

EMPLOYMENT LAW

AN OVERVIEW OF THE EUROPEAN UNION'S INFLUENCE ON EMPLOYEES' RIGHTS AND INDUSTRIAL RELATIONS WITHIN IRELAND

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This paper provides a starting point for a debate on modern industrial relations within Ireland, examined primarily from a legal perspective. Reference is made to the legal frameworks and institutions at a national and European Union level. In addition, the paper examines the status of each model independently and how they have interacted with each other since Ireland's accession to the European Economic Community (EEC) in

1973. In particular, a study of the origins and reasons for modern social partnership agreements in Ireland is undertaken, together with an analysis of the form and legal status of these agreements. The article purports to further examine the expansion of social policy areas together with social and economic rights under the European Treaties. European institutions and their functions are examined including; the European Commission and the

European Court of Justice and the impact they have had upon this topic. The findings are that social partnership and improved employees' rights have contributed positively towards relative industrial peace within Ireland. The paper, however, acknowledges that future challenges lie ahead not only for harmonious employee-employer relations within Ireland, but also the Irish economy if it is to continue to prosper.

SOCIAL PARTNERSHIP

Social partnership has been defined in terms of an approach to government where interest groups outside of elected representatives, play an active rôle in decision-taking and policy-making. This form of participative democracy enables the social partners to enter discussions with government on a range of social and economic issues and to reach a consensus on policy.¹

Economic and social partnership in Ireland can be traced back to the mid 1980s when Ireland was undergoing a period of deep economic recession. Many commentators attributed this recession to the fact that, prior to joining the EEC, Ireland had a small closed economy which traded primarily with the United Kingdom. The removal of trade tariffs, levies and other protectionist measures exposed an inefficient and underdeveloped indigenous economy. This economy was now vulnerable to the rigours of the European markets and competition. "Entire industry sectors such as car assembly and shoe manufacturing simply disappeared. At the same time Ireland's economy was running into difficulty, growth was slowing

dramatically and inflation was spiralling, peaking at more than 20% in the early eighties."²

Irish trade unions also faced difficult and challenging times during the 1980s: membership numbers in decline, the widespread decentralisation of pay bargaining, high unemployment rates, union recognition problems and the growth of human resource management.³ These factors lead to fears within trade union movements of being marginalised and a general perception of union organisations being outdated. The result was an important strategic shift in trade union policy and negotiation tactics which helped to modernise industrial relations and social partnership within Ireland.

THE PROGRAMME FOR NATIONAL RECOVERY AGREEMENT — 1987 (PNR)

This agreement was the first modern social partnership agreement in Ireland which ran from the period of 1987 until 1990. The main negotiators at this initial stage were the Irish Congress of Trade Unions (ICTU) representing employees and the Irish government (acting in its capacity as an employer for civil servants). Other

employer lead organisations included the Irish Business and Employers Confederation (IBEC), the Construction Industry Federation (CIF) and the Small Firms Association (SFA). The PNR agreement importantly coincided with similar negotiations taking place at a European level, as discussed later on.

Some commentators have discounted the rôle or influence social partnership has played in the economic growth experienced in Ireland. They have attributed the expansion to other reasons such as Ireland's EU membership which provided easy access to EU markets, an educated, English-speaking workforce, cheap labour costs and a low corporate tax regime.⁴ Other contributory factors included the strategic deployment of EU grants (received under the EU Structural and Cohesion Funds for infrastructural development) and the significant influence of US lead foreign investment, in the high technology sectors such as pharmaceuticals and healthcare, engineering, biotechnology and internationally traded services. In particular, Ireland developed centres of excellence most notably in software development, IT and telecoms indus-

tries which substantially augmented Ireland's GDP. Notwithstanding these factors, it is still generally acknowledged that the PNR and successive agreements contributed to an appreciable extent towards the growth of the "Celtic tiger" economy in Ireland.

The period of social partnership has been one of unprecedented economic success. In the decade to 1996, Ireland had the highest rate of growth of GDP in the OECD, averaging 4.9% per year. It shared the highest rate of growth of employment, 1.8% per year, with Australia and the Netherlands. Indeed, since 1993, Ireland has achieved a 4% increase in employment in each year.⁵

It also importantly represented a period of relative industrial peace between Irish employees and employers; for example, in 1979, 1.4 million days were lost due to industrial action, involving 134 strikes. This compared with just 41,000 days and 38 strikes in 1989.⁶

Form of the Social Partnership Agreements

The initial agreements were primarily national wage restraint agreements, for example the PNR provided for a 2-3% increase in wages per annum over a three year period. As part of the *quid pro quo*, the Irish government committed itself to income tax reductions and other tax reforms over the three-year period.

