



Labour Relations Commission Annual Report 2008



Contents

| | | |
|--|---|-----------|
| Mission and Functions of the Labour Relations Commission | 4 | |
| Members and Officers of the Commission | 5 | |
| Chairman's Statement | 6 | |
| Chief Executive's Report | 8 | |
| Chapter 1 | Developments in 2008 | 10 |
| Chapter 2 | The Commission's Services in 2008 | 16 |
| | The Conciliation Services Division in 2008 | 16 |
| | The Advisory Services Division in 2008 | 23 |
| | The Rights Commissioner Service Division | 28 |
| Chapter 3 | The Corporate Services Division in 2008 | 33 |
| | Administration | 33 |
| | Staffing | 34 |
| Appendices | Labour Relations Commission – Organisational Structure | 36 |
| | Financial Statements 2008 | 41 |
| | Publications available from the Labour Relations Commission | 55 |

Mission and Functions

Mission

“To promote the development and improvement of Irish industrial relations policies, procedures and practices through the provision of appropriate, timely and effective services to employers, trade unions and employees.”

The Commission carries out this mission by providing the following specific services:

- an industrial relations Conciliation Service
- an industrial relations Advisory Service
- a Rights Commissioner Service
- a Workplace Mediation Service
- assistance to Joint Labour Committees and Joint Industrial Councils in the exercise of their functions

The Commission undertakes other activities of a developmental nature relating to the improvement of industrial relations practices including:

- the review and monitoring of developments in the area of industrial relations
- the preparation, in consultation with the Social Partners, of codes of practice relevant to industrial relations
- industrial relations research and publications
- organisation of seminars and conferences on industrial relations and human resource management issues

Members and Officers of the Commission



Maurice Cashell
Chairman



Kieran Mulvey
Chief Executive



Gerard Barry
*Chief Executive,
HSE-Employers' Agency*



Peter Bunting
*Asst. General Secretary,
Irish Congress of
Trade Unions*



Brendan McGinty
*Director of Human
Resources and Industrial
Relations, IBEC*



Peter McLoone
*General Secretary,
IMPACT*



Breege O'Donoghue
*Director, Penneys/
Primark*



Liam O'Rourke
*Managing Director,
Chivers Ireland Ltd.*

Internal Audit Committee



Gerard Barry
Chair



Peter Bunting



Brendan McGinty

Senior Management Team



Kieran Mulvey
Chief Executive

*The post of
Director of
Advisory Services
was vacant
throughout
2008. The post
was filled in
early 2009.*



Kevin Foley
*Director of the
Conciliation
Services Division*



Tom Pophrett
*Deputy Director
of the Conciliation
Services Division*



Eddie Nolan
*Director of the Corporate Services
Division and Secretary to the
Commission, also, Head of the
Rights Commissioner Service*

Meetings of the Board/Senior Management Team

The Board met on ten occasions in 2008 to discuss and review the Commission's strategy, budget, operational activities, and its business plan and to decide upon areas of Commission policy and corporate governance. The Senior Management Team, consisting of the Chief Executive, Directors/Deputy Director of Services attends Board meetings, and meets on a regular basis between meetings of the Board.

Chairman's Statement



Maurice Cashell
Chairman

I am pleased to present the Annual Report for 2008 of the Labour Relations Commission. It documents the activities of the Commission for last year, shows the budgetary allocation and includes the audited accounts. The Business Plan for 2008 approved by the Board in January 2008 was delivered on time and within the resources approved by the Minister and Parliament.

For a large part of 2008 a great deal of attention was on the gathering economic and fiscal storm. How the industrial relations environment might unfold and how the LRC might best position itself to help the parties address the painful consequences of economic downturn was never far from Board concerns.

It remains very much the case that the LRC will require on a continuing basis to develop, expand and improve on service delivery. Following on the assessment last year that access to some services and processes can be seen as slow, considerable and genuine efforts were made by LRC management, the team of Rights Commissioners and their support staff to streamline access to its

services and to the throughput of referrals. Less progress was made in 2008 on another issue similarly identified in the 2007 Report, that is, addressing the belief that recruitment of personnel is too narrowly based, thus limiting the knowledge and skills base available to the Commission. This brings me to my primary conclusion: one of the keys to the future success of the LRC will lie in how well it manages its staff and how effectively it can widen its pool of talent and human resources.

The LRC is a solutions-oriented organisation serving Government, business, trades unions, workers and consumers. Its 'production line' is composed of its employees. These are people who need to be skilled and knowledgeable, prompt and courteous with service provision, impartial and honest. They must be high performing and customer focused. They must be confident and have a sense of public duty. Those qualities, which are present in abundance in the current cohort, will be taxed to the extreme as we move into an uncertain future. The past performance of an excellent staff was not a spontaneous occurrence. It came about as a result of a conscious and deliberate investment at all levels in employee performance and in the development of skills and capabilities. To complement those capabilities, there has been significant investment in information and communication technologies. Such management and development of LRC staff must continue, commencing with the recruitment strategy of the

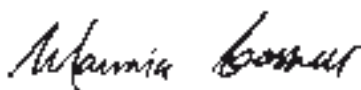
organisation. Moreover, organisational health should remain a priority. Our practices and processes should ensure that staff feel that they receive adequate recognition, that they are involved in decisions about their work and that the LRC places a high priority on learning and development of its employees.

An issue likely also to arise in the near future relates to the quality of governance of the LRC and its relationships with its parent Department, the Department of Enterprise Trade and Employment. The multiplicity of agencies in the employment relations area (including those charged with ensuring that workers' rights under statute are properly vindicated) will be a factor in the debate following on the Government Statement on Transforming Public Services. The LRC would share the sentiment expressed in that Statement of the need to ensure that synergies are achieved from the merger of agencies where appropriate and the use of shared services between them.

The Department of Enterprise, Trade and Employment has engaged with the LRC in a systematic dialogue on performance and how this can be improved, as part of its oversight responsibilities. In future, Boards of all state bodies will need to be more explicit concerning objectives, expectations, service levels, timescales and performance targets. Boards will need to focus on outputs and outcomes and be realistic about

what can be achieved with the resources deployed. The LRC welcomes this focus on outcomes which marks a shift away from an over emphasis on compliance and input controls and a move towards what is achieved – or not achieved – with those resources.

With my colleagues on the Board I express confidence that the commitment and capacity of the Chief Executive, Kieran Mulvey, his staff and the team of Rights Commissioners, will enable the LRC to meet the challenges ahead. I would like to thank the Tánaiste and Minister for Enterprise, Trade and Employment, Ms Mary Coughlan, T.D., and the Minister for Labour Affairs, Mr Billy Kelleher T.D., for their continuing encouragement; and Secretary General, Seán Gorman, and his colleagues in the Department of Enterprise, Trade and Employment for their support during the year. Since this is my sixth and last year as Chairman of the Board, I take this opportunity to formally record my appreciation of the work of my fellow Board Members and my personal thanks for their unfailing assistance to me, their wisdom and commitment to public service, and their contribution to the success of the Commission.



Maurice Cashell

Chairman



Chief Executive's Report



Kieran Mulvey
Chief Executive

Since the recording of the comprehensive activity of the Commission in 2008, the economic world in which we live has changed entirely. So has the social and political dynamics of those changing circumstances.

The Commission has operated largely within the milieu of the Social Partnership model of industrial relations and change management. Such a model provided a high degree of certainty in regard to pay, taxation, employment law developments and compliance, the minimum wage and sectoral pay regulation and collective bargaining structures. The model provided also for agreed pay levels and agreed processes in regard to dispute resolution on a wide spectrum of pay and employment related matters. The earlier optimism surrounding the completion of the "Review and Transitional Agreement 2008-2009" of September 2008 has been followed since then by some of the greatest fiscal and political challenges we have ever encountered. This new "age of uncertainty" presents profound and significant challenges for all political parties, the social partners and individual employers and their

employees. These challenges go beyond the industrial relations environment but will have a central impact upon how those affected by them will respond to the level and scope of a fall in living and earnings standards within the country.

Of growing concern is the necessity to retain a broad consensus on social solidarity and the protection of those who are vulnerable, devising and delivering new employment strategies to tackle the rapid increasing haemorrhaging of skilled, professional employment in long established industries and services is an urgent necessity, as is the retention of their skills for economic recovery.

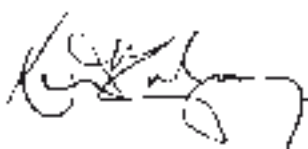
A broader political and social consensus is vital in order to manage and guide this country out of the series of crises in which it is now engulfed. Such a consensus requires sacrifice and generosity from those in continued employment and it demands a higher degree of contribution from those on higher incomes/earnings. The hallmarks of future taxation policy should be greater fairness, equity and proportionality. Regarding employment, a sector-based strategy is essential to retain jobs in quality enterprises with skills retraining and imaginative part-time employment measures in order to mitigate the effects upon our school leavers, graduates, and skilled human resources population. Above all, we need to build confidence in the future.

Of particular importance is the approach that must be taken regarding reform and the provision of public services. We cannot continue simply to expand our public services or maintain them at current levels for the foreseeable future. We must decide what services are necessary and a priority and, therefore, what is financially unsustainable. Core services must be retained but the cost of providing these services must be re-examined and greater efficiencies achieved. Such an approach is essential in all our public services.

Central to achieving the above changes are the structures for consultation, negotiation and decision. The potential for industrial relations conflict is very real and apparent. The structures, procedures and institutions exist to achieve resolutions to these formidable issues and they must and should be used to their maximum, including the use of binding arbitration if necessary to bring the issues to finality. We do not have the luxury, in this fast changing economic global market, to prolong negotiations to the detriment of decision making.

The time is appropriate also to review the number of agencies involved in employment dispute resolution and the synergies that can be achieved through rationalisation.

The road ahead for Irish society is uncertain and unsure and we are not alone in this dilemma. This is a global phenomenon. We have, however, the human and natural resources to plan our way out of this uncertainty. Sacrifice must be shared equally and proportionally. We must have the confidence, the belief and the trust in all our political and social institutions to plan ahead towards achievable gains over the medium-term. This requires in turn the ability of these institutions to reform themselves and develop the leadership capabilities to see us through these turbulent and challenging times.



Kieran Mulvey

Chief Executive



Chapter 1 Developments in 2008

LRC annual review of industrial relations, 2008

This annual review examines industrial relations developments during 2008, covering social partnership, industrial disputes, collective bargaining, significant agreements, public sector issues and employment law-related developments. 2008 was a year that came to be dominated by a serious economic, banking and fiscal crisis, and this was reflected in the industrial relations world as the year progressed.

Political developments

Ireland was the only EU country to hold a referendum on the EU Treaty, in June 2008, the result being a 'No' vote. Subsequently, EU leaders in Brussels agreed in December 2008 to a series of concessions to allow Dublin to make possible a second vote on the Treaty some time in 2009. These concessions include a guarantee that each member state will keep a Commissioner in future European Commissions – despite the Treaty document initially foreseeing a reduction of the size of the institution, as well as a promise that the EU would not impose rules on Ireland concerning taxation, 'ethical issues' – such as abortion, euthanasia and gay marriages – or interfere with its traditional claim to neutrality. All these issues were highlighted by Irish politicians as among the main concerns of Irish citizens after they first rejected the Lisbon Treaty in June 2008. In addition various undertakings were given to the ICTU regarding the transposition of various EU employment law directives.

Collective Bargaining

In September 2008, a new national pay agreement (The 'Transitional Agreement') was agreed within the context of the ten-year, Towards 2016 social partnership framework. It was formally ratified on 17th November by both the Irish Congress of Trade Unions (ICTU) and by the Irish Business and Employers Confederation (IBEC). The agreement was negotiated in difficult economic circumstances resulting from the global credit crunch, the sharp ending of a domestic 'property bubble', and a marked economic downturn. The national wage agreement that formed a central element of the 'Transitional Agreement' (TA) provided for pay rises in the public and private sector of 6% over 21 months, but with different pay pause and phasing arrangements, as follows:

Private sector:

- A pay pause of 3 months (including the construction sector);
- A pay increase of 3.5% for a period of 6 months;
- A pay increase of 2.5% for a period of 12 months – or, for workers on €11 per hour or less on the date that increase falls due, a pay increase of 3%.

Public sector (i.e. the public service):

- A pay pause of 11 months;
- From 1st September 2009, a pay increase of 3.5% for a period of 9 months;

- From 1st June 2010, a pay increase of 2.5% – except for workers earning up to and including €430.49 per week (€22,463 per annum) on that date, who receive a 3% increase.

(The 6% over 21 months agreed under the TA compared with the first module of Towards 2016, which provided for a 10% wage increase over 27 months, paid in four phases.)

The TA also maintained the same 'inability to pay' clauses introduced in recent national agreements. Employers could argue that they were unable to pay the terms, with such cases to be referred for adjudication by an assessor appointed by the Labour Relations Commission. A finding by an assessor could be referred to the Labour Court for a binding decision. These assessor findings are generally endorsed by the Court.

A new element of the TA agreement was a clause on executive remuneration, which backs a policy of pay moderation in this area. It states the following:

'In the context of the changed economic circumstances, and the acceptance by the social partners of the importance, in the national interest, of observation of pay moderation under this Transitional Agreement, employer bodies will, as a matter of policy, encourage their members to ensure that pay moderation is also observed in respect of executive pay.'

Benchmarking 'Two'

The Public Sector Benchmarking Body (PSBB) issuing a second report on 11th January 2008. The PSBB was initially established to compare the pay of public servants with private sector workers. In its first report in 2002, the PSBB recommended average pay increases of 8.9% across the public service at a cost of €1.2 billion to the state, with some groups receiving less and some more. There was a common perception at the time that public service pay in general had fallen behind private sector comparators.

In second benchmarking exercise, the situation was quite different, because the vast majority of public servants were not awarded anything, although a small number of public servants in 15 senior grades did attract pay awards.

The core rationale used by the PSBB in this second report, for awarding no pay rises for the vast bulk of public servants, was that the pension entitlements of most public servants were deemed to outstrip those of private sector comparators by approximately 15%.

The economic downturn

In the deepening economic downturn that pervaded the last few months of 2008, triggered by a worldwide and then domestic banking crisis, it appeared certain that the pay terms in the TA would come under pressure by employers to be revisited due to the sudden and severe deterioration in the Irish economy.

In the short period since the TA was negotiated in September 2008, the already evident decline in the Irish economy accelerated with significant redundancies/restructuring and a rapid growth in unemployment. The unemployment rate rose from 4.6% in 2007 to 6.4% in August 2008, with signs that it would rise to an average of at least 11% in 2009 (Central Bank, March 2009 forecast) or by up to 15% by the end of 2009 (Ulster Bank, March 2009 forecast).

