

Women's Policy Group NI

Response to Zero Hours Contracts Consultation - December 2020

Proposed by - Jemma Dolan - Sinn Féin

**Prepared by: Rachel Powell,
Women's Sector Lobbyist,
Women's Resource and Development Agency
rachel.powell@wrda.net**

The [Women's Policy Group Northern Ireland](#) (WPG) is a platform for women working in policy and advocacy roles in different organisations to share their work and speak with a collective voice on key issues. It is made up of women from trade unions, grassroots women's organisations, women's networks, feminist campaigning organisations, NGOs, LGBT+ organisations, support service providers, human rights and equality organisations and individuals.

Over the years this important network has ensured there is good communication between politicians, policy makers and women's organisations on the ground. Several members of the WPG are also submitting responses on behalf of their own organisations to this consultation and we would like to endorse these, including responses from Women's Regional Consortium, Irish Congress of Trade Unions, Northern Ireland Women's Budget Group, Migrant Centre NI and more. This response can also be considered reflective of the views of the Women's Resource and Development Agency.

We welcome this proposal to ban Zero Hours Contracts, and broader measures to tackle issues of low-pay, and hope to see our consultation response reflected in the final Private Members Bill.

For questions or queries regarding this consultation response, please contact Rachel Powell, Women's Sector Lobbyist rachel.powell@wrda.net

1. General Comments:

1.1 The Women's Policy Group welcomes this proposal to ban Zero Hours Contracts (ZHCs). This would be very important symbolically and will give more certainty and financial security to workers on these contracts, in which women and young people are disproportionately impacted. In the context of COVID-19, the need to ban ZHCs has been amplified, as many who were on these contracts lost all income once the pandemic hit and sectors such as retail, hospitality and travel were forced to close. Whilst many workers in these industries were on ZHCs, in reality, many worked hours consistently each week before the pandemic and found themselves without income now; as ZHCs do not provide adequate levels of protection, working rights or security¹.

1.2 COVID-19 has exposed and amplified many of the workplace inequalities that exist in Northern Ireland, and the need for legislative reform to address many of these issues. For instance, women are over-represented in low-paid, temporary, insecure and part-time work. The industries worst impacted by the pandemic, such as retail, hospitality and travel, have women vastly overrepresented in their workforces. The economic impact of the pandemic is deeply gendered, and the creation of any legislation to help with economic recovery, needs to involve a gendered response. Occupational segregation in Northern Ireland is rife, and women are vastly over-represented in certain sectors and based on working patterns; as 79% of health and social care staff are women; 79% of part-time workers are women; 70% of workers ineligible for

¹ For example, Queen's University Belfast has been criticised for removing their ZHC workers from the Government-funded job retention Furlough Scheme, as there was no protection within the ZHC for guaranteed hours or a basic level of income. For more information, see BBC NEWS NI (November 2020), 'Coronavirus: QUB Student Union staff in plea over furlough plea', <https://www.bbc.co.uk/news/uk-northern-ireland-54991379>

statutory sick pay are women and 91% of lone parents are women (the group identified as being hardest hit by austerity and in need of access to foodbanks during the pandemic).

1.3 Research in the Women's Policy Group Feminist Recovery Plan shows that women were much more likely to have felt pressure to work outside of the home by their employers during the pandemic than men². In addition, women face the unequal distribution of caring responsibilities in our society, and the lack of adequate social care support and a childcare provision, often meant that women had to make extremely stark choices between going to work, putting family members at risk, or leaving their children home alone.

2. Banning ZHCs

2.1 ZHCs provide little flexibility for workers themselves and uphold unequal power dynamics between the employer and their employee. Women already face vast levels of sex discrimination in the workplace, particularly in relation to pregnancy and maternity, and it is crucial that we strengthen our legislation to ensure greater protections for all workers. It would be an important symbolic change to ban these precarious contracts, however, only 1.4% (12,000 people) of the Northern Ireland workforce are on ZHCs and much more needs to be done to tackle low-paid and precarious work³.

