

The National Recruitment Federation (NRF) represents 95% of the turnover of Recruitment Agencies in Ireland and as such is a uniquely qualified commentator on the impacts this proposed legislation would bring to the sector and the wider economy.

The NRF and its counterpart the European Confederation of Private Employment Services (Eurociett), whose response can be found in addendum to this document, have grave concerns about a body of research that commenced with the purpose of investigating 'Zero hours contracts' and yet produced several recommendations focused on 'If and When' contracts. The penal and restrictive nature of the proposed legislative changes would have, as demonstrated below, severe impacts on flexibility and competitiveness and reduces Ireland's attractiveness as a place in which to invest.

While the NRF welcomes initiatives to protect workers' rights and will happily engage with the Government further in this respect, it is imperative to highlight that the application of existing legislation like the Protection of Employees (Temporary Agency Worker Act) already guarantees heightened protection to this class of worker. These proposed blanket legislative changes are ill conceived, ill informed, are in no way pro-business and are a retrograde step.

Outdated View

A worrying and outdated theme of the UL research seems to position those on 'If and when' contracts as being disadvantaged and being subject to exploitation by companies. Even the 'potential unintended consequences of legislation' centres on potential avoidance measures that may be used by employers, taking a blanket view that Temporary employment practices are exploitative. The contemporary view, and the reality in the majority of cases, is that a huge cohort of workers taking up Temporary Agency work do so because of the flexibility it affords them, the opportunity to potentially convert to full time employment, to try a job before committing longer term etc. The NRF has access to Masters level research undertaken this year in Ireland that bears out these facts. The UL report seems to completely ignore this reality.

Lack of Impact Assessment by University Of Limerick

The NRF finds it extremely worrying that UL has neglected to carry out any impact assessment on the effect its recommendations would have on employers, employees or the economy as a whole. The NRF believes it would be a huge risk to implement any of the recommendations without an in depth study of the obvious impacts and unintended consequences they would have.

The topic of "if and when" contracts have been discussed at many business, employer and indeed employee focused forums in the past number of months that

the NRF has contributed to and there has been a unanimously negative and incredulous view of the recommendations. NRF members deal with employers in the private and public sector on a daily basis and feedback from these organisations has been extremely negative to the recommendations.

Temporary Agency work in Ireland

In the past year **82,000** people have gained temporary employment through 250+ Agencies across Ireland. These figures should be strongly considered in terms of their positive impact on the live register numbers. Temporary staffing by its very nature is designed to be a flexible solution to cater for aspects like short term increases in business requirements or cover unplanned absences like sick leave, holidays, maternity leave etc. Such flexibility cannot be provided under the proposed recommendations.

Impacts

A number of the recommendations are simply unworkable in the real world. Employers simply will not hire Temporary staff if requirements like 72 hours prior notice are put in place. The likelihood exists that this will drive employers in certain sectors to the black market, paying temporary staff 'off the books' in cash leading to less tax revenue, putting more pressure on the Social Welfare system and most ironically gives much less protection to the very people these proposals are aiming to protect.

Virtually every sector will be impacted but a number in particular will be disproportionately affected, namely Healthcare, Food services / Catering, Manufacturing, Construction etc. More detailed feedback on the direct impact this legislation would have is available for review in Appendix 1 from Agencies operating extensively in those sectors but the following is a synopsis of our members concerns in some of those areas:

There would be a catastrophic effect on the **health sector**. The nature of requests here make it virtually impossible to adhere to 72 hours notice. The knock-on effects include the loss of flexibility and an increase in costs to employers in a sector that is consistently operating under severe budget restrictions. The human impact is a lack of essential services to the public in an already overextended health service. Leaving aside Hospital emergency departments, a local GP who is unable to hire a receptionist at short notice could result in the surgery closing temporarily or at least restricting access to care for communities across the country.

Further impacts would be felt with the introduction of 72 hours' notice, leading in some cases to overstaffing thus impacting the already restricted budgets. Again this removes the ability to flex up and down in line with business needs. This ability to flex up and down is a fundamental cornerstone of Ireland's competitiveness and pro-

business environment. Our international reputation as an FDI hub for 'Talent' will suffer if this ability is removed.

The **food services sector** is also highly labour intensive and depends on the flexible labour market for quick turnaround and immediate filling of vacancies due to sickness or last minute no-shows. To put a 72 hour notice period in here would totally destroy this market and encourage black market activity.

Further, Agencies themselves cannot commit to a minimum number of hours because of the huge volumes of staff in use on any particular week. If they guaranteed even one hour a week and clients did not have the work to provide then they are running at a loss themselves that will ultimately put them out of business.

Job losses

The key impacts here are the substantial job losses that will occur both externally and internally to the Recruitment industry. A conservative estimate on the impact this legislation would have is job losses of more than **20,000** representing 25% of those currently working in temporary assignments. The internal impact on the recruitment industry which currently employs 5,500 would also result in a **20% reduction** of the workforce, significantly more in certain Agencies and certain sectors. This does not include the potential losses from other industries and the wider labour markets.

Conclusion

The NRF is calling on the Minister to allow Ireland to continue to remain competitive and flexible on the international stage and to encourage and promote recovery in our country. Rejecting the proposed legislative changes is crucial in this regard.

Appendix 1 – Original statements from selected Agencies

TTM Healthcare
CAE Parc Aviation
FRS
Excel Recruitment
Noel recruitment
Temple Recruitment
Cora's Healthcare
ISS recruitment
Hall Recruitment
Flexsource/ CPL
CCP Recruit
IRE
24 HR Care Services
Manpower
Brightwater
Hartley People
The Production People
HRM
Your World Healthcare
Hartley People
ThreeQ
MedSource
Executive Edge
Osborne
Sigmar
Clarke
Irish School of motoring
Eden

TTM Healthcare

From TTM's perspective we would like to point out the following effects,

The terms listed under these recommendation would lead to the death of ADHOC recruitment across the Irish Industry.

- 70% of our adhoc requirements coming through from clients are received within hours of the shift start time therefore embarking 72 hours' notice is completely unworkable for our customers.
- Our customers committing to minimum requirement of hours per week would both limit the flexibility on behalf of the temporary worker to work across

a number of employers at the same time and represent a significant increase in cost for our customers. Customers work in extreme tight budget management making this unworkable for any customer base.

