

Opening Statement on behalf of Unite the Union

Republic of Ireland

Unite the Union welcomes legislation to protect the interest of all workers and particularly those working in low paid and precarious employment. The hospitality sector is one where low pay and job insecurity are major problems for workers. Covering the cost of accommodation in the current economic climate requires a sufficient regular income for most people. Unite welcomed the passing of the Employment (Miscellaneous Provisions) Act 2018, which provides some protection to workers on low hours contracts, however, we believe that more needs be done in a legislative framework to protect workers from exploitation particularly those working in precarious employment including those working in the hospitality sector.

The nature of the hospitality sector reflects some of the worst employment conditions in the state. It is a sector that is largely characterized by precarious employment, low pay, insecure and unsociable hours, exploitation, and sexual harassment. Many of those working in this sector are on short term contracts and part time hours and as a consequence many are not earning enough money to qualify for income tax.

This is an issue which is specific to the hospitality sector and Unite believes it is necessary to have robust legislation in place that will prevent an employer from withholding any part of a workers' wages including any monetary gifts received as tips or gratuities. Further-more we believe that workers should have a legal right to those tips and criminal sanctions should be in place for any employer who engages in fraudulently confiscating those tips for any reason including using it to make up the contracted wages.

Tips are confiscated from workers in the hospitality sector for a myriad of reasons including, to make up for breakages or a slow night or till shortages.

The gratuity paid by a customer to service staff is not intended for any of those purposes; they are gifts from customers to service staff and should be treated as such. Monetary gifts of this nature and size are not and should not be considered taxable income. There is no need for the involvement of revenue collectors. The system of tipping staff works without difficulty in the pub and bar trade, where neither employers nor revenue collectors are involved in the transaction between their customers and lounge staff.

Unite do not agree with the findings of the Low Pay Commission in regard to putting the protection of tips on a legislative footing and believe that the research conducted by the LPC was insufficient. Unite do want to see the introduction of better rates of pay in the sector however given the insecurity and part time hours that are common in the sector mean that many workers inevitably rely on tips to make ends meet.

Unite supports the legislation drafted by Senator Paul Gavan; the National Minimum Wage (Protection of Employee Tips) Bill 2017.

We feel that Senator Gavan's bill, situated in the framework of employment protection legislation is adequate to give workers in the hospitality sector a right to tips/gratuities that they earn and is robust in terms of sanctions for rogue employers and provides a mandatory requirement for employers to publicly display their policy making it clear and transparent for staff and customers. A clear commitment on display by management outlining their policy will send a clear message to customers, encourage good working practice and benefit those good employers who do not engage in stealing from their staff.

The Minister's proposal represents a step back from Senator Gavan's bill. The proposal does not ensure workers a legal right to tips and it does not provide a criminal sanction for bad employers who steal from employees.

Senator Gavan's bill has been passed in the Seanad and has completed second stage in the Dáil. Unite would like to see this bill progress.



Brendan Ogle

Senior Officer – Republic of Ireland

4th October 2019