

FAIR WORK CONVENTION

FAIR WORK IN HOSPITALITY INDUSTRY INQUIRY GROUP (HIIG)

WEB MINUTES

DATE: 12 September 2023

Attendees: Chair Linda Johnston, Auchrannie Resort; Co-Chair Satnam Ner, Prospect and Fair Work Convention, Academic Advisor, Carina Contini, Contini Edinburgh; Marc Crothall, Scottish Tourism Alliance; Anna Hirvonen, Poverty Alliance; Leon Thompson, UKHospitality Scotland; Mike Jones, The Stand; Scott Anderson, Vice President, Heriot-Watt University Student Union; Jon Heggie, Better than Zero; Lawrence Durden, Skills Development Scotland; Susan Martindale, Mitchells and Butlers

Fair Work Convention Secretariat.

The Inquiry was joined by:

- Josh Ryan-Saha from Traveltech for Scotland
- Laura Robertson and Chirsty McFadyen from the Serving the Future Project.

Apologies

Apologies were noted from:

- Violeta hotel worker
- Bryan Simpson, Unite Scotland Hospitality
- Chris Wayne-Wills, Crerar Hotels
- Tam Wilson, Better than Zero (Jon Heggie joining as substitute)
- David Trotter, Sodexo Live!

Welcome

The Chair welcomed everyone to the meeting and noted that a range of guest speakers and observers, made up of officials from the Scottish Government, were joining this session.

Minutes

The minutes from the previous meeting were agreed and a highlight version will be published on the Fair Work Convention website.

Background to the Session: Moving towards Recommendations

Helen Martin (Head of the Fair Work Convention Secretariat) provided a brief overview of the expected stages of thinking and progression towards recommendations across the next three meetings.

Helen Martin commented that she wanted to give an overview of where we were in the overall Inquiry process. Helen Martin noted that this meeting is: looking more positively as to where the sector wants to head to in the future; understanding what the sector wants; understanding aims and ambitions; and considering the impact that

technology may have on the future of the sector. Helen Martin then went on to comment on the next session of the Inquiry, which will consider the levers available to make an intervention in the sector. Helen Martin noted that the meeting will hear about commissioned research from Strathclyde University on areas that the sector can use as levers to progress their aims. Moving on from this meeting, the following meetings will focus on the developing the recommendations of the Inquiry.

Chair opened for comments.

No comments were given

Presentation: Update of Serving the Future Project, presented by Laura Robertson and Chirsty McFadyen from the Serving the Future Project

The Serving the Future Project attended the Hospitality Inquiry in October 2022 as part of the second Inquiry Meeting. Serving the Future project is a collaboration between the Poverty Alliance, the University of Strathclyde's Fraser of Allander Institute and the Institute for Inspiring Children's Futures. It is working with hospitality employers & workers and considering how to reduce the risk of in-work poverty for families.

Chair introduced the presentation.

This presentation covered the progress of the project and early findings.

Chair commented that she found the research interesting and the findings resonated with her experience.

Chair opened to members for comments

Chair thanked Serving the Future for their research and to the Inquiry for their comments.

Chair noted that the session was running late and that the next presentation will run until the break with time for Q&A afterwards.

Presentation: Technology impacting the sector, presented Josh Ryan-Saha from Traveltech Scotland

Traveltech is a term for technology-enabled offerings of services and products focused on travel, tourism and hospitality. 'Traveltech for Scotland' has been bringing together a large network of traveltech organisations with the aim of helping Scotland's economy sustainably recover, rebuild and thrive.

This presentation discussed the direct and indirect implications of the emergence of new technology for those working in hospitality. The Inquiry were asked to consider these as they move towards making their recommendations.

The Inquiry meeting heard a presentation from Josh Ryan-Saha from Traveltech Scotland.

Josh Ryan-Saha began by explaining the positive and negative role of online travel agents within the hospitality sector. On the one hand, they have a generally positive impact by making it easier to book and building a strong market reach. However, on the other hand, there can be an over-dependence on platforms and platforms take a significant commission for each booking. Josh Ryan-Saha explained that this was extracting visitor spend from Scotland and meant that each business had less to invest back into staff pay and training. He noted that the economics of platforms can cause a race to the bottom and a push for volume over value. This has implications for worker conditions which can deteriorate (including for management staff who end up fulfilling multiple roles). Josh Ryan-Saha also spoke about the data power imbalance associated with online travel agents, along with a lack of local community control.