- In terms of 3 hours continuous work paid, this would lead to the end of domiciliary care provision in the health service, leading to more costs for employers and ultimately end users and the government. We believe that the bulk burden of these costs would be borne by the HSE and the Public, in addition we estimate that in the region of 5000 jobs nationally would be lost including loss of tens of millions of euros in the Irish economy.
- This could affect significantly an operation such as TTM's internal staff where 100 jobs across the mid-west alone could be lost.
- 72 hours cancellation notice would lead to overstaffing of wards and departments on a regular basis wasting tax payer's money and scarce resources within the likes of the HSE and other health and public sector employers. Budgets would quickly run out making this another unworkable situation.
- In addition if last minute crisis/emergency cover cannot be obtained specifically within the health sector this will have catastrophic effects on Service users.

I believe Brian discussed with you some of the actions that he and TTM intend to take over the next few days which we will keep you updated on,

Regards
Paula, Brian, Barry

Paula McDonnell *Director of Operations*
TTM Group *incorporating TTM Healthcare, Resilience Ireland and Just Specialist Recruitment*

CAE Parc Aviation

CAE Parc Aviation is a leading provider of aviation personnel on a global basis and a leading supplier of technical services to the aircraft leasing industry. The vast majority of the pilots that we have on contract with our client airlines work outside of Ireland and are subject to the employment laws of the countries that they work in and therefore the recommendations if enacted would have little or no impact on the pilot provisioning side of our business. The aircraft leasing support side of our business would however be impacted in a very negative way.

In Ireland we employ in our aircraft leasing support business unit over 50 people on a full time basis and over 300 on a contract ad hoc basis. While most of the 300 are employed or contracted in overseas jurisdictions at least 50 would provide services in Ireland when required.

The aviation industry is a vital industry in Ireland and is also seen as an industry where as a country we punch significantly above our weight on a global scale. I recently took part in one of the sectoral breakout sessions at the Global Irish Economic Forum held in Dublin Castle in November. The invitation came through Enterprise Ireland and the group focussed on Aviation and what the Government and the industry could do to help expand and grow the industry and therefore help create and sustain more jobs in the economy. The breakout session agreed that Ireland has a leading position globally in aircraft leasing, approximately 20% of the world's civilian aircraft are managed out of Ireland. Most of the world's leading aircraft leasing firms are either headquartered in Ireland or have a significant presence here. There are a whole host of other firms supporting this industry. CAE Parc Aviation of one of those firms. We supply a number of services such as aircraft design, ferry flights, borescopes, technical records inspection etc. These services are all highly regulated not just in Ireland but globally, but one common theme for all these services is that the demand for them tends to be sporadic and unpredictable.

Individuals have to be approved by the relevant aviation authority and the approvals have to be aircraft specific. In order to ensure that we can supply the industry we therefore must contract with a pool of personnel to cover the various aircraft types and jurisdictions. Despite the fact that industry is a very high value industry it is still price conscious. The Irish Aviation Authority is looking to drop the price it charges leasing firms to register a wide bodied aircraft in Ireland in order to be able to compete against the Austrian authorities.

The number one criteria that leasing firms look for after quality is flexibility and the recommendations proposed in the report will unfortunately reduce the flexibility in a major way.

The services we provide are mainly provided around aircraft lease transitions, where an aircraft comes off a lease with one airline and goes onto a lease with another. These events typically happen every 5 to 6 years per aircraft. As the specialists are often specific to aircraft types, there is no way that we can predict with any certainty what volume of work we will have for an individual in any given month let alone a year. Therefore recommendation 4 which would stipulate the minimum number of hours we would have to guarantee based on the previous 6 months would be highly penal. The individuals we contract with are typically paid between €280 and €700 a day. Some individuals may only be used for 4 or 5 days in the year some can be used for over 200 days. If we used a consultant for 2 months to help on a particular transaction this would therefore require us to have to pay them up to €42,000 in the following 6 months despite the fact that we might not have any work for them. Our business is not one which can be managed by way of rosters.

Much of the work that we undertake is exceptional and does not happen as planned. This is typically with aircraft transitions. It is a regular occurrence that aircraft won't move as planned at the end of the lease, this can be due to several factors down to

the technical readiness to the aircraft, weather, financial arrangement, flight permits etc. Under Recommendation 5, if we are required to give 72 hours notice or in the absence of such notice, pay the individual 150% of their normal rate, it would mean our service would become uneconomical. By way of example, we are currently being asked to move three aircraft out of Russia to bring to Europe. As the aircraft are registered in Ireland we must use pilots who are approved by the Irish Aviation Authority and are specific to the aircraft type in question. In order to fly the aircraft the pilots must obtain Russian airside passes which can take weeks to obtain. In addition as the aircraft are not 100% airworthy as they were being maintained at the time the aircraft ceased trading, the European Aviation Safety Authority have to issue flight permits. We are therefore dependent on two totally separate and independent bodies to issue documentation before we can move the aircraft and we cannot determine exactly when we will be able to move the aircraft. If we are required to give 72 hours notice to the pilots this could make the move unviable as one of the permits may have run out within the 72 hour period.

Likewise if we have to give notice of not less than 72 hours of cancellation would have an equally negative impact.

Recommendation 7 is not a problem for us as the individuals would all be paid a daily rate in any event.

Recommendations 8 -9 would be of no use as the aircraft leasing industry is by and large non-unionised and therefore collective bargaining is not likely.

Recommendation 10 is not an issue as these individuals are highly mobile and remunerated and highly unlikely to avail of any social welfare supports

The recommendations if enacted would ultimately make Ireland a much less attractive place for leasing firms to transit aircraft through between aircraft leases and a less attractive place for airlines to undertake aircraft maintenance work. This would go against the Government's published policy on Aviation which includes trying to make Ireland more attractive for this type of work and would equally make the job of the Shannon International Aviation Services Centre much more difficult.

If these recommendations as published were enacted, CAE Parc Aviation would have no option but to either contract with its consultants / pilots outside of Ireland and ensure that no work was performed in Ireland or if the legislation was enacted in such a way that it applied to Irish firms regardless of where the work was performed, we would have no option but to move the entire operation out of Ireland.

