

Submission on Zero Hours Contracts & Low Hours Contracts by the Garvey Group

Background to the Garvey Group

Garvey Group is a family owned Retail and Leisure Business operating 7 Super Valu supermarkets, 2 centra forecourt convenience stores and 2 Hotels in the southwest of Ireland. Our businesses are very labour intensive with over 70% of our total overheads being staff wages, we employ over 600 staff on a year round basis and this rises to over 750 at peak summer tourist season.

We recognise that our staff are a key competitive advantage and play a vital role in the success of our business and we also view the employment that we provide in towns in the southwest of Ireland is greatly appreciated by the local communities, many families rely on our part time and seasonal employment to send their sons and daughters to college etc.

Concerns regarding the findings of the study of Zero Hours and Low Hours Contracts

It is our experience that these contracts are not very common within our industries. We do not operate zero hour contracts and some of our work force choose to be on low hour contracts. If and when contracts are only used on a limited basis and would be to top up the employees guaranteed hours when occasions like sick leave, business requirement peaks etc occur but they are not widespread as the survey completed suggest they are in fact the contrary in our business. We are very focused on staff morale and facilitating staff hours if they request additional hours however we do require staff flexibility also in line with our business requirements and do not abuse this need.

In particular we would have concerns associated with the following recommendations:-

- One of the recommendations suggest employees get contracts from day 1 and not 2 months after employment; this is not very practical with the best of intentions however if it was a requirement within the first month rather than the first day this could be accommodated.

- It is recommended that the contract should reflect actual hours worked based on the average they worked in the previous 6 months – this may be problematic based on seasonal work environments & they recommend this is periodically reviewed & contracts are updated to reflect this; this would prove a big administrative burden on small businesses to no gain to staff as they receive their contracted hours currently nor would it accurately reflect the correct number of hours as some flexibility needs to be built in to this reference period. Staff all have a base line number of hours they work eg students in college have base hours but may request to work more if available at Easter, Christmas, summer etc. There is also a requirement on occasion for hours to be varied by mutual agreement for specific periods eg business seasonal peaks etc which should not mean that the employees contracted hours would remain at that amount and the same applies when there is dips. Currently this is achieved by mutual agreement and works well for both parties.
- A key concern is regarding the fact that after the employee's normal hours are agreed in line with the point above if they are required to be available for extra hours they should be compensated by 25% or 15 which is not realistic & is a real burden financially on employers in a retail or hotel environment as on occasion staff are requested to cover holidays, cover sick leave, a function like a funeral etc which requires staff flexibility if they can attend this is additional income for them however for this to be paid at a premium would be anti-competitive for business.
- 72 hours notice is being recommended to give to employees ref: any extra hours to be worked or hours that may be cancelled; if they work with less than 72 hours notice they will be compensated by 150% which is unsustainable due to sick cover etc.

Conclusion

The occurrence of zero hours does not operate in our business and the prevalence of low hours contracts are not very common, they are in place when it is practical for both the employee and employer and are done by agreement and are mutually beneficial for employees and business requirements. We have not had employee grievances associated with this area and instead aim to accommodate staff's requirements for additional hours if required if they arise and also in line with their personal arrangements as they arise. We have a robust legislative system in place in Ireland to protect employee rights and to implement any additional burden regarding legislation

or the administrative arrangements as suggested in this study are not practical, workable or necessary in our experience and hope this is considered when deciding on the next steps associated with this matter.