By the end of the year, however, no formal revision of the pay terms of the TA and/or formulation of a national economic emergency plan had been agreed. (In mid-January 2009, the Minister for Finance, Brian Lenihan T.D., was to indicate he wished to cut €2 billion worth of Government spending to help fill an increasing gap in the public finances. This led to a Government decision to introduce a new levy on public sector pensions, which was implemented in March 2009 despite the protest of public sector trade unions.)

Private sector pay

By the end of 2008, a small number of private sector (25) companies (including one major semi-state) confirmed to the weekly special publication, *Industrial Relations News* (IRN) that they had agreed to apply the first phase of the TA agreement. The list included well-known firms such as: Diageo, Axa Insurance, Analog Devices, Liebherr and ABB Transformers. The board of the state-owned ESB also agreed to sanction payment of the first phase (3.5%) of TA for its employees.

On the other hand, other companies also sought pay freezes (Aer Lingus, RTÉ (state broadcaster), Independent Newspapers, Irish Times and various others) before the end of 2008. An unknown number of firms were expected to plead 'inability to pay' claims under formal procedures. The most evident trend in pay, however, was that the vast majority of private sector or semi-state firms were simply in a 'holding pattern' by the end of 2008, an early indication of what would be an emerging trend in pay freezes, that began to manifest itself in early 2009.

Non-pay issues

The 'Transitional Agreement' also covered a range of initiatives emanating beyond the basic pay terms above, including:

- Setting up a process to develop a national framework on the employment rights of temporary agency workers, and prohibiting the use of agency workers in the case of official strikes or lock outs
- Optional recourse to voluntary arbitration on change at enterprise level
- Setting up a time-bound process in which the issue of employee representation and the appropriate legislative framework will be addressed
- The introduction of a statutory prohibition on the victimisation of employees based on their membership or non-membership or activity on behalf of a trade union, and on incentivising non-membership of trade unions

- Provisions for pensions under Council Directive 2001/23/EC on the approximation of the laws of the Member States relating to the safeguarding of employees' rights in the event of transfers of undertakings, businesses or parts of undertakings or businesses
- Commitments to modernising the public service, including a response to the report "Ireland: Towards an integrated public service issued by the Organisation for Economic Co-operation and Development (OECD)"

Legislative developments

The main legislative developments in 2008 related to rights for temporary agency workers; the general employment rights framework; and trade union representation rights.

Trade unions had been demanding a comprehensive floor of employment rights, including equal treatment rights for agency workers, to prevent what they saw as rising employer exploitation of vulnerable workers. In addition, unions had been seeking stronger representation rights after the high-profile decision by the Supreme Court in February 2007 altered the effectiveness of the Industrial Relations Acts, 2001-2004, from a trade union perspective.

Responding to union demands, the Government made a number of legislative commitments in the general area of employment relations in the TA (some already outlined above) as follows:

- Setting up a process to develop a national framework on the employment and rights of temporary agency workers as a result of the new EU Directive granting equal treatment rights to agency workers, with the aim that any framework agreed could be operational in 2009
- Prohibiting use of agency workers in the case of official strikes or lock outs
- Publish Employment Agency Regulation Bill before the end of 2008
- Set up a 6 month process (deadline of March 2009) in which the issue of employee representation and the appropriate legislative framework will be reviewed, with a view to enactment of the necessary legislation in June 2009 (following the aforementioned impact on the 2001-2004 Industrial Relations Acts that rose out of the judgment by the Irish Supreme Court in the 'Ryanair' case)
- Introduce a statutory prohibition on the victimisation of employees based on their membership or non-membership, or activity on behalf of, a trade union, and on incentivising non-membership of trade unions – with a view to enactment of draft legislation by March 2009

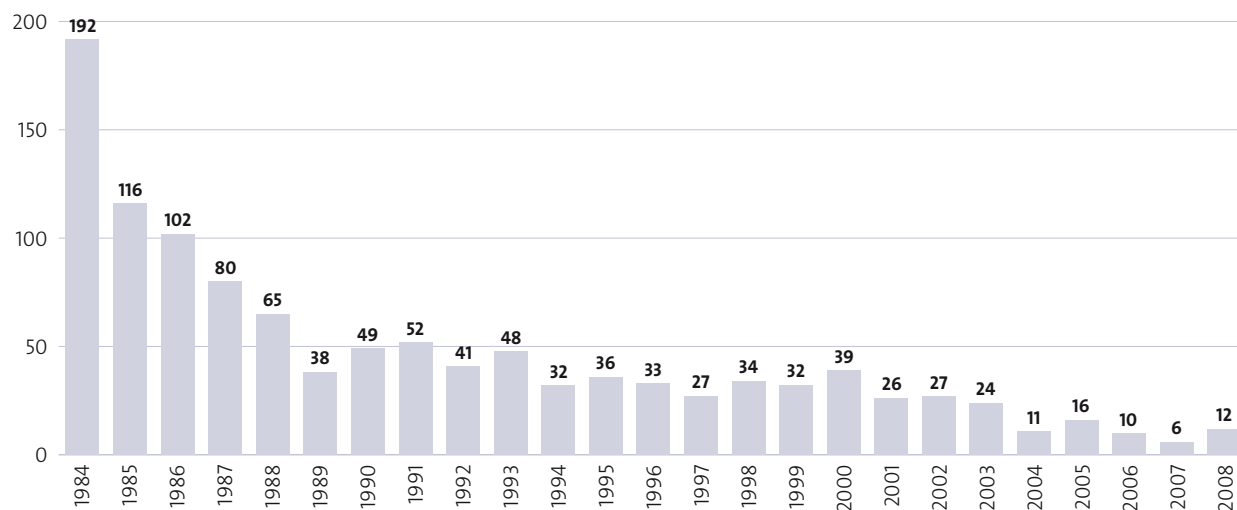
- A commitment to enact the Employment Law Compliance Bill, which will regulate the remit and powers of the National Employment Rights Authority (NERA) and a stronger labour inspectorate – before the end of 2008
- Introduce legislation to strengthen existing system of Employment Regulation Orders (ERO's) and Registered Employment Agreements (REA's), which was influenced by a legal challenge earlier in 2008 by the Irish Hotels Federation (IHF)
- Amendment of Competition Act, 2002, with regard to provision of collective bargaining rights for certain vulnerable workers, including freelance journalists and actors, who are currently prevented under existing competition law from engaging in collective bargaining.

Strikes, industrial action

The latest figures from Central Statistics Office (CSO) indicate that there were just 4,179 days lost to industrial disputes in 2008, compared with 6,038 in 2007. There were a total of 12 industrial disputes in 2008 compared with 6 in 2007. Other key statistics were:

- The manufacturing sector accounted for 2,051 (49%) of the total days lost, while 954 (23%) of days were lost in the other services sector.
- The 1,397 days lost in the fourth quarter of 2008 compared with 3,941 days lost in the fourth quarter of 2007.
- The 4 disputes in progress during the fourth quarter of 2008 involved 99 workers and 4 firms.

Figure 1a – Ireland – Strike Statistics and Trends in 000's



Source: www.cso.ie

Industrial disputes – a caveat

It should be noted, however, that the official CSO dispute data does not tell the full story on industrial conflict. Significantly, disputes are only included in the CSO calculations if they involve a stoppage of work lasting for at least 1 day and total time lost is 10 or more person-days. Clearly, many forms of industrial action are now falling outside this definition, such as short sharp stoppages, protests, work to rules, and so forth.

Significant disputes

On 1st May 2008, over 28,000 members of the Irish Municipal Public and Civil Trade Union (IMPACT) employed in the health service launched a gradual and sustained campaign of industrial action against recruitment restrictions imposed by

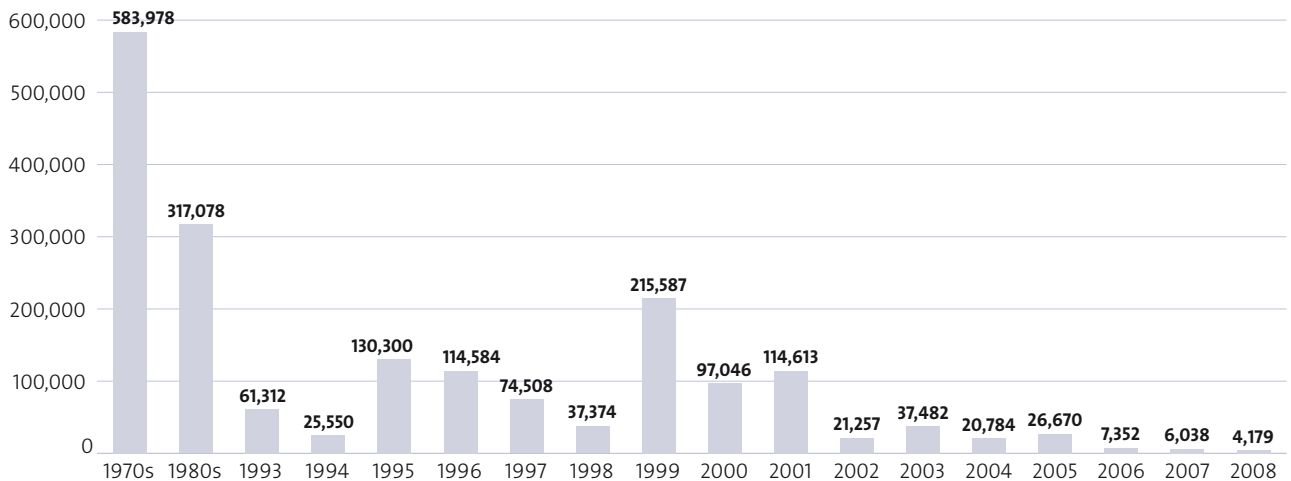
the Health Service Executive (HSE). As part of the action, IMPACT members employed by the HSE refused to cover posts left vacant by the recruitment freeze, as well as stopping non-emergency overtime and out-of-hours work, and non-cooperation with aspects of data provision. IMPACT eventually suspended its industrial action in early October 2008 following an intervention by the Labour Relations Commission. The settlement proposals brokered by the LRC included strong emphasis on a requirement for greater consultation between the HSE and IMPACT members, procedures regarding vacant posts and use of agency staff.

A major challenge was mounted to the Registered Agreement for the Electrical Contracting Industry. The Labour Court was told it could proceed with a hearing an application for a €1.05

per hour pay increase for electricians, following the removal of a High Court order preventing such a hearing. The REA for the industry sets minimum pay rates for about 10,000 electricians. These pay rates are adjusted each 1st April by the Labour Court, on application by workers and employers in the industry. Hearings on the case were to take place early in 2009.

Restructuring, significant agreements

With the onset of financial crisis and economic slowdown, significant restructuring and workforce reductions took place during 2008, as well as significant agreements on internal reward and pension systems. Some examples:

Figure 1b – Annual Days Lost due to Industrial Action in Ireland

Source: www.cso.ie

Aer Lingus

A large-scale outsourcing plan signalled a major change in the traditional industrial relations between the former state-owned airline and its main trade unions, SIPTU and IMPACT. Agreement was reached on cost-cutting measures in late 2008, which involved €54 million in staff cost cuts as part of a total €74 million cost reduction programme. The final agreement drawn up under the Chairmanship of Kevin Foley, Director of Conciliation, amended an original plan that would have involved outsourcing. Instead, a large proportion of SIPTU ground staff would have to leave the company, secure a lump sum payment, and then re-apply for positions on agreed lower terms and conditions. IMPACT cabin crew, meanwhile, agreed to changed work practices, up to 100 voluntary redundancies, and a lower rate for new entrants.

AXA Insurance

Like other firms in the insurance sector, AXA experienced competitiveness problems. It responded to the challenge in a creative manner by reaching consensus agreement in 2008 with its 2 trade unions, SIPTU and Unite. The restructuring agreement entailed 120 voluntary redundancies, a new remuneration process, changes to performance management and rewards programmes, and new profit share criteria.

Bank of Ireland

LRC chief executive, Kieran Mulvey, averted a threatened twenty-four hour stoppage over a delayed bonus payment at Bank of Ireland. The outcome means that 2 unions, IBOA and Unite, secured a disputed 3% payment initially withheld by the bank, in return for agreeing to co-operate with a number of performance-related measures

clearly spelled out by Mr Mulvey, who is the agreed joint facilitator of a special four-year Strategic Transformation Programme agreed between the parties in 2005.

Mr Mulvey chaired the Review of Grades in the Central Bank and Financial Services Authority Benchmarking Body and which reported in May 2008.

A separate dispute between Bank of Ireland and the same unions over the terms of a pension scheme for new employees, negotiated with the assistance of Tom Pomphrett, Deputy Director of the Conciliation Services Division of the LRC, was formally endorsed by the Labour Court. The agreement represented the further development of 'hybrid' pension plans, which are a combination of defined benefit (DB) pensions and defined contribution (DC) plans.

Waterford Crystal

The presence of Waterford Crystal as a manufacturing entity in Ireland was all but formally over in October of 2008. As a result of a restructuring plan, some 280 people were to leave on top of the 490 who had already departed, or were due to depart, under a restructuring plan. (In January 2009, Waterford Crystal, and its parent Waterford Wedgwood, went into receivership due to financial difficulties, and was seeking a buyer. A major concern for the workers was a threat to the pension scheme for those that remained.)

Hospital Consultants

After years of stop-start negotiations, Ireland's hospital consultants finally concluded a new contract with health employers as of May 2008. The new contract gives medical consultants a significant pay increase in return for agreeing to both reduce their private practice (while increasing their input into the public hospital system), and increase working time flexibility. A large number of publicly funded consultants have been conducting private practice, which has implications for the public hospital system. Moreover, the government wants to step up the number of consultants working in public hospitals. However, the significant deterioration in public finances could have a negative impact on the appointment of extra consultants.

The OECD and Public Service reform

More generally in the public service, a long-awaited report by the Organisation for Economic Co-operation and Development (OECD) on the public service released in 2008, entitled 'Towards an integrated public service', suggested that employment levels and expenditure on public services in Ireland are not high by international standards. However, the report recommended that the public service needs to move away from what is described as a 'central control' concept. New ways of working are also needed in order to meet increased public expectations at a time of reduced resources, according to the OECD.

The report suggested that the government must maximise the public service by adopting a citizen-centred approach and increasing the chances for workers' mobility, managerial delegation, as well as better budget control.

The Government faced into a formidable task in terms of reforming the public service, particularly the health service. Some observers suggested that social partnership could be used to progress public service reform using consensus-based joint problem-solving tools in the national interest. The Health Forum was established with this in mind, but by the end of 2008 the urgency of curbing burgeoning expenditure across the health service was becoming the main focus of attention.

Patrick Hillery – Former Minister Labour

During the year, the death occurred of ex-Minister for Labour and former President of Ireland (1976-1990), Dr Patrick Hillery. As a popular local doctor, he first ran for election for Fianna Fáil alongside the former Taoiseach, Eamon DeValera, in the Clare constituency in 1951, serving in the Dáil until 1973 when he was appointed to serve as Ireland's first European Commissioner and as a Vice President of the Commission. By then, he had already built up a strong track record having served in cabinet from 1959 successively as Minister of Education, Industry & Commerce, Labour – and from 1969, as Minister of Foreign Affairs.

