

# Fair work in the foundational economy: experiences in hospitality

SEFYDLIAD  
**bevan**  
FOUNDATION

May 2021



## About the Bevan Foundation

The Bevan Foundation is Wales' most innovative and influential think tank. We develop lasting solutions to poverty and inequality.

Our vision is for Wales to be a nation where everyone has a decent standard of living, a healthy and fulfilled life, and a voice in the decisions that affect them.

As an independent, registered charity, the Bevan Foundation relies on the generosity of individuals and organisations for its work, as well as charitable trusts and foundations. You can find out more about how you can support us and get involved here:

<https://www.bevanfoundation.org/support-us/organisations/>

## Acknowledgements

This paper is part of a wider project on Fair Work in the Foundational Economy. It is funded by the Welsh Government's Foundational Economy Challenge Fund. The views in the report are those of the author and do not necessarily reflect those of the Welsh Government or any other individual or organisation.



Cover image: Image by [Daisy Daisy / Shutterstock.com](#). Purchased under standard licence  
Copyright Bevan Foundation

Author: Miller Research Ltd.  
May 2021

Bevan Foundation  
145a High Street  
Merthyr Tydfil, CF47 8DP

[info@bevanfoundation.org](mailto:info@bevanfoundation.org)

[www.bevanfoundation.org](http://www.bevanfoundation.org)

Registered charity no 1104191

Company registered in Wales no 4175018

# Contents

Contents.....	1
Summary.....	2
1. Introduction.....	3
1.1. Fair work in the foundational economy.....	3
1.2. The hospitality sector in Wales.....	4
1.3. Research Methodology.....	4
2. Job security.....	5
2.1. Contractual arrangements.....	5
2.2. Future employment in the sector.....	5
2.3. Different sized businesses.....	6
2.4. Hours.....	6
2.5. Young people.....	7
3. Pay.....	8
3.1. Wages.....	8
3.2. Furlough.....	8
3.3. Union role.....	9
4. Health and Well-being.....	10
4.1. Stress.....	10
4.2. COVID-19.....	10
4.3. Discrimination.....	11
5. Effective Worker Voice.....	12
5.1. Trade Union Membership.....	12
6. Conclusion.....	14
6.1. Job security.....	14
6.2. Pay.....	14
6.3. Health and well-being.....	15
6.4. Effective worker voice.....	15
Endnotes.....	17

## Summary

There is growing interest in the foundational economy, but there is also some concern about the terms and conditions of employment in parts of it.

This report brings together insights from employees, their representatives and employers in hospitality industries - a key foundational sector. It finds that:

- Job security was the greatest concern, with non-existent or vague contractual arrangements between employers and employees. Many workers were concerned about their future in light of the Covid-19 pandemic.
- Many workers were dissatisfied with their pay, feeling it did not reflect their value to their employer. The expectation of working additional hours meant some workers were paid less than the minimum wage.
- Working irregular hours is common, and results in irregular wages as well as challenges for workers juggling family responsibilities. Irregular hours are seen by employers as inevitable in the sector.
- There are significant health and well-being concerns from stress associated with work intensity, long hours and lack of breaks, Covid-19 safety on return to work and dealing with the public.
- Covid-19 has brought major challenges to the hospitality sector with employers and employees alike being concerned about viability. There is a risk that terms and conditions will be eroded as businesses try to recover. For furloughed workers, managing on 80% of pay and losing tips has been difficult.
- There are particular concerns about the risk of exploiting young workers, who comprise a large part of the hospitality workforce. Their wages are lower, they are perceived to be more flexible and they are less aware of their rights.
- Trade union organising is difficult in the sector. Most workers were not aware of unions they could join or considered that joining was too risky to their continued employment. Irregular hours and staff turnover also make organising difficult. Some employers had negative views about unions.

# 1. Introduction

The foundational economy is attracting increasing interest in Wales as a way of encouraging stable, local economic activity and employment. The foundational economy is very varied, ranging from the provision of essential services such as water, energy, housing and health care, to so-called ‘overlooked’ sectors that are mostly dependent on household expenditure.

Some parts of the foundational economy are associated with terms and conditions that are worse than average. If the foundational economy is to be the cornerstone of Welsh economic policy, the quality of jobs within key parts of it will need to be improved if low pay and poor conditions are not to be entrenched in the labour market.