While my personal belief is that the recommendations go far beyond anything that is needed especially as the report did not find any extensive use of Zero hour contracts in the first place, I believe that the Government has to be extremely careful of the unintended consequences of these recommendations. The report does highlight unintended consequences. While the report focused on ways that employers may try

and get around the rules, a much bigger unintended consequence is the impact these recommendations would have on industries operating in a global context and where our primary competitive advantage is flexibility. These recommendations would destroy the flexibility advantage and therefore it is likely that many high paid jobs in Ireland would be lost and any attempt by the Government bodies to grow this sector would be severely hampered.

I would be more than happy to discuss the report, its recommendations and their potential impact to my firm and our industry with you or any of your officials. I have no doubt the improvements can be made to combat abuse of workers through if and when contracts, but introducing these recommendations would be extremely damaging to the aviation leasing support industry and the aircraft maintenance industry in Ireland.

Yours sincerely

Frank Collins
Vice President & Global Business Leader
CAE Parc Aviation

Temple Recruitment

The information received is of great concern to our agency operating within the Industrial Sector within the North Dublin Area. Some of our leading clients include Tesco, Keelings, and Ryanair. Within these companies their operations can not give us 72 hours notice for job vacancies. Keelings logistics for example are the supplier for all fresh food throughout Ireland for Tesco. All fresh food imported is brought through the supply chain from the UK. Our client Keelings can not confirm the number of workers required until all ferries have arrived in Ireland. Weather disruptions are a key factor throughout the winter in determining the numbers of staff required on site for our client.

Our clients work 7 days a week, including dayshift and night shift. It is impossible to predict how many workers will be required in an industry that requires flexible workers based on many issues that can happen in the work place such as increase or decrease in business, accidents on site, sickness, absenteeism.

If legislation is put in place restricting this flexibility we will lose 60% of our current office staff and there could be 400 job losses within the temporary sector for us. For example at Keelings Logistics we provide 90 staff daily.

Flexibility in the workplace is not only suitable for our clients but also our candidates where ability to choose which days they can work and have ability to refuse shifts in line with their own personal needs such as reducing costs of childcare are fundamental to our workers.

We would like to call on the Minister to continue to allow Ireland to remain competitive and flexible in the European Market and to encourage and promote recovery in our country.

Yours Faithfully,
Geraldine Doherty
Temple Recruitment
Director

Coras Healthcare

We are a licensed agency providing short-term staffing to the public and private health sector service providers; acute public hospitals, publicly funded providers of Intellectual Disability services, long term care facilities for the elderly and the disabled.

The recommendations as outlined make no sense for the following reasons;

1. Temporary staffing by its very nature is designed to cover unplanned absences in the staff cohort of our client service providers. We cover sick leave, maternity leave, holidays etc. Such cover cannot be provided in the control environment outlined in the recommendations.
2. Agency staff have an absolute right to refuse an offer of work and therefore any requirement that such workers be entitled to a minimum number of hours weekly removes this freedom and creates a completely different form of contract.
3. Our clients (in the health services) request agency staffing on a daily basis. There is some planned booking but this is at most on a weekly basis. Most requirements are specified within a 24 to 36 hour window ahead of the start time.
4. Agency workers choose this type of work to allow them to manage their work around their family commitments. The nature of agency work is suitable to many people at certain stages in their working life (when they have a young family) and then they leave the agency for full-time employment.
5. The majority of our agency workers (80%) only stay with us for a year to 18 months. They move on, either to permanent employment or a different location.
6. The HSE has set the benchmark for agency fees in the health sector in general. These are currently under 6% of basic rate for all categories. Any imposition of minimum hours entitlement will render the HSE contract and all other similar contracts unsustainable.
7. Finally I would ask the rhetorical question; Did UL survey agency workers for their views?

UL's recommendations may carry some weight for some sectors of the economy but for the health sector any such impositions will certainly, without some major cost to the Dept of Health's budget, drive agencies such as ours out of business. This will obviously cause direct job losses across the agencies themselves and leave thousands of workers who require a flexible working environment without access to this type of work.

Padraig Hallinan
Director & Principal

ISS Recruitment

See below. ISS are 100% opposing this legislation coming into play. It will have the worst most adverse effect on the recruitment industry in this country, not to mention once again affect struggling companies who are only clawing their way out the other side of recession. Taking their flexibility away from them at this point would drag many of them backwards again instead of supporting them as they try to strive forward.

As we operate around the 400 – 550 agency workers WEEKLY, ALL of these will be affected because of this piece of legislation because all of them are working on 'reactive recruitment assignments'. Their client sites can change daily, their functions and their pay rates but the thing is they are all happy to do this. The vast majority operate the X and O system from the social welfare, if we go guaranteeing paid hours (which we simply could not fund) we could potentially affect their social welfare entitlements.

Internally we employ 8 full time personnel – I could envision the loss of at least 3 of those people and one other going part time. Ultimately this piece of legislation could close our business and leave our clients in dire straits.

- **Terms of employment shall be given to the worker on the first day**
 - This will not be feasible for workers from the manufacturing, production, FMCG sectors etc., who are requested suddenly for '*reactive recruitment needs*'. Our clients use us for this purpose and we are providing work for over 500 temporary workers in these industries each week. If we cannot give this flexibility to our clients our business will cease to exist. Our clients projections are not always on point and many mitigating factors can be the cause such as delays in deliveries / stock / stuff being held up at customs/absenteeism or the docks etc. We need to be able to facilitate their on demand needs, in this case it would not be possible to provide full terms on day one as sometimes we do not know ourselves how long the requirement is for. It could be one day or one week, we have to take it day by day. To add – our temps are very comfortable with this kind of work and are well used to it.

