



Submission to the Low Pay Commission as part of a consultation process on issues relating to employee tips

July 2018

Fianna Fáil welcomes the opportunity to make a submission as part of the Low Pay Commission's consultation process on issues relating to employee tips.

Fianna Fáil recognises that before any legislation is introduced in relation to employee tips that a thorough analysis of the impact that this may have on both employees and employers is required. It is essential that we do not create more bureaucracy and legislation in an area that does not warrant it.

We recognise those who work in the hospitality, leisure and service industry play a crucial role in our economy and we are committed to supporting and protecting those working in these industries. Our Party introduced the National Minimum Wage Act in 2000 which gave all employees a legal entitlement to a minimum wage. During our time in office, we progressively increased the National Minimum Wage (NMW) rate 6 times. The NMW increased under FF by 37.1% from 2000 to 2011 greater than the rise in inflation in this period (29.7%).

Fianna Fáil believes that all workers should be paid a fair and decent wage. It is imperative that the Government address issues in relation to low paid, precarious work and underemployment which unfortunately are too common a feature across several sectors in our economy. The Q1 2018 Labour Force Survey which shows that there are 113,700 people working part time but who are underemployed. Part-time, underemployed persons are part-time workers who would like to have full-time work. This demonstrates that despite our much improved economy weaknesses still exist in our labour market and that more must be done to ensure that people can access full time, secure and decent employment.

Fianna Fáil supports efforts to improve conditions for workers. We are also in favour of increased transparency for workers and consumers in terms of how the tips and gratuities are treated; and to make it clear to consumers that tips and gratuities are voluntary. The British Government has developed a code of best practice on service charges, tips, gratuities and cover charges, which is voluntary, and we believe that such a code should be considered here. It would improve information to customers and workers and enable businesses to operate in a fair and transparent manner which would benefit both workers and the consumers. This measure, along with addressing issues in relation to low pay, precarious work and underemployment, would go some way to protecting workers in service industries.