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#### **Research Briefing**

By Tony Dobbins

6 June 2022

# Good work: policy and research on the quality of work in the UK



- 2 The extent of good work
- 3 Current policies on good work
- 4 Ideas for good work policy reforms
- 5 Selected further reading/resources

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# Summary

This briefing provides a big picture contextual overview of research on good work.

There is now significant consensus across political parties in the UK about the need to address job quality, not just job quantity. Greater policy focus on good work and job quality across the political spectrum is partially related to labour market experiences of job insecurity for many employees in lower-paid jobs.

## What is good work?

Despite the challenges of defining good work in different international country contexts, there are signs of some emerging consensus on the main dimensions of good work in the UK, which include wages, employment quality, education and training, working conditions, work-life balance and collective participation and collective representation. Bad work, on the other hand, is employment where many dimensions of good work above are absent or weak.

## Good work in the UK and Europe

In the UK, around 65% of women and 69% of men were in quality work in 2018, but there was variation between age groups, localities, and ethnic groups. The Good Work Monitor observes that the <u>coronavirus pandemic</u> <u>affected people and places with the lowest levels of quality work the most</u>. In particular, lack of good work options closely correlated with poor health outcomes like COVID-related illness and mortality during the pandemic.

In the EU, working conditions have generally improved since 2000, with working time quality and physical working environment improving significantly. Jobs now require more skills and provide more autonomy than previously.

# Policies on good work

#### UK

Recent UK Government policy focus on good work and job quality has been on responses to the <u>Taylor Review of modern working practices</u> published in July

2017. The Taylor Review made various recommendations on workers' rights, covering matters including agency workers' rights, employment status, the enforcement of employment rights, maternity discrimination and zero-hours contracts.

The Government's response to the Taylor review was outlined in the <u>Good</u> <u>Work Plan</u> published in December 2018. In May 2022 the Prime Minister has asked Conservative MP Matt Warman to lead <u>another review into the future of</u> <u>work</u>. Part of the Terms of Reference for this review is to explore the role of local labour markets in facilitating access to good jobs in relation to levelling-up.

### **Devolved nations and city-regions**

Scotland, Wales and Northern Ireland support various policy measures aimed at advancing good work, like <u>The Fair Work Convention</u>, established by the Scottish Government in 2015, the <u>Fair Work Commission</u> established by the Welsh Government in 2018, and commitments in Northern Ireland's '<u>New</u> <u>Decade New Approach (PDF)</u>' agreement focusing on creating good jobs and protecting workers rights.

As well as this, some devolved English city-regions have voluntary <u>good</u> <u>employment/fair work charters</u>, which outline the main elements of good work, like a real living wage, job design, skills development, and support local employers to establish them through encouraging best practice.

### **European countries**

A number of countries have developed a collaborative social partnership approach in response to disruption of the labour market: the Danish <u>Disruption Council</u>, The Californian <u>Future of Work Commission</u>, Germany's <u>Industry 4.0.</u>, the Swedish <u>Job Security Council</u>, the New Zealand <u>Future of</u> <u>Work Forum</u>.

# Ideas for good work policy reforms

Section four of this paper outlines research on new policy thinking, ideas and recommendations on good work. This includes extending good work in the <u>Foundational Economy</u> and presenting a <u>new social contract for good work</u>, and good work in new green jobs in the context of just transition and climate change.

# 1 What is good work?

1.1

# Defining and measuring good work

Although there appears to be significant policy consensus about the need to focus on good work, there is still no single agreed definition of good work or on the set of characteristics and metrics for measuring it. Moreover, 'quality of employment', 'decent work', 'fair work', 'meaningful work' and 'good work' are often used interchangeably.

Nonetheless, despite the challenges of defining good work in different international country contexts, there are signs of some emerging consensus on the main dimensions of good work in the UK. In fact, dimensions of good work highlighted in the Taylor Review and most of the studies discussed in this briefing include wages, employment quality, education and training, working conditions, work-life balance and collective participation and collective representation.

Importantly, good work is comprised of both economic (re)distribution of income and rewards (a living wage, for example), but also quality of working life, dignity, meaningful contributions and capabilities at work (reflected in good quality job design and nature of work, job security, progression at work, for instance). <sup>1</sup>

The International Labour Organization (ILO) defines decent work as 'productive work for women and men in conditions of freedom, equity, security and human dignity'. The ILO definition of decent work incorporates four strategic pillars: full and productive employment, rights at work, social protection, and the promotion of social dialogue.<sup>2</sup> However, some labour market experts have argued that the ILO framework of decent work is very difficult to universally measure and assess across such a broad range of countries and contexts internationally.<sup>3</sup>

The Organisation for Economic Cooperation and Development (OECD) outlines a framework for <u>measuring and assessing job quality</u> based on three dimensions: earnings, labour market security, the working environment.<sup>4</sup>

<sup>&</sup>lt;sup>1</sup> Sayer, A. <u>Contributive Justice and Meaningful Work</u>. Res Publica 15, 1–16, 2009

<sup>&</sup>lt;sup>2</sup> International Labour Organisation, <u>Decent Work</u>, 2018

<sup>&</sup>lt;sup>3</sup> Burchell, B., Sehnbruch, K., Piasna, A., & Agloni, N., <u>The quality of employment and decent work:</u> <u>definitions, methodologies, and ongoing debates (PDF)</u>, Cambridge Journal of Economics, *38*(2), 459-477. 2014

<sup>&</sup>lt;sup>4</sup> OECD, <u>Measuring and Assessing Job Quality</u>, 18 December 2015

Attempts have also been made in the European Union (EU) to compile a framework to measure and compare job quality across EU countries. Green and Mostafa use the European Working Conditions Survey (EWCS) by the European Foundation for the Improvement of Living and Working Conditions (Eurofound) to develop a model comprising four dimensions of job quality in EU countries: earnings, job prospects, working time quality and intrinsic quality of the job.<sup>5</sup>

