#### 9 December 2022.



Mr. Kevin Foley Chairperson The Labour Court Lansdowne House Lansdowne Road Dublin 4 D04 A3A8.



Dear Mr. Foley,

As you are aware on the 17 November 2021 the Minister for State at the Department of Business, Enterprise and Innovation, Mr. Damien English TD, made a Sectoral Employment Order (SI No. 598 of 2021) setting certain legally enforceable minimum conditions of employment for workers in the construction sector.

Section 14 (3) of the Industrial Relations Amendment Act 2015 provides the Labour Court cannot consider a request for an investigation until at least twelve months after the date of a previous Sectoral Employment Order.

Given the expiry of the required twelve comprising of the Building and Allied Trades Union, Connect Trade Union, Operatives Plasters and Allied Trades Society, and Services Industrial Professional and Technical Union and Unite the Union are requesting the Labour Court to conduct a further investigation of the terms and conditions of employment of workers in the construction sector.

Accompanying this letter is the required application form, a statutory declaration and a copy of a report compiled by the Nevin Economic Research Institute detailing the numbers employed in the sector. If you require any additional information do not hesitate to contact the undersigned.

Yours sincerely

Liam Berney

Congress Industrial Officer on behalf of Building and Allied Trades Union, Connect Trade Union, Operatives Plasters and Allied Trades Society, Services Industrial Professional and Technical Union and Unite the Union.

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### THE LABOUR COURT



INDUSTRIAL RELATIONS (AMENDMENT) ACT 2015

# APPLICATION FOR A REQUEST to EXAMINE THE TERMS AND CONDITIONS OF EMPLOYMENT IN A SECTOR

Name of applicant:	Building and Allied Trades Union Connect Trade Union Operative Plasters and Allied Trade Society Services Industrial Professional and Technical Trade Union Unite the Union	
Address:	C/O 32 Parnell Square Dublin 1.	
Contact Number:	01 889 7777 / 087 2266173	
Email Address:	liam.berney@ictu.ie	
Sector:	Construction Sector as defined in SI 234 / 2019 – Sectoral Employment Order (Construction Sector) 2019.	

Class, type or group of workers to which the request relates:

Persons employed in the sector as craft persons, construction operatives and apprentices.

Please enter details of the arrangements (if any) by which terms and conditions relating to remuneration and any sick pay scheme or pension scheme, of the workers in the sector to which the request relates are determined:

Since the enactment of the Industrial Relations Amendment Act 2015 the terms and conditions relating to renumeration, sick pay and pensions of workers in the construction sector have been determined by the making of a Sectoral Employment Order. There have been three such orders made to date. Matters not covered by the Sectoral Employment Order are negotiated through the National Joint Industrial Council.

Where the applicant is a trade union of workers, please enter the name and address of any other trade union of workers that is representative of workers in the sector to which the request relates:

The applicants are trade unions representing workers in the construction sector.

### STATUTORY DECLARATION

I Liam Berney do solemnly and sincerely declare that: -

- 1. I am Industrial Officer of the Irish Congress of Trade Unions.
- 2. I make this Statutory Declaration in relation to a request to the Labour Court to examine the terms and conditions relating to the remuneration, sick pay scheme and pension scheme, of workers in the Construction Sector, made pursuant to section 14(1) of the Industrial Relations (Amendment) Act 2015, by Building and Allied Trades Union, Connect Trade Union, Operative Plasters and Allied Trades Society, Service Industrial Professional and Technical Trade Union and Unite the Union (hereafter the 'the applicants').
- 3. I am authorised by each of the applicants to make this Statutory Declaration on their behalf.
- 4. Each of the applicants is an authorised trade union which is the holder of a negotiation licence.
- 5. I say that the number of workers employed in the construction sector and to which the within request relates is approximately 53,000.
- This information was furnished to me by the Nevin Institute, an economic consultancy, commissioned by the applicants to ascertain the number of workers employed in the construction sector from an analysis of published statistical data
- 7. I say that the aggregate number of workers employed in the construction sector who are in membership of the applicants is 34.597.
- This information was furnished to me by the applicants and was obtained by them from an examination of their membership records, which I have seen and believe to be accurate.

And I make this solemn declaration conscientiously believing the same to be true and by virtue of the Statutory Declarations Act, 1938.

Signed

Liam Berney

Declared before me by Liam Berney who is personally known to me at Dublin.

