



Promoting Collective Bargaining Under the Adequate Minimum Wages Directive

Response to Department of Enterprise, Trade and
Employment Public Consultation

12 May 2025

Introduction

The Communications Workers' Union (CWU) welcomes the opportunity to contribute a submission to the Consultation on Ireland's Action Plan on the promotion of Collective Bargaining.

As Ireland's premier union for the postal, telecommunications, tech and call centre industries, the CWU has a long and respected track record of representing members across multiple sectors, engaging proactively with employers and contributing to debate at a national level.

The CWU, together with our colleagues in SIPTU, the FSU, and Mandate, united to launch the *Respect at Work* campaign. During the 2024 General Election campaign, we asked political parties and candidates to sign a pledge in support of campaign demands. The pledge stated:

"I pledge to support legislation which promotes collective bargaining, protects workplace representatives and ensures the right to access a trade union at work."

A total of 89 TDs—representing a majority of Dáil Éireann—signed the pledge, including several who now hold ministerial positions. This widespread support must be reflected in the forthcoming national Action Plan to promote Collective Bargaining.

Minister for Enterprise, Tourism and Employment, Peter Burke TD and Minister for Social Protection and Minister for Rural and Community Development, Dara Callery, TD are among those who signed the pledge, indicating strong cross-party consensus within the current Dáil on the need for legislative change. Their support reflects growing recognition across political lines that promoting collective bargaining and protecting trade union rights is not only fair but necessary for a modern and inclusive economy. This support is further reflected in Programme for Government.

Support for legislative reform extends beyond the Oireachtas. The 2021 Citizens' Assembly on Gender Equality, made up of a representative sample of Irish society, overwhelmingly supported the creation of a legal right to collective bargaining. More than 96% of members recommended "establishing a legal right to collective bargaining to improve wages, working conditions and rights in all sectors." This reinforces the urgent need for government action to deliver meaningful protections and collective bargaining rights for workers across Ireland.

DETE Minister Peter Burke has said "A strong and well-functioning collective bargaining system is an important element in the economy to support and promote fair wages, particularly in low paid sectors." The CWU agrees. As a union committed to organising workers, the CWU recognises that the current legislative framework is not adequate for the promotion of collective bargaining in Ireland. Below, we set out a range of measures, with consideration of the first-hand experience of organising and representing workers across a

range of industries and sectors nationally, which we deem to be necessary for the delivery of an effective Action Plan to promote Collective Bargaining.

Submission

4. Article 4 of the Directive on Adequate Minimum Wages states:

With the aim of increasing the collective bargaining coverage and of facilitating the exercise of the right to collective bargaining on wage-setting, Member States, with the involvement of the social partners, in accordance with national law and practice, shall:

(a) promote the building and strengthening of the capacity of the social partners to engage in collective bargaining on wage-setting, in particular at sector or cross-industry level.

Do you have views in relation to training or other capacity building activities which would assist the social partners to engage in collective bargaining?

The CWU considers that while training is certainly an important part of supporting social partners, broader measures are also needed to enable meaningful engagement in collective bargaining.

That said, training is clearly one way to help build and strengthen the ability of unions and employers to negotiate effectively. As the Final Report of the LEEF High Level Working Group noted, “constructive and efficient collective bargaining processes require support for those, on all sides, engaging in such processes.” The Group specifically recommended allocating funding under the National Training Fund Act 2000, accessible to both trade unions and employers. It stated that providing training “in the practice of collective bargaining will not only increase the efficiency and effectiveness of the process but may encourage greater take-up of collective bargaining opportunities.” This recommendation should now be implemented without delay. The State should use the National Training Fund, in partnership with the social partners, to deliver a national training programme aimed at promoting collective bargaining, improving negotiation skills, achieving better outcomes for all parties, and increasing collective bargaining coverage.

It is also important to support training that helps unions and employer organisations connect more effectively with their own members. Building up their internal capacity will ensure that the voices and interests of workers and employers covered by collective agreements are properly represented and taken into account during negotiations. In addition, encouraging cross-industry learning and the sharing of experiences will help social partners strengthen their knowledge, learn from each other, and develop effective approaches to fair and informed bargaining.