Dr Hillery guided and brought on the statute book, the Industrial Relations Act 1969 which initiated the unique and very successful post of Rights Commissioner.



Chapter 2 The Commission's Services in 2008

The Conciliation Services Division in 2008

Mission Statement

“To provide an impartial, timely and effective conciliation service operating to a continually high standard in both the public and private sectors.”

| | |
|---|--------------|
| Referrals | 1,317 |
| Conciliation Conferences | 1,726 |
| Other meetings (e.g. JIC's/JLC's/C&A Schemes) | 242 |
| Total Meetings | 1,968 |

Director of Conciliation Services Division

Kevin Foley

Deputy Director of Conciliation Services Division

Tom Pomphrett

Administration

Margaret Sweeney

Overview of Conciliation Activity 2008

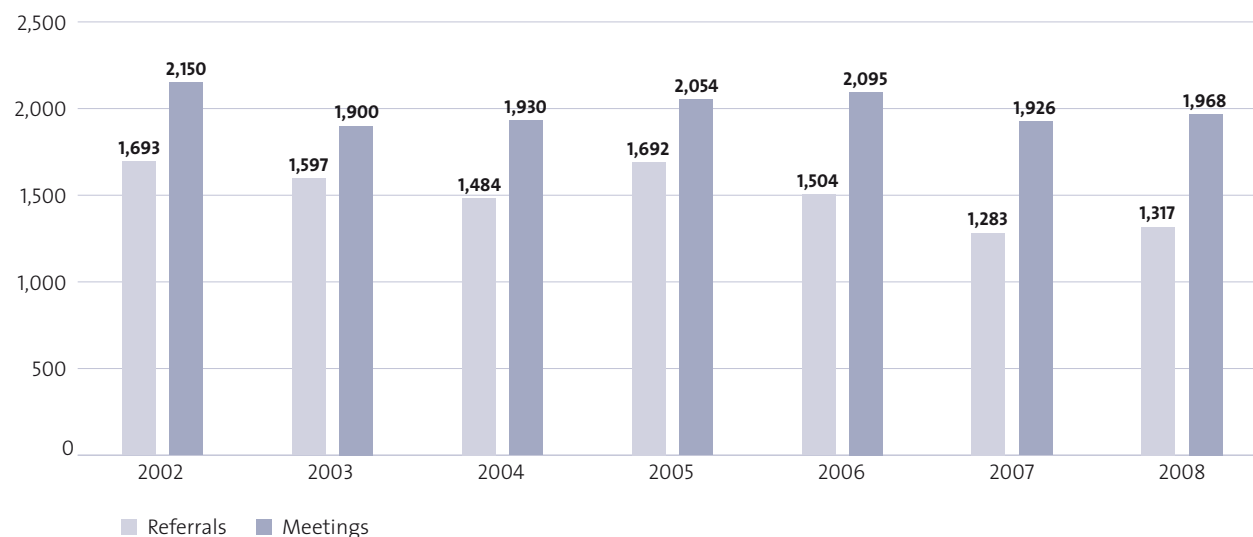
“Purpose of conciliation is to convert a two-dimensional fight into a three dimensional exploration leading to the design of an outcome”

(Edward de Bono)

The Conciliation Service of the Labour Relations Commission delivers a service to Irish employers, employees, trade unions and employer representative bodies which has been provided by the State in one form or another since the late 1800s. The practice of conciliation in this economy and the utilisation of the service by parties to the employment relationship therefore has a long history. The result of this is that the users of the Commission's conciliation service are very familiar with the dynamics of the process and are very effective in exploiting its potential to resolve industrial disputes and difficulties.

The other key outcome of such longevity of service is a very deep organisational knowledge base and a very strong reputation for effectiveness which has been created by the commitment, skill and dedication of conciliators over a very long period. The tradition of commitment and persistence in pursuit of resolution continues to be the cornerstone of the Service commitment to users today. The data contained in this Annual Report makes it clear that in 2008 the effectiveness of conciliation as a dispute resolution tool remained undiminished throughout the year.

The Division chaired 1,726 conciliation conferences in 2008, compared to 1,690 in 2007. The Division also convened another 242 meetings in 2008, comprising facilitation, the chairing of Joint Industrial Councils, Joint Labour Committees, Conciliation Councils, and Monitoring Committees etc. Therefore, the overall total of formal meetings convened by the Conciliation Services Division in 2008 amounted to 1,968, compared to a total of 1,926 in 2007. (See Figure 2a for comparisons with previous years.) In addition, the Conciliation Services Division engaged in many informal meetings with individual parties in potential dispute situations. A total of 1,317 disputes were referred to the Conciliation Services Division in the year, compared to 1,283 disputes referred in 2007.

Figure 2a – Conciliation Services Activity 2002-2008

The Service secured a settlement in 80.48% of all cases referred to it in 2008, demonstrating the continuing effectiveness of the process as a vital element of the dispute resolution infrastructure in the Irish economy. Figure 2b identifies comparative settlement rates at conciliation for the years 2002 to 2008 and confirms the Service's record of achievement in dealing with complex and challenging issues over the years.

Where no resolution of a dispute is possible at conciliation, the Service endeavours to secure the agreement of the parties to proceed to the Labour Court for investigation of and recommendation on the issues in dispute.

A total of 259 cases were referred by the Commission to the Court in 2008. Of these, 257 were referrals under Section 26(1) of the Industrial Relations Act, 1990, and the remainder, 2, were referred by the Commission on behalf

of the parties under Section 20(2) of the Industrial Relations Act, 1969, in the context of the provisions of Towards 2016.

Apart from the delivery of conciliation in dispute situations, the Commission makes its officers available in a variety of circumstances to act as independent chairpersons of negotiating and consultation fora. In this regard officers of the Commission chair important national bodies, including the Local Authority Parallel Benchmarking process, the ESBJIC, the CINJIC, the HSNJC, Joint Labour Committees covering a variety of industries as well as a number of national Joint Industrial Councils.

On-line Referral Facility

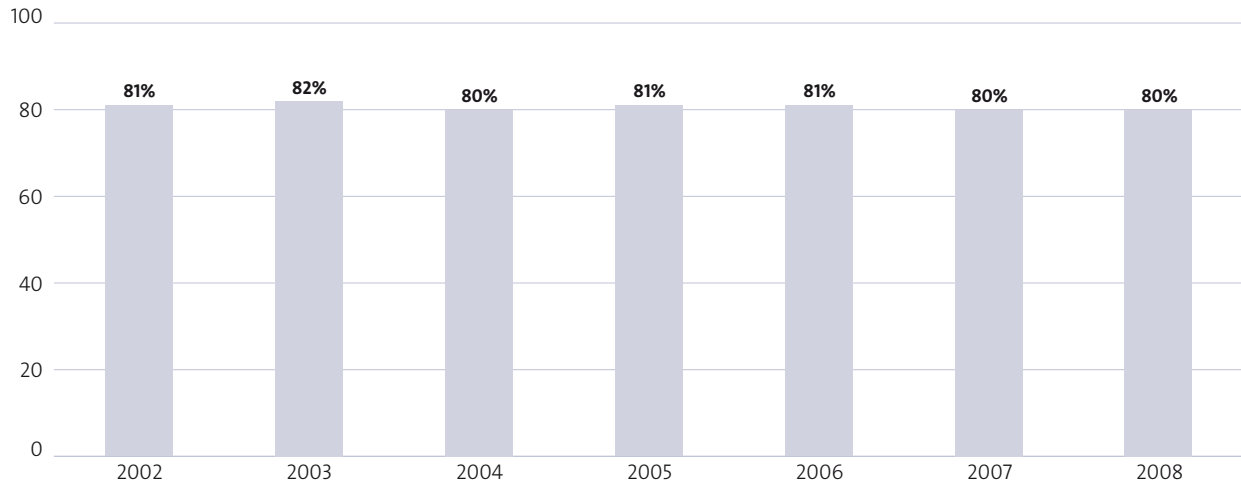
The Division is committed to making access to its services as easy and efficient as possible for users. The Conciliation Services Division continued to provide access to its

service via an on-line referral facility during 2008. To encourage the use of this facility the Division has, during 2008, continued to promote its 'on-line' referral with customers utilising e-mail shots and direct promotion in interaction with clients. One hundred and thirty on-line referrals (approximately 10% of total referrals) were received during the year (2008). The on-line team is looking at ways to increase this figure in the future. Access to the on-line referral facility is via the Commission's website, i.e. www.lrc.ie.

Conciliation Service Delivery 2008

The Conciliation Services Division is structured as four geographical regions outside Dublin together with a national Public Sector Unit. Officers in all of the Regions conduct conciliation conferences in the Dublin area. An overview of the activity in each of the regions is outlined below.

Figure 2b – Conciliation Service Settlement Rate 2001-2008



| Region: East/South East | |
|--------------------------------------|---------------------------------|
| Regional Manager | Brian McGinn |
| Industrial Relations Officers | Louis Mooney and Maedhbh Cronin |
| Administration | Karen Buchanan |

Overview of Regional Activity in 2008

In 2008 the East/South East Region Team provided conciliation services in counties Carlow, Kildare, Kilkenny, Waterford, Wexford, Wicklow and Tipperary (Clonmel and Carrick-on-Súir areas) and in Dublin.

The Team chaired 333 meetings with employers and trade unions in 2008, covering a range of single and multi-issue disputes. A total of 48 disputes were referred by the Team to the Labour Court in 2008.

The single most common issue dealt with by the East/South East Team in 2008 was pay, mainly basic pay, grading and allowance-type issues. There were very few cases of employers pleading ‘inability to pay’ or seeking cost-offsetting measures under the provisions of T2016.

The second most common broad category of dispute related to redundancy and rationalisation, and assistance was provided in negotiations on redundancy at plant closures at Moy Isover and Quinn Radiators in Co. Tipperary, Snowcream in Waterford, and at Bachelors and Odlums in Co. Kildare. Assistance was also provided in disputes relating to reductions in numbers and rationalisation/change at a wide range of other companies such as Honeywell Turbo Technologies, Glanbia, Tegral, Ormonde Brick, Kemek (Irish Industrial Explosives), Chadwicks, Dawn Meats, Donohoe Beverages,

and DeLa Rue-Smurfit. Companies supplying materials to the construction industry and companies in the printing industry featured prominently. The Regional Manager assisted in talks between Aer Lingus and SIPTU on issues arising from the company’s termination of its Shannon-Heathrow route. He also acted as chairman of the Local Authority National Council and took up an appointment as chairman of a newly established Joint Labour Committee for the contract cleaning industry nationwide.

The overall industrial relations climate in the region in 2008 remained orderly and stable with, in the Commission’s view, ongoing adherence to the terms of T2016 and normal disputes procedures. There was a notable absence of industrial confrontation.

In line with the Commission’s Business Plan for 2008, the Team provided support to the Conciliation Services Division as a whole in its role as

co-ordinator of management data generated by the Division's computerised Case Management system. The Team also participated in a number of internal Working Groups on projects and proposals to improve internal supports to officers and enhanced services to clients, including the production of a new 'User's Guide' for clients of the Conciliation Service.

| Region: South West | |
|--------------------------------------|-------------------------------|
| Regional Manager | Damien Cannon |
| Industrial Relations Officers | Michael Keegan and John Kelly |
| Administration | Lena Kavanagh |

Overview of regional activity in 2008

The South West Region consists of counties Cork, Kerry and South Tipperary. The bulk of the caseload arises in Cork City with Tralee, Co. Kerry also a significant location of conciliation service delivery.

The Team serviced 228 meetings in the region in 2008 and a further 281 in Dublin (up on 220 in 2007). The number of conciliation conferences held in the South West Region last year, 228, remaining consistent with the previous year (226, in 2007). The comparison between 2007 and 2008 reflects relative industrial relations stability in the region for most of the year, although the Service was involved in large restructuring/redundancy issues in Pfizer, Port of Cork, Glaxo-SmithKline and Beamish & Crawford.

The Team dealt with a variety of issues throughout the year and was heavily involved in restructuring plans in many major companies in the food, pharmaceutical industries and in manufacturing. The Team also dealt with a number of issues in the hotel sector (predominantly in Co. Kerry). Change management initiatives in the Local Authorities operating in Cork and Kerry were dealt with by the Team, which also addressed a variety of matters in the health services, both public and private. Given current economic conditions and pressure on public spending, it is anticipated that the Service will be heavily involved in Public Sector issues going forward.

The Team continued its involvement in the delivery of the Commission's Workplace Mediation Service and undertook a number of mediation sessions with both private and public sector organisations in the region during 2008, with one member of the Team continuing to participate as a member of the Workplace Mediation Service internal management team.

The Team, in 2008, participated in the administration of the Construction Industry Disputes Tribunal and all officers continued to act as Chairs of that Tribunal.

In Dublin, the Team has been involved in a variety of industrial relations issues chairing 281 meetings. Amongst these issues have been a substantial number of redundancy-related cases, especially in the construction sector. The Team has, further, been involved in continuing development and monitoring/maintenance of the Service's online

referral system (referred to above) which facilitates referral of disputes via the Labour Relations Commission website. One member of the Team has also acted as the Conciliation Services Division administrator for ongoing development of the LRC website (www.lrc.ie).

The Regional Manager has also continued his involvement in facilitating an industry agreement in the Irish Film Industry throughout 2008.

| Region: Mid-West and West | |
|-------------------------------------|--------------------|
| Regional Manager | John Agnew |
| Industrial Relations Officer | Brendan Cunningham |
| Administration | Marguerite Whyte |

Overview of Regional Activity in 2008

The West/Mid-West Team provides Conciliation Services in counties Limerick, Clare, Galway, Roscommon, and parts of Westmeath and Offaly and has primary responsibility for the financial services sector. The Regional Manager also chairs the State Industry Joint Industrial Council (JIC), which meets every second month.

In 2008 a total of 325 conciliation conferences were held – 154 (47%) in Dublin and 171 (53%) in the region. The experience of the Conciliation Services Division in the Region in 2008 saw a deepening of competitive and change pressures within manufacturing partly driven by exchange rate fluctuations and accelerating difficulties in the retail, hotel and financial services sectors.

Under the provisions of Towards 2016, a number of cases were referred to Conciliation in the Region relating to 'inability to pay' and 'cost off-setting measures'.

The Team made significant investments of time in a number of disputes in the region including the Mid-Western Regional Hospital in Limerick, Thermo King, Curran Aluminium and Nexans and in Dublin in Enterprise Ireland, Daughters of Charity, Stena Line, Allianz and the Irish Autism Action.

As well as its direct involvement in the delivery of Conciliation Services during 2008, the Team participated in the broader range of initiatives undertaken by the Division generally. In particular the Team contributed to the management of the ongoing development of the Commission's Workplace Mediation Service. The Team also chaired a number of Construction Industry Disputes Tribunal hearings and provided facilitation to the parties in the Department of Social, Community and Family Affairs.

