions mentioned in the text of a revised directive, but not as a binding provision of an Article.

We can also expect new directives on the 'Right to Disconnect' and 'AI in the Workplace', extrapolated from the 'mission letter' to Commissioner Roxanna Mînzatu by President Von der Leyen.

The latter measure may be modelled off the recently-passed Platform Work Directive but an AI in the Workplace directive would likely have a wider reach – and would be very relevant in the tech sector.

The pattern of more employee information and consultation obligations will continue with these directives and may also come into focus on the Twin Transition (Green and Digital).