Other Capacity Building Activities

A continued decline in trade union density in Ireland would weaken not only the role and legitimacy of unions as social partners but also their ability to meet legal thresholds for

being considered ‘substantially representative’—a key requirement for registering Registered Employment Agreements (REAs) and Sectoral Employment Orders (SEOs).

The Council Recommendation calls on Member States to take steps to support social partners in strengthening their membership and representativeness, encouraging new and innovative approaches to build their base.

Given that current laws require unions to demonstrate substantial representativeness to access certain bargaining mechanisms, the Government has a clear responsibility to actively promote trade union membership. A critical first step is ensuring that unions have meaningful access to workplaces and, just as importantly, that workers have clear and unobstructed access to unions.

Reinstate Tax Relief for Trade Union Subscriptions

The Department of Finance has argued that reinstating tax relief for trade union subscriptions, which existed from 2001 to 2011, lacks a defined policy objective. However, with Ireland now required to implement the EU Directive on Adequate Minimum Wages—which includes a clear obligation to promote collective bargaining—there is a strong rationale for reintroducing a tax relief scheme, ideally broader than the previous one.

International evidence supports this approach. The OECD highlights how countries like Norway, Sweden, and Finland use tax incentives to support union membership. In Norway, increasing the value of the tax relief in 2021 helped slow the decline in union density. Reinstating tax relief would encourage union membership, treat union members on par with employers (whose organisational fees are already tax-deductible), and serve as an effective capacity-building tool.

Make Work Permits Conditional on Collective Agreements

To promote collective bargaining and protect vulnerable workers, work permits should be made conditional on the existence of collective agreements. Recital 16 of the EU Directive on Adequate Minimum Wages links the erosion of collective bargaining structures to the rise in precarious and non-standard work. The European Commission has acknowledged that curbing such employment practices can help strengthen collective bargaining, as they have a negative impact on union membership.

Ireland's 2018 Inter-Departmental Review of Economic Migration Policy recognised that migrant workers, especially in low-skilled sectors, face greater risks of exploitation. ESRI research further shows that non-Irish nationals earn significantly less than Irish workers—22% less per hour on average—with non-Irish women facing even larger pay gaps. Union membership is associated with better pay and conditions, but only 13% of non-Irish nationals are union members, compared to 33% of Irish nationals. The ESRI notes the need for unions to better engage with migrants and for employers to support union recognition.

Making work permits conditional on collective agreements would help ensure fair treatment of migrant workers and promote collective bargaining coverage. This model has already been used in Ireland's early years sector and mirrors the approach taken in countries like Sweden, where labour migration is tied to collectively agreed wage standards. Such a measure would help raise standards, protect migrant workers and contribute to a stronger, fairer labour market.

Prevention of Union Busting

If Ireland is to meet the aim of increasing collective bargaining coverage and facilitating the exercise of the right to collective bargaining, as set out in Article 4 of the Directive, it must take concrete steps to address the continuing decline in trade union density.

Recital 16 is explicit in identifying the causes of this erosion, stating that:

"While strong collective bargaining, in particular at sector or cross-industry level, contributes to ensuring adequate minimum wage protection, traditional collective bargaining structures have been eroding during recent decades, due, inter alia, to structural shifts in the economy towards less unionised sectors and to the decline in trade union membership, in particular as a consequence of union-busting practices and the increase in precarious and non-standard forms of work."

Unless this decline in membership is reversed, Ireland will struggle to deliver on the Directive's core objectives.

The persistence of union-busting practices and the deliberate actions of employers to undermine union activity not only weaken workers' ability to negotiate fair wages but also run counter to the EU's commitment to strengthening collective bargaining, especially at sectoral and cross-industry levels.

The Directive incorporates key protections from ILO Convention No. 98, which is legally binding for EU Member States. It obliges governments to take appropriate steps to protect workers and trade union representatives from discrimination related to their participation in collective bargaining. It also requires action to prevent interference in the establishment, functioning or administration of unions and employer organisations.

Recital 28 further calls for proactive measures such as easing trade union representatives' access to workers—highlighting access as a fundamental condition for effective organising and representation.