The Team invested significant effort in a joint initiative with the Advisory Services Division in the continued development and provision of tailored training for the Commission's clients including the design and delivery of training to parties in two significant Private Sector companies during 2008.

| Region: North-West and Borders | |
|-------------------------------------|---|
| Regional Manager | Sheamus Sweeney |
| Industrial Relations Officer | Mairead Daly |
| Administration | Dermot Murphy (Kieren Mee and Patrick Whelan for part of 2008) |

Overview of Regional Activity in 2008

The North West and Borders Region covers Cavan, Donegal, Leitrim, Longford, Louth, Mayo, Meath, Monaghan, Sligo, Westmeath and Dublin. The caseload is spread more or less equally across the region.

In 2008, the Team chaired a total of 257 conciliation conferences, of which 107 were held in Dublin. This compares with a total of 268 in 2007 of which 114 were held in Dublin. These figures would indicate that the industrial relations climate in the region remains relatively stable.

While rationalisation and restructuring of companies and consequent redundancies and work-practice changes have always been a major portion of the work of the Team, the downturn in the economy and the pressure to remain competitive has seen the incidence of issues of this nature significantly increase in the region in 2008. Other issues that have featured significantly in 2008 include pay, cost offsetting measures and inability to pay under Towards 2016.

Significant cases dealt with during the year included issues arising at Diageo, Sisk, Arnotts, Corrib Gas Terminal Contractors, Meath County Council, Meath Chronicle, Western People, Leitrim County Council and McCormick McNaughton. The Team also dealt with a large number of disputes in the Public and Private Health Service in the Region.

In addition to providing Conciliation services the Team is also responsible for administering the Construction Industry Disputes Tribunal and chaired a number of Tribunal hearings during the year. The Team also delivers the Commission's Workplace Mediation Service in the region and undertook a number of mediation sessions in both private and public sector organisations in 2008.

The Regional Manager chairs Joint Industrial Councils for the Electrical Contracting and Mushroom industries as well as fulfilling the same role on the Clothing Joint Labour Committee.

In conjunction with the East/South East Region, the Team participated in a number of internal Working Groups on projects and proposals to improve internal supports to officers and enhanced services to clients, including the production of a new 'User's Guide' for clients of the Conciliation Service.

| Region: Public Service | |
|------------------------|--------------|
| Regional Manager | John Fallon |
| Administration | Declan Tighe |

2008 saw a continuation of the pattern whereby the Conciliation Services Division had a high level of involvement with disputes in public sector employments. During the year, the Service was involved with all areas of the public sector, for example, the commercial and non-commercial Semi-State sector, the Health and Local Authority Sectors, Government Departments and the Education sector.

Over 500 disputes were referred to the Conciliation Services Division from employments in the public sector during 2008, and 763 conciliation conferences were held in such cases, involving officers across the Service. This high level of conciliation activity in the Public Sector reflects the change and cost-containment agendas being pursued across all areas of the sector. Given the current economic situation and the requirement to reduce levels of public expenditure there is no doubt that the Service will be called upon to an even greater extent during 2009. At the time of writing, many public sector employers have outlined major cost-containment and cost-cutting measures that are likely to lead to difficult negotiations with the unions involved.

A feature of conciliation activity in such disputes is the regular requirement for several conciliation conferences over a period of time to deal with the parties' concerns. This is indicative of the

complex issues and linkages at play in many areas of this sector. Given the urgency, in current circumstances, of bringing negotiations to finality, the conciliation service is likely to face demands for the involvement of officers with particular disputes on an almost full-time basis over a period of days or weeks.

Up to now, employees across a range of public sector employments, for example, the Civil Service, Teaching, An Garda Síochána, the Defence Forces and the Prison Service have been covered by Conciliation & Arbitration Schemes. They have not had formal access to the Conciliation Service or the Labour Court for the processing of disputes.

During 2008, unions representing employees covered by the Conciliation and Arbitration schemes voted for a change in the arrangements and those employees may in future, depending on the final outcome of the parties' consideration of the matter, have access to the Conciliation Service and the Labour Court. In recent years the Conciliation and Arbitration Schemes did provide for a facilitation role involving the Conciliation Service and this has been increasingly availed of.

There are also many instances where officers of the Service act in a chairing and decision making role, either on an ad-hoc basis or as part of grievance, disciplinary or other procedural agreements. This happens, for example, in Dublin Bus, Bus Éireann, An Post and the Irish Prison Service.

Other Activities of the Conciliation Services Division

Joint Labour Committees and Joint Industrial Councils

The Conciliation Services Division provides Chairpersons and Deputy Chairpersons for a range of Joint Labour Committees and Joint Industrial Councils established in accordance with the Industrial Relations Acts, 1946-1990. Details of the Councils and Committees chaired by the Division in 2007 are as follows:

Joint Labour Committees

Retail Grocery, Catering (City of Dublin) Contract Cleaning and Clothing.

Joint Industrial Councils

Construction Industry, State Industries, Local Authorities, Electrical Contracting Industry and Mushroom Industry.

Construction Industry Disputes Tribunal

Cases referred to the Construction Industry Disputes Tribunal (CIDT)¹ are, at the request of the parties to the Construction Industry Joint Industrial Council, administered by the Conciliation Services Division.

The CIDT is a dispute resolution mechanism designed by the parties to the Construction Industry Joint Industrial Council. The Labour Relations Commission has put in place procedures, which are designed to facilitate its effective operation.

¹ Established by the Construction Industry Registered Employment Agreement [REA].

The Conciliation Services Division, also at the request of the parties to the CIJC, provides an independent chairperson to Tribunal hearings, which also have an employer and an employee representative. The practice is that the Tribunal will only issue a decision where there is unanimity among the Tribunal members.

Once again in 2008, the most common issues arising in referrals to the CIDT have been concerned with pay, conditions of employment, alleged breaches of the REA and unfair dismissals.

During 2008, a total of 34 cases were referred to the Tribunal and 15 cases were assigned for a full Tribunal hearing. Four cases were resolved locally in advance of a Tribunal hearing and 1 case was referred to conciliation by agreement with the parties. For the remaining referrals it had not, at year-end, been possible to convene a sitting of the Tribunal, as not all parties had agreed to take part.

Towards 2016/Review and Transitional Agreement

Section 1 of the Towards 2016 Agreement provided for pay increases over a period of 27 months following on from the expiry of the Mid-Term Review of Sustaining Progress. The Implementation Arrangements of the Agreement allow for a formal review to take place during 2008. Between April and September 2008, the Government and Social Partners reviewed progress under Towards 2016 and the resulting Review and Transitional Agreement

2008-2009 was produced in late 2008. This provided for a schedule of pay increases to apply over a period of 21 months following on from the first module of Towards 2016.

The terms of Towards 2016 (Section 1.9)², provide detailed mechanisms for the resolution of disputes in relation to pay and other matters. In particular, Clause 1.9 (ii) of Towards 2016 provides for the resolution of disputes in instances where the employer pleads inability to pay the terms of the agreement, and Clause 1.9 (iii) deals with disputes in situations where the employer seeks cost offsetting measures to be implemented in order to facilitate payment of the terms of the agreement.

The mechanisms in both cases require genuine attempts by the parties locally to reach agreement, referral if necessary to the Labour Relations Commission for conciliation, engagement if necessary by the Commission of an independent assessor (nominated from a panel submitted by the Social Partners) to report on the economic, commercial and employment circumstances of the firm in the context of the position adopted by the employer, a further attempt at conciliation and referral if necessary to the Labour Court. In the case of referrals to the Court under clause 1.9 (ii), the decision of the Court is binding on the parties.

The agreements also provide a procedure for the resolution of disputes related to what constitutes “normal ongoing change” as described in the agreement. There are also agreed arrangements whereby the services of the Commission are available to assist in situations in the Civil and Public Service where disputes arise in relation to verification of required change.

Of the 66 cases referred to the LRC in 2008, 27 employers cited inability to pay and an assessor was appointed to 7 of these cases. Thirteen cases were referred in relation to an alleged breach of the Towards 2016 Agreement, with 6 cases each referred in under the clauses relating to cost off-setting measures and normal ongoing change. Only 1 case was referred under the Review and Transitional Agreement.

The remaining referrals for the most part did not result in a conciliation conference, for reasons related either to prior settlement or other outcome arrived at locally. In those cases therefore, it is not possible for the Commission to be specific as to issue in dispute which gave rise to the referral.

The Commission, on behalf of the parties, referred 9 cases to the Labour Court in 2008 related to issues arising under Towards 2016.

² As reinforced in Section 1.11 of the Review and Transitional Agreement.

The Advisory Services Division in 2008

Mission Statement

“To work closely with employers, trade unions and employees to promote, develop and implement best industrial relations policies, practices and procedures, in order to enhance the economic well-being of the enterprise and assist in employment creation and retention.”

Staffing of the Division

Director

The post of Director of Advisory Services was vacant throughout 2008. The post was filled in early 2009 (Freda Nolan).

Senior Advisory Officers

Seamus Doherty
Assumpta McGill

Advisory Officers

Leo Costello
Alyson Gavin

Administration

Noel Kenny (Shared with the Rights Commissioner Service)

The Division currently carries three vacancies – a Research/Information Officer/and two Advisory Officers.

Service Delivery

The Division is independent and impartial in the delivery of its services. Staff are experienced in industrial relations practice and theory. The Service works in a number of ways with employers, employees and trade unions to develop positive and modern industrial relations practices, procedures and structures. Its primary objective is to help build and maintain positive working relationships and effective problem prevention and resolution mechanisms which allow both management and employees more time to concentrate on their shared objectives of maintaining stable and successful workplaces. It recognises that every situation it is involved in is different and unique in its own way. Its assistance is therefore always tailored to meet the specific requirements of the parties with which it works. This assistance is confidential to the parties and free of charge.

Industrial Relations Audits

Where a broad range of problems are perceived to exist or where the parties wish to gain a greater understanding of the dynamics at play in an organisation, it may be appropriate to conduct a thorough audit of industrial relations practices and procedures together with a survey of the views of all the relevant groups in the enterprise. In some cases the audit is presented to the parties in the form of a confidential report containing findings, conclusions and recommendations. In most cases however, it may be more appropriate to focus on the change agenda and present the parties with a series of recommended improvements. It can provide further support in the form of post report monitoring and, where necessary, assistance with the implementation of the required changes and improvements. It carried out 10 industrial relations audits in 2008.

2008 Activities Overview

Projects were undertaken during the year ranging across a broad range of activities such as the provision of various forms of in-company assistance, the managing of research projects and the delivery of training and advice.

Joint Working Parties

Advisory staff chair joint sessions of company management and employee representatives working together to agree and implement recommendations or decisions to improve industrial relations in their workplace. This facility is designed to give the parties direct involvement in developing mutually acceptable solutions to their difficulties. Fourteen joint working parties were chaired in 2008.

Preventive Mediation/Facilitation

Assistance is often required in situations where parties anticipate future difficulties. It assists in such cases by providing preventive mediation/facilitation. Many organisations also require assistance to improve work organisation. It advises on and assists in the development of specific disputes and grievance procedures, new work practices, structural change and other measures required to maintain and enhance competitiveness. The Service was involved in 20 such projects in 2008.

Frequent User Initiative

The Division continuously monitors levels of usage of the Commission's dispute resolution services to ensure effective and efficient use of resources and to focus assistance on areas of greatest need. In 2008 the Advisory Unit consulted with 6 employers and associated trade unions in this regard.

Advice

In some instances employers, employees and trade unions approach the Division for detailed advice and assistance on good practice when putting in place negotiating agreements, grievance/disciplinary procedures and other industrial relations frameworks. In 2008, the Service provided assistance in 4 such cases.

Voluntary Dispute Resolution

The Enhanced Code of Practice on Voluntary Dispute Resolution (SI 76 of 2004) provides a recognised framework for the processing of disputes arising in situations where negotiating arrangements are not in place and where collective bargaining fails to take place. The Service facilitates the procedure, which is designed to assist management and unions to resolve the issues in dispute.

The level of activity for 2008 was low, totalling 8 referrals. This reflects the "fall-out" arising from the judgement of the Supreme Court in the Ryanair/Labour Court/IMPACT case (February 2007).

Codes of Practice

The Division is responsible for the drafting of statutory Codes of Practice in accordance with Section 42 of the Industrial Relations Act, 1990. It also has responsibility for their promotion. To date the following Codes have been completed:

- Code of Practice on Dispute Procedures, including Procedures in Essential Services;

- Code of Practice on Duties and Responsibilities of Employee Representatives and the Protection and Facilities to be Afforded them by their Employer;
- Code of Practice on Grievance and Disciplinary Procedures;
- Code of Practice on Compensatory Rest Periods;
- Code of Practice on Sunday Working in the Retail Trade;
- Code of Practice on Voluntary Dispute Resolution;
- Code of Practice Detailing Procedures for Addressing Bullying in the Workplace;
- Enhanced Code of Practice on Voluntary Dispute Resolution;
- Code of Practice on Victimisation;
- Code of Practice on Access to Part-Time Work;
- Code of Practice on Persons Employed in Other People's Homes;
- Code of Practice on Information and Consultation.

In addition to the above Codes of Practice, the Division completed a Guide on Work-Related Stress.

During 2008 work continued on the promotion of the Codes, through training and information programmes, information provision arising from telephone enquiries and through the dissemination of the LRC packs of Codes of Practice. Steps to publish a compendium/handbook of all Codes are at an advanced stage and this publication will replace the LRC packs of Codes that were previously available. All Codes of Practice are available for download from the LRC website at www.lrc.ie

Table 1

| Programmes Delivered | Number |
|--|-----------|
| Conflict Prevention/Resolution and Employee Relations Challenges for Managers, Employees and Representatives | 7 |
| Skills Development and General Information for (1) Employee Reps. – Employees (Provision of Information and Consultation) Act 2006 | 1 |
| Employment Rights Bodies – General Information Including ‘What to expect and How to Prepare before Attending’ | 5 |
| Total | 13 |

Workplace Mediation Service

Staff of the Unit participate in the operation and management of the Workplace Mediation Service which was established in 2005. The Conciliation Services Division manages this Service.

LRC Information Literature

During 2008 the Advisory Service continued to disseminate information around the Services of the LRC.

LRC Information Packs are available in both English and Irish with the following Information Leaflets:

- Role and Functions
- Conciliation Service
- Advisory Service
- Rights Commissioner Service
- Workplace Mediation Service
- Customer Service Charter

Individual LRC Information Leaflets are also available in English as follows:

- Role and Functions
- Conciliation Service
- Advisory Service
- Rights Commissioner Service
- Workplace Mediation Service

Individual LRC Information Leaflets are available in Polish, Portuguese, Russian and Chinese (Mandarin) as follows:

- Role and Functions
- Rights Commissioner Service
- Codes of Practice

LRC Information and Skills Development Services

During 2008 the LRC provided a limited training and development service to meet the needs of service users as identified by individual organisations. The service was made available in various organisations throughout the country and was availed of by small and medium sized firms, multinationals, public and private sector organisations, unionised and non-unionised firms and by trade unions. The table above sets out activity levels for 2008.