Councillor Dermot Lacey

**Peace Commissioner** 

Date:

9/12/2022

We the undersigned have authorised Liam Berney, Industrial Officer of the Irish Congress of Trade Unions to make this Statutory Declaration on our behalf.

Building Allied Trade U Arus Hibernia 13 Blessington Street Dublin 7.	
Signed:	Drenda Obulluan
Date:	09 12/22.
Connect Trade Union 6 Gardiner Row Dublin 1	
Signed:	taddy Kgwas
Date:	9/12/22
Operative Plasters and 18 Merrion Square Dublin 2	Allied Trades Society
Signed:	3/4/2022,
Date:	9/12/2022,
Services Industrial Pro Liberty Hall Dublin 1	fessional Trade Union
	Greg Enris
Signed:	9/12/2012
Date:	7/12/2012
Unite the Union 55-56 Middle Abbey St Dublin 1.	treet
Signed:	Thomas Intons
Date:	9/11/2022

Where the applicant is a trade union of workers, please enter the name and address of any trade union of employers or organisation of employers that is representative of employers in the sector to which the request relates:

monda OI Sullupe

Construction Industry Federation, Construction House, Canal Road, Dublin 6.

Building Allied Trade Union Arus Hibernia 13 Blessington Street Dublin 7.

Signed:

Date:

Connect Trade Union 6 Gardiner Row

**Dublin 1** 

Signed:

Date:

**Operative Plasters and Allied Trades Society** 

**18 Merrion Square** 

**Dublin 2** 

Signed:

Date:

**Services Industrial Professional Trade Union** 

**Liberty Hall** 

**Dublin 1** 

Signed:

Date:

1/12/2022

Unite the Union 55-56 Middle Abbey Street

Dublin 1.

Signed:

Date:



2<sup>nd</sup> November 2022

This work is a response to a request by the Construction Industry Committee (CIC) of Congress to provide them with an estimate of the number of employees who fall within the scope of the general construction SEO. We understand that CIC intend to make an application for a new general construction SEO in November 2022 and as part of that application they are required to demonstrate that they are generally representative of workers in the sector. Using two methodological approaches, our midpoint estimate indicates that approximately 53,000 employees are covered by the scope of the general construction SEO.

## **Estimates of Construction sector size**

Unfortunately, Ireland's Central Statistics Office (CSO) does not publish employment data which match the Construction sector as defined by the sectoral employment order.<sup>1</sup>

However, two different methodological approaches can offer estimates which can be used to approximate sector size.

The CSO's Labour Force Survey (LFS) is a detailed quarterly release from which most up to date national labour market statistics are drawn. Among other indicators, the LFS breaks employment down by occupational group according to the Standard Occupation Classification 2010, and by NACE sector which describes the standard statistical classification of economic activities.

<sup>&</sup>lt;sup>1</sup> Statutory Instrument: S.I. No. 234 of 2019: SECTORAL EMPLOYMENT ORDER (CONSTRUCTION SECTOR) 2019

The detailed occupational category that most closely aligns with the Construction sector as defined by its Sectoral employment order is the *Skilled Construction and Building Trades* (SOCCODE 53) category.

The data show that, following a significant decline in occupational employment after the first quarter of 2020 reflecting the pandemic and associated lock downs, the sector has largely recovered to pre-pandemic levels. The latest available data for second quarter of 2022 indicate that some 73,300 individuals were employed in the *Skilled Construction and Building Trades* category.

This group is made up of three sub-groups that are in turn made up of various skilled construction workers for which the CSO also provide estimates:

- 1) Construction and Building Trades (531), (Steel erectors, Bricklayers and masons, Roofers, roof tilers and slaters, Plumbers and heating and ventilating engineers, Carpenters and joiners, Glaziers, window fabricators and fitters)<sup>2</sup> Approximately 51,400 persons in employment.
- 2) *Building Finishing Trades* (532) (floorers, wall tilers, Painters and decorators) Approximately 17,400 persons in employment.
- 3) Construction and building trades supervisors (533) shows an imputed value of some 4,500 employed individuals.<sup>3</sup>

Table 1 Occupational Employment (SOC2010)

SOC Code	Q1 2022	Q2 2022
53 Skilled construction and building trades		
(000s)	76.2	73.3
531 Construction		
and building trades		51.4

<sup>&</sup>lt;sup>2</sup> Unfortunately, there is no way to separate out plumbers in the occupational data.