Eurofound subsequently developed seven dimensions of job quality for the EWCS: Physical environment; Work intensity; Working time quality; Social environment; Skills and discretion; Prospects; Earnings. <sup>6</sup>

The Report of the Fair Work Wales Commission (PDF) by Fair Work Wales defines fair work as a situation where workers are fairly rewarded, heard and represented, secure and able to progress in a healthy, inclusive environment where rights are respected. Within this definition, it identifies six dimensions of fair work: fair reward; employee 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.<sup>7</sup>

Perhaps the most comprehensive attempt to characterise and measure good work in the UK context, to date, was conducted in 2018 by a Measuring Job Quality Working Group, convened by the Royal Society of Arts and Carnegie UK. The Carnegie UK Trust-RSA Working Group on Measuring Job Quality comprised representatives from trade unions, industry, charities and academia to assess the practical challenges of implementing job quality measurement in the UK. The group were tasked with responding to the Taylor Review and the UK Government's Good Work Plan, by providing a measurement framework for tracking progress towards good work.

The <u>final report of the Measuring Job Quality Working Group</u> proposed 18 measures of job quality categorised under seven topics: terms of employment; pay and benefits; job design and nature of work; social support and cohesion; health, safety and well-being; work-life balance; voice and representation.<sup>8</sup>

Finally, the Chartered Institute for Personnel and Development (CIPD), the professional body for HR and people development, has developed a <u>Good</u> <u>Work Index</u> comprising seven core dimensions of good work: pay and benefits; employment contracts; work-life balance; job design and the nature of work; relationships at work; employee voice; health and wellbeing.<sup>9</sup>

<sup>&</sup>lt;sup>5</sup> Green, F. and Mostafa, T., <u>'Quality of Work and Employment'</u>, European Foundation for the Improvement of Living and Working Conditions, Dublin. 2012

<sup>&</sup>lt;sup>6</sup> Job quality, Eurofound, 9 February 2022

<sup>&</sup>lt;sup>7</sup> Fair Work Wales, <u>Report of the Fair Work Commission(PDF)</u>, March 2019

<sup>&</sup>lt;sup>8</sup> Irvine G, White D and Diffley M, <u>Measuring Good Work: The final report of the Measuring Job Quality</u> <u>Working Group</u>, Carnegie UK Trust, Dunfermline. 2018

<sup>&</sup>lt;sup>9</sup> CIPD, <u>Good Work Index</u>. London: Chartered Institute of Personnel and Development. 9 June 2021

Торіс	Dimension
Terms of employment	<ol> <li>Job security: Likelihood of losing job in next year</li> </ol>
	2. Minimum guaranteed hours: In contracts or agreements
	3. Underemployment: Workers would prefer to work more hours
Pay and benefits	4. Pay
	5. Satisfaction with pay
Job design and nature of work	6. Use of skills: Workers' skills match the skills need in their job
	7. Control (extent of control people personally have over the way they are able to do their job)
	8. Opportunities for progression
	9. Sense of purpose: Is work meaningful?
Social support and	10.Peer support: Relations with work colleagues
cohesion	11. Line manager relationship: Support by boss
Health, safety and	12. Physical injury caused by work
psychosocial wellbeing	13.Mental health: Anxiety or depression caused by work
Work-life balance	14. Over-employment: Workers would prefer to work fewer hours
	15.Overtime: Paid and unpaid
Voice and	16.Trade union membership
representation	17. Employee information: Managers inform employees about important changes
	18.Employee involvement: Managers involve employees/representatives in decision-making
Voice and representation	<ul> <li>17. Employee information: Managers inform employees about important changes</li> <li>18. Employee involvement: Managers involve</li> </ul>

### Table 1 – Dimensions of job quality

Source: Irvine G, White D and Diffley M, <u>Measuring Good Work: The final report of the Measuring Job</u> <u>Quality Working Group</u>, Carnegie UK Trust, Dunfermline. 2018

# 1.2 What is bad work?

This also raises the question of what constitutes bad work? Bad work is employment where many dimensions of good work above are absent or weak.<sup>10,11</sup> In particular, bad work often relates to low-paid employment in insecure jobs, defined by Resolution Foundation as having a zero-hours contract, involuntary working on a temporary contract, or working low hours and wanting more (underemployment). Zero-hours contracts and insecure working hours are common criteria for bad jobs identified by many labour market experts, and research suggests that job and working hours insecurity increased for many employees in lower-paid jobs since the 2008 financial crisis and subsequent recession.<sup>12,13,14,15, 16, 17, 18</sup>

The labour market picture is complicated by evidence that even workers in quite good jobs may experience job insecurity – the P&O case of 'fire and replace' being a high-profile example.<sup>19</sup>

Nonetheless, some commentators have challenged the view that work has become more insecure and emphasise a level of continuity rather than change. Analysis by the Chartered Institute for Personnel and Development (CIPD) claims that while employment (in)security affects many people, work in the UK is as secure as it was 20 years ago. The CIPD highlights that 85 per cent of workers have 'traditional' employment patterns and claim that most flexible workers – including gig workers – are satisfied with their work arrangements.<sup>20</sup> ONS data shows that in January-March 2022, 12% of workers on zero hours contract wanted a new or additional job.<sup>21</sup>

