

29 April 2024.

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

Dear Mr. Foley,

As you are aware on the 28 April 2023 the Minister for State at the Department of Business, Enterprise and Innovation, Mr. Neale Richmond TD, made a Sectoral Employment Order (SI No. 207 of 2023) 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 months the Congress Construction Industry comprising 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 are requesting the Labour Court to investigate 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.

32 Parnell Square
Dublin 1
T ÷353 1 8897777
F +353 1 8872012
congress@ictu.ie
www.ictu.ie



THE LABOUR COURT

INDUSTRIAL RELATIONS (AMENDMENT) ACT 2015

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

Building and Allied Trades Union Connect Trade Union Operative Plasters and Allied Trade Society Services Industrial Professional and Technical Trade Union Unite the Union
C/O 32 Parnell Square Dublin 1.
01 889 7777 / 087 2266173
liam.berney@ictu.ie
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 four such orders made to date, in 2017, 2019, 2021 and 2023. 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.

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:

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

Building Allied Trade Union

Arus Hibernia

13 Blessington Street

Dublin 7.

Signed:

Date: 24 NL

Connect Trade Union 6 Gardiner Row

Dublin 1

Signed:

Date:

Operative Plasters and Allied Trades Society

18 Merrion Square

Dublin 2

Signed:

Date:

25" April 2024

Services Industrial Professional Trade Union

Liberty Hail

Dublin 1

Signed:

Date:

Unite the Union

55-56 Middle Abbey Street

Dublin 1.

Signed:

Date: 25/4/24

STATUTORY DECLARATION

I Liam Berney do solemnly and sincerely declare that: -

- 1. I am the 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 46,600.
- 6. 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 27,031.
- 8. 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

Kieran O Brien

Commissioner for Oaths

This 26th Day of April 2024

Kieran E. O'Brien Practising Solicitor Bowler Geraghty & Company Solicitors 2 Lower Ormond Quay

Dublin 1

DX 1004 Four Courts

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

render 015 Miles.

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

Signed:

Date: 26 04 24

Connect Trade Union 6 Gardiner Row

Dublin 1

Signed:

Date:

Operative Plasters and Allied Trades Society 18 Merrion Square

Dublin 2

Signed:

Date:

25 April 224

Services Industrial Professional Trade Union Liberty Hall Dublin 1

Signed:

Date:

24/04/2024

Unite the Union 55-56 Middle Abbey Street

Dublin 1.

Signed:

Date: 25/2



12 April 2024

The analysis in this supporting document for the Congress Construction Industry Committee's submission to the Court was undertaken by Chris Smart, Economist at the Nevin Economic Research Institute. The analysis utilises data from the Central Statistics Office to ascertain the number of individuals working as craft persons, construction operatives, and apprentices covered by the requested order, for the latest period available, namely Q4 2023.

About The Nevin Economic Research Institute

The Nevin Economic Research Institute, with offices in Dublin and Belfast, is a research organisation which, at its core, has a vision of the achievement of a better, fairer society. The Nevin Economic Research Institute was established in 2013.

It aims, through the provision of world-class research and analysis, to contribute towards the construction of alternative perspectives and possibilities that will lead to the creation of a sustainable and inclusive economy that works for everyone in society. It is supported by the unions affiliated to the Irish Congress of Trade Unions.

Construction Sector Estimates

This report will provide an estimate of those working as craft persons, construction operatives, and apprentices within the Construction sector, as set out in S.I. No. 234 of 2019¹. A number of estimates will be derived from the Labour Force Survey and the 2022 Census.

Labour Force Survey

The CSO's Labour Force Survey (LFS) is a detailed quarterly release from which most up to date labour market statistics are drawn. Among other indicators, the LFS breaks employment down by occupational group according to the Standard Occupation Classification 2010. Using the most detailed breakdown, we can identify the occupational group Skilled construction and building trades (53) which encompasses the workers who would be subject to this SEO. This includes:

- Bricklayers and masons (5312)
- Roofers, roof tilers and slaters (5313)
- Plumbers and heating and ventilating engineers (5314)
- Carpenters and joiners (5315)

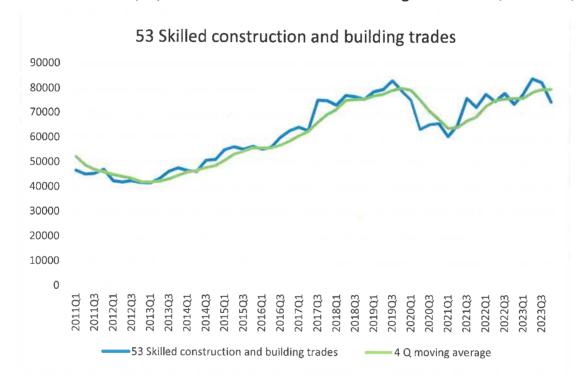
¹ Statutory Instrument: S.I. No. 234 of 2019: SECTORAL EMPLOYMENT ORDER (CONSTRUCTION SECTOR) 2019

- Glaziers, window fabricators and fitters (5316)
- Construction and building trades n.e.c. (5319)
- Plasterers (5321)
- Floorers and wall tilers (5322)
- Painters and decorators (5323)
- Construction and building trades supervisors (5330)

Those working in Skilled construction and building trades "erect steel frames, lay stone, brick and similar materials, construct and repair roofs, install heating, plumbing and ventilating systems, fit windows, doors and other fixtures, and apply coverings and decorative material to walls, floors and ceilings."²

As this estimate is built off a representative sample, the quarterly data can fluctuate, so a fourquarter moving average has been added to create a smoother estimate, which we can see in the green line in Figure 1 below.





