



NI WOMEN'S BUDGET GROUP

NORTHERN IRELAND WOMEN'S BUDGET GROUP (NIWBG) RESPONSE TO ZERO HOURS CONTRACT

**Private Member's Bill from Jemma Dolan of Sinn Féin
Prepared by Alexandra Brennan (Coordinator) of NIWBG
December 2020**

The Northern Ireland Women's Budget Group (NIWBG) is made up of organisations and individuals from a number of sectors in Northern Ireland, with the aim of implementing a gender equal economy. The members of the NIWBG scrutinise policy and budgetary matters with a gendered lens to bring attention to the different ways in which men and women are affected by government-level decision-making. It tries to provide policy- and budget-makers with the correct tools to analyse and alter their decision-making to account for the adverse impacts felt by women.

The NIWBG works with a range of organisations in Northern Ireland on devolved issues and with sister organisations in Wales, Scotland, England and Ireland on East-West and North-South issues.

We support the proposal to end zero hour contracts, and we hope that our response to the consultation will be considered when finalising the Private Member's Bill.

If there are any questions or comments regarding the NIWBG's consultation response, please direct them to the Coordinator for the NIWBG, Alexandra Brennan (info@niwbg.org).

General Comments

We fully support the banning of Zero Hour Contracts (ZHCs) as they allow employers to take advantage of their employees/workers in the name of 'flexibility'. This will give those working under ZHCs more control over when and how they work during these financially uncertain times. However, we feel that the proposed Bill does not go far enough to address:

- The disproportionate representation of women in ZHCs and other types of precarious work alongside other obstacles (discrimination, societal power-dynamics, unpaid work outside of the labour force, etc.).
- The ways in which ZHCs and precarious work perpetuate poverty through their instability for employees/workers.
- Inequalities created and enforced by ZHCs and precarious work.

Banning ZHCs would be an important step in protecting the rights of employees/workers, yet we emphasise that it is *only* a step as a small portion of Northern Ireland's labour force work under ZHCs (1.4%)¹. Banded Hours provide greater stability and choice for those previously working under ZHCs, but they do not solve the issue of precarious work environments that are prevalent in both ZHCs and part-time work. A significant amount of women in Northern Ireland are employed in work that is part-time and considered precarious. It is imperative that, besides banning ZHCs, efforts are made to eliminate the ways in which employees/workers in part-time and precarious work are taken advantage of once the Banded Hours system is implemented.

Additionally, the motives for seeking out flexible work need to be analysed and included within the steps for protecting employees/workers, particularly women. For example, many women engage in flexible and/or part-time work because there is no childcare strategy in place in Northern Ireland. Seeing as women make more than men in

¹ EMP17: People in employment on zero hours contracts, Office for National Statistics, August 2020 <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/datasets/emp17peopleinemploymentonzerohourscontracts>

part-time work but significantly less in full-time work, women are more likely to revert to part-time work or become economically inactive to take on unpaid caring roles in the absence of such strategies².

We believe that this Bill is necessary as the option for ZHCs needs to be eradicated. However, we also feel it is important to recognise that ZHCs exasperated many issues within the labour market such as unequal power dynamics, discrimination and poverty. The issues listed above will not be cured with the banning of ZHCs, but the NIWBG would like to work with Sinn Féin in formulating legislation that is able to ban ZHCs, acknowledge the harm they instill in employees/workers and improve precarious Banded Hours and part-time work.

Do you agree that Zero Hour Contracts should be banned from the labour market?

Note: ZHCs provide an Employment relationship whereby the worker is not guaranteed minimum hours or maximum hours of work and the individual is not obliged to accept any work offered.

Yes X

No

Unsure

Other (please specify)

Do you agree that banning zero-hour contracts would give workers greater financial certainty?

Note: Under ZHCs, workers do not have a guaranteed income due to the fact that they have no guaranteed minimum or maximum working hours, this makes it difficult for workers to manage their finances and make long term financial decisions. For instance, taking out a mortgage is extremely difficult for those on Zero Hours Contracts due to the lack of certainty regarding their regular income.