The Bevan Foundation was awarded funding from the Welsh Government’s Foundational Economy Challenge Fund to identify ways in which the prevalence of fair work could be increased in it, focusing on three key sectors. This report summarises the experiences of workers and employers in hospitality industries (essentially accommodation and food service), offering insights into job security, pay, health and well-being, and worker voice. It is part of a set of reports, with others covering key data, experiences in social care and retail, and evidence on effective interventions.

## 1.1. Fair work in the foundational economy

The foundational economy comprises the provision of goods and services that are essential to everyday life, such as food, housing, health, and social care, as well as some services such as personal care and hospitality. The concept has become popular in Wales in recent years, and it is seen to have considerable potential for growth especially in areas with weaker economies. Although much attention has been given to the potential of the foundational economy, employment within the sector has relatively poor terms and conditions with issues of low pay, job precarity, and insecure work. This is particularly evident in hospitality, retail, and social care, hence the focus of this research.

The Fair Work Commission was set up by the First Minister to consider how Welsh Government could promote fair employment practices across Wales. The commission published a set of recommendations in Spring 2019 and defined fair work as a workplace where workers are “fairly rewarded, heard and represented, secure and able to progress in a healthy, inclusive environment where rights are respected”. The six characteristics outlined within the definition are:

- fair reward
- worker voice and collective representation
- security and flexibility
- opportunity for access, growth, and progression
- safe, healthy, and inclusive working environment
- legal rights respected and given substantive effect.

The promotion of equality and inclusion is integral to all six of the characteristics.

## 1.2. The hospitality sector in Wales

The hospitality sector in Wales comprises of those businesses operating in the tourism and leisure industries<sup>1</sup>. The sector, as of 2019, employs over 70,000 workers across over 7,500 businesses in Wales. Micro-businesses dominate the sector with 85 per cent of organisations employing fewer than ten workers. Of the entire Welsh labour force, 7.4 per cent are directly employed in hospitality-related activities, which is slightly more than the UK average<sup>2</sup>.

The Covid-19 pandemic and the implementation of lockdown measures has caused significant disruption for businesses and workers within hospitality. The sector has long faced structural issues around employment practices such as low wages, anti-social working hours, poor career progression opportunities and low employment retention. These issues are likely to become even more common as a direct consequence of the pandemic and its detrimental effect on hospitality businesses.

## 1.3. Methodology

This research began with interviews with four key stakeholders who each provided invaluable insights into fair work across Wales. These discussions, complemented by a succinct desk-based review, supplemented engagement with workers, worker reps, and employers in each of the sectors. In total, five workers, two worker representatives, and three employers from across the hospitality sector were engaged in the research. The engagement was undertaken by a team at Miller Research Ltd.

To supplement the qualitative experiences of those interviewed, the Bevan Foundation published an online survey aimed at engaging workers across Wales about their experiences of fair work in their employment. In total, 49 workers in the hospitality sector provided answers and the results, alongside the experiences of interviewees have informed the findings in this report.

The engagement with employees, their representatives and employers took place in January 2021, at a time the sector was under significant pressure from restrictions associated with Covid-19. We have endeavoured to reflect these exceptional circumstances in our findings.

## 2. Job security

The Fair Work Commission stated in its 2019 report, *Fair Work Wales*, that “flexibility is often one sided, benefiting employers at the expense of workers. The ‘security and flexibility’ characteristic in our definition of fair work seeks some rebalancing of this”<sup>3</sup>.

Job security and working conditions were a concern for those workers interviewed in the hospitality sector, with this imbalance of security and flexibility resulting in poor contracts, unsustainable working hours, and concern about the future of employment in the sector.

### 2.1. Contractual arrangements

Workers employed in the hospitality sector who were engaged in this research overwhelmingly felt that contractual arrangements within the sector were either unfair or non-existent. The flexibility required by employers in the sector means that agreements with workers are often verbal, which exposes workers to the whims of their employer, sometimes resulting in perceived unfair dismissal, a large discrepancy between contracted hours and actual hours worked, and inflexibility for workers who have caring responsibilities etc. One worker commented that “it’s an employer’s market, it’s easy for them to sack staff as there are plenty to take their place”. This latter point was reiterated throughout interviews, that workers, particularly those in junior positions, were replaceable and treated as such in their employment. This causes a great deal of stress as expectations on workers become intensified.

