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The Durability of Coordinated Bargaining: Crisis, Recovery and Pay Fixing in Ireland

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Abstract

The international literature on the economic and fiscal crisis that heralded the Great Recession emphasizes the negative effects of 'disorganized decentralization' on unions' capacities for pay coordination and ultimately on their effectiveness in representing their members. These effects are seen as particularly pronounced in countries on the 'European periphery' such as Ireland. The paper challenges this view by showing how the collapse of social partnership and centralized bargaining in Ireland was soon followed in the private sector by a new form of coordinated decentralized pattern bargaining. Coordinated sectoral bargaining emerged and was sustained in the public service. The durability of pay coordination is attributed to the strategic postures of unions, combined with embedded features of industrial relations institutions. The comparative import of the Irish case arises less from 'disorganized decentralization' than from the resilience of coordination following one of the most severe economic and fiscal shocks experienced by any advanced economy.

Introduction

Ireland was one of the countries most seriously affected by the crisis that hit most of the world's developed economies in 2008. Studies of the effects of the crisis commonly view Ireland as among the countries where pay bargaining was decentralized in a disorganized manner due to measures insisted upon by the Troika of the EU Commission, the International Monetary Fund and the European Central Bank. In this paper we present a detailed examination of pay fixing following the crisis and during the equally dramatic economic recovery, drawing on a unique database of pay agreements concluded across the private sector, to which has been added data on prevailing and predicted macro-economic and labour market conditions; commentary on pay bargaining and detailed interviews with the main union negotiators during the period. The paper questions portrayals of the Irish case as an instance of 'disorganized decentralization'. Instead it highlights the strong degree of continuity in wage co-ordination evident in the advent of a form of 'pattern bargaining' in 2011 and emphasizes the role of unions, employers and government within Ireland in reshaping pay bargaining. The paper concludes that if Ireland can be regarded as a European 'outlier' it is because of the durability of long-established traditions of coordination and their reconfiguration in radically new and rapidly evolving conditions.

The paper begins by reviewing the literature on collective bargaining in Europe since the advent of the economic and fiscal crisis and by examining portrayals of the Irish case in this literature. Next the research methods used are described. The paper then examines the collapse of social partnership during the crisis and the gradual emergence of pattern bargaining to succeed the concession bargaining that dominated private sector pay fixing from 2008 to 2010. The next section examines the coercive influence of pattern bargaining over pay fixing through an analysis of pay deals between 2011 and 2016, including the loosening of the pattern bargaining norm from 2014 and plans for coordinated bargaining targeting a higher pay norm. The paper then examines the reasons for the durability of pay coordination. The final section summarizes the paper's main arguments and presents a series of conclusions.

The great recession and changes to pay fixing regimes in Europe

Many changes have been observed in pay fixing arrangements across Europe since 2008. Overall and with few exceptions (Finland being the main one) the long-run trend towards bargaining decentralization evident before the onset of the crisis appears to have accelerated (Aumayr-Pintar et al., 2014; Keune, 2015; Marginson and Welz, 2014; Ribeiro, 2015; Visser et al., 2015; Voss et al., 2014).

The features associated with this trend are manifold and the degree to which pay-fixing regimes have changed varies significantly across countries. But the main contours of change are clear enough and involve: 1. the collapse in a number of countries of national, cross-sectoral bipartite and tripartite bargaining; 2. the advent of enterprise bargaining where sectoral or territorial bargaining had previously occurred; 3. changes to 'ordering arrangements' between bargaining levels and 'opening' and 'opt out' clauses' that privilege enterprise bargaining; 4. the weakening of *erga omnes* rules that had extended sectoral agreements beyond the parties involved in their negotiation; 5. the weakening of measures indexing pay to inflation; 6. the granting of rights to parties other than unions to conclude enterprise agreements, and 7. fewer and longer agreements (Aumayr-Pintar et al., 2014; Koukiadaki et al., 2016a and b; Marginson and Welz, 2014; Ribeiro, 2015).

In this process, employers are considered to withdraw from – and states to withdraw structural supports from – centralized bargaining in order to enhance the ability of employers and economies to respond flexibly to the challenges presented by rapidly changing market and fiscal conditions. As the above list of characteristics suggests, much of this literature, in common with the literature on longer-term trends, associates decentralization with weaker trade unions and less effective union representation and organization. Katz (1993: 12) in his work on the long-term trend in bargaining decentralization, points out that deunionization by employers 'represents an extreme form (perhaps the ultimate form) of bargaining structure decentralization' and Purcell (1995: 112) identifies a 'relationship between bargaining decentralization and the withering away of trade union recognition.' While Traxler (1995: 6-7) distinguishes between 'organized' and 'disorganized' decentralization, with negative effects on unions

associated mainly with the latter, with the exception of Haipeter's (2011) work on bargaining decentralization in Germany, the argument that unions might benefit from or even prefer decentralization in certain circumstances (also discussed by Katz, 1993: 4), appears to have gained little traction in the literature. Thus, Baccaro and Howell (2011), cite evidence of the decentralization of collective bargaining in Ireland and in other European countries in support of the view that national institutional landscapes 'are being transformed in a common neoliberal direction' (Baccaro and Howell, 2011: 522). Whether or not the changes observed in the Irish case might validly be described as 'neoliberal transformation' is beyond the scope of the current paper, but, as will be shown, they cast considerable doubt on the almost axiomatic linkage of decentralization and trade union disorganization.

The most detailed and wide-ranging study of changes in European pay-fixing regimes concludes that three clusters of countries are apparent in post-crisis Europe. The first comprises six countries characterized by 'multiple changes': Cyprus, Greece, Spain, Portugal, Ireland and Romania. All countries in this group were party to financial assistance programmes from the EC, ECB and IMF and all were seriously affected by deep and prolonged recession and by sharp fiscal contraction. They were also marked by a significant decline in the coverage of collective bargaining – in large part owing to structural reform commitments contained in agreements attaching to financial assistance programmes (Visser et al. 2015: 10). So when looked at in a comparative European context Ireland emerges as one of the countries marked by the sharpest discontinuity between pre- and post-crisis pay fixing arrangements: amounting, in the words of Marginson and Welz (2014: 3), to a 'shift' in the prevalent pay-fixing regime. While no specific inference is made from cause to effect (but cf. Marginson, 2015), the import of the analysis nevertheless seems clear: changes in pay fixing regimes in Ireland, in common with other Troika programme countries, are a consequence of externally imposed Troika reforms. In the same way these developments have also been portrayed as a 'frontal assault' on coordinated bargaining in Europe's periphery (Marginson, 2015). A second cluster of countries comprises cases where 'some changes' have been evident: Croatia, Hungary, Italy and Slovenia, and here domestic adjustments were seen as more

important than externally imposed changes. In the remaining 19 EU countries and Norway fewer changes, or 'relative stability' was evident. In these cases the crisis was often less serious in its effects and pay-fixing arrangements adapted to changed economic conditions (Marginson and Welz, 2014:18-19).

