

THE LABOUR COURT
LANSDOWNE HOUSE
LANSDOWNE ROAD
BALLSBRIDGE
DUBLIN 4
D04 A3A8



AN CHÚIRT OIBREACHAIS
ÁRAS LANSDÚN
BÓTHAR LANSDÚN
DROICHEAD NA DOTHRA
BAILE ÁTHA CLIATH 4
D04 A3A8

TEL: (01) 613 6666
FAX: (01) 613 6667

EMAIL: INFO@LABOURCOURT.IE
WEBSITE: WWW.LABOURCOURT.IE

Dear Minister Breen

The Court has received a request from a trade union and two employer bodies under s14 of the Industrial Relations Amendment Act 2015 asking it to recommend the introduction a Sectoral Employment Order (SEO) for the Electrical Contracting Sector of the Economy.

The documentation before the Court disclosed that there are 13,800 skilled workers employed in the sector. The requesting Trade Union Connect represents in excess of 9,800 of those workers. A substantial number by any measure.

The requesting employer bodies are the Association of Electrical Contractors Ireland (AECI) and the Electrical Contractors Association (ECA). The documentation before the Court discloses that the AECI represents 190 Electrical Contractors employing 2,250 workers and the ECA represents 40 Electrical Contractors employing in excess of 4,000 workers of the class, type or group in the economic sector in respect of which the request is expressed to apply. A substantial number by any measure.

It has been the practise of the trade union and the employers in the sector to enter into collective agreements that govern the terms and conditions of employment of this category of worker in this sector for many decades. The current collective agreement between the parties that made the applications expires on the 31st August 2019.

The Court supports the introduction of the Sectoral Employment Order with effect from the 1st September 2019.

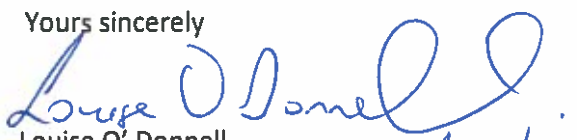
The Court has carried out an examination of the request in accordance with section 15 and 16 of the Industrial Relations (Amendment) Act 2015. A full report on the conduct of that examination is attached.

Based on the outcome of that examination the Court supports the introduction of an SEO for the Sector on the terms set out in the attached recommendations.

The Court is fully confident that the introduction of an SEO will enable the industry to attract and retain skilled workers and apprentices of the required quality to enable it to service the needs of the economy in a sustainable and effective manner. It will ensure that pay and conditions of employment in the Sector are maintained. It will ensure that competition in the sector will be based on industry efficiency and allow the industry to attract the skilled crafts persons it requires. It will also ensure that industrial harmony, that is a hallmark of the sector, is maintained.

On the basis of the detailed examination the Court conducted, it recommends the introduction of the requested Sectoral Employment Order from a date as close to 1 September 2019 as the legislative process permits.

Yours sincerely


Louise O'Donnell
Deputy Chairman

23/4/19

Labour Court Report to the Minister for Business, Enterprise and Innovation Regarding an Application for an Electrical Contracting Sectoral Employment Order ('SEO') as per the Industrial Relations (Amendment) Act 2015

The matter came before the Court by way of applications from the trade union Connect (the Union) and the Association of Electrical Contractors Ireland (AECI) and Electrical Contractors Association (ECA) (the Employers) under Chapter 3 of Part 2 of the Industrial Relations (Amendment) Act 2015 (the 2015 Act) The Union and the Employers' requested the Court to examine the terms and conditions of workers engaged in what they submit is, "a defined economic sector" for the purposes of the 2015 Act.

The Court, as it is required to do, published its intention to undertake an examination of the Unions' and Employer's request and invited submissions from interested persons.

Written submissions were received from nine interested parties namely: the Association of Electrical Contractors Ireland (AECI), Electrical Contractors Association (ECA), Electrical Contractors Safety and Standards Association (Ireland) CLG, (ECSSA), National Electrical Contractors Ireland (NECI), Small Firms Association (SFA), the Construction Worker's Pension Scheme, (CWPS) Connect trade union within the sector, Dolores Rogers of Kenetic Electrical, who identified itself as a small employer within the sector and Mr Kieran Fitzpatrick, an individual.

A public hearing was held on the 14th March 2019 to which the parties that had made written submissions to the Labour Court were invited. Representatives from the AECI, ECA, ECSSA, NECI, CWPS, Dolores Rogers and Connect Trade Union attended and made oral submissions at that hearing. The parties, having made their own submissions were then afforded an opportunity to comment on all the other submissions received.

Conditions Precedent to an Examination by the Court under Chapter 3, Part 2 of the Act

Section 15 of the Act sets out a number of conditions precedent which the Court must satisfy itself have been met in respect of any request made to it under section 14 of the Act.