Recent research in Ireland reinforces the urgent need for action. A 2024 study by Queen's University Belfast conducted on behalf of four unions including the Communications Workers' Union (CWU) and based on responses from 159 union representatives found that 69% of them had witnessed at least one form of anti-union behaviour. This included victimisation of activists, discouraging union membership, setting up non-union staff forums and blocking union access to workplaces. Almost half of respondents reported negative effects on their mental health due to union-busting tactics.

Separately, a 2024 University of Limerick study of trade union officials revealed widespread use of union-busting consultants, restricted access to public spaces and workplace bans on union organisers. Over 90% reported victimisation and 60% said securing recognition has become more difficult due to employer hostility and weak legal protections. Based on these findings there is an urgent need for legislative reform—including statutory recognition rights, strong penalties for anti-union practices, and guaranteed access for union representatives. Ireland's strong identity and support as Europeans only draws into contrast the need to bring Ireland in line with rights enjoyed by our EU peers and broad EU standards to deliver on the aims of the Directive.

5. Article 4 of the Directive on Adequate Minimum Wages states:

With the aim of increasing the collective bargaining coverage and of facilitating the exercise of the right to collective bargaining on wage-setting, Member States, with the involvement of the social partners, in accordance with national law and practice, shall:

(b) encourage constructive, meaningful and informed negotiations on wages between the social partners, on an equal footing, where both parties have access to appropriate information in order to carry out their functions in respect of collective bargaining on wage-setting.

Do you have views in relation to the operation of Joint Labour Committees and how social partners can be incentivised to participate in them?

The Communications Workers' Union (CWU) does not operate as part of any Joint Labour Committee but recognises their importance to the extension and development of collective bargaining coverage.

Joint Labour Committees (JLCs), which lead to the establishment of Employment Regulation Orders (EROs), have proven to be effective mechanisms for setting fair pay and conditions in certain sectors—most notably in contract cleaning and security, where they have operated successfully for many years. Building on this success, the State should actively explore the establishment of additional JLCs in appropriate sectors, as recommended in the Final Report of the LEEF High Level Working Group on Collective Bargaining.

To encourage broader employer participation in JLCs, the removal of the employer veto—as proposed in the same report—should now be implemented in full and without further delay. This change is essential to ensure that JLCs can function as intended and not be blocked unilaterally, particularly in sectors with a high prevalence of low-paid or precarious work.

In addition, to strengthen the credibility and effectiveness of JLCs, all participants—including employer and worker representatives, as well as chairpersons—should be required to complete periodic, relevant training. This would help ensure that all parties are fully equipped to engage constructively in the process and uphold the standards necessary for fair and balanced negotiations.

6. What are your views on a proposal to have a Good Faith Engagement process at enterprise level which would involve a single mandatory meeting between an employer and a trade union?

Meaningful, working relationships cannot be formed in the course of a single meeting and whether the engagement takes place in 'good faith' is unlikely to be established if no subsequent meetings take place. In simple terms, a single mandatory meeting does not fulfil the spirit, purpose or intent of the Directive.

What is fundamentally needed is the introduction of a more structured and mandatory process of engagement that ensures meaningful dialogue between employers and workers. This process could be voluntary at the outset but failure by the employer to comply with a reasonable request to engage could allow the trade union to avail of a statutory process of engagement. Such a process would create the necessary space and time for realistic and constructive negotiations, increasing the likelihood of reaching collective agreements—an outcome clearly intended by the Directive.

To support this, measures that promote the exercise of the right to collective bargaining and aim to expand collective bargaining coverage should begin with a framework for good faith engagement. These measures should be aligned with the principles and guidance set out in the decisions of the ILO Committee on Freedom of Association regarding good faith negotiations, ensuring that both parties participate sincerely, respectfully and with a genuine intention to reach agreement.

7. Do you have other views in relation to how negotiations between social partners on wages could be promoted and facilitated?

See response to question 4 above.

8. Do you have views on how the social partners could better access the information required to engage in negotiations?

Article 4(1)(b) of the Adequate Minimum Wages Directive requires Member States to promote constructive, meaningful and informed wage negotiations between social partners, ensuring both sides have equal access to the appropriate information necessary to carry out their role in collective bargaining. This obligation is intended to support balanced negotiations and prevent the marginalisation of either party in the bargaining process.

