



mesmer+

Mapping European Social Economy:
Employment, Social Dialogue
and the European Pillar of Social Rights

Country report

IRELAND

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Introduction

The Mesmer+ (Mapping European Social Economy: Employment; Social Dialogue; and the European Pillar of Social Rights), European Commission-funded project, co-ordinated by the Diesis Network, is a follow-on project to the Mesmer project.^{1 2} This current project has eight EU Member State partners: (Belgium; Bulgaria; France; Ireland; Italy; Poland; Spain; and Sweden; plus North Macedonia as a 'candidate country'). The objective of the study is to

... get an overview and to make comparisons of the different national situations in relation to one another ... for a better understanding of the representation and participation of social economy in the social dialogue institutions as organised in each of the...countries.

The research is framed around two questions:

- ✦ **RQ1:** How inclusive are social dialogue institutions towards social economy players?
- ✦ **RQ2:** How are social economy players having their voice heard in national industrial relations systems?

The research is undertaken within the two following definitions of Social Dialogue and Social Economy:

1 See: <https://www.diesis.coop/>

2 See: <https://www.diesis.coop/wp-content/uploads/2018/03/MESMER-final-publication.pdf>

✦ **Social dialogue** can be defined as negotiations, consultations, joint actions, discussions and information-sharing involving employers and workers. Well-functioning social dialogue is a key tool in shaping working conditions, involving a variety of actors at various levels. It balances the interests of workers and employers and contributes to both economic competitiveness and social cohesion.³

✦ **Social economy** is based on three core principles: "(1) the primacy of people as well as social and/or environmental purpose over profit, (2) the reinvestment of most of the profits and surpluses to carry out activities in the interest of members/users ("collective interest") or society at large ("general interest") and (3) democratic and/or participatory governance."⁴

Within the context of the project Template and Protocols, including these research questions and terminologies and for the Irish input into the overall outcomes of the project, the IDEAS Institute undertook to examine the policy framework and the representativeness of social enterprises within the national social dialogue arrangements currently in place in Ireland.

3 The project uses the EUROFOUND definition of 'social dialogue'. See: https://www.eurofound.europa.eu/search?search_block_form=Social+Dialogue&op=Search

4 See: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52021DC0778> page 3

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Industrial relations: national context

In the nineteenth century, the British and Irish trade union movements were united under one Trade Union Congress. As a result of these close ties, the Irish system of industrial relations has evolved from the British voluntarist model, based on an adversarial problem-solving approach. Indeed, for many years after Ireland gained its independence in 1922, both systems of industrial relations and the scope of legal powers given to trade unions were governed by the same set of UK 19th and early 20th century statutes.

The legacy of the industrial and political upheavals in the first decades of the twentieth century are still, to some extent, reflected in the trade union structures today. The Irish Congress of Trade Unions (ICTU) represents trade unions in both parts of the island of Ireland, therefore, it operates under two different legal jurisdictions and two distinct political and economic entities.

The approach of business and management to industrial relations has also been dominated by the substantial trade links with Great Britain since long before Irish independence. With these close business ties and with many subsidiaries of UK companies operating in Ireland, the traditional adversarial model of employment

relations, with the emphasis on collective bargaining, has been the dominant system. This system has been re-enforced in recent decades by the establishment of subsidiaries of US companies in Ireland, in particular non-union electronic, software, social media and pharma companies.

The State, for its part, supported this system by encouraging the 'voluntarist' model and, consequently, it has taken a minimalist approach to regulating the employment relationship through legislation. The State, however, does provide the dispute resolution machinery to maintain industrial peace within parameters agreed at the national level, through such institutions as the Labour Court. Furthermore, the State provides services for the maintenance of workplace peace through the Workplace Relations Commission (WRC), which

... services include the inspection of employment rights compliance, the provision of information, the processing of employment agency and protection of young persons (employment) licences and the provision of mediation, conciliation, facilitation and advisory services.⁵

⁵ See <https://www.workplacerelations.ie/en/what-we-do/wrc/>

In the past, because of this dominant adversarial system, information and consultation structures have not been central to the Irish system of industrial relations. However, there has been some changes in this since Ireland became a member, along with the UK and Denmark, of the EEC/EU in 1973, with the emergence of more consensual employment relations, influenced by a series of legal instruments agreed at the EU-level, but the precept of negotiating in a spirit of co-operation found in all EU information and consultation Directives is not an integral part of Irish industrial relations. So, where information and consultation structures, such as works councils, have been introduced, more often than not they operate in parallel to the adversarial collective bargaining process.

Northern Ireland's unique status

Under the BREXIT Withdrawal Agreement between the UK and the EU, Northern Ireland (NI) remains within the EU Single Market, which is provided for in the additional agreement between the European Commission and the UK Government, the NI Protocol, there is no reference to employment rights or EU workplace legislation and under Article 2 of the Protocol there is a general obligation on the UK to ensure that there is no diminution of rights, safeguards or equality of opportunity occurs in Northern Ireland and Article 12 provides for a role for the ECJ in interpreting the application of EU laws in relation to Northern Ireland's membership of the Single Market.

