

## **ESRC Seminar Series: Making Bad Jobs Better**

### **Seminar 2: How can bad jobs be made more bearable?**

**Oxford, 21 September 2010**

**Patricia Findlay**

This brief note provides a record of the key research and policy issues raised at the seminar. Copies of the powerpoint presentations given at the seminar are available on the seminar series website, along with brief interviews with the speakers.

Ewart Keep introduced the day with a brief summary of the aims and objectives of the seminar series and commented on the contemporary academic and policy interest in low quality jobs, noting the particular challenges in attempting to improve job quality in the current economic and political context.

Following on from Seminar 1, the presentations and discussions identified key elements of bad jobs (low pay; job/contractual insecurity arising from temporary work, agency working and sub-contract working; low skills requirements and poor progression prospects) at regional, national and international level, drawing on case based UK research and large scale comparative research. Moving forward, all of the speakers identified a variety of ways of challenging bad jobs. At a macro level, Gerhard Bosch (GB) presented comparative data from a Russell Sage Foundation study of low wage work that measured the incidence of low pay across countries and trends in the prevalence of low pay. At a national level, Chris Forde and Gary Slater (CF/GS) evaluated the likely impact of the European Directive on Agency Work in the UK. At a regional level, Jane Wills (JW) outlined the approach and achievements of the London Living Wage Campaign, while Hilary Metcalf (HM) presented organisational level data through paired cases studies on employers' use of insecure forms of employment.

Taken together, the presentations, panel discussions, audience questions and debate illustrated a variety of ways of making bad jobs more bearable through engagement with the key stakeholders and processes outlined below.

#### **Employer strategies**

- GB highlighted the importance of institutional configurations in explaining international variations in low paid work and in particular the role of collective employer organisation (through employers associations) and its relationship to low pay.
- HM analysed the importance of employer choice and organisational decision making in relation to core/periphery employment policies, drawing attention to the role of employer values in mediating short-term economic pressures and the demands of impatient capital. More specifically, HM argued that job and product market characteristics did not always determine the adoption of insecure employment forms as comparable employers arrived at different estimations of the full cost of using peripheral contractual relationships.

- JW highlighted the complex relations between employees, sub-contract firms and the 'real' employer and the challenges this poses for effective worker and community strategies to tackle bad jobs.
- Both HM and JW pointed to the impact of re-tendering processes in sustaining bad jobs and undermining any gains made in terms and conditions.
- Angela Baron of CIPD argued that while competitive pressures remained significant, there were some indications of support for a more sustainable business agenda amongst employers. Angela also argued for the provision of better information for employers on the real cost of particular HR practices and better engagement with employers on both interpreting this information and debating alternatives to 'low road strategies, a point echoed by Jonathan Michie in assessing the evidence of the costs of flexible labour strategies and the benefits of high performance work systems.

### **The role of regulation**

- GB considered the role of regulation on wages in different countries in reducing the incidence of low wage work and argued that minimum wage legislation did not always reduce the incidence of low pay, with country variation best explained in terms of wage setting institutions more generally, that is including minimum wage regulation but also collective bargaining. Notably, countries where collective bargaining benefits are extended (either by legislation or by union/employer practice) beyond groups of workers with strong bargaining power were more likely to have a lower incidence of low pay.
- Legal protections for vulnerable groups do appear to have an impact on aspects of bad jobs. Paul Whitehouse (PW) reported on the work of the Gangmasters Licensing Authority in monitoring and policing employment practices to benefit workers, responsible employers and society from the impact of bad practice by licensed and unlicensed labour suppliers. Similarly, CF/GS argued that the Agency Worker Directive is likely to offer some protection to certain agency workers. Notably, however, both contributions highlighted problems arising from the limitations of regulation – in particular, that certain groups and areas of practices are not covered by regulation and that legislation may not be able to keep pace with developments in practice.

### **The role of unions, communities and citizens**

- Much of the debate focused on the limitations of conventional solutions through conventional actors such as trade unions, especially in the context of declining collective bargaining coverage. Notwithstanding this problem, unions were considered to be most effective in tackling bad jobs and low pay in particular where they adopted inclusive strategies towards weakly organised/unorganised workforces (Deborah Littman (DL) and GB).
- The discussions highlighted the real cost of low pay and poor quality jobs in the impact on workers themselves and also on their families, communities and the wider society and, corresponding, the importance of engaging wider communities, civic and other groups in campaigns to improve bad jobs. JW and DL both reported on the effectiveness of broader

coalition building between workers, unions, faith groups, community organisations and consumers in the London Living Wage Campaign and the lessons learned from this campaign in terms of thinking creatively about solutions and adopting innovative organising methods to adapt to local constraints and circumstances.

- The scope for challenging both market rates for jobs and the prevailing notion that cheaper is always better opened up debate around the moral economy and the potential for linking work and citizenship issues as a basis for effective collective organisation.

### **The importance of enforcement**

- PW argued for the need for effective enforcement of existing regulation to realise its full potential, while JW and DL argued for the need to think more creatively about effective forms of enforcement that engage workers, citizens, consumers and communities.

### **Moving the debate forward**

Much of the discussion focused on the discrete aspects of bad jobs (such as insecurity and pay) rather than the nature of the work/tasks carried out by workers in these jobs – what EK referred to as the fundamentals of the jobs, which are unlikely to be tackled unless ‘low road’ strategies are replaced by more innovative business strategies. Notwithstanding this and the scale of the difficulties faced by workers in bad jobs which were highlighted throughout the day, the seminar also raised a number of more positive areas for future deliberation:

- the need to disseminate information more widely on the ways in which good management practice to support job quality can generate real benefits for employers, and on how forms of insecure working impose hidden costs on employers, as a route to helping employers to make better and more informed choices.
- the scope for employer choice in some circumstances, where wages and employment are not necessarily trade-offs
- the role of social pressure, even and perhaps particularly in the context of the prevailing economic reality, in directing employers’ activities away from short term gain towards more sustainable business practices.