



# IMPACT

Services and  
Enterprises  
Division

Report  
2007-2009

**Public  
Servants**

Frontline Quality  
Backroom Dedication

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Front cover photo

Amanda O'Hara, GIS graduate trainee at the Co. Longford regional office, Ordnance Survey Ireland.

Photo by Conor Healy.



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# Organisation

## *Divisional Executive Committee*

The following were elected to IMPACT's Services and Enterprises Divisional Executive Committee (DEC) at the 2007 divisional conference: Pierce Dillon (Chairperson), Joe May (Vice Chairperson), Dave Jackson (third divisional representative on IMPACT's Central Executive Committee) Aoife Clabby, Michael Scully, Bernard Flood, Brendan McLoughlin, John Magoye, Michael McLaughlin, Tim O'Regan, Paddy Quinn and Paul Blake. Paul Blake subsequently stepped down and the position was filled by Nora O'Reilly, who attended her first meeting in September 2008.

The Special Needs Organisers branch was transferred to IMPACT's Civil Service Division following clarification of the staffs' civil service status. Membership of the division continued to grow, reaching almost 6,000 by the end of 2008.

# Pay and incomes

## Pay

Almost all members of the division received pay increases worth 10% in four phases between December 2006 and September 2008 under the first phase of the Towards 2016 national agreement, which was accepted by a 79-21% margin in a national ballot of IMPACT members. When the Government announced measures to control public spending in summer 2008, many business organisations, politicians and economic commentators called for the final 2.5% increase to be scrapped. But IMPACT and other unions strongly resisted this and the payment was made as agreed.

## Towards 2016 transitional agreement

Talks on the second phase of Towards 2016 began in April 2008 with unions seeking a deal that protected living standards from inflation, as well as a number of non-pay measures centred on workplace and representational rights. IMPACT also led public service unions in seeking a new system of public service pay determination, after the second report of the Public Service Benchmarking Body recommended no increases for most (see below). Employers' body IBEC's early call for a public service pay freeze was strongly rebutted by IMPACT in the talks and in the media.

In August 2008, the talks broke down over the pay terms and employer demands for stronger 'inability to pay' clauses. Negotiations resumed in September and resulted in a transitional agreement with pay increases worth 6% over 21 months, with an extra 0.5% for those earning less than €11 an hour. The deal, which included an 11-month public service pay pause and a three-month pay pause in private and commercial semi-state companies, was accepted by a margin of 91%-9% in a national ballot of IMPACT members. The Department of Finance told public service employers that they must pay the first phase, worth 3.5% from 1st September 2009, out of existing budgets.

During the negotiations, unions prevented IBEC's attempts to massively strengthen the Towards 2016 'inability to pay' provisions.

## Crisis talks

The sudden and rapid worsening of the economy and public finances at the end of 2008 led to a resumption of meetings between the social partners in December. The objective was to agree an approach to economic recovery.

Although the budgetary crisis was not caused by public servants or public service pay, ICTU economists acknowledged that up to 20% of Ireland's tax had become dependent on the finance, property and construction sectors, which had collapsed leaving a massive hole in Government income. The problem quickly worsened as growing unemployment rapidly reduced the tax take even further and increased spending on social welfare and related medical and other costs. At the beginning of 2009, therefore, there was broad agreement on the need to save as much as €16 billion in public spending between 2009 and 2013 in order to restore the public finances. But there was no agreement on how this should be done. The situation in both the public finances and the wider economy had substantially worsened as this report went to print.

Entering the talks, employers' body IBEC said it believed the pay deal was defunct while the Government was focused exclusively on the need to save €2 billion in public spending in 2009; a saving it wanted to make predominantly from payroll costs. From the outset, IMPACT resisted the Government's preferred option of a 10% across-the-board cut in public service pay and made clear that it would not negotiate cuts in core pay or pension benefits.

### *Social solidarity*

United behind an Irish Congress of Trade Unions (ICTU) strategy, IMPACT insisted that a 'social solidarity' framework for economic recovery must be agreed before unions would discuss specific measures to deal with the crisis in public finances. As a result, the social partners agreed a 'Framework Pact for Stabilisation, Social Solidarity and Reform' at the end of January 2009. The main points of the framework, which included all the core elements of ICTU's demands, are summarised in the box below.

### *Public service levy*

IMPACT's adamant insistence that core pay and pension benefits be preserved led the Government to consider other measures, including additional staff contributions towards the cost of pensions, deferral of Towards 2016 pay increases, and changes in other areas like travel and subsistence, premium payments, and overtime arrangements. Meanwhile, there was almost no progress on tangible measures to implement the framework agreed between the social partners, which was to have delivered protection for the most vulnerable and a higher contribution to economic recovery from those most able to pay.

## *Framework Pact for Stabilisation, Social Solidarity and Reform*

### MAIN POINTS

- A commitment to a social partnership approach
- A commitment that all sectors of society must contribute in accordance with their ability to do so, including sheltered sectors of the economy like professional services
- A commitment that the most vulnerable – including the low paid, unemployed and those on social welfare – would be insulated from the worst effects of the recession
- A commitment to introduce controls on senior executives' remuneration
- Stabilisation of the banking system and a Government commitment to seek to assist people who get into difficulties with their mortgages – plus a new statutory code of practice on mortgage arrears and home repossessions
- Measures to support the unemployed and help them back into work
- A commitment to a fair and equitable spread of necessary adjustments in public spending
- A fair and equitable approach to tax changes, with a higher proportion falling on those with higher incomes, which would be progressive and consistent with the social solidarity approach
- A reform of price regulation in areas like energy
- A re-prioritisation of capital spending towards labour-intensive activities
- A commitment that the social partners would address the crisis in private pensions
- Recognition of the need to progressively reduce the level of Exchequer borrowing over the next five years in order to reduce the general Government deficit "to below 3% by 2013 through an appropriate combination of expenditure and taxation adjustments"
- A re-affirmation of Towards 2016 commitments to legislation to strengthen workers' rights and protections
- A reaffirmation of the Towards 2016 commitment to use the social partnership Health Forum to implement health reforms.

