

# An Bille um Rialáil Iompair Phoiblí (Leasú), 2017 Public Transport Regulation (Amendment) Bill 2017

Meabhrán Mínitheach Explanatory Memorandum



## AN BILLE UM RIALÁIL IOMPAIR PHOIBLÍ (LEASÚ), 2017 PUBLIC TRANSPORT REGULATION (AMENDMENT) BILL 2017

### **EXPLANATORY MEMORANDUM**

#### **Purpose of Bill**

A strong economy creates jobs. Only in a growing economy will more citizens share, through paid work, in economic prosperity. This means that economic recovery translates not only into falling unemployment but also better working conditions and improved pay, particularly for low-paid workers.

People want – and are entitled to – sustainable, secure and reasonably well-paid jobs. Employment policy must strike the right balance between the needs of business and a worker's right to basic job security and a decent rate of pay. This means rejecting 'jobs at any price', the spread of casual labour at the lowest wages. Workers providing services on which our society and economy rely must be guaranteed basic standards of fair treatment in the workplace.

On the one hand, workers and employers have both the right to associate and the right to refuse to associate. It is not, generally speaking, constitutionally permissible to require employers either to join a representative negotiating body or to engage in collective bargaining with its workers.

On the other hand, it has been public policy, as expressed in legislation for well over a century, that an unregulated market in labour cannot be permitted to result in workers receiving less than a living wage. Particularly in sectors where there is no organisation and no equality of bargaining power, good employers are undercut by the bad and there is a race to the bottom in terms and conditions of employment.

This is the rationale behind a succession of state interventions including wages councils, joint labour committees and sectoral employment orders.

In addition, public transport is a licensed and regulated activity. The public interest in a well-functioning and reliable public transport system – dependable buses running predictable schedules – is clear. There are overriding considerations of the common good at stake.

#### **Provisions of Bill**

Section 1 of the Bill amends section 10(3) of the Public Transport Regulation Act 2009. That section is headed "General provisions for the consideration of applications for grant of licences" and subsection (3) currently provides that an applicant for a licence to provide a public bus passenger service must demonstrate –

• the capacity to obtain the necessary financial and other resources,

- compliance with national and international legislation on road transport, and
- possession of a current tax clearance certificate.

The amendment inserts a new requirement into subsection (3). The applicant for a licence must in addition establish that, bearing in mind the importance of a well-functioning and reliable public transport system, and the consequent need for harmonious industrial relations and the avoidance of industrial unrest, he or she will –

- engage in collective bargaining with workers employed by the applicant in the operation of the service, with the object of reaching agreement regarding working conditions and terms of employment of, or
- become a member of an association, representative of employers in the sector, which agrees that it is expedient to have terms and conditions relating to remuneration, sick pay schemes and pension schemes in respect of workers in the sector from time to time examined by the Labour Court under section 15 of the Industrial Relations (Amendment) Act 2015.

It should be noted that section 13 of the 2009 Act states that, when granting, amending or renewing a licence, the National Transport Authority may apply conditions to the licence that relate to compliance by the applicant or licence holder at all times with the requirements of section 10 (3).

The effect of the two sections taken together will be, in order to secure reliability in service delivery, to bind applicants for a passenger bus licence to observing normal industrial relations practice in the provision of this necessary public service.

*Section 2* provides for the short title and the collective citation and construction of the Bill in the normal way.

Deputy Brendan Ryan, Aibreán, 2017.