The European Commission has clarified that this provision is rooted in the principles of ILO Convention No. 98 on the Right to Organise and Collective Bargaining, referenced in Recital 24 of the Directive. It has also emphasised that Member States have a role in providing social partners with relevant macroeconomic data, such as sector-specific productivity figures, which are crucial for informed wage-setting. The Commission further points to the

Council's 2023 Recommendation, ILO instruments and Eurofound research as key sources of guidance for implementing this requirement.

The definition of social dialogue under the Council Recommendation includes the exchange of information between employers and workers on issues of common interest, covering a wide range of bargaining levels—national, regional, local, sectoral or enterprise. As such, the obligation to provide appropriate information applies at all levels of collective bargaining and is not limited to national-level negotiations.

9. Article 4 of the Directive on Adequate Minimum Wages states:

With the aim of increasing the collective bargaining coverage and of facilitating the exercise of the right to collective bargaining on wage-setting, Member States, with the involvement of the social partners, in accordance with national law and practice, shall:

(c) take measures, as appropriate, to protect the exercise of the right to collective bargaining on wage-setting and to protect workers and trade union representatives from acts that discriminate against them in respect of their employment on the grounds that they participate or wish to participate in collective bargaining on wage-setting;

Are Ireland's protections, including Codes of Practice, adequate to protect members and representatives of trade unions from unfair dismissal? If not, how can these protections be strengthened?

The current legislation in Ireland aimed at protecting trade union members and representatives from unfair dismissal is insufficient and fails to uphold the right to collective bargaining. Under the Unfair Dismissals Acts 1977–2015, workers are only protected for engaging in union activity during working hours if they have explicit permission from their employer. This means that basic protections for union activity are entirely dependent on the good will of the employer and can be denied at any time. The law does not recognise that active union participation—organising, representing others and bargaining collectively—is an essential part of trade union membership.

This legal gap allows employers to dismiss employees for participating in union activity during working hours without any legal consequence unless such activity is specifically permitted in a contract. The legislation assumes that trade union members operate in isolation or conduct all union activities outside of work time, which is incompatible with how collective bargaining actually works—involving coordination and representation during the working day. Unlike many other EU countries that require prior authorisation before dismissing worker representatives, Ireland offers no such protection.

When a dismissal is challenged, the burden of proof lies entirely with the employee. Unlike other grounds in the Unfair Dismissals Act, dismissals based on trade union activity are not considered automatically unfair. This places a significant and often insurmountable hurdle on the worker, who must prove that the reason for their dismissal was their union involvement. In reality, this is difficult to establish, especially where employers may offer

vague or alternative reasons for the dismissal. This imbalance in the law leaves workers vulnerable and makes it easy for employers to target union activists with little risk of consequence.

In many ways, this is the most straightforward and damaging form of union busting. It rests on a simple calculation: that the cost of any resulting legal action or fine is worth paying if it succeeds in shutting down a union organising campaign. Critically, redress is available only post-dismissal. Research from Queen's University Belfast (2024) and the University of Limerick has documented widespread employer strategies to undermine union activity in Ireland including victimisation, denial of access to union organisers, and use of anti-union consultants. The dismissal of union activists—especially in the absence of strong protections—is one of the most effective tools in that playbook.

Employer groups often point to the low number of formal complaints as evidence that the current system works. However, the CWU has direct and recent experience of what is widely accepted to be closer to reality whereby cases are settled with confidentiality agreements that conceal the true nature of the dispute. This precludes a true picture of the extent of these dismissals' cases emerging. Stronger legislative protections are needed which prevent the use of confidentiality and non-disclosure agreements in this way. Trade union members and their representatives—such as shop stewards—must be protected by law from dismissal based on their role, their reasonable union activities, or their intention to engage in collective bargaining. Without this, Ireland cannot meaningfully support or expand collective bargaining rights.