LRC Programmes are delivered both on a stand-alone basis and/or as a module in an organisation’s own training programme. While descriptions as outlined give a broad picture of programme objectives and content, individual programmes are developed to suit the particular needs of each organisation and to accommodate

the grievance/disciplinary/dispute arrangements in place in the organisation.

Steering Groups and Project Development

During 2008 staff of the Conciliation and Advisory Services worked with:

- (1) the Health Service National Partnership Forum and the National College of Ireland to design a change management programme for delivery by the National College of Ireland, with input from the LRC, targeted at the Health Service. Three pilot projects, due to commence early in 2009, are being selected. and
- (2) the National College of Ireland to jointly develop an accredited skills development programme. The programme is aimed at managers, trade union representatives and employees who have a role in negotiation and dispute resolution in the workplace. It is envisaged that the programme will be delivered on a pilot basis in the second quarter of 2009.



Symposium, Croke Park, June 2008.



Symposium, Croke Park, June 2008.

Citizen Information Centres (CIC)

During 2008 the Labour Relations Commission continued to provide training and support services to Citizens Information Centres as required.

Labour Relations Commission Symposium – Croke Park 19th June 2008

Ireland has been a major beneficiary of inward foreign direct investment (FDI) by multinational companies (MNCs). As FDI grew dramatically through the 1990s, MNCs were heralded as one of the principal reasons behind the country's rapid ascent towards becoming one of the world's most competitive economies. However, times have apparently changed. Much of recent media spotlight has focused on cases of MNCs closing or downsizing their Irish operations. However, concurrently some MNCs have increased employment whilst new organisations have also been attracted.

There has also been a change in the character of FDI. We have seen examples of the attraction of high-skilled type roles, thus providing some support for the industrial policy objective of moving MNC operations in Ireland up their corporate value chain. It is also clear that much

recent FDI activity has been in services (e.g. retail) rather than manufacturing. Arguably though, the most dramatic development has been the surge in significance of Irish owned MNCs. Ireland now boasts comparatively large numbers of indigenous firms operating on a global stage. Since 2004, Ireland has become a net exporter of FDI, with outflows exceeding inflows.

Human resource (HR) and employment relations issues are rarely out of the news with some particularly high profile cases involving MNCs reported in the more recent past. Most notable has been the Ryanair-IMPACT case regarding trade union representation. In spite of the importance of MNCs to the Irish economy, thus far we have not had an authoritative study of HR in MNCs. The Labour Relations Commission Symposium held on 19th June 2008 sought to address this knowledge deficit.

The Labour Relations Commission part funded a research study on Human Resource Management in MNCs in Ireland, undertaken by the University of Limerick/Kemmy Business School in association with the Economic and Social Research Institute. The study was completed in November 2007, based on face-to-face interviews with some 260 senior HR practitioners. This research provides

the most comprehensive study to date on human resource practice in multinational companies in Ireland. The LRC Symposium on 19th June 2008 formally launched two key reports from the study – '*Human Resource Practices in Multinational Companies in Ireland: A Large-Scale*' (Patrick Gunnigle, Jonathan Lavelle and Anthony McDonnell) and '*Managing HR in Multinational Companies in Ireland: Autonomy, Coordination and Control*' (Patrick Gunnigle, Jonathan Lavelle, Anthony McDonnell and Michael Morley).

This work is part of a larger international project involving comparative research in Australia, Canada, Mexico, Singapore, Spain and UK. Leading experts from these research teams also reported at the LRC Symposium on the experience of MNCs in their respective countries and certain aspects of HR and employment practice that emerged in their country studies.

Presentations as reported at the LRC Symposium are available for download at www.lrc.ie under – Our Publications – Research and Conference Papers – Symposium Human Resource Management in Multinational Companies (MNCs). The LRC intends to publish the findings arising from this study early in 2009.

LRC Research Strategy 2006-2008 and Publications

A significant level of research/information activity and publications has been achieved under the above programme that concluded in 2008. All of the research focused on issues relating to the “applied” activities of the Commission. This has enhanced the quality of output of the Commission and its services, including creating a useful interface at the various symposia and facilitating access to the material produced through the Commission’s website or through publications.

Delivery of the Strategy has led to the completion of the following projects:

- 1 Research/Publication:
“*Employment Dispute Resolution and Standard Setting in Ireland*” (collaboration with NCPP)
Published Feb 2008. Professor Paul Teague/Dr Damien Thomas
- 2 Symposium – “*New Perspectives on Workplace Change*” Croke Park – Nov 2008. (Papers available on website www.lrc.ie – Our Publications – Research and Conference Papers)
- 3 New CD – “*Negotiating the Way Ahead*” – 2007 (Distribution to Schools/Universities/Clients)
- 4 New Information packs:
The LRC and its Services – Information on Services in 6 languages
- 5 Symposium – “*Human Resource Practices in Multinational Companies in Ireland*” (in association with the UL/Kemmy Business School). Additional papers from Research: “*Autonomy of Irish Managers*” Professor Paddy Gunnigle. Publication – “*Human Resource Practices in Multinational Companies in Ireland: A Contemporary Analysis*” – is due to be published 2nd quarter 2009
- 6 “*The Dynamics of Workplace Dispute Resolution in Contemporary Ireland*” (QUB/UCD/ESRI) (Professor Paul Teague/Professor Bill Roche) – Publication “*Managing Workplace Conflict in Ireland*” is due for publication 2nd quarter 2009
- 7 Research Papers on Dispute Resolution Bodies:
 - EAT
 - Labour Court
 - Equality Tribunal
 - Rights Commissioner Service
- 8 Research paper on: “*Problems with Partnership at Work – an Irish case study*”; and “*Struggling to follow the High Road: Unionised Employments in an Open Economy*” – (Papers available on website www.lrc.ie – Our Publications – Research and Conference Papers)
- 9 LRC Client Survey 2007 – Dr John O’Dowd/Dr Tim Hastings. Findings utilised for Strategic Policy/Business Planning
- 10 LRC Strategy 2008-2010
“*Developing Best Practice in Employment Relations*”
- 11 “*Feasibility Study*” (Sept 08)
Development Project to determine the demand, practical operation and funding for a postgraduate qualification in “*Innovation and Change*”. (Liam Doherty/Tom Murphy)
 - a UCD/QUB/Cornell University
 - b Seeking funding from Workplace Innovation Fund (Enterprise Ireland/NCPP)
- 12 Collaborative Programme with NCI on:
 - i Health Service Partnership Forum
 - ii Training Capacity and Skills for Negotiators
- 13 “*LRC Review*” – 8 issues since its commencement
- 14 Irish Times Business 2000 – Schools Programme “*The LRC and its services*”
- 15 Digest of Rights Commissioner Recommendations (Oct 08 – see www.lrc.ie – Our Publications)
- 16 “*LRC Codes of Practice*” – Compendium of all Codes with commentary – due for publication 2nd quarter 2009
- 17 The Commission provided the costs of publication (Liffey Press) “*Workplace Partnership in Practice*” by Tony Dobbins

The Rights Commissioner Services Division

Mission Statement

“To investigate and recommend on disputes and grievances referred by individuals or small groups of workers under the relevant industrial relations/employment rights legislation.”

In 2008 the growth in demand continued to be a feature of the Rights Commissioner Service.

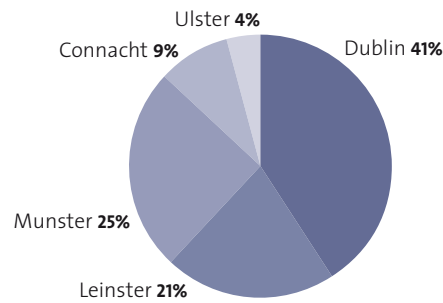
The Rights Commissioners serving during 2008 were:

| | |
|------------------|----------------|
| Tony Bregazzi | Peter O'Brien |
| Joan Carmichael | Jim O'Connell |
| Gaye Cunningham | Emer O'Shea |
| Rosaleen Glackin | Seán Reilly |
| Eugene Hanly | Michael Rooney |
| Michael Hayes | John Tierney |
| David Iredale | John Walsh |
| Mark McGrath | |

Referrals to the Rights Commissioner Service

In 2008, referrals to the Service increased by 20%, continuing the upward trend of recent years. The chart below shows the geographic origins of Referrals to the Service in 2008.

Geographic Distribution of Referrals Received in 2008



Number and Trend Indicator of Referrals Since 2004

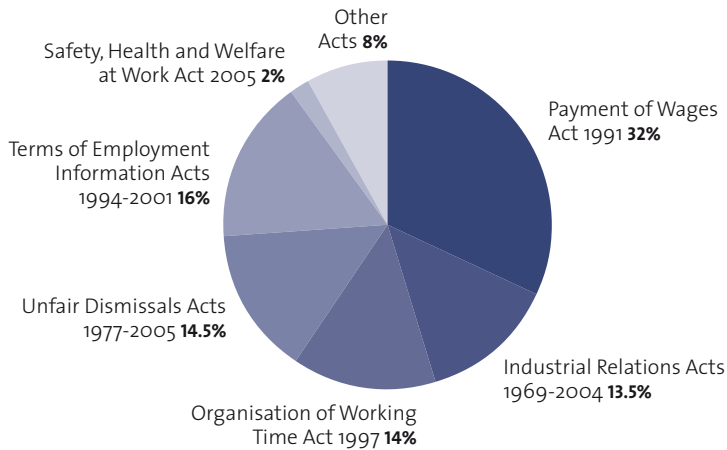
| Year | 2004 | 2005 | 2006 | 2007 | 2008 |
|-----------|-------|-------|-------|-------|--------|
| Referrals | 4,749 | 5,598 | 7,179 | 9,077 | 10,900 |



Referrals Statistics by Act 2004-2008

| Legislation | Number of Referrals | | | | |
|---|---------------------|--------------|--------------|--------------|---------------|
| | 2004 | 2005 | 2006 | 2007 | 2008 |
| Adoptive Leave Act 1995 | 0 | 1 | 1 | 2 | 8 |
| Carer's Leave Act 2001 | 0 | 0 | 1 | 1 | 7 |
| European Communities (Protection of Employment) Regulations, 2000 | 4 | 2 | 6 | 39 | 32 |
| European Communities (Protection of Employees on Transfer of Undertakings) Regulations 2003 | 66 | 116 | 128 | 151 | 202 |
| Employees (Provision of Information and Consultation) Act 2006 | | | | | 7 |
| European Communities (European PLC) (Employees Involvement) Regulations 2006 | | | | | 16 |
| Health Act, 2007 | | | | | 2 |
| Industrial Relations Acts 1969-1990 | 1,171 | 1,236 | 1,172 | 1,182 | 1,470 |
| Industrial Relations (Miscellaneous Provisions) Act 2004 | 7 | 84 | 62 | 32 | 70 |
| Maternity Protection Acts 1994-2004 | 8 | 26 | 23 | 26 | 49 |
| National Minimum Wage Act 2000 | 63 | 72 | 107 | 114 | 172 |
| Organisation of Working Time Act 1997 | 611 | 665 | 1087 | 1541 | 1516 |
| Parental Leave Act 1998 | 24 | 20 | 15 | 17 | 12 |
| Payment of Wages Act 1991 | 1,538 | 1,875 | 2,275 | 2,961 | 3,540 |
| Protection of Employees (Fixed Term Work) Act 2003 | 119 | 296 | 443 | 204 | 192 |
| Protection of Employees (Part Time Work) Act 2001 | 85 | 75 | 133 | 62 | 59 |
| Protection of Young Persons (Employment) Act 1996 | 0 | 3 | 7 | 3 | 3 |
| Protections for Persons Reporting Child Abuse Act 1998 | 0 | 1 | 0 | 1 | 0 |
| Safety, Health and Welfare at Work Act 2005 | 0 | 2 | 119 | 408 | 255 |
| Terms of Employment (Information) Acts 1994-2001 | 245 | 301 | 711 | 1,295 | 1,722 |
| Unfair Dismissals Acts 1977-2005 | 808 | 823 | 889 | 1,038 | 1,566 |
| Total Referrals | 4,749 | 5,598 | 7,179 | 9,077 | 10,900 |

The chart below illustrates the percentage breakdown of referrals received by relevant legislation in 2008.



Legislation

The most frequently used legislation is as follows:

1. The Payment of Wages Act 1991
2. The Organisation of Working Time Act 1997
3. The Terms of Employment Information Acts 1994-2001
4. The Unfair Dismissals Acts 1977-2005
5. The Industrial Relations Acts 1969-2004
6. The Safety, Health and Welfare at Work Act 2005

Payment of Wages Act 1991

The Payment of Wages Act 1991 continues to be the most frequently used Act for the submission of referrals to the Rights Commissioners Service.

In 2008 there were 3,540 referrals received compared to 2,961 in 2007, which represents an increase of 17%.

Many complaints were referred by individuals, and related to underpayment of wages compared to rates properly and legally payable in accordance with Joint Labour Committee Employment Regulation Orders issued by the Labour Court and Registered Employment Agreements which provide for minimum rates of pay and conditions of employment for employees in particular industries. In this regard the Construction Industry Registered Agreement attracted the most complaints.

Additionally there were many complaints concerning non-payment of holiday and public holiday pay, and the non-payment of a supplement for Sunday working. These matters are also comprehended by the Organisation of Working Time Act 1997. While a complaint

can only be dealt with under one or other of the Acts, to get an indication of non-compliance regarding holiday pay etc, it is necessary to consider referrals under both Acts.

Organisation of Working Time Act 1997

This Act embodies entitlement to holidays, Sunday supplement, rest breaks, maximum permitted working hours by way of regulations. Employers are required to keep proper records of employee attendance at work, holidays taken, etc. Many employers fail to keep the correct and prescribed records and consequently are unable to rebut complaints that relate to these matters.

The number of referrals declined marginally from 1,541 in 2007 to 1,516 in 2008.

Terms of Employment (Information) Acts 1994-2001

The number of employers who continue to ignore the requirement to issue employees with a written statement of their Terms of Employment is a cause of concern. Section 3 of the Act specifies quite clearly what is necessary in such a statement.

The provision of such a statement would eliminate a significant number of complaints under the legislation and it would have the added benefit of eliminating confusion on many aspects of employment that give rise to further conflicts.

There were 1,722 complaints under this Act in 2008 compared to 1,295 in 2007, which represents an increase of 25%.

Unfair Dismissals Acts 1977-2005

A large number of complaints under this legislation turn on the application or otherwise of fair procedures. The legislation provides that all dismissals are unfair unless justified on certain grounds as provided for in the Act. It is therefore up to the employer to justify any dismissal which occurs except in a case of constructive dismissal, where the employee resigns and subsequently claims that they had no option but to do so and that it amounted to a dismissal.