Section 15 states

15. (1) Where the Court receives a request under section 14 it shall not undertake an examination in accordance with this section unless it is satisfied that—

(a) following consideration of any documentation submitted under subsection (2) of section 14 —

(i) the trade union of workers is 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, and in satisfying itself in that regard, the Court shall take into consideration the number of workers in that class, type or group represented by the trade union of workers, and

(ii) where the request is made by a trade union or organisation of employers or jointly with a trade union or organisation of employers, the trade union or organisation concerned is substantially representative of the employers in the particular class, type or group in the economic sector in respect of which the request is expressed to apply, and in satisfying itself in that regard, the Court shall take into consideration the number of workers employed in the particular class, type or group in the economic sector concerned by employers represented by the trade union or organisation of employers concerned,

(b) the request is expressed to apply to all workers of the particular class, type or group and their employers in the economic sector in respect of which the request is expressed to apply,

(c) it is a normal and desirable practice, or that it is expedient, to have separate terms and conditions relating to remuneration, sick pay schemes or pension schemes in respect of workers of the particular class, type or group in the economic sector in respect of which the request is expressed to apply, and

(d) any recommendation is likely to promote harmonious relations between workers of the particular class, type or group and their employers in the economic sector in respect of which the request is expressed to apply.

(2) Prior to undertaking an examination under this section, the Court shall publish in such manner as, in the opinion of the Court, is best calculated to bring the request to the notice of all interested persons concerned, notice of its intention to undertake an examination under this section.

(3) A notice under subsection (2) shall invite representations to be made to the Court from any interested parties not later than 28 days after the date of the notice.

(4) Not earlier than 28 days after the date of a notice under subsection (2), the Court may hear all parties appearing to the Court to be interested and desiring to be heard.

The Trade Union Connect and the Employer Bodies AECl and ECA made an application in those terms to the Court.

The Court examined the application together with the supporting documentation provided outlining the structure of the industry and the representative role of both Connect as a trade union in the sector and AECl and ECA as employer bodies in the sector.

The documentation before the Court discloses that there are 13,800 workers of the class, type or group to which the request relates employed in the sector. Of those the Union making the application to the Court represent 9,871 workers. Based on those numbers the Court finds that the applicant trade union is 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 also examined the status of the AECl and ECA within the sector. The documentation before the Court discloses that the AECl represents 190 Electrical Contractors who between them, employ 2,250 workers of the class, type or group to which the request relates. The ECA represents 40 Electrical Contractors who employ a total of 4,044 workers of the class, type of group to which the request relates. Based on those numbers, the Court finds that the applicant employer bodies are substantially representative of the employers in the particular class, type or group in the economic sector in respect of which the request is expressed to apply

The Court notes that it has been the practice of the trade unions and the employers in the sector to enter into collective agreements that govern the terms and conditions of employment of this category of worker in the sector. These arrangements have been in place for many decades and have provided the industry with cost certainty and stability and have been instrumental in promoting industrial harmony in the sector.

The Court, based on this information, is satisfied that it is normal and desirable practice to have separate terms and conditions of employment in relation to remuneration, sick pay schemes and pension schemes in respect of the workers of the class, type and group employed in the Electrical Contracting Sector in respect of whom the application is made.

The Court is further satisfied that introducing an SEO that sets mandatory minimum terms and conditions of employment and dispute resolution procedures within the sector is likely to promote harmonious relations between workers of the class type or group in respect of whom the application is made and their employers.

Notification to the Public

In accordance with section 15(2) of the Act the Court, on the 9th January 2019 published notices on its Website, in three national newspapers, viz the Irish Times, the Irish Independent and the Irish Examiner and in An Iris Oifigiúil and Seachtain, informing the public that it had received a request from Connect, AECl and ECA to conduct an investigation under the Act and inviting interested parties to make submission to it within the time specified in the notice.

Submissions Received

The Court received nine submissions from interested parties in response to the public notice. Some of the submissions supported the application before the Court and made specific proposals regarding the levels at which the Court should recommend the setting of minimum levels of pay and or conditions of employment within the sector, others did not. Those that were opposed to the making of an SEO focussed substantially on whether the parties making the application were substantially representative of the workers and/or employers in the sector. They also raised concerns about how the sector would be defined and that an SEO which regulated labour costs was anti-competitive. Within the submissions that supported the application there were differing views as to what should be encompassed and what changes, if any, should be made to the existing pay rates and other terms and conditions that could be covered by an SEO.

Hearing of Interested Parties

The Court invited the parties that made written submissions to make oral submissions at a public hearing on the 14th March 2019. Seven of the nine interested parties attended the hearing and engaged extensively with the Court.

No other party made application to the Court seeking to be declared an “interested party” for the purposes of making submissions on any matters before it.

A member of the press attended the hearing.

The Courts Deliberations

Following the hearing, at which all the interested parties were given an opportunity to be heard on all relevant matters, the Court retired to consider the application in the context of the information before it and the requirements of section 16 of the Act of 2015.

Section 16 states

16. (1) Subject to this section, the Court shall, where it considers it appropriate to do so, having heard all parties appearing to the Court to be interested and desiring to be heard, and having regard to the submissions concerned and the matters specified in subsection (2), make a recommendation to the Minister.

(2) When making a recommendation under this section, the Court shall have regard to the following matters:

(a) the potential impact on levels of employment and unemployment in the identified economic sector concerned;

(b) the terms of any relevant national agreement relating to pay and conditions for the time being in existence;

(c) the potential impact on competitiveness in the economic sector concerned;

(d) the general level of remuneration in other economic sectors in which workers of the same class, type or group are employed;

(e) that the sectoral employment order shall be binding on all workers and employers in the economic sector concerned.