\* As the economy and public finances worsened after this framework was agreed, ICTU sought a re-scheduling of this timetable to avoid rapid depression of economic activity and a devastating effect on public services.

The talks finally collapsed without agreement after Government officials presented unions with a proposal for a public service levy averaging 7.5% of gross earnings, minus tax relief, across the public service. The Government proposal also included the deferral of the public service Towards 2016 pay increases and a 25% across-the-board reduction in travel and subsistence rates. IMPACT then led a massive campaign of political lobbying, which was supported by other public service unions and involved hundreds of IMPACT members and others. This culminated in national newspaper adverts and a mass lobby of TDs' constituencies in the middle of February.

The union also put a massive mobilisation effort into ICTU's national demonstration on 21st February, when over a third of the union's members participated in an event that attracted well over 120,000 protesters. Four days later, almost all ICTU unions including IMPACT announced that they would ballot their members for industrial action over the Government's approach to the economic crisis, including the levy, and the Government and employers' decision to abandon the national agreement. Unions from both the public and private sectors agreed that the industrial action would begin with a one-day stoppage on 30th March. However, the Government rushed through legislation to impose the public service levy, which became effective on 1st March 2009.

As this report was being finalised, ICTU's 30th March stoppage was deferred after its Executive Council accepted an invitation from An Taoiseach Brian Cowen to re-enter talks aimed at reaching an agreed national partnership framework for dealing with the economic crisis. The Taoiseach's invitation followed extensive behind-the-scenes work by senior ICTU representatives, including IMPACT general secretary Peter McLoone who insisted that changes to the pension levy must form part of the negotiation. IMPACT also said it wanted an agreed framework to deal with budget shortfalls in various sectors of the public service and state agencies.

Just prior to this, IMPACT's Central Executive Committee (CEC) decided that it had no basis to sanction participation in the 30th March stoppage after its members voted in favour of industrial action by a margin of 65% in favour and 35% against, which was marginally short of the two-thirds majority required under the union's Rule 25, which deals with industrial action ballots.

## *Benchmarking*

The second report of the Public Service Benchmarking Body (PSBB) was published in December 2007 and recommended pay increases for just 15 of the 109 grades it examined. A detailed report on this was included in IMPACT's 2006-2008 biennial report. The Towards 2016 transitional agreement conceded IMPACT's demand for a review of the benchmarking process to address union concerns about the operation and methodology of the first and second benchmarking exercises.

IMPACT also sought payment of the recommended awards, which led to the Towards 2016 transitional agreement saying that the first 5% of the awards would be paid with effect from 1st September 2008 and that the implementation of the remainder would be considered after 2010. However, the payment has not been sanctioned and the Department of Finance has said that it has no plans to sanction payment in the current economic and fiscal circumstances.

## *Low pay*

Unions are resisting attempts by employers' representatives to reduce the statutory minimum wage, which was last increased to €8.65 in July 2007. The Towards 2016 transitional agreement, which has not been implemented, included an extra 0.5% increase for workers earning €11 an hour or less.

## *Senior public service pay*

Details of the 42nd report of the Review Body on Higher Remuneration were included in IMPACT's 2006-2008 biennial report. The first phase of the recommended awards was paid in September 2007. The second and third phases, due in September 2008 and March 2009, have not yet been sanctioned.

### *Pensions*

IMPACT'S 2006-2008 biennial report outlined the developing problem of funded defined benefit schemes in the private sector and commercial state companies. The Pensions Board has estimated that 90 per cent of these schemes are in significant deficit. ICTU has prioritised this issue in talks with the Government and has demanded a pension's protection fund to deal with insolvencies and new standards and criteria for schemes with ongoing deficits. These negative developments have created a difficult overall climate for addressing IMPACT's superannuation issues including the funding of pensions in the state-funded community and voluntary sectors.

IMPACT's 2006-2008 biennial report also outlined the outcome of the joint union-management working group that dealt with issues arising from the Commission on Public Service Pensions. A revised method of reckoning variable pensionable allowances for pension purposes was subsequently implemented. Other agreed recommendations concerning the spouses and children's scheme have been held up by the Department of Finance and it is unclear when they will be implemented.

The Department has rejected the union's demand for refunds of contributions where over 40 years' have been paid, saying they will not agree to any change in the existing practice because:

- Most public servants make explicit pension contributions towards their main scheme benefits. Pensionable salary for these public servants is generally 5% higher than for their counterparts who do not make contributions.
- The value of superannuation benefits continues to increase beyond the 40-year threshold because increments, promotions and pay increases that occur after 40 years service are reflected in the pension and superannuation lump sum ultimately payable on retirement.
- Unlike public service spouses' and children's pension schemes, where the costs are generally shared between the employers and employees, the employee contribution in the main scheme represents just a small element in the overall cost of providing benefits. The second report of the Public Service Benchmarking Body valued the employers' costs of public service pensions at 20% of salary, with contributory employees paying around 5% on average.

- The claim for refund of contributions has to be placed in the context of the overall imperative of securing long-run sustainability and affordability in pension provision in Ireland, as set out in the recent green paper on pensions.

### *Travel and subsistence*

While there have been no recent discussions on subsistence rates, a meeting between civil service unions and the Department of Finance took place in September 2008 where the Department outlined the results of an exercise it had undertaken in relation to the prevailing motor mileage formula. If adopted, this approach would have reduced the rates by 4.2% in the small car category, 4.63% in the medium car category and 1.39% in the large car category. The exercise was based on bestselling cars following vehicle registration tax changes, and only factored in the effect of the car price changes. The Department said Government policy of encouraging the use of greener cars should be reflected in the construction of the motor travel rates.

