

Chambers Ireland Submission to the Department of Children, Equality, Disability, Integration and Youth on Flexible Working

May 2021

Chambers Ireland represents the largest network of businesses in the State. With chambers, located in every city and major town, we are uniquely positioned to understand the needs and concerns of Irish businesses and to represent their views. Drafted in correspondence with our Chamber Network and associated policy fora, which represent the Chambers and their member organisations, Chambers Ireland is pleased to have the opportunity to make a submission to the Department of Children, Equality, Disability, Integration and Youth.

In September 2019, our Network pledged to advocate for and support the advancement of the Sustainable Development Goals. In doing so, we use the Goals as a framework to identify policy priorities and communicate our recommendations, and we have a particular focus on five of the goals- decent work and economic growth, sustainable cities and communities, advancements in gender equality, and progress in climate action.¹

This submission outlines Chambers Ireland's perspective on flexible working, the impact on the business community and the potential for supporting more inclusive workplaces and higher labour participation. Chambers Ireland are advocating for the development of a National Flexible Working Strategy that is family, age and disability friendly. Such a strategy should actively enable increased labour participation, improve health, well-being and supports productivity across all sectors and enterprises.

Introduction

Flexible working allows an employee to shape how, when and where they work. The forms it can take are limitless, encompassing a wide range of practices including part-time, remote working, flexi-hours, compressed hours, annualised hours, home-working and job sharing.² Some employers go further, abandoning core working hours or measuring their employees' performance purely by their outputs rather than time inputs under an arrangement known as ROWE (results-only work environment). For example, in Italy, a concept of 'smart working'

¹ The Chambers Ireland SDGs. Available at: https://www.chambers.ie/policy/sustainable-development-goals/chambers.ireland-edgs/

goals/chambers-ireland-sdgs/

² CIPD (2019), Enabling Flexible Working: Cross-sector case studies and practice highlights. Available at: https://www.cipd.co.uk/Images/flexible-working-case-studies_tcm18-58762.pdf



(lavoro agile) was introduced under legislation, which aims to see work as targets or steps, rather than pre-set working time and space. This measure was introduced to boost competitiveness and to promote work-life reconciliation.3 These new modes of working are gaining popularity for a range of reasons, from improving quality of life and reducing cost of living to supporting sustainability by reducing carbon emissions, to increasing labour force participation amongst women, older people, carers, and people with disabilities.

A study carried out by Vodafone Ireland in 2018 revealed that one in three employees regard flexible working as a top priority in their current role, 50% in a future job and 34% were either likely or very likely to move jobs if they could avail of it, demonstrating the growing demand for more flexible and accommodating workplace practices.4 Flexible working was regarded by respondents as being a top priority due to the benefits that it offers in terms of reducing costs of living, commuting times, and the opportunity to live and work outside urban centres where residential and commercial rents are continuing to rise.5

Benefits of flexible working policies

Increased Labour Force Participation and Family Friendly Workplaces

In our submission to the Department of Justice and Equality in January 20206, we called for a national strategy to support flexible working, as a way of improving labour force participation. Ireland's unemployment rate at the time was only 4.8%⁷, but this figure does not mean that the remaining 95.2% are all accounted for in employment figures. In fact, at the beginning of 2020, the labour force participation rate stood at 62.1% and has remained relatively constant over recent years.8 This can be explained by many factors, such as caring roles in the home or those with disabilities who may not be able to work. Flexible and remote working has the potential to enable more people to join the workforce, but only if the structures that support participation are adapted.

https://www.eurofound.europa.eu/publications/article/2017/italy-new-rules-to-protect-self-employedworkers-and-regulate-ict-based-mobile-work

Vodafone Ireland (2018), *The Future of Business: A Conversation with SMEs.* Available at

https://n.vodafone.ie/aboutus/press/new-vodafone-ireland-study-shows-majority-of-sme-employees-in-fa.html Vodafone Ireland (2018), *The Future of Business: A Conversation with SMEs*. Available at https://n.vodafone.ie/aboutus/press/new-vodafone-ireland-study-shows-majority-of-sme-employees-in-fa.html Vodafone Ireland (2018), Stimulating Regional Economic Growth: A Socio-Economic Analysis of Smart Working. Available at: http://vodafone.digitalmagazines.online/gigabit-hub-report/p/

⁶ https://www.chambers.ie/wp-content/uploads/2020/02/Chambers-Ireland-Submission-to-the-Departmentof-Justice-and-Equality-on-Flexible-Working.pdf

⁷ https://www.cso.ie/en/releasesandpublications/er/mue/monthlyunemploymentdecember2019/



The availability of leave and flexible working arrangements has been shown to make the workplace **more family-friendly**, mitigating the effect of caring responsibilities on women's employment outcomes in addition to having a positive effect on male participation in caring roles and the stigmas previously associated with this. Moreover, a rise in female employment would help to address the longer-term challenge of the ageing demographic which may limit the potential future labour force available to enable Ireland's economy to expand to its greatest potential in the decades ahead. Increasing female employment also results in higher earnings and contributes to career progression that positively impact on families' economic prosperity, social inclusion and health.