Another significant comparative study focused on developments in collective bargaining and pay fixing in manufacturing in seven countries: Greece, Ireland, Italy, Portugal, Romania, Slovenia and Spain (Koukiadaki et al., 2016a and b). These national cases were chosen for study because they were severely affected by the crisis and their labour markets were subject to major regulatory changes at the behest of the EU and other Troika institutions. Manufacturing was the focus mainly because the sector was viewed as 'prototypical': if measures associated with external intervention destabilized pay fixing in manufacturing, where collective bargaining had generally been more robust, they would likely also disrupt pay and industrial relations arrangements more generally in the countries in question (Koukiadaki et al., 2016b: 190). Three categories of countries are again identified. The Italian case is marked by 'continuity'. In Greece and Romania pre-existing systems are seen as 'close to collapse'. Ireland is located among a group of countries that includes Spain, Portugal and Slovenia characterized by 'erosion'. In these cases state support for multi-employer bargaining had been withdrawn and trends towards 'disorganized decentralization' had been evident (Koukiadaki et al., 2016a: 117-8 and b: 197-8).

This leitmotif is evident in the book's Irish contribution, which draws on 5 case studies of collective bargaining in manufacturing firms. Though recognizing some 'features of remarkable continuity' the Irish chapter strongly emphasizes discontinuities, such as a 'dramatic narrowing' of the 'scope and range of issues subject to collective bargaining', a 'fracturing of the regulatory space for industrial relations', the advent of 'patterns of embedded concession bargaining' and 'punitive' labour market reforms in low-pay sectors (Hickland and Dundon, 2016b: 240-47). These changes are again seen to have been driven by the Troika programme, in conjunction with increased employer assertiveness and what is

described as an 'extended neoliberalized state role' (Hickland and Dundon 2016b: 237-9).

Contributions to Van Gyes and Scholten (2015) focus directly on the effects of the new European governance arrangements and variously interpret the Irish case as among the countries where 'wage-setting arrangements have undergone the most extensive changes'. In the light of these developments Ireland is classified as akin to a 'Southern Eurozone country' (Keune, 2015: 288; Chagny and Husson, 2015: 311-12). A second leitmotif involves the serious setbacks suffered by trade unions and their members as a consequence of bargaining decentralization (see, for example, Koukiadaki et al., 2016a: 8; Keune, 2015: 288). Again this leitmotif is evident in commentary on developments in Ireland that emphasizes 'increased bargaining diversity', the 'punitive' nature of reforms and the 'dramatically narrowing' scope and form of collective bargaining (Hickland and Dundon, 2016b).

What follows challenges these interpretations in significant ways by showing that pay bargaining in Ireland after the crisis was subject to what we will refer to as 'orderly decentralization' and then to a new form of coordination based on pattern bargaining in the private sector (including state-owned commercial utilities) and sectoral bargaining in the public services. It will be shown that these developments were shaped less by punitive conditions or external diktats imposed by the Troika than by internal moves by unions, employers and the state to respond to dramatically changing economic and fiscal conditions. It will also be shown that pay cuts and freezes had effectively ended in the private sector by 2011 and that there was little correspondence between pay increases and plant-level concessions. Finally it will be shown that far from assessing new pay bargaining arrangements in negative terms, union leaders saw significant opportunities in coordinated pattern bargaining and also showed little interest in returning to centralized pay coordination of the type that prevailed under social partnership.

Research methods

The paper deploys qualitative and quantitative data to examine the impact of the crisis and recovery on pay coordination in Ireland. Our review of the collapse of social partnership draws on secondary sources and reports by the parties directly involved. Our examination of decentralized coordinated (pattern) bargaining draws on three sources of data. The first of these comprises detailed reports carried in the specialist weekly periodical, *Industrial Relations News* (IRN), which carries an annual table of all pay deals concluded during the year, as well as weekly reports offering more detail. IRN is a long established, authoritative and widely respected source of reports on developments in Irish industrial relations and forms the basis of regular bulletins on Ireland for the European Industrial Relations Observatory (EIRO). The second comprises interviews with 6 senior trade union officials centrally involved in pay co-ordination following the crisis. These include senior officials of Ireland's largest general union, the Services Industrial and Professional Trade Union (SIPTU), the general union, Unite, the retailing union, Mandate, the Financial Services Union (FSU), and an official of the union confederation, the Irish Congress of Trade Unions (ICTU). The unions interviewed represent about 82 per cent of the membership of unions organizing in the private and commercial state-owned sectors (Department of Jobs, Enterprise and Innovation, 2015). Interviews were conducted in 2016 and covered the period 2011 to 2016. The interviews followed a common format and covered officials' wage bargaining activities and experiences, including the effects of decentralized bargaining on unions and their members. The interviews ranged from one to two hours in length. All were transcribed and analyzed on a thematic basis.

The third data source comprises a dataset compiled by the authors covering 585 pay deals concluded between 2011 and the end of the third quarter of 2016. No official statistics on the incidence and features of pay deals negotiated between unions and employers are available for Ireland. The dataset used in the article was constructed from pay deals reported in IRN, covering all parts of the private and commercial state-owned sectors and deals concluded by a range of unions. IRN has collected and reported pay deals over the period covered by the paper in a consistent manner. Reports are carried in each weekly issue of pay deals

obtained from employers, unions, and contained in Labour Court recommendations and Labour/Workplace Relations Commission settlement proposals. These are also used by IRN to compile and publish regular comprehensive and detailed listings of pay deals recorded each year. As the same collection and reporting format has been used by IRN over the period as a whole, the trends identified from these reports provide a reliable indicator of the changing incidence and features of pay deals. IRN data on pay deals were supplemented by databases and lists of pay deals made available by SIPTU's manufacturing division, by Mandate (retailing) and by the FSU (financial services). As IRN also draws on these sources, they were useful in the main for providing additional details of the dates when deals were signed and came into effect, although some additional pay deals were also identified from these sources. While we should enter the caveat that we make no claim to have developed a complete inventory of pay deals negotiated since 2011, we are confident that these data sources in combination provide the most comprehensive, valid and reliable profile of pay bargaining available for unionized employments in the private and state-owned commercial sectors since the advent of economic recovery in 2011.[1] The deals cover bargaining units ranging from less than 10 to 30,000 union members.[2]

The orderly decentralization of pay bargaining in Ireland

One of the first casualties of the crisis in Ireland was the 22-year social partnership model, which collapsed in 2009. Since 1987, employers, unions and governments had been party to a series of seven social partnership programmes that contained agreements on pay rises across unionized sectors of the Irish

[1] A range of other sources on developments in pay provide useful external benchmarks against which the validity and reliability of the dataset used in the paper can be checked. Regular surveys of member firms conducted by the Irish Business and Employers' Confederation (IBEC), show an annual pattern of pay rises consistent with that reported in the paper and also show average annual pay rises similar to those we report (see IBEC 2016; Roche 2016: 196). Surveys of developments in pay reported by HR managers, conducted by IRN in conjunction with the Chartered Institute of Personnel and Development also report similar trends to those reported here (IRN & CIPD 2017; 2016; 2015).

[2] It should be noted, however, that reliable data on numbers covered by pay deals were often unavailable. The median size of bargaining units for which numbers of union members are recorded is 120 union members.

economy as well as a national minimum wage and a range of fiscal, economic, industrial and social policy commitments (Baccaro and Simoni, 2007; McDonagh and Dundon, 2010; Roche, 2007; Teague and Donaghey, 2009).