IMPACT countered that the formula was meant to have regard to vehicles actually purchased and that 2009 budgetary changes might also affect car prices. A further meeting was held in January 2009 where it emerged that the cost of small and large category cars in the bestselling list had dropped by up to €3,000, while the cost of middle range cars had increased slightly. Taken with falling fuel prices, the Department signaled that these price falls would lead to a significant drop in the mileage rate.

Independently of this process, in March 2009 the Government imposed revised rates that cut payments by 25% across the board as part of its measures to reduce public spending. IMPACT has since lodged a claim for a review of travel and subsistence rates under the standard criteria.

# Jobs and services

## OECD report on Irish public services

In April 2008 the Organisation for Economic Co-operation and Development (OECD) published a report on Ireland's public services, which found that they were delivering high quality services at a relatively low price. The study debunked the myth that public service pay and employment are out of control and reported that the Irish public service is doing "more with less" than other OECD countries, relative to the size of the overall economy and workforce, because public spending and employment had not kept up with population and economic growth in the last decade. It found that, compared to other OECD countries, Ireland had a relatively small public service given the size of its economy and labour force.

It also said that too many arms length agencies had been set up, which led to fragmentation and reduced transparency, and warned against the centralisation of human resource management. It recommended a "careful approach" to performance-related pay and called for more mobility in recruitment between the civil and public service.

In November 2008, the Government published the report of a task force set up to make recommendations on the implementation the OECD report and established a group to make proposals on the reallocation and rationalisation of public service staff. This four-person 'special group on public service numbers and expenditure programmes' is to "examine the current expenditure programmes in each Department and make recommendations for reducing public service numbers" with the aim of eliminating the budget deficit by 2011. It is chaired by economist Colm McCarthy and is due to make a final report to the Minister for Finance by the end of June 2009. Its terms of reference do not include pay or pension issues.

## Public service staffing

In March 2009, the Department of Finance issued draconian employment controls in the public services, which included the following measures:

- A general moratorium on recruitment, promotions and acting appointments to almost all grades
- The application of this general moratorium to fixed-term posts and to the renewal of fixed-term contracts
- The requirement of prior sanction from the finance minister, on an "exceptional basis," for filling of any post covered by the moratorium
- Any such filling to be achieved through re-deployment.

The Department of Finance circular that implements the new policy says there will be separate correspondence on arrangements for consultation with unions on the issue of redeployment.

IMPACT immediately sought clarification of how it was proposed to interpret and implement the circular and expressed strong concerns about the negative impact it would have on services and staff. The union reiterated its long-standing rejection of the blunt instrument of recruitment embargoes and the blanket non-renewal of temporary contracts, which could devastate services and substantially increase unemployment. The union had already sought an agreed framework for dealing with public service recruitment and staffing issues in the national talks that resumed in March 2009 and was continuing to pursue this as this report went to print.

### *Workers' rights*

IMPACT's 2006-2008 biennial report outlined the comprehensive new package of workplace protections agreed in the Towards 2016 national agreement. These were further strengthened in the Towards 2016 transitional agreement and, although the agreement has not been implemented, ICTU is still pressing for legislation in a number of areas including the prevention of victimisation of trade union members and inducements aimed at forcing people to leave their union. The transitional agreement also conceded ICTU's demand for a review to consider the legal and other steps required to enable collective bargaining mechanisms established under previous agreements to operate as intended.

In April 2008, IMPACT won an important case on fixed-term workers' rights in the European Court of Justice, which established that fixed-term public servants are entitled to the same benefits as their full-time colleagues in areas including pay and pensions.

In the summer of 2008, an EU agreement led to the adoption of a European directive on agency workers which, once transposed into domestic legislation, will see agency workers entitled to the same pay and conditions as permanent staff. Unions across Europe have fought for these protections for years and ICTU is pressing for the directive to be implemented quickly in Ireland, even though EU rules give the Government until December 2011 to transpose it into Irish law.

Trade unions also won an important victory in December 2008 when the European Parliament rejected proposed amendments to working time laws. Prior to the vote IMPACT wrote to all Irish MEPs urging them to reject the proposed changes, which would have led to weaker protections for workers in Ireland and elsewhere. The changes would have preserved an existing opt-out, which was known to have led to workers doing excessive hours in Britain and elsewhere. It would also have brought adverse changes to the way on-call working time is determined as well as extending the period over which employers could average working time.

# Aviation

## Pensions

The general employee's scheme (which covers DAA, SR Technics and non-pilot Aer Lingus staff) has a rule that provides for indexation of pensions to increases in the consumer price index (CPI), subject to the approval of the trustees of the scheme. The trustees decided that, due to the financial position of the scheme, indexation would not be paid for 2008. A similar decision was taken by the trustees of the Aer Lingus pilots' scheme.

At the time of the Aer Lingus IPO, the union reached an agreement with the company that supplementary schemes would be established for general employees to deal with the circumstances of any missed indexation. The trustees of the supplementary schemes decided to make payments to cover some of the 'missed' indexation. The awards made were 2.25% from Scheme A and 4.8% from Scheme B.

The Central Representative Council (CRC) thanked all involved for the innovative measures taken at the time of the IPO in securing funding for the Aer Lingus staff and pensioners in such difficult and demanding times. The company would not agree to the creation of a supplementary scheme for pilots at the time of the IPO. Cabin crew member Jean Cashman was the only serving staff member elected to the general employees' pensions committee. The other three successful candidates were retired members of the union including Eileen Sweeney who had recently retired having served as secretary of the IAESA branch. Subsequently, Eileen was appointed as a trustee to the scheme.