(3) A recommendation under this section shall—

(a) specify the class, type or group of workers and the economic sector in relation to which the recommendation shall apply,

(b) be accompanied by a report on the circumstances surrounding the making of the recommendation, including confirmation that the Court has had regard to the matters set out in subsection (2), and

(c) be made not later than 6 weeks after a hearing under section 15.

(4) The Court shall not make a recommendation under this section unless it is satisfied that to do so—

(a) would promote harmonious relations between workers and employers and assist in the avoidance of industrial unrest in the economic sector concerned, and

(b) is reasonably necessary to—

(i) promote and preserve high standards of training and qualification, and

(ii) ensure fair and sustainable rates of remuneration,

in the economic sector concerned.

(5) A recommendation under this section may provide for all or any of the following in respect of the workers of the class, type or group in the economic sector concerned:

(a) a minimum hourly rate of basic pay that is greater than the minimum hourly rate of pay declared by order for the time being in force under the Act of 2000;

(b) not more than 2 higher hourly rates of basic pay based on—

(i) length of service in the economic sector concerned, or

(ii) the attainment of recognised standards or skills;

(c) minimum hourly rates of basic pay for persons who—

(i) have not attained the age of 18 years,

(ii) enter employment for the first time after attaining the age of 18 years,

(iii) having entered into employment before attaining the age of 18 years, continue in employment on attaining that age, or

(iv) have attained the age of 18 years and, during normal working hours, undergo a course of study or training prescribed by regulations made by the Minister under section 16 of the Act of 2000, reduced to the percentage set out in section 14, 15 or 16 of that Act for the category of worker concerned;

(d) minimum hourly rates of basic pay for apprentices;

(e) any pay in excess of basic pay in respect of shift work, piece work, overtime, unsocial hours worked, hours worked on a Sunday, or travelling time (when working away from base);

(f) the requirements of a pension scheme, including a minimum daily rate of contribution to the scheme by a worker and an employer; and

(g) the requirements of a sick pay scheme.

(6) A recommendation under this section shall include procedures that shall apply in relation to the resolution of a dispute concerning the terms of a sectoral employment order.

(7) Subject to sections 14 and 15, a recommendation under this section may provide for the amendment or cancellation of a recommendation previously made under this section and confirmed by the Minister by a sectoral employment order.

(8) In this section "apprentice" has the same meaning as it has in the Industrial Training Act 1967.

The Court notes that the majority of the interested parties appearing before it made submissions to the effect that the introduction of a SEO would, within the meaning of section 16 (2) of the Act of 2015 have a beneficial effect on the levels of employment in the sector, enhance the potential for competitiveness in the economic sector concerned, maintain the pay and conditions of employment in this sector in line with the general level of remuneration in other economic sectors in which workers of the same class, type or group are employed, remove labour costs from competition as the SEO would be binding on all workers and employers in the economic sector concerned and thereby compel the industry to compete for contracts on grounds other than labour costs thereby improving the operational efficiency of the sector.

They further submitted that the proposed SEO should incorporate the terms of the relevant collective agreement concluded between the trade union and employers in the sector relating to pay and conditions for the time being in existence and thereby prevent

variations in rates of pay and conditions of employment adversely affecting competition in the sector.

The Court received submissions from interested parties who in the main were opposed to the establishing of a Sectoral Employment Order for this sector. In the main these submissions expressed concern over how the Labour Court determined that the applicants were substantially representative of the sector in advance of convening a hearing and how the economic sector would be defined. It was the view of these parties that an SEO controlling labour costs across an industry as diverse as the electrical sector was anti-competitive. Concerns were also raised in relation to the use of sub-contractors to avoid applying the SEO.

One of these submissions noted that it is reasonably necessary to promote and preserve high standards of training and qualification to ensure fair and sustainable rates of remuneration and accepted there may be a requirement for a minimum hourly rate of basic pay that is greater than the minimum hourly rate of pay set out in the National Minimum Wage Acts 2000 to 2018.

Some of these submissions focussed on issues not properly before the Court.

In relation to whether the applicants were substantially representative of the sector, the Court, following consideration of the documentation put before it by the applicants, including the three statutory declarations, satisfied itself that the applicants were substantially representative for the purposes of section 15 of the Industrial Relations (Amendment) Act 2015. At the hearing itself, no credible alternative figures were put before the Court to cause it to depart from that position.

Having considered the application in the context of section 16 of the Act and having considered the written and oral submissions and all the evidence before it, the Court decided to recommend the introduction of a SEO in respect of the categories of worker identified in the application before it. In relation to a pension scheme and a sick pay scheme it was the Court's view that employers should be free to obtain cover from a source of their choosing, provided that the benefits cover up to a specified minimum level.

In doing so the Court has taken into consideration: -

- (a) the potential impact on levels of employment and unemployment in the identified economic sector concerned;
- (b) the terms of any relevant national agreement relating to pay and conditions for the time being in existence;
- (c) the potential impact on competitiveness in the economic sector concerned;
- (d) the general level of remuneration in other economic sectors in which workers of the same class, type or group are employed;

(e) that the sectoral employment order shall be binding on all workers and employers in the economic sector concerned.