There has been considerable unease, politically inflated by the Democratic Unionist Party (DUP, an

ultra-pro-unionist party), among certain sectors of the NI economy that the Protocol undermines the place of NI within the UK. Consequently, successive UK Governments have sought to re-negotiate the Protocol agreement. The European Commission would not enter into such negotiations, as the Protocol is now an international treaty, but was agreeable to find agreement on its implementation. Such an implementation agreement was finalised in February, 2023, the Windsor Framework. However, this new agreement only deals with import technicalities for goods entering NI from GB. There is no mention of employment relations or worker rights issues. However, a new 'emergency mechanism' (called the Stormont Break) does allow for 30 members of the (devolved) NI Assembly from two or more parties, on a 'cross-community' basis:

... to stop the application in Northern Ireland of amendments or replacement of EU legal provisions that may have a significant and lasting impact specific to the everyday lives of communities there.

While it is envisaged that this new implementation procedures would apply to changes to trade regulations between NI and GB, there is no guarantee that it could also be applied to changes or updating of EU legislation or regulations on workers' rights in the future.

Irish Labour Force

The Central Statistics Office Labour Force Surveys (CSO LFS) show that there were 2,719,200 persons aged 15-89 years in the labour force in Q1 2023. Of these, there were 2,608,500 in employment, the

highest number since records began in 1998. The rate of unemployment stands at an all-time low with 110,700 seeking employment, just 4% (Q1 2023).

While the COVID-19 pandemic has caused a unique labour market situation, the key employment sectors and where the pandemic has had little impact, are in a) the production of chemical and pharmaceutical products; b) new technology manufacturing and software development; c) social media; d) financial services; and e) the indigenous food production and processing sector. Therefore, employment opportunities are mainly in these the high qualification / high income sectors, while those working in sectors, such as tourism and hospitality, where lower skills are required, have suffered disproportionately during the pandemic. The LFS data shows 'over-qualification' (those working in jobs below their level of education and qualifications) rates continued to be of concern, relative to other high-income EU Member States.⁶ It also shows that almost every indicator on precarious work has increased, so jobs available to younger workers, including part-time work, underemployment, temporary contracts and more, have deteriorated relative to conditions before the economic and financial crisis between 2008 and 2012.

Irish Social Partner Structures

Trade Unions

The ICTU is the only trade union confederation on the island of Ireland, with 45 individual affiliated trade unions. It represents trade unions in both parts of

the island of Ireland. Indeed, internationally the ICTU is unusual in that it also has foreign (UK) unions as members, operating both in the Republic of Ireland (RoI) and Northern Ireland (NI). Many of these unions and, indeed, unions with their headquarters in RoI, have members in both parts of the island.⁷ It is also important to note that NI has evolved its own structures and particular system of industrial relations, distinct from both RoI and Great Britain (GB).

Although the ICTU plays an important part in relations with governments in both RoI and NI, it is a grouping of independent and autonomous unions, rather than a confederation that dominates and directs member unions or sectoral federations. However, through the ICTU the trade union movement develops common positions on matters of national and EU concerns, such as employment creation, unemployment, health and safety, education and social welfare, industrial relations reform and legislation. The ICTU also monitors the industrial activities of unions - especially where strikes are likely or on inter-union disputes - it is a channel for solidarity and support, as well as providing services through its industrial relations staff in seeking to resolve issues in dispute. The ICTU also represents the Irish trade union movement at EU and international levels through the ETUC, the ITUC, the Industrial Federations and the International Labour Organisation.

There are some 720,000 members in the ICTU affiliated unions, a reduction of 80,000 since 2011. The membership is distributed as follows:

⁷ The NI Committee of the ICTU deals with the specific issues related to employment relations in NI and liaises with the UK Trade Union Confederation (TUC) on issues related to the UK as a whole.

⁶ See <https://www.cso.ie/en/statistics/labourmarket/monthlyunemployment/>

- ✦ 521,000 members are based in the RoI (50% in Private Sector enterprises and 50% Public Sector employees)
- ✦ 200,000 members are in NI (35% in the Private Sector and 65% in the Public Sector)
- ✦ There were 393,000 women members - 54% of the total ICTU membership.⁸

Within these trade union structures there are a number of large unions by membership:

- ✦ The Science, Industrial, Professional, Technical Union (SIPTU) has 180,000 members (7,000 in NI)
- ✦ FORSA, a public service union: 89,500 members
- ✦ The Irish National Teachers Organisation (INTO): 49,700 (42,600 in RoI and 7,100 in NI)
- ✦ UNITE the Union, one of the GB-based unions: 53,700 members (20,300 in RoI and 33,400 in NI)
- ✦ The Northern Irish Public Service Association (NIPSA) (a NI-only union): 42,000 members

According to the CSO LFS, with the decline in employment following the financial/economy crisis 2008-2012, trade union membership also declined. However, with the recovery of the economy and resulting employment levels in recent years, LFSs indicate that unionised numbers have also recovered.