In his presentation, Josh Ryan-Saha then went on to discuss how the next generation of technology will develop new tech even faster. His view was that this would be best for the sector if it was directed to boosting direct booking and direct engagement between businesses and customer, as well as enabling new processes for loyalty. This would increase revenue to invest in staff. Josh highlighted three new platforms that are taking a more cooperative ownership approach: Fairbnb, Kooble, and ZiZiBreezi. However, he also warned that it is hard for these to be successful as it is very competitive.

Beyond platform economies, Josh Ryan-Saha highlight some other areas of technology that the sector might be interested in. He noted that in terms of staffing, much of the narrative as around replacement of staff. However, he stressed that it can be much more focused on augmentation, and replacement of undesirable tasks at undesirable times. This allows workers to focus on high value tasks. Josh Ryan-Saha also spoke about data analysis and how it could: assist with staffing patterns and rotas; provide more security for workers; empower staff; and optimise systems. Improved pay solutions, platforms for wellbeing, transferable training and enabling virtual presence in hospitality settings were additional areas highlighted. Finally, Josh spoke about the powerful future of AI which could bring huge change to the sector. Two examples were with a James Bond themed Scotland tour, and the use of AI to plan bespoke itinerary (which could move on to make bookings too). However, he stressed there are big unknowns in this space.

Josh finished by explaining that TravelTech Scotland wants Scotland to be the place to experiment, but only where it is for the good of Scotland.

Chair thanked Josh Ryan-Saha for his presentation which she felt highlighted the large number of options in emerging technology for the Inquiry to consider.

Chair stopped the meeting for a 10 minute break returning for comments and questions after.

Chair noted that the meeting time was running over and allocated 10 minutes to Inquiry members to ask questions. Chair asked how members felt technology impacts businesses

Discussion

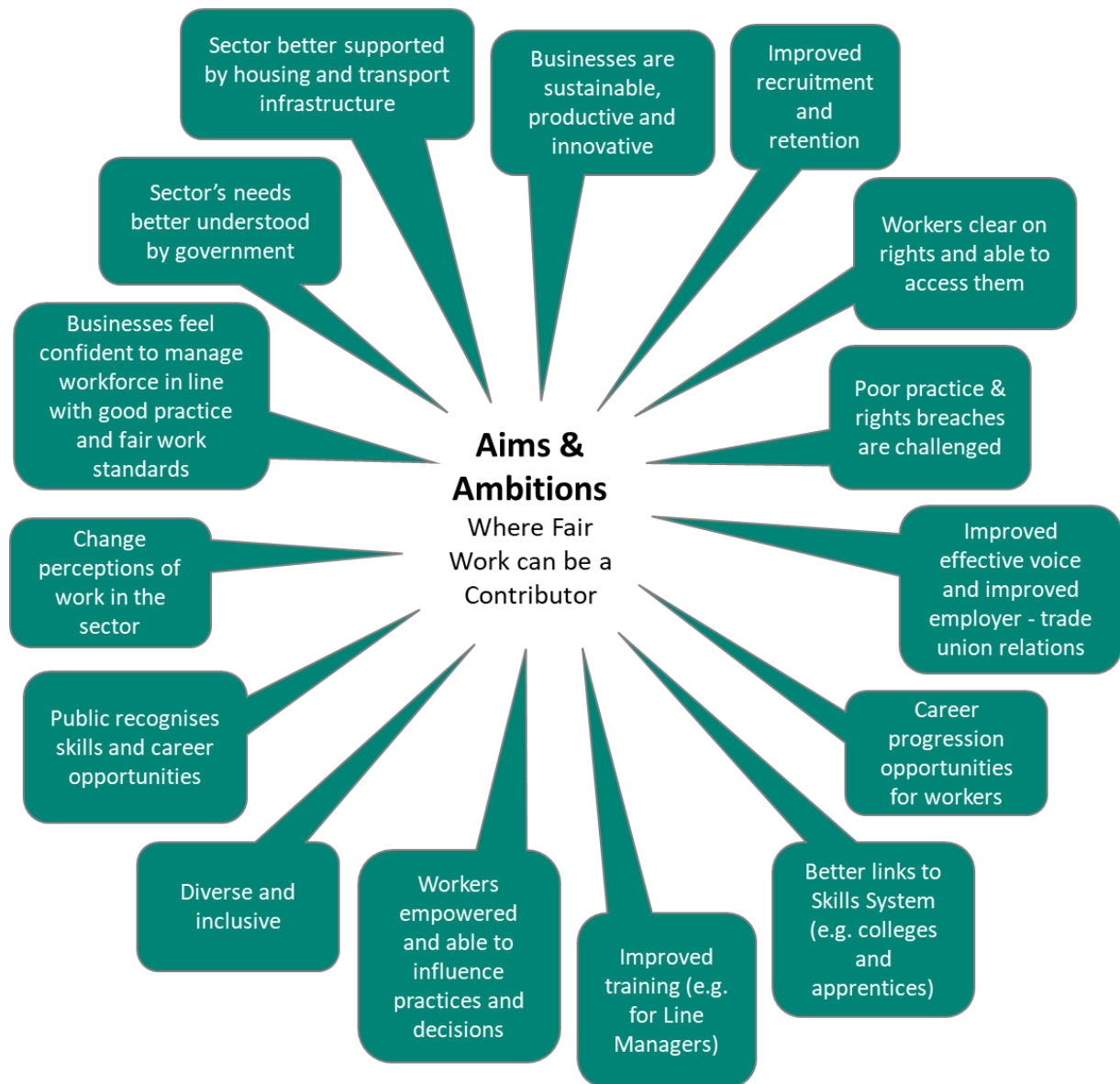
The Chair introduced discussion asking members begin to consider a shift in their thinking towards the forward-looking phase of the Inquiry focusing on the barriers to businesses being able to advance fair work.