The Court is satisfied that the proposed SEO will support the maintenance of high levels of employment in the sector. The Court is also satisfied that it will reasonably reflect the terms of the national collective agreement concluded between employers and the trade unions on pay and conditions of employment for the time being in place in the sector. The Court is further satisfied that the introduction of the proposed SEO will, by taking labour costs out of contention, promote competition within the sector based on the efficient use of capital, labour and project management techniques thereby increasing the overall capacity of the economy and improving the economic performance of the sector.

The Court has been mindful of the general levels of remuneration in other related sectors of the economy and has set the rates of pay and conditions of employment it has proposed in this recommendation in that context to ensure that they have no adverse effect on pay movements, industrial harmony or employment levels in those sectors.

Finally, the Court is satisfied that the proposed SEO will promote harmonious relations between workers and employers in the sector. It is further satisfied that it will assist in the avoidance of industrial unrest in the sector and will attract workers who possess high standards of training and qualifications into the sector.

Statutory minimum rates of pay and conditions of employment in the sector will support the industry's efforts to attract candidates of high calibre into apprenticeships in the sector and attract qualified staff to take up career opportunities as they arise in the sector thereby supporting the long-term sustainability of the industry.

In that context, the Court has decided to recommend the introduction of an SEO for the sector. The Court therefore resolved as follows: -

Definition of the Sector

The Court recommends that the Electrical Contracting Sector shall consist of the following economic activities: -

The installation, alteration, repair, demolition(de-install), Fabrication, &Prefabrication, commissioning or maintenance of electrical and electronic equipment including the marking off and preparing for the wiring(whether temporary or permanent) of all electrical and/or electronic appliances and apparatus, fitting and erecting all controllers, switches, junction section distribution and other fuseboards and all electrical communications, bells, telephone, radio, telegraph, x-ray, computer and data cabling, instrumentation, fibre optics and kindred installations; fitting and fixing of metallic and other conduits, perforated cable

tray and casing for protection of cables, cutting away of walls, floors and ceilings etc., for same; erection care and maintenance of all electrical plant, including generators, motors, oil burners, cranes, lifts, fans, refrigerators and hoists; adjustments to all control, rheostats, coils and all electrical contracts and connections; wiring of chassis for all vehicles; erection of batteries and switchboards; erection of crossarms, insulators overhead cables (LT and HT); fitting of staywires, brackets, lightning arrestors, etc and underground mains having regard to any advances in technology and equipment used within the industry.

Definition of a Worker

In this SEO “worker” has the following meaning

“any person aged 15 years or more who has entered into or works under a contract with an employer, whether the contract be for manual labour, clerical work or otherwise, whether it be expressed or implied, oral or in writing, and whether it be a contract of service or of apprenticeship or a contract personally to execute any work or labour. For the purpose of this definition apprentice and apprenticeship has the same meaning as it has in the Industrial Training Act 1967 ”

The Court finds that this definition is established in law and supports its inclusion in the proposed sectoral employment order.

Scope

This SEO applies to the following categories of worker who are directly employed or employed through an employment agency within the meaning of the Employment Agency Act 1971 and or the Protection of Employees (Temporary Agency Work) Act 2012 in the Electrical Contracting Sector:-

- Workers employed as qualified electricians and registered apprentice electricians working in the sector.

Qualified electricians who are employed as chargehands and foremen should also come within the scope of the order. For the avoidance of doubt, a chargehand is an electrician who is in charge of two but not more than six electricians and a foreman is an electrician on site who is in charge of more than six electricians

Categories of Worker

The applicant’s submissions to the Court requested that the SEO should make provision for a mandatory minimum hourly rate of pay and provide for minimum conditions of employment in the sector. It was not disputed by any of the interested parties that

currently in place is a six year pay scale for electricians divided into three categories and that apprentices are paid a percentage of the basic electrician hourly rate.

Conclusions of the Court

Proposed Pay Rates

The Court has examined the rates of pay proposed in the submissions before it in the context of the statutory framework set out in the Industrial Relations (Amendment) Act 2015.

The Court notes that pay rates in the sector have traditionally been set through negotiation between the representative employer bodies and the relevant trade unions.

In setting the rates of pay for the identified categories of worker the Court has taken into account the statutory considerations set out in the Act.

In that context, the Court recommends the following minimum hourly rates of pay

Category 1 First year out of time	€23.49
Category 2 Third year out of time	€23.96
Category 3 Sixth year out of time	€24.34

The Court further recommends the following Apprentice hourly pay rates

Apprentice Year 1	€7.05
Apprentice Year 2	€10.57
Apprentice Year 3	€15.27
Apprentice Year 4	€18.80

Normal Working Time Payments

Having considered the evidence before it the Court adopts the following definitions: -

Pension Scheme

Some but not all the interested parties expressed support for the adoption of a sector wide pension scheme that would reflect the benefits set out in the long established and widely supported Construction Workers Pension Scheme.