In the autumn of 2008 a new pay agreement was concluded, extending the 27-month pay agreement contained in the seventh and final social partnership programme. Soon, however, employers in the fast collapsing building and construction sectors repudiated the agreement. They were joined by growing numbers of private sector employers facing collapsing output and laying off large numbers of workers - (GDP contracted by 10 per cent and unemployment climbed to 12 per cent in 2009). In the public sector the government suspended public service pay rises. Since the advent of the crisis in 2008 key figures in Government and the Irish Central Bank had warned that Irish pay costs had become increasingly uncompetitive and argued for an internal devaluation to restore competitiveness (Central Bank, 2009; Department of Finance, 2009). However, the social partnership agreement limped on through 2009 as the parties engaged in inconclusive talks until finally in November 2009, the government and public service unions failed to find accord on measures to cut the public service pay bill. This triggered the end of social partnership. Employers formally withdrew from the agreement soon after (Roche, 2011).

Little more than three months later, in March 2010, the main employers' confederation, the Irish Business and Employers' Confederation (IBEC) and the Irish Congress of Trade Unions (ICTU) reached agreement on a 'protocol' to guide collective bargaining. This protocol, subsequently renewed by the parties, identified maintaining competitiveness and retaining employment as priorities; firms and unions were also enjoined to resolve disputes through established procedures (ICTU and IBEC, 2010). The protocol provided a framework for a highly orderly decentralization of collective bargaining across the private sector and state-owned commercial utilities.

There were parallel developments in the public sector. Faced in 2009 with impending economic and fiscal collapse, the government imposed a levy on public service pensions (O'Connell, 2013). This was followed in early 2010 by a

unilateral cut to salaries. In the face of incipient public service union militancy and threatened work stoppages, public service employers and unions concluded a new agreement in March 2010. This contained measures to reform work practices and promote labour mobility within and across agencies with a view to delivering public services with significantly fewer staff. In return, the unions obtained pledges that there would be no further pay cuts and no compulsory job losses (Labour Relations Commission, 2010). Against the background of slower than anticipated fiscal recovery, a second agreement in 2013 involved pay cuts for public servants earning in excess of €65,000 (Roche, 2016). Existing reform measures were retained and working hours were increased (Labour Relations Commission, 2013). The public service agreements were aptly portrayed by a union official as providing a framework for the 'managed retrenchment of the public service' (Roche, 2013). As economic and fiscal recovery gathered pace, a third public service pay agreement, concluded in 2015, provided for the partial and phased restoration of public service pay (Labour Relations Commission, 2015).

As in the private sector, the rapid shift to a more decentralized form of coordinated bargaining in the public service proved remarkably orderly. Although public service unions were divided over the pay and other concessions contained in the agreements, little industrial conflict resulted from the reconfiguration of pay fixing arrangements and cuts that ranged from 8 per cent to 21 per cent across the lowest to the highest paid public service grades (Roche, 2016).

Concession bargaining 2008-2010

Over the period from late 2008 to 2010 collective bargaining was dominated by concession bargaining. The two public service agreements manifestly involved unions trading work practice changes and then pay cuts for pledges that no involuntary job losses would be imposed. In the private sector, unions most commonly bargained to retain jobs and to moderate employer proposals for pay cuts. Given the scale of the economic collapse little scope existed for pay rises in other than the most resilient and profitable firms (Roche et al., 2013). Yet internal devaluation involving widespread cuts in nominal pay was avoided

(Barrett and McGuinness, 2012; Bergin et al., 2012; Doris et al., 2014; Roche, 2016; Walsh, 2012). Attempts by groups of employers to rescind statutorily extended collective bargaining through constitutional challenges in the courts were confined to hotels and catering and parts of construction. While these led to the suspension of sectoral pay fixing across low-pay industries and construction, they were later reversed by amendments to statutes.

Pattern bargaining 2011-2016

From 2011 the Irish economy began to stabilize and then recover dramatically. GDP grew modestly in the years up to 2013 and then more significantly from 2014, when annual GDP growth exceeded 5 per cent. Having peaked at 14.7 per cent in 2012, unemployment declined to 7.5 per cent in 2016 (CSO, 2016; ESRI, 2015). Pattern bargaining first emerged in 2011 as economic decline bottomed out. Pattern bargaining is widely understood in the literature as a form of coordinated collective bargaining in which unions seek to 'achieve the same or related outcomes in separate negotiations' (Sisson and Marginson, 2002: 199; and see Cappelli, 1990; Ibsen, 2016; Meyer, 1995, and Traxler et al., 2008). This form of pay fixing, which has no direct precedent in Irish industrial relations, became increasingly pervasive over subsequent years. The genesis of pattern bargaining was in the strategic targeting by SIPTU's manufacturing division of employers in commercially buoyant export sectors such as pharmaceuticals, chemicals, medical devices and food processing to reestablish pay rises after some three years of concession bargaining. The pattern from the start was for deals averaging around 2 per cent per annum, matching or exceeding the trend in inflation (*Industrial Relations News*, 24 November 2011). Initially pay deals were confined to small numbers of firms in the targeted sectors that were heavily focused on exporting. The incidence of deals grew as the economy revived.

SIPTU claimed that pay agreements soon extended to the great majority of members working in the target sectors and to food firms, where fewer members were initially involved (*Industrial Relations News*, 17 April 2013, 9 July 2014). As recovery gathered pace, pay bargaining spread progressively beyond export-oriented sectors into engineering, retail multiples, construction supply,

extractive industries, some banking groups and commercial state-owned firms. The duration of deals varied from 1 year to up to 5 years. Most agreements were of 2 to 3 years duration, and a gradual rise is observed in the average length of agreements.

2 per cent became an informal norm for collectively bargained pay agreements and also became the benchmark for pay rises in non-union firms (IBEC, 2015; IRN and CIPD, 2016). The 2 per cent norm was adhered to by the main general, craft and sectoral unions, especially SIPTU, TEEU and Mandate: 2 per cent being judged affordable by many firms and thus capable of gaining traction beyond relatively buoyant exporting companies. The 2 per cent norm was regarded by unions as providing for both earnings and employment security while also preserving competitiveness. Unions sometimes described 2 per cent deals as 'pay and stability agreements'. The 2 per cent target was influenced in part by pay rises in countries with strong export performance, as well as in the German chemicals industry and more generally across the German economy. A key SIPTU official involved in setting the 2 per cent target also took account of the ECB's inflation prediction (*Industrial Relations News*, 23 July 2015):

> It was in the pharmaceutical, chemical and medical devices sector where we started, which is the sector least impacted by the crisis and probably [where] profits increased during the crisis rather than going down. … The second part of it then was we used the pay rates across Europe, across similar unions as ourselves, running at around 2 per cent, through the German Metalworkers' Union. … And then the third thing was the ECB target was 2 per cent inflation, so we used that.

Firms were offered local flexibility to tailor the duration of agreements to commercial and market conditions. Most agreements made pay rises conditional on 'cooperation with normal ongoing change' and some contained specific productivity measures.