- Statement of defined working hours to be given to the worker

- Again – same as above – flexibility is affected here, my clients do not know one day to the next what hours they have to offer, it can depend on what they are doing and how quickly the work is completed
- A **minimum** number of **guaranteed** hours of work per week.
 - We cannot commit to that because with the huge volumes of staff we are using if we guaranteed even one hour a week and our clients did not have the work to provide then we are running at a loss ourselves and it will actually put us out of business!! Also – many of our contractors are in receipt of social welfare payments – even paying them one hour a week can upset their entitlements – therefore they will not WANT to get paid for one hour a week – our workers will work minimum of one day – but again it's not guaranteed so we can't give them a contract stating so – nor would they want us to!!!
- Employers should give a **minimum 72 hours' notice of commencement** of work to all workers.
 - This actually makes me very angry – it was obviously written by people who have NO concept of recruitment agencies and how they operate and why they operate to begin with!! As I said before my client's needs are not always foreseeable like this – and I work on behalf of my client's needs and under their instruction I can't go promising notice periods like that to my contractors, our clients sometimes ring here at an hours' notice for staff – and we can currently fill that demand – and all parties involved are flexible and happy to this
- Employers should give notice of 72 hours of **cancellation** of hours to all workers.
 - It does not work that way – if a client has staff booked and a container gets delayed or a machine breaks down then many many times contractors have to be sent home – they are paid a guaranteed 4 hours regardless if this happens and this is in our T&C's with our own clients

Kind regards
Claire

Claire Higgins *ass.cipd*
Civil & Commercial Mediator

ISS Recruitment, Training
HR & Mediation Services

Offices Unit L
Naas Town Centre
Naas

Sigmar Response

The proposals stem from the desire to afford more protection and rights Temporary workers but Agency Temps are by fact given extra employment law protection under AWA legislation so our very clear contention from the outset is that any potential legislative changes should specifically not apply to Agency work. As an aside the AWA legislation does need to be reviewed as the principal of 'joint liability' between Agency and Client is no happening.

Some recommendations are welcome such as improvements in the provision of childcare, as it is a continuing problem for many in the workforce. We also welcome the recommendations for more joined up thinking between departments, including that the social welfare system should not disincentivise work. We contend that the study itself falls down from a lack of straight line thinking, in that the questions were based on 'Zero Hours Contracts' yet the recommendations are designed to effect 'If & When' contracts.

Reality

Employers simply will not hire Temporary staff if these restrictions are put in place. Recommendation 5 is unworkable by the very nature of some Temporary engagements i.e. they do come up at short notice and it may not be feasible to determine the exact tenure required for the Temporary worker. All parties lose here, the worker from having no job, the company from losing productivity and at a macro level the economy.

This ability to flex up and down to meet business requirements is a fundamental cornerstone of Ireland's competitiveness and pro-business environment. Our international reputation as an FDI hub for 'Talent' will suffer. It is easy to find micro examples when comparing ourselves to other European countries. If we are to compare it should be a macro comparison which should also include the 'business flight' and 'talent flight' from such economies. The report seems to take into account unintentional consequences for the worker which is fine, but apart from a few general comments the report ignores the real impact on business and on the economy.

This recommendation is a major retrograde step, is in no way pro-business and seems to assume as a starting point that the majority of people in 'If and When' work are being exploited which falls in line with the 'Traditional' view of 'Contingent' or non-permanent staff.

This traditional, and now outdated, view of contingent staff was that of low skilled workers who were paid less than permanent workers, likely to be female or minority, likely to be working in administrative or support roles - essentially a 'disposable workforce'. This view was prevalent in the early 1990's. One of the disappointing themes of this research is it seems to align itself with this school of thought, something that is at odds with the contemporary view of this type of work.

The contemporary view is that contingent work is liberating, it increases flexibility and personal control and reflective of the value of their skills, many Temporary staff earn more than permanent workers, often receiving a premium of 20-30%. We have some primary, Masters level, research that investigated the satisfaction and commitment levels of people taking up Temporary work in Ireland specifically

(through Recruitment Agencies). The findings suggested conclusively that there are huge levels of satisfaction with and commitment to Temporary work across all industry sectors involved. Whether workers were using this model as a means to gain permanent work or simply for the flexibility it facilitated, the results were similar.

To suggest 72 hours' notice should be given prior to work otherwise the employer is penalised by paying 150% of the normal wage is preposterous. Clients of all sizes will simply not hire staff under these circumstances thereby removing the possibility of workers earning additional revenue, in turn putting more pressure on the social welfare system, generating less tax revenue etc. The likelihood also exists that this will drive employers in certain sectors to the black market and pay temporary staff 'off the books' in cash leading again to less tax revenue and opening up the opportunity to pay individuals less than through a regulated system e.g. through an Agency, and most ironically of all gives much less protection to the very people these proposals are aiming to protect.

On yet another front the recommendation is ill conceived as there is no suggestion as to who should be the arbiter of what is considered 'exceptional and unforeseeable circumstances'. Is this to be self-regulated? Is it something a worker can challenge and if so to whom is it challenged? What is the proposed resolution process and who foots the bill for such a process?

Temporary work is often the way candidates get their first job or a return to work. Putting an extra hurdle in front of them will lengthen their unemployment.

There are multiple impacts of these proposals. Given the reality that employers will simply not hire temporary staff under these restrictions, we estimate between **1000 - 1500 workers** to be affected as well as the loss of **5 internal staff**.

Real world impacts:

Currently Sigmar have two Customer Service Temps working with RehabCare (part of the Rehab Group). They provide care and support to clients who are based at home and suffering from long term illnesses and disabilities.

The client engages Temps through us as they cannot get staff who are available immediately and at very short notice to cover phones and update databases.

72 hours notice will impact directly on employees start dates. Some large MNC's use a temporary arrangement to start workers earlier as they await headcount signoff or background checks. There is only downside to workers in losing their flexibility to take up a position earlier.

Emergency cover for a GP. This cannot be planned for and can result in surgeries closing or at best less patients being seen. To make the necessary allowance for this could also result in the recommendation itself not being workable in practice.

The 'potential unintended consequences of legislation' piece fails to consider any of the above impacts and instead centres on potential avoidance measures that may be

used by employers, again taking a blanket view to Temporary employment practices being exploitative. As discussed at the outset the real consequences are more likely to impact workers, employers and the economy as a whole.

In summary, you should not seek to regularise all temporary work otherwise you cannot

- Cover sick or emergency leave
- Deal with unexpected increase in demand
- Allow the economy the flexibility to recover quicker
- Acknowledge that many do not want regular work
- Allow for the Temporary-to-Permanent work model

Barry Rudden

Director

Hall Recruitment

Thank you for highlighting the issues raised in the proposed legislation, which, if enacted in its current, unchanged form, will negatively impact our temporary business.