Again there was a significant increase in the number of cases dealt with by Rights Commissioners under the Unfair Dismissals legislation, rising from 1,038 in 2007 to 1,566 in 2008, which represents an increase of 34%.

Industrial Relations Acts 1969-2004

The number of complaints under this legislation increased from 1,182 in 2007 to 1,470 in 2008, which represents an increase of 20%. A large number of these complaints related to dismissals where the complainant did not have the necessary service to qualify to refer a complaint under the Unfair Dismissals Act.

Protection of Employees (Fixed Term Work) Act 2003

The number of complaints referred to the Service decreased from 204 in 2007 to 192 in 2008.

The decline in the number of referrals to the Service under this legislation is no doubt due, at least in part, to the fact that employers are now more familiar with the provisions of the Act and have largely corrected the manner and method by which they issued fixed term contracts. This followed on a number of significant Determinations of the Labour Court on appeal from Rights Commissioner decisions and in turn even more significant decisions of the High Court on points of Law arising from these Determinations.

At end 2007 the Rights Commissioner Service awaited the decision of The European Court of Justice on the issues referred to it by the Labour Court regarding its own jurisdiction and that of Rights Commissioners in the matter of applying the Principle of Direct Effect and whether the Directive on Fixed Term Work includes financial elements.

The European Court issued its judgement on the questions addressed to it by the Labour Court on 15th April 2008 and ruled, *inter alia*, that the Labour Court and Rights Commissioners had jurisdiction to apply the Principle of Direct Effect.

This means that the period between the coming into effect of a Directive and its transposition into Irish law, where the complaint is against the State or an emanation of the State, may be considered. The full judgement of the Court should be consulted for a more detailed analysis of the questions asked and the answers given.

Safety, Health, and Welfare at Work Act 2005

There was a decrease in the number of complaints referred to the Service under this legislation, from 408 in 2007 to 255 in 2008.

The Rights Commissioner is, however, confined to addressing complaints of penalisation that may occur as a consequence of an employee acting in accordance with the provisions of Section 27 subsection 3 of the Act. What constitutes penalisation is detailed in subsection 2 of Section 27.

Many complaints referred to the Rights Commissioner Service have been found by Rights Commissioners to be not well founded, and a number of these decisions are under Appeal to the Labour Court.

Activities in 2008

Labour Court and Rights Commissioner Service – Exchange of Views

A meeting was arranged by the Rights Commissioner Service to provide a forum for exchanges of views on a number of topics of mutual interest to participants, and to facilitate greater consistency in the approaches of the two organisations.

The meeting took place in the Royal Hospital Kilmainham on 14th April, and was attended by the Chief Executive of the LRC, all Rights Commissioners, together with the Chairman and Members of the Labour Court. A similar meeting was previously held in Farmleigh in 2006.

Building on the success of that engagement a follow-up presentation was given by the Chairman of the Labour Court to Rights Commissioners on 10th June.

Digest of Decisions

A Digest of Rights Commissioners Decisions was provided to users of the Service in September 2008, and has been published on the LRC website – www.lrc.ie

Claim Forms

Revised claim forms have been drafted for all Acts and it is intended that these will be in use in the second quarter of 2009.

Information Briefings

Citizens Information Centres:
A presentation and Q&A session was given to the Citizens Information Advocacy Services for the North-East in Donegal in October.

Training of Rights Commissioners

A number of training initiatives were arranged by the Service to assist Rights Commissioners in their functions, as follows:

- The Head of the Rights Commissioner Service and one Commissioner attended the Thomson Roundhall Employment Law Conference in May 2008.
- Three further Rights Commissioners completed the Institute of Public Administration Quasi-Judicial Course in June 2008. Course content includes training on rules of procedure, evaluation of evidence and the drawing of inferences.

- Mr Tony Bregazzi has been retained as an adviser to the Rights Commissioners and has provided valuable in-house training to newly recruited Rights Commissioners.
- Employment Law Training has been provided to Secretariat staff, via NERA, which should assist staff in their dealings with Commissioners (mentioned also under 'Training and Development' – Corporate Services Section).

Interpreter Services

During 2008 there were eight hearings at which an interpreter was provided.

The Service provided Irish, Polish, Russian (Ukraine) and Arabic interpreters and, in one case, an electronic communication service was also provided for a claimant with hearing difficulties.

It is the policy of the Rights Commissioner Service to provide interpreters only at the request of the Rights Commissioner and not solely at the request of either party involved in the hearing.

Scheduling of Hearings

A breakdown of the hearings scheduled, withdrawn/settled, adjourned/on hold and the total number of cases heard in 2008 is outlined below:

| Hearings Scheduled | Withdrawn/ Settled | Adjourned/ On Hold | Total Heard |
|--------------------|--------------------|--------------------|-------------|
| 7,954 | 1,143 | 2,281 | 4,530 |

Hearings may often feature more than one claimant, and claims under several Acts may be heard at one hearing.

Adjournments

2,281 cases were adjourned or on hold at the end of 2008.

Most adjournment requests were granted, and the proportion of requests remains at 60/40 for employers (and/ or their representatives) and employees (and/or their representatives), respectively.

However, due to the high volume of requests for adjournments, the Rights Commissioner Service reviewed its policies at the end of 2008. Following this review, the Service introduced new policies to deal with adjournment applications.

From 2009 only one adjournment will be considered in respect of each side. A valid reason for the adjournment must, in all cases, also be furnished to the Rights Commissioner Service.

Chapter 3 The Corporate Services Division in 2008

Director of Corporate Services (shared) and Secretary to the Board
Eddie Nolan

Assistant Principal Officer (shared)
Brendan Smith

Accounts Officer
Paul McMahon

Higher Executive Officer
Patricia Lynch

Executive Officer
David O'Brien

Administration

Board Meetings

There were 10 statutory meetings of the Board in 2008.

Strategy Statement 2008-2010

Following considerable analysis of the I.R. environment and the Client Survey in the latter part of 2007 the Strategy Statement was finalised. Titled *'Developing Best Practice in Employment Relationships – Strategic Objectives: 2008-2010'* the strategy was launched by the Minister for Enterprise, Trade and Employment in March 2008. The Strategy Statement can be accessed on the Commission's website at www.lrc.ie.

Business Plan 2008

The Board approved the Business Plan for the Commission services in January 2008. The Board reviewed the interim progress and final outcomes in June and December 2008, respectively.

Code of Practice for the Governance and Conduct of the LRC

The Board applies procedures in accordance with the Code of Practice for the Governance of State Bodies. In addition, the Board and Commission have acted in accordance with the terms of the Organisation's own 'Code of Practice for the Governance and Conduct of the LRC' as approved by the Board in 2007. A review of that Code will be considered by the new Board in 2009.

Audit Committee

The role of the Audit Committee, as part of the ongoing systematic review of the control environment and governance procedures within the Commission, is to report to and advise the Accounting Officer and the Board on internal control matters. The Internal Audit function is outsourced to an independent practitioner and her proposed Audit plans are considered and approved by the Committee as required and in the context of a structured programme of activity that ensures every relevant aspect of Commission activity is examined over a predefined timescale. In its consideration of Audit plans the Committee is always mindful of developments such as updated Guidelines on Corporate Governance best practice and the related increasing range and detail of compliance obligations on both the Organisation and individual Management Personnel as new legislation, regulation and codes of practice are enacted.

The Audit Committee met on four occasions in 2008 – June, July, November and December. Over the course of those meetings the Committee considered reports covering; Business Risk Management Process, Financial Reporting Process, Treasury Process, Payroll Process, Travel and Subsistence Process and Revenue Process.

Arising from a recommendation from the Internal Auditor, echoed later by the External Auditors, the Commission published an RFT on the eTenders System in the latter half of 2008 seeking submissions for the provision of an Integrated Financial Management System for the Commission. The Committee approved an updated Business Continuity Plan in late 2008, while a revised Business Risk Register had been approved at the meeting in July.

On foot of the relevant reports the Committee concluded that there is an effective system of internal controls in operation in the Commission.

Ethics in Public Office

All Board members, Rights Commissioners and relevant Officers of the Commission completed the appropriate returns under the Ethics in Public Office Acts, as required.

Disaster Recovery and Business Continuity Plan

The first plan prepared within the Commission was approved by the Board in July 2007. A revised and updated plan was prepared in 2008 and was noted by the Board in December 2008. This later version is very comprehensive and as it was developed was used by the Department as template for its planned rollout of an updated Departmental/Agency/Office wide system. As part of that process the LRC plan was 'stress-tested' in the course of a desktop exercise that

simulated 'disaster' scenarios and assessed responses. The exercise brought together personnel from all levels, including the most senior Officials concerned, from both the Department and the Commission.

Key features include:

- List of Crisis, Business and IT Management and Recovery teams
- Evacuation and damage assessment and information dissemination procedures
- Alternative infrastructure to facilitate quick reassignment of meeting locations
- Critical suppliers list

Commission's Annual Accounts 2008

As was the case in respect of the Commission's 2007 Accounts the Comptroller and Auditor General contracted Moylan, Mulcahy and Co. (Cork) to undertake the audit of the LRC accounts for 2008. The letter of representation and the financial statements for the year ended 31st December 2007 were approved by the Audit Committee and the Board in June 2008. The final accounts for 2008 are included in this report.

International Agencies Meeting

The Chairman and Chief Executive attended the International Agencies meeting in Cape Town, South Africa 22nd-25th October 2008. The attendance included the Chief Executives/Chairs/Director of Services from the FMCS (USA), ACAS (UK),

LRA (NI), FMCS (Canada), CCMA (South Africa), AIRC (Australia) and the ERA (New Zealand). The Chairman and Chief Executive spoke also during the visit at an International Dispute Resolution Conference organised by the CCMA in Cape Town.

Conferences

The Chief Executive spoke at a number of international conferences in Geneva (ILO), Helsinki (Government of Finland) and New Delhi, India (EU). The host organisations covered the costs involved.

Staffing

Staff of the Commission

The Commission wishes to acknowledge the dedication and professionalism of all staff in their commitment to their work in the service of the Commission. Regarding those colleagues who have moved on from the Commission in 2008, either for career development purposes or following success in promotion competitions, the Commission acknowledges their fine contribution also, which is exemplified in their career progression and wishes each one well in the future.

The Commission wishes also to acknowledge the service of John Murphy, who died after a short illness.

Training and Staff Development

The induction training facility together with the core ICT skills training that is provided by the Department was availed of by a number of Commission staff. Other staff members commenced training in the ECDL basic level courses that are also provided by the Department. Staff with the appropriate skill levels have been facilitated with access to the advanced ECDL courses as the training is made available.

The Conciliation Services Division pursues a policy of securing training opportunities for Conciliators with its UK counterpart ACAS. During 2008 the Commission arranged for the participation of one conciliator in such a programme. In addition the Service arranged, in conjunction with the Advisory Services Division, for a facilitated in-house seminar on Mediation which was attended by all officers delivering the Workplace Mediation Service on behalf of the Commission. Officers of the Commission also attended the annual conference of the Mediation Institute of Ireland.

One Officer, assigned to the Advisory Service, is undertaking the MA in Industrial Relations and Human Resources Management at Keele University.

The relevant senior Officers in the Commission have completed the remaining modules of the Leadership Training Programme that was sponsored by the Department.

The Head of the Rights Commissioner Service together with one Rights Commissioner attended the Thomson Roundhall Employment Law Conference in May 2008. Three Rights Commissioners completed the Institute of Public Administration Quasi Judicial Course in June 2008. The course content includes training on rules of procedure, evaluation of evidence and the drawing of inferences.

The Commission has actively encouraged and supported those staff members who participated in the 2008 modules of Employment Law Training that was provided by NERA. It is anticipated that this will be an ongoing facility that the Commission will continue to support.

Performance Management Development System (PMDS)

The Commission is committed to ensuring that best practice is employed in the delivery of all aspects of the PMDS so as to enhance the development of its staff and to ensure a pathway for constructive two-way communication is in place. Role Profiles and Interim Reviews were completed in a timely fashion for all staff members of the Commission. The provision of upward feedback is encouraged as a feature of the process.

Rights Commissioner Appointments

In late 2007, the most significant increase in the number of Right Commissioners ever took place when 7 new Rights Commissioners received their Warrants of Appointment from the Minister. These appointments fulfilled commitments given by the Government to the Social Partners arising from the provisions of "Towards 2016". The new Commissioners became fully operational in 2008 as the Service encountered a year in which it received the highest number of referrals in its history.

Appendix 1 Labour Relations Commission – Organisational Structure

| Senior Management Team | | Contact Details |
|---|--|---------------------------------------|
| Kieran Mulvey | Chief Executive | 01 613 6705 / Kieran_Mulvey@entemp.ie |
| Vacancy in 2008 (Post filled in 2009 – Freda Nolan) | Director of the Advisory Services Division | 01 613 6713 |
| Eddie Nolan | Director of the Corporate Services Division, and Secretary to the Board of the Commission, also Head of the Rights Commissioner Service Division | 01 613 6706 / Eddie_Nolan@entemp.ie |
| Kevin Foley | Director of the Conciliation Services Division | 01 613 6723 / Kevin_Foley@entemp.ie |
| Tom Pomphrett | Deputy Director of the Conciliation Services Division | 01 613 6716 / Tom_Pomphrett@entemp.ie |

| Chief Executive's Office | | Contact Details |
|--------------------------|-----------------------|--|
| Kieran Mulvey | Chief Executive | 01 613 6705 / Kieran_Mulvey@entemp.ie |
| Sarah McDonald | PA to Chief Executive | 01 613 6705 / Sarah_McDonald@entemp.ie |

| Corporate Services Division | | Contact Details |
|-----------------------------|---|--|
| Eddie Nolan | Director of the Corporate Services Division | 01 613 6706 / Eddie_Nolan@entemp.ie |
| Brendan Smith | Assistant Principal Officer (Shared) | 01 617 6732 / Brendan_Smith@entemp.ie |
| Patricia Lynch | Higher Executive Officer Corporate Services | 01 613 6791 / Patricia_Lynch@entemp.ie |
| Paul McMahan | Executive Officer (Accounts and Administration) | 01 613 6785 / Paul_McMahon@entemp.ie |
| David O'Brien | Executive Officer (Premises and Services) | 01 613 6736 / David_O'Brien@entemp.ie |

| Advisory Services Division | | Contact Details |
|---|--|---|
| Vacancy in 2008 (Post filled in early 2009 – Freda Nolan) | Director of the Advisory Services Division | |
| Seamus Doherty | Senior Advisory Officer | 01 613 6740 / Seamus_Doherty@entemp.ie |
| Assumpta McGill | Senior Advisory Officer | 01 613 6764 / Assumpta_McGill@entemp.ie |
| Leo Costello | Advisory Officer | 01 613 6741 / Leo_Costello@entemp.ie |
| Alyson Gavin | Advisory Officer | 01 613 6756 / Alyson_Gavin@entemp.ie |
| Noel Kenny | Administration (Shared) | 01 613 6714 / Noel_Kenny@entemp.ie |