2.2 In moving to a system of banded hours, there will be benefits for employees through greater financial security and consistency in working hours. This is something that would particularly benefit women, given the unpredictable nature of ZHCs and the additional implications it has on caring responsibilities. However, a banded system alone will also not address the most precarious working conditions and broader issues with low pay in Northern Ireland.

² See Women's Policy Group COVID-19 Feminist Recovery Plan (2020): <https://wrda.net/wp-content/uploads/2020/07/WPG-NI-Feminist-Recovery-Plan-2020-.pdf>

³ EMP17: People in employment on zero hours contracts, Office for National Statistics, August 2020 <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/datasets/emp17peopleinemploymentonzerohourscontracts>

3. Additional Issues with Precarious Work

3.1 In Northern Ireland, there are significant issues with involuntary part-time work, “economic inactivity” and growing levels of underemployment⁴. There are deeply gendered issues that uphold structures of precarious work and must be addressed urgently. Despite being roughly half of the workforce, women represent 79% of all part-time workers. In 2019, 6.8% of all employees were recorded as being underemployed (48,000 people), with 7.1% of all women employees being underemployed compared to 6.5% of men⁵.

3.2 In addition, 31% of women are considered “economically inactive”, with the main reason for this being attributed to “family and home commitments”⁶. This is the least likely reason for a man to be considered “economically inactive”. Notwithstanding the flaws with the term “economic inactivity”, and the failure to recognise the economic value of unpaid domestic work⁷, there is a serious issue in Northern Ireland where women are forced out of the paid labour market or forced to work part-time due to the unequal distribution of caring responsibilities, the lack of an adequate childcare provision, and motherhood pay penalties⁸.

3.3 Many of the issues that exist with ZHCs also prevail in other forms of part-time employment. Precarious part-time employment tends to be unprotected, unstable, temporary and increasingly unable to support individuals and families due to uncertainty

⁴ See NISRA Labour Force Survey 2020: <https://www.nisra.gov.uk/statistics/labour-market-and-social-welfare/labour-force-survey>

⁵ NISRA Underemployment in Northern Ireland 2020: <https://www.nisra.gov.uk/publications/underemployment-northern-ireland>

⁶ See NISRA Women in Northern Ireland Report 2020: <https://www.nisra.gov.uk/statistics/labour-market-and-social-welfare/labour-force-survey>

⁷ Unpaid Domestic Work has been estimated to have the economic value of 56% of GDP: ONS (2016). Changes in the value and division of unpaid care work in the UK: 2000 to 2015. <https://bit.ly/3iWAXv0>,

⁸ Much more detailed information on all of these factors can be found in the Women’s Policy Group COVID-19 Feminist Recovery Plan in the Economic Justice Pillar: <https://wrda.net/wp-content/uploads/2020/07/WPG-NI-Feminist-Recovery-Plan-2020-.pdf>

and the consistent prospect of job loss. Statistics show that 6% of Northern Ireland's workforce is employed on a temporary, non-permanent arrangement. Within this, women (27,700) are much more likely to be in temporary employment compared to men (18,000)⁹. This is worsened when looking at temporary part-time employment, where women make up 68% of this type of worker compared to 32% of men. Research from ICTU shows that mothers are over-represented in part-time, temporary employment compared to men without dependents, as only 40% of women with one or more children has a full-time, permanent job¹⁰.

4. Additional Measures to Address Precarious Work

4.1 There are a range of measures needed to tackle the persistent issues with low-paid and precarious work such as:

- supporting strong trade unions across the public and private sector;
- ensuring all workers can avail of collective bargaining across all sectors;
- implementing a national real living wage to address working poverty;
- urgently creating a government-funded, universal and free childcare provision;
- creating robust monitoring and enforcement of all equality provisions for the workplace and
- addressing occupational segregation in both paid and unpaid labour markets.

