

6 January 2016

Mr Ged Nash TD  
Minister for Business and Employment  
Department of Jobs, Enterprise and Innovation  
Kildare Street  
Dublin 2

Minister Gerald Nash TD

12 JAN 2016

Minister for Business and Employment

Re: Consultation on Kemmy Business School, UL, Study on Prevalence of Zero Hours Contracts among Irish Employers and their impact on Employees

Dear Minister,

Thank you for the invitation to the consultation meeting which you held with sector representatives prior to Christmas and at which I outlined some key concerns of the universities. In regard to our more substantive views, IUA has engaged closely with IBEC in this matter. The detailed IBEC response fully reflects our concerns and is endorsed in that regard.

Complementary to that, we would wish to emphasise a number of points.

Firstly, it is necessary to state again that the terms of reference set for the study are clear viz.

“To fill the gap that currently exists in terms of the hard data and information that is available concerning the prevalence of zero hours contracts in the Irish economy and the manner of their use.

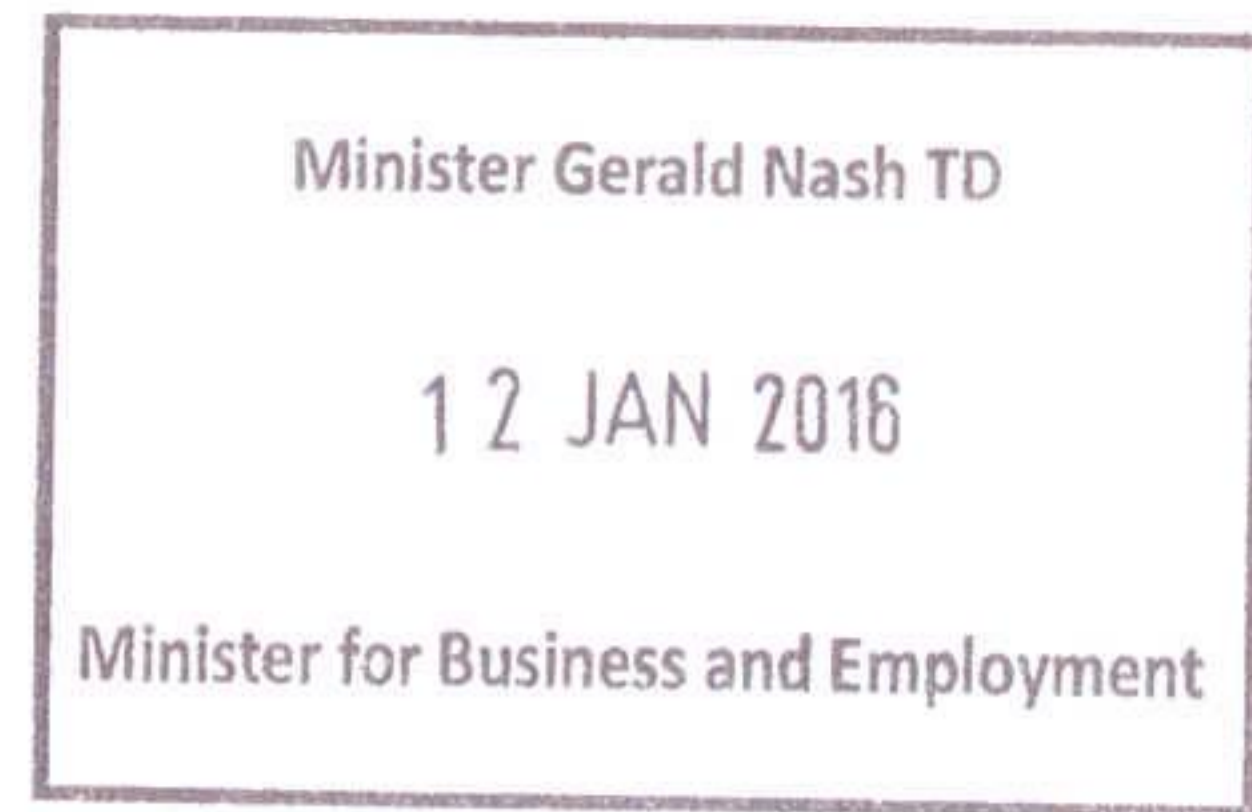
To assess the impact of zero hours contracts on employees.

