

SUSTAINABLE GOALS



Examining Zero Hours and Low Hours Work in Ireland: Regulation and the 'Grey Zone' of Work

Summary of the impact:

Zero hours work is work with no guaranteed hours. Researchers at the Kemmy Business School (KBS), University of Limerick, have been examining the prevalence and impact of zero hours work and low hours work amongst Irish employees. Their government-commissioned 2015 report titled 'A Study on the Prevalence of Zero Hours Contracts Among Irish Employers and Their Impact on Employees' contained a series of recommendations on how to improve workers' rights. These recommendations aimed to improve workers' income security and formed the basis of public policy discussions on how to regulate zero hours and low hours work. Multiple political parties and workers rights organisations were involved in the public discussions, leading to a new piece of employment legislation, the Employment (Miscellaneous Provisions) Act 2018, which was directly informed by the study. This legislation was the first significant enhancement of employment rights relating to working hours since the 1990s.

This legislation was the first significant enhancement of employment rights relating to working hours since the 1990s. The Act introduces a number of workers' rights: the right to more information about their terms and conditions, the right to more secure hours for people who regularly work more hours than those stated in their contracts, and the right to a minimum payment where a worker is required to be available for work but is not provided with work by an employer. The Act also restricts employers' use of zero hours contracts.

Countries where the impact occurred: Ireland.

Beneficiaries: Policy-makers, trade unions, employer organisations, civil society organisations, government departments, solicitors, state agencies, employment rights enforcement bodies, employers, and workers engaged in zero hours and low hours work.

Details of the impact

The 2015 zero hours study led to a government-driven public consultation process, legislation, and an international response. It influenced the introduction of new employment legislation - which, in turn, has impacted employment rights, improving thousands of workers' lives across the country.

Public Consultation

The study was read by multiple stakeholders, in particular, political parties, trade unions, employer organisations, and civil society organisations. Following the publi-





SUSTAINABLE GOALS



cation of the study in November 2015, the Minister of State for Business and Employment in Ireland, announced a public consultation process to provide "an opportunity for interested parties to consider and respond to the findings and recommendations of the study" (Source 1).

In total, 48 written submissions were made by national organisations with their views on the study's recommendations on the need for enhanced employment rights. Submissions were made by the Irish Business and Employers Confederation, Irish Congress of Trade Unions, the Citizens Information Board; Employment Law Association, Irish Human Rights and Equality Commission, National Women's Council of Ireland, Migrants Rights Centre of Ireland, Central Statistics Office and five government departments.

Government Response

The study's findings were the subject of a special session of the Joint Oireachtas Committee on Jobs, Enterprise and Innovation. The chairperson of the Oireachtas Committee acknowledged "the extensive work that the researchers at the University of Limerick have done....one can see from the depth of details in the report that they left no stone unturned in engaging in consultation and providing us with the best information possible" (Source 3). Throughout 2016 and 2017, political parties which made policy and legislative proposals on employment rights related to zero hours and low hours work, all quoted the KBS study as a basis for their proposals. In 2016, the Labour Party presented a private members' motion in Dáil Éireann titled "The Protection of Worker Rights". When presenting the motion, the Labour Party leader noted "in particular the University of Limerick report to government on the prevalence of zero hours contracts..." and he called on the government to implement the study's recommendations (Source 4).

Legislative Bills

In 2016 and 2017, various political parties proposed three separate bills. All referred to the 2015 zero hours study by the UL group as influential on the drafting of these bills. Sinn Féin proposed the Banded Hours Contract Bill 2016, aiming to enhance the rights of workers employed in zero hours arrangements. In presenting the bill, Sinn Féin noted that the University of Limerick study highlighted that zero hours work was a problem that needed to be addressed (Source 5). In one sitting of Dáil Éireann, in which the bill was debated, the University of Limerick study was referenced 19 times by various members of parliament (Source 5).