- <sup>10</sup> Findlay P, Warhurst C, Keep E, Lloyd C. <u>Opportunity knocks? The possibilities and levers for</u> <u>improving job quality</u>. Work and Occupations, 44(1):3-22, 2017
- <sup>11</sup> Warhurst C. and Knox A. <u>Manifesto for a new Quality of Working Life (PDF)</u>. Human Relations, 75(2):304-21, 2022
- <sup>12</sup> Rubery, J., Keizer, A., & Grimshaw, D. <u>Flexibility bites back: the multiple and hidden costs of flexible</u> <u>employment policies (PDF)</u>. Human Resource Management Journal, 26(3), 235-251. 2016
- <sup>13</sup> Resolution Foundation, Low Pay Britain 2022, 25 May 2022
- <sup>14</sup> Williams, M., Zhou, Y., & Zou, M. <u>Mapping Good Work: The Quality of Working Life Across the</u> <u>Occupational Structure (1st ed.)</u>. Bristol University Press. 2020
- <sup>15</sup> Felstead, A., Gallie, D., Green, F., & Henseke, G. <u>Unpredictable times: the extent, characteristics</u> and correlates of insecure hours of work in Britain (PDF). Industrial Relations Journal, *51*(1-2), 34-57. 2020
- <sup>16</sup> Centre for Labour and Social Studies, <u>The Insecure Economy: Measuring and Understanding the</u> <u>Contemporary Labour Market</u>, 23 March 2022
- <sup>17</sup> McBride, J and Smith, A. <u>"'I feel like I'm in poverty. I don't do much outside of work other than survive": In-work poverty and multiple employment in the UK</u>. *Economic and Industrial Democracy*, 2021
- <sup>18</sup> TUC, <u>Insecure Work</u>, July 2021
- <sup>19</sup> House of Commons Research Briefing, <u>P&O Ferries: Employment law issues</u>, 19 April 2022
- <sup>20</sup> Chartered Institute of Personnel and Development (CIPD). <u>Megatrends: Is Work in the UK Really</u> <u>Becoming Less Secure?</u> London: CIPD. 2019
- <sup>21</sup> ONS, EMP17: People in employment on zero hours contracts, 17 May 2022

Moreover, opinion on issues like zero-hours contracts is divided between employers and employees. Employee organisations tend to argue that ZHCs produce financial insecurity for workers with weak employment rights; employer organisations emphasise perceived advantages when responding to variation in demand and argue that they are important for retaining employees.<sup>22</sup>

The next section considers the extent of good work in the UK, and also includes reference to the European Working Conditions Survey (EWCS) for international comparative purposes.

<sup>&</sup>lt;sup>22</sup> House of Commons Library Briefing, <u>Zero-hours contracts</u>, 17 August 2018

# 2 The extent of good work

2.1 Good work in the UK

There are various research sources assessing the extent of good work and job quality in the UK context.

### ONS - job quality indicators in the UK

In 2019, the Office for National Statistics (ONS) published <u>a survey of job</u> <u>quality indicators in the UK</u> – hours, pay and contracts – for 2018. The research focused on the following job quality indicators in employee jobs, using the approach suggested by the Measuring Good Work Report above:

- working good hours and not underemployed: employees working 48 or less per week and who did not want to work more hours.
- not low-paid: employees earning more than two-thirds of hourly median earnings.
- a desired contract: employees either with a permanent contract or, alternatively, another contract because they did not want a permanent contract.

Employees not in quality work experienced at least one of the following: low pay; working more than 48 hours weekly; underemployed; and not being able to find a permanent contract.

The main findings were as follows:

Job quality

- At 69%, women were more likely to be in quality work than men (65%) across the UK. This gap was largely accounted for by the number of hours worked women were more likely to be working 48 or fewer hours per week and therefore more likely to be working satisfactory hours.
- Experience of job quality generally increased with age, as employees aged 65 years and over were most likely to be in quality work while employees aged 16 to 20 years were least likely.
- The city regions with most residents experiencing 'quality work' are the West of England Combined Authority (76%); Glasgow City Region (75%);

West Midlands Combined Authority (74%); and Cambridgeshire and Peterborough Combined Authority (74%).<sup>23</sup>

#### Desired contract

• Almost all employees (99%) had a 'desired contract' (either a permanent contract or non-permanent contract for a reason other than 'could not find a permanent job').

#### Satisfactory hours

- Four in five employees worked 'satisfactory hours' (48 hours or fewer) and did not perceive themselves to be underemployed.
- Women (86%) were more likely than men (75%) to be working satisfactory hours in every age category.
- Employees in Northern Ireland were most likely to be working 'satisfactory hours', at 84%, compared with 80% for the UK generally.

#### Low-paid jobs

- Women (8%) were significantly more likely than men (6%) to be employed in low-pay jobs across the UK.
- 7% of employees in the UK were deemed to be in low-paid jobs (less than two-thirds of hourly median earnings).
- Comparing city regions on the basis of two-thirds of UK-wide median hourly earnings, employees residing in the Greater London Authority were least likely to be in low-paid work (3%). However, when measuring low pay based on two-thirds of local median earnings, employees living in Cambridgeshire and Peterborough Combined Authority; Aberdeen City Region; and the GLA were much more likely to be in low-paid work compared to other city regions.

### Good work by local area

The Institute for the Future of Work (<u>IFOW</u>) has created a Good Work Monitor for England on three dimensions from the <u>Good Work Charter</u>: labour market access, status and autonomy and pay and conditions.<sup>24,25</sup>

The Good Work Monitor charts availability of good work in each local authority area of England outside London. It provides an <u>interactive map</u> to enable comparisons of good work in each area. Eight of the top 10 local authorities with the highest scores for good work are in South East England, the other two being Trafford in Manchester, and Rutland, the smallest unitary

<sup>&</sup>lt;sup>23</sup> ONS, Job quality indicators in the UK - hours, pay and contracts: 2018, 4 December 2019

<sup>&</sup>lt;sup>24</sup> IFOW, <u>The Good Work Monitor</u>, January 2021

<sup>&</sup>lt;sup>25</sup> IFOW, <u>The Good Work Charter</u>, 18 October 2018

authority in England. The highest scoring area clusters of good work ('good work winners') are characterised by higher levels of labour market participation, less routine work, and better pay.