<sup>&</sup>lt;sup>3</sup> This imputed estimate refers to the total less categories 531 and 532. The CSO do not report these data due to insufficient sample size. These subcategory estimate, therefore, is likely unreliable.

532	Building		
finishing	g trades		
(000s)		17	17.4
533	Construction		
and bu	ilding trades		
supervisors (000s)		*	*

**Source:** Labour Force Survey (LFS) Time Series: <u>2022 Q2 - 3 Digit Occupation - SOC2010 (XLS 324KB)</u> (CSO 2022)

These data, however, include the self-employed, who are not subject to this sectoral employment order. The CSO also, in addition to their quarterly releases, publish a LFS Detailed Employment Series at a lag which provides data on the breakdown within broad occupational category employment by employment type.<sup>4</sup> On average prior to the pandemic in 2019, employees comprised an average of 61.4% of total employment within the *Skilled Trades Employment* category. This generates an estimate of approximately 45,000 employees covered by the order in the second quarter of 2022.

Table 2 Skilled Trades Employment (SOCCODE 5) by Employment Status in 2019

Employment Status	Q1 2019	Q2 2019	Q3 2019	Q4 2019
Employee (000s)	193.9	197.2	185.5	199.4
Self employed	125.6	116.5	119.4	116.2
(000s)				
Total employed	321.5	317.2	306.9	317.5
(000s)				
Employees as a	60.3%	62.2%	60.4%	62.8%
proportion of total				
employment				

Source: QES05 - Persons aged 15 years and over in Employment (ILO) (CSO 2022), author estimates

A secondary sector estimate can also be arrived at by way of a secondary methodology utilising several data sources. The LFS also includes data on employee numbers categorised

<sup>&</sup>lt;sup>4</sup> The latest data in the detailed series run to the second or third quarter of 2020 depending on the estimate. These latter quarters are, however, significantly affected by the contraction associated with pandemic measures and statistical issues related to survey difficulties. As such, these later quarters are considered unreliable for current estimates.

by firm activity in Construction (according to the NACE methodology).<sup>5</sup> As part of the Europe wide Structural Business Statistics, the CSO surveys firms and offers detailed analysis of NACE sectoral composition at a several year lag. The 2019 and 2020 data include estimates of employees outside of the scope of this sectoral order.<sup>6</sup> The detailed Employment series also includes data which divide employment within the NACE *Construction* sector (which allocates firms and their employees by firm activity) by Broad Occupation category *Skilled Trades Employment*. Applying these latter datasets to adjust employee numbers generates an estimate of approximately 61,000 in the second quarter of 2022.

SOC Code	04 2020	Telegraphy
	Q1 2022	Q2 2022
Construction		
Employees (NACE F)	114.1	116.1
Adjustment for		
sectoral order		
coverage	89.5%*	89.5%*
Adjusted	102.1	103.9
Construction		
employees		
Proportion of		
Construction		
employment in Skills		
Trades Employment	58.6%**	58.6%**
Sector estimate	59.8	60.9

**Source:** Employees by sex, age and economic activity (from 2008 onwards, NACE Rev. 2) - 1 000 (Eurostat 2022), Eurostat Annual detailed enterprise statistics for construction (NACE Rev. 2, F) (Eurostat, 2022), Labour Force Survey Detailed Employment Series QES03 - Persons aged 15 years and over in Employment (ILO) (CSO, 2022), author estimates

**Note:** \* refers to 2019 and 2020 average proportion of employment not employed in *Plumbing, heat and air-conditioning installation (NACE F4322).* \*\* refers to four quarter average for 2019 of employment share of *Skills Trades Employment* Occupation workers within the NACE Construction sector.

<sup>&</sup>lt;sup>5</sup> NACE classifications are assigned to units on the basis of principle economic activity – the activity which contributes most to firm value added. See <u>NACE Rev 2. Statistical classification of economic activities in the European Community</u> for more detail.

<sup>&</sup>lt;sup>6</sup> The Structural Business Statistics include data concerning employee numbers in *Plumbing, heat and air-conditioning installation (NACE F4322)*. For the purposes of these estimates, these employees are considered outside the scope of this sectoral employment order. Adjustment for sectoral order coverage refers to the percentage of employees who don't work within these sectors.

These two methodologies therefore produce a sectoral estimate range of between 45,000 and 61,000 employees covered by the order, with a mid-point estimate of some <u>53,000 workers</u>.