The Labour Party proposed the Protection



of Employment (Uncertain Hours) Bill 2016 – again with the aim of increasing statutory protections for workers in zero hours work. The Labour Party Spokesperson on Employment and Social Protection stated that "evidence from the University of Limerick study into the prevalence of zero-hour and low hour contracts..... points to the evolution of employment relationships of an atypical and casual nature concentrated in areas such as hospitality, retail and the social care sector" (Source 6).

The Fine Gael government at the time, introduced the third bill. The Protection of Employment (Miscellaneous Provisions) Bill 2017 went on to become legislation. Prior to its introduction, the Minister for Jobs, Enterprise and Innovation had signalled her intention to "bring forward legislation to protect workers on low-hour contracts as a follow up to the University of Limerick study". She highlighted that the government's proposed legislation would "be informed by the University of Limerick study" and other material provided in the public consultation process (Source 5).

New Employment Legislation - Employment (Miscellaneous Provisions) Act 2018

The legislation aims to provide greater rights to all workers in three areas:

- An obligation on employers to provide workers with a statement on five key terms of their employment within five days of a worker starting a job.
- A general ban on one type of zero hours work namely, zero hours contracts, except in particular circumstances.
- Where workers regularly work more hours than is stated in their contract, they are potentially entitled to have their contract adjusted to a higher 'band' or number of hours.

The Minister for Employment Protection and Social Affairs hailed the Bill as "one of







the most significant pieces of employment legislation in a generation" (Source 7). Finally, the KBS research group have continued to engage nationally and internationally on this issue and have presented to the International Labour Organisation, Services Professional and Technical (SIPTU) which is Ireland's largest trade union, the Irish Academy of Management and Nevin Economic Research Institute among others.

Sources to corroborate the impact

- Department of Business, Enterprise and Innovation, (2015), Consultation Document, University of Limerick Study on the Prevalence of Zero Hour Contracts and Low Hour Contracts. Available at https://dbei. gov.ie/en/Consultations/Consultations-files/Consultation-Document%E2%80%93UL-Study-Zero-Hour-Contracts-Low-Hour-Contracts.pdf
- Department of Business, Enterprise and Innovation, (2015), Consultation Document, "Consultation - University of Limerick Study on the Prevalence of Zero Hour Contracts and Low Hour Contracts." Available at https://dbei. gov.ie/en/Consultations/Consultation-Document-University-of-Limerick-Study-on-the-Prevalence-of-Zero-Hour-Contracts-and-Low-Hour-Contracts.html [accessed 05.02.20]
- Chair, Oireachtas Joint Committee on Jobs, Enterprise, and Innovation, (2016), Zero-Hour Contracts Discussion. Available at https:// www.kildarestreet.com/committees/?id=2016-01-19a.7&s=speaker%3A328 [accessed 05.02.20]
- Labour Party Leader and Spokesman on Foreign Affairs and Northern Ireland, (2016), Statement by Brendan Howlin, "Enhancing workers' rights is at heart of Labour's agendas". Available at https://www.labour.ie/ news/2016/05/31/enhancing-workers-rights-is-at-heart-of-labours-ag/ [accessed 05.02.20]
- 5. Dáil Éireann, (2016), Debate. Availa-

ble at https://www.oireachtas.ie/en/ debates/debate/dail/2016-07-05/36/ [accessed 05.02.20]

- Labour Senator and Spokesperson on Employment and Social Protection, (2016), Statement by Senator Ged Nash, "Uncertain Hours Bill Can Transform the Lives of Working People – Nash". Available at https://www.labour. ie/news/2016/11/15/uncertain-hoursbill-can-transform-the-lives-of-wo/ [accessed 05.02.20]
- Minister for Employment Affairs and Social Protection (2018), Minister Regina Doherty welcomes passage of the Employment (Miscellaneous Provisions) Bill. Available at https:// www.welfare.ie/en/pressoffice/Pages/ pr130718.aspx [accessed 05.02.20]

Underpinning research

The Irish government commissioned the 2015 zero hours study in the context of trade unions campaigning on the issue of 'decent work'. The campaign emerged in the aftermath of the economic recession in Ireland, and amidst reports in the UK that the number of zero hours workers had risen significantly. With an emerging industrial relations dispute in Irish retail over the issue of uncertain and irregular working hours, the issue has become a priority for government¹.