The Women's Policy Group calls for the full realisation and implementation of commitments made within New Decade, New Approach:

'There will be an enhanced focus within the Programme for Government on creating good jobs and protecting workers rights. The parties agree that access to good jobs, where workers have a voice that provides a level of autonomy, a decent income, security of tenure, satisfying work in the right quantities and decent

⁹ 'Insecure and Uncertain': Precarious Work in the Republic of Ireland & Northern Ireland, Irish Congress of Trade Unions Briefing, Winter 2017

https://www.ictu.ie/download/pdf/precarious_work_final_dec_2017.pdf

¹⁰ ICTU (2019), 'Childcare in Northern Ireland: Cost, Care and Gender Equality': https://www.ictuni.org/download/pdf/ictu_childcare_report.pdf

working conditions, should be integral to public policy given how this contributes to better health and wellbeing by tackling inequalities, building self-efficacy and combating poverty'

- NDNA, page 44, section 10.

The Women's Policy Group has done extensive research on all of the barriers that uphold low-paid, insecure, precarious work and the additional impacts this has on women's economic opportunities. We would be happy to work with Sinn Féin and the wider NI Executive to create legislation to address the broader, systemic inequalities that exist within Northern Ireland's employment markets. A gendered approach is needed in order to address these issues and to create meaningful change.

1. 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**

Comments: Yes, we believe that all Zero Hour Contracts (ZHCs) should be banned from the labour market. It is important to note that whilst banning ZHCs will have extremely high significance symbolically, only about 1.4% of Northern Ireland's workforce are on ZHCs. There are growing concerns around involuntary, low-paid and precarious part-time work, which disproportionately impacts women and young people, and growing levels of underemployment.

2. 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**

Comments: The workers who were previously on ZHCs could now avail of a guaranteed number of hours per week. However, there are many additional factors that lead to financial insecurity such as involuntary part-time work, underemployment, low pay, temporary contracts and more that have been addressed throughout sections 1.2 - 3.3 that need to be addressed.

3. 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**

Comments: The precarious nature of some work can certainly lead to higher levels of “economic inactivity” and greater working conditions would certainly allow much higher numbers of people to participate in the formal, paid labour market. However, it would be

a failure to not address the fact roughly 30% of all working age women are considered economically inactive, and that 61,000 of these women attribute their inactivity to family and home commitments. These commitments are the most common reason for women not being in the paid labour market, and are the least common reason for men. Any attempt to address economic inactivity in NI needs to address this gendered impact; as the removal of family and home commitments takes women's economic inactivity levels to being lower than men's. Further information on economic inactivity is highlighted in section 3.2.

4. 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**

Comments: We agree that ZHCs provide a disproportionate amount of power to the employer and offer little, to no benefits to the employee as employees often have little say in the hours they are given and evidence shows that employees can be punished for turning down work. This power balance is something that disproportionately impacts women, as studies show that women faced greater levels to return to work outside of the workplace during the pandemic, which can be attributed to the greater representation of women in low-paid, precarious and temporary work. The irregularity of ZHCs also has consequences on ability to organise caring arrangements, which is an issue that women have to disproportionately handle.

5. 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**

Comments: Yes, women and other marginalised groups are often disproportionately impacted by precarious working arrangements such as ZHCs. Banning ZHCs, and introducing a range of other measures such as banded contracts and the recommendations made in section 4, should have a positive impact on groups with protected characteristics.

6. 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**

Comments: Yes, this is particularly important for frontier workers who cross the border for work. It is important to have the same standards of working rights on either side of the border and that there is no diminution of rights following Brexit.

7. 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**

Comments: Yes, banded hour contracts are a good measure to replace ZHCs, but these will only be effective if they are introduced in conjunction with a range of other measures to address the similar precarious working conditions faced by many part-time workers as highlighted through section 3 and 4.

8. 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**

Comments: Yes, it is important that everyone in Northern Ireland has the same level of worker's rights.

