



*Association of Electrical Contractors (Ireland)*  
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Chairman and Members of the Labour Court  
The Labour Court  
Tom Johnson House  
Haddington Road  
Dublin 4.

22nd July 2024

REF: Labour Court Submission Electrical SEO

Dear Chairman and Members of the Labour Court,

On Behalf of the Association of Electrical Contractors Ireland (AECI), I wish to make a submission regarding a proposed Sectorial Employment order for the Electrical Contracting Sector, pursuant to section 15 of the Industrial Relations (Amendment) Act 2015.

By way of background, the AECI has been representing Electrical Contractors for more than 60 years. AECI represents 210 Electrical Contractors in Ireland, small to medium size, who currently employ approximately 2,650 Electricians and Apprentices.

In principle, AECI supports the concept of an SEO for the Electrical Contracting Sector.

The basis of this support is that such an agreed SEO would be the sole agreement for our sector and that the agreed SEO would set out the terms and conditions relating to all Electricians and Apprentices employed within the Electrical Sector.

Please note that in general AECI would support the wording and content of the previously agreed (2021) SEO on the basis that no further conditions are attached to same and that due recognition is taken of the recent Supreme Court judgement regarding that agreement. It is also our position that in order to achieve an agreement that is acceptable to all employers and employees within the sector, due consultation and consideration should take place with all Employer representatives in the Electrical Contracting sector.

Agreements between employers and electricians go back as far as 1922 and several agreements were entered into between the ECA, AECI and Connect Trade Union. All negotiations took place under the Electrical National Joint Industrial Council (ENJIC). The ENJIC, which is open to all employer and trade union representatives in the sector, is chaired by a representative from the Workplace Relations Commission.

The caveat with our support for an SEO, lies within the definition of the Economic Sector, which must include all Electricians working for Electrical Contractors, Facility Companies, Agencies, out of State Companies and others to be determined.

The policing body must be in a position to monitor this SEO or the Sector will fall back to a free for all.

The AECI would like to stress that under an SEO we are willing to agree a rate of pay that may be adjusted accordingly up or down depending on rate of inflation and the markets.

It is AECl's belief that an SEO is desirable in the electrical contracting sector for the following reasons:

- It is a normal and desirable practice to have terms and conditions relating to remuneration, pensions and sick pay in the electrical contracting sector. The two main employer bodies, i.e. the ECA and AECl, have traditionally entered into agreements with Connect Trade Union on rates of pay and terms and conditions of employment. These three organisations were parties to the previously agreed SEO for the Electrical Contracting Sector. Since the Supreme Court Judgment in the McGowan case, the parties continued to meet under the auspices of the ENJIC / WRC to discuss issues relevant to the sector. The last agreement reached by ECA, AECl and Connect Trade Union on hourly rates of pay for electricians and apprentices was in 2021.
- An SEO in the Electrical Contracting Sector which sets legally binding rates of pay and provides for pensions and sick pay will undoubtedly promote harmonious relations between employers and workers in the sector.
- An SEO will provide a means for the orderly resolution of disputes concerning remuneration and pensions/sick pay and other employment law issues. A means of resolving disputes in an orderly fashion is essential to ensure projects are completed on time and within budget.
- An SEO will provide certainty, as it will establish rates of pay for a minimum of one year.
- The current tendering process whereby electrical contractors tender to the principal contractor for work has contributed to intensifying competition between contractors. An SEO would set legally binding rates which would eliminate the opportunity to erode employment conditions as a means of securing projects.
- Employment levels in the sector are determined by the level of work available. As the economy continues to recover there will be a greater need for new entrants. A sector that provides good quality employment, with reasonable and sustainable rates of pay and conditions of employment will entice new entrants into the apprenticeship system.

It has been a feature of the industry that contractors from outside the State, with a lower cost base, enjoy a competitive advantage over Irish electrical contractors. An SEO will ensure that all electrical contractors, including those from outside the State, can tender for work on a level playing field.

**Definition of Economic Sector** The Electrical Contracting Sector means the sector of the economy comprising the following economic activity: The installation, alteration, repair, demolition (de-install), fabrication and 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 of all control, rheostats, coils and all electrical contacts 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 use within the industry.