The Trustees of that Scheme made submissions to the Court in support of the adoption of a scheme that meets the needs of both employers and workers in the sector. It submits that the structure and benefits of the jointly agreed and managed Construction Workers Pension Scheme form the basis for a mandatory scheme in an SEO for the sector.

The Court has considered the extensive submissions of all interested parties in this regard and the extensive documentation submitted outlining the structure and operation of the scheme.

The Court finds that the structure and operation of the Construction Workers Pension Scheme (CWPS) is well suited to the needs of the sector and makes reasonable pension provision at reasonable cost for both workers and employers in the sector.

The Court finds that the benefits of that scheme are reasonable and proportionate and facilitate movement within the sector that operates to provide security for workers and certainty for employers. Accordingly, the Court adopts the view that terms no less favourable than contained in that scheme should be reflected in any pension scheme incorporated into a Sectoral Employment Order for this sector.

Recommendation

The Court recommends that a pension scheme with no less favourable terms, including both employer and employee contribution rates, than those set out in the Construction Workers Pension Scheme be included in the Sectoral Employment Order.

For ease of reference the Court sets out the contribution rates currently in force in the Construction Workers Pension Scheme:-

Pension Contribution

Employer €5.32 per day to a maximum of €26.63 per week;

Employee €3.52 per day to a maximum of €17.76 per week;

Total Contribution weekly into the scheme per worker €44.39.

Any changes to the Construction Workers Pension Scheme rates should be applied to the categories of workers covered by this SEO.

Death In Service Contribution

Employer €1.11 per day to a maximum of €1.11 per week;

Employee €1.11 per day to a maximum of €1.11 per week;

Total €2.22 per day to a maximum of €2.22 per week

Any changes to the rates in the Construction Workers Scheme should be applied to the categories of workers covered by this SEO

For ease of reference the main features of such the CWPS pension scheme are attached at *Appendix 1*.

Sick Pay

The Court finds that the industry involves working in difficult environments with hazards that can pose serious threats to the health and safety of workers in the sector. The Court also notes the precarious nature of employment within the sector. Accordingly, the Court finds that the provision of a sick pay scheme to finance workers through such periods of injury or illness should be a mandatory requirement on all employers in the sector. Such a scheme should be financed by both workers and employers and should address the hazardous nature of the workplace and the multisite nature of the sector.

The Court notes that both sides of industry support the principle that there should be a sick pay schemes in the sector. A sick pay scheme linked to the pensions scheme has operated in the sector for many years. That scheme has found widespread support amongst both workers and employers.

The Court has given careful consideration to the existing scheme that operates within the sector and notes the successful operation of that scheme which enjoys the support of both sides of industry.

For ease of reference the current weekly Sick Pay Contributions in force in the Construction Industry Sick Pay Scheme are as follows: -

Employer €1.27 per day to a maximum of €1.27 per week;

Employee €0.63 per day to a maximum of €0.63 per week;

Total €1.90 per day to a maximum of €1.90 per week.

The terms and benefits of the scheme are attached at *Appendix 2*.

Any changes to the rates in the Construction Workers Scheme should be applied to the categories of workers covered by this SEO

Recommendation

In that context and having reviewed the statutory framework within which the Court must consider all proposals for inclusion in a recommendation to the Minister the Court recommends that a scheme in line with the Construction Industry Sick Pay scheme, including no less favourable benefits and contributions by both workers and employers, be included in the proposed Sectoral Employment Order.

Dispute Resolution Procedure

A sectoral Employment Order is required to contain a dispute resolution procedure. To this end the parties jointly recommended the following procedure to the Court. The Court notes that this procedure is identical to that which applies in the Construction Sector. The Court recommends the inclusion of this procedure in the proposed sectoral employment order.

Disputes Procedure

If a dispute occurs between workers to whom the SEO relates and their employers, no strike or lock-out, or other form of industrial action shall take place until the following procedures have been complied with. All sides are obliged to fully comply with the terms of the disputes procedure.

Individual Dispute

- a) The grievance or dispute shall in the first instance be raised with the employer at local level with a requirement to respond within 5 working days. Notice in writing of the dispute shall be given by the individual concerned or by his/her trade union to the relevant organisation representing employers or to the employer directly.
- b) If the dispute is not resolved it shall be referred to the Adjudication Service of the WRC.
- c) Either party can appeal the outcome of the Adjudication Hearing to the Labour Court.

Collective Dispute

- a) The grievance or dispute shall be raised in the first instance with the employers with a requirement to respond within 5 working days. Notice in writing of the dispute shall be

given by the workers concerned or their trade union to the relevant organisation representing employers or to the employer directly.

- b) If a dispute is not resolved, the issue shall be referred to the Conciliation Service of the WRC.
- c) If the issue remains unresolved, it shall be referred to the Labour Court for investigation and recommendation.

Recommendation

The Court has given careful consideration to this procedure. The Court notes that it is in line with those generally in operation in industry and complies with the principles of natural justice. On that basis, the Court recommends it for inclusion in the proposed Sectoral Employment Order.

Travel Time

The Court has given careful consideration to the submissions of both sides in this regard. The Court takes the view that a number of complex issues arise on which the parties need to engage further before the Court is in a position to come to a definitive recommendation on this matter. Accordingly, the Court finds that it is not appropriate, at this time, to recommend the inclusion of travel time in Sectoral Employment Order.