Eight of the local authorities with the lowest scores for access to good work are in Northern England, and the other two are in the Midlands. The 'Northern Town Cluster' is characterised by high levels of unemployment, many workers in routine jobs, and low pay. Many of these areas correspond to the so-called 'Red-Wall' constituencies that switched to the Conservatives from Labour in the 2019 election and have also been associated with the Government's Levelling-Up agenda (see below in Section 3 for further policy related details on Levelling-Up).

To build on the Good Work Monitor, the IFOW has also published a <u>Good Work</u> <u>Time Series</u>, which charts trends in good work across all local authorities in England, Scotland and Wales.<sup>26</sup> Satisfactory hours are sacrificed in many highly paid and professional jobs across the UK, except for Scotland. This is attributed to good work policy support by the devolved Scottish government, incorporating a cross-department focus on quality work - including the Fair Work Framework, Fair Work First procurement pledge and Healthy Working Lives initiative from Public Health Scotland (see Section 3 below on good work policy in Scotland). That said, good work is less pronounced in Moray or Angus in the Highlands, or some local authorities in South West Scotland including Dumfries and Galloway, Ayrshire, Glasgow and Falkirk, Lanarkshire and West Lothian.

Wales, in contrast, is deemed to underperform in most dimensions of the Good Work Monitor, showing patterns that have become embedded over time and problems with mobility in accessing good work.

### Impact of the coronavirus pandemic

Low-paid workers in insecure jobs fared worse over the course of the coronavirus pandemic compared to workers in higher-paid, secure good jobs. Workers who are from an ethnic minority group, young workers, low paid workers and disabled workers, have been most negatively impacted by the coronavirus regarding employment prospects.<sup>27</sup>

The Good Work Monitor observes that places with the highest levels of good work have been better insulated against the pandemic. In contrast, 'left behind communities' (including 'Red-Wall' areas in Northern England) with less access to good work fared less well during the pandemic, with inequalities of work and health deepening. In particular, lack of good work options closely correlated with poor health outcomes like COVID-related illness and mortality during the pandemic.<sup>28</sup>

<sup>&</sup>lt;sup>26</sup> IFOW, <u>The Good Work Time Series</u>, 1 February 2022

<sup>&</sup>lt;sup>27</sup> House of Commons Briefing, <u>Coronavirus: Impact on the labour market</u>, 20 April 2022

<sup>&</sup>lt;sup>28</sup> IFOW, <u>The Good Work Time Series</u>, 1 February 2022.

The research report for the CIPD Good Work Index 2021, referred to in Section 1, assessed how working lives and job quality changed during the pandemic.<sup>29</sup> The 2021 report found that good work was not distributed equally across the workforce by occupation. Specific aspects of good work – including job security or work-life balance – have altered for some workers, depending on their occupation or job role.

The CIPD report considered the experiences of furloughed workers, people working from home, and key workers, during the Coronavirus pandemic, and how this impacted job quality. Type of occupation/role still strongly shaped access to good work in 2021, with higher managerial and professional roles displaying higher job quality. In contrast, key workers, who played a critical role in ensuring society functioned during the pandemic, experienced the worst job quality. People working remotely scored highly on various dimensions of job quality, including autonomy, workplace relationships and flexible working patterns. That said, remote workers suffered a trade-off with greater workload intensity and more blurring between work and life responsibilities.

According to the CIPD data, the pandemic has added to existing inequalities between good and bad quality jobs in the UK, as follows:

- One in four workers said work is bad for their physical or mental wellbeing (23% and 25% respectively representing little change from 2020, where 26% and 27% of workers said this).
- 52% said work offers good opportunities for development (showing little improvement from 2020 when 48% of workers said this).
- 30% of workers reported unmanageable workloads, similar to the 32% reporting this in 2020. This rose to 36% among key workers and 32% among those working from home all the time (regardless of occupation).
- One in four workers reported poor work-life balance, finding it difficult to 'switch off' during their personal time due to work pressures (the same figure as 2020), and flexible working options remained unavailable for many. Library briefing <u>Flexible working: Remote and hybrid work</u> provides more information and statistics on flexible work.

It remains to be seen what the longer-term impact of the pandemic will mean for the labour market and good work/bad work. Much will also depend on the nature of policy responses, outlined in Sections 3 and 4 below.

<sup>&</sup>lt;sup>29</sup> CIPD, <u>Good Work Index</u>. London: Chartered Institute of Personnel and Development. 9 June 2021.

# 2.2 Good work in Europe

The European Foundation for the Improvement of Living and Working Conditions (Eurofound) tracks changes in job quality over time across the EU through its <u>European Working Conditions Surveys (EWCS</u>). Since its launch in 1990, the EWCS has provided an overview of working conditions in Europe.

In 2021, Eurofound published a research report on job quality drawing on the latest EWCS data and research on job quality.<sup>30</sup> Key findings are as follows:

- EU workers generally experience better working conditions now compared to the first EWCS in 2000. Working time quality is better, and the physical working environment has improved, notably in jobs with exposure to physical risks.
- Jobs now require more skills and provide more autonomy than previously. However, the development of workers' skills is restricted by unequal opportunities for employer-funded training. Older workers are less likely to be involved in training, and employees on precarious contracts (like fixed-term contracts) have less access to training compared to full-time permanent employees.
- Gender segregation is still evident in EU labour markets, with women less likely to experience job quality than men. The report concludes that unequal distribution of caring roles between women and men, reflected in lengthier career breaks and different working time arrangements for women, continue to contribute to diminished career prospects for women compared to men.

Eurofound's sixth European Working Conditions Survey (PDF) in 2015 (Eurofound, 2019, updated) outlined seven indices of job quality: physical environment, work intensity, working-time quality, social environment, skills and discretion, prospects, and earnings. These dimensions were chosen due to their perceived effects (positive or negative) on worker well-being. There had been limited progress in some job quality indices over the preceding 10 years, the research suggests.<sup>31</sup>

• The physical environment index assessed physical risks at work. Differences in exposure of men and women to physical risks were identified, relating to sectoral and occupational segregation in the workplace. There was uneven improvement during the previous decade: for instance, exposure to noise had decreased substantially in the then EU28, but exposure to chemical and infectious products increased.