## Aer Lingus

The union balloted members on the PCI (programme for continuous improvement) changes at the end of March 2008. Members voted by a 76% majority to accept the proposals. The provisions of the agreement, which were independently verified by Grant Thornton, included significant work practice changes and cost reductions. Compensation amounting to €5 million was paid to cabin crew. The two rounds of the Towards 2016 national agreement, as well as increments, were paid effective from the due dates. The pilots and IAESA branches reached similar agreements on their PCI agendas, which were also approved by member ballots.

The union reached an agreement with the company for a pay review for Belfast based staff, which resulted in a 5% increase for staff over the period 2008-2010.

Against the background of the spike in oil prices and the economic downturn, the company tabled a range of proposals to significantly reduce costs which included a pay freeze, outsourcing almost all work on the ground, and off-shoring cabin crew work on the transatlantic services. IMPACT rejected the company position and entered into talks with a view to negotiating alternatives. The talks were successful and the outcome was accepted by cabin crew in December 2008. Talks concerning pilots and IAESA grades were due to commence in early 2009. The company has also agreed to enter into discussions regarding the extension of the existing profit share scheme in 2009.

In December 2008 Ryanair submitted a new bid for the company. The trade unions liaised on a unified approach and the ESOT engaged professional advisors to handle the situation. The trade unions circulated a letter of opposition to all political representatives and the major shareholders in Aer Lingus. Ryanair reported acceptances of 0.01% of shareholders at the time of the initial closing date for acceptances in early January. The offer period was extended to mid-February. On 22nd January 2008, the Government announced its rejection of the offer. Following that announcement, Ryanair indicated the offer could not proceed and subsequently withdrew the offer. As part of their offer, Ryanair requested a meeting with the ESOT in order for them to present the benefits and highlights of the offer. The ESOT agreed to meet Ryanair representatives while making clear that it was a fact finding meeting. On this basis a meeting took place on 30th December 2008 between Ryanair representatives and ESOT advisors. Financial issues of concern to the ESOT included the tax implications of an all-cash offer, the ESOT's borrowings, and the profit share arrangements in place at Aer Lingus. The ESOT also considered the proposed revisions to the contracts of the chief executive officer and chief finance officer and found their severance arrangements to be totally unacceptable and advised the company chairman of its support to hold an emergency general meeting for a vote on the issue.

At the end of 2008 the company announced the establishment of a new base in Gatwick and the restoration of Shannon-Heathrow services. It also announced a joint venture with United Airlines in the US which would fly services from the US to Spain using American-based crew. IMPACT liaised with unions in United Airlines on the matter.

### *Irish Aviation Authority*

The union was successful in a Labour Court hearing on past productivity beyond 'normal ongoing change' on behalf of air traffic controllers. The employer paid the court's recommended award of a 5% pay increase, which was backdated to January 2006. The Labour Court also recommended that an agreed 'suitably qualified person' should assess the value of agreed change post-2008. The agreed assessor, Conal Devine, placed a value of 12% on the IAA's change agenda. At a subsequent LRC conciliation conference, IMPACT and the IAA agreed that 6.5% of this should accrue to staff

by means of a pay increase. It was not possible to agree on the timing of this and the matter has been referred back to the Labour Court.

IMPACT brought a long-standing claim to the Labour Court for a higher duties allowance for data assistants in the Shannon school. The court recommended that IMPACT's claim be conceded. The 13 data assistants concerned now receive a higher duties allowance of €3,742 a year.

A pay and productivity package for radio officers for the introduction of the 'Iceland' project is close to agreement. The union has agreed on draft proposals which allows for a 2% pay increase and the introduction of a non-pensionable, annualised, overtime payment of €6,000 for radio officers who agree to be rostered for eight standby shifts a year. Discussions continued between IMPACT and the employer on the restructuring arrangements that arise from the implementation of the McGregor report on the organisation of the aviation safety directorate.

### *Dublin Airport Authority*

Members of the union had increasing concerns about the funding of the Irish airlines general pension scheme which covers the vast majority of DAA employees. The union reached an agreement with the employer, following an LRC conciliation conference, on an outline settlement which provided for the establishment of a supplementary scheme along the lines of the Aer Lingus supplementary scheme. The scheme involves an increase in the employer contribution from 6.375% of pensionable salary to 12%, and an increase in the employee contribution from 6.375% to 9% of salary. The extra contributions will be placed in the separate supplementary fund. A new hybrid scheme, with the same contribution rates, and a defined benefit ceiling of €49,000, will be established for new entrants. Discussions are also continuing on the other elements of the package, the company's change agenda and a 'fast-track' internal disputes resolution system.

In January 2009, the company declared its intention to seek a €25 million cost-cutting package. It proposed a freeze on increments and salary increases, including those due under Towards 2016. The package was opposed by all unions in the company and further discussions are scheduled.

### *CHC Helicopters*

IMPACT secured a pay increase of 5.5% for CHC employees, which was paid on 1st May 2008. The current pay agreement, covering 2006 to 2009, was due to expire on 30th April 2009 and discussions were due to begin in April on a replacement agreement. The union reached an agreement with the employer on a crewman's service agreement which covers a wide range of items including sick pay, shift patterns, grievance and disciplinary procedures, training standards and allowances for extra duties.

### *Ryanair*

The union lodged claims on behalf of individual members with the Rights Commissioner service, the Employment Appeals Tribunal, The Equality Tribunal and the High Court. The claims include unfair dismissal, discriminatory dismissal, payment of wages, breach of contract, unfair application of disciplinary measures and harassment.

### *SR Technics*

In early February, the company announced that it intended to close. IMPACT engaged in the consultation process, with job retention, redundancy and pensions the central issues. The employer had claimed inability to pay the initial 3.5% phase, and the last 2.5% phase, of the transitional national agreement. The LRC appointed Eugene McMahon as an assessor and he issued a report in which he found that it was reasonable for the employer to claim inability to pay.