Another issue was the disconnect between employers and workers in their perceptions of contractual arrangements in the sector. Workers were clear that current conditions were unsuitable for the majority of the workforce and causing a great deal of job insecurity, but this was not evident in responses from employers. One employer stated that “a person [employed in the hospitality sector] makes a choice, they can choose to work where you are paid minimum pay or can work somewhere where you are paid fairly and get tips”. Another employer claimed that work practices were fair as “no one would sign a contract that is not mutually beneficial”.

The discrepancy between how workers and employers interpret contractual arrangements in the hospitality sector is concerning. There was a clear sense of resignation that nothing can be done to change employment practices in the sector, either by employers or by workers. Employers stated that as the sector has a large number of small and family-run businesses, their exposure to economic shocks often requires sacrifice on the part of workers to keep the business viable.

### 2.2. Future employment in the sector

One of the greatest concerns for those in the hospitality sector was the stability of businesses in response to the Covid-19 pandemic. It was acknowledged that the sector is always in a state of precarity with seasonal fluctuations in demand, shifting consumer expectations, and a competitive market, but also that the threat to businesses, and therefore to those employed in the sector, has been exacerbated by the instability caused by lockdown restrictions. One employer stated in response to the events of the last year that they “never expected it to be like this – we were hoping to open more hotels but instead have had to make lots of redundancies or furlough staff”. There was

some praise for the flexibility of the furlough scheme in providing some support for employers in the sector with one employer describing it as “a lifesaver”.

Those workers interviewed stated that they had experienced a great deal of stress and anxiety about their current employment situation and even more so about their future employment prospects. 65 per cent of the survey respondents from the hospitality sector stated that they were either furloughed for all or some of their working hours.

Interviewees were anxious that a number of businesses may no longer exist in the near future and that job cuts in their current employment would limit their ability to seek new employment within the sector. This concern was compounded by the fear that a changing economic landscape and widespread unemployment would provide employers with the opportunity to fire and re-hire workers on lower wages and worse conditions. Workers stated that the imbalance of power between them and their employers meant that they would have little choice but to accept such terms if this were to happen.

### 2.3. Different sized businesses

Another of the characteristics within hospitality that creates insecurity in work is the number of small businesses. One worker representative stated that many small businesses within the sector try to ensure that work is fairer for their staff, but that these businesses are also most likely to be affected during economic downturns. This often results in either worsening work conditions to manage the viability of businesses or the implementation of measures to ‘become leaner’ such as redundancies or a reduction in work hours.

By comparison, one worker in a large business in the sector reported a greater level of stability, knowing that they are unlikely to face redundancy in their job. Nonetheless, this individual was also aware that they were not protected from deterioration in their working conditions and knew that their employer could rely on a large pool of workers from which to replace them if necessary. This was cited as an issue for trade unions operating in the sector, with a significant variance between the types of employers in the sector making both collective bargaining and creating a higher ceiling for rights and working conditions much harder to achieve.

### 2.4. Hours of work

The number of hours worked by workers in the hospitality sector was found to be a cause for concern both from interviewees and also survey respondents. Changes to hours of work or the flexibility of hours was the second most cited issue for survey respondents with 48 per cent of workers considering this to be the greatest concern in their current role. Workers interviewed reported that contractual arrangements within the sector tended to be vague or non-existent and this meant the number of hours that workers actually work fluctuates significantly from week-to-week. One worker reported that although their contract stated they work a minimum of 24 hours per week they were consistently working double the number of hours to meet the needs of the business. Another worker stated that their contract was for 48 hours per week, but they regularly worked closer to 70 hours. This was particularly an issue for those with dependents, who stated that they have had to make a number of sacrifices in order to provide flexibility for their employer, creating challenges around providing care and work-life balance.

Workers reported that they are expected to be flexible for their employer, working irregular shift patterns and in some cases fewer hours during quieter seasons. In the case of one worker, they struggled with the uncertainty of not being guaranteed contracted hours, which caused problems in paying rent and other bills.

Another issue that arose from interviewees was the types of contract given to workers. One worker stated that colleagues on low-hours, fixed contracts were restricted in the number of extra hours they could take on compared to those on zero-hours contracts. This meant that it became advantageous to have a zero-hours contract in terms of accessing additional hours. Conversely, a zero-hours contract also means being exposed to poorer working conditions and potentially higher levels of insecurity in times when hours are reduced.

The flexibility required of workers was not often reciprocated by employers; one employer stated that long hours are notorious in the hospitality sector and “it is what it is”. They suggested that workers in the sector need to be made aware that when they interview for a role in the hospitality sector that they are not working a nine-to-five job and that an irregular working pattern is the reality of the sector.