Providing employees with greater choices to organise their work and caring responsibilities also reduces the risk of them leaving the labour market altogether. A study carried out by Eurofound in 2018 revealed that an employee is less likely to leave a position where flexibility is offered, even if doing so is more financially beneficial. Companies would benefit from the ability to access a wider talent pool, a more motivated and productive labour force and less absenteeism. Whether or not a workplace is "family-friendly", as measured in terms of the number of family-friendly and accommodating workplace policies, correlates with work satisfaction of both fathers and mothers, but more strongly for fathers. Therefore, it is important not only to view flexible working arrangements as a means to remove barriers to women's career advancement, but as flexible working policies also play an important role in removing barriers to greater male participation in family life. To support the shift towards a more flexible workplace, Chambers Ireland partnered with UNICEF Ireland earlier this year to call for employers and Government to support the transition to a more flexible workplace.

In terms of access to a wider talent pool, flexible working arrangements can enable the **retention of older staff**, thereby allowing companies to continue to use the skills of experienced employees. Enabling older workers to remain in the workforce, if they so choose, may also help to ensure financial stability in later life and remove some of the State financial support costs which must be seriously considered giving the ageing population in Ireland.

Another, often overlooked, source of potential labour supply is to **increase employment and retention rates of people with disabilities**. The employment rates of people with disabilities

⁹ Eurofound (2018), *Striking a balance: Reconciling work and life in the EU*, Publications Office of the European Union, Luxembourg. Available at: https://www.eurofound.europa.eu/sites/default/files/ef_publication/field_ef_document/ef18065en.pdf
¹⁰ Department of Justice (2002), Fathers and Mothers – Dilemmas of the work-life balance: A comparative study of 4 European

Countries. Available at: http://www.justice.ie/en/JELR/Fathers&Mothers.pdf/Files/Fathers&Mothers.pdf

 $^{^{11} \, \}underline{\text{https://www.chambers.ie/news/a-more-family-friendly-workplace-is-essential-to-childrens-wellbeing-and-will-be-critical-to-post-pandemic-recovery-chambers-ireland-and-unicef-ireland-say-in-joint-statement/}$



are roughly half of those of able-bodied people. ¹² Flexible working arrangements will greatly benefit those with disabilities in accessing greater employment opportunities if they can work from home or remote working hubs that are sufficiently adapted for their needs. The extent to which people with disabilities feel left out of society varies considerably depending on whether they are employed or not. Those who have a job are less likely to report feeling isolated in society than long-term unemployed disabled respondents or those who are unable to work because of their disability. ¹³ The system needs to recognise that there may be times when people with disabilities are not able to work or need to work fewer hours because of their disability. The "Make Work Pay for People with Disabilities 2017 Report" highlighted that when those at work, looking for a job, and those expressing an interest in work with a disability were asked what could assist them most in securing employment, flexible work arrangements were the number one feature. ¹⁴

Climate Mitigation

Climate action has been increasingly focussed on in recent years, marked by the publication of the Climate Action Plan to move towards a more sustainable and clean future. As such, there is increasing onus on employers to reduce their carbon footprint, which has come through in direct consultation with business. It is estimated, on average, that 4.6 metric tons of carbon dioxide emissions are produced per commuter per year. This is clearly at odds with the goals of both the Climate Action Plan and Project Ireland 2040, which underlines the transition to a low-carbon economy as the single largest investment priority. Flexible working arrangements can have a positive impact on climate change – less people on the road, means less pollution.