Collective bargaining since 2011 showed much of the stability and predictability that had been associated with past national pay agreements – not least in respect of what was described as the 'remarkable consensus' around the 2 per cent per annum pay figure and the prevalence of multiannual pay deals. These features led some observers to describe pattern bargaining agreements as 'shadow

national deals' (*Industrial Relations News,* 22 July 2015). From 2015 some reports of pay bargaining began to speak of a 'target range' rather than a 2 per cent norm (*Industrial Relations News*, 7 January 2016). During 2015 SIPTU and the TEEU declared a revised pay target of 5 per cent – but failed to identify the period over which the 5 per cent was to be achieved and therefore the unions' annualized pay target remained vague (*Industrial Relations News* 4 February 2015). Unions also raised the prospect that a premium might be sought for longer deals, while a growing number of deals involved 'extras' like lump-sum payments, gain-sharing schemes, bonuses, vouchers and leave enhancements (*Industrial Relations News*, 22 July 2015).

Figure 1, based on the database of 585 pay deals described earlier in the paper, shows the incidence of pay deals each quarter between 2011 and the third quarter of 2016. The rising incidence of pay deals is evident, especially from 2014 onwards.[3] Most pay deals over the period provided for retrospective payments. In the main these covered the time between the termination of preexisting agreements and the signing of new agreements. Of the deals that included retrospection, more than half provided back pay for six months or less, while a smaller but still quite substantial number covered longer periods: 12.5 per cent of all deals included back pay of 12 months or longer. The median length of retrospective phases was 5 months and the modal length was 2 months. The median annualized value of retrospective payments was 0.8 per cent.

[Figure 1 here]

Figure 2 presents summary statistics for pay rises concluded each year. As many agreements provided for phased pay rises over more than one year, the annualized values of pay rises negotiated each year are presented. What is striking is the convergence of pay settlements around the pattern bargaining

[3] Little bargaining activity involving pay rises was reported during the period from 2008-2010 and any pay rises conceded by employers under the 'transitional agreement' in the final social partnership programme would likely have terminated before the end of 2010. Therefore the lull in the incidence of pay deals in the early years from 2011 cannot be attributed to any overhang from earlier pay deals.

norm – confirming the strongly coercive overall influence of pay coordination over the period. Figure 3 presents boxplots for pay rises in deals negotiated each year. The interquartile ranges denoted by the boxes reveal that little variance occurred in the spread of the middle 50 per cent of pay rises. The boxplots however also reveal evidence of growing upward dispersion in pay increases over the period, particularly from 2014: the asterisk symbols in Figure 3 denoting deals that exceeded three times the interquartile range and the circle symbols denoting pay increases of more than 1.5 times the interquartile range. These point to the attenuation of the coercive influence of the 2 per cent pattern bargaining norm during the later years of the period.

[Figures 2 and 3 here]

The data show that far from having become 'embedded' in firms, concession bargaining was effectively over by 2011 – other than in instances where firms were in extremis. Less than 5 per cent of the 585 pay deals contained pay pauses and less than 1 per cent involved pay freezes or reductions. The nature and incidence of workplace-level concessions agreed by unions in return for pay rises is shown in Figure 4. What emerges is that only 21 per cent of pay rises contained conditions of any kind and most of these involved the retention of a standard clause in pay agreements under the previous regimen of social partnership involving 'cooperation with normal ongoing change'. In the remaining 79 per cent of deals, there is no provision for concessions from employees in exchange for the agreed pay increase. As evident in Figure 4, more specific conditions were less prevalent. When all of the workplace concessions agreed with trade unions and listed in Table 4 are added to form a total workplace concessions' index, the resulting (Pearson) correlation between this index and the size of annualized pay rises is statistically insignificant (-0.05, p. =0.12). No association existed between the size of pay rises and the depth of concessions demanded of trade unions and larger pay rises were not funded from more extensive or deeply embedded concessions. Nor were low pay rises associated with the most extensive workplace concessions. The correlation between pay rises and the occurrence in pay deals of *any* of these workplace concessions is also insignificant (-0.31, p. = 0.23).

[Figures 4 and 5 here]

The view that 'the scope and range' of collective bargaining had narrowed was not supported by baseline data from which any contraction of bargaining could be established. Data drawn from the 585 pay deals in fact reveal that many deals involved non-pay benefits: overall some 30 per cent of the deals concluded from 2011 contained additional benefits of various kinds. These are shown in Figure 5.

Therefore, when the analysis shifts from case studies to the pattern of pay bargaining across the private sector, a picture emerges in which concession bargaining far from having become embedded had all but ceased by 2011; in which pay rises were increasingly widely prevalent; where they were accompanied in 3 out of 10 instances by other improvements in terms and conditions, and where neither relatively high nor relatively low increases marked out cooperation with changes sought by employers.

The 4 per cent pay target for 2017

Remarkably few disputes and little industrial conflict occurred following the revival of pay bargaining. In part, of course, this reflected the modest 2 per cent pay norm and the limited resistance this faced from many employers during the period of economic recovery. Since 2011 only 13 per cent of pay deals triggered disputes that were referred to the state conflict resolution agencies. Where pay disputes have been subject to adjudication, most recommendations issued by the Labour Court were consistent with the 2 per cent norm. However several interlocking disputes in the transport sector during 2016 directly threatened this norm. Foremost here was a long-running dispute involving tram drivers in the Dublin light rail or 'Luas' service, delivered by the French multinational, Transdev. Following a Labour Court intervention, this resulted in an agreement to a pay increase of 17.5 per cent over 6 years. Because there was a de facto pay freeze for the previous 20 months, there is ambiguity about the annualized value of this increase, with employers, as might be expected, but also some commentators expressing the view that the final pay increase was after all in line with the evolving pay norm (Industrial Relations News, 9 June 2016).

In November 2016 the Private Sector Committee of the ICTU announced that in 2017 unions would press for 4 per cent pay rises. The new 4 per cent target strategy took account of an economic briefing by the Congress-linked Nevin Economic Research Institute (NERI), which highlighted projected productivity growth (*Industrial Relations News*, 17 November 2016; NERI 2016). The Committee signaled flexibility in the pursuit of this target to take account of inability to pay, adverse exchange rate developments and other commercial pressures in the wake of Brexit (Industrial Relations News, 17 November 2016). The opening salvo in the new pay strategy was fired by the Finance Union when it announced in November 2016 that it would seek a 4 per cent pay rise in negotiations with Ireland's largest bank, AIB, and would also view the 4 per cent guideline as a minimum target in banks that had returned to profitability (Walsh, 2016).

The new pay strategy of the ICTU Private Sector Committee reflected continuing economic revival, the effects of the transport settlements and also spillover from pay pressure building up in the public service. Over the period from 2009 to 2015 public service employment declined by 10 per cent and the public service pay bill declined by 21 per cent. As fiscal consolidation proceeded through the bilateral process of 'managed retrenchment' and strong rebound in the economy, the current deficit fell to 2.3 per cent and the ratio of public debt to GDP fell from a peak of 124 per cent to 95 per cent by the end of 2015 (ESRI, 2015). The 2015 public service agreement, due to run until September 2018, provides for the partial restoration of public service pay. 23 public service unions, representing about 75 per cent of public servants ratified the agreement. Associations representing rank-and- file and middle-ranking police officers rejected the agreement and announced in the Autumn 2016 that their members would undertake industrial action in support of significant pay rises and access to the state's conflict resolution agencies. On the eve of the first of a series of planned day-long work stoppages, the Labour Court intervened and issued a recommendation for a significant improvement in pay and conditions, which was accepted. Another union outside the public service agreement, the secondary teachers' union, ASTI, also engaged in industrial action. While both disputes

were widely regarded as direct challenges to the public service pay agreement, the Labour Court's recommendation in the Garda disputes was viewed by public service unions within the agreement as a significant change that had advantaged groups outside the agreement. The coordinated approach to public service pay was preserved by the government and the Public Services Committee of the ICTU resolving the 'anomaly' created by the Garda settlement by bringing forward to April 2017 a €1,000 pay increase originally due to be paid to most public servants in September. Talks on future developments in public service pay are due to begin around the middle of the year, while the ASTI remains outside the current agreement.