 <sup>&</sup>lt;sup>30</sup> Eurofound, <u>Working conditions and sustainable work: An analysis using the job quality framework</u>.
 26 February 2021

 <sup>&</sup>lt;sup>31</sup> Eurofound, <u>Sixth European Working Conditions Survey – Overview report (PDE)</u> Luxembourg:
 Publications Office of the European Union. 2019

- The work intensity index measured work demands, including working at high speed and under time pressure, and emotional pressures like angry customers. One-third of workers in the EU worked to tight deadlines and at high speed. Health sector workers experienced the highest work intensity.
- The working time quality index measured long working hours, work breaks, atypical working time, flexible working time patterns. This index had generally improved since 2005: 43% of workers had regular working schedules, and one in five workers worked in their free time to fulfil work demands at least several times a month.
- The social environment index measured the extent to which workers experienced supportive social relationships and negative aspects like bullying and harassment. Overall, the social climate was positive: 89% of workers enjoyed good relations with peers; about 16% of workers – more women than men – reported exposure to adverse social behaviour.
- The skills and discretion index measured learning and training opportunities. The skills gender gap had narrowed, and the skills age gap between young and older workers was narrowing; on work discretion, 33% of workers in elementary occupations were directly involved in decisions about their work; for managers it was nearly 80%.
- The prospects index included prospects for career progression and potential for losing a job. Part-time workers had fewer prospects relative to full-timers. Job insecurity was the same as in 2010: 16% of workers believed they could lose their job in the next six months.
- The earnings index measured monthly income. Most workers were at the lower end of the income distribution, with very few at the upper end. The income of men was much higher than women, partly due to differences in working hours.

Section 3 on good work policies provides more information on specific European countries, in addition to the UK context.

### 3

# Current policies on good work

This section considers current policies on good work in the UK, including the devolved contexts of Scotland, Wales, Northern Ireland and English city-regions. It also provides some examples of good work policies in European and international contexts. It is useful to distinguish between 'soft' voluntary policy measures, and 'harder' mandatory legal/regulations.<sup>32</sup>

### 3.1

## The Taylor Review and Good Work Plan

Recent UK Government policy focus on good work and job quality has been on responses to the <u>Taylor Review of modern working practices</u> published in July 2017. The Taylor Review made various recommendations on workers' rights, covering matters including agency workers' rights, employment status, the enforcement of employment rights, maternity discrimination and zero-hours contracts. <sup>33</sup>

High profile recommendations included:

- Give agency workers a right to request a direct contract with the hirer;
- Set out key principles of the employment status test in primary legislation and supplement them with detailed tests in secondary legislation;
- Rename 'workers' as 'dependent contractors';
- Lower the threshold for triggering negotiations for an information and consultation agreement from 10% to 2%;
- Reform statutory sick pay to make it a basic right available to all workers from day one;
- Give workers on zero-hours contracts who have been in post for 12 months a right to request a contract that better reflects the hours they work.

UK

<sup>&</sup>lt;sup>32</sup> Gibb S, Ishaq M. <u>Decent work: what matters most and who can make a difference?. (PDF)</u> Employee Relations: The International Journal. 8 April 2020

<sup>&</sup>lt;sup>33</sup> Good work: the Taylor review of modern working practices, 11 July 2017

The Government response was outlined in the <u>Good Work Plan</u> published in December 2018.<sup>34</sup>

The Government then committed to introducing an Employment Bill containing different policy elements from the Good Work Plan in the December 2019 <u>Queen's Speech</u>. This included granting workers a right to request contracts with more predictable working hours and a commitment to implement a <u>single labour market enforcement body (PDF)</u> as part of its <u>Labour Market Enforcement Strategy</u>.<sup>35,36</sup> However, despite being one of the main elements of the Taylor Review, employment status was not listed for inclusion in the Employment Bill. Labour peer Lord Hendy tabled a <u>Status of</u> <u>Workers Bill</u> (HL) (Private Members' Bill) to enable the creation of a single status for all workers.<sup>37</sup>

The House of Commons Library briefings <u>Insecure work: the Taylor Review and</u> <u>Good Work Plan and Implementing the Taylor Review of modern working</u> <u>practices</u> provide more detail on the policy situation regarding the Taylor Review and Good Work Plan.

In May 2021, the Chairs of the BEIS and Work and Pensions Committees called on the Government to bring forward the Employment Bill to tackle insecure work.<sup>38</sup>

At a <u>Westminster Hall debate on implementing the Taylor Review</u> on 19 January 2022 MPs across parties criticised the lack of progress on implementation. The Employment Bill is yet to be published as of spring 2022 and was not included in the <u>May 2022 Queen's Speech</u>.<sup>39</sup> Most of the Taylor Review recommendations have yet to be implemented.

In May 2022, the Prime Minister has asked Conservative MP Matt Warman to lead another review into the future of work.<sup>40</sup>

"The review will build on existing government commitments (including those made in response to the <u>Matthew Taylor Review</u>) to assess what the key questions to address on the future of work are as we look to support people to progress in work with the skills they need and grow the economy."

<sup>36</sup> Gov.UK, <u>Labour Market Enforcement Strategy 2021 to 2022</u>, 13 December 2021

<sup>&</sup>lt;sup>34</sup> <u>Good Work Plan</u>, December 2018

<sup>&</sup>lt;sup>35</sup> Gov.UK, <u>Establishing a new single enforcement body for employment rights (PDF)</u>, June 2021.