## 2.5. Young people

The hospitality sector is characterised by a large number of young workers and this has an influence on the type of employment practices in place in businesses across the sector. The research has suggested that young workers often feel open to exploitation by their employers, who take advantage of a lower minimum wage for younger staff.

These issues can also have longer term impacts on young workers. One worker representative stated, “the hospitality sector tends to be the first experience of work for many youngsters and their expectations are set at this [low] point and these expectations are then carried through their working lives”. There was concern amongst both workers and worker representatives that junior staff, predominantly young people, lack security in their jobs as employers participate in a ‘race to the bottom’. One worker stated that their employer would typically find reasons to sack staff when they turned twenty-one and became entitled to a higher minimum wage.

Contrary to the experiences of workers interviewed, one employer claimed that “young people expect everything handed to them on a plate”. Employers felt that young people often did not have the necessary skills when entering the hospitality sector and had too high expectations in terms of both wages and job security and that they did not understand the realities of working weekends and public holidays.

## 3. Pay

Pay was a concern for those working in the hospitality sector with the main issues cited being low wages, financial insecurity and problems around furlough. Each of these are explored in greater detail below.

### 3.1. Wages

A common theme that arose was that employers continue to expect more from workers for the same pay and conditions. Working extended, unpaid hours was a common occurrence for those in hospitality with one worker representative explaining that contractual arrangements in the sector often require staff to cover busy shifts to “meet business needs” but staff are still only paid for their fixed hours. This meant that staff were often working more hours for less than the national minimum wage, with young workers especially subjected to this issue.

Another described how “for the hours worked, the pay isn’t fair. Some weeks when I work long hours, I’m on lower than minimum hourly pay”. Although it was recognised that extra hours were sometimes given back as time off in lieu, this did not reflect the extra pay workers could have received for overtime.

Other issues raised were inconsistency in pay across the sector and the lack of opportunities for pay progression. One hotel worker voiced the opinion that colleagues in the same role but on a different site received a higher wage, while another explained that even for people who worked in hospitality for years, wages often do not reflect experience gained and remained at the same level.

It was acknowledged that financial insecurity was a significant issue within the sector. Workers shared stories of their colleagues in receipt of Universal Credit to supplement wages, with second and sometimes third jobs becoming the norm. Others expressed the view that they relied on the financial support of a full-time working partner to cover their needs. Worker representatives called for employers in the industry to be more realistic about pay, and to offer – at the very least – the real Living Wage to all workers<sup>4</sup>. This was reiterated by workers in the sector, with 58 per cent of survey respondents considering that improving pay was the most important issue in their current job.

### 3.2. Furlough

Those interviewed raised concerns about hospitality workers on low pay facing hardship during the pandemic, with the UK government’s furlough scheme only guaranteeing cover for 80% of their income. One worker described how it was often “impossible” for workers to live off this figure and this was compounded for younger people working on zero-hour contracts and minimum wage rates. Coupled with the fact that the furlough wages do not include any tips – including those distributed through tronc<sup>5</sup> – many staff were finding it difficult on furlough to cover their basic needs.

Employers, on the other hand, had mixed experiences with the furlough scheme during the pandemic. One explained that they had coped well with paying staff wages, with those furloughed receiving upskilling training and businesses trying to push shoulder periods to keep staff in work for more of the year. Other smaller businesses struggled to afford the scheme, describing how “staff

need to realise that businesses are in survival mode, they need to help look after the mothership, otherwise they have no business”.

One worker representative also described a concern with misuse of the furlough scheme by some businesses to reduce company costs rather than retain workers. He explained that “before the law was changed in December many companies used furlough to pay for redundancies” by using the scheme for notice pay, contributing to job losses and consequent hardship for hospitality workers.

### 3.3. Union role

The role of trade unions within hospitality is covered more broadly in section five, however interviewees voiced that recognition by employers and arrangements for collective bargaining were rare in the sector compared to other industries. One worker representative explained that unionisation typically only occurs in hospitality through word of mouth or in response to specific staff incidents, with employers often discouraging membership amongst staff through promises to “look after” their workers.

