

From:
To: "secretarylpc@djei.ie" <secretarylpc@djei.ie>
CC:
Date: 11/03/2016 09:23:33
Subject: Our views

To the Secretary,

As a medium size employer in the Retail sector employing 280 staff across 15 locations we are very concerned at the growing discussions around further increasing the national minimum wage. We are still struggling to return to profitability - post exit from examinership. The current minimum wage, plus all the related costs for employers is set at a level that required us to increase pay for entry level staff from 1 January - despite not making a profit. This has also put pressure on us to review pay levels for staff above minimum pay levels. To further increase this minimum level would undoubtedly put some jobs at risk.

Our strategy has been to have increased staff numbers to increase our selling / customer service opportunities to help us return to profitability. Any further increase to our base costs will require us to revisit this strategy - therefore putting jobs at risk.

Staff on the minimum levels of pay are generally at the entry level in retail and are being trained and developed with new skills which is also a cost to employers. The majority of our staff saw no increase in their take home pay - despite the increased cost to us as an employer. This is very concerning as it represents a lose / lose scenario. Had the increase in the minimum wage been accompanied by a real reduction in PAYE/PRSI/USC or other reduced employer costs then this would have been accepted.

Many thanks

Therese Ward
HR Department

Mothercare Ireland

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