| Conciliation Services Division | | Contact Details |
|----------------------------------|---|---|
| Kevin Foley | Director of the Conciliation Services Division | 01 613 6723 / Kevin_Foley@entemp.ie |
| Tom Pomphrett | Deputy Director of the Conciliation Services Division | 01 613 6716 / Tom_Pomphrett@entemp.ie |
| Margaret Sweeney | Clerical Officer | 01 613 6710 / Margaret_Sweeney@entemp.ie |
| Fiona Gallagher | Clerical Officer | 01 613 6714 / Fiona_Gallagher@entemp.ie |
| North West/Midland Region | | |
| Sheamus Sweeney | Regional Manager | 01 613 6711 / Sheamus_Sweeney@entemp.ie |
| Mairead Daly | Industrial Relations Officer | 01 613 6728 / Mairead_Daly@entemp.ie |
| Dermot Murphy | Clerical Officer | 01 613 6778 / Dermotj_Murphy@entemp.ie |
| West/Midwest Region | | |
| John Agnew | Regional Manager | 01 613 6715 / John_Agnew@entemp.ie |
| Brendan Cunningham | Industrial Relations Officer | 01 613 6709 / Brendan_Cunningham@entemp.ie |
| Vacancy | Industrial Relations Officer | |
| Marguerite Whyte | Clerical Officer | 01 613 6789 / Marguerite_Whyte@entemp.ie |
| South/Southwest Region | | |
| Damien Cannon | Regional Manager | 01 613 6727 / Damien_Cannon@entemp.ie |
| John Kelly | Industrial Relations Officer | 01 613 6730 / John_B_Kelly@entemp.ie |
| Michael Keegan | Industrial Relations Officer | 01 613 6734 / Michael_Keegan@entemp.ie |
| Lena Kavanagh | Clerical Officer | 01 613 6729 / Lena_Kavanagh@entemp.ie |
| South East Region | | |
| Brian McGinn | Regional Manager | 01 613 6719 / Brian_McGinn@entemp.ie |
| Louis Mooney | Industrial Relations Officer | 01 613 6735 / Louis_Mooney@entemp.ie |
| Maedhbh Cronin | Industrial Relations Officer | 01 613 6738 / Maedhbh_Cronin@entemp.ie |
| Karen Buchanan | Clerical Officer | 01 613 6788 / Karen_Buchanan@entemp.ie |
| National Public Sector | | |
| John Fallon | Regional Manager | 01 613 6708 / John_Fallon@entemp.ie |
| Declan Tighe | Staff Officer | 01 613 6779 / Declan_Tighe@entemp.ie |

| Rights Commissioners Administration | | Contact Details |
|-------------------------------------|---|---|
| Eddie Nolan | Head of Rights Commissioner Service, Director of Corporate Services Division and Secretary to the Board | 01 613 6706 / Eddie_Nolan@entemp.ie |
| Brendan Smith | Assistant Principal Officer (Shared) | 01 613 6737 / Brendan_Smith@entemp.ie |
| Geraldine Drumm | Higher Executive Officer | 01 613 6729 / Geraldine_Drumm@entemp.ie |
| Jane Reidy | Executive Officer | 01 613 6725 / Jane_Reidy@entemp.ie |
| Marian Smith | Staff Officer | 01 613 6793 / Marian_Smith@entemp.ie |
| Thomas Joyce | Staff Officer | 01 613 6749 / Thomas_Joyce@entemp.ie |
| Brigette Booth | Clerical Officer | 01 613 6750 / Brigette_Booth@entemp.ie |
| Geraldine Carey | Clerical Officer | 01 613 6712 / Geraldine_Carey@entemp.ie |
| Mary Coyle | Clerical Officer | 01 613 6726 / Mary_Coyle@entemp.ie |
| Stephen Dwyer | Clerical Officer | 01 613 6724 / Stephen_Dwyer@entemp.ie |
| Eileen Gallagher | Clerical Officer | 01 613 6758 / Eileen_Gallagher@entemp.ie |
| John Kane | Clerical Officer | 01 613 6739 / John_Kane@entemp.ie |
| Helen Keane | Clerical Officer | 01 613 6774 / Helen_Keane@entemp.ie |
| Noel Kenny | Clerical Officer | 01 613 6714 / Noel_Kenny@entemp.ie |
| Gavan Lockhart | Clerical Officer | 01 613 6748 / Gavan_Lockhart@entemp.ie |
| Kieren Mee | Clerical Officer | 01 613 6787 / Kieren_Mee@entemp.ie |
| Martina Roche | Clerical Officer | 01 613 6755 / Martina_Roche@entemp.ie |
| Debbie Royle | Clerical Officer | 01 613 6747 / Debbie_Royle@entemp.ie |
| Amanda Shiels | Clerical Officer | 01 613 6786 / Amanda_Shiels@entemp.ie |
| Ian Tracey | Clerical Officer | 01 613 6718 / Ian_Tracey@entemp.ie |
| Bernadette Williams | Clerical Officer | 01 613 6757 / Bernadette_Williams@entemp.ie |

| Rights Commissioners | | Contact Details |
|----------------------|---------------------|----------------------------|
| Tony Bregazzi | Rights Commissioner | Tony_Bregazzi@entemp.ie |
| Joan Carmichael | Rights Commissioner | Joan_Carmichael@entemp.ie |
| Gaye Cunningham | Rights Commissioner | Gaye_Cunningham@entemp.ie |
| Rosaleen Glackin | Rights Commissioner | Rosaleen_Glackin@entemp.ie |
| Eugene Hanly | Rights Commissioner | Eugene_Hanly@entemp.ie |
| Michael Hayes | Rights Commissioner | Michael_Hayes@entemp.ie |
| David Iredale | Rights Commissioner | David_Iredale@entemp.ie |
| Mark McGrath | Rights Commissioner | Mark_McGrath@entemp.ie |
| Peter O'Brien | Rights Commissioner | Peter_OBrien@entemp.ie |
| Jim O'Connell | Rights Commissioner | Jim_OConnell@entemp.ie |
| Emer O'Shea | Rights Commissioner | emeroshea@entemp.ie |
| Seán Reilly | Rights Commissioner | seanreilly@entemp.ie |
| Michael Rooney | Rights Commissioner | |
| John Tierney | Rights Commissioner | John_Tierney@entemp.ie |
| John Walsh | Rights Commissioner | John_Walsh@entemp.ie |



Appendix 2 Financial Statements

For the Year Ended 31st December 2008

Index of Contents

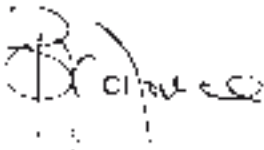
| | |
|---|----|
| Statement of Responsibilities of the Commission | 42 |
| Statement on the System of Internal Financial Control | 43 |
| Report of the Comptroller and Auditor General | 45 |
| Statement of Accounting Policies | 47 |
| Income and Expenditure Account | 48 |
| Statement of Total Recognised Gains and Losses | 49 |
| Balance Sheet | 50 |
| Notes to the Financial Statements | 51 |

Statement of Responsibilities of the Commission

Section 31(1) of the Industrial Relations Act 1990 requires the Commission to prepare Financial Statements in such form as may be approved by the Minister for Enterprise, Trade and Employment after consultation with the Minister for Finance. In preparing those statements, the Commission is required to:

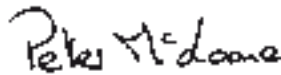
- select suitable accounting policies and apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Commission will continue in operation,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The Commission is responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the Commission and which enable it to ensure that the Financial Statements comply with Section 31(1) of the Act. The Commission is also responsible for safeguarding the assets of the Labour Relations Commission and for taking reasonable steps for the prevention and detection of fraud and other irregularities.



Chairperson

29th July 2009



Commission Member

29th July 2009

Statement on the System of Internal Financial Control

Responsibility for the System of Internal Financial Control

As Chairman, I acknowledge the responsibility of the Labour Relations Commission for ensuring that an effective system of internal financial control is maintained and operated.

The system can only provide reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected in a timely period.

Key Control Procedures

The Commission has taken steps to ensure an appropriate control environment is in place by:

- Clearly defining management responsibilities and powers;
- Establishing formal procedures for monitoring the activities and safeguarding the assets of the Commission;
- Developing a culture of accountability across all levels of the Commission

The Commission has established procedures to identify and evaluate business risks by:

- Identifying the nature, extent and financial implication of risks facing the Commission including the extent and categories which it regards as acceptable;
- Assessing the likelihood of identified risks occurring – a risk register is in place;
- Assessing the Commission's ability to manage and mitigate the risks that do occur;
- Assessing the costs of operating particular controls relative to the benefit obtained.

The system of internal financial control is based on a framework of regular management information, administrative procedures including segregation of duties, and a system of delegation and accountability. In particular, it includes:

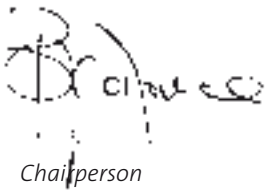
- A comprehensive budgeting system with a monthly budget which is reviewed and agreed by the Commission;
- Regular reviews by the Commission of periodic and annual financial reports which indicate financial performance against forecasts;
- Setting targets to measure financial and other performance;
- Clearly defined purchasing and approval guidelines;
- Formal project management disciplines.

The Commission employed a consultant, on a contract basis, as internal auditor to conduct a review of the effectiveness of the system of internal controls.

The Commission's monitoring and review of the effectiveness of the system of internal financial control is informed by the work of the Internal Auditor, the Audit Committee, the executive managers within the Commission who have responsibility for the development and maintenance of the financial control framework, and comments made by the Comptroller and Auditor General in his management letter or other reports.

Annual Review of Controls

I confirm that for the year ended 31st December 2008 the Commission conducted a review of the effectiveness of the system of internal financial controls.

Signed on behalf of The Labour Relations CommissionA handwritten signature in black ink, appearing to read 'D. Clarke', is written over a faint, circular stamp. The stamp contains some illegible text, possibly the name of the Chairperson or the Commission.

Chairperson

29th July 2009

Report of the Comptroller and Auditor General

For Presentation to the Houses of the Oireachtas

I have audited the financial statements of the Labour Relations Commission for the year ended 31st December 2008 under the Industrial Relations Act 1990.

The financial statements, which have been prepared under the accounting policies set out therein, comprise the Statement of Accounting Policies, the Income and Expenditure Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes.

Respective Responsibilities of the Commission and the Comptroller and Auditor General

The Commission is responsible for preparing the financial statements in accordance with the Industrial Relations Act 1990, and for ensuring the regularity of transactions. The Commission prepares the financial statements in accordance with Generally Accepted Accounting Practice in Ireland. The accounting responsibilities of the Members of the Commission are set out in the Statement of Responsibilities of the Commission.

My responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

I report my opinion as to whether the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland. I also report whether in my opinion proper books of account have been kept. In addition, I state whether the financial statements are in agreement with the books of account.

I report any material instance where moneys have not been applied for the purposes intended or where the transactions do not conform to the authorities governing them.

I also report if I have not obtained all the information and explanations necessary for the purposes of my audit.

I review whether the Statement on Internal Financial Control reflects the Commission's compliance with the Code of Practice for the Governance of State Bodies and report any material instance where it does not do so, or if the statement is misleading or inconsistent with other information of which I am aware from my audit of the financial statements. I am not required to consider whether the Statement on Internal Financial Control covers all financial risks and controls, or to form an opinion on the effectiveness of the risk and control procedures.

I read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. I consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of Audit Opinion

In the exercise of my function as Comptroller and Auditor General, I conducted my audit of the financial statements in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board and by reference to the special considerations which attach to State bodies in relation to their management and operation. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures and regularity of the financial transactions included in the financial statements. It also includes an assessment of the significant estimates and judgements made in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Commission's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations that I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In my opinion, the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of the Commission's affairs at 31st December 2008 and of its income and expenditure for the year then ended.

In my opinion, proper books of account have been kept by the Commission. The financial statements are in agreement with the books of account.

**Gerard Smyth**

For and on behalf of the Comptroller and Auditor General

31st August 2009

Statement of Accounting Policies

1 Basis of Accounting

These financial statements have been prepared under the accruals method of accounting, except as stated below, and in accordance with generally accepted accounting principles under the historical cost convention. Financial Reporting Standards recommended by the recognised accountancy bodies are adopted, as they become operative. The unit of currency in which the Financial Statements are denominated is Euro.

2 Oireachtas Grants

Income is accounted for on the basis of:

- Cash receipts from the Department of Enterprise, Trade and Employment;
- Payments made by the Department of Enterprise, Trade and Employment on behalf of the Commission.

3 Fixed Assets and Depreciation

The Labour Relations Commission adopts a minimum capitalisation threshold of €1,000. Fixed assets are stated at their cost less accumulated depreciation. Depreciation is charged at rates calculated to write off the cost of each asset over its expected useful life on a straight line basis as follows:

| | |
|----------------------------------|---------------|
| Furniture, Fixtures and Fittings | 10% Per Annum |
| Equipment | 20% Per Annum |

4 Capital Account

The capital account represents the unamortised amount of income used to purchase fixed assets and the value of assets transferred to the Commission.

5 Pensions

The Commission operates a non-contributory defined benefit pension scheme for one Officer which is funded annually on a pay-as-you-go basis from monies provided by the Department of Enterprise, Trade and Employment. Pension Scheme liabilities are measured on an actuarial basis using the projected unit method. Pension costs reflect pension benefits earned in the period. An amount corresponding to the pension charge is recognised as income to the extent that it is recoverable, and offset by grants received in the year to discharge pension payments.

Actuarial gains or losses arising on scheme liabilities are reflected in the Statement of Total Recognised Gains and Losses and a corresponding adjustment is recognised in the amount recoverable from the Department of Enterprise, Trade and Employment.

Pension liabilities represent the present value of future pension payments earned to date. Deferred pension funding represents the corresponding asset to be recovered in future periods from the Department of Enterprise, Trade and Employment.

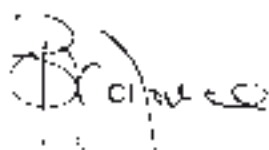
6 Stocks

Stocks of publications and stationery have no net realisable value and are not regarded as assets.