The current agreement known as the "sustaining progress" agreement commenced in 2003 to run over a three year term. The agreement contains more in-depth social policy matters including commitments made between the parties in relation to:

1. Macroeconomic policy, developing new anti-inflationary initiatives and the management of public expenditure;
2. Fairer distribution of economic development including improvement of physical and social infrastructure, affordable housing

and a national anti-poverty strategy; and

3. Workplace relations including review of maternity and adoptive leave, improvement of health and safety at work and the integration of migrant workers.⁷

Trade unions and employers groups in Ireland now have a greater input in terms of policy formulation on a wide range of social issues. The government has agreed to consult with the social partners as appropriate and, in particular, has established steering committees representing government and social partner pillars with overall responsibility for the implementation of the agreement.

Legal Status of Social Partnership and Collective Agreements in Ireland

Collective agreements are generally not intended to be legally enforceable contracts in the context of the Irish model of free and voluntary collective bargaining unless there is evidence to create legal relations between the parties (See *Kenny v An Post* [1988] I.R. 285).

The Sustaining Progress Agreement does, however, provide for dispute resolution procedures. Under Part iii, clause 1.10, if a dispute arises as to what constitutes a breach of the agreement, after local discussion, the matter will be referred to the Labour Relations Commission for conciliation. In the event the matter remains unresolved, it shall jointly be referred to the Labour Court under s. 20(2) of The Industrial Relations Act 1969, whereby the parties will accept the decision of the court. There is also provision within the agreement for more informal conciliation and arbitration boards to be made available if agreed between the disputing parties.

EUROPEAN CONTEXT — EUROPEAN TREATIES AND LEGISLATION

Background

Irish industrial relations also needs

to be understood within the context of EU legislation, EU institutions and other social movements. Some of the primary objectives at the formation of the EEC in 1957 included encouraging free trade, creating a common market and economic & monetary union between the Member States. There was also a collateral purpose known as the "social dimension", the aim of which was to achieve a more equitable distribution of the economic gains among its workers and citizens. Further objectives included harmonising the working and living standards of workers throughout the EU to offset "social dumping". Social dumping occurs when multinational companies regime-shop by relocating or directing new investment to those areas with low labour and social overhead costs.⁸

There is also a school of thought that further integration and enlargement of the EU requires additional expansion of social policy in order for European citizens to continue to support the developments.⁹ The ideology and composition of many prominent political parties (including the Christian Democrats and the European Socialist Party both sitting in the EU parliament) and the influence of the socialist-lead Member State governments have also supported this EU social dimension.

GENERAL LEGISLATIVE PROCEDURES

The main decision making institutions of the EU are the European Commission ("the Commission"), the Council of the European Union ("the Council") and the European Parliament ("the Parliament"). The Commission is the civil service of the EU in charge of its day to day running and management. It also performs an important "right of initiative" function in drafting new EU legislation and putting it forward to the Parliament and Council for adoption. The Council consists of nine different Council bodies (including the Employment, Social Policy, Health and Consumer Affairs Council) with

the relevant government minister from each Member State attending regular Council meetings. The Parliament represents EU citizens through elections held every five years.

The EU lacks a general legislative competence. It may only act where a specific power to legislate may be identified in a treaty article known as "a legal base".¹⁰ There are three methods primarily used by the EU institutions for enacting legislation depending on the legal base. These are the consultation, assent and co-decision procedures. The main difference between them is the way in which the Parliament interacts with the Council: under the consultation procedure, Parliament merely gives its opinion; under the co-decision procedure, Parliament generally shares power with the Council. The assent procedure involves the Council obtaining the Parliament's assent before making very important decisions, for example the accession of new Member States to the EU and certain international agreements.¹¹

Apart from the EU treaties and conventions, the main form of community law consists primarily of regulations, directives and decisions. Regulations are classified as being directly applicable in each Member State, meaning that national governments do not have to legislate further as the regulation will already have full force of law within the Member State.¹² Directives (prevalent in employment law matters) are binding also on Member States as to the objective to be achieved. The EU, however, allows discretion among Member States to implement directives using their choice of form and methods within a specified time period. Decisions are binding upon the party to whom they are addressed.