Having concluded its examination the Court recommends that the Minister make a Sectoral Employment Order in the terms annexed hereto.

Signed on behalf of the Labour Court



Louise O'Donnell

Deputy Chairman

23rd April 2019

Recommendation

Sectoral Employment Order in Respect of the Electrical Contracting Sector

Definition

For the purposes of this Sectoral Employment Order the Electrical Contracting Sector means the sector of the economy comprising the following economic activity: -

The installation, alteration, repair, demolition(de-install), Fabrication, &Prefabrication, commissioning or maintenance of electrical and electronic equipment including the marking off and preparing for the wiring(whether temporary or permanent) of all electrical and/or electronic appliances and apparatus, fitting and erecting all controllers, switches, junction section distribution and other fuseboards and all electrical communications, bells, telephone, radio, telegraph, x-ray, computer and data cabling, instrumentation, fibre optics and kindred installations; fitting and fixing of metallic and other conduits, perforated cable tray and casing for protection of cables, cutting away of walls, floors and ceilings etc., for same; erection care and maintenance of all electrical plant, including generators, motors, oil burners, cranes, lifts, fans, refrigerators and hoists; adjustments to all control, rheostats, coils and all electrical contracts and connections; wiring of chassis for all vehicles; erection of batteries and switchboards; erection of crossarms, insulators overhead cables (LT and HT); fitting of staywires, brackets, lightning arrestors, etc and underground mains having regard to any advances in technology and equipment used within the industry

Definition of a Worker

In this Sectoral Employment Order “worker” has the following meaning:-

“any person aged 15 years or more who has entered into or works under a contract with an employer, whether the contract be for manual labour, clerical work or otherwise, whether it be expressed or implied, oral or in writing, and whether it be a contract of service or of apprenticeship or a contract personally to execute any work or labour”.

For the purpose of this definition apprentice and apprenticeship has the same meaning as it has in the Industrial Training Act 1967.

Scope

This Sectoral Employment Order applies to the following categories of worker who are directly employed or employed through an employment agency within the meaning of the Employment Agency Act 1971 and or the Protection of Employees (Temporary Agency Work) Act 2012 in the Electrical Contracting Sector:-

- Workers employed as qualified electricians and registered apprentice electricians working in the sector.

Qualified electricians who are employed as chargehands and foremen should also come within the scope of the order. For the avoidance of doubt, a chargehand is an electrician who is in charge of two but not more than six electricians and a foreman is an electrician on site who is in charge of more than six electricians

Pay and Pay Categories

Pay and conditions of employment of the following categories of workers are covered in this Sectoral Employment Order:-

A basic minimum hourly rate of pay to apply to all newly qualified Electricians employed in the sector. **(Category 1)**

A higher hourly rate of pay to apply to qualified Electricians employed in the sector with effect from the commencement of their 3rd year of employment after qualification as an Electrician. **(Category 2)**

A higher hourly rate of pay to apply to qualified Electricians employed in the sector with effect from the commencement of their 6th year of employment after qualification as an Electrician. **(Category 3)**

In accordance with section 16(5)(d) of the Industrial Relations (Amendment) Act 2015, a minimum hourly rate of pay to apply to apprentices.

The following hourly rates of pay shall apply to the indicated Categories of employee employed in the sector:-

Category 1	€ 23.49
Category 2	€ 23.96
Category 3	€ 24.34

The following rates of pay shall apply to apprentices employed in the sector:-

Apprentice Year 1	7.05
Apprentice Year 2	10.57
Apprentice Year 3	15.27
Apprentice Year 4	18.80

Normal Working Time and Unsocial Hours Payments

The following definitions shall apply in respect of hours worked by qualified crafts persons and apprentices in the sector:-

Normal Working Week

Normal Working week shall consist of 39 hours worked between Monday and Friday each week.

Normal Daily Working Hours

Normal daily working hours shall consist of eight hours of work undertaken between the hours of 7 am (normal weekday starting time) and 5 pm (Normal weekday finishing time) Monday – Thursday inclusive and between the hours of 7 am (normal Friday starting time) and 4 pm (normal Friday finishing time) on Friday.

Other Hours Worked

Hours worked outside of those hours shall constitute overtime working hours and shall attract the following premium payments:-

Hours worked between normal finishing time and Midnight Monday to Friday inclusive	Time plus a half
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Hours worked between Midnight and normal starting time Monday to Friday	Double time
First four hours worked after 7 am on Saturday	Time plus a half
All other hours worked on Saturday	Double time
All hours worked on Sunday	Double time
All hours worked on Public Holidays	Double time plus an additional day's leave

Unsocial Hours Worked

Where for specific projects hours are required to differ from those set out at "Normal Daily Working Hours" above, the following rates should apply:

Where the starting time is before 1pm	8 hours at time plus one quarter
Where starting time is after 1pm	8 hours at time plus one third

Pensions

A worker to whom this Sectoral Employment Order relates shall be entered by his or her employer into a pension scheme the terms of which, including both employer and employee contribution rates, shall be no less favourable than those set out in the Construction Workers Pension Scheme.