The LFS gives us an estimate of 74,700 individuals in the Skilled construction and building trades occupational group as of Q4 2023.

However, these data refer to people within this occupational group who work in a number of economic sectors. More relevant here is the proportion of the group that works in the Construction sector, or the proportion of the group that are employees.

While it is not possible to see the proportion of workers in Skilled construction and building trades who are working in the Construction sector, or that are employees, it is possible to see

² ONS Standard Occupational Classification 2010 Volume 1 Structure and descriptions of unit groups

this breakdown for the broader occupational group, Skilled trades occupations (5). One method of estimating the number of workers covered for this SEO is to look at the proportion of those employed in Construction, or those who are employees, for the broader occupational group, and then apply this proportion to our occupational subgroup, Skilled construction and building trades.

In Q4 2023, 56.5% of those working in Skilled trades occupations worked in the Construction sector. Taking a 4-quarter average of this estimate as a robustness check gives us 56.4%.

In Q4 2023, 63.3% of those working in Skilled trades occupations were employees, as opposed to self-employed. Taking a 4-quarter average of this estimate as a robustness check gives us 63.2%.

Applying these proportions to our Q4 2023 estimate of the total number of individuals working in Skilled construction and building trades produces an estimate of **42,236** individuals in the Construction sector, and **47,226** individuals who are employees.

Unfortunately, it is not possible to see how many individuals are both working in the Construction sector, and who are employees, so these numbers represent an upper limit of the estimate of Construction sector employees working in Skilled construction and building trades.

There is also an assumption that the proportion of those working in Skilled construction and building trades that either work in the Construction sector or that are employees is the same as the broader occupational group, Skilled trades occupations.

One way to test this is to examine the characteristics of this more specific occupational groups using the Census, and then to apply this information to the Labour Force Survey estimates.

While this is not as up to date as the Labour Force Survey data, it allows us to see the breakdown into more specific occupational groups, how their numbers have changed over time, and the different NACE sectors that these specific occupations are concentrated in³.

Census data

The Census is a detailed account of everyone who is in the country on Census Night, allowing the Central Statistics Office to obtain granular data on the entire population. For our purposes, this data also includes occupations and the industry in which a person works, as well as their employment status (employee or self-employed, or other). While there are aspects of the Census occupational data which will not be as accurate as the Labour Force Survey, as it is not administered by a specially trained individual and is instead completed by the individual in the household, it allows us to see breakdowns of the broader occupational groups in the Labour Force Survey and their characteristics.

³ https://www.cso.ie/en/methods/classifications/industrialactivity/

To state again, the broader Skilled construction and building trades grouping is broken down into:

- Bricklayers and masons (5312)
- Roofers, roof tilers and slaters (5313)
- Plumbers and heating and ventilating engineers (5314)
- Carpenters and joiners (5315)
- Glaziers, window fabricators and fitters (5316)
- Construction and building trades n.e.c. (5319)
- Plasterers (5321)
- Floorers and wall tilers (5322)
- Painters and decorators (5323)
- Construction and building trades supervisors (5330)

The Census provides numbers employed for each of the 4-digit occupational groups, which collectively add up to 74,799 as of April 2022.

This compares with the LFS estimate of 77,900 in Q1 2022 or 75,000 in Q2 2022.

However, these data refer to people within this occupational group who work in a number of economic sectors. More relevant here is the proportion of the group that works in the Construction sector.

Using the 2022 data, we can see that 70.8% of individuals in Skilled construction and building trades worked in the Construction sector, the group which is covered by the SEO.

This compares with the LFS estimate of 56.5% of individuals in the broader Skilled trades occupations group working in the Construction sector.

Applying this to the 74,799 figure above produces an estimate of **52,971** individuals in the Skilled construction and building trades occupational group working in the Construction sector as of Q4 2023.

In addition, the Census contains data on the employment status of the individuals within each 4-digit occupational group, which is broken down into:

- Total At work
- At work employee
- Self-employed, with paid employees
- Self-employed, without paid employees
- At work assisting relative

Using the 2022 data, we can see that 53.8% of individuals in Skilled construction and building trades were employees, the group which is covered by the SEO.

This compares with the LFS estimate of 63.3% of individuals in the broader Skilled trades occupations group who are employees.

Applying this to the 74,799 figure above produces an estimate of 40,256 individuals in the Skilled construction and building trades occupational group who are employees as of Q4 2023.

Apprenticeship Data

The SEO will also cover registered apprentices employed in Skilled construction and building trades.

As per the latest figures released by the National Apprenticeship Office, available <u>here</u>, the number of apprentices in the various Construction trades as of end December 2023 is **7,619**.

Final estimate for those covered by SEO remit

While it isn't possible to see the number of individuals in Skilled construction and building trades who both work in the Construction sector, and the employment status of these, the total number working in Construction and the total number who are employees will be used as the range of upper estimates for the total number of individuals covered by this SEO.

Applying data derived from the Labour Force Survey only produces an upper limit of between **42,236** and **47,226** individuals in the Skilled construction and building trades occupational group to whom this Sectoral Employment Order applies.

Applying data derived from both the Labour Force Survey and the Census produces an upper limit of between **40,256** and **52,971** individuals in the Skilled construction and building trades occupational group to whom this Sectoral Employment Order applies.

The midpoint of these upper limits produces an estimate of approximately **46,600** individuals working in the Skilled construction and building trades occupational group to whom this Sectoral Employment Order applies.