These are the main areas where we believe the impact will be the hardest felt:

1. Assisting the casual user of temporary services to backfill positions due to illness or other sudden absences: as we may receive requests for temporary members of staff at any time, the 72 hour notice of commencement would render this service impossible
2. Week-to-week assignments, to cover seasonal heavy workloads; renewals for the following week may not be confirmed until Friday evening, and therefore the 72 hour notice of commencement would render this service impossible.

These 2 business models account for 25% of our total temporary turnover, and would impact negatively on our Temporary Consultants, who would have to take the appropriate cut in both pay and hours.

In conclusion, and perhaps the most important point, is that we offer work which may be accepted or rejected, according to need, and we do not require any person considering working for us to guarantee hours to us, nor do we guarantee hours to any such person. Our Terms of Engagement – which all temporary members of staff sign upon registration, make this quite clear:

3. Assignments

3.1. The Employment Business will endeavour to obtain suitable Assignments for the Temporary Worker.

3.2. The Temporary Worker acknowledges that the nature of the temporary work means that there may be periods when no suitable work is available and agrees that the Employment Business shall incur no liability to the Temporary Worker should it fail to offer opportunities to work.

We trust that this will assist you in your response to the Minister.

Kindest regards

Fiona

Fiona Brown

Hall Recruitment

No 1 Northumberland Road

Dublin 4

FLEXSOURCE

Not the easiest thing to do trying to explain how the market works but here are some pointers. The main debate should be the opportunities we will remove from the market if we abolish “If and when contracts”. There are probably some industries where the concept is exploited more than others but it should be argued it is a cycle, if an employee performs under an “if and when contract” they will progress, we see it every day. The argument from the client/employer/FDI perspective is very strong but it needs to be equally argued from the candidate perspective.

Garret Roche | Managing Director | Flexsource Recruitment, part of the Cpl Group.

Firstly it is important to note that “Zero Hour Contracts” are not employed within the Cpl business. Secondly and broadly in relation to “If and When Contracts” we would acknowledge that such types of arrangements in addition to specific purpose or fixed term contracts are prevalent within the agency business. The “If and When Contracts” are mainly driven by clients and the demands set on their business by the industries in which they operate eg. Retail, FMCG, Cleaning, Distribution, Manufacturing, Healthcare workers and others as identified by the UL Study. However, while it can be argued that businesses in general drive the use of these contracts, it can be argued that the actual employees drive the trend as well choosing when to work or not to work. In addition the social welfare system also drives the use of these contracts for the employee as it creates an opportunity for an employee to effectively work part-time claiming there is no work or hours available during a given week.

In the Industrial business which includes many of the businesses mentioned in the UL report, the clients have fluctuating demands for many reasons whether it is seasonal, sales, weather, monthly and quarterly targets which all result in additional

hours to be worked by workers. Most client's roster 8 – 12 hours shifts days and nights where staff are rostered weeks in advance. The idea that the hours are odd hours or outside of normal shift patterns is factually incorrect, the majority of hours are based on shifts ranging between 8 – 12 hours. If the hours are less the candidates are made aware of it from the outset, there is also the argument that where short shifts or reduced hours become part of the working arrangement with a client the opposite will invariably occur where additional hours and overtime becomes the norm in the busier periods which suits the employee. Flexsource recruited between 600 – 1200 staff every quarter for over 10 years and 100's got permanent jobs and careers with IBM, others with the experience gained secured roles in other organisations. Today even with the IBM Manufacturing business moved to Asia 00's of staff who worked in manufacturing were reassigned off the floor into office jobs. Most of these employees would have started on "if and when contracts"

The candidates Flexsource place with our clients are experienced workers earning between €8.65 - €25 per hour, many are experienced and professionally trained in the roles they carry out. Even if they are not experienced they receive training. It would be important to present that argument that any perception that "If and when contracts" are aimed at lowly skilled or inexperienced candidates is entirely incorrect and only demonstrates the lack of understanding of what is happening in the marketplace today. Clients are investing heavily in training to ensure experienced staff fulfill the hours. Recruitment agencies are also investing in training and inductions and retraining to ensure employees meet performance levels. There are very few client sites now that don't use technology to monitor performance of their employees and use technology to facilitate the employee do a better job. The investment in training ensures they retain the best staff on these contracts and provide further opportunities to these staff within the client organisation.

While it is accepted that there is a definite requirement for "If and When Contracts" they are not in place to exploit workers, our experience is that most workers are happy to get the opportunity. If they perform well many of these workers are converted to permanent contracts with the client. The more the client invests in the technology and the training of the workers to use the technology the great the opportunity and chance for the worker to get a permanent job or move to another role where there are opportunities.

Flexibility and competitiveness are key for all clients operating "If and When Contracts". If the "IF and When Contracts" were abolished many clients would be forced to revise their Recruitment strategies and would employ more staff on less hours on shorter term contracts. By doing this they effectively retain some of the flexibility required in their businesses but the net effect would be less hours for more workers and little opportunity for a permanent role. This will cause high attrition and high costs in training making the business uncompetitive. Ironically the use of "If and When Contracts" drives the right behaviour by our businesses/employers which is to attract, train and then convert good performers. The alternative is to drive the latter behaviour.

To take one sector if the contracts were abolished most of the Irish Retail sector would suddenly find themselves unable to distribute FMCG products around the

country in a cost effective and efficient manner. The cost to ensure it operates as it currently does would end up being paid by the consumer so our baskets would become more expensive. The flexibility and cost/competitiveness are closely aligned, without flexibility the costs will increase. If we look at the outsourcing sector which is built on the model of flexibility and competitiveness, the removal of the "If and When Contracts" would result in the immediate exit of certain businesses and even sectors which employ an enormous amount of workers. I can name 10 outsourcing/fulfilment type clients who we employ anywhere between 20 – 300+ staff on the different sites. There is an additional 3 with 600+ Flexsource employees onsite. If Flexsource had to engage with these clients insisting that hours had to be guaranteed and a minimum notice of 72 hours was required they would not be able to manage the contracts they have with their clients which in the clients cases above would include Retail, Pharmaceutical Manufacturing, Food Manufacturing, Technical fulfilment and On-Line fulfillment. All these clients are FDI, parent companies are outside of Ireland and would no doubt review any strategy for conducting business in Ireland. The total number of jobs which Flexsource believes would be at risk would be in excess of 3,500 but the opportunity cost would be far greater. The Minister needs to understand that this is a positive revolving door through the agency model for good employees who perform. The model as it currently stands is perfectly positioned to provide opportunities for employees on "if and when contracts" who perform well to get permanent jobs or fixed term contracts directly with a Flexsource client. In many ways while not ideal a lot of clients gain from free conversions which promotes this activity encouraging conversions.