# State Enterprise No.1 branch

## *Pobal*

Pobal sought up to 90 redundancies following a cut of up to 33% in funding. IMPACT concluded discussions on a severance package, which the union put to members without a recommendation. Some 49 people have opted for the voluntary package and a very strong possibility emerged that IMPACT may have to face a compulsory redundancy situation in Pobal.

## *Bord Bia*

IMPACT referred two cases, concerning pay and annual leave, to a rights commissioner.

## *National Irish Safety Organisation*

IMPACT entered into discussions with management on an investigation into a series of bullying complaints.

## *National Museum branch*

The union entered into discussions with management over family friendly arrangements for staff at the museum. Some direct recruitment has taken place but management is proposing to outsource some work on a temporary basis. This was referred to the Labour Relations Commission.

## *National Library branch*

Management drafted a human resources policy and the union submitted its views on the matter.

## *Waterways Ireland*

IMPACT has referred a dispute concerning allowances to an agreed arbitrator. The union is pursuing a claim for parity for clerical staff in Portumna and Tullamore with their counterparts elsewhere in the organisation. The matter was referred to the Labour Relations Commission.

## *IPA*

The union is in discussions with the IPA on a disciplinary issue that has arisen.

## *FSOB*

IMPACT entered into discussions on a bullying complaint at the board.

## *Temple Bar Gallery and Studios*

Staff employed in the gallery and studios have joined IMPACT.

# Other branches

## Coillte

The company tabled reorganisation proposals which went beyond the 'normal ongoing change' required under Towards 2016. Members overwhelmingly rejected a set of proposals in a ballot held in May 2008. The parties re-engaged in talks later in the year, the change agenda was limited and the outcome provided for the payment of the final 0.5% instalment of the 2004 agreement. This was approved by a significant majority of members in a ballot held last December. During the year the company gave details of financial pressures on its pension scheme. No specific proposals had been tabled.

## Communications

The integrated Communications branch was formally established at an inaugural annual general meeting in May 2008. The new branch, which comprises three sections, Vodafone, eircom managers and eircom draughtsmen, adopted rules and elected officers. A number of members on personal contracts appealed the outcome of their salary reviews. The union also negotiated a reorganisation of the plan/design/bureau/systems work area.

Plans to separate eircom into two companies were abandoned by its Australian owners due to a lack of support on the part of the Government and the Commission for Communications Regulation. Additionally, the state of the capital markets was a significant impediment to the initiative. The trade unions had indicated their opposition to the proposal, and these views were made known to the Government and the media. Following the financial meltdown of Babcock & Brown Limited (B&B), the ESOP trustee engaged in direct discussions with the B&B satellite company, Babcock & Brown Capital (BCM). BCM is a B&B listed fund that holds a 57.1% stake in eircom. The ESOT continued to hold a 35% stake in eircom. The trustee welcomed BCM's confirmation that the review of Babcock & Brown's debt position did not have any effect on eircom. The trustee noted that eircom's debts have no recourse to either the ESOT or to BCM.

Nevertheless it became clear that a change of ownership was necessary to allow eircom to be managed in a focused manner without the distractions arising from a financial crisis affecting a company in Australia. In January 2009 the chief executive officer Rex Comb resigned and was replaced on an interim basis by Cathal Magee. The company initiated a discussion process on its business environment, cost base, and pension fund deficit.

A union delegation met the Vodafone chief executive officer and senior management to discuss its business agenda. The company has entered the fixed line business, through the purchase of Perlico, which will be integrated into the main company over time. Members expressed concerns at changed reporting relationships as the technology division now reports into the worldwide organisation rather than the local company. A significant number of IMPACT members work in the technology area. At the end of 2008 the company announced a voluntary redundancy scheme because of changes in the market. Over 170 redundancies were sought by the company. The terms provided for six weeks pay per year of service in addition to statutory redundancy. An overall ceiling of three years pay applied. Staff aged 53 and above would be considered for early retirement. An IMPACT member working for the company, who reported his concerns regarding a possible fraud within Vodafone, was awarded €14,500 by a rights commissioner.

## Community employment scheme supervisors

Regular meetings were held with FÁS management to discuss the cap on participation on community employment schemes, outstanding payments due under Towards 2016, benchmarking and modernisation and change, FÁS quality assurance policies, pay rates for the local training initiative (LTI) Supervisors, redundancy entitlements, and training for CE supervisors and LTI supervisors. It was agreed to meet on a

quarterly basis. The branch took a claim for the provision of pension entitlements to the Labour Court. The Court recommended that an agreed pension scheme should be introduced and adequately funded by FÁS as the recognised funding agency. Implementation of this recommendation is currently under negotiation at national level. The branch also conducted a nationwide recruitment drive along with SIPTU. This included general meetings in all the FÁS regions of the country. The result has been a gradual increase in membership along with the collection of email addresses, which should improve communications with the membership.

### *Fáilte Ireland*

IMPACT dealt with a number of contract issues that arose, and a bullying issue was resolved. Members in Dublin Tourism became part of the branch.

### *Local enterprises branch*

Several local area partnership companies experienced difficulties regarding their amalgamation with other partnerships. The branch recruited significant numbers of new members in the Mayo, Roscommon and Fingal partnerships.

### *Marine*

The Marine Institute section launched an initiative which successfully recruited additional members and established a functioning local section. The union took part in contract negotiations for harbormasters. These included acting and housing allowances. IMPACT has expressed its concern about the lack of communication with the union in the Sea Fisheries Protection Authority and referred a number of items to the Labour Relations Commission, including the installation of a CCTV system and the change of agency cars without negotiation and agreement. IMPACT has established a forum with the human resources manager in order to address some of these issues. In P&O Maritime, the union referred a case concerning grading to the Rights Commissioner Service.