<sup>&</sup>lt;sup>37</sup> UK Parliament, <u>Status of Workers Bill</u>, 1 February 2022

<sup>&</sup>lt;sup>38</sup> UK Parliament, <u>Employment Bill: Committees call on Government to bring forward workers' rights</u> <u>plans</u>, 27 May 2021

<sup>&</sup>lt;sup>39</sup> People Management, <u>Omission of employment bill from Queen's Speech a 'missed opportunity'</u>, 11 May 2022.

<sup>&</sup>lt;sup>40</sup> Gov.UK, <u>Matt Warman to lead review into the future of work</u>, 12 May 2022.

Part of the Terms of Reference for this review is to explore the role of local labour markets in facilitating access to good jobs in relation to levelling-up across the country.<sup>41</sup>

But some observers have asked whether it is appropriate to have another review, especially given the omission of an Employment Bill from the Queen's Speech.<sup>42</sup>

#### **Critique of the Taylor Review**

The TUC, as well as some academic labour lawyers and work and employment experts, have argued that the Taylor Review proposals do not go far enough to correct imbalances of power in modern workplaces. TUC General Secretary Frances O'Grady commented in July 2017 when the Taylor Review was published: 'This is not the game changer needed to end insecurity and exploitation at work'.<sup>43</sup>

Academic critique includes a Special Edition in Industrial Relations Journal, suggesting for instance, that the Taylor Review downplays the role of regulation in providing countervailing power at work and facilitating better work and quality jobs.<sup>44</sup>

In an article in Industrial Law Journal, academic employment lawyers identify problems with the Taylor Review.<sup>45</sup> The authors focus their critique on the lack of worker choice and voice regarding good work. On choice, the authors argue that 'the ways in which worker agency is constrained by the power of employers in the workplace is largely glossed over'. On voice, the Review 'makes only a brief and cursory reference to trade union representation through collective bargaining as a form of voice, but fails to set out any specific proposals for enhancing legal support for collective bargaining'.

#### Labour Party Employment Rights Green Paper

In September 2021, the Labour Party published an <u>Employment Rights Green</u> <u>Paper (PDF)</u>, called a New Deal for Working People.<sup>46</sup> The Labour policy on good work goes further than the Taylor Review/Good Work Plan, notably in promising to strengthen trade union collective bargaining and organising rights.

The <u>policy measures</u> relating to good work promised by Labour if elected to office, include:

<sup>&</sup>lt;sup>41</sup> Gov.UK, <u>Future of Work Review – Terms of Reference</u>, 12 May 2022

<sup>&</sup>lt;sup>42</sup> People Management, <u>Prime minister launches new review into the future of work</u>, 20 May 2022

<sup>&</sup>lt;sup>43</sup> TUC, <u>The Taylor Review isn't the 'game-changer' that gig economy workers need</u>, 11 July 2017

<sup>&</sup>lt;sup>44</sup> Industrial Relations Journal, <u>Special Issue on Matthew Taylor's Report on Modern Working</u> <u>Practices</u>, 49(6): 399-553. 2018

<sup>&</sup>lt;sup>45</sup> Bales K, Bogg A, Novitz T. '<u>Voice' and 'choice' in modern working practices: Problems with the Taylor review (PDF)</u>. *Industrial law journal*. 47(1): 46-75. 2018

<sup>&</sup>lt;sup>46</sup> Labour, Employment Rights Green Paper (PDF), September 2021

- Fair pay agreements negotiated through sectoral collective bargaining, starting with the adult social care sector;
- Increase the minimum wage to at least £10 per hour for all workers;
- Create a single status of 'worker' for all but the genuinely self-employed, so all workers have the same employment rights protections;
- A ban on zero-hours contracts and ending 'one-sided flexibility', so that all workers receive the right to a secure contract and predictable hours;
- Updating trade union law to give workers stronger rights to organise collectively;
- Reforming enforcement of employment rights;
- Use public procurement to support good work;
- Ending fire and rehire practices.

### Living wages

Living wages are an important element of good work and addressing low pay. The statutory UK Government National Living Wage (workers aged 23+) increased by 6.6% from £8.91 to £9.50 rom 1 April 2022. The NLW rise is based on <u>recommendations by the Low Pay Commission (PDF)</u>, 'consistent with reaching the target of two-thirds of median earnings by October 2024'. Lower National Minimum Wage rates apply to younger workers.<sup>47,48</sup>

The Low Pay Commission published <u>The National Living Wage Review (2015-2020)</u> in May 2022. <sup>49</sup> It concludes:

Overall, our assessment of the first stage of the NLW's journey is positive. It increased hourly and weekly pay for the lowest-paid workers at an ambitious pace, making the UK's minimum wage one of the highest in the world.

However, in a separate report, the Low Pay Commission identified problems with enforcing the statutory minimum wage.<sup>50</sup>

A policy review of the National Living Wage is also provided by <u>ReWage</u> (Renewing Work Advisory Group of Experts). <sup>51</sup> It outlines six policy recommendations for addressing low pay and improving working conditions for the low-paid:

1. Strengthening enforcement of the National Living Wage

<sup>&</sup>lt;sup>47</sup> Gov.UK, <u>Minimum wage rates for 2022</u>, 27 October 2021

<sup>&</sup>lt;sup>48</sup> House of Commons Research Briefing, <u>National Minimum Wage Statistics</u>, 22 November 2021

<sup>&</sup>lt;sup>49</sup> Low Pay Commission, <u>The National Living Wage Review (2015-2020)</u>, 18 May 2022.