The Council normally engages in decision-making procedures on the basis of either qualified majority voting (QMV) or unanimity voting procedures in more sensitive areas such as taxation, criminal justice or immi-

gration policy. The latter procedure is effectively a national veto invoked by Member States. The general impetus of recent EU Treaties (including the Treaty of Nice 2001 and the unratified Treaty establishing a Constitution for Europe 2004) has been to extend the scope of QMV to more policy areas. The purpose is to streamline decision making procedures within the EU in the light of the accession of new Member States. There were formerly 15 Member States within the EU with each country allotted weighted voting depending predominantly on the population of the country. There are now 10 additional Member States which joined on the May 1, 2004 with Bulgaria and Romania both scheduled to join in 2007.

The Treaty of Nice 2001 provides that from the November 1 2004, a qualified majority will be reached if a majority of Member States approve and if a specified minimum of votes is cast in favour. The actual number is contingent upon how many new Member States have joined at any particular time, but the percentage will remain at approximately 71.3% and, in any event, cannot exceed 73.4%. In addition, a Member State may ask for confirmation that the votes represent at least 62% of the total population of the Union, otherwise the decision cannot be adopted.¹³

THE INFLUENCE OF EU TREATIES UPON SOCIAL POLICY

The Treaty of Rome 1957 (the founding treaty of the EEC) contains Articles 117–122 known as the "Social Policy Articles". In particular Article 117 provided, albeit of limited policy remit, that Member States agree to promote improved working conditions and standards of living for workers. These enumerated powers have been expanded by virtue of further treaties which superseded the Treaty of Rome. For example, Article 136 of the Amsterdam Treaty

1997 has broadened the objectives of social policy which now are: "... the promotion of employment, improved living and working conditions, ... proper social protection, dialogue between management and labour, the development of human resources with a view to lasting high employment and the combating of exclusion".

In order to achieve these objectives, the EU has power to legislate in the following new areas under Article 137 as amended by the Treaty of Nice 2001:

- social security and social protection of workers;
- the protection of workers where their employment contract is terminated;
- the representation and collective defence of the interests of workers and employers;
- the conditions of employment for third-country nationals legally residing in the community territory; and
- the combating of social exclusion and the modernisation of social protection systems.

The Council is generally required to act unanimously with respect to these new fields after consulting with the European Parliament. There are also additional consultations requirements with the Economic and Social Committee and the Committee of the Regions.

Notwithstanding the above, the EU Treaties explicitly acknowledge that certain areas and policies still remain within Member States' national competencies. For example, in relation to social policy, Article 137(5) of the Treaty of Nice 2001 provides that the relevant article shall not apply to pay, the right of association, the right to strike or impose lock outs.

EUROPEAN INSTITUTIONS

Economic and Social Committee

The Treaty of Rome provided for the establishment of the Economic and Social Committee (ESC) under Ar-

articles 194 – 198. The body is comprised of three groups made up of employee representatives, employer representatives (both nominated from national trade union organisations) and various interest groups (nominated from farmers' organisations, co-operatives, non-profit associations and consumer organisations *etc.*). The committee acts in an advisory capacity to the Commission, the Council and the European Parliament. Under the EU Treaties, the Commission must consult with the ESC before making decisions in relation to economic and social policy including areas such as agricultural policy, free movement of persons and services, industrial policy and the environment.¹⁴ The committee can also deliver a wide spectrum of opinions as required by these institutions or own-initiative opinions. Opinions range greatly on matters from proposals of social security schemes for the self employed, the European health insurance card to proposals on a common system of taxation applicable for parent and subsidiary companies within different Member States.

European Social Partners

Informal negotiations took place between European management and labour groups known as the “*val duchesse*” social dialogue talks in 1985. The various representatives included; the European Trade Union Confederation (ETUC — Irish member ICTU) representing employees, the Union of Industrial and Employers Confederations of Europe (UNICE — Irish member IBEC) representing private-sector employers and the European Centre of Public Enterprises (CEEP — Irish members include Enterprise Ireland and Aer Rianta) for public-sector employers. Article 118b was inserted into the Treaty of Rome (under the Single European Act 1986) further to this inter-party bargaining. The article required the commission to “develop the dialogue between management and labour at European level which could, if the

two sides consider it desirable, lead to relations based on an agreement”. This article in effect provided a formal legal standing within the treaties for European social partnership and dialogue.