To enable the Minister to make any evidence-based policy recommendations to Government considered necessary on foot of the study.”

It appears that, early in the proceedings, the authors were able to establish that zero hours contracts are not a feature of the Irish employment environment. [For the avoidance of doubt, I should emphasise that this is specifically the case in respect of our universities.]

Having done that, it appears that the authors decided to look at a whole range of other employment arrangements – in effect, all non-full time employment arrangements. As such the study goes very substantially beyond its terms of reference.

As regards the authors’ particular focus on “if and when’ arrangements, it is worth citing their own distinction viz: “The fundamental difference between the two is that individuals with a zero hours contract are contractually required to make themselves available for work with an employer, while



individuals with an ‘If and When’ contract are not contractually required to make themselves available for work with an employer.”

Such choice is very important for a whole variety of reasons, ranging from individual freedom to the need for labour market flexibility for competitiveness and economic efficiency reasons. However, while the study focuses significantly on if and when contracts, it also tends to aggregate many kinds of non full time working arrangements when making inferences and drawing conclusions. The study also appears to ground its recommendations in the context of a very narrow and outdated view of what comprises a ‘standard working week’.

And while the terms of reference refer to the provision of “hard data” much of what is presented is anecdotal.

When this conflation of working arrangement types and reliance on anecdotal views comes together, it significantly undermines the credibility of the study. Examples of this are quoted below:

“Some interviewees estimated that approximately 10% of employees in institutes of technology are part-time while a group known as Third Level Workplace Watch estimated that up to 40% of teaching hours at third-level are delivered by part-timers, while most researchers are on temporary contracts.”

and

“The (sic) IFUT outlined that this lack of financial security comes at a crucial age for employees when income is needed to fund major life events, such as buying a house, getting married or starting a family.”

In addition to there being no objective evidence for the forty percent figure quoted above, we would stress again that many part time working arrangements exist because they are suitable for particular individuals circumstances and these include permanent part time arrangements. Aside from the fact that it would appear to be outside the scope of the terms of reference, the reference to researchers on temporary contracts) is also misleading as the majority of researchers who are not permanent are on fixed term contracts. This includes a large cohort of post-doctoral researchers the majority of whom are expected to move beyond the university environment as they pursue their careers. The validity of this model of employment in ensuring ongoing training opportunities for newly qualified researchers has been consistently recognised and endorsed by the labour Court in a range of fixed term cases in recent years.

The lack of reliance on hard data is also reflected in some of the generalised and inaccurate conclusions in the study as reflected in the following statement:

“If and When contracts, hybrid contracts and regular part-time contracts with low hours are prevalent amongst substitute teachers, SNAs, school ancillary staff, adult education tutors and third-level lecturing.”

Common dictionary definitions of the term “prevalent” are to the effect that the term means: “widespread in a particular area or at a particular time”.

As regards university lecturing, the vast majority of lecturers in Ireland are in permanent employment, either full time or part time. As such, “if and when” contracts are not “prevalent” in university lecturing.

For the foregoing reasons, we have concerns about the evidential base for the study’s recommendations. We have particular concerns in respect of the recommendations under section 4. These recommendations are simply arbitrary and bring with them significant cost implications for the public sector pay bill. In the latter regard, we note that the remuneration of university employees is subject to the approval of the Minister’s for Education and Skills and Public Expenditure and Reform.

In that context, I am copying this correspondence to Minister’s O’Sullivan and Howlin. I am also copying this correspondence formally to Minister Bruton given its implications for both competitiveness and overall labour market policy.

With kind regards,

Yours sincerely,

  
Ned Costello  
Chief Executive

Minister Gerald Nash TD  
12 JAN 2016  
Minister for Business and Employment

- cc Ms Jan O Sullivan T.D. Minister for Education and Skills  
Mr Brendan Howlin T.D. Minister for Public Expenditure and Reform  
Mr Richard Bruton T.D Minister for Jobs, Enterprise and Innovation