To meet its obligations under Article 4(1)(c) of the EU Directive on Adequate Minimum Wages, and to align with international standards, new legislation is urgently needed. The European Commission has already confirmed that many provisions in Article 4(1) are based on existing ILO Conventions, with Article 4(1)(c) drawing directly from ILO Convention 98. Accordingly, any new laws introduced in Ireland to protect trade union members and representatives from dismissal or discrimination for participating in or seeking to engage in collective bargaining should reflect the guidance of the ILO's Committee on Freedom of Association.

10. Are Ireland's protections, including Codes of Practice, adequate to protect members and representatives of trade unions from discrimination due to their membership, or activities on behalf of, of a trade union? If not, how can these protections be strengthened?

There is currently no legislative protection in Ireland for workers or trade union representatives against acts of discrimination on the grounds that they participate or seek to participate in collective bargaining.

While "discrimination" is addressed under the Employment Equality Acts 1998–2015 (EEA), these laws do not include trade union membership or activity as a protected ground. Although limited protections from "victimisation" exist, these only apply where the employer does not engage in collective bargaining and where formal state mechanisms—

such as the Code of Practice on Voluntary Dispute Resolution (SI 145/2000) or the 2001 Act—have already been invoked. As a result, the legal framework excludes many workers from protection, leaving them vulnerable to adverse treatment for union involvement.

To address this gap, the Employment Equality Acts should be amended to include trade union membership and trade union activity—particularly participation in collective bargaining—as a specific ground for protection. This would make it unlawful for an employer to subject a worker to adverse treatment, including dismissal, for being a union member or engaging in union activity. Strengthening these protections is essential to meeting the requirements of Article 4(1)(c) of the EU Directive on Adequate Minimum Wages, which obliges Member States to safeguard workers and union representatives from acts of discrimination related to collective bargaining.

The urgency of reform is highlighted by the 2024 *Trade Union Access to Workers* study by Dr. Michelle O’Sullivan and Dr. Caroline Murphy (University of Limerick), commissioned by the Friedrich Ebert Stiftung. Based on trade union officials’ experiences since the enactment of the Industrial Relations (Amendment) Act 2015 and the Code of Practice on Victimisation (S.I. No. 463/2015), the study documents widespread discriminatory and union-avoidance tactics by employers.

These include victimisation of members (92%), hiring anti-union consultants (82%), surveillance of employee communications (77%), threats of closure or relocation (61%), and widespread anti-union messaging and literature. Additionally, many employers established alternative representation mechanisms to reduce union demand.

Union officials also reported a climate of fear, with the threat or experience of employer reprisals being the most significant barrier to organising and collective bargaining. Reported tactics included constructive dismissals, sham redundancy processes, isolation of union activists, negative performance reviews, manipulation of working hours and leave and the use of non-disclosure agreements to silence workers.

In the context of the above findings, and in light of direct knowledge of such activities experienced by members of the CWU, it is clear that the aim of promoting collective bargaining cannot be fully realised while workers face such activities in the workplace – most specifically when workers attempt to organise in their workplace.

The exploitation of migrant workers—particularly those dependent on employer-sponsored visas or housing. O’Sullivan and Murphy emphasised the vulnerability of non-native English-speaking migrant workers in particular.

It is therefore clear that new legislation is required to comprehensively protect union members and representatives from discrimination. This legislation should cover both direct and indirect forms of discrimination linked to union activity, organising or involvement in collective bargaining. It should also be informed by relevant decisions of the ILO’s Committee on Freedom of Association, especially those outlined in its most recent Compilation of Decisions, to ensure Ireland aligns with international labour standards and fully complies with its obligations under Article 4(1)(c).

11. Do you have views as to whether workers are sufficiently protected by law, including Codes of Practice, from acts of discrimination if they wish to organise or join a trade union?

See response to questions 10 & 11 above and question 12, below.

12. Article 4 of the Directive on Adequate Minimum Wages states:

With the aim of increasing the collective bargaining coverage and of facilitating the exercise of the right to collective bargaining on wage-setting, Member States, with the involvement of the social partners, in accordance with national law and practice, shall:

(d) for the purpose of promoting collective bargaining on wage-setting, take measures, as appropriate, to protect trade unions and employers' organisations participating or wishing to participate in collective bargaining against any acts of interference by each other or each other's agents or members in their establishment, functioning or administration.