Article 118b and the role of social partnership was further extended under the Maastricht and Amsterdam Treaties. The Commission will now consult the social partners about proposed legislation and offer them the opportunity to negotiate agreements in preference to the EU legislative institutions. The social partners can, in the event of agreement, request that the EU institutions adopt these agreements as directives giving them full force of law.¹⁵ This is a significant advancement beyond the advisory functions of the ESC or even the various joint opinions issued by the social partners. Negotiations between social partners also takes place across various industrial sectors such as the telecommunications, agriculture, maritime and rail transport sectors.

There was a view in the mid 1990s that the Commission's objective of establishing a European industrial relations forum had been frustrated by the fact that, traditionally, trade unions and employers associations limited themselves to operating within a national framework.¹⁶ In more recent years, however, the social partners have concluded cross-sectoral agreements dealing with parental leave, part-time and fixed-term work contracts. These agreements have been adopted as directives by the EU institutions and implemented in national law by Ireland and other Member States, as discussed later on. There have, however, also been significant areas of disagreement between the social partners. UNICE for example, refused in the late 1990s to negotiate with the other social partners in relation to a general framework agreement for employers to inform and consult employees within the EU. This resulted in the Council and the Parliament adopting the relevant Directive without the social partner's

agreement.¹⁷

European Court of Justice (ECJ)

The ECJ was established in 1952 as a supra-national court to ensure the consistent implementation of EU law throughout the Member States. The supremacy of EU law generally over Member State's domestic laws in the event of a conflict is vital, as the court has handed down landmark judgments with respect to social and economic rights including; *Defrenne v Sabena*¹⁸ (upholding Article 119 of the Treaty of Rome — prohibiting sexual discrimination on the basis of equal pay for equal work), *Jenkins v Kingsgate*¹⁹ (prohibiting indirect sexual discrimination) and *J.P. Dekker v VJV Centrum*²⁰ (prohibiting discrimination against pregnant employees or prospective employees).

Other important decisions in recent years include *Sindicato de Médicos de Asistencia Pública v Conselleria de Sanidad y Consumo de la Generalidad Valenciana*²¹ (upholding a Council Directive in relation to the maximum working hours which applied to doctors involved in primary health care) and *Regina v Secretary of State for Trade and Industry*²² (upholding that every worker, including part-time and casual workers, are entitled to paid annual leave pursuant to a Council Directive). In summary, the ECJ has preserved the respect for and rule of European law through judicial vigilance in enforcing these principles of social policy.

IRISH EMPLOYMENT LAW — INDIVIDUAL AND COLLECTIVE EMPLOYEES' RIGHTS

There has been a raft of Irish employment legislation which has been transposed in compliance with EU directives. Important employee entitlements have been secured. Examples of more recent legislation include the Maternity Protection Act 1994, the Organisation of Working Time Act 1997, the Employment Equality Act 1998, the Parental

Leave Act 1998 and the Carer's Leave Act 2001 which all originate from EU legislation. These statutes have provided Irish employees with minimum statutory protection which generally can not be circumvented.

The EU directives as negotiated by the European social partners have been incorporated into Irish law, for example the Protection of Employees (Part-Time Work) Act 2001 and the Protection of Employees (Fixed-Term Work) Act 2003. These Acts provide significant protection to atypical workers, *i.e.* casual, part-time and fixed-term workers. Key provisions include entitlements to be given to atypical employees on a *pro rata* basis, comparable to full time employees. Discrimination, however, may be allowed if the aim is to achieve a legitimate employer objective and the means used is appropriate and necessary for that purpose. This legislative framework was enacted by the Irish government in order to remain compliant with EU legislation as opposed to purely altruistic motives. The Irish government would face infringement procedures initiated by the Commission for failure to implement EU law which ultimately could be referred to the ECJ. The resulting effect is to compel the harmonisation of working conditions throughout the EU and prevent individual Member States gaining a competitive trade advantage through inertia.