Income and Expenditure Account

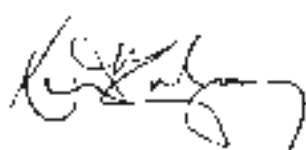
| | Notes | € | 2008 € | 2007 € |
|------------------------------------|-------|-----------|-----------|-----------|
| Income | | | | |
| Oireachtas grants | 1 | | 5,920,979 | 4,870,851 |
| Net deferred funding for pensions | 4 | | 109,000 | 107,000 |
| Deposit interest | | | 9 | 9 |
| | | | 6,029,988 | 4,977,860 |
| Transfer (to)/from Capital Account | 2 | | 74,299 | (105,642) |
| | | | 6,104,287 | 4,872,218 |
| Expenditure | | | | |
| Salaries and related costs | 3 | 4,213,767 | | 3,530,432 |
| Travel and subsistence | | 462,205 | | 385,241 |
| Commission members' fees | 5 | 108,000 | | 105,421 |
| Rental of meeting rooms | | 160,148 | | 78,357 |
| Stationery and office supplies | | 48,972 | | 48,483 |
| Postage, carriage and telephone | | 151,927 | | 122,575 |
| Entertainment and catering | | 18,277 | | 11,970 |
| Research | | 93,500 | | 45,830 |
| Utilities and Office maintenance | | 192,478 | | 130,132 |
| Audit fee | | 8,750 | | 8,750 |
| Consultancy and professional fees | | 153,060 | | 211,015 |
| Miscellaneous | | 75,986 | | 70,603 |
| Printing | | 46,186 | | 36,803 |
| Training | | 13,738 | | 34,182 |
| Refurbishment | | – | | 42,490 |
| Pension costs | | 109,000 | | 107,000 |
| Depreciation | | 131,562 | | 138,165 |
| Loss on disposal of fixed assets | | 349 | | 7,818 |
| | | | 5,987,905 | 5,115,267 |
| Surplus/(Deficit) for year | | | | |
| Balance at 1st January | | | 5,506 | 248,555 |
| 31st December | | | 121,888 | 5,506 |

The results for the year relate to continuing operations. The Statement of Accounting Policies and Notes 1 to 12 form part of these Financial Statements.



Chairperson

29th July 2009



Chief Executive

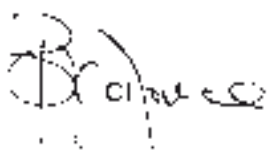
29th July 2009

Statement of Total Recognised Gains and Losses

| | Notes | 2008 € | 2007 € |
|--|-------|-----------|-----------|
| Surplus/(deficit) for the year | | 116,382 | (243,049) |
| Experience gains/(losses) on pension scheme liabilities | | (41,000) | 7,000 |
| Changes in assumption underlying the present value of pension scheme liabilities | | – | – |
| Actuarial gain/(loss) on pension liabilities | | (41,000) | 7,000 |
| Adjustment to deferred pension funding | 4(d) | 41,000 | (7,000) |
| Total recognised gain/(loss) for the year | | 116,382 | (243,049) |

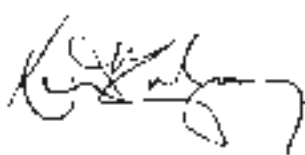
The results for the year relate to continuing operations.

The Statement of Accounting Policies and Notes 1 to 12 form part of these Financial Statements.



Chairperson

29th July 2009



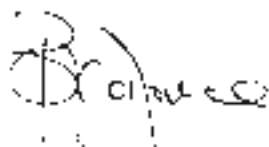
Chief Executive

29th July 2009

Balance Sheet

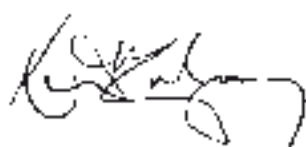
| | Notes | € | 2008 € | 2007 € |
|---|-------|---------|-------------|-----------|
| Fixed Assets | 7 | | 371,575 | 445,874 |
| Current Assets | | | | |
| Debtors and prepayments | 8 | 134,583 | | 96,537 |
| Cash at bank and on hand | 9 | 117,268 | | 73,003 |
| | | 251,851 | | 169,540 |
| Current Liabilities | | | | |
| Creditors (amounts falling due within one year) | 10 | 129,963 | | 164,034 |
| | | 129,963 | | 164,034 |
| Net Current Assets | | | 121,888 | 5,506 |
| Total Assets less Current Liabilities before Pension | | | 493,463 | 451,380 |
| Deferred pension funding | 4 | | 1,100,000 | 950,000 |
| Pension liabilities | 4 | | (1,100,000) | (950,000) |
| Total Assets less Current Liabilities | | | 493,463 | 451,380 |
| Represented By: | | | | |
| Capital Account | 2 | | 371,575 | 445,874 |
| Income and expenditure account | | | 121,888 | 5,506 |
| | | | 493,463 | 451,380 |

The Statement of Accounting Policies and Notes 1 to 12 form part of these Financial Statements.



Chairperson

29th July 2009



Chief Executive

29th July 2009

Notes to the Financial Statements

For the Year Ended 31st December 2008

1 Oireachtas Grants

The Department of Enterprise, Trade and Employment provided grant funding during the year as follows:

- Paid over to the Labour Relations Commission
- Paid directly by the Department

| 2008 € | 2007 € |
|-----------|-----------|
| 1,615,000 | 1,250,000 |
| 4,305,979 | 3,620,851 |
| 5,920,979 | 4,870,851 |

2 Capital Account

Balance at 1st January

Transfer from Income and Expenditure Account

- Income applied to purchases of Fixed Assets
- Net book value of assets disposed
- Amortisation in line with depreciation

Balance at 31st December

| 2008 € | 2007 € |
|-----------|-----------|
| 445,874 | 340,232 |
| 57,612 | 251,625 |
| (349) | (7,818) |
| (131,562) | (138,165) |
| (74,299) | 105,642 |
| 371,575 | 445,874 |

3 Salaries and Related Costs

The charge of €4,213,767 includes fees of €1,345,706 payable to the 15 Rights Commissioners. The total number of staff employed at 31st December 2008 was 51 (2007: 49). All staff, other than the Chief Executive, are civil servants assigned to the Commission by the Department of Enterprise, Trade and Employment.

4 Pension

(a) Analysis of total pension costs charged to Expenditure

Current service costs

Interest on Pension Scheme Liabilities

| 2008 € | 2007 € |
|-----------|-----------|
| 57,000 | 57,000 |
| 52,000 | 50,000 |
| 109,000 | 107,000 |

(b) Movement in net pension liability during the financial year

| | 2008 € | 2007 € |
|--|-----------|-----------|
| Net pension liability at 1st January | 950,000 | 850,000 |
| Current service cost | 57,000 | 57,000 |
| Interest costs | 52,000 | 50,000 |
| Actuarial loss/(gain) | 41,000 | (7,000) |
| Pensions paid in the year | – | – |
| Net pension liability at 31st December | 1,100,000 | 950,000 |

(c) Deferred funding for pensions

The Commission recognises these amounts as an asset corresponding to the unfunded deferred liability for pension on the basis of the set of assumptions described above and a number of past events. These events include the statutory basis for the establishment of the pension schemes, and the policy and practice currently in place in relation to funding public service pensions including the annual estimates process. The Commission has no evidence that this funding will not continue to meet such sums in accordance with current practices. The deferred funding asset for pension as at 31st December 2008 amounted to €1,100,000 (2007: €950,000).

(d) History of defined benefit obligations

| | 2008 € | 2007 € |
|--|-----------|-----------|
| Defined benefit obligations | 1,100,000 | 950,000 |
| Experience losses/(gains) on scheme liabilities: | | |
| Amount | 41,000 | (7,000) |
| Percentage of scheme liabilities | 4% | (1%) |

The cumulative actuarial loss recognised in the Statement of Total Recognised Gains and Losses amounts to €344,000.

(e) General description of the scheme

The pension scheme is a defined benefit salary pension arrangement with benefits and contributions defined by reference to current "model" public sector scheme regulations. The valuation used for FRS17 (Revised) disclosures has been based on a full actuarial valuation on 27th January 2009 by a qualified independent actuary taking account of the requirements of the FRS in order to assess the scheme liabilities at 31st December 2008.

The principal actuarial assumptions were as follows:

| | 2008 | 2007 |
|---|------|------|
| Rate of increase in salaries | 4% | 4% |
| Rate of increase in pensions in payment | 4% | 4% |
| Discount rate | 5.5% | 5.5% |
| Inflation rate | 2% | 2% |

(f) Revised FRS17 disclosures

The information on pensions has been presented in line with new disclosure requirements required from 2008 under an amendment to FRS 17 with the exemption of the mortality basis which allows for improvements in life expectancy over time. This will be included in the notes to the 2009 accounts.

5 Commission Members' Fees

The annual fees payable to Commission Members are as follows:

| | 2008 € | 2007 € |
|------------------|-----------|-----------|
| Chairman | 24,000 | 24,000 |
| Ordinary Members | 84,000 | 81,421 |
| | 108,000 | 105,421 |

6 Rent and Rates

The Commission operates from offices provided on a rent free basis by the Office of Public Works.

7 Fixed Assets

| | Furniture, Fixtures and Fittings € | Equipment € | Total € |
|---------------------------------|---|----------------|------------|
| Cost | | | |
| At 1 January 2008 | 432,347 | 684,182 | 1,116,529 |
| Additions In Year | 14,914 | 42,698 | 57,612 |
| Disposals In Year | (1,181) | – | (1,181) |
| At 31st December 2008 | 446,080 | 726,880 | 1,172,960 |
| Accumulated Depreciation | | | |
| At 1st January 2008 | 176,018 | 494,637 | 670,655 |
| Charge for Year | 40,058 | 91,504 | 131,562 |
| Depreciation on Disposals | (832) | – | (832) |
| At 31st December 2008 | 215,244 | 586,141 | 801,385 |
| Net book values | | | |
| At 31st December 2008 | 230,836 | 140,739 | 371,575 |
| At 31st December 2007 | 256,329 | 189,545 | 445,874 |

8 Debtors & Prepayments

| | 2008 | 2007 |
|-------------|----------------|---------------|
| | € | € |
| Debtors | 39,458 | 213 |
| Prepayments | 16,858 | 18,057 |
| OPW | 78,267 | 78,267 |
| | 134,583 | 96,537 |

9 Bank & Cash

| | 2008 | 2007 |
|-----------------|----------------|---------------|
| | € | € |
| Current account | 115,850 | 71,659 |
| Deposit account | 1,333 | 1,324 |
| Petty cash | 85 | 20 |
| | 117,268 | 73,003 |

10 Creditors

| | 2008 | 2007 |
|----------------------|----------------|----------------|
| | € | € |
| Accruals | 96,246 | 131,130 |
| Audit fee | 8,750 | 8,750 |
| Rights Commissioners | 24,967 | 24,154 |
| | 129,963 | 164,034 |

11 Related Party Transactions

The Labour Relations Commission is an independent statutory body under the aegis of the Department of Enterprise, Trade and Employment. The Commission received grant aid from the Department of Enterprise, Trade and Employment and due to various material transactions, this Department is regarded as a related party.

The Board adopted procedures in accordance with the Code of Practice for the Governance of State Bodies in relation to the disclosure of interest by the Board members and these procedures have been adhered to in the year.

There were no transactions in the year in relation to the Board's activities in which the board members had any beneficial interest.

12 Approval of Financial Statements

These financial statements were approved by the Board on the 29th July 2009.

Appendix 3 Publications available from the Labour Relations Commission

Information Packs are available in both English and Irish and contain LRC Leaflets on the following:

- Role and Functions
- Conciliation Service
- Advisory Service
- Rights Commissioner Service
- Workplace Mediation Service
- Codes of Practice
- Customer Service Charter

Information Leaflets are available in English on the following:

- Role and Functions
- Conciliation Service
- Advisory Service
- Rights Commissioner Service
- Workplace Mediation Service

Information Leaflets are available in Polish, Portuguese, Russian and Chinese (Mandarin) on the following:

- Role and Functions
- Rights Commissioner Service
- Codes of Practice

Multimedia Resources

- DVD Guide to the LRC
- CD-ROM Guide to the LRC
- LRC website <http://www.lrc.ie/>

Strategic Policy and Planning

1. LRC Strategic Objectives 2008-2010
2. LRC Statement of Strategy 2005-2007, March 2005.
3. LRC Strategy Framework 2002-2004, January 2002.
4. Improving Industrial Relations – A Strategic Policy, 1996.

(Available on the LRC's website at:
<http://www.lrc.ie/ViewDoc.asp?fn=/documents/publications/strategy/index.htm&CatID=10&m=v>).

Labour Relations Commission Research Papers

- Competitive Strategies and Employee Relations in the Irish Retail Sector
- A Strategic Analysis of the Irish Food Industry – Implications for Human Resource Practice
- Employment and Employee Relations Practices in the Medical Technology Sector in the West of Ireland
- Migrant Workers and Access to the Statutory Dispute Resolution Agencies, October 2005
- Industrial Relations and Human Resource Management Practice in Ireland – Analysis of Twelve Years of Labour Relations Commission Advisory Services Division Company Reviews, 2005
- LRC Advisory Services Division – Effectiveness of Codes of Practice Survey, 2005

(Available in the Publications section of the LRC's website)

Codes of Good Practice

- Dispute Procedures, including Procedures in Essential Services
- Duties and Responsibilities of Employee Representatives and the Protection and Facilities to be afforded them by their Employer
- Sunday Working in the Retail Trade
- Compensatory Rest Periods and Related Matters
- Voluntary Dispute Resolution – S.I. No. 76 of 2004
- Grievance and Disciplinary Procedures
- Procedures for Addressing Bullying in the Workplace
- Code of Practice on Victimisation
- Industrial Relations Act 1990 (Code of Practice on Access to Part-Time Working) (Declaration) Order 2006 S.I. No. 8 of 2006

(Available on the LRC's website at:
<http://www.lrc.ie/ViewDoc.asp?fn=/documents/publications/codes/index.htm&CatID=23&m=u>).

Labour Relations Commission Annual Reports

Annual Reports for the years 1991 to 2008.

LRC Review – The Journal of the Labour Relations Commission

- Issue numbers 1 to 8.
<http://www.lrc.ie/ViewDoc.asp?fn=/documents/publications/journal/index.htm&CatID=25&m=u>

The Labour Relations Commission Seminar Series

- Symposium New Perspectives on Workplace Change, Thursday 9th November 2006, Croke Park Conference Centre, Dublin Speaker presentations available on the LRC's website at: <http://www.lrc.ie/viewdoc.asp?m=u&fn=/documents/symposium05/sympo5.htm>
- Seminar – “Changing Approaches to Industrial Relations – the Republic of Ireland/Northern Ireland and the United Kingdom”, 21st November 2005, Great Southern Hotel, Dublin
- Symposium “Meeting the Challenge of Change – Irish Labour Market Issues in a Global Economy” 11th November 2004. Speaker presentations available on the LRC's website at: <http://www.lrc.ie/viewdoc.asp?DocID=396&m=f>
- New Challenges to Irish Industrial Relations (Copy available for reference in the LRC).
- THE EURO: Implications for Human Resource Strategies for the 21st Century (Available on the LRC's website at: <http://www.lrc.ie/ViewDoc.asp?fn=/documents/publications/researchconference/euro.htm&CatID=27&m=u>).

LRC Customer Service

- Customer Service Charter, 2005.



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irish industr
joint labour
rights commissi
workplace medi
joint inc
trade union
policies
work