Yes X

No

Unsure

Other (please specify)

² (NERI 2020), 'How Unequal? The unadjusted gender pay gap in earnings in Northern Ireland and the Republic of Ireland': https://www.nerinstitute.net/sites/default/files/research/2020/Unadjusted%20gender%20pay%20gap%20in%20Northern%20Ireland%20and%20the%20Republic%20of%20Ireland%202020%20_1.pdf

Comment: We agree that banning ZHCs would give workers greater financial certainty . However, as only 1.4% of the labour market work in ZHCs, we think it would be beneficial to also look at how to increase financial certainty for precarious part-time workers, which disproportionately consists of women.

Do you believe that the prevalence of precarious working arrangements such as ZHCs discourages people from seeking work and contributes to Economic Inactivity?

Economic inactivity is based on measuring the number of people not in employment and not seeking employment. The North generally has higher levels of Economic Inactivity when compared to other jurisdictions. There are many reasons as to why people become economically inactive. Evidence has shown that for some people the “nature and quality of employment” discourages them from seeking employment.

Yes X

No

Unsure

Other (please specify)

Comment: Any precarious work, whether it be ZHCs or part-time, contributes to Economic Inactivity. This is why Economic Inactivity will continue even if ZHCs are banned as precarious work exists outside of that working arrangement. We need to simultaneously focus on how to improve the working conditions for those in precarious work. Additionally, a large portion of women are considered ‘economically inactive’ (31%), with many citing, “family and home commitments” as the reason³. The creation of strategies to alleviate caring responsibilities and increasing the value of unpaid work would allow those women to engage with the workforce.

Do you agree that under Zero Hour Contracts, workers are disadvantaged in their ability to choose the shifts that they wish to work?

Note: Raise Research found that proponents of ZHCs argue that these contracts afford both employer and employee adequate flexibility and give employees choice over the hours they want to take on. Contrasting evidence from TUC has shown that more than a third of workers have been threatened with not being given shifts in the future if they turn down work offered, while more than half have had shifts cancelled at less than 24 hours’ notice. The Taylor Review of Modern Working Practices also found that flexibility offered by ZHC’s was one-sided in favour of the employer.

Yes X

No

Unsure

³ NISRA Women in Northern Ireland Report 2020:
<https://www.nisra.gov.uk/statistics/labour-marketand-social-welfare/labour-force-survey>

Other (please specify)

Comment: ZHCs afford flexibility to the employer yet creates a damaging power dynamic in which the employee/worker feels they have to take all hours offered to them in fear of losing hours as a punishment for their unavailability. Women, who tend to work in low-paid and precarious employment, struggle to complete caring responsibilities and other unpaid work in such uncertain environments.

Do you agree that the banning of ZHCs will have a positive impact on Equality and Section 75 groups accessing decent and secure work?

Note: Evidence from the House of Commons Briefing Paper found that 54% of people employed on these contracts were women, while around 33% of those employed were aged 16-24.

Yes X

No

Unsure

Other (please specify)

Do you agree that there is merit in standardising legislation across the island of Ireland to deal with Zero Hours Contracts?

Note: The proposal to introduce Banded Hour Contracts is derived from similar legislation which has been introduced and implemented in the Dáil Éireann. The implementation of Banded Hour Contracts in the Assembly would create parity for workers across the island of Ireland.

Yes X

No

Unsure

Other (please specify)

Comment: We agree that there is merit in standardising legislation across the island of Ireland, especially for those who cross the border to work.

Do you agree that this proposal is a good way to end and replace the use of zero-hour contracts?

Note: The premise of banded hour contracts is to provide the worker with a guarantee of minimum and maximum number of working hours. This proposal is intended to ensure that both employers and employees can maintain flexible working arrangements but that workers can have greater certainty in terms of their regular income and hours.

Yes X

No

Unsure

Other (please specify)

Comment: While we agree that the proposal to end ZHCs is a positive step and that Banded Hours offers flexibility for both the employer and the employee/workers in a more structured way, other measures must be taken to ensure that employees/workers are protected from precarious, low-paid work that continue to dominate many part-time fields of employment.

Do you agree that Banded Hour Contracts should be available to both workers and employees?