### *Ordnance Survey Ireland*

Like many other state bodies, OSI is facing difficult financial times. The organisation has modernised significantly in the recent past and, as a result, is in a better position to deal with the challenges ahead. The branch committee met with the chairperson of the board and the chief executive officer in order to exchange views and influence the policy of OSI. The branch wants to ensure that the recommendations contained within the strategic review are not lost because of the financial crisis, and that OSI positions itself well for when the national recovery comes. The IMPACT committee continues to actively represent its members and thanks are due to its officers for their commitment and dedication.

### *Teagasc*

IMPACT has finalised claims on behalf of the following groups arising from the restructuring of advisory services: area managers, advisors, staff officers, clerical officers and college principals. Discussions are ongoing in relation to grade IV and V specialists, grade IV administrators, college matrons and grade IIs in colleges. An independent evaluation of the Teagasc technician structure has been completed and discussions with management are ongoing.

Teagasc has issued the *Cost containment measures: A new Teagasc change programme 2009-2013* and discussions are about to commence with unions. The change programme sets out Teagasc's priority areas and will involve the rationalisation and integration of staff structures and services. Both IMPACT branches have scheduled their meetings on the same day so that they can work jointly in relation to the challenges contained in the change programme.

# *Appendices*

# Appendix one - salary scales

## Eircom

*Staff above executive engineer level are on service agreements or personal terms, with a remuneration package based on base pay, bonus, health insurance and, in certain circumstances, car allowance/company car.*

*Scales at 1st August 2008 (Application of final phase of Towards 2016)*

### **Executive Engineer**

36,629 - 39,908 - 44,654 - 46,244 - 47,736 - 49,440 - 51,255 - 53,186 - 55,049 - 56,980 - 58,827 - 60,770 - 62,431

### **Senior Telecommunications Draughtsman**

44,750 - 45,789 - 46,843 - 47,883 - 48,949 - 49,998

### **Plan Design Team Manager**

28,659 - 30,472 - 32,576 - 34,749 - 37,186 - 39,697 - 41,698 - 42,877 - 44,068 - 45,241 - 46,445 - 47,625 - 48,801 - 50,019 - 51,239

### **Plan Design Team Member**

42,104 - 42,813 - 43,524 - 44,233 - 44,940 - 45,650 - 46,364 - 47,070 - 47,781

## Coillte

*Civil service clerical, administrative, professional and technical pay scales generally apply in this sector.*

*Effective 1st October 2007. Application of 4th phase of Towards 2016 - 2.5%*

### **Level 1**

72,416 - 74,598 - 76,792 - 78,974 - 81,155 - 83,552 - 85,952

### **Level 2**

61,555 - 62,411 - 63,293 - 64,155 - 65,027 - 65,889 - 66,764 - 67,628 - 68,493 - 69,363 - 70,232 - 71,282 - 72,328 - 73,374 - 74,431

### **Level 3**

33,079 - 36,185 - 37,219 - 38,967 - 41,069 - 43,168 - 45,263 - 47,363 - 49,459 - 51,556 - 52,460 - 53,359 - 54,258 - 55,448 - 56,540 - 57,390 - 58,245 - 59,100 - 59,955

### **Level 4**

24,709 - 26,246 - 27,790 - 29,332 - 30,880 - 32,421 - 33,966 - 36,125 - 38,284 - 40,447 - 42,611 - 44,769 - 46,933 - 48,462

### **Training Instructor**

29,233 - 30,272 - 31,734 - 33,199 - 34,660 - 36,122 - 37,582

## Irish Aviation Authority

*1st October 2007*

### **Domain Manager**

90,718 - 93,958 - 97,199 - 100,438 - 103,677 - 106,919 - 110,158 - 113,396

### **ATM Specialist**

84,845 - 87,497 - 90,152 - 92,800 - 95,453 - 98,105 - 100,760 - 103,419

### **Station Manager**

68,346 - 70,492 - 72,642 - 74,788 - 76,935 - 79,081 - 81,229 - 83,379

### **ATCO Expert**

52,992 - 54,524 - 56,064 - 57,596 - 59,132 - 60,669 - 62,200 - 63,739 - 65,272 - 66,811 - 68,347 - 69,877 - 71,413 - 72,950 - 74,484 - 76,986 - 79,483

### **Operational ATCO**

48,385 - 49,918 - 51,453 - 52,993 - 54,524 - 56,064 - 57,596 - 59,132 - 60,668 - 62,200 - 63,738 - 65,272 - 66,811 - 68,347 - 69,878 - 71,413 - 72,950 - 74,484

<sup>1</sup> = After three years satisfactory service at the maximum.

<sup>2</sup> = After six years satisfactory service at the maximum.

**Data Assistant Training & Operational**

18,969 - 19,333 - 20,391 - 21,450 - 22,510 - 23,568 -  
24,626 - 25,687 - 26,743 - 27,805 - 28,862 - 29,919 -  
30,980 - 32,037 - 33,098 - 34,152 - 3,742 (Higher duties  
allowance)

**Student Controllers**

18,969 Op Allowance - 29,416

**ACD Watch Manager**

62,268 - 63,900 - 65,523 - 67,171 - 68,841 - 71,074

**Operational RO**

37,202 - 38,497 - 38,796 - 41,259 - 42,587 - 43,880 -  
45,190 - 46,691 - 47,995 - 49,522 - 50,834 - 52,527 -  
54,008 - 56,839 - 58,330 - 59,709 - 61,743 - 63,522  
Higher point

**Chief Aeronautical Inspector**

88,673 - 92,454 - 96,214 - 100,000 - 103,765 - 105,761 -  
107,257 - 109,459

**Aeronautical Inspector**

55,948 - 59,490 - 63,030 - 66,573 - 70,116 - 73,660 -  
77,202 - 80,744 - 84,280 - 85,900 - 88,689 - 89,799 -  
90,922 - Allowance 12,369