The minimum pension and death in service scheme contribution rates for employers and workers shall be set at the following levels:-

Pension Contribution

Employer Contribution	Worker Contribution	Total Combined Employer and Worker Contributions
€5.32 per day to a maximum of €26.63 per week	€3.52 per day to a maximum of €17.76 per week	€8.84 per day to a maximum of €44.39 per week.

Any changes to the rates for the Construction Workers Pension Scheme should be applied to the categories of workers covered by this SEO.

Death In Service Contribution

Employer Contribution	Worker Contribution	Total Combined Contribution
€1.11 per day to a maximum of €1.11 per week	€1.11 per day to a maximum of €1.11 per week	€2.22 per day to a maximum of €2.22 per week

Any changes to the rates for the Construction Workers Pension Scheme should be applied to the categories of workers covered by this SEO.

For ease of reference the main features of the Construction Workers Pension Scheme are attached at *Appendix 1*.

Sick Pay Scheme

A worker to whom this Sectoral Employment Order relates shall be entered by his or her employer in a sick pay scheme the terms of which, including both employer and employee contribution rates into the scheme shall be no less favourable than those set out in the Construction Workers Sick Pay Scheme.

The minimum Sick Pay Contribution Rates for employers and workers be set at the following levels

Employer Contribution	Worker Contribution	Total Combined Contribution
€1.27 per day to a maximum of €1.27 per week	€0.63 per day to a maximum of €0.63 per week	€1.90 per day to a maximum of €1.90 per week

Any changes to the rates for the Construction Workers Sick Pay Scheme should be applied to the categories of workers covered by this SEO.

For ease of reference the terms and benefits of the Construction Workers Sick Pay Scheme are attached at *Appendix 2*.

Dispute Resolution Procedure

The following dispute resolution procedure shall apply to those covered by this Sectoral Employment Order.

If a dispute occurs between workers to whom the SEO relates and their employers no strike or lock-out, or other form of industrial action shall take place until the following procedures have been complied with. All sides are obliged to fully comply with the terms of the disputes procedure.

Individual Dispute

- (a) The grievance or dispute shall in the first instance be raised with the employer at local level with a requirement to respond within 5 working days. Notice in writing of the dispute shall be given by the individual concerned or his trade union to the relevant organisation representing employers or to the employer directly.
- (b) If the dispute is not resolved it shall be referred to the Adjudication Service of the WRC
- (c) Either party can appeal the outcome of the Adjudication Hearing to the Labour Court.

Collective Dispute

- (a) The grievance or dispute shall be raised in the first instance with the employers with a requirement to respond within 5 working days. Notice in writing of the dispute shall be given by the workers concerned or their trade union to the relevant organisation representing employers or to the employer directly.
- (b) If a dispute is not resolved the issue shall be referred to the Conciliation Service of the WRC
- (c) If the issue remains unresolved, it shall be referred to the Labour Court for investigation and recommendation.

Appendix 1.

Every employer to whom the SEO applies shall participate in an SEO pension scheme that meets the pensions requirements of the SEO.

Pension Scheme Structure

The pension scheme to which the SEO applies ("**SEO pension scheme**") should include the following features and benefits:

1. An SEO pension scheme should be an Occupational Pension Scheme which is registered with and regulated by the Pensions Authority.
2. Recognising the flexible nature of employment across employers within the construction sector and related industries (the Sector), an SEO pension scheme should be established as a multi-employer scheme open to all employers in the Sector.
3. Whilst a member remains employed within the Sector, members should be able to have a single individual pension account within the SEO pension scheme thereby enabling successive employers of the member to contribute to the member's account provided the employer has joined itself to the SEO pension scheme.
4. Where an employee member leaves service of an employer, the contributions which have been paid by the employee and the employer in respect of the member will be retained in full within the SEO pension scheme in the individual account of that member.
5. The rules of an SEO pension scheme should not permit a member to take a refund of their own contributions prior to reaching retirement age.
6. Bodies that are representative of both employers and unions involved in the Sector must appoint the members of the SEO pension scheme trustee. The constitution of the Trustee Board should also include representatives of both employers and employees in the Sector.
7. In addition to providing pension benefits, an SEO pension scheme must also provide an additional Death in Service benefit with members covered for this benefit upon joining the scheme.
8. An existing pension scheme at the time the SEO comes into force may qualify as an SEO pension scheme provided it complies with the terms of the SEO or is adapted to so comply.
9. An SEO pension scheme must disclose and publicise information about the pension scheme's charges and who bears them. There must be full transparency of charges and this information should be disclosed in the scheme's Trustee Annual Report as well as provided to each member when joining. The total annual charges borne by members should be disclosed and must include all administration costs, Trustee costs, distribution costs, fund management costs, actuarial, accounting, legal and auditing fees and all other charges incurred by the SEO pension scheme.

10. Scheme Design

The terms and conditions applying under an SEO pension scheme and benefits to be provided must be at least as great as that described below.

10.1. Eligibility

An SEO pension scheme must at least provide for an employee of a participating employer in the Sector to be eligible for membership of the scheme provided they have attained age 20 but not yet attained age 65.

10.2. Relevant Pension Contributions

Employers and their employees working in the construction sector and related industries (the Sector) must contribute to an SEO pension scheme.