Over a quarter (26%) of those at work surveyed in Q2 2021 said that they are union members, so despite a rise in employment the ten years from 2011 to 2021,⁹

⁸ All statistics are from Annex 3 of the *Report of the Executive Committee to the Biennial Delegate Conference* Irish Congress of Trade Unions, October, 2021. The ETUI Workers Participation website gives similar membership numbers: See <https://www.worker-participation.eu/National-Industrial-Relations/Countries/Ireland/Trade-Unions>

⁹ <https://www.cso.ie/en/statistics/labourmarket/labourforcesurvey/lfstimeseries/> Tables 1 and 2

LFS figures show that unionisation has declined from 31% in 2011. However, membership density held steady during these ten years (with an increase of just 3%), while employment levels in the RoI increased by over 22%.¹⁰ This reflects changes in the labour market as unions have found it difficult to break into many of the new growing sectors of the economy, such as ICT, electronics, pharmaceutical companies, financial and private services, many of which belong to foreign (mainly US) multinationals.

Trade unions support social enterprises and many workers in these enterprises are members of trade unions. In many cases trade union officials act as mediators when internal disagreements emerge and need 'outside' assistance to find solutions. Trade union officials draw on their negotiation experiences to facilitate dispute resolutions.¹¹

Employers

The Irish Business and Employers' Confederation (IBEC) is the major organisation representing employers in the labour market. Its membership included some 7,500 businesses and enterprises organised through 40 business and sectoral associations, employing some 70% of private sector workers in Ireland.

The role of IBEC is to develop and co-ordinate economic, commercial and social policies for employers and to influence national decision-making, so that national policies are enterprise and employment friendly. It represents Irish business and industry in discussions

¹⁰ *ibid*

¹¹ Interview with G J Doyle and project questionnaire response from the Western Development Commission.

on matters of trade, economics, finance, taxation, planning and development, with the Irish Government, the EU institutions (through BusinessEurope) and other international organisations.

All business sectors are represented by IBEC, apart from the construction industry, which has its own sectoral employers' organisation, the Construction Industry Federation (CIF), which represents 3,000 member companies operating in various parts of the building and construction sector and the agricultural sector which is organised through the Irish Farmers Association and a number of smaller niche organisations, such as the Irish Creamery Milk Suppliers Association.¹²

¹² See: <https://www.ibec.ie/about-us>

/03

Social economy activity in Ireland

While there has been a long tradition of local community co-operation and support, called *Meitheal*, in Ireland, where, for example, rural communities would join together at harvest time or to build a cottage for a family.¹³ However, the term *social economy ... is not always used to describe the array of organisations... as... many organisations within the wider social economy do not identify themselves with, or even fully understand, the term!!*¹⁴

Two examples of the enterprises and the co-operative tradition in Ireland are: a) agricultural co-operatives¹⁵, which date back to the 1890s; and b) credit unions (community banks) first introduced into Ireland in the 1950s.¹⁶

With regard to **agricultural co-operatives**, these emerged in the 1890s as a way of addressing the high levels of rural poverty. The Irish Agricultural

13 Many social enterprise organisations in Ireland continue to have *Meitheal* in their names.

14 *Social Enterprise on the Island of Ireland* National Economic & Social Council (NESCC) Report No. 161, May 2023, p24

15 See: <https://icos.ie/>

16 See: <https://www.creditunion.ie/ilcu/about/>

Organisation Society was set up as the representative body for these rural based co-operatives in 1897. However, the initial establishment of agricultural co-operatives were met with significant resistance from the 'unionist' land-owners, traders in the food sector and, to some extent, the Catholic Church whose clergy, at the time, were very influential in Irish rural communities. The clergy supported local co-operatives to process milk products (Creameries) but were reluctant to support co-operatives operating as retail outlets, which would compete with established traders, strong supporters and funders of the Church.¹⁷ Also, the (pre-independence UK) Department (Ministry) of Agriculture was opposed to the agricultural movement and it was not until it came under the control of the revolutionary Government in 1919, during the War of Independence, that these co-operatives were recognised and supported.¹⁸

Having overcome this early resistance to co-operatives, there are now some 100 such organisations across the

17 See: *Socialising Economic Development in Ireland: Social Enterprise – An Untapped Resource* G J Doyle, (2019) www.igi-globsl.com/ondemand p171

18 See: <https://icos.ie/about/history/>. By 1914 over 800 rural co-operatives had been established.

island¹⁹ and, while many have evolved into major global businesses, such as the Kerry Group, Glanbia or Tírlán (formally Avonmore), many remain small, local and are involved in providing services around core agricultural activities. Of the 100 co-operatives, over thirty are community based and another seventy specialise in other aspects of farming and rural life. There are, approximately, 150,000 individual members in these co-operatives and they also provide substantial local employment, with approximately 12,000 workers.