In terms of the number of internal staff lost within Flexsource if the practice of "If and When Contracts" was abolished, most of the 80 recruiters would be at risk including support staff in payroll and administration. From a Group perspective we employ over 400+ recruiters, 70% of our business is Temp and Contract so we would consider in real terms 150+ recruiters and support staff would be at risk. (This cannot be specifically quoted as Cpl).

In relation to the number of agency workers who would be at risk. 80% of Industrial workforce which would be 2,500+ would be considered at risk.

I hope the above provides some context but probably better to discuss in person as well.

All the other points would not work in the current marketplace and destroy the agency model and the opportunities being currently presented to Temporary employees. The most important points are that the contracts do in fact suit many employees but it also provides choice and more opportunities than one would think. It also provides both the employer and employee with flexibility.

Michelle Kilcarr – CCP Recruitment

Thank you for highlighting the proposal for "Zero Hour Contracts" to us and we completely agree with your highlighted points that the introduction of these contracts would be catastrophic for the employment sector in Ireland. Temporary PAYE "If and

When" contracts are the backbone of the economy for a number of sectors including Tourism, Hotel, Catering, Logistics, SMEs and the FDI space in Ireland. As you pointed out companies rely on "If and When" contracts to cover unforeseen events such as sick leave and urgent projects, this flexibility in our labour force is a huge attraction to continued investment in Ireland.

The government has publicly announced a very ambitious jobs initiative plan and the IDA have announced a target of 80,000 new jobs for the regions - how will these dedicated efforts of state bodies be hindered once new investment and existing expansions learn of mandatory "Zero Hour contracts" what effect will it have on the back bone of our economy, the SME sector and the Tourism sector? If these contracts are enforced will temporary employees be contracted to give their employers 72 hours' notice as well? We are all aware of many temporary and part time employees not providing any notice to their employers whilst on temporary contracts!

To answer your query directly -

1. Our clients are prominently weighted within the Life Science and Pharma sector who rely heavily on temporary labour to ensure product is manufactured on time - all these companies work on lean six sigma principles and rely on temporary labour to assist with any unforeseen circumstances which may arise. This covers operators to distribution and logistics right through to finance roles such as order to cash to ensure vital products are delivered to countries when an emergency occurs. Our clients all work on extremely tight budgets and many are in competition with other global locations such as Singapore etc. for investment, if Ireland cannot provide full flexibility in the terms of "If and When" contracts then further pharma investment will move to other regions.

2. We would foresee at minimum four direct job losses as a result of this proposed legislative change.

3. At present we are investing at developing our temporary labour division and would foresee projected job losses of circa 100 temporary workers been effected via our agency.

IRE Recruitment

The main impact to our industry would be the 72hrs noticethis would be catastrophic to us been a temp agency & we would see 25% drop in our revenue on this service we provide .

Greg Coleman
Services

Noel Group

I'd say spot light is on 20 perm jobs and 700 temp

Regards

Mark Staunton, Noel Group, CEO

Manpower response

- i) Outline how your agency and your clients will be affected if the above recommendations are made law.
We payroll 1000 temps a week. We could lose 70% of these ad hoc temps with the recommendations.
- ii) The number of job losses of internal staff that would be an outcome of the legislation.
Approx. 15
- iii) The number of agency workers in your organisation that would lose their jobs.
As above, 700 temps would lose their jobs.

Thanks

Susan Keogh

Operations Manager - Ireland

24HRCARE Services – MD Denise Cooley

If legislation is passed the effects would be devastating to our Agency business, our office staff and especially our Clients.

The majority of our staff who has chosen Agency work is due to its flexibility and suitability to their day to day life. It allows them to choose hours that are best suited to their lifestyle and for those with young families it has the added advantage of allowing them the flexibility of choosing their hours while working around their child care needs and also their partners work commitments.

Agency work and its flexibility is a huge attraction to students who need to continue their studies but also need to subsidise their lifestyle and can only commit to short hours that do not impact on their studies.

Our objections to the impact of this proposal are as follows:

- Loss of business between €2-€5 million/year
- Loss of agency staff 250 – 500
- Loss of office staff 12

All agency staff receives Terms of employment status at interview stage. We cannot guarantee a minimum numbers of hours per week as it depends on the volume of bookings from our Clients. We cannot guarantee to give 72 hours notice of commencement of work to all workers as the nature of agency is “as and when” required. We cannot guarantee to give 72 hours cancellation notice to all workers as the nature of agency business does not allow for this. In cases where our clients own staff call in sick at short notice or there are unforeseen circumstances the 72 hours guidelines above would not work at any level.

After discussing the proposal of the change in legislation at length in our office we cannot as a group see any benefits to our agency our employees or our clients. We feel that this would have catastrophic affects if passed

EXCEL Recruitment

It completely depends on work around options and how the clients respond. If there is no workaround then we will lose 300 temp workers and 4 in house temp recruiters

Best Regards

Barry Whelan
Managing Director

Hartley People

In response to the below, we believe much if not all of the proposals will have a huge negative impact on the recruitment industry but also employers and employees.

Something that seems to be forgotten by some policy makers and legislators is that temporary employment is a hugely positive experience for employees also.

Long term unemployed and unskilled workers who struggle to find employment can often use temporary assignments as a means to gaining new and relevant experience that acts as a real pathway to new employment – most employers will not hire people without recent relevant experience – this can be provided through temporary assignments.