Collective Employees' Rights

The Transnational Information and Consultation of Employees Act 1996 provided for the establishment of European Work Councils (EWCs). The legislation applies only to individual or group companies termed undertakings, with at least 1000 employees within the European Economic Area (EEA) and at least 150 or more employees in two or more different EEA countries. The Member States of the EEA affected are the EU countries (except the UK) Norway, Iceland and Liechtenstein. The key provisions of the Act include

that employees are to be represented by a special negotiating body, to consult and obtain information from central management in relation to transnational matters affecting their workplace. There are also separate EU directives which compel employers, under certain circumstances, to consult with employees in relation to collective redundancies and the preservation of employees rights after the transfer of an undertaking (implemented in December 2000 and April 2003 respectively). This framework of legislation will have far-reaching consequences particularly for large non-unionised workplaces which will be forced to adopt these procedures. New legislation in the form of Directive 2002/14/EC is scheduled to be implemented in Ireland by March 2005. This will further expand the information and consultation rôle of employers to employees concerning matters affecting their work organisation and employment contracts.

There is, however, frustration among employers that the cumulative effect of the EU-driven legislation has placed onerous compliance procedures on them. The issues include increased production costs and lost time; for example regulation now costs European business up to 6% of GDP with the International Monetary Fund (IMF) calculating that better regulation could improve European productivity by up to 3%.²³ These are clearly legitimate concerns regarding over-regulation of labour markets, leading to rigidities which can only harm the EU's competitiveness during this era of globalisation.

BRIEF OVERVIEW OF OTHER EU COUNTRIES

There has been a revival of social partnership throughout the EU since the 1990s. This includes the emergence of partnership initiatives in approximately nine out of fifteen of the pre-May 2004 Member States. In addition, Austria and Sweden have also adopted wage guidelines as constituent-parts of a social pact.

The factors contributing to this trend included the Maastricht criteria, unemployment, poor macroeconomic performance, the population demographics of an ageing workforce, and volatile currency exchange rates.²⁴

The Maastricht Treaty 1992 was the foundational treaty for the introduction of European Monetary Union and, in particular, the euro currency in 11 EU countries in 2002. The treaty imposed tight fiscal constraints upon national governments known as the "Maastricht" or "convergence" criteria. The rationale was that Member States' macroeconomies would converge resulting in price and fiscal stability by adhering to the criteria. Some of these criteria included:

- **Inflation** — no more than 1.5% above the average inflation rate of the lowest 3 inflation countries in the EU; and
- **Interest rates** — the long-term rate should be no more than 2% above the average of the three countries with the lowest individual rates, and.
- **Budget deficit** - no more than 3% of the GDP **national debt** .

Beginning in 1993, Italy made remarkable use of social pacts, to meet the Maastricht criteria, reform the pensions system and rationalise its bargaining structures ... in Spain, there were a number of national agreements which laid down pay guidelines, but by the mid 1980s consensus evaporated. But in the late 1990s, the Maastricht criteria and other factors saw the re-emergence of national agreements focused particularly on labour market regulation. The Maastricht Criteria seem to have been important in Portugal, where there have been five tri-partite pacts since 1987²⁵

The accession of the Eastern European countries (formerly satellite countries of the communist USSR block) will have ramifications upon future trends in EU social partnership agreements. The model of industrial relations and the further

evolution of capitalist economies within these particular countries will pose important challenges for an enlarged EU. In particular it will be interesting to see which countries opt for an early switchover to the euro currency and if so, whether they will utilise social partnership agreements as Ireland did to help achieve the Maastricht criteria?

Future Developments within the EU

An Intergovernmental Conference took place in Brussels between the Member States in December 2003, attempting to finalise the new EU Constitutional Treaty. Negotiations stagnated on several areas of disagreement between Member States, including the further extension of QMV to more policy areas, the proposed new voting rights being allotted to countries and the number of EU Commissioners. The final text of the treaty was agreed in June 2004 under the Irish Presidency of the EU. The Treaty is to be ratified by Member States (in accordance with their constitutional requirements) prior to the scheduled date of the entering into force of the treaty, November 1, 2006. Some of the relevant proposals in relation to social and economic rights include Part II of the Treaty which contains the Charter of Fundamental Rights of the Union. Social and economic rights within the Charter include freedom of assembly and association, a worker's right to information and consultation within an undertaking and the right of collective bargaining and action. Article 1-47 also reaffirms that "[t]he European Union recognises and promotes the rôle of the social partners at Union level, taking into account the diversity of national systems; it shall facilitate dialogue between the social partners, respecting their autonomy". Reference to "dialogue between management and labour" has also been substituted throughout the treaty with reference to "dialogue between the social partners".