Contributions should be remitted by employers to an SEO pension scheme in accordance with all relevant pension and other legislative requirements.

10.3. Pension Benefits

- a) Members' pension benefits within an SEO pension scheme should be based on the full value of their individual pension funds and there should be no deductions from the contributions paid or when the funds are drawn down.
- b) The Trustees of the Scheme will invest each member's pension contributions and these along with the investment returns declared, net of charges, will determine the value of the member's pension fund.

10.4. Retirement

Normal Retirement Age shall be age 65. However a member may be permitted to retire from age 60 (at the discretion of the scheme trustee). When a member retires, he or she should be able to choose from a range of options based on their entire fund value in line with applicable pension and tax legislation. One of the options which must be available is the provision of a pension for life for the member.

10.5. Death in Service Benefits

- a) Every employer to whom the SEO applies must participate in an SEO pension scheme that provides a death in service benefit for the deceased member's dependants. The death in service benefit should be in addition to the benefits provided for the dependants based on the full value of the member's pension fund.
- b) Provided the employee has completed a once-off initial qualifying contribution period, inclusion for death in service benefits shall be automatic on becoming a member of the SEO pension scheme, without medical underwriting or by reference to any previous medical conditions of the member. In the event of the member moving to another participating employer within the Sector, the member should not be required to complete any further qualifying period in order to be covered for death in service benefits.
- c) Death in Service Contributions will form part of the overall contribution rate of an SEO pension scheme with a portion payable by both the member and employer in addition to the pension contributions.
- d) Contributions should be remitted by employers to an SEO pension scheme in accordance with all relevant pension and other legislative requirements.
- e) If a member had met the requirements for the full lump sum death in service benefit, but then leaves service and dies within four weeks of doing so without being re-employed in the Sector, the SEO pension scheme should provide a modified lump sum benefit in addition to the

value of their pension account.

- f) Death in Service benefits should be payable regardless of cause or timing of death, so long as the member meets the qualification conditions for inclusion for Death in Service benefits as set out above.

Appendix 2.

SICK PAY SCHEME

Every employer to whom the SEO applies must have in place a provision for Sick Pay benefits for each employee covered in the SEO.

Sick Pay Scheme Structure

The sick pay scheme to which the SEO applies ("**SEO Sick Pay Scheme**") should include the following features and benefits.

Sick Pay Scheme Structure

1. An SEO Sick Pay Scheme should be a funded arrangement with contributions held in Trust and independently administered and managed. An SEO Sick Pay Scheme should facilitate participation by multiple employers to reflect the flexible nature of employment within the Sector.
2. The main purpose of an SEO Sick Pay Scheme is the provision of benefits for every worker for periods of illness or injury while in the employment of employers to whom this SEO applies.
3. The Sick Pay Benefit should be paid to each employee without the need for underwriting or reference to previous medical conditions. Entitlement to Sick Pay Benefits should be unaffected and uninterrupted as employees transfer from one employer to another within the Sector.
4. The Sick Pay Benefits provided by an SEO Sick Pay Scheme should be in addition to any sickness, illness or invalidity benefits payable by the State through the social insurance system.

Sick Pay Conditions & Benefits

5. Eligibility

Inclusion for Sick Pay Benefits will be automatic on becoming a member of an SEO Sick Pay Scheme. No charges should be incurred by either employers or members for Sick Pay benefit provision, other than the relevant contributions required to provide the benefits.

6. Sick Pay Contributions

- a) An SEO Sick Pay Scheme should be a contributory sick pay scheme with contributions payable by both employers and employees.
- b) A member shall not lose accrued Sick Pay Benefit rights or entitlements as a result of changing employment within the Sector as accrued service will transfer to the next employer to whom the SEO applies.
- c) Employers who fail or neglect to make the authorised deduction shall be liable for the total contribution required to ensure that the worker's Sick Pay Benefits are maintained in full for the period of service with them.

7. Relevant Benefits

- a) An SEO Sick Pay Scheme shall provide for the payment of a standard Sick Pay Benefit for a specified duration and the benefit and duration should be disclosed to participating employers and members.
- b) An SEO Sick Pay Scheme may include a waiting period during which a member would not be entitled to any benefit from the scheme whilst initially absent due to illness or injury. This waiting period should not exceed the first five working days of disability.
- c) An SEO Sick Pay Scheme should facilitate continuity of Sick Pay Benefit from the Scheme from the first working day of disability where a claimant has returned to work for a period of two working days or less. This is provided that the sick pay entitlement from the scheme has not been exhausted by reference to the duration limitations referenced earlier.
- d) An SEO Sick Pay Scheme should facilitate provision of a Supplementary Sick Pay Benefit if the claimant has no entitlement to Social Welfare benefit due to inadequate number of Social Welfare contributions.
- e) An SEO Sick Pay Scheme may set appropriate limitations on the maximum duration for which a Sick Pay Benefit may be payable. These must be clearly documented and disclosed to participating employers and members. The maximum duration under an SEO Sick Pay Scheme should not be any lower than a period of 10 weeks in any calendar year, whether for a single claim or in aggregate in a scheme year.