Accounting for the durability of pay coordination

Overall a key feature of the conduct of post-crisis collective bargaining in Ireland was the highly orderly way in which unions and employers had shifted collective bargaining to firm level in the private sector and to sector level (further differentiated across grades and occupational categories) in the public service.

Financial rescue measures and new economic governance

The literature reviewed earlier views the EU and the Troika institutions as the main instigators of 'disorganized decentralization' in the countries that availed of financial support programmes (Hickland and Dundon, 2016a; 2016b; Koukiadaki et al., 2016a and b; Marginson and Weltz, 2014; Van Gyes and Schulten, 2015). The sequence in which changes occurred in the conduct of collective bargaining in Ireland reveals that employers, unions and government were the main agents of post-crisis adjustment to pay fixing. Ireland was forced to agree a financial assistance programme with the Troika in late 2010 after the European Central Bank threatened to withdraw liquidity support to the Irish financial system (Kinsella, 2016; Laffan, 2016). By then social partnership had already collapsed. Reductions in the public service pay bill and employment had also been determined, and the measures involved were simply included in the Memorandum of Understanding agreed with the international institutions (Department of Finance, 2010).

Pay decentralization in the private sector also preceded the Troika programme, which had little effect on pay fixing or collective bargaining, other than in low pay industries and construction. The direction of reform in these sectors – where Joint Labour Committees and Registered Employment Agreements fixed legal minimum pay rates and other conditions of employment - was outlined in the Troika programme. The issue was delegated however to an independent review. The review was completed in 2011 and proposed some procedural reforms of the prevailing pay fixing arrangements and greater scope for employers to derogate from legally prescribed minimum pay rates (Duffy and Walsh, 2011). The subsequent collapse of pay fixing arrangements in low-pay sectors and construction followed judgments by the High Court in 2011 and Supreme Court in 2013 in constitutional challenges by groups of employers in catering and construction (Turner and Walsh, 2014). Significant employer opposition to legally backed sectoral pay fixing arrangements predated the economic crisis; a High Court challenge to pay fixing in the hospitality sector had been mounted in 2007.

Ironically, in the Irish case it is necessary to consider the converse argument to that posed in the literature: whether the EU's new economic governance regime may have played a role in the emergence and durability of coordinated pattern bargaining. As discussed, the ECB's inflation prediction and the pattern of pay rises in Germany were taken into account by SIPTU in devising the 2 per cent strategy. This might suggest that the policy stipulations and monitoring provisions associated with the European Semester that began in 2011 directly impacted on the genesis of pattern bargaining. The 2 per cent pay norm and the pay-moderating effect of pattern bargaining were certainly consistent with the EU's macro-economic policy stipulations and the objectives of the macro-economic imbalance programme (MIP) (Marginson and Weltz, 2014). However the 2 per cent strategy had not been devised to align with the new EU governance regime. None of the union officials interviewed made reference to or showed any awareness of the new EU governance or MIP stipulations, perhaps reflecting that union involvement in the EU Semester was limited at both national and European levels (Sanz et al., 2016). Moreover from 2011 to 2013 Ireland remained exempt from the EU regime, and was instead subject to the

stipulations of the Memorandum of Understanding (MOU) agreed with the Troika (Marginson and Weltz, 2014: 28-33). The main measures in the MOU predated Ireland's application for Troika assistance. The trend in Irish pay costs since 2008 is lower than the country's EU trading partners and well within the EU's 'MIP threshold', obviating any requirement to adjust to new EU governance arrangements in developing pay policy[4] (National Competitiveness Council, 2016).

The genesis of pattern bargaining, like union involvement in the 'managed retrenchment of the public sector', was rooted less in external diktats than in decisions by Irish unions on how best to respond to highly adverse economic and fiscal developments. The remainder of this section seeks to account for the durability of pay coordination in Ireland by showing how it benefited trade unions and proved viable in the context of the institutional legacy and features of Irish industrial relations.

The logic of decentralized coordination

The genesis of pattern bargaining was rooted in union attempts to reinstitute pay increases by negotiating pay rises in a cluster of pharmaceutical, chemical and medical devices firms in which they were well organized and remained profitable after the onset of the crisis. The 2 per cent pattern took effect gradually across a widening range of firms and sectors as economic recovery gathered pace. The negotiated pay rises preserved or improved real pay and safeguarded employment: hence unions' preferred label of 'pay and stability agreements' to describe the deals (*Industrial Relations News*, 9 January 2013). The 2 per cent pattern gained pragmatic acceptance by employers, surveys by employer associations suggesting that 2 per cent had become a benchmark for pay rises in unionized and non-union firms (IBEC, 2015).

In contrast with the themes in the literature on disorganized decentralization and its effects, the union officials interviewed emphasized the benefits of

[4] The MIP specifies that nominal unit labour cost increases in Euro Area countries should not exceed 9 per cent over a three-year period.

decentralized coordinated bargaining, often contrasting these with the effects of national social partnership.

> … workers thought that those pay increases came to them from the government, they still refer to them as the government pay increases […]. 'The government gave me that.' That came out of your social partnership model but it was a cocoon. (Mandate Official)

> … this is the problem I had with national wage agreements; it was never viewed as being the unions getting you the increase. 'We got the government increase, what's the union doing for us?' So for the union to be relevant you need to get your hands dirty. (FSU Official)

> Organization has improved; people are getting involved more. They see the union as being a useful tool for them in their own employment, whereas the old [social partnership] system was, well it was a government increase you know, the old story with the national wage agreement. That was the most negative part of them. Of course the official [now] has to go into each employment, meet the workers. (SIPTU Official)

Aligned with these views was a marked reluctance to countenance a return to centralized pay bargaining.

> Our unions are very nervous about the idea of any sort of structured national pay agreement at this point in time. Because the unions feel that we have had five or six years of no or little opportunity, where in a lot of employment there is [now] a real possibility of getting not only pay progression but getting some of the pay that people lost in the period between 2008 and 2013. Why should we have something at a national level that constrains people from doing that work? (ICTU Official)

> The shop stewards go in and negotiate directly with the employer. Our members ballot on their own agreement and generally speaking, where it's accepted, we're talking about 65-70 per cent acceptance rates – very high levels. (SIPTU Official)

The Unite union (and its precursor unions in Ireland) had always opposed national pay agreements and social partnership, so this union's endorsement of the 2 per cent pattern bargaining strategy is less surprising. Nonetheless, the union's emphasis on the benefits accruing from decentralized co-ordination echoed that of other major unions:

> The real crucial part, we think, is having workplace reps across the sector involved, throwing their tuppenceworth into it: 'this is what the order book looks like; this is what the parent company might be saying'.

