WAGE-UP

Minimum Wage & Collective Bargaining in Ireland 2026

Ireland

Statutory Minimum Wage

- Monthly Min. Wage: 2391.35€
- Hourly Min.Wage: 14.15€

50.00%
- MW as % of Median Wage

38.00%
- MW as % of Gross Average Wage

- Gender pay gap: 8.30%

34.00%
- Collective bargaining coverage

- Process of transposition:
Transposed + Action Plan for CB published

Compare with other countries

Latest update on April 2026

Ger Gibbons, Irish Congress of Trade Unions

Minimum wage regime in Ireland

Ireland's statutory minimum wage, the national minimum wage (NMW) was introduced in April 2000, at 5.58 euros (€) per hour. It was increased regularly (almost annually) reaching €8.65 in 2007. Increases paused between 2008 and 2016 and it was in fact cut by €1 for a period in 2011. It was increased by 50 cents in 2016 and there were more modest increases over 2017–2022. Over recent years there have been more substantial increases, rising from €10.50 in 2022 (when it equalled approximately 50% of the median wage of all workers) to €14.15 in 2026.

Separate from the national minimum wage, a civil society-led Living Wage Technical Group has calculated a recommended 'living wage' since 2014, based on a basket of goods and services approach, to provide full-time workers (with no dependents) with a sufficient income to achieve an agreed acceptable minimum standard of living. Its September 2025 recommended rate for 2025/2026 was €15.40.

The original legal basis of the national minimum wage is the National Minimum Wage Act 2000. This has been amended and complemented by the National Minimum Wage (Low Pay Commission) Act 2015, which established the Low Pay Commission (LPC), and the European Union (Adequate Minimum Wages) Regulations 2024 which are presented as transposing the Adequate Minimum Wages Directive.

An employee working for a close relative (for example, a spouse or civil partner, or a parent) or on a statutory apprenticeship is exempt from the national minimum wage. In addition, a prisoner working under supervision is not paid the national minimum wage. Employees under 18 are entitled to 70% of the national minimum wage, 18 year olds to 80% and 19 year olds to 90%.

The Low Pay Commission is made up of a chairperson and eight members. Three represent employers and three represent workers and there are two experts. The Department of Enterprise, Trade and Employment provides the secretariat. The Low Pay Commission's mandate since 2015 has been to issue (non-binding) recommendations to the government for a national minimum wage that is 'designed to assist as many low paid workers as is reasonably practicable, is set at a rate that is both fair and sustainable, where adjustment is appropriate, is adjusted incrementally, and over time, is progressively increased, without creating significant adverse consequences for employment or competitiveness'. Under the 2015 Act, it had to have regard to criteria covering changes (since its previous recommendation) in earnings, exchange rates and income distribution, unemployment, employment and productivity (generally and sectorally), international comparisons (particularly with the United Kingdom), the need for job creation, and the likely effects on employment and unemployment, the cost of living and 'national competitiveness'.

