

**Opening statement by David Joyce, Irish Congress of Trade Unions
to the Joint Oireachtas Committee on Gender Equality**

22 September 2022

Chair, Deputies, Senators,

On behalf of the Irish Congress of Trade Unions I would like to thank the members of the Committee for the invitation to input in to your considerations of the recommendations of the Citizens' Assembly on Gender Equality. I am accompanied by my colleague, Dr Laura Bambrick.

As requested, we are limiting our opening remarks to the recommendations on Pay and Workplace Conditions (recommendations 32-36). In the brief time available, I will summarise our views on these:

Gender Pay Gap

Recommendation 32: *The State should set targets in legislation to reduce the hourly gender pay gap (currently 14%) to 9% by 2025 and to 4% by 2030 with a view to eliminating it by 2035.*

Recommendation 33: *The Gender Pay Gap Information Bill should be enacted and implemented without delay. The law should include penalties for non-compliance and an obligation for annual reporting.*

The most up-to-date Eurostat figure for Ireland's gender pay gap is 11.3% (based on 2018 data), below the EU average of 13%. Congress recognise the significant issues surrounding how the pay gap is calculated and measured, as outlined by the NERI in their submission to this committee¹. The Gender Pay Gap Information Bill also acknowledges this and in turn requires employers to report using a range of indicators, which we welcome.

We are pleased that gender pay gap audits are currently under way in employments of greater than 250 employees. Congress will next week publish a guide for trade union workplace representatives participating in the process, to be launched by Minister O'Gorman. Congress has long called for the introduction of gender pay gap reporting. We await with interest the publication of these first reports in December.

We had wanted the process to require employers to discuss any gap identified with workers and their representatives and to agree a joint approach to tackling the gap. Notwithstanding, trade unions will be knocking on employers' door from December seeking discussions and agreement as to how any gaps identified will be addressed in a timely and effective manner.

¹ <https://www.nerinstitute.net/blog/neri-submission-citizens-assembly-gender-equality>

Living wage

Recommendation 34: *Increase the minimum wage to align it with the living wage by 2025 while considering potential employment impacts on small businesses.*

Congress welcomes the Programme for Government commitment to eradicate hourly low pay from the Irish economy, which comes on foot of new EU rules on moving to adequate minimum wages.

The European Commission, in their impact assessment of the directive, note that women workers throughout the EU are almost twice as likely to be earning the minimum wage than men. 60% of all workers on minimum pay are women, including in Ireland, and up to 70% in some member states.

Addressing the inadequacy of our minimum wage, which is currently at 80% of the at-risk-of-poverty threshold, will positively contribute to gender equality, narrow the gender pay and pension gaps as well as lift large numbers of women out of in-work poverty. Specifically, the EU impact assessment estimates that Ireland's gender pay gap will decline by almost 10% when Ireland increases its minimum wage to 60% of the hourly median wage.

Some member states are taking swift action to raise their wage floor towards more adequate levels. Earlier this year, the German government and parliament took the decision to increase the minimum wage from €9.60 an hour in December 2021 to €12 by October 2022 (+25%), which is approximately 60% of their median hourly wage.

In our submissions to the DETE consultation on the phase in of the Living Wage and to the Low Pay Commission on the hourly rate of the minimum wage in 2023 we too recommended swift action and that the minimum wage becomes the living wage. Congress reiterates this recommendation to this committee today.

While we do not dispute that certain sectors will face a larger potential increase in their wage bill, compared to the estimated 1% overall wage bill increase, we draw the committee's attention to the European Commission's impact assessment finding that the negative impacts on SMEs are expected to be limited.

Collective Bargaining

Recommendation 35: *Support employment contract security through:*

(a) Establishing a legal right to collective bargaining to improve wages, working conditions and rights in all sectors.

This is a key recommendation from the Assembly. Collective bargaining is a key means whereby employers and trade unions can establish fair wages and working conditions and provide the basis for sound labour relations.

Collective bargaining agendas have broadened over time to address issues such as workplace discrimination and sexual harassment, equal pay and opportunities, the care responsibilities of workers, and the impact of domestic violence in the workplace.

All workers should have the right to influence and shape the conditions under which they work. Yet today in Ireland, many workers are denied this fundamental right. Its importance is illustrated by the recent pay deal in the Early Years' sector which came into effect just last week. 70% of the 27,000 workers (predominantly women) in the sector received a pay increase.

There are a couple of processes underway which have the potential to address this serious decent work deficit:

1. The EU directive on a minimum wage will strengthen and extend the coverage of collective bargaining by obliging member states with less than 80% of workers covered by these agreements to take active steps to promote this tool. This directive has the potential positively transform the landscape for collective bargaining in Ireland.
2. On foot of this requirement, work is very advanced on a High-Level Group established through the Labour Employer Economic Forum.

If we are to achieve Goal 8 of the sustainable development goals and provide decent work for all – we must grasp these opportunities to finally introduce a mature industrial relations system.

(b) Increased resourcing of the Workplace Relations Commission for more effective enforcement of current employment laws.

This too is an important recommendation. The WRC is currently operating with around 50 labour inspectors. There is an urgent need to increase this number. It was agreed as part of the last social partnership agreement, Towards 2016 to increase the number of inspectors at least to 90. In the meantime, the workforce has grown to an all-time high of over 2.5 million.

Recommendation 36: Introduce a statutory right to reasonable access to flexible working.

Congress led the campaign for a statutory right to request remote working. As unions we see on a daily basis the huge benefits remote working is having for workers and their families, for businesses, for communities and for the environment. We welcome the commitment from the Tánaiste to introduce workers' rights on how employers handle requests for remote working arrangements, and we are working with the officials in his department to amend his Bill to make it fit for purpose.

However, unions are concerned by the emergence of a work-life balance privilege gap between workers in jobs that can be done remotely and workers in jobs requiring a physical presence.

In order to reduce the potential for a two-tier workforce between the remote working haves and have-nots, Congress has been calling for workers' rights in requesting all types of flexible working arrangements, not just remote. That is, arrangements such as flexi-time, part-time, job shares, split shifts, compressed hours etc. This is already a long-established worker right in the UK and in EU peer countries.

Indeed, we raised this in our evidence to the Citizen's Assembly and are delighted they made the introduction of a statutory right to request flexible working one of their recommendations.

A 2019 EU Directive on Work-Life Balance gives carers and parents of young children a right to request flexible work. It is our view that limiting this right is a lost opportunity and the right to request flexible working arrangements should be available to all workers.

Earlier this year Minister O'Gorman published the Heads of a Bill to give effect to the directive. We engaged with his Department on these but unfortunately the Bill has not progressed further than pre-legislative scrutiny before the summer recess and Ireland has, again, missed an EU deadline to transpose an important workers' right into national law. Congress welcomes Cabinet sign-off of the Bill this week and we urge the Minister to prioritise this legislation. We repeat our call today for him

to be more ambitious than the minimum requirements of the directive and make the right to request flexible working available to all workers.

I would like to thank you for your attention and we are happy to take any questions.

ENDS