> … We're not going around as sort of bandits raiding the place, you know, the minute there's a few euro profit we're in to clobber everybody, because I think the workplace representatives understand what you need to engage with … and that you copper-fasten your long-term security. (Unite Official)

Unite had shifted to a more sector-focused model of representation, allowing it to take advantage of the new bargaining environment and also focused its own early bargaining on major firms to set a pattern for deals with other employers.

In part, these views on the advantages for unions inhering in firm-level pay bargaining reflect the legacy of workplace industrial relations under social partnership. Social partnership accorded limited scope for workplace representatives or workplace mobilization and organization. Overall little second-tier pay bargaining or pay drift occurred in workplaces under social partnership and sectional union pay claims were contained in the private and commercial state-owned sectors by the parties to the centralized pay agreements (Higgins and Roche, 2014; Roche and Higgins, 2016). Unions sought to institute 'workplace partnership' arrangements in line with framework agreements in several of the social partnership programmes, but with limited success (Roche and Teague, 2014). Attempts to widen trade union recognition and representation on the same basis by offering of 'partnership' in the workplace were also generally rebuffed by employers (D'Art and Turner, 2005).

The new SIPTU-initiated pay strategy accommodated the varying negotiating priorities of unions in different sectors. In retailing, Mandate adopted the 2 per cent pay norm while prioritizing earnings stability by seeking to negotiate 'banded working hours' with employers – where members were guaranteed weekly working hours by occupying one of a series of bands. This had been a long-term union objective in an industry where part-time work and 'as and when required' working hours arrangements had become prevalent.

> So it's easy to say 2 per cent deals, or whatever… . But we also had to factor in the increase in the hours [sought] and stabilization of those weekly hours. That's in itself an increase for workers. A much more significant increase than a 2 per cent pay increase would be for a retail worker who is on variable hours and at low levels of hourly pay. (Mandate Official)

In the same way, in the crisis wracked financial services sector, the FSU initially sought to prioritize job retention and influence the restructuring and rationalization of the major commercial banks. The union's insistence that contractually agreed pay rises (increments and bonuses) continue to be paid led to a deal that, in the words, of a senior official, 'created the avenue' to pay bargaining. From 2011 FSU concluded 2 per cent pay deals in a number of major banks, while accommodating the insistence of employers that pay increases in the future should mainly reflect individual performance. FSU agreed a 'two-pot bargaining' model that combined a modest general increase with performance-based increases.

> We want two-pot bargaining, whether it's increments or whether it's progression or whether it's performance; whatever it is. We also want recognition for cost of living. So scales go up, whether you don't perform or not you get an increase, but you differentiate on the back of performance. We're anti performance-related pay, anti performance management. But we're realists; it's there; it's not going away.

By gaining oversight of the distribution of members across performance categories, the union was able to ensure that the majority of members achieved annual pay rises of at least 2 per cent. The union was also flexible in accommodating employers' preferences regarding the length of deals provided that the 2 per cent minimum pay increase was conceded.

If strategic considerations linked to reinstituting pay increases and calibrating these to preserve competitiveness, jobs and union influence were prominent features of pattern bargaining, the capacity of unions to co-ordinate this mode of pay bargaining was also an important influence. Little pay coordination had been evident during previous cycles of decentralized pay bargaining in Ireland. A prominent theme in portrayals of 'pay rounds' during the 1960s was the role of inter-union competition and conflict in the genesis of the 'key wage bargains' in the sheltered construction sector which triggered a number of pay rounds (McCarthy et al., 1975). While the theme of inter-union competition was muted in commentary on pay rounds during the 1980s, there were few indications of strategic or coordinated bargaining by unions, and such coordination as occurred appeared to take the form of general guidelines, issued by the ICTU, on factors that should influence pay targets, especially inflation.

The quite limited inclination or ability of unions to engage in more strategic pay coordination reflected a very complex and fragmented pattern of trade union organization. In all more than 80 trade unions represented members at the start of the 1980s and by the end of the decade 60 trade unions remained active (McPartlin, 1997). A merger wave reduced the number of unions to 40 by 2011. The four unions frequently mentioned as key agents in the 2 per cent strategy, SIPTU, Unite, TEEU and Mandate, now account for some 53 per cent of all union members and for 85 per cent of private sector union membership (Department of Jobs, Enterprise and Innovation, 2015). The TEEU, Ireland's largest craft union, is party to a loose alliance with SIPTU. The interviews undertaken for this study suggest that the general union Unite, with a membership of about 12 per cent of that of SIPTU, generally bargained in a manner consistent with the pattern established by the larger general union – albeit attributing the genesis of the 2 per cent norm more to employers than to SIPTU (interview with Senior Official of Unite). Mandate dominates retailing and can set union pay policy for the sector without having to be concerned about competition with other unions. The same largely holds for the finance sector where the FSU dominates a bargaining domain, where Unite and the Communication Workers' Union also have a presence. The underlying pattern of union organization has thus become less fragmented and presents fewer obstacles to pay coordination. Unions have fewer incentives for engaging in 'competitions in militancy' with the pattern setter through 'leapfrogging' claims, and their members have less of an appetite to risk their jobs by joining in. Attempts by the ICTU to promote union revival have also prioritized inter-union co-operation and the pooling of organizing and representative resources (ICTU, 2011). This may have contributed to better co-ordination between the key unions.

> I think rather than developing this idea that we would have [a firm] lead the pay claim, what we're more interested in doing is to try and get […] the unions in sectors to coordinate their pay bargaining. So if Tesco are being faced with a pay claim Marks and Spencer's are faced with a similar one. (ICTU Official)

The role played by the ICTU in coordinating decentralized pattern bargaining has evolved over the period since 2011. Initial activity by the ICTU's Private Sector Committee was largely limited to procedural coordination through the provision

of macro-economic and labour market data and associated guidance on pay rises warranted in the light of economic revival (ICTU, 2015). The union officials interviewed supported the principle of coordination by the ICTU but harbored doubts about how effective this could be. The appointment of a senior SIPTU official, with a background in private sector bargaining, as General Secretary of the ICTU in 2015, combined with growing pay pressure in the public service, appear to have been pivotal in the ICTU Private Sector Committee transitioning to a more substantive coordination role in the 4 per cent pay target strategy for 2017.

Institutional supports for coordination

The genesis and durability of pattern bargaining also reflected the institutional legacy of national pay coordination of the period from 1987 to 2009. Commentators noted that the '2 per cent norm [had] taken on something of the informal peer pressure rigidity of the old national wage agreements' (*Industrial Relations News*, 7 January 2015). Seven national pay agreements over the 22-year period of social partnership instituted a unitary pay norm and multiannual pay agreements. The occurrence of a pay norm of a similar kind, commonly given effect through multiannual deals, led some commentators to describe pattern bargaining agreements as 'shadow national deals' (*Industrial Relations News*, 22 July 2015). The pay deals often made pay rises conditional on 'co-operation with normal ongoing change' and this too had been a feature of successive national pay agreements.