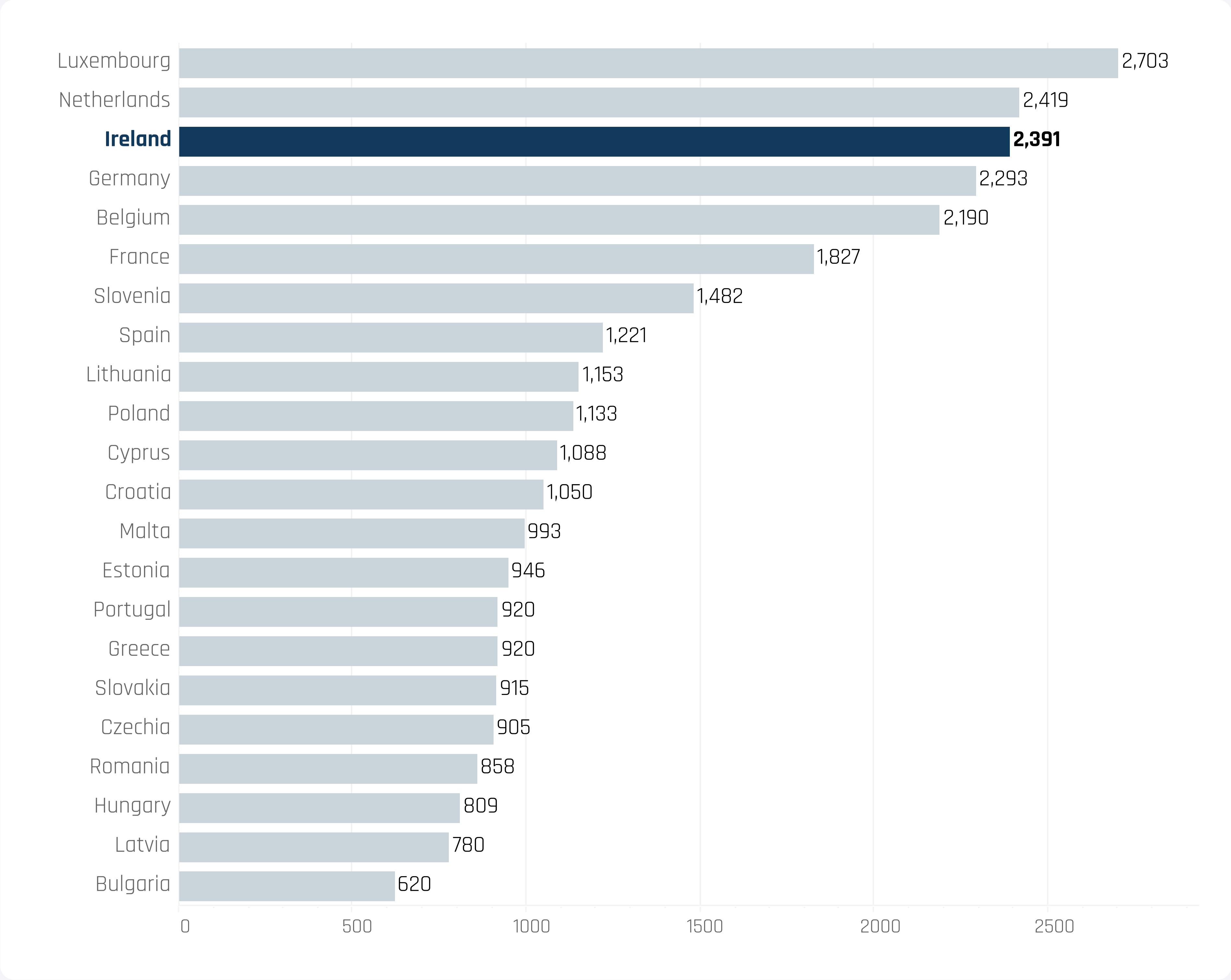
The 2024 Regulations the Government says transposed the Directive amended and added to the criteria the Low Pay Commission 'shall have regard' to when making its recommendation. It must now also consider changes in earnings during the relevant period, including their growth rate, general levels, and distribution; the purchasing power of the national minimum hourly rate of pay, taking into account the cost of living; long-term national productivity levels and developments, and indicative reference values used at international and national levels, such as 60% of gross median wage, in order to guide the assessment of the adequacy of the national minimum hourly rate of pay. The 2024 Regulations did not amend the Low Pay Commission's mandate, include references to the overall aims of Article 5(1) or ensure that all the criteria 'shall be defined in a clear way' to ensure 'transparency and predictability'. The government has generally implemented the Low Pay Commission's recommendations.

The 2020 Programme for Government committed to 'progress to a living wage over the lifetime of the Government.' The government announced in November 2022 that the national minimum wage would be set at 60% of the hourly median wage (of all workers) by January 2026, and then be retitled 'the living wage'. This was to be achieved over four years (unless otherwise agreed by the government on the Low Pay Commission's advice). Since then, the Commission has seen its role as making the 'appropriate recommendations required to ensure this decision is fulfilled'. The 2025 Programme for Government commits to '[r]ecognise the work of the independent Low Pay Commission, ensuring fair wages whilst also supporting the viability of small and medium-sized enterprises'.

In April 2025, the Government informed the Low Pay Commission of its decision to extend the timeline for the progression to a living wage, set initially at 60% of hourly median wages, from 2026 to 2029, and asked it to make annual recommendations on the appropriate adjustments 'required to give effect to this decision'. The Low Pay Commission's recommendation, published in 2025 said it had considered the need to increase the bite of the National Minimum Wage to 60% by 2029 and that an increase of 65 cents would 'maintain progress' towards 60% and was an 'appropriate recommendation'. It also said that the Government's decision to defer the introduction of a living wage should be 'kept under constant review'.

Predating the national minimum wage by many decades, the Industrial Relations Act 1946 allowed for the setting of binding minimum wages (and conditions) for specific industries and sectors traditionally characterised by low pay, low density and little or no collective bargaining.

Monthly Minimum Wage (€) per Country



Statutory Minimum Wage
Yes

Real Growth rate of wages
2.40%

% of workers covered by minimum wage
4.90%

Nominal Growth rate of Wages
4.80%

Minimum wage regime in Ireland

'Joint labour committees' comprising employers' and workers' representatives and an independent chair appointed by the government could propose 'employment regulation orders' (EROs) that, if confirmed by the Labour Court (an employment tribunal comprising employers' and trade unions' representatives and chaired by a government nominee) set binding minimum wages and conditions.

This mechanism was challenged by employers on constitutional grounds in the early 2010s. In short, the Courts ruled that it amounted to an unconstitutional delegation of powers from the legislature. The rulings invalidated 17 EROs. A more modest regime with stricter criteria for joint labour committees/employment regulation orders was reinstated by the Industrial Relations (Amendment) Act 2015.

The 2015 legislation also provides for 'sectoral employment orders' (SEOs) that can set universally applicable terms and conditions concerning pay, sick pay and pensions in a sector. A 'substantially representative' trade union (alone or with an employer organisation) can ask the Labour Court to examine these issues in a given sector which may submit a report to the government recommending that a sectoral employment order cover the issues set out in its report. If proposed by the government and approved by Parliament, the sectoral employment order becomes legally binding. Unions and employers may utilise this mechanism to recommend a sectoral employment order based on a pre-existing collective agreement.