The enterprise sector has a dedicated section under the Climate Action Plan, being tasked with reducing Green House Gas (GHG) emissions by 10%-15% by 2030. In order to meet this target enterprises must undertake initiatives within the workplace and throughout their work practices that will meet these targets. It has been estimated that if just 10% of the working

¹² John Fitzgerald (2018), Encouraging more women into the workforce would benefit economy, *Irish Times*. Available at https://www.irishtimes.com/business/economy/encouraging-more-women-into-the-workforce-would-benefit-economy-1.3490919

<sup>1.3490919

13</sup> Eurofound (2018), The social and employment situation of people with disabilities, Publications Office of the European Union, Luxembourg. Available at: https://www.eurofound.europa.eu/sites/default/files/ef_publication/field_ef_document/ef18023en.pdf

14 Department of Social Protection (2017), Make Work Pay for People with Disabilities. Available at https://www.welfare.ie/en/downloads/2017-03-04_MakeWorkPay_Report.pdf.



population were to work from home for 1 day per week, there would be a reduction of circa 10 million car journeys to work per annum. 15

The 2016 Census revealed that the average commute for those at work rose to 28.2 minutes, having fallen between 2006 (27.5 minutes) and 2011 (26.6 minutes). Counties bordering Dublin had the longest average commuting time. Among workers living in Meath and Wicklow, it took, on average, nearly 35 minutes to travel to work, while Kildare commuters took just under 34 minutes. At the other end of the scale, average commutes of under 23 minutes were enjoyed by residents of Donegal, Sligo, Waterford and Kerry. Commuters in Cavan saw the biggest rise in their average commuting time, which rose by 8.8 per cent between 2011 and 2016 to over 28 minutes. ¹⁶ It has been found that adding just 10 minutes each way to your daily commute is as bad for your overall job satisfaction as getting a 19 per cent pay cut. ¹⁷ Working from home, walking to work and shorter commute times increase job satisfaction and shorter commute times make it more likely that an employee will stay with their job.

Recommendations

1. Flexible First

Chambers Ireland urges the Department to co-ordinate any future policy changes on flexible working with the Department of Enterprise, Trade and Employment. DETE recently published a strategy for remote work and held a public consultation on the "right to request remote work". We raised concerns with DETE that the Strategy and consultation solely focused on a right to request remote working and not on flexible working more generally, with remote being one component. We recommend that any further policy or legislative changes on remote or flexible work be examined in tandem, so that these changes can be introduced more holistically. From the perspective of family friendly workplaces, and improved work-life balance, it is flexibility where the real gains are made, rather than purely remote.

We would also urge the Department to examine recent research from industry that demonstrates the appetite for hybrid working options and increased flexibility. Data from the Western Development Commission and the Whitaker Institute notes that employees may also

¹⁵ Department of Transport (2009), *Smarter Travel: A Sustainable Transport Future, A New Transport Policy for Ireland 2009-2020.* Available at

http://www.smartertravel.ie/sites/default/files/uploads/2012 12 27 Smarter Travel english PN_WEB%5B1%5D.pdf#overlay-context=content/publications

https://www.cso.ie/en/releasesandpublications/ep/p-cp6ci/p6cii/p6td/

¹⁷ https://info.uwe.ac.uk/news/uwenews/news.aspx?id=3713



want a blend of remote and office working.¹⁸ Further, our colleagues in Dublin Chamber have published data that also suggests that a hybrid may well be a popular option for employers and employees when the pandemic passes.¹⁹

2. Investment in High-Speed Broadband and Digital Infrastructure

All types of flexible working arrangements are dependent on the widespread availability of sufficient broadband connectivity. A study found that nearly one in four broadband users in rural Ireland use the internet at home in relation to their work (about 430,000 people) and one third have remote access to their company network for work purposes. ²⁰ The same report went on to highlight that a quarter of those who work from home stated that their broadband connection was not sufficient to meet their requirements for remote/flexible working, and thereby limits the work-related activities that they can conduct f

The evidence cited from rural areas suggests that online participation for work is as prevalent, if not more so, than in urban areas, despite slower and sometimes insufficient broadband speeds in rural areas. This reinforces the need for the universal availability of quality broadband which can deliver more opportunities for flexible and remote working in regional and rural locations. Deployment should commence in those areas that have the lowest broadband speeds in the country.²¹ The accelerated delivery of nationwide access to high-speed broadband should also encompass the upgrading of broadband and connectivity offered on public transport so that those commuting to and from work can begin and finish their workdays earlier while commuting.

Paired with investment in digital infrastructure, there needs to be a national strategy on digital security, namely cybersecurity, which will aim to support businesses to improve their individual cybersecurity for workplaces that are increasingly dependent on the cloud, while also looking at the steps we must take nationally. Chambers Ireland have previously called for the creation of a civilian cybersecurity agency with a multiple mandate, firstly to identify threats to ordinary residents in Ireland, state bodies, and businesses. Secondly, to have a remit for penetration testing state bodies. Thirdly a mandate for informing the public and training the business community on how to minimise the risk to them and their property that arise from cyber security

https://www.thejournal.ie/broadband-speeds-ireland-3082026-Nov2016/

¹⁸ http://whitakerinstitute.ie/project/remote-working-during-covid-19-irelands-national-survey/

¹⁹ https://www.dublinchamber.ie/DublinChamberofCommerce/media/banners/Dublin-Chamber_Remote-and-Flexible-Working Quantitative-and-Qualitative-Data April-2021 FINAL.pdf

²⁰ Amárach Research (2016), *Connected Futures*, Available at: https://www.vodafone.ie/connected-futures/ Mayo, Leitrim and Roscommon are among the five counties with the slowest broadband speeds nationally.



threats. The third dimension will be essential to ensure that companies of all sizes are adequately informed and resourced to ensure their business is secure from digital threats.