Do you have views as to whether employers are sufficiently protected in Irish legislation against acts of interference where they wish to participate in collective bargaining?

The CWU considers that employers are sufficiently protected in Irish legislation and acts of interference and is not aware of any incidents that might require remedy.

In line with Article 4(1)(d) of the Directive on Adequate Minimum Wages, Member States are required to protect trade unions from acts of interference by employers' organisations, their members, or agents. This obligation is especially urgent in light of Recital 16, which identifies union-busting practices—as well as the rise of precarious and non-standard forms of work—as key contributors to the erosion of traditional collective bargaining structures and the decline in trade union membership.

Despite this, there are currently no legislative protections in Ireland to guard against such interference. The ILO's IRLEX database confirms that Ireland lacks legal provisions to prevent employer interference in trade union activity. In contrast, such protections do exist in several other EU Member States, as well as in the UK and the US, underlining Ireland's outlier status in this regard.

The need for reform is further reinforced by recent Irish research. A 2024 study on *Trade Union Access to Workers* by Dr. Michelle O'Sullivan and Dr. Caroline Murphy (University of Limerick) for the Friedrich Ebert Stiftung documents widespread employer resistance to trade union activity. Among trade union officials surveyed, 92% reported employers stonewalling union approaches, 82% said they were denied physical access to workplaces, 67% were refused digital access, and 62% faced restrictions on interactions with workers. A significant 60%—including 89% of those in private sector unions—felt that obtaining union recognition had become harder since 2015.

In addition to obstruction, union officials reported experiencing direct hostility: 44% were targeted by false rumours, 33% had their movements monitored (with higher rates among female officials), and 32% experienced intimidation. Some were removed from organisations altogether, and nearly one in five reported fear or health impacts as a result of employer hostility.

Worryingly, 21% said such hostility had curtailed their organising activity. These findings demonstrate a clear and pressing need for legislative protections in Ireland to prevent employer interference and to ensure a safe and fair environment for trade union engagement and collective bargaining.

In the UCD Working in Ireland Survey (2021, Geary, Belizon), four out of every ten non-union workers would be willing to vote to establish a union in their workplace. Young workers are particularly well disposed to seeking union representation. Over two thirds of non-union members aged 16-24 would vote to establish a union in their workplace. The realities outlined above set out the current obstacles to organising to vindicate the demand of non-union workers to be represented by a trade union.

13. Do you have views as to whether a statutory entitlement should be introduced to allow for trade union access to the workplace, or activities within the workplace, for the purposes of the promotion of collective bargaining even in the case that an employer has not given permission for such activities in the workplace?

To effectively promote collective bargaining on wage-setting, as required by the EU Directive on Adequate Minimum Wages, the State must ensure trade unions have access to workers—both physically and digitally. Without this, the process risks being one-sided, lacking democratic legitimacy and failing to deliver outcomes based on workers’ real needs. Workers, especially migrant workers, must be able to engage with their union, communicate their priorities, and give informed mandates on pay proposals. That is only possible if unions can access workplaces and reach all employees, including new hires.

International standards strongly support this. ILO Conventions and the Committee on Freedom of Association emphasise that worker representatives must have access to workplaces and management to properly carry out their roles. The European Commission has clarified that facilitating union access to workers can be a legitimate measure under Article 4(1), and Recital 24 of the Directive explicitly recognises this. Yet, Ireland is one of the few EU countries with no legal provisions granting trade unions access to workplaces.

The upcoming “Good Jobs” legislation in Northern Ireland will soon give unions a statutory right to request access to workplaces. Ireland must follow suit. Legislation should enshrine a right of access for unions—subject to reasonable conditions on time, safety, and business needs—so unions can organise, represent members, and participate fully in collective bargaining. It is not acceptable that employees in cross border companies are either denied or provided with collective bargaining and union representation depending simply on which side of the border they are employed in. Same company, same management, same culture

but different rules of collective engagement because in the Republic of Ireland there are no rules.

Access is vital for building membership, securing worker mandates, and expanding collective bargaining coverage. Recent research by the Friedrich Ebert Stiftung found that 94% of Irish union officials believe physical access to workplaces is essential to organising and representation. The Government should act without delay to legislate for union access, ensuring Ireland meets both its EU and international obligations.