9. 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**

Comments: This would ensure a level of consistency in working hours per week and enable people to work around other commitments such as caring responsibilities, studies and more. However, without addressing the other precarious conditions part-time workers face, such as job insecurity, less access to benefits such as Statutory Sick Pay, collective bargaining, equal pay for equal work and more, this will not eradicate the issues of uncertainty that exist.

10. 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

Comments: Yes, but this time period could potentially be reduced in sectors where seasonal demand isn't a factor. In addition, clarity should be given on this area as it may be confusing to allow ZHCs in the first year if the aim is to ban ZHCs. Creating a banded contract from the beginning of a post and be included in the advertisement of the role to ensure the worker has certainty from day one of beginning their role.

11. 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 is 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

Comments: Yes, there should be no delay in transferring a person to a banded contract, particularly if this new banded contract is reflective of the work patterns they were already following. Clear guidelines must be made for employers on what they are required to do and when, as this could be a process that is not properly implemented without guidance. For instance, regulations exist to allow workers to apply for flexible working after a certain period of service, but many people do not qualify for this, and as many as one third have requests rejected. There must be no exemptions in sectors where people can apply for a banded contract, and it must be consistently implemented across all of Northern Ireland.

12. 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**

13. 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**

Comments: Yes, however, as highlighted in section 4, all commitments outlined in New Decade, New Approach in relation to working rights on page 44, section 10 should be fully realised in addition to banning ZHCs. In particular, we recommend that a Women's Employment Strategy is created to address the vast inequalities that exist in relation to

women's employment as highlighted throughout section 3 and in the WPG Feminist Recovery Plan.

14. 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**

Comments: We support the removal of exclusivity clauses. If the employee is supposed to have the same level of flexibility and rights as the employer in deciding how many hours to work, there should be no need for an exclusivity clause as this upholds the unequal power dynamics that exist.

15. 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**

Comments: However, as stated, only 1.4% of the Northern Ireland workforce are on ZHCs. We recommend that the NI Executive considers the evidence and implements the recommended actions in the WPG COVID-19 Feminist Recovery Plan as a more holistic approach to value workers and afford greater working rights. Women have been disproportionately impacted by the pandemic and have borne the economic brunt of this crisis. This is following a decade of cruel austerity that deeply impacted women; as 86% of tax revenue savings came from women. In any attempt to create an economic recovery and value workers; there needs to be recognition of the deeply ingrained inequalities women face in relation to economic opportunities. We would gladly work further with your party to draft appropriate legislation to meaningfully address the disproportionate impact COVID-19 has had on women while addressing precarious working conditions for all workers.

16. 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**

Comments: Yes, however there will not be a significant improvement without addressing the additional issues that precarious part-time workers and women face as highlighted throughout sections 2-4.

17. 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**

Comments: Yes, however, measures should also be taken urgently to address the fact that 1 in 4 people in Northern Ireland earn below the living wage. If an employer is not paying their employees enough money to live on, this is an example of perpetuating working poverty. All organisations should be required to pay at least the living wage and remove precarious working conditions as without challenging these factors, low quality jobs will always continue to exist.

18. 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**

Comments: As stated in the answer to question 17, all organisations should be required to pay at least the living wage. Northern Ireland has a significant issue with low pay and

this is an issue that disproportionately impacts women and young people. Banning ZHCs may have some positive impact on this, but as only 1.4% of workers are on this contract, much broader action is needed to address issues with low-pay and precarious work. Strong gender pay gap regulations are needed alongside measures to increase pay transparency and to address the growing pay gaps between part-time and full-time work.

19. 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

Comments: We agree that workers should be compensated as many will be out of pocket for travelling to work, in arranging childcare and through other costs.

20. 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

Please refer to sections 2-4 of this response for more detail on the impact we think this would have, alongside the additional factors that uphold low-paid and precarious work and the measures that we believe need to be taken.

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

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

ENDS