**Aeronautical Officer/Senior Aeronautical  
Inspector**

88,673 - 92,454 - 96,214 - 100,000 - 103,765 - 105,761 -  
107,257 - 109,459

**Aeronautical Executive**

66,452 - 68,934 - 71,393 - 73,864 - 76,334 - 78,798 -  
80,313 - 81,448

**Ordnance Survey Ireland**

*Salaries in the non-commercial state sector are aligned with  
civil service salaries which are available on the IMPACT  
website [www.impact.ie](http://www.impact.ie)*

*Scales at 1st September 2008.*

**General Manager**

72,894.21 - 75,668.13 - 78,452.42 - 81,226.34 -  
84,004.70 - 85,623.68 - 88,390.18 - 91,147.79 -  
95,484.35

**General Manager full PRSI**

76,738.55 - 79,659.25 - 82,590.31 - 85,511.01 -  
88,434.66 - 90,139.63 - 93,051.43 - 95,954.33 -  
100,519.20

**Level 1**

68,877.58 - 71,498.64 - 74,129.51 - 76,750.58 -  
79,375.85 - 80,905.62 - 83,519.68<sup>1</sup> - 86,125.34<sup>2</sup>

**Level 1 AP**

72,894.21 - 75,668.13 - 78,452.42 - 81,226.34 -  
84,004.70 - 85,623.68 - 88,390.18<sup>1</sup> - 91,147.79<sup>2</sup>

**Level 1 full PRSI**

72,510.09 - 75,269.84 - 78,039.40 - 80,799.15 -  
83,561.71 - 85,172.73 - 87,924.08<sup>1</sup> - 90,667.03<sup>2</sup>

**Level 1 full PRSI AP**

76,738.55 - 79,659.25 - 82,590.31 - 85,511.01 -  
88,434.66 - 90,139.63 - 93,051.43<sup>1</sup> - 95,954.33<sup>2</sup>

**Level 2**

55,782.94 - 58,145.43 - 61,170.62 - 63,459.33 -  
65,748.03 - 68,038.11 - 70,328.18 - 71,652.21 -  
73,960.05<sup>1</sup> - 76,273.35<sup>2</sup>

**Level 2 AP**

60,526.50 - 63,089.89 - 66,372.33 - 68,855.65 -  
71,338.98 - 73,823.79 - 76,308.61 - 77,745.23 -  
80,249.31<sup>1</sup> - 82,759.33<sup>2</sup>

**Level 2 full PRSI**

58,724.78 - 61,211.61 - 64,396.67 - 66,805.62 -  
69,215.93 - 71,626.25 - 74,037.93 - 75,431.65 -  
77,861.09<sup>1</sup> - 80,296.00<sup>2</sup>

**Level 2 full PRSI AP**

63,718.50 - 66,416.80 - 69,872.71 - 72,486.50 -  
75,101.78 - 77,717.06 - 80,333.82 - 81,846.06 -  
84,482.09<sup>1</sup> - 87,124.06<sup>2</sup>

**Level 3A**

43,075.40 - 44,618.37 - 45,927.27 - 47,227.39 -  
48,514.42 - 49,798.58 - 51,078.45 - 53,555.05 -  
56,033.08 - 58,509.68 - 60,989.15

**Level 3A full PRSI**

45,347.04 - 46,971.91 - 48,349.92 - 49,718.32 -  
51,072.71 - 52,425.67 - 53,772.89 - 56,379.92 -  
58,988.37 - 61,595.40 - 64,205.29

**Level 3B**

43,075.40 - 44,618.37 - 45,927.27 - 47,227.39 -  
48,514.42 - 49,798.58 - 51,078.45 - 52,686.52 -  
54,294.59 - 55,776.53 - 57,169.62

**Level 3B full PRSI**

45,347.04 - 46,971.91 - 48,349.92 - 49,718.32 -  
51,072.71 - 52,425.67 - 53,772.89 - 55,465.52 -  
57,158.15 - 58,718.93 - 60,185.11

**Level 3 internal auditor**

43,075.40 - 44,618.37 - 45,927.27 - 47,227.39 -  
48,514.42 - 49,798.58 - 51,078.45 - 53,555.05 -  
56,033.08 - 58,509.68 - 60,989.15 - 64,162.29 -  
66,562.93 - 68,963.57

<sup>1</sup> = After three years satisfactory service at the maximum.

<sup>2</sup> = After six years satisfactory service at the maximum.

**Level 3 internal auditor full PRSI**

45,347.04 - 46,971.91 - 48,349.92 - 49,718.32 -  
51,072.71 - 52,425.67 - 53,772.89 - 56,379.92 -  
58,988.37 - 61,595.40 - 64,205.29 - 67,546.12 -  
70,072.88 - 72,601.08

**Level 3 higher superintendent**

47,608.67 - 48,940.35 - 50,276.87 - 54,379.15 -  
55,776.53 - 57,168.19 - 58,562.71 - 59,938.60 -  
62,668.88

**Level 4**

38,494.48 - 39,461.18 - 40,316.14 - 41,135.33 -  
41,932.44 - 42,766.00 - 44,331.64 - 45,666.85 -  
46,995.28 - 48,347.84 - 49,704.36 - 50,981.80<sup>1</sup> -  
52,586.83<sup>2</sup>

**Level 4 full PRSI**

40,524.89 - 41,542.69 - 42,441.84 - 43,305.35 -  
44,144.64 - 45,021.32 - 46,670.05 - 48,075.77 -  
49,473.98 - 50,897.43 - 52,326.48 - 53,671.15<sup>1</sup> -  
55,360.58<sup>2</sup>

**Level 5**

24,269.36 - 25,767.06 - 27,264.77 - 28,762.48 -  
30,260.19 - 31,757.90 - 33,255.60 - 34,753.31 -  
36,251.02 - 37,748.73 - 39,246.44 - 40,744.14 -  
42,241.85

**Level 5 full PRSI**

25,549.88 - 27,126.57 - 28,701.84 - 30,279.93 -  
31,856.62 - 33,433.30 - 35,009.98 - 36,586.67 -  
38,163.35 - 39,740.03 - 41,316.71 - 42,893.40 -  
44,470.08