The three key objectives of the 2015 zero hours study were: to examine available data concerning the prevalence of zero hours contracts in the Irish economy and the manner of their use; to assess the impact of zero hours contracts on employees; and to enable the Minister to make evidence-based policy recommendations to government, if deemed necessary on foot of the study.

No previous research had been published on zero hours work in Ireland. There was a small but emerging body of research in the UK. The University of Limerick researchers had a strong record of conducting empirical research on employment relations, labour economics, employment law, public policy, and issues related to low wage jobs (Refs 1, 8, 9, 15). As a result, the Irish government commissioned the KBS research group to undertake the study.

The landmark study was undertaken over a 6-month period in 2015. It focused on four sectors: hospitality, health, education, and retail. Each sector had large numbers in employment and were characterised by a variety of working hours arrangements. The study's findings were on the prevalence of different types of zero hours work arrangements, on the negative impact of zero hours work for workers' financial security, and on the inadequacy of employment legislation in protecting workers. Here are a number of key findings:

- There are several types of zero hours work – zero hours contracts and If and When contracts. Workers on these contracts can occupy a 'grey' area in employment law between the categories of "employee" and "self-employed" and as a result, there is uncertainty over their access to employment rights.
- Employment legislation at the time inadequately protected people on zero hours work.
- The study revealed how zero hours and low hours work operates in various employment sectors, the types of jobs where such work is most prevalent, and the advantages and disadvantages of such work for employers and workers.

These findings led to a number of important recommendations which centred on the need for amending employment legislation to enhance workers' rights.

The research group continued to grow their academic output with several academic publications on zero hours work: on its legal aspects, on public policy and the state's role in facilitating it, and on the strategy responses of trade unions for protecting workers in zero hours jobs

^{1.} Department of Education and Skills (2017). STEM Education Policy Statement 2017-2026. Retrieved from https://www.education.ie/en/The-Education-System/STEM-Education-Policy/stem-education-policy-statement-2017-2026-.pdf







(Refs 2-7, 10-14). The group have built on the 2015 study by fostering international collaborations and examining zero hours work in a comparative context. In 2019, the group published an edited monograph on zero hours work in six English-speaking countries (Ref 12)..

References to the research

- 1. Gunnigle, P., Turner, T., Lavelle, J. and McDonnell, A. (2014) 'Pay and Performance Management in MNCs' in Harney, B. and Monks, K. (eds). Strategic HRM: Research and Practice in Ireland. Dunlin: Orpen Press, pp. 95-115.
- 2. Irish Government (2014). Statement of Work. https://www.merrionstreet. ie/en/wp-content/uploads/2014/07/ Statement-of-Government-Priorities-Final-110714.pdf
- 3. McMahon, J. (2019), 'Plus Ca Change? Regulating zero hours work in Ireland: An Analysis of Provisions of the Employment (Miscellaneous Provisions) Act 2018', Industrial Law https://doi.org/10.1093/ Journal indlaw/dwz014
- 4. McMahon, J., O'Sullivan, M., Turner, T., Ryan, L., Lavelle, J., Murphy, C., O'Brien, M. and Gunnigle, G. (2017). 'Zero Hours Work and the Role of the Law in Ireland'. In Ahlberg, K. and Bruun, N. (eds.) The New Foundations of Labour Law. Frankfurt: Peter Lang Publishing.
- 5. McMahon, J. O'Sullivan, M., Ryan, L., Turner, T. Lavelle, J., Murphy, C., O'Brien, M. and Gunnigle, P. (2018). 'Zero Hours Regulation, Intersectionality and the Erosion of the SER: The Case of Ireland'. CRIMT (Interuniversity

Research Centre on Globalization and Work), 25-27 October, HEC Montreal.