<sup>&</sup>lt;sup>50</sup> Low Pay Commission, <u>Non-compliance and enforcement of the National Minimum Wage: A report</u> by the Low Pay Commission, 11 May 2021

ReWage, <u>Beyond the National Living Wage – Further Proposals for Addressing Low Pay</u>, 19 May 2022

- 2. Promoting the Voluntary Living Wage
- 3. Increasing and stabilising working time
- 4. Providing opportunities for pay progression
- 5. Improving statutory sick pay
- 6. Introducing industry level pay-setting institutions

On the voluntary living wage, civil society stakeholders like the Living Wage Foundation suggest that the statutory NLW/NMW do not provide workers with enough to live on, given rising living costs. The fact that living costs have been rising across the UK since early 2021 is especially problematic for many lowerpaid workers.<sup>52</sup> The LWF advocates for employers to pay a <u>Real Living Wage</u>, which reflects living costs. The current Real Living Wage is £11.05 in London and £9.90 outside London. The Real Living Wage is voluntary and not legally compulsory. As of May 2022, over 10,000 employers are accredited with the Living Wage Foundation. The Living Wage Foundation also campaigns for living hours alongside a Real Living Wage – a guaranteed minimum of 16 hours a week to provide security of hours.

#### Levelling-Up and good work

Levelling-Up is one of the central planks of Government policy to reduce geographic economic, social and health inequalities in UK regions. The Government published its <u>Levelling Up the United Kingdom White Paper</u> on 2 February 2022.<sup>53,54</sup>

The Levelling-Up policy remit is wide-ranging and does not specifically focus on good work or job quality. That said, objective one in the White Paper is: 'Boost productivity, pay, jobs and living standards by growing the private sector, especially in those places where they are lagging'.

Good work is an essential element of regional Levelling-Up. However, stakeholders like the TUC suggest that the White Paper neglects the levelling-up of existing work that is low-paid and insecure.<sup>55</sup>

Responding to the Levelling-Up White Paper, the Institute for the Future of Work comments that it has:

many ambitions in line with those of the Institute for the Future of Work (the Institute), namely: to see everyone, wherever they live and whatever their background, to develop their capabilities in ways that will enable them to flourish as human beings.

<sup>&</sup>lt;sup>52</sup> House of Commons Research Briefing, <u>Rising cost of living in the UK</u>, 19 May 2022

<sup>&</sup>lt;sup>53</sup> HM Government, <u>Levelling Up the United Kingdom</u>, CP604, 2 February 2022

 <sup>&</sup>lt;sup>54</sup> House of Commons Research Briefing, Levelling up: What are the Government's proposals? 18
 February 2022

<sup>&</sup>lt;sup>55</sup> TUC, <u>Levelling Up White Paper leaves low paid workers behind</u>, 3 February 2022

However, while the White Paper does consider some aspects of better work with an emphasis on improved pay, as well as employment (in Mission 1), and skills (in Mission 6), it falls short of capturing all of the dimensions of good work as set out in our Good Work Charter.

Access to good work will affect prospects for people and places across the UK more than any other single factor – constituting the 'core challenge' of levelling up, the IFOW suggests.<sup>56</sup> The Library Insight <u>Levelling up: What are the Government's proposals?</u> provides more information on levelling up proposals.

## 3.2 Devolved nations

The devolved Governments in Scotland, Wales and Northern Ireland are supporting various policy measures aimed at advancing good work.

### Scotland

In Scotland, <u>The Fair Work Convention</u> (FWC), established by the Scottish Government in 2015, acts as an independent advisory body to Scottish Ministers on fair work.<sup>57</sup> The FWC produced a <u>Fair Work Framework</u> for Scotland in 2016. <sup>58</sup> The Framework defines fair work as:

"Fair work is work that offers effective voice, opportunity, security, fulfilment and respect; that balances the rights and responsibilities of employers and workers and that can generate benefits for individuals, organisations and society."

In December 2020, the FWC published its <u>Fair Work in Scotland report</u>, which tracked progress on five dimensions of fair work: opportunity, respect, security, fulfilment and effective voice.<sup>59</sup> The report concludes that limited progress has been made in addressing fair work in Scotland to date. No improvement is seen in most indicators under the five dimensions during the five years prior to publication of the report. This has been exacerbated by the Coronavirus crisis.

For instance, employment opportunity was reduced due to the pandemic, and health and safety risks also increased under the respect dimension. Security of employment, hours and pay in Scotland generally showed most improvement of the five dimensions; mostly due to increased employer adoption of the voluntary real living wage. Indicators of work fulfilment were all seen as having deteriorated, including workplace learning, training and skills underutilisation. Finally, collective bargaining coverage – seen as the

<sup>&</sup>lt;sup>56</sup> IFOW, <u>Why access to good work must be central to the Levelling Up agenda</u>, 11 February 2022

<sup>&</sup>lt;sup>57</sup> The Fair Work Convention, Scotland, 2015

<sup>58</sup> Fair Work Framework, Scotland, 2016

<sup>&</sup>lt;sup>59</sup> Fair Work in Scotland Report, December 2020

main indicator of effective employee voice – has increased, albeit with substantial sectoral variation between the public and private sectors.

Significant variations in lived experiences of fair work across Scotland are identified in the report, including sectoral variation in fair work. Sectors with limited fair work include: Agriculture, Forestry and Fishing; Manufacturing; Construction; Wholesale and Retail Trade; Accommodation and Food Service Activities; Human Health and Social Work Activities.

The report recommends that targeted sector-level interventions by the Scottish Government, Fair Work Convention and employers and trade unions are necessary to address constraints to fair work in such sectors, aimed at reforming these sectors' core business and employment models. One of the main recommendations is to create sector level fair work processes.

In September 2021, the Scottish Government published 'Fair Work First Guidance' to support the implementation of fair work in workplaces across Scotland. <sup>60</sup> A fundamental policy for advancing fair work is the use of public procurement and 'social licensing' rules, whereby the award of public contracts, grants and funding depends on payment of the real Living Wage.

Furthermore, the Scottish Government has a <u>Just Transition Commission</u> with a remit to decarbonise the economy.<sup>61</sup> The just transition includes:

- Creating green jobs: skills training and education designed to create new good, high value jobs in green industries like low-carbon manufacturing, renewables, and tech;
- Job security for those in industries most affected by the transition helping people to transition out of traditional carbon intensive industries like oil production.

### Wales

Various good work policy measures have also been introduced in Wales in recent years by the Welsh Government.