**Level 6**

24,269.36 - 25,353.86 - 26,436.94 - 27,518.62 -  
28,601.72 - 29,683.39 - 30,766.48 - 31,818.53 -  
32,929.83 - 34,004.45 - 35,682.69 - 36,905.39 -  
38,640.02

**Level 6 Full PRSI**

25,547.16 - 26,688.76 - 27,828.87 - 28,967.50 -  
30,107.61 - 31,246.24 - 32,386.36 - 33,493.81 -  
34,663.61 - 35,794.82 - 37,561.40 - 38,848.48 -  
40,674.45

**Aerlingus Cabin Crew**

*Effective 1st April 2008*

**Cabin crew member**

23,880.02 - 25,131.76 - 26,378.48 - 27,625.22 -  
28,872.01 - 30,118.75 - 31,365.49 - 32,612.22 -  
33,858.97 - 35,105.71 - 36,352.45 - 37,599.21 -  
38,845.97 - 40,092.68 - 41,339.45

**Long service increments**

20 years - 918.65  
25 years - 918.64  
30 years - 918.65  
35 years - 1,837.34  
LSI Max of Scale - 45,932.73

**Cabin crew senior**

29,672.52 - 30,965.20 - 32,257.88 - 33,550.56 -  
34,843.26 - 36,135.93 - 37,428.60 - 38,721.29 -  
40,013.94 - 41,306.60 - 42,599.31 - 43,892.00 -  
45,184.69 - 46,477.32 - 47,770.01

**Long service increments**

20 years - 918.67  
25 years - 918.66  
30 years - 918.64  
35 years - 1,837.31  
LSI Max of Scale - 52,363.29

**Cabin crew supervisor**

34,908.85 - 36,221.23 - 37,533.59 - 38,845.97 -  
40,158.29 - 41,470.67 - 42,783.01 - 44,095.39 -  
45,407.79 - 46,720.14 - 48,032.51 - 49,344.85 -  
50,657.24 - 51,969.57 - 53,281.95

**Long service increments**

20 years - 918.63  
25 years - 918.67  
30 years - 918.66  
35 years - 1,837.29  
LSI Max of Scale - 57,875.20

**Cabin crew cabin manager**

34,908.85 - 36,221.23 - 37,533.59 - 38,845.97 -  
40,158.29 - 41,470.67 - 42,783.01 - 44,095.39 -  
45,407.79 - 46,720.14 - 48,032.51 - 49,344.85 -  
50,657.24 - 51,969.57 - 53,281.95

**Long service increments**

20 years - 918.63  
25 years - 918.67  
30 years - 918.66  
35 years - 1,837.29  
LSI Max of Scale - 57,785.20

<sup>1</sup> = After three years satisfactory service at the maximum.

<sup>2</sup> = After six years satisfactory service at the maximum.

# Appendix two - travel and subsistence rates

## Motor mileage rates

Effective from 5th March 2009

Rates per kilometre

1 mile = 1.609 kilometres

Official Motor travel in a calendar year	Engine capacity up to 1200cc cent	Engine capacity 1201 to 1500cc cent	Engine capacity 1501cc and over cent
up to 6,437km	39.12	46.25	59.07
6,438km and over	21.22	23.62	28.46

Rates per mile

Official Motor travel in a calendar year	Engine capacity up to 1200cc cent	Engine capacity 1201 to 1500cc cent	Engine capacity 1501cc and over cent
up to 4,000 miles	62.94	74.42	95.05
4,001miles and over	34.13	38.00	45.79

## Reduced travel rates

Effective from 5th March 2009

Rates per kilometre

1 mile = 1.609 kilometres

Official motor Travel in Calendar year	Engine capacity under 1200cc cent	Engine capacity 1201cc to 1500cc cent	Engine capacity to 1501and over cent
	14.64	16.64	19.49

Rates per mile

Official motor Travel in Calendar year	Engine capacity under 1200cc cent	Engine capacity 1201cc to 1500cc cent	Engine capacity to 1501and over cent
	23.55	26.76	31.36

## Domestic subsistence rates

Effective 5th March 2009

Class of Allowances	Night Allowances			Day Allowances	
	Normal Rate	Reduced Rate	Detention Rate	10 hours or more	5 hours but less than 10 hrs
A	108.99	100.48	54.48	33.61	13.71
B	107.69	92.11	53.87	33.61	13.71







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IMPACT Communications Unit  
Nerney's Court, Dublin 1  
Phone 01-817-1500  
E-mail [rnolan@impact.ie](mailto:rnolan@impact.ie)

Designed by

N. O'Brien Design and Print Management Ltd  
c/o Kempis, Jamestown Business Park  
Jamestown Road, Finglas, Dublin 11  
Phone 01-864-1920  
E-mail [nikiobrien@eircom.net](mailto:nikiobrien@eircom.net)



DUBLIN  
Nerney's Court  
Dublin 1.  
Phone: 01-817-1500  
Fax: 01-817-1501  
Email: [rnolan@impact.ie](mailto:rnolan@impact.ie)

CORK  
Father Matthew Quay  
Cork.  
Phone: 021-425-5210  
Fax: 021-494-4682  
Email: [impactcork@impact.ie](mailto:impactcork@impact.ie)

GALWAY  
Unit 23, Sean Mulvey Business Park  
Sean Mulvey Road  
Galway.  
Phone: 091-778-031  
Fax: 091-778-026  
Email: [impactgalway@impact.ie](mailto:impactgalway@impact.ie)

SLIGO  
51 John Street  
Sligo.  
Phone: 071-914-2400  
Fax: 071-914-1365  
Email: [impactsligo@impact.ie](mailto:impactsligo@impact.ie)

[www.impact.ie](http://www.impact.ie)