For employers, they simply MUST have the flexibility to expand and contract their workforce at short notice to allow them to be competitive and continue to create job opportunities.

Some of the proposals below would seem like the rants of people who are so far removed from the real commercial world and have no understanding of business and the challenges faced on a daily / weekly basis, even in today’s improved economy.

- Terms of employment shall be given to the worker on the first day – this is simply ludicrous and is not expected or required by employees. Simply not real world stuff and will kill any flexibility that is required in any economy.
- Statement of defined working hours to be given to the worker – same as above for short term temp requirements
- A **minimum** number of **guaranteed** hours of work per week. –
- Employers should give a **minimum 72 hours notice** of **commencement** of work to all workers – this beggars belief. I can't find words to describe how out of touch with the real world this suggestion is...what about simple requirements to cover sick leave etc.? The whole idea of temp work is to allow for quick response times to enable companies to respond to changing circumstances e.g. new orders, interruption to business that does not enable the company to meet a deadline as so they need additional resources etc
- Employers should give notice of 72 hours of **cancellation** of hours to all workers. – as above. This kills flexibility and competitiveness
- There will be a **minimum** of 3 hours continuous work paid.
- Status of workers to be changed.

The above is brief, but I hope it just offers a flavour of the sentiment amongst Recruitment providers.

I really do not believe that they have their finger on the pulse of industry and I equally believe that if they surveyed many of the people who have benefited from temp assignments, they would understand the benefit to the employees also. If these Employees understood that the changes above would have possibly meant that they would not have secured the work in the first place (and many of them would not understand this), they would also be against it.

It is very populist and most employees would think that further protection for employees sounds good, but anyone who understands the implications of these changes and in particular the potential massive reduction in hours made available to temporary employees, would most likely 'vote' against it...

Thanks,
Fergal.

ThreeQ

As a small recruitment and employment agency if the proposed partial payment for cancellation of shifts comes into law we would not be able to remain in business. As the economy is starting to return to a positive place companies in catering and retail need the ability to ramp up for demand spurts that are still just that – spurts or seasonal adjustments. The below 'compensation' will actually result in huge impacts for companies who currently are supplying temp and relief hours and to students who are only accessing these types of hours due their own study commitments.

The ability to access short-term staff means that persons in receipt of social welfare are also able to work part-time hours until full time roles become available. We have a number of social welfare recipients who work their ad hoc work around family commitments.

I hope the NRF can do all in its power to show the negative impact of these proposals on the small and medium companies who are trying their best to stay in business and the same for this small agent who works with them.

Kind regards

Cora

Staff Numbers: 80 to 100 temp staff who work weekly in ad-hoc emergency cover contracts where in some cases staff get called the morning off to go to work and if a client cancels or double books the agency cannot charge a cancellation fee.

Brightwater

BrightStar Recruitment in particular would be affected negatively by these recommendations. The minimum hours for commencement and guaranteed hours per week would remove the flexibility we require for certain clients especially in the retail sector and for illness cover across all sectors. Much of this work is carried out by students and casual workers who do not want full time employment and the ad hoc nature and flexibility of the arrangement suits them as much as it does our clients.

We would have about 20 to 30 temp workers affected by this and the jobs of two of our own consultancy staff would also be at risk if this were to come into force.

Kind regards

John

John O'Donnell

The Production People

This pending legislation would have a hugely detrimental effect on the business of the Production People because virtually all of our business is "as and when", filling gaps for our clients at very short notice. If this legislation came into being it would not mean job losses, we would have to close the business altogether with four people losing their jobs and up to a hundred agency workers losing their jobs. The legislation as indicated would be totally unworkable. This would be devastating for our company.

Kind regards

Louise

HRM

With regards to the below – the purpose of Temp agency staff is to provide flexible and skilled workers to support business requirements. Our economic recovery has

been in part to the flexible nature of agency employment legislation to support businesses both in the SME & Blue Chip sectors. Temp agency staff is considered, by and large, to be very different to direct employment of organisations. Temp Agency Workers are very aware of the flexible and uncertain nature of their contracts and due to this visibility are happy to sign up this type of contract. Employers are equally aware that Temp Agency Workers can finish at short notice. This is very different to an employee working directly for an organisation on a zero hours contract.

As an economy, we need to be competitive and flexible. The rights of an Agency Temp Worker needs to be more flexible than that of a direct employer. 72 hours' notice is just too long given the demands of an organisation.

Ashling Edwards
Associate Director Munster

Your World Healthcare Ireland Ltd

A response to the proposed Zero Hours Contract Legislation

Your World Healthcare Ireland Ltd provides locum and permanent healthcare staff to the public and private sectors in Ireland.

Many of agency workers take up employment with us as they wish to work ad-hoc shifts to supplement their incomes, we also have agency workers who work full-time with us, choosing their own hours. The key point is, that the majority of our workers choose their own hours – most will work a minimum of three hours continuous work but only if it suits them.

Many of our clients rely on us to keep their wards and clinics staffed when sudden absences occur with their full-time permanent staff. For example, a full-time permanent staff member calls in sick two hours before her shift starts. The hospital calls on us to provide a replacement. There is no way of providing 72 hours' notice to an agency worker in this situation as the work was not available 72 hours before the shift started. If we could not provide a worker due to this proposed legislation there would be a severe impact on patient safety. Vice Versa, is a hospital manages to provide full cover with permanent staff or if their patient requirements change and agency workers that they have booked are no longer needed– they may not be able to provide 72 hours' notice. With this proposed legislation the hospital would incur the additional cost of the agency worker who was no longer required. The situation in hospitals, clinics and homes changes with every hour. A healthcare recruitment agency needs to be able to respond to the rapid changes in staffing requirements. This proposed legislation will prevent this.

The upshot of this new legislation is likely to impact on patient safety, it is likely to impact on the efficiency of hospital staffing. There will an impact on our own business in the form of internal redundancies if we cannot provide short notice cover

to clients. Agency workers will no longer have the flexibility of availability and this impact on their working hours and income resulting in job losses.
Louisa Moss

Executive Edge

To answer your 3 q's:

The recommendations are completely unworkable and will have a severe negative impact upon both employment agencies plus many companies / sectors who require flexible staffing.

I would foresee a loss of at least 1 internal employee.