In 2001 Member States adopted

the "Lisbon Strategy", the primary objective of which was to make the EU the most competitive and dynamic economy in the world by 2010. The EU economy is, however, currently underperforming, with the European Central Bank (ECB) revising downwards its forecasts for euro zone growth from 1.9 – 2.9% to 1.1 – 2.1% in 2004.²⁶ The recent comments of Internal Market Commissioner, Frits Bolkestein, reiterate this point. The Commissioner warned that intra-EU trade has slowed down over the last few years, with third country trade now growing much faster. He has blamed the increasing failure of Member States to adopt directives into national legislation or minimalist interpretations of the relevant directive. Bolkestein added that this is evidenced by the increase in infringement cases taken by the Commission — up from 700 in 1992 to 1,600 in 2003. He argued that the fragmentation of the internal market is now a real possibility with Member States adopting defensive or spoiling tactics to protect their national interests.²⁷

In the final analysis, further improvements in the rights of employees will have to be weighed against productivity increases and the EU's trade competitiveness. This is an unenviable task facing an enlarged EU in reaching an optimum point which will involve a delicate balance of these competing interests if the Lisbon Strategy goals are to be realised. This will also have a knock-on result in Member States (including Ireland) and could have a sobering effect on employees and trade unions' wage expectations.

CONCLUSION

The number of days lost to industrial disputes in Ireland has continued to remain relatively low with, on average, 100,659 days lost per annum from 1995 – 2002.²⁸ During this period, the lowest figure of 21,257 lost days was recorded in 2002. There are obvious constraints in quantifying the influence of various

factors contributing to this greater industrial peace, due to a complex interplay of many factors. Notwithstanding this, Ireland's accession to the EU ironically precipitated a deep economic crisis, which in turn was a significant factor leading to the PNR social partnership agreement.

"Overall, the one obvious effect of membership of the European Union has been a change of focus by employers and trade unions away from the adversarial system of industrial relations inherited from Britain to broader European models".²⁹

The rôle of the EU social partners and ESC has further helped to provide this social partnership model in Ireland, leading to greater industrial peace. The Maastricht criteria and ECB regulation have also provided significant reasons for the continuation of successive partnership agreements up to the current Sustaining Progress agreement.

The doctrine of EU law supremacy as expounded by the ECJ should not be understated. EU directives have undoubtedly enhanced individual and collective employees' rights within Ireland compared to non-EU countries, albeit at a cost to our trade competitiveness. For example, in Australia, the Australian Council of Trade Unions (ACTU) is still campaigning for a nationally-funded 14 week paid maternity leave scheme on minimum rates.³⁰ The Australian Labor Party is also proposing to amend the Workplace Relations Act to provide statutory definitions and entitlements for full-time and permanent part-time workers.³¹

The enforcement rôle performed by the EU institutions, more particularly the Commission and ECJ in policing community law (including employment law), has most likely had an indirect positive impact upon Irish industrial relations. There is recent evidence, however, to suggest that the industrial dispute figure is set to rise again. The last few months have represented turbulent times for industrial relations and social dialogue in Ireland. The contentious is-

sues have included the cost effectiveness of the benchmarking pay agreements for public sector employees which are linked to a comparative employee working within the private sector. SIPTU trade union has previously refused to renew pay negotiations under the Sustaining Progress agreement in protest at the proposed break up of the State-owned monopolies, Aer Rianta and Dublin Bus. The recent postal strike and threatened strike by the Prison Officers Association (POA) are further examples of the trade unions and government at loggerheads over the curtailment of public spending.

There are many factors which could affect the future performance of the Irish economy, including outsourcing, political stability in Northern Ireland, oil prices and balanced regional and infrastructural development. There is, however, a clear correlation between the future challenges facing the Irish economy and Irish industrial relations. In particular, one of the main threats facing the Irish economy is the increasing wage demands by Irish workers to offset the high cost of living and real estate prices. Excessive wage increases will damage Ireland's competitiveness as against lower wage economies, such as the new accession countries, India and China. There are undoubtedly challenging times ahead for wage bargaining and industrial relations within Ireland if it is to avoid the ill-effects of a "boom-bust" economic meltdown as the UK experienced in the early 1990s.

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