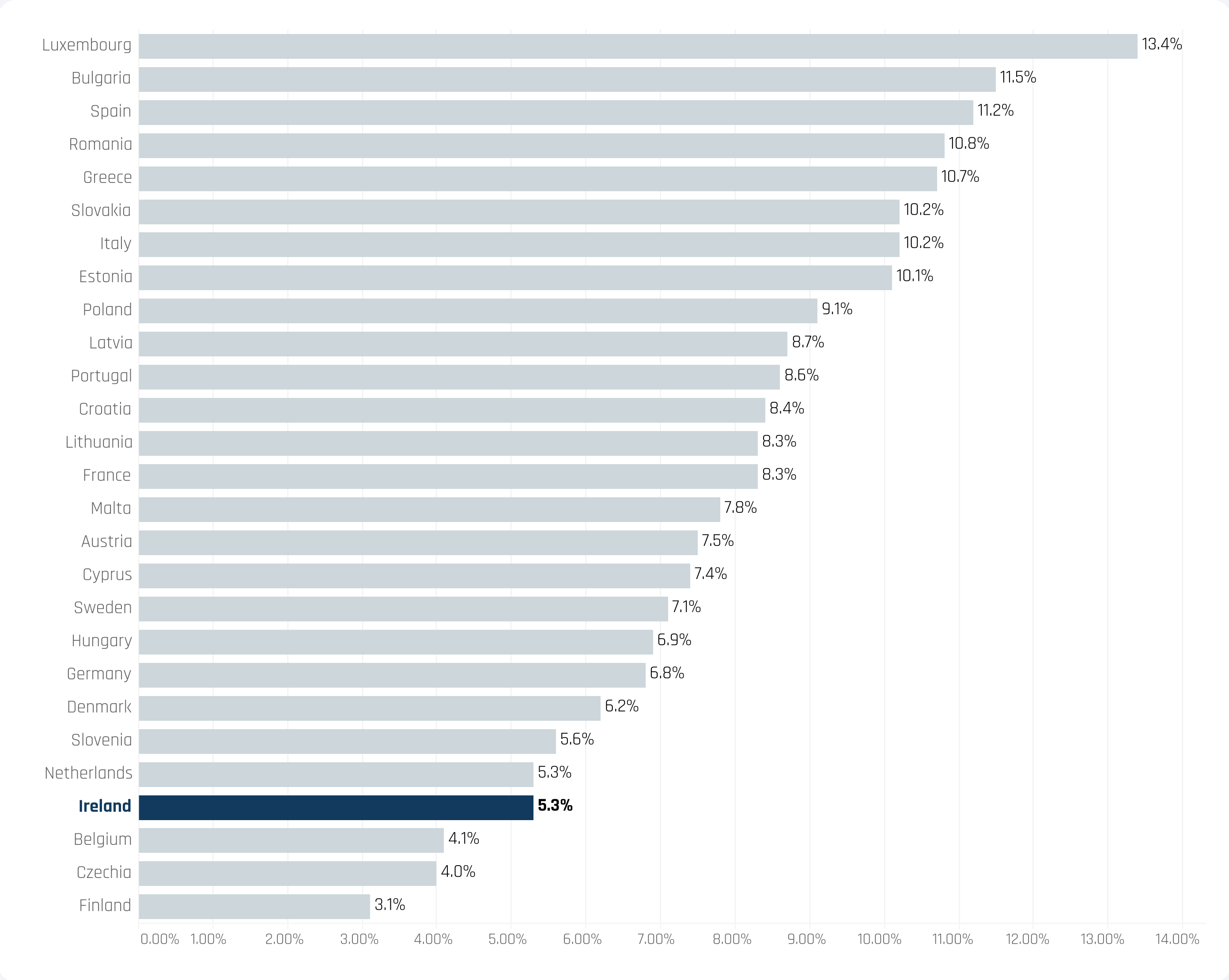
The constitutionality of the 2015 regime was in turn challenged by employers but upheld by the Supreme Court in 2021. The new regime is cumbersome for the unions, however, and employers exercise a de facto veto over the establishment of joint labour committees. Proposed employment regulation orders and sectoral employment orders are often subject to legal challenges by employers, which stymie their implementation. 2022 recommendations from a tripartite High-Level Working Group to reform the current regime, including overcoming the employers' veto, have not been implemented by the government.

It should be noted that on the basis of information provided by government representatives to the European Commission at the 2023 Expert Group on the transposition of the Adequate Minimum Wages Directive, the Commission said that Ireland's system of sectoral regulation through proposals from 'joint labour committees or a labour court' is a minimum wage under Article 3(1) of the Directive, but not a statutory minimum wage under Article 3(2) nor a collective agreement in the sense of Article 3(4). Sectoral employment orders have also been described as a form of statutory regulation.