I would forecast the loss of a minimum of 25 agency workers.

I hope the above brief comment is adequate!

Regards,
Joe

Joe Friel,
Managing Director,
Executive Edge,

Eden Recruitment

We like most other agencies treat all of our workers in as fair and transparent manner as we possibly can and this benefits both us and the temporary workers.

However it is imperative that these measures are not allowed to be put in place. Apart from the minimum three hour rule which we already have in place the others will result in the loss of temporary roles and 2/3 internal roles. It is impossible to estimate how many jobs would be lost but it would be multiples.

It was also completely undermine one of the key reasons the Irish Economy has been able to bounce back. Flexibility of the workforce has been very important in this recovery.

The vast majority of these workers actually want temporary roles with flexibility.

Osborne Response

- Terms of employment shall be given to the worker on the first day - we currently give a temporary staffing contract for services to temps before they commence their assignment.
- Statement of defined working hours to be given to the worker - where possible we this currently however this would not be possible in all instances –often the temporary assignment is week to week or in some cases for sick leave day by day.
- A **minimum** number of **guaranteed** hours of work per week. – this wont be possible in most instances.
- Employers should give a **minimum 72 hours notice of commencement** of work to all workers. – this contradicts the nature of temporary staffing – we fill and start temporary assignments very often within the same day - this is obviously putting a candidate into a job who is not currently working and wants to work. To take the ability away from employers to book temporary assistance last minute would cause serious harm to this workforce as this is the nature this workforce is built on. If an employee is sick they can't give their employer 72 hours notice that they will be out sick, they call the morning they are sick and advise they won't be in. Usually the employer then calls the agency for a temp to cover sick leave. This type of work suit many people who have children or are caring for or lifestyle temps as it gives them the flexibility to manage their personal responsibilities as well as enabling them to work. Many people choose to work this way.
- Employers should give notice of 72 hours of **cancellation** of hours to all workers. We have a one week notice period in place after 13 weeks - this is in line with current legislation. It would not be possible to give 72 hours notice to short term assignments – some don't even last that long !

Irish School of Motoring

While our agency is only recently established we believe that we have provided a great service to both client and candidates alike and over the last 2-3 years have provided temporary employment and opportunities when permanent employment was not available to many of temporary agency workers.

To date we have created over 450 individual temporary jobs with many of them in recent months becoming permanent.

We primarily operate in the Transport Industry where demand for labour change from day to day week to week, this sector is only now recovering from a long decline in business and has only been able to survive due to the flexibility of employees and companies to meet the seasonal demands.

If the above recommendations were made law we would not be in position to provide this service to both companies and jobseekers and many companies could not simply hire. This would affect nearly 60% of our temp business and in turn 60% of our temporary staff who rely on short term contracts to gain a weekly wage, gain experience and keep their skills up to date and in turn find permanent long term employment.

In the last 12 months we have noticed that many of our temporary staff are now been offered full time permanent roles with our clients this as a direct result of working as a temporary worker with this client previously. If the above changes were implemented many companies would stop taking on temporary agency staff which would result in less opportunities for jobseekers in terms of employment, experience gained and eventual permanent employment.

As we have 5 full time staff working directly in our temporary recruitment division half would lose their jobs or find themselves working reduced hours.

Clarke Recruitment

- i) *If this is introduced we would lose approximately 80% of our temp business. We employ a Temp Divisional Manager who works 4 days per week and on the 5th day another consultant looks after covering her desk. If these policies were introduced it would mean 80% or 3 days of our Temp Divisional Managers role would have to be cut. This would result in the loss of her job and also significant decrease in revenue for our business. This would also result in us missing out on cross business generated from our temp division.*
- ii) *One, possibly two jobs could be lost because of these policies.*
- iii) *Approximately and based on this weeks' temp figures 36 people from the local area would be out of work.*

FRS Group

FRS Network and its subsidiary FRS Recruitment employ over 2500 people in Ireland . These workers are spread across 26 offices across the country and are made up of internal staff , contract workers and temporary agency workers. FRS supply workers to industry , public sector and the agriculture sector.

Temporary agency worker cover for sick leave & holiday cover

FRS Recruitment provided cover for 1232 short term “cover” assignments in 2015 to date . This is a service that has turn around time of less than 24 hours and in a lot of cases are called in when a clients employee calls in sick there is a turnaround of a few hours. If the recommendations are implemented 450 people would have lost out on these short term assignments and our clients productivity would have been dramatically affected with a lot of work not getting done.

Cover for short term increases in production

Many of the businesses that FRS Recruitment supplies workers to require an increase in staffing for demand led peaks in production , these are usually where a manufacturing company is responding to an order from a customer and needs a very fast turnaround, again these requests can be within 24 hours.

In most of our contracts with our client organisations we have service level agreements in place where we are contractually obliged to supply workers within a number of hours when requested .

Farm Relief Services

Farm Relief Services has been providing “relief” cover for farmers in Ireland since 1980. This business has grown to 2000 workers in 2015. Farm Relief Services provides cover for farmers for milking cows , tractor driving , tillage farming etc. The Farm Relief business is modelled on providing labour to farms on an ad hoc basis and at short notice . The recommendations outlined would see this business being halved , farms not able to replace either the farmer himself or workers on farm.

Impact Assessment

The recommendations if implemented as they stand would have a catastrophic affect on all FRS businesses. We estimate that over 300 internal staff's jobs would be at risk along with a number of regional offices being forced to close of a business that has been built over 35 years. FRS has an exemplary record as an employer in how we treat our workers and over the past 35 years has had in excess of 100,000 workers go through our books who have been permanent, contract , temporary agency workers , part time and full time. During this time many people approached FRS looking for part time and short term work. Our experience has shown us that contracts given at short notice can be on average at a higher pay rate than permanent workers. There is also a misnomer that temporary jobs are low pay jobs, this is not the case. We have over 90% of our contract and temporary workers being paid in excess of the minimum wage and supply doctors, nurses , accountants , scientists amongst others through our recruitment agency.

Feedback from our clients and businesses in all sectors is that the recommendation as they stand are ludicrous , unworkable and irresponsible and would have many unintended consequences for businesses but would have the most detrimental affect on workers themselves.