Credit unions are to be found in every town and city on the island of Ireland. They act as local community savings and loan banks and are regulated (in RoI) by the Central Bank. The Irish League of Credit Unions (ILCU) estimates that there are 3.6 million members – 48% of the population of the island.²⁰ Each credit union is an independent, not-for-profit organisation that exists solely for the benefit of its members. Membership is open to people who have a unique ‘common bond’ with other members of the credit union. This can be based on the area they live in, their place of work, or their occupation.²¹

In drafting a national social enterprise policy, credit unions, while recognised as social enterprises and a significant and integral part of the financial services

19 The main categories for agricultural co-ops are multipurpose dairy co-ops, such as: livestock sector co-ops; store, trade and wholesale co-ops; service-related co-ops; community-oriented, culture and leisure co-ops; food, fishing and beverage co-ops; and advisory and education-related co-ops. (See: <https://frsfarmreliefservices.ie/agriculture-co-op-involvement/>)

20 The ILCU represents credit unions in both RoI and NI.

21 See: <https://www.centralbank.ie/regulation/industry-market-sectors/credit-unions>

sector, have not been included as part of the policy as they are financial institutions regulated by the Central Bank of Ireland (CBI) under the range of pieces of legislation and statutory regulations from 1966 to 2020.²²

Apart from these two national organisations (the Irish Co-operative Organisation Society and the Irish League of Credit Unions), there are a number of other national organisations involved in representing social enterprises, for example:

- The Wheel (see: <https://www.wheel.ie/>)
- Irish Social Enterprise Network (<https://www.socent.ie/>)
- Social Enterprises Republic of Ireland (<https://www.socialenterprise.ie/>)
- Irish Local Development Network (<https://ildn.ie/>)
- Social Entrepreneurs Ireland (<https://www.socialentrepreneurs.ie/>).

National Social Enterprise Policy

As a result of the economic and financial crisis 2008 to 2012, which had a major impact on the Irish economy and on society, in 2009 the Government withdrew from Towards 2016: Ten-year Framework Social Partnership Agreement 2006-2015, resulting in a return to local-level, enterprise based collective bargaining. However, it did, eventually, follow through on its commitment in this agreement to set up a full Government Ministry when the Department of Rural and Community Development

22 See: <https://www.centralbank.ie/docs/default-source/regulation/industry-market-sectors/credit-unions/credit-union-handbook/unofficial-consolidated-version-of-the-credit-union-regulations.pdf?sfvrsn=8> In NI the ILCU works closely with the Ulster Federation of Credit Unions on the co-ordination of regulations, see: <https://ufcu.co.uk/about-us.html>

(DRCD)²³ was established in 2017 to formulate policies and provide support for the social enterprise sector. This was influenced, to some extent, by the evolving emphasis on the social economy at the EU-level and by the example of the ‘best practice’ policy approach taken by the Scottish Government.²⁴

In 2019, the Government published a five-year strategy to support communities and the voluntary sector.²⁵ Also in 2019, the National Social Enterprise Policy, 2019-2022, was launched.²⁶ For the purpose of this National Policy, the following definition was adopted:

A social enterprise is an enterprise whose objective is to achieve a social, societal or environmental impact, rather than maximising profit for its owner or shareholders. It pursues its objectives by trading on an ongoing basis through the provision of goods and/or services and by reinvesting surpluses into achieving social objectives. It is governed in a fully accountable and transparent manner and is independent of the public sector. If dissolved, it should transfer its assets to another organisation with

23 Heather Humphreys TD, Minister for Rural and Community Development, was the manager of a credit union before entering politics.

24 See: <https://ec.europa.eu/social/main.jsp?catId=952&langId=en> Also, *Rethinking social enterprise policy making in Ireland – untangling proportionate, disproportionate and unengaged sectoral policy contributions*, D Ó Broin, Dublin City University (DCU), and G J Doyle, Technology University Dublin (TUD), Irish Journal of Management, Vol 41 (2), 2022, p113. See: <https://doi.org/10.2478/ijm-2023-0004>

25 See: <https://www.gov.ie/en/publication/d8fa3a-sustainable-inclusive-and-empowered-communities-a-five-year-strategy/#> DRCD, August, 2019

26 See: <https://www.gov.ie/en/campaigns/e779c3-social-enterprise-policy/#> Also, Annual Reports for 2020 and 2021 See also, NESI ibid, p29, for a review of the *lack of information on the number and nature of social enterprises in Ireland*