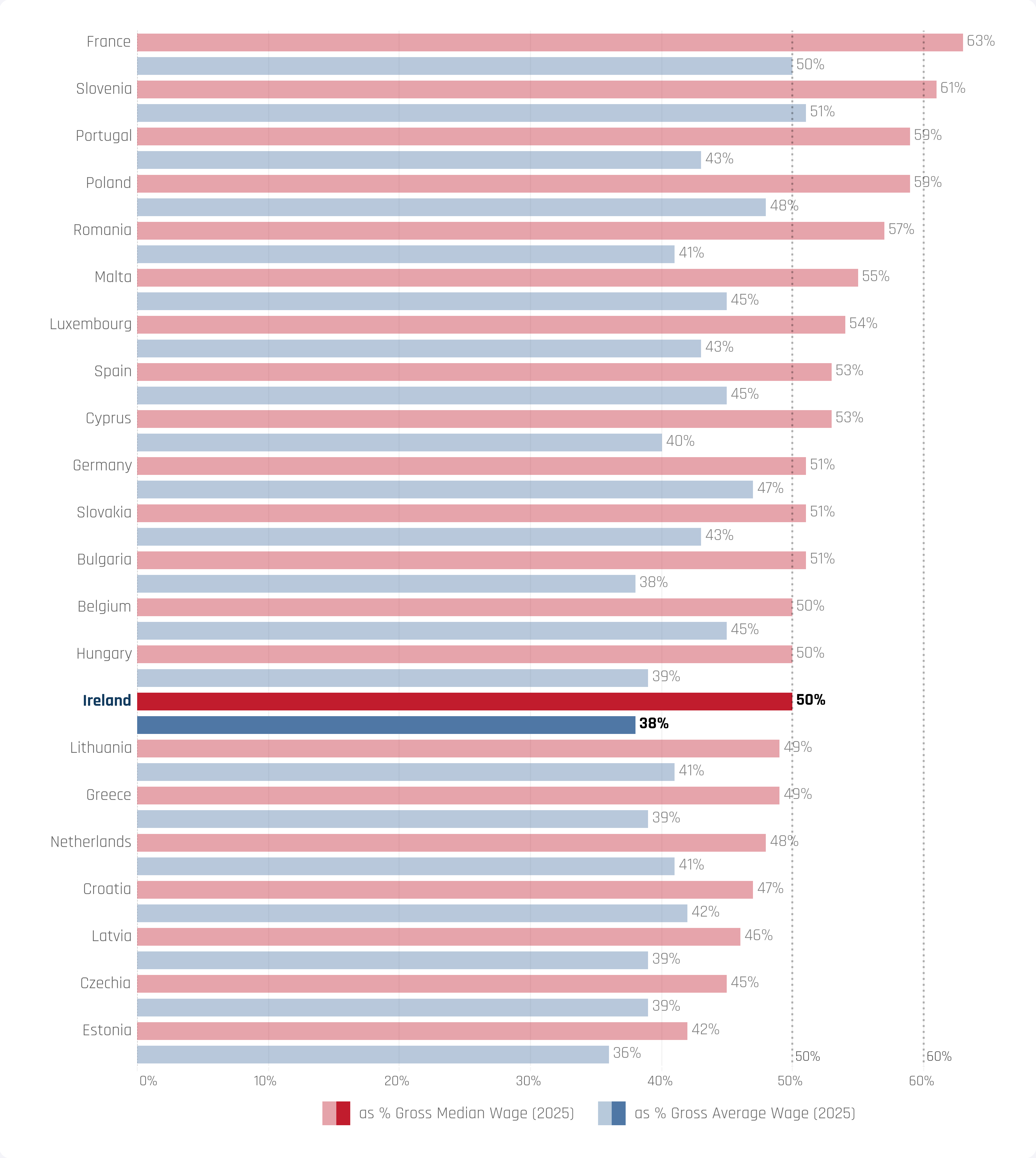
Ireland's Action Plan to Promote Collective Bargaining 2026–2030 includes an action to 'Review and strengthen ERO/SEO mechanisms and enforcement'. The identified 'success indicator' for this action is an 'increase in number of sectors covered by EROs/SEOs'. The action is to be led by the Department of Enterprise, Tourism and Employment, the timeline is 'ongoing', the key stakeholders are 'all workers and employers', and the 'resources required' are 'policy and operational staff, including legal experts'. The Government has already commenced discussions with the social partners on a review of sectoral employment orders.

At the time of writing (March 2026), only three of the nine current joint labour committees have agreed employment regulation orders - for the early learning and childcare sector (covering approximately 27,000 workers), contract cleaning (approximately 26,000), and the security sector (approximately 16,000), and there is one SEO, for the construction sector (approximately 46,000). In total, these sectoral regulations provide higher minimum wage rates than the national minimum wage (though now marginally in some cases) for approximately 4% of all workers.

In-work poverty rate (%) per Country



Minimum Wage as % of Gross Median and Gross Average Wage per Country



Collective Bargaining system in Ireland

At the outset, it is important to be aware that the 2022 High-Level Working Group report stated that it was 'not possible to describe precisely the constitutional position in terms of collective bargaining rights, or trade union recognition in Ireland' (emphasis in original).

