

LOW PAID AND DEMANDING: WORK IN THE IRISH HOSPITALITY SECTOR

WORKING CONDITIONS IN IRELAND: RESEARCH HIGHLIGHTS NO.1

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Hospitality has always been an important part of the Irish economy. As the labour market recovers from the recent recession, jobs are growing in the accommodation and food services sector around the country. By the second quarter of 2015 there was a total of 136,700 people working in this sector, 20,000 more than at the lowest point in 2011. While this job creation is obviously to be welcomed, there is a question about the quality of these jobs.

This 'Research Highlights' is based on TASC's ongoing Working Conditions in Ireland research project. This investigates how jobs have been changing in Ireland from the boom through the crisis and into a possible recovery. Central to the project is a study of employment in four sectors: construction, financial services, hospitality and the ICT. This includes the analysis of existing statistical data, as well as interviews with experts and individuals employed in these sectors.

This first issue of the 'Research Highlights' focuses on working conditions in the Irish hospitality sector. Subsequent issues will look at work in the other three sectors.

"At the end of the day – it's figures.

You know, it's whatever money needs to be made... When I started in the hotel., they were called 'hoteliers' in a sense that everything was for the guest. You had plenty of staff... And now it's... it's money. It's all money now, and what the hotel can make."

(Hotel worker, guest relations department)

Low paid and demanding: how much do we really know about working conditions today in the Irish hospitality sector?



Irish Hospitality Sector: Key Findings

- Average earnings lowest amongst all sectors of employment
- Serious health and safety issues associated with many jobs
- Lack of clear career paths and limited training opportunities



“And, you know, [in that burger place], you would have people telling you that they have spent more money than you are earning in an hour on food that you are giving them.”
(Former fast food worker)

HIGHLIGHT 1: LOW HOURLY RATES, FEW HOURS

The Irish hospitality can definitely be described as a low wage sector. In 2013 16.7% of all employees in the Accommodation and Food Services sector only earned the national minimum hourly wage. While some others would be paid marginally higher than a minimum wage, their rates were still below the proposed Living Wage level of 11.45 Euros per hour.

Not only are the hourly rates low in this sector, but so are the weekly hours. In 2015 those employed in the hospitality sector worked on average 26.4 hours per week, significantly below the national average of 31.9 hours. This is partially a result of the high proportion of part-time jobs found in places like bars, hotels and restaurants. Such jobs can certainly suit some categories of people. For example students usually seek additional income rather than a full-time job. What needs to be emphasised, however, is that there are those who would like to get more hours, but they are not offered them by their employers. While exact statistics on under-employment in this sector are not available, we know from expert interviews that it has become relatively widespread. What seems to be the case is that employers prefer to have a pool of part-time, flexible staff available to them rather than full-time, regular employees on permanent contracts.

There is also the hidden issue of the widespread ‘almost-full-time’ work in this sector. Many people are paid by the hour, rather than a weekly or monthly salary. However our findings suggest that some of them are often assigned less than 39 hours per week. In other words, instead of working the standard full time week of 39 hours, they only receive 35 hours. A ‘full-time’ week of work is thus not a full time week.

The sector can also be characterized by the growing number of what are effectively ‘zero-hours’ contracts. While the exact numbers are not available, there is strong evidence that an increasing number of people are given their hours on a weekly basis, often depending on the demands of the business. This results in a situation where individuals are not able to predict their monthly income.

FACTS

132,200: Number of people employed in Accommodation and Food Services

More than 50 per cent: Proportion of people earning less than 400 Euros per week

Hospitality Sector: Part-time work



697.52 Euros: Average weekly earnings in Ireland

324.86 Euros: Average weekly earnings in Accommodation and Food Services



"I think it's coming down to health and safety at this stage. Where people are actually doing damage to themselves in regards that their backs... 17 rooms is way too much for people to be doing. Way too much."

(Middle-level manager, large hotel)

HIGHLIGHT 2: HEALTH AND SAFETY CONCERNS

Despite being classified as 'services', many of the occupations in the hospitality sector are characterised by work that is physically demanding. Caterers spend most of their time standing, waiting staff carry around heavy dishes, chefs deal with extreme temperatures, while housekeepers have to turn luxurious yet heavy mattresses.

In other sectors, especially in construction, such physical work is usually recognised and thus financially rewarded. This is not the case in Accommodation and Food Services. The most striking instances of the imbalance between the work involved and the rates of pay can be found in the accommodation departments of most hotels in Ireland. Paid the minimum wage or just above, with zero-hours contracts, here individuals perform heavy work while cleaning the rooms. This issue in fact has reached the stage of health and safety concerns. While guests can enjoy the comfortable beds offered in many of the hotels, what is often not said is how much those mattresses actually weigh. As illustrated by the above quote, back injuries are becoming more common amongst accommodation staff. Our interviews show that managers seem to put more pressure on the amount of rooms completed per shift: raising the number of rooms also means more heavy work to be done.

HIGHLIGHT 3: CAREER PROSPECTS AND TRAINING

Low paid jobs are not exclusive to the hospitality sector. In most of the other sectors, however, such jobs are usually entry level jobs. There are career paths available which allow progress to better jobs and thus to high earnings. The hospitality sector is different. There are fewer promotion opportunities and those that do exist do not usually lead to significantly higher salaries.

Historically speaking, there were clear paths available for some occupations in the Irish hospitality sector. Bartenders are one of the many examples: through apprenticeships and grade schemes, those working in bars could move up the ladder and achieve decent positions with relatively good wages. However, the casualisation that has occurred in this sector over the last two decades has also flattened the promotional and occupational structure. Today's bartender is more likely to be a student who will 'move on' as time goes by. If you don't move on, you risk getting 'stuck' at the bottom. Furthermore, there is strong evidence from our research that there is very little training available for those who would like to develop their careers in hospitality. Finally, while there are managerial positions in the hospitality sector overall, they don't come with high wages anymore: average hourly rate for hospitality managers, professionals and associate professionals is around 19 Euros per hour. By contrast, the average hourly rate for the same group across all sectors in the Irish economy is above 30 Euros.



"We used to have, when I started... the apprentices, cellar men, lounge chargehand, and senior staff... That type of hierarchy is now gone... You had about five or six different categories. And you moved up through those... So there was a career path. But that's gone."

(Experienced bartender)

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Information on national minimum wage in this report comes from: M.L. Collins (2015), A Profile of Those on the Minimum Wage, NERI Working Paper 2015/No. 27. Dublin: The Nevin Economic Research Institute. All other statistical data used in this report derives from the Quarterly National Household Survey and the Earnings Hours and Employment Survey Quarterly (Central Statistics Office).

For more information about the Working Conditions in Ireland project please visit:

<http://www.tasc.ie/researchpolicy/wcip.html>

For more details on Employment in the Irish Hospitality Sector please see Background Report at:

<http://www.tasc.ie/download/pdf/20150929160215.pdf>

Contact Us:

For further information please contact the authors:

Dr. Alicja Bobek

abobek@tasc.ie

Prof. James Wickham

jwickham@tasc.ie

Tel: 01 6169050

