



**NHI Response to Department of Jobs, Enterprise
and Innovation**

**University of Limerick Study on the Prevalence of
Zero Hour Contracts and Low Hour Contracts in
the Irish Economy**

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Key Findings.

1. As per our engagement with University of Limerick research team in 2015 Nursing Homes Ireland is in agreement with the findings that Zero hours contracts are not extensively used in Ireland. This may be a direct result of having adequate workforce planning in place which makes it possible to offer the required contracted hours to employees to fit with the business needs; coupled with the option of flexing up during holidays or periods of excessive absence. Caution is recommended in not overly concentrating on the negativity of Zero Hours/If and When contracts and to overlook the positive experiences of many staff on them.
2. NHI members report negligible numbers of staff employed on flexible hours or what may be considered an “if and when” contracts. The nursing home sector may also refer to ‘If and When’ contracts as On Call/Relief/Bank. The small number of employees in question do not want regular hours as feel unable to fully commit, but like the flexibility of being given the option to work if they are available when called. This arrangement suits both the employer and employee. The employee is not contractually required to make themselves available for work. Many are full time students who have agreed to be called upon to work should hours become available due to sickness absence mainly. This arrangement suits both parties as there are no restrictions or exclusivity clauses in their contracts and they accrue holiday hours based on the actual hours they work.
3. All other employees are either on full time or part-time contracts. This is made possible by implementing a robust rolling roster, making it easier to offer more specific contracts of employment, in terms of hours, to suit both the individual and employer.
4. NHI agrees with this statement in the findings; as low hours have become the norm for those with caring responsibilities or who are tied into the social welfare system where hours in excess of 15-20 per week impacts on their welfare benefits. Such candidates are unwilling to upset the status quo of the benefit system, are happy with a low number of contracted hours and unwilling to take on a full-time role.
5. A high degree of flux or variation in weekly hours is not a common factor in the nursing home sector but an internal arrangement can be made where employees are given the option to volunteer for an additional shift should one become available while remaining in line with the Organisation of Working Time Act. This procedure if measured may indicate a high proportion of variability week on week, but in fact is closely managed and monitored internally with no negative impact on employee or employer or breach of contract. Accrued holidays are also reflective of the additional hours worked.
6. Managers or salaried staff are usually given the responsibility to manage their own hours and are not expected to display patterns of consistently variable hours.
7. This statement is more likely to be true based on the outcomes of recruitment; that women seeking part-time hours have caring responsibilities.

8. Agree: With the option of working on days with a premium rate of pay, (usually weekends); it is more likely those on part time hours will volunteer for additional hours. Likewise working additional hours on a night shift suits those who have alternative caring arrangements in place to enable them to undertake the night shift.

9-13. Low hours are usually undertaken by students; however they are usually regular and enable us as the employer to roster appropriately in line with others in similar situations. This arrangement works well with those willing to job share and can make up a full shift by each working low hours in a week. The arrangement suits both employee and employer.

14-18. In general agree with findings, as having “if and when” contracts creates an uncertainty in rostering which ultimately has a productivity or customer service impact. Those on family income are reluctant to increase their hours due to the fear of a reduction in social welfare. ie. rent allowance, etc.

Recommendations:

1,2,3. While reviewing and bringing the current Terms of Employment Information acts 1994-2012 more up to date and in line with Employer’s/Employees requirements, care needs to be taken not to create a “one size fits all” approach leaving employers and employees uncertain as to what approach to take or which contracts suits their requirements.

4. Agree with adjusting the timeline by which contracts need to be issued to all staff, but with clear guidelines as to the ability to offer either, fixed term, or part-time hours.

In terms of repealing Section 18 of the OWT Act; NHI would not be comfortable with a change introducing a mean average of hours worked in previous 6 months as many college students flex up their working hours during vacation times and that would skew the actual data, having a detrimental impact on employers who may not have the facility to regularly review and update contracts and may in fact deter them from employing such personnel. It does not make any sense issuing a contract based on the previous 6 months as the employee may not be available to fulfil this contract. It may also bring the employee over the working time directive.

- i. A more realistic approach to making adjustments is essential to avoid any confusion and misinterpretation. It would also be essential to avoid varying interpretations by the Workforce Relations, Employer and Employees should a case be brought before them.
- ii. Assistance and guidelines in implementing a mechanism whereby employees and employers can periodically review the pattern of working hours so that the contracts accurately reflects the reality of working hours would be welcomed
- iii. Should it be determined by any changes that “if and when” contracts are still an acceptable form of job offer, then with a combination of the mechanisms proposed in (ii) above coupled with employers having a more robust workforce planning process in place then the costs of compensation for “on call” arrangements would be minimal.

iv. Having to compensate an employee when not working will have a high cost factor

5, 6. NHI would not under any circumstances be in support of recommendation No.5 & 6: as by the mere fact of having a person on call, having to give notice of work or cancellation of work 72 hours in advance would be difficult if not impossible to implement in the nursing home sector. This change would have a detrimental impact on employers from an administrative and cost perspective. It would be better by far to provide assistance with implementing a robust workforce planning process.

7. Have no issues with making changes to reflect recommendation No 7. Particularly from an employee relations perspective as travelling to work for less than 3 hours employment can have a negative impact on employee.

8, 9, 10, Agree with recommendations No. 8, 9, 10.

11. Agree with the recommendation of putting in place a system that provides consultation with employer organisations etc. with a view to examining social welfare issues; not only in regards to “if and when” contracts but reviewing and examining the difficulties of offering full time employment to those who would otherwise decline due to the differentials in paid employment versus the receipt of other or a combination of social welfare benefits.

12. Upgrading or developing a more accessible, regulated and better quality child-care policy for all low hours contracts not just “if and when” would be a better approach to tackling the currently over stretched welfare system and may address the reluctance of those with caring responsibilities taking on more hours of employment.

13.14 Appears to be an introduction of greater bureaucracy without tackling the root causes.

Having a process in place that would support the offering annualised contracts as opposed to “Zero hours/if and when” would be a better and more manageable approach for both Employers and Employees as a commitment from both parties is agreed from the onset. However, employers and managers need to work in unison in gaining a greater understanding of the business requirements in terms of the amount of required hours necessary to adequately and efficiently run their businesses and a more robust workforce planning process be a key component in the month on month determination of the types of contracts that can be offered.

Nursing Homes Ireland

4th January 2016

Appendix

Flexible working arrangements can work for everyone*

Flexible working and work-life balance issues continue to be of interest to employers and employees alike. Employers in the global market need the flexibility to meet the demands of the global, 24/7 customer, while employees try to reconcile their work and family responsibilities.

Various Irish and international studies have found significant benefits to employees and their organisations in terms of productivity, reduced absenteeism, lowered employee turnover, improved staff motivation and commitment and a more responsive service for customers.

In essence, it is important to look at all the options available and when it comes to setting out a contract, good communication is vital. Each party to the contract should understand what hours can be offered and agree on any additional hours which might be considered. Employees, except in very limited circumstances, should be permitted to work for other employers where they wish to do so and be provided with the ability to refuse work above the contracted hours, without penalty.

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