

**Suggested speaking note for the Minister on presenting the
draft Sectoral Employment Order for the Construction Sector to the Joint Oireachtas
Committee meeting – 15 May 2019**

Note:

[This item will be taken at around 5pm on 15 May 2019]

Sectoral Employment Order (Construction Sector) 2019

I am pleased to present to the Committee for its consideration a draft Sectoral Employment Order; for the Construction Sector. This draft Ministerial Order is being made under Section 17 of the Industrial Relations (Amendment) Act, 2015. The intention is that this Order will confirm the rates of pay, pension and sick pay entitlements for defined workers in the Construction Sector. This is the second such Order to made, the first Sectoral Employment Order for the Construction sector was issued in 2017.

This current matter came before the Labour Court by way of application by the Building and Allied Trades Union, Connect Trade Union, OPATSI Trade Union, SIPTU Trade Union and UNITE the Union pursuant to section 14 of Chapter 3 of Part 2 of the Industrial Relations (Amendment) Act 2015. The Unions requested the Court to examine the terms and conditions of workers of the class, type or group to which the request relates in the given sector, which they submitted is a ‘defined economic sector’ for the purposes of the 2015 Act.

Having examined the submissions and the accompanying supporting materials, the Court was satisfied that the applicants are substantially representative of the workers of the particular class, type or group in the economic sector in respect of which the request is expressed to apply.

The Court then, as it is required to do, published its intention to undertake an examination of the Unions’ request and invited submissions from interested persons. Written submissions were received from 5 interested parties – the Construction Industry Federation, the five applicant trade unions, The Construction Workers Pension Scheme, Ms Dolores Rodgers and the Small Firms Association. Three were in favour of making the Order, one was neutral on the proposition and one contended that such an Order should not be made.

A public hearing was held on the 22th of March 2019. All interested parties were given an opportunity to be heard.

Having considered the matter, the Labour Court reached a decision to make a recommendation. In making its recommendation the Labour Court has to consider the factors set out in Section 16(2) of the Act. This includes the potential impact of the making of an Order on levels of employment and unemployment in the identified economic sector, the potential impact on competitiveness in the economic sector concerned and that the sectoral employment order would be binding on all workers and employers in the economic sector concerned. In accordance with the Act, the recommendation was submitted to me for approval on 25 April 2019.

I considered the recommendations in line with the terms of the 2015 Act, relying on the statutory report outlining the Labour Courts deliberative process in reaching its recommendation. I notified the Court on 9 May 2019 that I accepted its recommendations.

A Draft of the Order was laid before the Houses on 9 May 2019 as required by section 17(4) of the 2015 Act.

I hope that the Committee will recognise the importance of ensuring stability in employment terms and conditions in this sector and will refer the matter back to both Houses for approval so that the Order can be given legal effect.

When the Order comes into effect their terms will be binding across the sector and enforceable by the Workplace Relations Commission. The Construction Sector Order will become effective on 1 October 2019 and in doing so will revoke the existing SEO for that sector (S.I. 455 of 2017).

Thank you.

May 2019