**Definition of a Worker**

A worker has the following meaning: -

Any person aged 15 years or more who has entered in to 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**

We respectfully request that the 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 : -

*Qualified electricians and registered apprentice electricians working in the Sector*

## Hourly Rates of Pay

### Electricians

The current hourly rates of pay were agreed between AECl, ECA and Connect Trade Union.

Based on the points raised above, AECl is firmly of the view that an increase in rates of not greater than 2% should be applied to the electricians' pay scale, with the 1<sup>st</sup>, 3<sup>rd</sup> and 6<sup>th</sup> year out of time rates to be included in the SEO from January 2026. This increase should take effect from January 2026 and a further 2% in January 2027.

AECl therefore submits that the following rates should apply from the introduction of the SEO :

Category 1	€26.17
Category 2	€26.69
Category 3	€27.12

### Travel Allowances

In the event that travel allowances form part of the Court's examination into terms and conditions for workers in the Electrical Contracting Sector, AECl submits that Association members are strongly opposed to travelling allowances being included in an SEO for the following reasons:

- Travel allowances were not provided for in any SEO introduced since 2017, namely:

- o The first SEO in the construction sector, introduced in 2017
- o The current SEO in the mechanical sector, introduced in 2018
- o The second SEO in the construction sector, introduced in 2019
- o The SEO in the electrical sector, introduced in 2019
- o The SEO in the electrical sector, introduced in 2021
- o The first 4 miles (6.437 kilometres) of travelling is already included in the hourly rates paid.

- The mechanical and electrical sectors are closely linked, and many electrical contractors also operate in the mechanical sector. To include travel allowances in a new SEO in the Electrical Sector would undoubtedly lead to knock-on claims in the mechanical sector.

- The provision of a travel allowance in an SEO in the electrical sector would also lead to knock-on claims in the general construction sector, which in turn could lead to industrial unrest.

AECl and all parties to previous agreements have the first hour travel incorporated into the current rate, the current practice in the industry is that many contractors pay a subsistence allowance/country money to workers who are transferred to sites which are over 20 miles (32.187 kilometres) from the contractor's base. This payment is €182 approx. (tax free) per week and is made in accordance with Revenue Commissioner Guidelines.

To introduce sector-wide travelling allowances now, would result in significant costs and place an undue financial burden on some AECl Members and non Members.

### The Terms which AECl would agree on are as follows:

- 1) Pensions  
Employers to provide access to pensions in accordance with Government legislation.
- 2) Rates of pay  
AECl would agree to a 2% rate increase in January 2026 and a 2% increase in January 2027.  
See WRC agreed rates of pay to August 2025.  
Any future proposal re: rates must be agreed by all.  
New SEO to include pay rates for 3 grades of electricians.  
**Any increase must give sufficient advance time for electrical contractors pricing work.**
- 3) Travel time  
Under no circumstances will we agree to pay travel time

**Notes:**

**AECI reserve the right to put any final agreement to their Membership to be ratified.  
Lead in time for implementation of any agreement must be a minimum of 6 months  
and not before January 2026.**

In summary, an SEO that provides decent, sustainable and realistic remuneration, pensions and sick pay will benefit the Electrical Contracting Sector insofar as:

- The SEO will promote harmonious relations between employers and their workers.
- The SEO will provide certainty in terms of labour costs for a minimum of one year.
- The SEO will provide stability in terms of dispute resolution procedures. This will entice investment as clients will have the confidence in the sector's ability to deliver a project without unnecessary delays due to industrial action.
- The SEO which establishes realistic and sustainable rates of pay will serve to attract bright, young people into a sector which is forecasted to grow.
- The SEO will ensure investment in new technologies, training, health and safety, etc., thereby raising the standard of electrical contracting in Ireland.
- The SEO will make the sector more attractive to investors, both nationally and internationally.

**Conclusion**

In principle, AECI supports the establishment of an SEO. The Association is supportive of realistic and sustainable rates of pay, pensions and sick pay for electricians and apprentices in the electrical contracting sector by encouraging further education progression routes to achieve further qualifications. The Association believes the SEO will contribute to raising standards in the sector, thereby enticing further investment. This in turn will not alone increase employment but ensure that quality employment is being provided.

Chris Lundy  
Executive Secretary



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