3. Modernisation of Regulations and Legislation

While flexible working arrangements present numerous benefits to employees, employers, and wider society overall, such workplace policies may potentially be harmful to businesses that offerflexibility if policies are not implemented in the correct manner. Lack of regulatory clarity, particularly in respect of employment aw and health and safety regulation, could potentially lead to employers inadvertently failing to comply with existing legal frameworks.

There is an absence of definition for "flexible" work. A national strategy for flexible working should aim to provide clarity on definition for flexible work and provide greater guidance on how to apply flexible working policies, for example through a Code of Conduct for Flexible Work.

There are also challenges for employers around the lack of clarity on how to implement a formal HR policy around flexible work with many organisations having reservations about committing to a policy in writing. For example, the inability to make all roles within an organisation remote and the potential equality issues that may arise from this. Furthermore, a lack of clarity on Occupational Health and Safety has emerged as a key influencing factor for employers considering the introduction of a formal remote working policy. Further, SMEs do not have the same access as larger companies to dedicated HR teams and specialists. As a result, they may unintentionally fail to uphold their obligations under new remote working policies. Chambers Ireland strongly recommend that the Department design any new policies and legislative requirements with SMEs in mind and make them as SME-friendly as possible to ensure obligations are met.

With regard to specific recommendation on changes to legislation, Chambers Ireland has articulated the areas that require review in several recent submission to the Department of Enterprise, Trade and Employment and to the WRC.

- Submission to DETE on Remote Working- August 2020
- Submission to the WRC on a Right to Disconnect- January 2021
- Submission to DETE on a Right to Request Remote Work- May 2021



4. Training and Upskilling

Through the National Training Fund, Government should target investment in training for line - mangers and employers on how to implement SME-friendly agile work practices, which can include remote, flexible and compressed working hours. A manager will need to learn the skills to manage a team remotely just as much as an employee needs to learn how to work remotely. It is a completely different way of working, which needs a proper structure. Courses targeted at managers have been launched over the course of the pandemic, with the support of SOLAS, ETBs, and Grow Remote. This kind of training delivered online is essential and should be expanded, and more widely promoted. Productivity and management skills in the economy has, and is, being examined by various Government departments. The OECD in its review of SMEs and Entrepreneurship in Ireland 2019, noted that management skills in SMEs need improvement and investment. If Government intends to successfully drive a cultural shift towards increasingly flexible work, not defined by location, it must ensure that the right leadership and management skills are being invested in. Without leadership, the potential for improved labour participation, improved wellbeing and improved productivity will not be met. See our submission on the Right to Disconnect for more information on training, culture, and communications.

5. Family Friendly Workplaces and Affordable Quality Childcare

As part of measures to supress COVID-19, the Government in Ireland, as elsewhere, has closed schools and childcare facilities and requires 'non-essential' workers to work from home. Data published through the pandemic has emphasised that care-giving duties while working from home were primarily carried out by women. For example, CSO data on the social impact of COVID-19 indicates that the stresses around caring duties fell disproportionately on the female population, with concerns around health, maintaining social ties, and missed education impacting to a greater extent.²²

In a note published by the Oireachtas Library and Research Service2²³ on the gendered impacts of COVID19, it was found that it would be reasonable to assume that because caring responsibilities fall primarily on the female gender, that this may trigger a widening of the

²² CSO Social Impact of Covid-19 on Women and Men https://www.cso.ie/en/releasesandpublications/er/sic19wm/socialimpactofcovid19onwomenandmenapril202 0/

²³ https://data.oireachtas.ie/ie/oireachtas/libraryResearch/2020/2020-04-20 l-rs-note-anticipating-thegendered-impacts-of-covid-19 en.pdf



gender pay gap, where "a likely immediate consequence of this is that women's productivity in employment will suffer more than men's; a longer-term consequence is potentially fewer economic opportunities for women (e.g. merit-based promotion) and a wider gender renumeration gap. In addition to this, women disproportionately make up the sectors (e.g. retail and hospitality) that have been shut down entirely in response to COVID-19 and are therefore likely to bear the brunt of the shutdown in terms of earnings. One analysis by the Institute of Fiscal Studies²⁴ found that at the time of shutdown, 17% of female employees were in a sector that is now shut down compared to 13% of male employees. From an international context, UN Women has called on governments and businesses to support policies which promote an equal sharing of the burden of care between women and men, implement/support family-friendly working arrangements and ensure long-term impact planning for COVID-19 is sensitive to the potentially greater domestic burden carried by women and supports them in this ²⁵