- Murphy, C., O'Sullivan, M., Turner, 6 T., McMahon, J., Lavelle, J., Ryan, L., Gunnigle, P. (2019). 'Trade union responses to zero hours work in Ireland', (2019) Industrial Relations Journal. https://doi.org/10.1111/ irj.12271
- Murphy, C., Lavelle, T., Turner, T., Ryan, 7. L., McMahon, J., O'Sullivan, M., O'Brien, M. and Gunnigle, P. (2019), 'Zero Hours Work in Ireland'. In O'Sullivan, M., Lavelle, J., McMahon, J., Ryan, L., Murphy, C., Turner, T. and Gunnigle, P. (eds) Zero Hours and On-call Work in Anglo-Saxon Countries. Singapore: Springer, pp.21-40.
- 8. O'Sullivan, M. and McMahon, J. (2010) 'Employment Equality Law in Ireland: Claimants, Representation and Outcomes', Industrial Law Journal, 39(4): 329-354.
- O'Sullivan, M. and Royle, T. (2014) 9 'Everything and Nothing Changes: The Threat to Minimum Wage Regulation in Ireland', Economic and Industrial Democracy, 35(1): 27-47.
- 10. O'Sullivan, M., Turner, T., McMahon, J., Ryan, L., Lavelle, J., Murphy, C., O'Brien, M and Gunnigle, P. (2017). 'Zero Hours Work in Ireland', Special Symposium on On-call Work, International Labour Organisation Regulating Decent Work Conference, July 3-5, Geneva.
- 11. O'Sullivan, M., Turner, T., McMahon, J., Ryan, L., Lavelle, J., Murphy, C., O'Brien, M and Gunnigle, P. (2015) A Study of the Prevalence of Zero Hours Contracts among Irish Employers and its Impact on Employees. Dublin:

Department of Jobs, Enterprise and Innovation, November. https://dbei. gov.ie/en/Publications/Publicationfiles/Study-on-the-Prevalence-of-Zero-Hours-Contracts.pdf

- 12. O'Sullivan, M., Lavelle, J., McMahon, J., Ryan, L., Murphy, C., Turner, T. and Gunnigle, P. (eds) (2019) Zero Hours and On-call Work in Anglo-Saxon Countries. Singapore: Springer.
- 13. O'Sullivan, M., Turner, T., Lavelle, J., MacMahon, J., Murphy, C., Ryan, L., Gunnigle, P., O'Brien, M. (2017) 'The Role of the State in Shaping Zero Hours Work in an Atypical Liberal Market Economy', Economic and Industrial Democracy. http://www. doi.org/10.1177/0143831X17735181
- 14. Ryan, L., Lavelle, J. O'Sullivan, M., Murphy, C., Turner, T., McMahon, J., O'Brien, M and Gunnigle, P. (forthcoming). 'Precarious Work: Lessons from a Study of Zero Hours Contracts in Ireland', Nordic Journal of Working Lives Studies.
- 15. Turner, T. and O'Sullivan, M. (2013) 'The Economic crisis and the restructuring of wage setting mechanisms for vulnerable workers in Ireland'. Economic and Social Review, 44(2): 197-219.

Grants and awards

1. 2015, Department of Jobs, Enterprise & Innovation, awarded O'Sullivan, M., Turner, T., McMahon, J., Ryan, L., Lavelle, J., Murphy, C., O'Brien, M and Gunnigle, P., €79,000.

Period when the underpinning research was undertaken: 2015

Details of staff conducting the underpinning research: The researchers are members of the Quality of Work research cluster and Work Knowledge and Employin Management Development, Prof Patrick Gunnigle, Professor of Business Studies. **Underpinning research linked to UN Sustainable Development Goals:** Goal 8 Decent work and economic growth