Note: Raise research considered the issue of employment status and legal definitions and rights applicable to employees and workers. It noted that those defined legally as workers had less protections and rights than those defined as employees. In reference to this Bill, the rights and entitlements pertaining to Banded hour contracts will apply equally to workers and employees who find themselves in an employment situation in which: “the employment contract in which the employer does not guarantee the individual any work and the individual is not obliged to accept any work offered”.

Yes X

No

Unsure

Other (please specify)

Do you agree that these Bands and the hours contained in them can provide workers with greater transparency and certainty regarding their working hours?

Note: The legislation will provide workers with an employment contract containing banded hours. The workers working hours will be defined in one of the following bands:

Band	From	To
A	3 hours	6 hours
B	6 hours	11 hours
C	11 hours	16 hours
D	16 hours	21 hours
E	21 hours	26 hours
F	26 hours	31 hours
G	31 hours	36 hours
H	36 hours	and over

Yes X

No

Unsure

Other (please specify)

Comments: Yes, we agree that the proposed Bands can provide employees/workers greater transparency. However, we want to emphasise that the hours were not the only

issue with ZHCs, and measures must be taken to deal with the other problems that plague both ZHCs and precarious work such as inability to collectively bargain, job insecurity, discrimination, etc.

Do you agree that twelve months service is a sufficient qualification period for the worker to be able to request a Banded Hours Contract?

Note: The worker's right to request and be given a Banded Hour Contract will arise if that worker works on a low-hour contract or a ZHC, and consistently works more hours than their contract provides for. Once the written request is made the worker is then entitled to be placed on a band of hours that better reflects the number of hours that they have worked over the previous twelve-month period.

Yes X

No

Unsure

Other (please specify):

Do you agree that the worker should begin working on a Banded Hour Contract within one month of the request being made?

Note: Raise research found that the one issue regarding the implementation of Banded Hour Contracts in the rest of Ireland had been in the lack of clarity in the legislation as to when the Banded Hour Contract takes legal effect once it is requested, this is otherwise known as the "reference period".

Given that prior to making the request the worker will have been working similar or the same hours to those reflected in the Banded Hour Contract, the implementation period should be reasonably short, the banded hour contract is essentially formalising and its implementation would therefore cause minimal disruption. Any implementation period would need to allow the Employer sufficient time to amend the workers contract and for the worker to be informed of these arrangements.

Yes X

No

Unsure

Other (please specify)

Comments: Yes, as it allows the employer sufficient time to change the schedule without delaying the request of the employee/worker. However, we believe it is important to make this clear within the Bill in order to ensure that the time frame cannot be extended in any way.

Do you agree that the Labour Relations Agency should be tasked with monitoring the enforcement of banded hour contracts?

Note: Raise research found that one limitation to Banded Hour Contracts in the rest of Ireland had been the lack of clarity on the enforcement of Banded Hour Contracts. The Labour Relations Agency in the North of Ireland is tasked with providing advice and guidance on employment rights and responsibilities.

The agency is also active in resolving disputes through our conciliation, mediation and arbitration services.

Yes X

No

Unsure

Other (please specify)

Do you agree that this Bill will help to deliver on this commitment?

Note: In the New Decade, New Approach Agreement it had been agreed that the "...Executive should move to ban zero-hour contracts..."

Yes X

No

Unsure

Other (please specify)

Comment: Yes, however, we believe that along with banning ZHCs, other commitments made in the NDNA that promote the rights of workers (especially those belonging to Section 75 groups) should be delivered.

Do you believe that the zero hours contracts bill should also include provisions to ban Exclusivity Clauses?

Note: Raise research showed that the prospect of banded hour contracts had not previously been considered by the Assembly. Previous proposals and suggestions from Britain had centred on Exclusivity clauses. Exclusivity clauses meant that people on zero-hour contracts could be "stopped from looking for work elsewhere particularly when they needed more hours to bump up their earnings."

Essentially these clauses allow the employer to prevent workers from working for another employer while being contracted on a zero-hour contract. The intention of this bill is to remove zero-hour contracts in their entirety, however the removal of exclusivity clauses from banded hour contracts would be beneficial to the general purpose to the bill.