Article 40.6.1 of the Constitution of Ireland (1937) confers the right of freedom of association to join a trade union. However, neither this provision nor other provisions of the Constitution have been interpreted so far as encompassing a right to collective bargaining. Unions have no legislative right to be recognised in the workplace for collective bargaining purposes and employees have no right to make representations through their union to their employer. This regime has co-existed with a traditionally widely-held view that state and legal intervention is not the best way to promote collective bargaining and that such intervention poses risks to the independence of trade unions and of employers. Unions are increasingly critical of the current system, which gives employers a de facto veto over the right of workers to engage in collective bargaining.

That said, as outlined above, there has long been statutory regulation of industrial relations. Under the Industrial Relations Act, 1946 (sectoral) collective agreements between the main employers' organisation and trade unions could, if registered with the Labour Court as 'registered employment agreements' (REAs), have binding extension effects. However, this mechanism was also successfully challenged by employers in the early 2010s. The courts ruled that it also amounted to an unconstitutional delegation of power from the legislature. The ruling invalidated 70 registered employment agreements.

The Industrial Relations (Amendment) Act 2015 also re-instated a more modest form of REAs, with the significant change that sectoral REAs now apply only to parties to an agreement – they do not now have binding extension effects.

At the time of writing, three sectoral and one enterprise-level collective agreements have been registered as registered employment agreements with the Labour Court, including one for the national and Dublin public bus transport companies, under the 2015 Act. Given Ireland's 'voluntarist' regime, collective bargaining coverage is entirely dependent on union density. Trade union density fell from approximately 60% in the early 1980s to approximately 22% in 2024, including to less than 15% in the private sector.

There are no national statistics on collective bargaining coverage. The OECD estimates coverage at 34% in 2017, the second lowest in the EU14. Coverage was also estimated at 43% in a 2021 survey of over 2,000 employees, though the authors said this was likely to be an overestimation. Ireland's Action Plan includes an action on conducting research on the coverage and impacts of collective bargaining 'in an Irish context', to be completed by Q2 2026, and an action on ongoing collaboration with academics on collective bargaining.

The decline in density is the result of a complex set of institutional and structural factors. These include Ireland's voluntarist regime, a hardening of employers' preferences, structural changes in the economy, labour and product market changes and the emergence of new patterns of working.

Validity of collective agreement after expiry

Aside from registered employment agreements, there are no statutory provisions concerning the validity of collective agreements after their expiry. The OECD classifies Ireland as a country in which collective agreements have 'unlimited ultra-activity' and with no rule on this.

Exclusions of groups of employees from collective bargaining

There are no statutory provisions that explicitly exclude groups of employees from collective bargaining. The OECD notes that collective bargaining does not take place for a 'very few high-ranking officials'.

Obligation for employers to engage in collective bargaining

There are no statutory provisions obliging employers to engage in collective bargaining. The 2022 High-Level Working Group recommended a process to encourage and facilitate 'good faith engagement' (so not collective bargaining) but this has not been implemented by the government.