Legislation should also reflect Ireland's obligations under the European Social Charter, as referenced in Recital 24 of the Directive. The Council of Europe's Committee of Social Rights has clearly stated that "union leaders must have the right to access the workplace and union members must be able to hold meetings there, within limits linked to the interests of the employer and business needs," and that "basic trade union prerogatives" include the "right of access to the working place."

A key part of this access must include the right for trade union representatives to engage with new employees during induction. Induction access is essential to ensure that all new recruits are made aware of their right to join a union. Without this, workers are often left uninformed about union representation, weakening both their voice in the workplace and the potential for expanding collective bargaining. Providing union representatives with access at the point of induction helps promote fair representation and is a practical, effective way to strengthen collective bargaining coverage across the economy.

14. Do you have views on what measures could be introduced which would promote employer engagement in collective bargaining?

The AMW Directive places an obligation on the Irish state to create a plan to achieve 80% collective bargaining coverage.

Starting from Ireland's current low base, the Action Plan must be ambitious and realistic about using any and all 'tools' available to the state and local authorities to promote collective bargaining and reach the 80% threshold. One of the key tools is the use of public procurement and state/local authority contracts to promote collective bargaining.

This approach should serve a fourfold purpose:

- (1) public procurement should guarantee respect for fundamental (ILO) labour rights including trade union membership, the right to organise and the right to bargain collectively.
- (2) public procurement rules should promote existing systems of sectoral bargaining.
- (3) it should be clear that public procurement can be used to promote collective bargaining.

(4) general or sectoral legislation should include a clear obligation to include collective bargaining-friendly clauses in tenders.

Under current public procurement rules, it is very difficult for public authorities to select contractors on the basis of whether or not they have signed or adhere to existing sectoral or collective agreements. As a result, undercutters have a competitive advantage and put pressure on wages, working conditions and social dialogue – placing good employers at a disadvantage to rogue employers. Authorities awarding state or public contracts must be able to give preference to companies with collective agreements when awarding contracts.

A government Action Plan to promote Collective Bargaining should clarify the rules to allow public authorities to use their purchasing power to this end. Legal clarity is therefore long overdue on the possibility of giving preference to companies with collective agreements in public procurement, for example through targeted award criteria. Legal intervention is needed to promote the respect for collective agreements in public procurement and ensure an end to unfair competition.

In Conclusion

Collective bargaining contributes to more stable and well-functioning workplaces. Research and experience show that workplaces with union representation benefit from higher morale, improved staff engagement, and better communication between workers and management. These conditions foster increased productivity, greater efficiency, and a work environment that supports innovation and problem-solving.

Similarly, collective bargaining should be recognised as a fundamental part of the social contract in a modern, inclusive, and innovative economy. It enables workers to have a structured voice in shaping their conditions of employment, which promotes industrial peace and shared prosperity. The social contract of Europe is under-pinned by shared values and, when workers feel excluded from society an opportunity is presented to actors who would see society move further to the right.

In high-performing economies, collective bargaining is seen as a critical mechanism for balancing power in the labour market and delivering long-term social and economic resilience. The challenges presented by the current legislative framework in enabling strong collective bargaining, notably in the private sector, places a burden on the state to provide structures in areas such as social welfare supports, statutory sick pay and pensions.

Whether through public procurement, grant funding, or other state-sponsored employment initiatives, government contracts should require employers to respect and engage in collective bargaining. This approach ensures that public money supports fair work practices and inclusive economic growth. In order to vindicate the spirit of promoting collective

bargaining, state-funded and state-supported jobs must set the standard by embedding collective bargaining requirements.

The evidence that union members tend to earn more and have better conditions than non-union workers under-scores the tangible benefits of trade union representation. It reflects a broad international consensus that unionised workplaces deliver more equitable outcomes for workers, particularly in low- and middle-income sectors.

Through sectoral or enterprise-level agreements, collective bargaining is one of the most effective mechanisms for tackling wage inequality. It raises wage floors and reduces pay gaps, especially for women and migrant workers, leading to fairer income distribution and stronger consumer demand.