Once established through collective bargaining, the 2 per cent norm was further institutionalized through Labour Court recommendations in pay disputes – unions refraining from referring disputes to the Court until the norm had become widely established at firm level (*Industrial Relations News*, 7 January 2015). SIPTU planned to establish the norm through deals with individual employers in the first instance, and only then to bring cases to the WRC and the Labour Court

> … our strategy was not to use the State agencies at all and we didn't. Our plan was to go to the companies that we knew would pay up if we put a reasonable argument to them […] it gave them stability and it

> was going to be a reasonable pay increase. It wasn't going to be outlandish regardless of the profitability of the company. […] So we built up; we started this database that you have in front of you; so we recorded everything we were doing and we decided we'd build it up till we got as close to 50 agreements as we possibly could and then we would go public. (SIPTU Official)

Once the norm was an established feature of pay bargaining, it was effectively 'informally rubber stamped' by the Labour Court (*Industrial Relations News*, 16 June 2016). In fact, so well established had the norm become over the period that only about 15 per cent of pay deals in 2015 and 11 per cent in 2016 involved disputes that were referred to the WRC or the Labour Court – a rate of referral that remained in line with the pattern since 2011 (13 per cent), in spite of strong economic growth in the latter years of the period. Unlike conflict resolution agencies in some European countries, such as Denmark and Sweden, the Labour Court does not participate in orchestrating pattern bargaining (Ibsen 2016). Nevertheless the Court contributed to institutionalizing pattern bargaining by issuing recommendations that took account of the going rate of pay rises.

Beyond the advantages of coordination for unions and institutional legacies and supports for the process, the resilience of coordinated bargaining also reflected wider features of the political economy of industrial relations in Ireland that survived the enormous shocks delivered by the economic, financial and fiscal crisis. In its aftermath, employers in Ireland refrained from any frontal onslaught on unions or collective bargaining (Roche and Teague, 2015). This reflected a long tradition of pragmatism by the majority of employers and their associations: having withdrawn from national bargaining, firms in general were able to achieve concessions on pay and work practices without resorting to any radical change of posture or approach in their dealings with unions (Roche and Teague, 2015). This meant that the infrastructure for collective bargaining remained intact when unions regained enough confidence and power to push for pay rises. Employers were disinclined to ignore or challenge norms established in other firms or sectors in favour of firm-specific arrangements; and, in any event, pattern bargaining afforded them considerable flexibility to seek productivity concessions and to conclude deals of varying duration. The Director General of IBEC has supported a 'coordinated approach to pay determination', in

which enterprise-level bargaining remained appropriate for the private sector and a 'coordinated centralized approach' continued in the public service, ensuring that private sector pay rises were in line with productivity and to prevent public service pay pressure from spilling over into the private sector (RTE, 2016).

Little political cover existed for radical ventures by employers to launch an assault on the infrastructure of collective bargaining in firms. Again social partnership cast a long shadow. Moves developed from 2015 to reestablish national level tripartite dialogue between employers, unions and government – although not covering pay (*Industrial Relations News*, 10 December 2015 and 21 July 2016). The Fine Gael and Labour Party coalition that held office from 2010 to 2015 resisted the reconstitution of social partnership, but offered little support either for any radical moves to undermine collective bargaining. Thus the constitutional challenges by groups of employers in catering and construction to undermine sector level bargaining were soon reversed by the government through new industrial relations legislation. The same government also sought to accommodate union demands for a 'right to bargain' in firms where employers refused to concede recognition.

Conclusion

Accounts of the effects of the Great Recession and new EU governance arrangements on pay fixing highlight the accelerated decentralization and often 'disorganization' of collective bargaining. The countries most seriously affected by these trends are commonly portrayed as objects of external economic and financial control mechanisms and measures imposed by the EU and the Troika. Ireland is identified as among a cluster of countries on the European 'periphery' marked by the most radical shifts in pay bargaining regimes and beset by disorganized decentralization, with seriously deleterious consequences for unions and their members.

Drawing on detailed empirical data collected from multiple sources, the paper has challenged this portrayal of the Irish case by showing that the parties responsible for the decentralization of collective bargaining and the decisions

they made were shaped endogenously rather than by the Troika; that initial disorganization surrounding the collapse of social partnership quickly gave way to orderly decentralization. This involved an accord between employers and unions in the private sector and a series of collective agreements in the public sector that allowed unions, employers and government to accommodate to cataclysmic economic and fiscal pressures. These developments led to the emergence of pattern bargaining in the private sector, marked by a level of pay coordination without precedent in previous cycles of decentralized pay bargaining. Pattern bargaining delivered increasingly pervasive pay rises and commonly other improvements in conditions of employment. While 1 in 5 pay deals involved conditions of various kinds, neither the presence of conditionality, nor the range of the conditions agreed, had any bearing on the size of resulting pay increases. Pattern bargaining has only recently come under pressure due to the dramatic rebound of the Irish economy and a new coordination strategy based on a 4 per cent pay target has been announced for 2017. Senior union officials have assessed coordinated decentralized bargaining positively and emphasize its advantages as compared with the social pacts of the period 1987 to 2009. In the public service, coordinated sectoral bargaining has also come under pressure in the wake of fiscal revival and the Labour Court recommendation in the Garda disputes. While coordination hangs in the balance and unions have threatened a disorderly free-for-all, both they and government have avowed their preference to retain the coordinated approach to bargaining of the period since 2010. The main employers' body, IBEC, has avowed support for the continuation of both forms of coordinated bargaining.

The implication of this analysis is that Ireland should be seen less as an exemplary case of bargaining disorganization in the wake of externally imposed reforms than of the resilience of pay coordination in the face of one of the most dramatic collapses by an advanced economy in recent times. The resilience of coordinated bargaining is attributed to the strategic postures of unions and the effects of embedded industrial relations traditions and institutions.

If coordinated bargaining breaks down in the dramatically changed economic circumstances of recent years, this will be due to sectional trade union pressure

on pay rather than to any determination by employers or the state to secede from, reconfigure or undermine collective bargaining arrangements. Moreover the consequence will be a reversion to a pay-bargaining cycle familiar during the 1980s, rather than any further hollowing out, or contraction of, collective bargaining.

The import of the analysis presented here extends beyond the Irish case to comparative accounts of the effects of the Great Recession and associated reforms in European Governance. The crisis literature implies that the effects of disorganized decentralization are progressive and may ultimately hasten the 'decollectivization of labour relations' (Koukiadaki et al., 2016b: 200). The Irish case warrants caution with respect to such apocalyptic projections. The breakdown of social partnership did not herald a progressive disintegration of collective bargaining and pay coordination, and recent initiatives by the ICTU, IBEC and the government point towards a cautious attempt to reinstitute national tripartite dialogue. The crisis literature also explicitly claims that unions are weakened significantly, possibly even fatally, by decentralized collective bargaining, and are left with few options other than possibly making common cause with groups beyond their traditional organizing domains (Koukiadaki et al., 2016b: 201). Data from interviews with national union officials presented in the paper show that they readily identified a series of advantages in decentralized coordinated collective bargaining, found new ways of reconnecting with activists and rank-and-file members and showed little appetite to return to social partnership and centralized pay bargaining. Finally the crisis literature may also have exaggerated the impact of economic and fiscal shocks, even of a very profound character, in causing or accelerating the disorganization of pay bargaining and industrial relations regimes. The Irish case shows how deeply embedded industrial relations practices and institutions can countervail the effects of exogenous shocks to preserve coordination and deflect employers and the state from path-transformative changes in industrial relations regimes.

