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Public services and the European Semester 2017-2019

Case Study: Ireland



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Ireland: essential context



- EU member since 1973 and member of Eurozone
- During the study there was a centre-right minority government (and unusual political dynamic)
- Chronic impact of economic crisis and banking crisis. Major bank bailout decimated public finances and governance by Troika from 2010-14
 - Huge impact on public services and public sector workers. Privatisation and redundancies avoided – but major public service reductions and substantial pay and pensions cuts for public sector workers



- Robust social partnership model (1987-2009). Explicit repudiation of Thatcherite de-regulation. Very broad remit – pay and conditions but economic and social policy.
- Social partnership abandoned when crisis hit – commonly ‘blamed’ for the crisis.
- Social dialogue re-established (in much reduced form) for public sector
 - Key national agreements have navigated post-crisis period, but with some on-going tensions
- Significant variations in trade union membership. Membership generally held up well in public sector, but some consolidation of unions eg ForSa.
- Single trade union confederation - Irish Congress of Trade Unions (ICTU)



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Ireland:

Public services and the European Semester



- Ireland subject to an adjustment programme and so entered the Semester in 2014 – received 7 CSRs in its first year.
- Every year Ireland has received CSRs relating to tax policy – a tax base that is too narrow and that fails to tackle ‘aggressive tax planning’ by multi national corporations.
- In 2014-15 public services feature prominently
 - Health care (expensive and inefficient)
 - Vocational education (curriculum alignment to the labour market)
 - Child care (inadequate)
- These issues remain prominent in subsequent cycles of the Semester (exception – education)



- In recent years (2017-2019) previous themes are repeated.
- The Commission notes ‘limited progress’ on tax CSRs and ‘some progress’ on healthcare CSRs. (Country Report, 2018-19)
- Lack of investment emerges as a clear priority – with specific exhortation to increase public investment.
- Housing emerges as an issue – with a CSR reference to social housing (one of only two in 2018-19)
- Ireland ‘has performed relatively well on most indicators’ (NRP 2018), but some significant decline in 2019 (income inequality)



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Ireland:

Social dialogue and the 2018-19 European Semester



- Fact finding meetings
 - Open agenda – trade unions represented by ICTU
 - ICTU priorities – housing and child care
- Country Report
 - Commission organised launch attended by ICTU
 - ICTU invited by Irish government to submit responses
- National Reform Programme
 - Discussed in Labour Employer Economic Forum
 - ICTU makes submission. 13 responses – summarised in NRP and available online
- Country Specific Recommendations
 - Commission organise launch – ICTU represented on panel
 - Trade union responses to CSRs via ICTU

The views of the European Commission:

Social dialogue is characterised by its mostly consultative nature. In 2015 the government created a structured forum for national economic dialogue where social partners have the opportunity to raise concerns and share views ahead of the annual budget on key policy issues. However, they are rarely involved and consulted in relation to the European Semester process by the government. [my emphasis] (Country Report, 2019)



- Pragmatic approach – *‘we break it up for parts’*
- Relations with Commission representative in Dublin (ESO) considered good
- No sectoral dialogue – no education union involvement identified in 2017-19. Public service union - *‘none whatsoever’*.
- Very dependent on the role of the confederation – *‘that’s what they pay their affiliation fees for – they know that certain things will be taken care of by Congress’*.
- Strong contributions to European Semester consultations from civil society organisations eg Social Justice Ireland.
- Supportive of European Pillar of Social Rights – but appeared as low priority.



‘there is nothing to come up in this to affect the interests of public services unions specifically’



The ambitious Sláintecare reform represents a credible vision for making the health system universally accessible and sustainable. However, its implementation is endangered by the difficulties in improving budget management in the health system to avoid recurrent overspends. The perverse incentives generated by the coexistence of a public and private insurance market should also be addressed to avoid preferential treatment of privately - insured patients in publicly - funded hospitals. (Country Report, 2019)



‘In Ireland it’s never expressed like that – other than by us’.

‘we are not leveraging that sufficiently in the national debate.’

‘With hindsight it was too late. You need to have your arguments ready. I’m learning . . . for next year.’



- (Lack of) time and resources are problematic (creating dependency on confederation)
- Absence of sectoral unions minimises impact (under-use of expertise)
- Building alliances – co-ordinating with civil society partners
- Develop an alternative discourse – reframe the narrative (make better use of labour movement resources, eg NERI)
- Link to wider campaigns, eg ‘Raising the Roof’ housing campaign