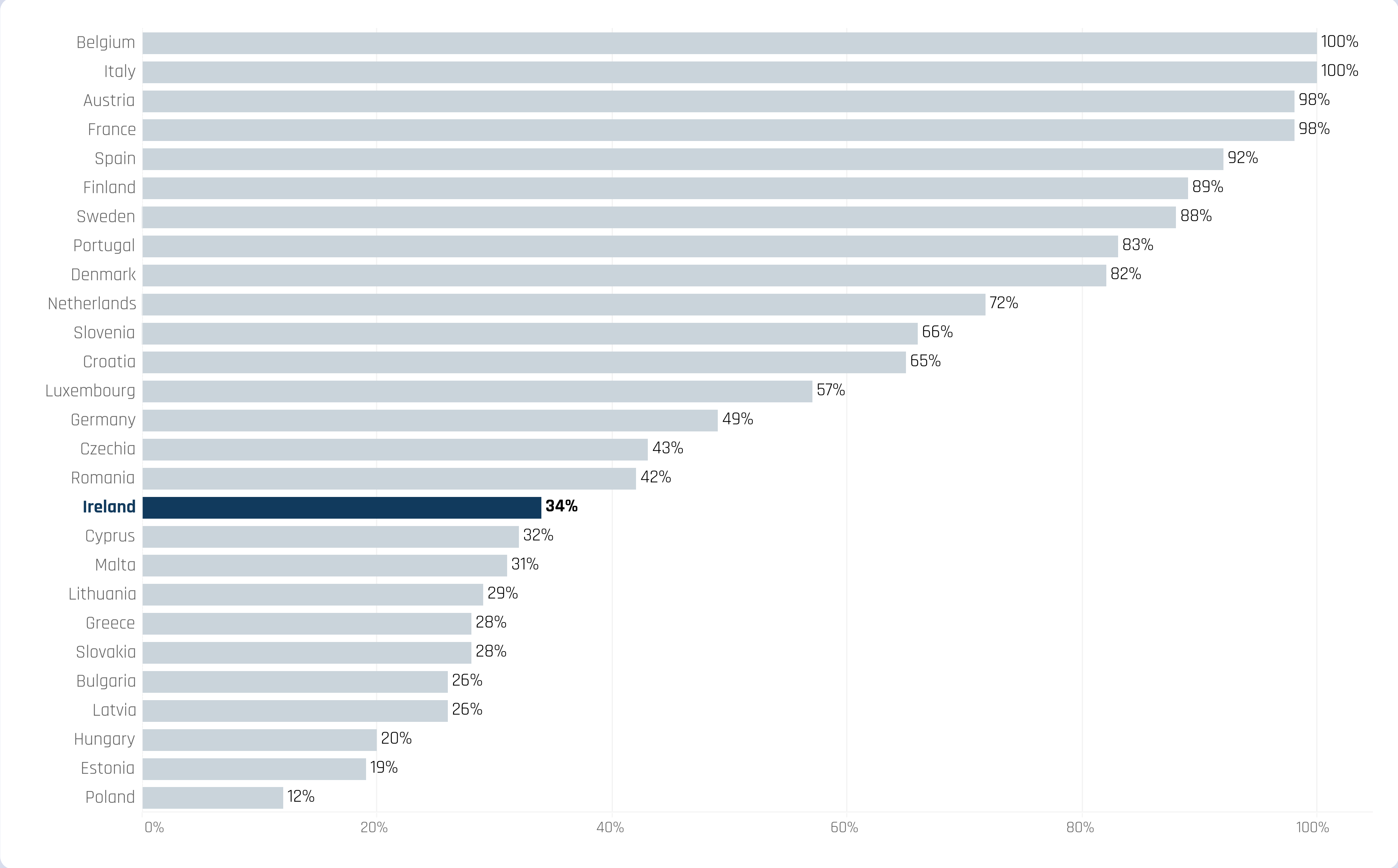
Collective Bargaining Coverage
34.00%

Trade Union Density
20.20%

Financial incentives for union members
No

Valididy of Collective Agreeements after expirations?
No

Collective Bargaining Coverage per Country (%)



Collective Bargaining system in Ireland

Collective bargaining clauses in public procurement

There are no provisions in the 2016 Irish legislation transposing the three 2014 EU procurement directives that go beyond their ‘horizontal social clause’, including in respect of ensuring compliance with applicable obligations established by relevant collective agreements. Public authorities may exclude operators from contracts for violations but, as with other member states, there is no data on the implementation of this clause in Ireland. The 2022 High-Level Working Group did acknowledge that procurement was one of the aspects of the (then) draft Directive it had not addressed and recommended that it be addressed in a tripartite manner during transposition.

Ireland’s Action Plan includes an action to ‘conduct exploratory research, including a Regulatory Impact Assessment and SME test, regarding the potential of the introduction of a pilot to include collectively bargained agreements as a weighting in a public procurement project’. The ‘success indicators’ for this action are ‘pilot concluded’ and ‘learnings identified’. The action is to be led by two Government departments plus the state’s Office of Government Procurement and the timeline is Q3 2026–Q3 2029. No key stakeholders or resources are identified as required for this action.

Trade unions’ right of access to workplaces

Trade unions do not have a right of access to the workplace. The 2022 High-Level Working Group acknowledged that ‘easing the access of trade union representatives to workers’ was one of the aspects of the (then) draft Directive on Adequate Minimum Wages the group did not address, and also recommended that it be addressed in a tripartite manner during transposition.