Further, in March of this year, we published research examining the impact of COVID-19 on female-led businesses. The survey of 536 female-led businesses across Europe, found that 46% of respondents noted that remote working, imposed by pandemic restrictions, meant they had to take on more home duties. 51% of respondents noted that their work-life balance had been strongly or severely impacted in a negative sense. Looking at the Irish data specifically, 57% of female entrepreneurs noted that remote working made it more difficult to carry our caring and home duties. This figure is more than 10% higher than their European counterparts. While these concerns are acknowledged within the National Remote Working Strategy, 'Making Remote Work', as the strategy evolves it is the view of Chambers Ireland that the Department should closely monitor the impact of remote working and requests for it, on gender equality in the workplace. ²⁶

²⁴ IFS, Sector shutdowns during the coronavirus crisis: which workers are most exposed?, April 6, 2020, https://www.ifs.org.uk/publications/14791

²⁵ See UN Women, Family-friendly policies and other good workplace practices in the context of COVID-19: Key steps employers can take, March 2020, https://www.unwomen.org/-

[/]media/headquarters/attachments/sections/library/publications/2020/family-friendly-policies-and-othergood-workplacepractices-in-the-context-of-covid-19-en.pdf?la=en&vs=4828 UN Women, Women and COVID-19: Five things governments can do now, March 26, 2020,

https://www.unwomen.org/en/news/stories/2020/3/news-women-andcovid-19-governments-actions-byded-bhatia

²⁶ https://www.chambers.ie/news/new-european-research-finds-that-covid-19-intensifies-challenges-for-female-entrepreneurs-chambers-ireland-says-impact-of-pandemic-must-not-result-in-a-wider-gender-pay-gap/



Therefore, it is critical that a strategy or policy for flexible work is paired with guidance around family-friendly workplaces and is cognisant that remote and flexible working is not just something that is offered to care-givers. Actions that inadvertently contribute to making a policy for flexible working, something only suitable for one gender, can and will contribute to widening of the gender pay gap. It is essential that affordable, accessible, quality childcare continues to receive investment.

Greater flexibility in managing how, when and where an individual works can of course improve work-life balance and ease the pressure on working families. However, remote working should not be seen as a panacea to childcare and state investment in making childcare more affordable continues to be a priority. While progress has been made in addressing the affordability of childcare through the introduction of the National Childcare Scheme in November 2019, this investment needs to be sustained and increased over the next several years. In Ireland, the net cost of childcare is 28% of the average wage of a couple, while the EU average is 12%.²⁷ Increased investment in the National Childcare Scheme must be partnered with a flexible workforce strategy that supports working families. Additionally, Chambers Ireland is calling for data on the exact cost of delivery of childcare provision to be published as soon as possible to ensure that further investment in this area contributes to making childcare more affordable for working parents and families.

Conclusion

By embracing flexible work as part of innovation and technical change, it has the potential to improve productivity, attract and retain talent, increase participation in the labour force and assist in the transition to a low-carbon economy.

The potential of flexible working arrangements to reduce work pressure and work-life conflict has important implications for employees' physical and mental well-being, in addition to benefiting employers through reduced absenteeism. Time can also be saved by not having to commute regularly. However, adequate technology and connectivity to enable and support remote work is of primary necessity to improve productivity. Flexible working arrangements must be bolstered by Government led policy that clearly states the rights, responsibilities, and limitations of these arrangements.

²⁷ http://www.competitiveness.ie/publications/2019/cost%20of%20doing%20business%202019%20report.pdf



We remind policymakers and legislators that ahead of the introduction of a flexible working strategy, that there is an opportunity to engage with private sector business representation as a partner, and we believe there are practical benefits in this approach. Constructive engagement with the business community is instrumental in facilitating representative discussions on future pathways and actions in this regard. Through a collective discussion, policy is informed via ground-up engagement. Resilience and capacity building are key, and business needs to be supported in designing internal flexible working policies with a strong national regulatory and policy framework. Supports for flexible, inclusive workplaces that are family, age and disability friendly will encourage labour activation, improving health, well-being and productivity. We emphasise the value of public consultations and welcome future opportunities to engage on this and associated topics.