Another representative described how some workers were deterred from joining unions due to high staff turnover in the sector. It was acknowledged that if unionised workers strike for better pay, management can quickly bring in new staff on zero-hour contracts to replace them. One worker on furlough said that for those only receiving 80 per cent of minimum wage pay, providing for themselves and their family was more important than paying for membership fees. Taken together, those interviewed voiced that without an increase in union membership, the bargaining power of workers to demand better pay and conditions in hospitality will continue to fall.

## 4. Health and Well-being

Issues around the health and well-being of workers varied across the hospitality sector; ranging from stress related to working conditions, the pressures that Covid-19 has placed on the workforce, and discrimination in the workplace. These challenges are explored in greater detail below.

### 4.1. Stress

A key theme that arose from interviews was the pressure associated with working in hospitality, both from poor staffing conditions and working directly with the public. Those interviewed explained that stress was generally accepted by employers, and that because hospitality is associated with alcohol use, staff are often exposed to demanding, intoxicated, and abusive customers who threaten their safety. One worker representative described how both male and female workers were often subjected to sexual harassment, both from members of the public, but also from other workers and managers. In the case of one worker, the amount of abuse was said to be so common that it had become “entirely expected”, making workers feel less confident and unsafe coming into work. One worker representative expressed that stronger legislation and more training by employers is needed to protect staff from clients who behave inappropriately and to make working environments safer for their workers.

Poor staffing conditions coupled with long hours were other issues that were reported to make work in hospitality challenging. One chef described how he often worked up to thirteen hours per day without breaks, and that his workload would exponentially increase at the weekends and in the summer during busy periods. Other workers expressed that low staffing levels made work demanding. One explained that there were insufficient numbers of staff to undertake the work which made doing the job properly more difficult. Some workers agreed that having more staff to help would improve their well-being and make them less stressed in their role.

In contrast, survey respondents were less clear about the role that stress plays in their employment with close to 80 per cent stating that their work was mildly/moderately stressful while only 5 of the 49 respondents considered their job to be very/extremely stressful. Of those workers interviewed, only one was aware of measures in their workplace to address stress and anxiety; they explained that a well-being officer is in place, but limited information has been provided on how to contact them for help and support.

### 4.2. Covid-19

It was recognised amongst those interviewed that the Covid-19 pandemic has disproportionately affected hospitality and uncertainty over its future was worrying for employers and staff alike. One worker representative explained that financial fears about a loss in earnings have been “huge” over the pandemic with “uncertainty over what will happen tomorrow, next week or next month placing significant strains on [their] mental health”. Despite many staff being furloughed or receiving extra financial help through welfare benefits, one worker described how support was insufficient and fear of redundancy by their employer still loomed: “I keep thinking am I going to lose my house... where will I live? Can I pay the bills?” This made staff feel insecure in their work and impacted general well-being.

Managing the challenges of the pandemic and public expectations as the industry reopened was another concern. One worker recalled their experience during the government's 'eat out to help out' scheme, whereby they worked up to 72 hours a week to help their employer make up for lost business. They voiced their apprehensions over health and safety at work during the pandemic explaining "it's hard to be safe and keep social distancing while working in a busy kitchen with all the rushing around" and worried about returning and experiencing the same pressures for a second time.

For others, dealing with customers – despite introducing measures designed to protect staff – was hard. One worker explained that customers expected the same level of service during the pandemic despite moving to table restrictions, contactless ordering, table service only, wearing PPE, and more intensive cleaning between customers, and that managing these expectations was draining for staff. Worker representatives emphasised the importance of re-training workers for going back to their workplaces during Covid-19 as crucial to improving health and well-being, alongside more financial support, and better guidance from government about how to re-open the sector safely.

### 4.3. Discrimination

Discrimination against workers was not an issue reported by the majority of those interviewed. Only one worker shared her experiences: she explained that she had applied for a managerial role at work – one for which she was overqualified – but the job was offered to a male colleague with less experience. She explained that this bias was further evidenced in the fact that no woman had ever been offered the role in the eleven years she worked there. This made her feel unsupported by her employer to progress in the workplace.

More broadly, worker representatives voiced concerns over bias during allocation of shifts in hospitality, in some cases with protective motives, for example, whereby employers would ensure white staff worked late night shifts to prevent BAME workers facing racial discrimination and abuse by the public. Another worker representative however described how discrimination is often classed as "banter" by customers although it is nevertheless a form of discrimination.

## 5. Effective Worker Voice

Effective worker voice in the workplace relies on the strength of trade union organising both at a sector level but also within an organisation. Workers were mostly unaware of trade unions operating within the hospitality sector and suggested that their collective voice was often weak due to the characteristics of employment in the hospitality sector, these are explored below.