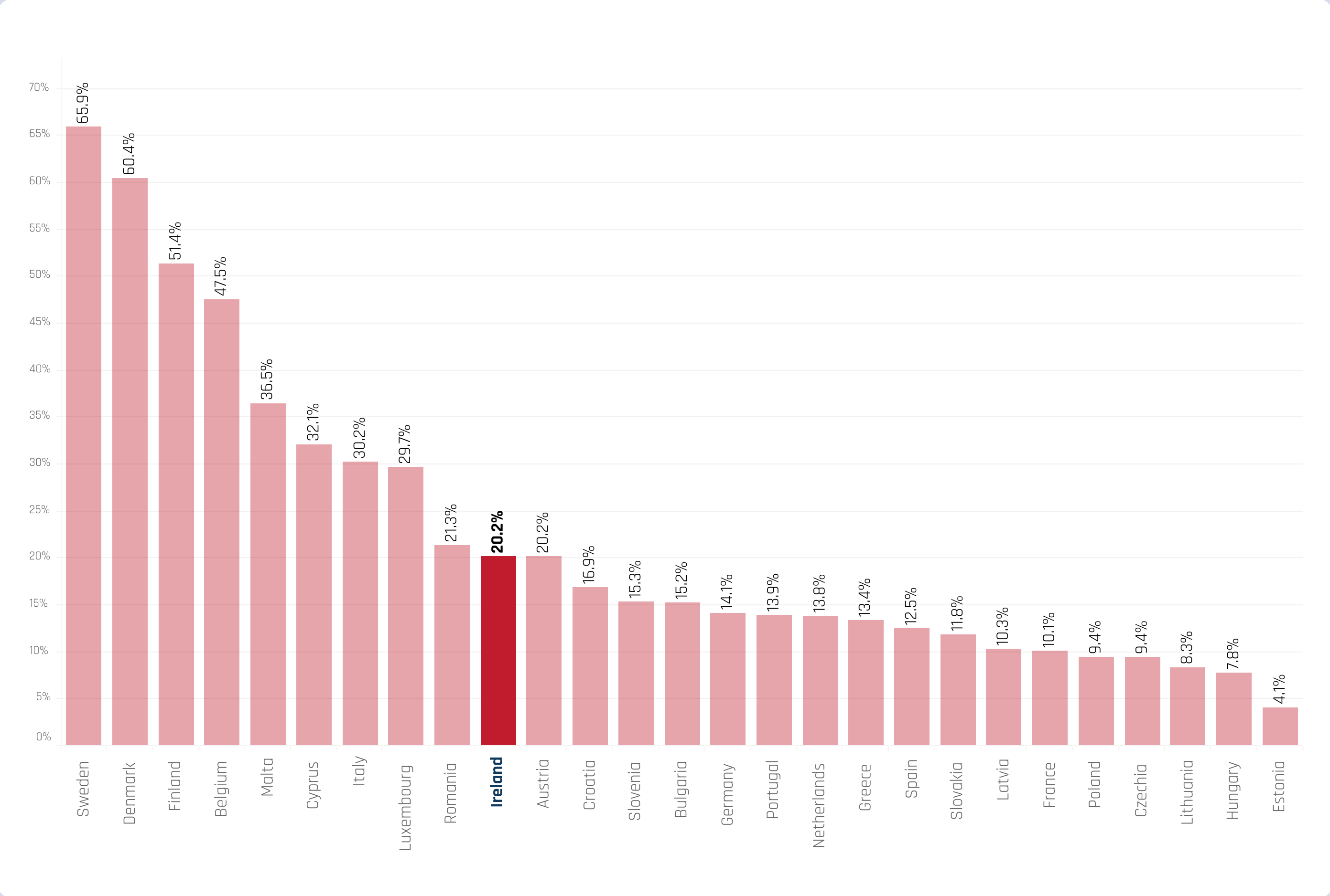
Ireland’s Action Plan includes an action to ‘Commit to engaging with ICTU and Ibec on digital and physical access subject to agreed criteria. This is to be led by the Department of Enterprise, Tourism and Employment; the key stakeholders are ‘workers and employers and ICTU and Ibec’; the timeline is over Q1 2026 and Q1 2028; and the resources required are ‘policy and legislative’. The success indicator is an ‘Agreement on digital and physical access reached subject to agreed criteria.’

Protection of workers and trade union representatives against dismissal/ discrimination

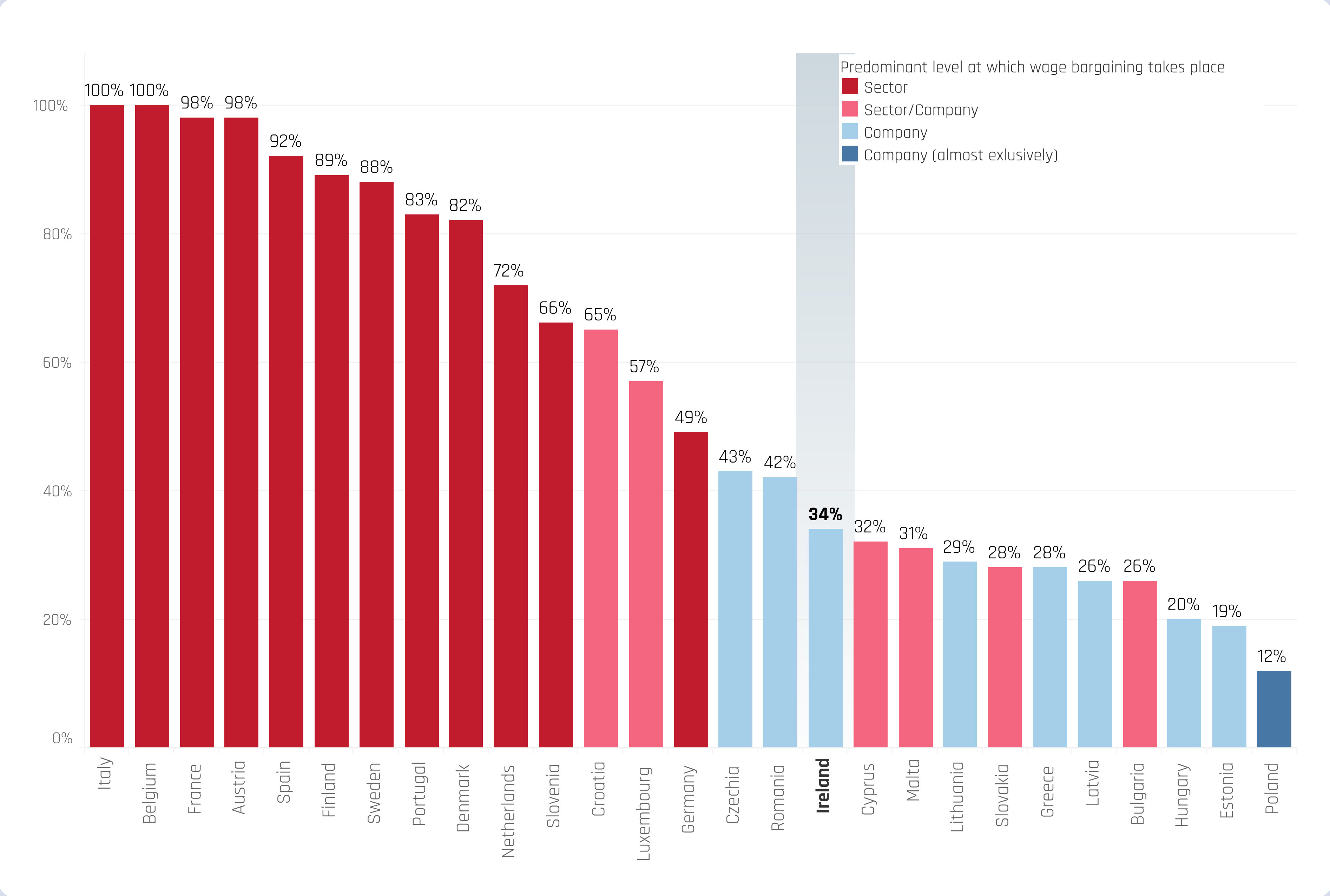
Victimisation is only partially considered under existing national legislation. Under the Unfair Dismissals Acts 1977–2016 a dismissal based on union membership or activity is unfair but does not prevent a dismissal from taking place and does not apply to victimisation in other forms. The 2015 statutory Code of Practice on Victimisation deals with actions such as targeting and surveillance of members but is less clear on actions such as the withdrawal of workplace benefits that are not legally protected (for example, remote or flexible work). The Industrial Relations (Miscellaneous Provisions) Act 2004 prohibits victimisation on account of union membership and activities, but complaints are only specific to conditions where it is not the practice of the employer to engage in collective bargaining and where an internal dispute resolution procedure (if any) has failed to resolve the matter.