Yes X

No

Unsure

Other (please specify)

Do you agree that banning zero-hour contracts from the Labour Market is important to our economic recovery?

Note: The removal of zero-hour contracts from the Labour Market will make the labour market less precarious. The Covid 19 Pandemic has brought into focus the need for workers to be valued and afforded better rights and for this to be central to the Economic Recovery.

Yes X

No

Unsure

Other (please specify)

Comment: Yes, we agree that banning ZHCs is important to our economic recovery. However, as stated above, banning ZHCs cannot be the only step taken as such a small portion of Northern Ireland's workforce engage in ZHCs. While removing ZHCs will eliminate a precarious aspect from the labour market, there are other ways in which precarious work is created and enforced within the labour market (through discrimination, instability in part-time work, etc.). Additionally, women (particularly BAME women) felt the brunt of the austerity measures of the past decade. Addressing and solving the inequalities that disproportionately affect women in the workforce is essential to our economic recovery.

Do you agree that the provision of branded hour contracts can have wider economic benefits such as increasing consumer spending?

Note: Banded Hour Contracts will provide workers with greater certainty regarding their income. Certainty over income can help workers to better manage their finances and to invest and spend them as they see fit.

Yes X

No

Unsure

Other (please specify)

Comment: However, considering the small number of people that work in ZHCs and the continued issues that are prevalent within part-time work that have been mentioned above, the economic benefits would not be as wide as those under a Bill that tackles issues faced by all precarious employees/workers.

Do you agree that the removal of zero-hour contracts can prevent unscrupulous employers from undercutting other employers providing good quality jobs in the Labour Market?

Note: Data from the Office of National Statistics has shown that there are approximately 11,000 people in the north employed on zero-hour contracts. Given that the vast majority of employers do not use zero-hour contracts, it is clear that business success is not predicated on precarious employment or zero-hour contracts.

Yes X

No

Unsure

Other (please specify)

Comment: Yes, but, as mentioned throughout the consultation, the existence of other types of precarious work and the issues associated with them will continue to undercut other employers providing good quality jobs in the labour market. This is evident through the issue of low pay, as around 25% of employees/workers in Northern Ireland are paid below the living wage. This disproportionately impacts women and perpetuates poverty and precarious work environments.

Do you agree that the banning of zero-hour contracts would have a positive impact in terms of tackling low pay?

Note: NISRA's low-pay analysis found that in 2019, 25.1% of employees in the North were paid below the living wage. This percentage is much higher than in Scotland, Wales and England. Evidence has shown that wage levels in the North are consistently lower than other regions and jurisdictions. The Raise research on zero-hour contracts highlights that zero hour contracts can be used to lower the wage bill for firms and that they are associated with lower labour costs.

Yes X

No

Unsure

Other (please specify)

Comment: However, banning ZHC is only a step in correcting these problems. As mentioned above, low pay is widespread in Northern Ireland's labour market and will continue with the introduction of Banded Hour Contracts if action is not taken to ensure that everyone is paid the living wage.

Do you think that a provision should be included in this bill to compensate workers in the situation which is set out below?

The Raise Research highlighted that the Employment (Miscellaneous Provisions) Act 2018, made provisions to remunerate workers who are called into work and then [sent] home without work or more meaningful compensation.

The proposal in this case was that "if an employer calls an employee into work but then decides they are not needed, that employee would be entitled to three times the minimum wage, which is €28.65, every time that occurs"

Yes X

No

Unsure

Other (please specify)

Comment: Yes, provisions should be included as it will help employees/workers pay for arrangements they've made in order to report to work, such as childcare and transportation.

Given the issues discussed in this Consultation do you believe that the Banded Hours Contracts will generally have a positive impact on the lives of workers and their families?

Yes

No

Unsure

Other (please specify)

Comment: Yes, however, the issues discussed in the General Comments section of this consultation along with comments throughout should be considered as they highlight areas in which workers and their families will still be negatively impacted even with the banning of ZHCs.

If you do not agree with the proposal, please comment below:

- Please outline your objections to the proposal
- What alternative proposal in respect of reform of zero hours contracts would you propose, and why?
- Is there any additional element which, if added to the proposal, would cause you to agree with this proposal?

ENDS