### 5.1. Trade union membership

Those workers interviewed for the research were fatalistic about the prospects of improving their pay and working conditions while they were employed in the hospitality sector and were mostly dismissive of the ability of trade union representation to protect them.

Most workers suggested that they were unaware of any trade unions organising in their workplaces or similar workplaces and were unsure which trade union represents workers in their sector. This was mainly attributed to the demographics of the hospitality workforce with a large number of young people described as being reluctant to join a trade union. This has been attributed to the largely temporary nature of their employment in hospitality businesses and a lack of engagement on the part of trade unions with young people as they enter the labour market.

The survey responses similarly suggest that trade union coverage within the hospitality sector is poor with only 16 per cent of workers participating in the survey being a member of a trade union. The three main reasons cited for not being in a trade union were that workers were never asked to join, they did not know what union they were able to join, and they believed they did not require a union as they already enjoyed similar benefits anyway. Of those who were in a trade union, the most cited reason for joining was that they required union support for a specific issue that affected them.

The number of workers on part-time and flexible contracts, as well as those with no contracts at all was also cited as an issue for increasing trade union membership within the sector. One worker representative believed that because many workers in the sector are employed on low hour contracts without security and stability in their role that they are often more concerned about maintaining a stable wage to support their families rather than seeking stability through workplace organisation. The precarious nature of their employment means that being in a trade union can often feel like a risk which many are neither able nor willing to take.

Another of the issues discussed by workers, when ensuring that they have an effective voice in the workplace, is the significant variance in the size of employers in the sector, as discussed in section two of this report. As there are a large number of smaller businesses within the hospitality sector, worker representatives believed it to be more difficult to organise effectively across the sector, therefore making both collective bargaining and creating a higher ceiling for worker rights on a sectoral basis much harder.

This issue is compounded further by the perception of antagonistic attitudes that employers have towards trade unions in the sector. Union representatives suggested that most employers do not recognise trade unions in the workplace and are actively hostile to supporting engagement with them. One worker stated that they have experienced veiled threats about joining a union. Another worker stated that it is “frowned upon to discuss being in a trade union” and reported that “ring leaders” in unionisation were sought out by managers and sacked if necessary, to prevent

organising. It was clear that workers in the sector felt that trade union membership can be detrimental to their relationship with management and ultimately a threat to their continued employment. This can lead, as one worker representative stated, to workers only joining a union when their job is under serious threat and the situation becomes desperate.

Employers were unanimous in their disapproval of the role of trade unions in the hospitality sector. One employer stated that their workers did not require trade union representation because their workers trust that they will take care of them if necessary. Although employer attitudes towards trade unions were negative, according to the survey respondents, employees were generally supportive of their employers in ensuring that their views are sought and listened too. 65 per cent suggested that managers either considered workers' views very or fairly well.

## 6. Conclusion

Those hospitality workers interviewed through the research were fatalistic about their ability to improve contracts, wages, or conditions within the sector. Across workers, worker representatives and employers, many felt that the issues that affect fair work in the sector are a function of the sector itself and therefore an inevitable consequence of hospitality remaining economically viable. Below, conclusions are drawn on the main issues covered in the research.

### 6.1. Job security

Job security was the greatest concern to workers within the hospitality sector engaged in the study. They felt that contractual arrangements within the sector were either unspecific or non-existent and created an imbalance of power between their employers and themselves. Verbal arrangements were common, and workers suggested that informal arrangements often meant that they were exposed to a large discrepancy between contracted hours and actual hours worked. Workers suggested that flexibility only worked one-way, in favour of their employers, which meant that irregular hours, alongside irregular wages, put workers in a precarious situation. Workers suggested that to combat this issue and improve security in their work, firstly they require contracts to be a condition of employment in the sector, and secondly that they have a set of minimum guaranteed hours. This would enable them to have clear parameters on the number of hours they work and therefore the amount they will receive in pay.

Another issue was the viability of the hospitality sector in response to the Covid-19 pandemic. Worker representatives stated that workers are often offered poor work conditions and pay, which employers claimed was necessary to ensure the viability of their business. There is concern that the current economic conditions will lead to a proliferation of this practice. Further to this, workers were concerned that the lockdown measures in place and the ending of the furlough scheme will mean not only will they lose their current job but that seeking further employment in the hospitality sector is likely to be difficult.

