



Irish Congress of Trade Unions

**Opening Statement to the Joint Committee on
Tourism, Culture, Arts, Sport and Media.**

**Working Conditions and Skills Shortages in Ireland's
Tourism and Hospitality Sector.**

13 October 2021.

1. Chairperson and Members of the Committee

2. Congress welcomes the opportunity appear before the Committee this afternoon. The Irish Congress of Trade Unions is the largest civil society organisation on the island of Ireland representing over 800,000 members in every sector of the economy.
3. We have been invited to comment on the issue of working conditions and skills shortages in the tourism and hospitality sector. The committee have in our view correctly made a link between the shortage of workers in the sector and the prevailing conditions of employment.
4. The CSO Labour Force Survey for the second quarter of 2021 estimates that just over 180,000 people are employed in accommodation and food services activities¹. The CSO also collect data on workers in the economy who earn the minimum wage. In the fourth quarter of 2019 the CSO² estimated that just over 182,000 workers were earning on or below the minimum wage. The CSO identified that the majority of these workers were young, female and over 30% of them were working in accommodation and food services activities. By this analysis it is fair to characterise the sector as low paid.
5. My colleagues will outline the experience of workers in various parts of the sector however it would seem obvious to Congress that the skills and labour shortages in the sector are as result of poor pay and conditions of employment experienced by so many workers employed in bars, restaurants and hotels.
6. It is important to recall that the sector was not always a low paid sector. For many years the hospitality sector was seen as providing decent work and decent conditions of employment. The main reason for this was the that legally binding minimum pay and conditions of workers in the sector was determined by the operation of Joint Labour Committee's.
7. A Trade Union campaign led to the enactment of the Employment (Miscellaneous Provisions) Act 2018 and this legislation has provided a degree of certainty for workers in relation to their hours of work. The legislation also banned zero-hour contracts in most circumstances. It might be worthwhile for the Committee to explore the impact of this legislation and to ensure that the intent of the Oireachtas is been implemented in the sector.

¹ [Employment - CSO - Central Statistics Office](#)

² [LFS National Minimum Wage Estimates Q4 2019 - CSO - Central Statistics Office](#)

8. However, there needs to a revised and renewed effort to improve the pay and other conditions of employment in the tourism and hospitality sector. The most effective means of doing this is through the operation of collective bargaining and a renewed use of the Joint Labour Committee system.
9. The Committee will be aware that the while Joint Labour Committee's for Catering and Hotels are in place, they have been unable to operate as the employers will not co-operate with the normal functioning of these important structures. A significant flaw in the legislation under-pinning the operation of the Joint Labour Committee system allows employers to 'veto' their functioning. It is imperative that this flaw is remedied as soon as practicable.
10. The unwillingness of employers in the sector to work within the Joint Labour Committee system must be viewed against the backdrop of the fact that over the period of the Covid-19 pandemic the tourism and hospitality sector received hundreds of millions of euro of taxpayers' money in business supports and grants. I am sure that the members of the Committee will agree that it is untenable and unacceptable that employers in the sector can on the one hand accept support from the state while on the other hand ignore and frustrate collective bargaining structures that are in place as a result of legislation enacted by the Oireachtas. We believe that Ireland should move to a system of coordinated, sectoral collective bargaining. The OECD notes that such a system produces the best labour market outcomes as measured in terms of higher employment and lower unemployment for women, young people and migrants, lower market income inequality and higher productivity. The draft Minimum Wages Directive encourages all EU countries to promote collective bargaining, particularly sectoral bargaining.
11. While much of this presentation has focused on conditions of employment in the sector the issue of skill shortages could be improved through the deployment of a well-structured and supported training/apprenticeship programmes for workers in the sector. Minister Harris earlier this year launched an Apprenticeship Action Plan which aimed to increase the number of apprentices and apprenticeships in the economy.
12. Could I thank you and members of the Committee for their attention and I would be happy to answer and follow up questions that you may have.

13. ENDS.