

Irish Congress of Trade Unions

**Statement by Patricia King to the Joint Oireachtas
Committee on Jobs, Enterprise and Innovation.**

The Banded Hours Contract Bill 2016

April, 2017



- 1. Chairperson and Members Committee.**
2. I would like to thank you for the opportunity to address the Committee on this important issue.
3. Congress has been highlighting the issue of low hour contracts for some time and arising from our campaign the previous Government commissioned a study on the prevalence of low hour and zero hour contracts in Irish workplaces. The study, which was carried out by the University of Limerick, found that there was considerable evidence of low hour contracts in some sectors of the Irish economy. The report proposes a number of changes to legislation to give workers more certainty regarding their hours of work.
4. Congress supports the recommendations in the University of Limerick Study and we believe that the Banded Hours Contract Bill 2016 which has been referred to this Committee for consideration is an important step in bringing to an end the exploitation of thousands of workers in Irish workplaces.
5. In the correspondence inviting us to appear before you this evening we were asked to give consideration to a number of specific matters. Our views on these matters are summarised in points made in paragraphs 6 – 9 of this submission.
6. Congress and our affiliated unions have been pointing out that there are significant negative implications for individuals working on low hour contracts. Workers who are employed on low hour contracts have little predictability about the scheduling or number of hours they will be required to work in any given week. They have uncertainty about their income which often leads to difficulties including lack of capacity to access financial credit, managing work and family life and generally have poorer terms and conditions than those who work fulltime hours.
7. The most extreme form of low hour contracts are those contracts that do not specify and guarantee working hours, so called zero hour contracts. Congress is strongly of the view that there should be a legal prohibition on such contracts. We believe that this was the intention behind some of the provisions of the Organisation of Working Time Act however in reality the passing of this legislation has not prevented employers using zero hour contracts. We strongly believe that workers should have a legal right to a guaranteed minimum number of working hours.

8. Some employer organisations have raised concerns about the impact on small business of any further regulation of working time. We do not believe that any new law which seeks to give greater certainty to workers about their working time will have a negative impact on small business. The Banded Hours Contracts Bill 2016 seeks to balance the needs of employers with the need to give workers more predictability about when they are required at work.
9. It has been suggested that the remit of the Low Pay Commission should be expanded to allow it to give consideration to proposals on banded hours. Congress believes that it has been demonstrated conclusively that further regulation of working time is required. Asking the Low Pay Commission to review the proposal on banded hours contracts will only delay the implementation of the required changes to the law on working time.
10. Congress is therefore seeking changes to legislation that would provide for the following:
 - A right in law to a guaranteed minimum number of working hours and a legal prohibition on zero hours contracts;
 - A right to be paid compensation, at the appropriate hourly rate of pay , when no work is made available;
 - An amendment to the Terms of Information Employment Act to require an employer to provide a written statement of terms and conditions of employment, including working hours, from day one of employment;
 - The right to claim an alteration to their contract of employment in respect of working hours if over a specified reference period, their actual working hours are in excess of their contracted hours as provided for in the Banded Hours Bill 2016.

ENDS.