*similar mission.*²⁷

Within the framework of this National Policy, the DRCD, through a number of national, regional and local organisations, provides funding and logistic support for social enterprises at local levels.²⁸ In addition, in the Programme for Government, 2020, the incoming Government committed to build a national strategy as part of its social and employment commitment to *Building Stronger and Safer Communities.*²⁹

As there were no definitive data on the numbers, the roles, types of businesses, or make-up of social enterprises, the DRCD commissioned a detailed analysis to establish a ‘baseline’ for its policy actions. The findings of this study were published in May 2023, and provides, for the first time, some data on aspects of social enterprises in Ireland.³⁰

27 See: <https://www.gov.ie/en/campaigns/e779c3-social-enterprise-policy/> also <https://www.gov.ie/en/policies/>

28 Such as the Western Development Commission, the Southern Regional Assembly, the Eastern and Midland Regional Assembly and Pobal. For example, ... *the role of Pobal* (Gaelic for ‘community’) *is to provide management and support services to programmes, schemes and services in the areas of Social Inclusion and Equality, Inclusive Employment and Enterprise and Early Years and Young People. We administer these programmes on behalf of the Department of Rural and Community Development, the Department of Children, Equality, Disability, Integration and Youth, the Department of Social Protection, as well as the Department of Health/HSE, the Department of Justice, the Department of Department of Environment, Climate and Communications, the Department of Transport, and a number of EU bodies. Allocating circa €901 million in 2022.* See: <https://www.pobal.ie/about-pobal/>

29 Programme for Government: Our Shared Future Dept of An Taoiseach, 2020. <https://www.gov.ie/en/publication/8040b7-programme-for-government-programme-for-a-partnership-government/#>

30 *Social Enterprise in Ireland: A Baseline Data Collection Exercise* Dept of Rural and Community Development, Dublin, (2023). See: www.gov.ie/drcd.

Country report: IRELAND

This study established that there are over 4,335 social enterprises (within the definition used) operating in ROI and that they contribute €2.34 billion to the national economy. Employment in the sector is estimated at 84,382, which constitutes 3.7% of the total Irish workforce. This includes full-time, part-time and contractors:

- ✦ 38,400 (45.5%) are full-time
- ✦ 39,660 (47%) are part-time

- ✦ 6,400 (7.5%) are contractors
- ✦ 54,500 (67%) are women

The enterprises can be characterised as micro (57%); small (35.4%); medium (6%); and large (1.1%). Almost half of these enterprises were set up over twenty years ago. Table 1 sets out the number of social enterprises operating in the sectors covered by the study, by the number of enterprises and by the percentage of employment.

TABLE 1: SOCIAL ENTERPRISES IN IRELAND ³¹

Sectors of Activity	Number of organisations (No.: 4,335)	Numbers employed (%) (No.: 84,382)
Childcare	1,156	14.2
Health, youth services & social care	711	44.6
Heritage, festivals, arts & the creative industry	592	5.4
Sports & leisure	330	2.1
Training & work integration	265	9.8
Housing	196	4.1
Food, catering & hospitality	115	2.1
Retailing	54	1.0
Transport	21	1.0
Financial services	17	0.9
Manufacturing	13	0.4
Others	32	1.1

³¹ It should be noted that the range of social enterprises covered by this study did not include credit unions, agricultural co-operatives or worker co-operatives. There are, in fact, very few worker co-operatives operating in Ireland and, while there is no definitive

or recent data on their numbers, it was estimated in 2012 there were only nineteen. See *Ireland's Worker Co-operative Sector* Gavin M (2012) University College, Cork (unpublished Masters Thesis), quoted in G J Doyle, *ibid*.p186.

Volunteering is a key part of the structures of social enterprises and, apart from the full-time and part-time workers, there are another (estimated) 44,500 volunteers and a further 30,300 board members involved in the day-to-day work of the enterprises (a total of almost 75,000 volunteers).

When this study has been analysed in detail, it is hoped that it will provide the basis for the development of a coherent national policy on social enterprises. However, apart from the DRCO perceived overarching responsibility for social enterprises, there is a complicated diffusion of Government departmental administrative and policy responsibilities for different social enterprise sectors. Added to this, the number of competing national membership organisations (e.g. The Wheel, Irish Social Enterprise Network, Social Enterprises Republic of Ireland, Irish Local Development Network, Social Entrepreneurs Ireland, etc.) and the diverse range of social enterprises working across business sectors and geographically, present a significant challenge to the development of an integrated national policy.³²

In the *National Social Enterprise Policy, 2019-2022* it is noted that:

Financial supports for social enterprises in Ireland are often provided through labour market activation programmes which provide work placements or training in social enterprises to help unemployed people to improve their employment options. In other cases, grants are provided to social enterprises, for example through the Community Services Programme (CSP), towards the cost of employing staff to enable them to deliver local services. CSP is