Ireland’s Action Plan includes an action to ‘Commit to examining legal protections or scope of legal protections for trade union representatives’. The Department of Enterprise, Tourism and Employment as well as ICTU and IBEC are the leads; the key stakeholders are ‘workers and employers’; the timeline is Q2 2026–Q1 2028; and the resources required are ‘policy and legislative resources’. The success indicator is ‘Protections identified and progressed’.

CB Trade Union Density (%) for each Country



CB Predominant level at which wage bargaining takes place per Country



Transposition of the European Directive on Adequate Minimum Wages in the EU

On 15 November 2024 the European Union (Adequate Minimum Wages) Regulations 2024 were signed into law. This is presented as transposing provisions of the Directive concerning statutory minimum wages and formalising the LPC's consultation of the social partners. ICTU was not consulted beforehand, as required by Article 7, and strongly disputes the claim that these regulations fulfil Ireland's transposition obligations.

In early 2024, the government established a tripartite 'technical working group' under the social dialogue Labour Employer Economic Forum to consider the collective bargaining aspects of the Directive. The government has repeatedly claimed, however, that no new legislation is required for transposition of the collective bargaining elements. It held a public consultation for 'interested stakeholders' in April–May 2025. All submissions made to the public consultation are available here. In January 2026 it said it 'remains unclear whether legislative changes will ultimately be required for some action items'.

As part of the implementation of the Directive, on 5 November 2025 Ireland adopted an action plan to promote collective bargaining. The measures in the action plan are grouped under four headings:

- (i) Empowering and Encouraging: the actions listed under this heading include capacity-building measures and developing a pilot on public procurement and collective bargaining;
- (ii) Promoting: The measures under this heading include awareness-raising campaigns, engaging on physical and digital access for trade unions to workplaces, examining the role of the joint labour committees in government-funded sectors, tax relief for union fees, and the use of alternative tax options to promote collective bargaining;
- (iii) Protecting: The measures under this heading include an assessment of mandatory mediation, the Unfair Dismissal Act and legal protection for trade union officers;
- (iv) Supporting: The listed actions include, for instance, the strengthening of sectoral regulation through employment regulations orders and sectoral employment orders.

ICTU sees the Action Plan as the start of a new process to promote collective bargaining and is working to ensure that all the commitments are honoured, in spirit and in deed.

European Trade Union Confederation
Confédération Européenne des Syndicats
Boulevard du Jardin Botanique, 20
1000 Brussels

Tel: +32 (0) 475 60 15 01
www.etuc.org

IN COOPERATION WITH

Friedrich - Ebert - Stiftung
www.fes.de/en/

European Trade Union Institute
www.etui.org

WAGE-UP

WAGE-UP is the ETUC Monitoring Tool presenting information on Minimum Wage setting procedures and Collective Bargaining systems in all EU countries, as well as the progress in EU countries toward the transposition and the implementation of all the provisions of the Directive on adequate minimum wages in the EU (2022/2041).

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See All Countries