Finally, there was concern amongst workers and worker representatives that young workers are often exploited by employers in hospitality as it is assumed that they do not necessarily require the same level of stability in their employment as those that have dependents. This was also the case with a lower minimum wage for younger workers meaning it was advantageous for an employer to have a younger workforce. It was suggested that trade unions need to do more to increase membership amongst those who are just entering the workforce and to educate young people about the benefits of becoming a member of a trade union. Workers were also clear that more campaigning improve the minimum wage for younger people is required to highlight the issue.

### 6.2. Pay

Issues around pay were important for workers with a dissatisfaction that employers continue to want more from workers without offering any improvements in pay and conditions. Workers felt that often greater experience is not rewarded, and, in some cases, they were often working for less than the national minimum wage as extended unpaid hours were common in the sector.

Amongst interviewees there was also a great concern around the hardships that workers face during the pandemic, with the UK government's furlough scheme only guaranteeing cover of 80 per cent of their incomes. The withdrawal of the scheme and the economic climate following the pandemic, was cited as causing insecurity both in current and future employment prospects.

Employers, on the other hand, had mixed experiences with the scheme during the pandemic, ranging from generally positive to struggling to afford to participate. One explained that they had coped well with paying staff wages, with those furloughed receiving upskilling and businesses trying to push shoulder periods to keep staff in work for more of the year. Other smaller businesses struggled to afford the scheme, describing how "staff need to realise that businesses are in survival mode, they need to help look after the mothership, otherwise they have no business".

### 6.3. Health and well-being

Health and well-being were important for workers in the hospitality sector, particularly in the current context of the Covid-19 pandemic. Workers spoke of issues of stress due to staff levels being insufficient to match the demand of their workload and also due to working directly with members of the public. Dealing with the public, particularly in a setting where they may be intoxicated, can be stressful for workers who can suffer abusive behaviour and have their safety threatened. Workers were concerned that this was often accepted by their employer and some interviewees suggested that stronger legislation from government is needed to protect staff from harassment and abuse, alongside more training from employers on how to make working environments safer.

The pandemic itself has had a strong effect on workers in hospitality both regarding uncertainty over the future of the sector and pressures staff faced as hospitality reopens. Fear of redundancy and doubt over how businesses will recover from the pandemic have made staff feel insecure in their work and impacted overall well-being. Others were concerned over their safety going back to work and recommended that re-training workers on Covid-19 policy before returning to work was crucial. Alongside this, some interviewees voiced that stronger and more timely guidance from government about how to re-open the sector safely was required.

Despite the burdens faced by workers and impact on mental health both pre and post pandemic, the majority of those interviewed were unaware of initiatives to support their well-being. As a minimum requirement, it was suggested that all employers should introduce an agenda for mental health and well-being support that leads from the front to tackle stresses facing hospitality workers.

### 6.4. Effective worker voice

The lack of trade union coverage and recognition across the hospitality sector has a great impact on the effectiveness of workers' voice within the workplace. Most workers suggested that they were unaware of any trade unions organising in their workplaces or similar workplaces and were unsure which trade union represents workers in their sector. Additionally, the precarious nature of workers' employment in the hospitality sector means that being in a trade union can often feel like a risk which many are neither able nor willing to take. This is usually due to the lack of contractual agreements, lack of security, and instability caused by inflexible working arrangements.

The 'risk' of being in a trade union for hospitality workers is also associated with the negative attitude that employers have towards trade unions in the sector. Union representatives

suggested that most employers do not recognise trade unions in the workplace and are actively hostile to their workers becoming involved in unions. It was suggested that this can mean workers only join a union as a 'last resort' when their job is under serious threat.

## Endnotes

---

<sup>1</sup> <https://gov.wales/sites/default/files/publications/2020-01/welcome-to-wales-priorities-for-the-visitor-economy-2020-to-2025.pdf>

<sup>2</sup> <https://core.ac.uk/download/pdf/4154249.pdf>

<sup>3</sup> <https://gov.wales/sites/default/files/publications/2019-05/fair-work-wales.pdf>

<sup>4</sup> The Real Living Wage is a voluntary UK hourly pay rate based on living costs on a basket of household goods and services. The rate is £9.50 across the UK and £10.85 in London.

<sup>5</sup> A tronc is a separate organised pay arrangement sometimes used to distribute tips, gratuities, and service charges.