32 Ó Broin and Doyle, *ibid*

*particularly important for social enterprises operating in the community and voluntary tradition.*³³

*Policy Measure 15 of the National Policy also sought to: Explore the scope for improving alignment of funding schemes across Government Departments, where appropriate, to support the objectives of social enterprises, whilst avoiding any displacement of existing supports for Community and Voluntary organisations.*³⁴

To assist with the achieving the policy objectives, an Implementation Group was established.³⁵ This group is comprised of nominees from Department of Rural and Community Development, Department of Business, Enterprise and Innovation, Department of Justice and Equality, Department of Communications, Climate Action and Environment, County and City Management Association (CCMA), Pobal, Social Enterprise Task Force, Social Innovation Fund Ireland (SIFI), Social Enterprise C&V Pillar, Social Enterprise Stakeholders (4), as well as a representative from a Higher Education Institution.

33 *Ibid*, page 19 (see also page 14 and footnote 46)

34 *Op. cit.* page 20

35 See: <https://www.gov.ie/en/collection/f1f28-summary-minutes-of-national-social-enterprise-policy-implementation-group-nsepig-meetings/> The Implementation Group has not met since October, 2012. (I am indebted to Brid O'Brien, Head of Policy and Media, INOU (Irish National Organisation of the Unemployed), for drawing my attention to these quotes and for this information)

/04

Social dialogue in Ireland

From 1973, after the accession of Ireland to the (then) European Economic Community (EEC) and the transposition of numerous EEC/EU wide legal instruments on workers' rights, social dialogue and workplace safety and health in the decades since Ireland's accession, have resulted in greater workplace social dialogue and improved social and employment rights.

The European influence built on an already changing employment relationship. As seen above (page 3), the Irish industrial relations structures are historically based on the voluntarist and adversarial tradition, stemming from the historical links with the UK, workplace social dialogue has not been an integral part of the employment relationship. However, there were a number of reasons for this change from the early 1970s. First, because of a series of very damaging industrial disputes, the trade unions and employer organisations agreed to negotiate wage agreements at the national level, on a bi-partite basis, with the support of the Government, participating in the negotiations as the Public Sector employer.³⁶

It gradually became clear towards the end of the 1980s that these pay agreement were having a wider impact on the labour costs and, consequently, on national economic policies, in particular, taxation and social welfare policies,

³⁶ See: *The Decade of Upheaval: Irish Trade Unions in the Nineteen Sixties* C McCarthy, Institute of Public Administration (1973)

so these bipartite agreements evolved into tripartite negotiations, covering every aspect of national economic and social policies that, not just covered income increases, but also a wide range of social and economic national policies, dominated Irish employment relations, with the exception of five years in the early 1980, for some thirty years:

- Two National Understandings for Social and Economic Progress (1979 to 1981)
- Nine National Social Partnership Programmes (1987 to 2009).

From the renewal of the national tripartite agreements in 1987,³⁷ community and voluntary organisations made submissions on issues of particular interest and concern to them. However, from 1999³⁸ the community and voluntary sector had 'a seat at the table' and substantially influenced the final agreements and Government policies that impacted on these organisations.

This influence was further demonstrated by the inclusion in the following agreement,³⁹ which was a departure

³⁷ *Programme for National Recovery 1987-1990*

³⁸ *Programme for Prosperity and Fairness, 2000-2003*

³⁹ *Towards 2016: Ten-year Framework Social Partnership Agreement 2006-2015*. Unfortunately, this agreement was terminated by the Government in 2009 as a result of the financial and economy crisis.

from all previous agreements in that it set out a ten-year framework national strategy, with the inclusion of specific sections on the role and funding of the community and voluntary sector:

The Government recognises that community and voluntary activity form the very core of a vibrant and inclusive society. The great strength of voluntary activity is that it emerges organically from communities. While the Government should not seek to control and be involved in every aspect of voluntary activity, it does have a responsibility to provide an enabling framework to help the sector. Where this involves direct supports, a delicate balance must be struck between having a relatively light regulation and maintaining proper accountability.⁴⁰

As outlined on page 9 the Government also gave a commitment to establish a new government department (ministry) to address the concerns of the sector with regard to the legal status, funding, etc.

Board-level Representation

There is no statutory requirement for board level representation in Private Sector enterprises – Ireland has a single-tier corporate governance structure. However, in line with the European influence of social dialogue in the 1970s, legislation for employee representatives on the governing boards of State-owned commercial enterprises was introduced in 1977, with a further extension to further State companies and agencies in 1988. These employee representatives are called *Worker Directors*.

In the larger companies, worker directors hold a third

⁴⁰ Ibid. page 70

of the seats on the boards. Candidates are nominated by the unions but elected by the whole workforce. However, the extent of employee representation through worker directors has diminished in recent years with the privatisation of a number of previously State-owned companies and the closure of numerous State agencies as a result of the financial and economic crisis, 2008-2012.

