

‘Section 39’ pay parity commitments look different post-election

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Talks at the WRC on pay for workers in community, health and social care organisations remain shrouded in uncertainty due to doubts about the status of pay parity commitments made by the two main parties who are set to make up the next Government.

In the run up to the recent General Election, both Fianna Fail and Fine Gael promised a new pay agreement for the workers concerned and committed to achieving pay parity with the public sector for ‘Section 39’ workers, a group that makes up a majority of those concerned. The remainder work in Section 56,10 & 40 organisations.

Despite these promises, official negotiators on the government side told trade unions, as recently as December 17 – following the General Election – that they have no mandate to concede ground on the demands by various ICTU health unions on the parity question.

IRN understands that since the election, the Taoiseach, Simon Harris, wrote to the ICTU General Secretary, Owen Reidy, explaining that he couldn’t involve himself directly in talks taking place under the auspices of the WRC.

Notably, in his letter to Mr Reidy, the Taoiseach didn’t repeat the commitment made in his party’s election manifesto on parity for section 39 workers, which was almost word-for-word the same as the one made in Fianna Fail’s manifesto.

But the Taoiseach did advise Mr Reidy that a new Government would place a “strong focus” on negotiations that take place.

PARITY TRICKY TO MANAGE

In late 2023, unionised workers in these Section 39 bodies backed a pay deal worth 8% (in three phases) that partially restored pay after years without a pay rise, following the pay cuts imposed due to the global financial crisis.

While not public servants, they depend – like the bodies they work in – on State funding. Outside of the 2023 deal and a special lump sum arrangement secured in 2018 (this took several years to roll out) they remain behind their public service counterparts.

The current negotiations, which flowed from the 2023 agreement, promised further talks on pay following the conclusion of a public service wide agreement in early 2024, with the issue of parity also on the agenda.

Though what exactly parity would mean wasn’t fully made clear in that agreement.

IRN understands that the government departments involved have agreed to the principle of extra pay due to the recruitment and retention challenges in the sector.

An offer of 8.5% was put on the table late last year, but the unions want an offer that mirrors the basic 9.25% that was agreed by public servants.

While a basic pay deal looks achievable, the parity issue is much trickier to manage.

Given the firm political commitments to parity per se, trade union expectations have, not unreasonably, been high.

However, now that the General Election is over, does this political commitment equate to parity with section 38 public service bodies? Deciding what parity means across a complex sector, where unions only dominate in larger entities, will be difficult to work out.

Outside of the core issue of cost containment, such complexities go some of the way to explaining the seeming reticence by official government negotiators to move quickly on the issue.

A PROMISE TO KEEP?

There is also the possibility that a new administration may not feel bound by their own commitments, irrespective of what the political manifestos say.

Party manifestos are never sacrosanct when a government programme is being drawn up, although with both parties making the same promise it would be hard for them to step away from it now.

At any rate, when WRC talks resume, officials will need firm direction from the new Government regarding just what it wants: whether a pay rise akin to the public service agreement will be offered, and what exactly should parity mean for a sector whose workers are funded by central government, but whose employees – unionised and non-union – remain outside the public service?

The various Section 39 organisations, meanwhile, will hope for an agreement that leaves them able to compete with the likes of the HSE for suitable staff.