

**Tenth meeting of the Public Service Pay Commission
21st March 2017 at 8.30 am, St. Stephen's Green House.**

In attendance

Mr. Kevin Duffy (Chairman)

Ms. Marian Corcoran

Mr. Ultan Courtney

Ms. Ruth Curran

Mr. Noel Dowling

Mr. Seán Lyons

Mr. Peter McLoone

Mr. David Denny (Secretary)

Ms. Susan McKiernan (Secretariat)

Ms. Karen Murphy (Secretariat)

Mr. Evan Coady (Secretariat)

Mr. Brian Cahill (Secretariat)

Ms. Angelena Hollingsworth (Secretariat)

Mr. James Maher (Secretariat)

8.30 am- 11.30 am

Members agreed the minutes of the previous meeting. The Secretary provided an update on actions taken since the last meeting. The Commission requested that the Secretariat confirm whether the SIPTU pay settlements data can be used.

The Commission discussed the draft report structure, emphasising the importance of clarifying the scope of the initial report in the introduction chapter. The Commission discussed the approach regarding non-FEMPI measures in Chapter 3, concluding that the factual position should be set out to acknowledge these measures without taking a formal position on them. The Secretariat stated that the economic returns for Q1 2017 and projections from the Department of Finance would be used in Chapter 4 on economic context.

The Commission discussed how prescriptive the conclusions should be in terms of setting out options for unwinding FEMPI. The different forms of pay determination in the public and private sectors were discussed. The Commission discussed the need for a parallel mechanism which could deal with issues which are not capable of being dealt with under the next collective agreement.

The Secretary informed the Commission that the Secretariat had yet to receive the DPER report on the pension valuation exercise and ICTU's response to same. The 2007 report was agreed as the baseline for determining if there been a change in the relative value of public service and private sector pensions. The consequences of any such change were discussed, with the Commission acknowledging that in the event that public service pensions were shown to now be more valuable there could be grounds for looking at pension contribution rates. The existence of the PRD, although introduced as an emergency measure under FEMPI legislation, could provide options for addressing changes to contribution rates.

The Commission discussed security of tenure. The Commission requested that the Secretariat check the submissions from representative groups for other miscellaneous issues. The Commission discussed the preliminary conclusions and revisited the idea of a parallel mechanism to deal with special claims outside the remit of the next collective agreement. The Commission discussed the levels which should be prioritised for the remaining FEMPI unwinding.

The Secretariat presented a revised recruitment and retention working paper. The Commission made suggestions regarding the structure of the working paper, including changing the position of the section on the health sector, the possibility of moving the local authority data to an appendix and removing the reference to 2007 report.

The Secretariat presented a working paper on public-private pay movements bringing together the pay trends data and recent CSO public-private sector econometric analysis. The Commission agreed to treat PRD as a pay cut for the purpose of this paper, meaning gross pay less PRD would be used for the sectorial comparisons. The Commission emphasised the need to clearly flag the various difficulties in comparing pay across sectors.

The Secretariat presented a working paper on international pay data. The Commission requested that the 2014 Euro-Pound Sterling conversion be included in the paper, as the rate has changed significantly in the interim.

Copies of submissions from the ASTI, CPSU, Irish Dental Association, SIPTU Local Authority Professional Officers Grades, AHCE (supplemental submission) and IHCA (supplemental submission) were circulated to the Commission.

Action points

- Secretariat to provide draft chapter on pay for next meeting.
- Secretariat to confirm if SIPTU pay settlements data may be used.
- Secretariat to circulate DPER pensions report as soon as it is received.