Moreover, new State-owned companies and State agencies established by the Government in recent years,⁴¹ do not have a legal requirement for board-level employee representation arrangements. The political climate is, therefore, no longer 'friendly' towards worker participation or, indeed, to workers' information and consultation rights.⁴²

European Works Councils (EWCs)

Regarding the involvement in EWCs, the representation of Irish workers was slow following the original (1994) Directive, however, there has been increased interest since the adoption of the Recast-Directive (2009/38/EC), in particular because of the provision for EWC members to report back to the national workforces (Article 10.2). It is estimated that there are some 20,000 members represented by SIPTU members of EWCs (approx. 12% of the total membership).

⁴¹ See *HSE Annual Report and Financial Statements 2022* <https://www.hse.ie/eng/services/publications/corporate/hse-annual-report-and-financial-statements-2022>

⁴² See *Democracy in the Workplace: The Case for Worker Directors* National Workers Directors Group, (2020): <http://nwdg.ie/wp-content/uploads/2020/01/NWDG-Democracy-in-the-Workplace.pdf>

/05

Social Enterprise and Social Dialogue

As noted in Ó Broin (2017):
*Irish public policy retains a very strong and distinct pro-private enterprise bias. Furthermore, the research findings point to social enterprises in Ireland being undervalued by a majority of State agencies, policy-makers and political parties. Policy-makers tend to afford them a residual role in providing services to marginalised communities and providing employment to those most distant from the labour market. ... This has resulted in the social economy being undervalued in Ireland, compared to other EU Member States.*⁴³

Following the end of the era of national social dialogue, the only new tripartite arrangement, the Labour Employer Economic Forum (LEEF), was set up in 2017 with the objective of providing:

... a space to discuss areas of shared concern affecting the economy, employment and the labour market on a

43 Ó Broin D *Towards a European-style social economy or Irish-style social innovation, and Co-operatives as Social Innovation – how older models of social enterprise are more relevant than ever in this publication* both in 'Social Innovation in Ireland: Challenges and Prospects', eds. Munck R, Ó Broin D & Corrigan J M, Glasnevin Publishing, Dublin (2017). Also, Doyle G J (2019) *ibid.* Annex 2 lists departmental responsibilities related to social enterprises.

*thematic basis, such as competitiveness, sustainable job creation, labour market standards and equality and gender issues in the workplace.*⁴⁴

LEEF has representatives from the government, employer and trade unions and is the structure for tripartite dialogue on economic and employment issues as they affect the labour market. As well as the Dept of An Taoiseach (Prime Minister), the government is represented by a range of relevant ministers, usually from the 'economic ministries'. The employers are represented by IBEC and CIF and, for the trade unions, by the ICTU.⁴⁵

However, organisations representing social enterprises are not involved in this forum and there has been no willingness by the social partners, including the Government, to involve the sector, which would be complicated by the dilemma as to who represents social enterprises at the national level.

44 See: <https://www.gov.ie/en/collection/7b3918-labour-employer-economic-forum/#> (The role of LEEF does not necessarily fit the definition of social dialogue – see page 1, footnote 3)

45 DRCD has not participated in the LEEF meetings on the Government side

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Conclusion

Within the Irish context, the two Mesmer+ research questions can be answered as follows:

RQ1 *How inclusive are social dialogue institutions towards social economy players?*

Until there is an agreed coherent national policy for social enterprises, co-ordinated by DRCD and responsible for its implementation across all Government ministries and agencies, and that there is an agreed strategy for engaging with Government through DRCD, social enterprises will not be included in any national-level social dialogue. The Community Platform has argued that social dialogue must be more inclusive than just the employers' and trade union organisations.⁴⁶ Indeed, it is also doubtful if the latter organisations would be agreeable to the inclusion of social enterprise representatives in any national level social dialogue.

RQ2 *How are social economy players having their voice heard in national industrial relations systems?*

This is an evolving situation and the success of DRCD will be crucial to the involvement at the political and national policy-making level. However, as social enterprises are so diverse and as there is no one coherent national

representative organisation, it is difficult for their 'voice' to be heard or to have an input into national economic, employment and social policies. However, at sectoral levels, such organisations as Irish Co-operative Society Organisation (ICOSO), play an influential role in national agricultural and rural policies, including the application of the EU Common Agricultural Policy (CAP),⁴⁷ or the Irish League of Credit Unions, which is part of any political and legislative agendas affecting the future personal finance landscape on the island of Ireland⁴⁸ and provide community based financial services in small town and rural communities, very often in the absence of commercial bank branches.

Trade unions are supportive of social enterprises and, as noted, many trade union activists are involved locally in social enterprises. However, neither the ICTU or affiliated unions have a formal policy on the social economic sector.