Discussion Part 1

Aims of the Hospitality Sector

The Chair introduced discussion 1 asking members to begin to consider a diagram shared in the paper ahead of the meeting. The diagram showed some suggested aims and ambitions that the sector holds which relate to fair work most relevant to this Inquiry.

Members were shown the following diagram from the Meeting paper:



Members were invited to consider the aims and ambitions of the sector in the diagram and whether there were any that members felt were missing. Members were asked where they felt action was lacking with any of the aims.

Chair thanked all for comments.

Chair asked members if the priority of the aims and ambitions were captured or if some might have higher priority than others?

No comments from the members. Chair asked for members to send written feedback to Secretariat if preferred.

Discussion Part 2
ALIGNMENT with STRATEGIES & TRENDS

The inquiry group were then asked to consider:

- How they ensure that their Recommendations from their Inquiry resonate well with government and with others in the sector; and
- Their thoughts on longer term trends – like the technology trends that were presented earlier in the meeting or environmental and societal trends noted in the Meeting Paper.

Chair asked for members to send written feedback to Secretariat if preferred.

Discussion Part 3:
CONSIDERING FAIR WORK:

Inquiry members were reminded by the Chair of the clear links between improving fair work and meeting the wider aims and ambitions for the sector, and asked to consider if they feel this is recognised and understood across the industry?

Inquiry members were asked to consider is there is an acceptance that meeting fair work standards means changing some ingrained practices in the sector?

Inquiry members were asked to consider the challenges for some businesses, for example paying at least the real living wage, or reducing reliance on zero hours contracts, or supporting effective voice and how the Recommendations from the Inquiry encourage these employers to include Fair Work practices in their businesses?

Chair thanked everyone for their comments

AOB

Marc Crothall highlighted the National Scottish Tourism Alliance Autumn Conference on 31st October. Kelly Johnston will be presenting on where business are doing well within the industry. This will be recorded and shared with the Inquiry.

Chair encouraged Inquiry members to attend.

Date of next meeting: Tues 14th November 2023. Online. Meeting 8 will focus on the levers we have to advance fair work in the sector.