

# New SEO giving enhanced employment rights for plumbers and fitters

As of 6th March 2018 a new Sectoral Employment Order (SEO) came into force for those working in the Mechanical Engineering Building Services Contracting Sector.

## What is an SEO?

SEOs now replace the old Registered Employment Agreement system which was ruled unconstitutional in 2013. This is the second SEO that has been enacted after the Construction Industry SEO was introduced last October. The SEO sets out increased employment rights for those working in the industry.

## Who exactly does this SEO apply to?

For the purposes of this Sectoral Employment Order the Mechanical Engineering Building Services Contracting Sector means the sector of the economy comprising the following economic activity: - *The installation, alteration, fabrication, fitting, repair, maintenance, commission, removal and demolition in any building or its sites of articles, fittings, pipes, containers, tubes or instruments, storage facilities, etc. (including central heating apparatus, central plant apparatus, machinery and fuel containers connected thereto) for heating, cooling, including domestic hot and cold water systems, medical and process gases, process pipe services, utility pipe services and compressed and vacuum services of such buildings.*"

It is estimated that the SEO will apply to 10,000 plumbers and pipefitters and registered apprentice plumbers and pipefitters, working in the Sector.

**Note, there is currently no SEO covering electricians. An application for an SEO in the electrical contracting sector, which is the subject of a High Court challenge, was recently withdrawn from the Labour Court.**

## New hourly wage rates

The rates for apprentices in the Sector has also been increased, with rates of 33.3% of the Category 1 hourly rate of pay for Year 1 Apprentices to 90% of the Category 1 hourly rate of pay for Year 4 Apprentices.

<b>Category 1:</b>	Newly qualified plumbers and pipefitters	€22.73
<b>Category 2:</b>	Qualified plumbers and pipefitters employed in the Sector with effect from the commencement of their 3rd year of employment after qualification as a plumber or pipefitter	€23.33
<b>Category 3:</b>	Qualified plumbers and pipefitters employed in the Sector with effect from the commencement of their 6th year of employment after qualification as a plumber or pipefitter	€23.60

### **Normal Working Week and Unsociable Hours**

The normal working week shall consist of 39 hours worked between Monday and Friday each week.

#### *Normal Daily Working Hours*

Normal daily working hours shall consist of eight consecutive hours of work undertaken between the hours of 7 am (normal weekday starting time) and 5 pm (normal weekday finishing time) Monday — Thursday inclusive and between the hours of 7 am (normal Friday starting time) and 4 pm (normal Friday finishing time) on Friday.

#### *Other Hours Worked*

Hours worked outside of those hours shall constitute unsocial working hours and shall attract the following premium payments:

Hours worked between normal finishing time and Midnight Monday to Friday inclusive:	Time plus a half
Hours worked between Midnight and normal starting time Monday to Friday:	Double time
First four hours worked after 7 am on Saturday:	Time plus a half
All other hours worked on Saturday:	Double time
All hours worked on Sunday:	Double time
All hours worked on Public Holidays:	Double time plus an additional day's leave

## Other Employment Rights

- Pension

A worker to whom this Sectoral Employment Order relates shall be entered by his or her employer into a pension scheme the terms of which, including both employer and employee contribution rates, shall be no less favourable than those set out in the Construction Workers Pension Scheme. The minimum pension and death in service scheme contribution rates for employers and workers shall be set at the following levels:-

Employer Contribution	Worker Contribution	Total Combined Employer and Worker Contributions
€5.32 per day to a maximum of €26.63 per week	€3.52 per day to a maximum of €17.76 per week	€8.84 per day to a maximum of €44.39 per week.

- Death-in-service benefit

Employer Contribution	Worker Contribution	Total Combined Employer and Worker Contributions
€1.11 per day to a maximum of €1.11 per week	€1.11 per day to a maximum of €1.11 per week	€2.22 per day to a maximum of €2.22 per week

- Sick Pay Scheme

A worker to whom this Sectoral Employment Order relates shall be entered by his or her employer in a sick pay scheme the terms of which, including both employer and employee contribution rates into the scheme shall be no less favourable than those set out in the Construction Workers Sick Pay Scheme. The minimum Sick Pay Contribution Rates for employers and workers be set at the following levels:-

Employer Contribution	Worker Contribution	Total Combined Employer and Worker Contributions
€1.27 per day to a maximum of €1.27 per week	€0.63 per day to a maximum of €0.63 per week	€1.90 per day to a maximum of €1.90 per week

- New Dispute Resolution Procedure: this outlines certain procedures that have to be complied with when a dispute occurs, before any form of industrial action can take place.

### **What do employers need to do now?**

The SEO is legally binding on all employers in the Sector, whether or not they are members of a union and whether or not they agree with the SEO. Employers will need to review their payment practices and employment terms and conditions to ensure that they comply with the new requirements.