46 See: <https://communityplatform.ie/publications/>

47 See: <https://icos.ie/about/who-we-are/>

48 See: <https://www.creditunion.ie/ilcu/public-affairs/>

Annex 1

THE OUTCOME OF THE POLICY LAB DISCUSSION

A draft of this project report was discussed at a policy forum, which met, on 12 September 2023, and a number of key issues emerged from this discussion:

- ✦ The term social economy is not generally used in Ireland and it is seen as an EU term.
- ✦ Many organisations that 'fit' the definition of social enterprises, as set out in the DRCD definition, do not consider themselves as social enterprises, so this is a challenge for organisations representing them and to influence public policies on their behalf.
- ✦ There is a challenge for representative organisation to make the term, social enterprise, recognised and more acceptable. One suggestion was that in tendering for public contracts there would be an element (percentage) of social value in the tender assessments, which would provide social enterprises with additional points in any tender assessment.
- ✦ While there was support for the involvement of DRCD in the Government's LEEF delegation, so as to bring the role of social enterprises into the national social and economy discussions, there were differing views on having one body to represent all social enterprises at the national level, as there are many different business sectors in which social enterprises operate and it would prove difficult (if not impossible) to agree an overall coherent policy context for social economy actors.

Annex 2

IRISH GOVERNMENT MINISTRIES AND AGENCIES RELEVANT TO POLICIES ON SOCIAL ENTERPRISES

RELEVANT GOVERNMENT DEPARTMENTS (MINISTRIES)	RELEVANT DEPARTMENTAL AGENCIES	RESPONSIBLE FOR SOCIAL ENTERPRISES (such as...)
Agriculture, Food and the Marine	Teagasc - the Agriculture and Food Development Authority	Agricultural related and rural co-operatives
Children, Equality, Disability, Integration and Youth	Centre for Young Offenders Child and Family Agency Irish Human Rights and Equality Commission	Community development and social enterprises working in the social sector, such as childcare, youth services, disability services, etc.
Enterprise, Trade and Employment	Enterprise Ireland and Local Enterprise Offices Health and Safety Authority National Standards Authority of Ireland	Funding for micro-enterprises, etc.
Environment, Climate and Communications	Environmental Protection Agency National Centre for the Circular Economy CirculÉire: National Platform for Circular Manufacturing Sustainable Energy Authority of Ireland	Local community initiatives on renewable energy, climate change and 'green' initiatives, such as the 'Circular' economy
Finance	Central Bank of Ireland	Credit Unions
Health	Food Safety Authority of Ireland Food Safety Promotion Board Health & Social Care Professionals Council	Community organisations and social enterprises working in the health sector
Housing, Local Government and Heritage	Heritage Council Housing Agency Local Government Management Agency Waterways Ireland	Community initiatives for the upkeep of local amenities, such as national parks, local nature and wildlife reserves, archaeological sites and heritage, and local housing co-operatives
Justice	Irish Prison Service and Probation Service	Implementation of the Working for Change: Social Enterprise and Employment Strategy
Social Protection		Labour market activation policies and programmes
An Taoiseach (Prime Minister)	National Economic and Social Council	See: Social Enterprise on the Island of Ireland NESC Report 161, May 2023
Tourism, Culture, Arts, Gaeltacht, Sport and Media	Arts Council Fáilte Ireland Foras na Gaeilge ⁵¹ Tourism Ireland Údarás na Gaeltachta ⁵²	Local arts exhibitions, Community museums, Local festivals Local tourist facilities Gaeltacht Summer Courses

51 Foras na Gaeilge supports various groups and organisations. It aims to provide funding, grants and schemes to communities that support the promotion of the Gaelic language, many of them local social enterprises.

52 The role of Údarás na Gaeltachta is to strengthen the Gaeltacht (Gaelic speaking) communities, to increase the quality of life of its community members and facilitate the preservation and extension of Gaelic as the principal language of the region. It provides funding to small local businesses to compete commercially.¹ See: <https://www.diesis.coop/>

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Survey on Income and Living Conditions (SILC)

<https://www.cso.ie/en/releasesandpublications/ep/psilc/surveyonincomeandlivingconditionssilc2022/>

Community and Voluntary Sector: <https://communityplatform.ie/publications/>

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BREXIT *trade and Co-operation Agreement*: https://ec.europa.eu/info/strategy/relations-non-eu-countries-relations-united-kingdom/eu-uk-trade-and-cooperation-agreement_en

European Charter of Fundamental Rights :

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The Windsor Framework: A New Way Forward for the Protocol on Ireland/Northern Ireland:

https://ec.europa.eu/commission/presscorner/detail/en/fs_23_1272 (UK version can be found at: <https://www.gov.uk/government/publications/the-windsor-framework>)

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Mapping European Social Economy:
Employment, Social Dialogue
and the European Pillar of Social Rights