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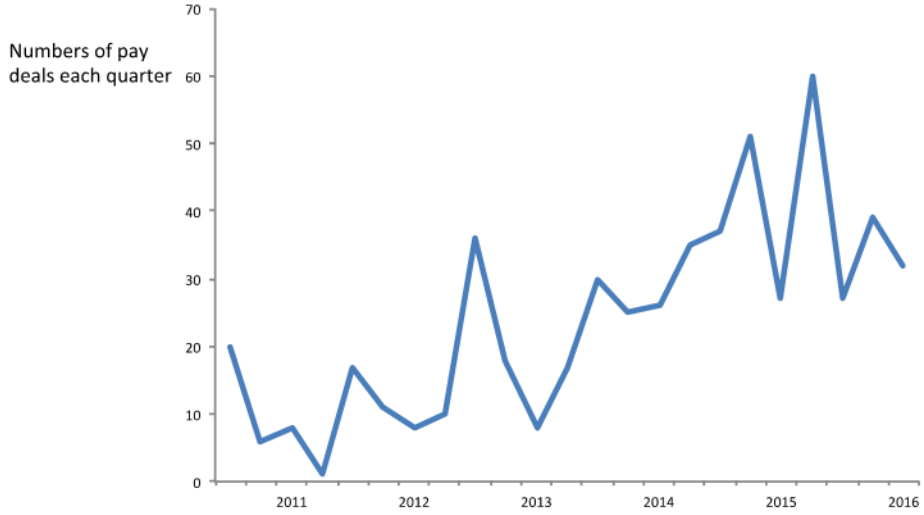
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Figure 1 Number of Pay Deals: 2011 to 2016 (Quarter 3)



Omits deals where data on timing unavailable.

Source: Pay Deals database and *Industrial Relations News*.

Figure 2 Mean, Median and Modal Annualized Rises in Pay Agreements 2011-2016 (Q3)

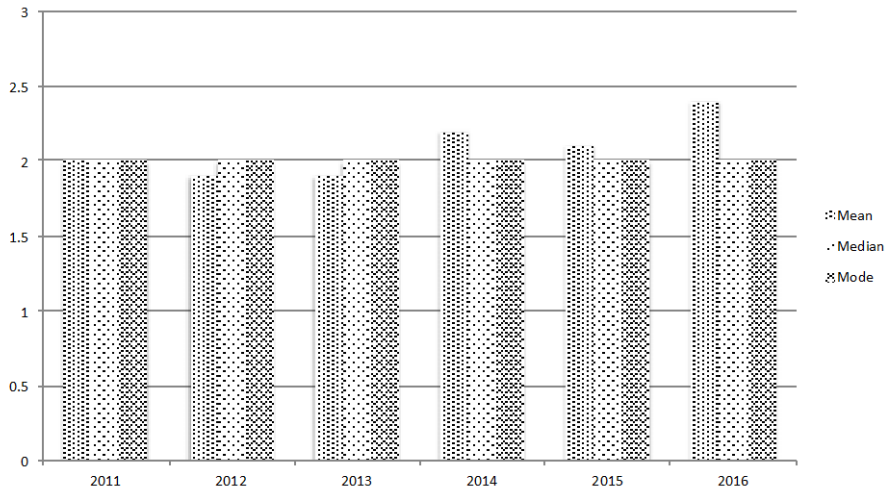


Figure 3 Boxplot of Annualized Pay Increases 2011-2016 (Q3)

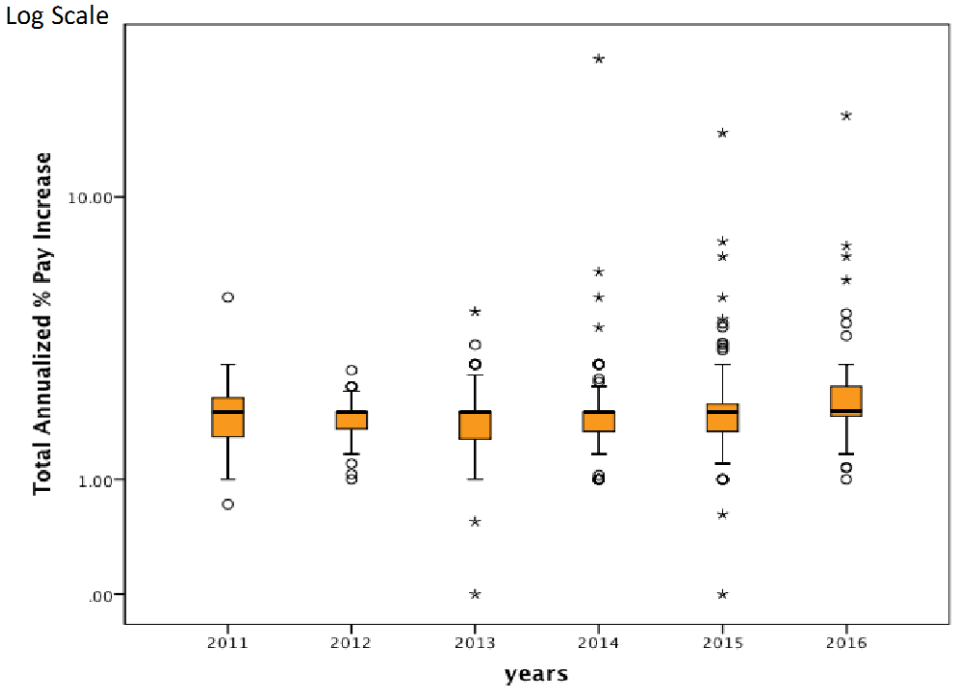


Figure 4 Conditions Attaching to Pay Deals

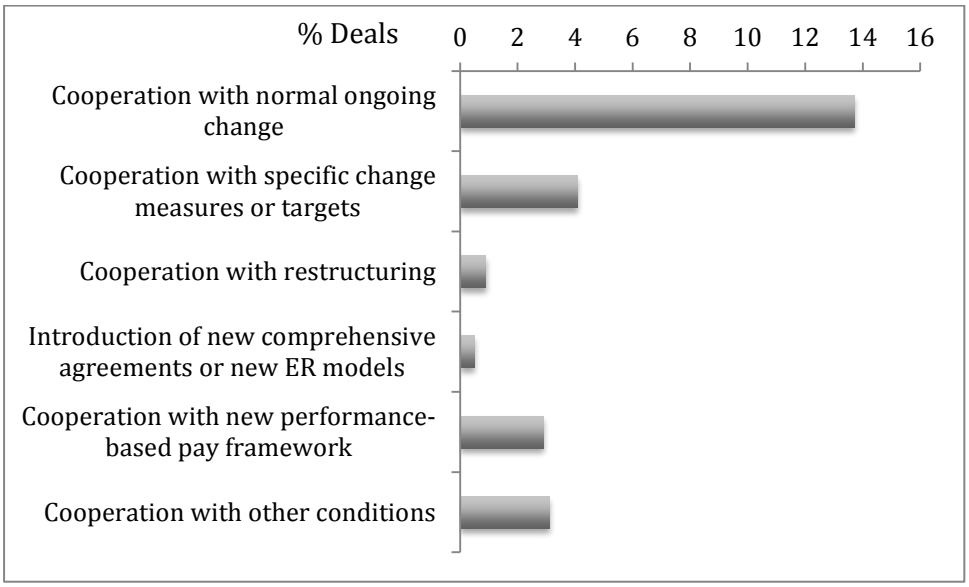


Figure 5 Improvements in Conditions Agreed in Pay Deals