In 2018, an independent <u>Fair Work Commission</u> (FWC) was established by the Welsh Government.<sup>62</sup> It was tasked with recommendation how to promote fair work in Wales, including developing indicators and measures of fair work. The FWC subsequently published a report in 2019, <u>Fair Work Wales</u>.<sup>63</sup>

The report made various policy recommendations under the following headings:

<sup>&</sup>lt;sup>60</sup> Scottish Government, <u>Fair Work First Guidance: Supporting Implementation of Fair Work First in</u> <u>Workplaces across Scotland (PDF)</u>. Edinburgh: Scottish Government. September 2021

<sup>&</sup>lt;sup>61</sup> Scottish Government, <u>Just Transition - A Fairer, Greener Scotland: Scottish Government response</u>, 7 September 2021

<sup>&</sup>lt;sup>62</sup> Fair Work Commission, Welsh government, 2018

<sup>&</sup>lt;sup>63</sup> <u>Fair Work Wales</u>, Report of the Fair Work Commission, March 2019

- legislating for fair work (including a Social Partnership Act to legally embed social partnership and social dialogue between government, employers and trade unions regarding matters like fair work);
- promoting fair work through economic incentives (including supporting fair work through setting public sector procurement standards);
- promoting fair work through trade unions and collective bargaining;
- promoting fair work through other measures (such as increasing awareness of fair work);
- taking fair work forward building capacity, institutions and mechanisms (proposed a new Office for Fair Work within the Welsh government, and sector-level Fair Work Wales Forums, starting with Social Care);
- measuring and reporting progress on Fair Work.

Building on the above, in March 2021, the Welsh government published a draft <u>Social Partnership and Public Procurement (Wales) Bill</u>. <sup>64,65,66</sup> The draft Bill includes measures to formally/legally establish social partnership in Wales by creating a social partnership council; strengthen socially responsible public procurement standards; deliver fair work outcomes.

### **Northern Ireland**

The Northern Ireland Executive are also supporting the good work policy agenda. On 8 December 2020, the Northern Ireland Statistics and Research Agency (NISRA) published 'Work Quality in Northern Ireland', which measured progress on six work-quality indicators.<sup>67</sup>

A commitment in the 'New Decade New Approach' agreement provides an enhanced policy focus on creating good jobs and protecting workers rights, to be enshrined in the Northern Ireland Executive new Programme for Government.<sup>68</sup> A public consultation on the Programme for Government draft Outcomes Framework was initiated in 2021.<sup>69</sup> The concept of 'better jobs' is incorporated as a key policy priority for achieving two proposed Strategic Outcomes:

<sup>&</sup>lt;sup>64</sup> New Draft Social Partnership and Public Procurement (Wales) Bill, Welsh government, 16 March 2021

<sup>&</sup>lt;sup>65</sup> <u>Consultation outcome: Draft Social Partnership and Public Procurement (Wales) Bill</u>, Welsh government, 23 April 2021

<sup>&</sup>lt;sup>66</sup> Welsh Government, <u>Written Statement: Draft Social Partnership and Public Procurement (Wales)</u> <u>Bill</u>, 13 July 2021

<sup>&</sup>lt;sup>67</sup> NISRA, <u>Work Quality in Northern Ireland (PDF)</u>, 8 December 2020

<sup>&</sup>lt;sup>68</sup> UK Government & Irish Government, <u>New Decade New Approach (PDF)</u>. January 2020

<sup>&</sup>lt;sup>69</sup> Northern Ireland Executive), <u>Consultation on the Programme for Government draft Outcomes</u> <u>Framework</u>, 2021

Outcomes		
Outcome	Key policy area	
Everyone can reach their potential.	Better Jobs: Creating and developing more opportunities and better jobs, by tackling issues such as job security, wages and flexibility, and giving employees a voice. Improving employability and helping those who are unemployed into work and ensuring we develop a workforce that is equipped and ready for employment. Protecting workers' rights, addressing 'zero hours' contracts and barriers to employment.	
People want to work, live and visit here.	Better Jobs: Creating varied, fulfilling and quality employment opportunities for our workforce to support retention of our workforce, and attracting skilled workers to Northern Ireland's industries	

### Table 2 – New Decade, New Approach: Strategic Outcomes

Source: UK Government & Irish Government, New Decade New Approach (PDF), January 2020

In addition, Ireland's National Economic and Social Council (NESC) has explored scope for developing a 'Shared Island' policy agenda, including supporting a <u>Good Jobs Agenda</u> in Northern Ireland and the Republic of Ireland.<sup>70</sup> Further details are available in the NESC <u>Shared Island Work</u> <u>Programme</u>.

NESC published a <u>Shared Island: Shared Opportunity – NESC Comprehensive</u> <u>Report</u> in April 2022 to inform the development of the <u>Shared Island Initiative</u> as a whole of Government priority.<sup>71</sup> It was launched by Ireland's Taoiseach Micheál Martin T.D. at an <u>event on 12th April 2022</u>.

# English city-regions

There are various regional/place-based <u>good employment/fair work charters</u> in some devolved English city-regions. These voluntarist charters generally outline the main elements of good work, like a real living wage, job design, skills development, and support local employers to establish them through encouraging best practice. Local place-based regulatory levers such as

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<sup>&</sup>lt;sup>70</sup> NESC, <u>Shared Island: Projects, Progress & Policy, The Good-Jobs Agenda</u> NESC Secretariat Papers Paper No.23. March 2021

<sup>&</sup>lt;sup>71</sup> NESC, <u>Shared Island Shared Opportunity: NESC Comprehensive Report</u>. NESC Council Report, No. 157, April 2022

public procurement are increasingly being incorporated into such charters.<sup>72,73</sup>

Sissons and colleagues reviewed devolved regional good work initiatives in six city-region case studies in 2019: West Midlands Combined Authority (including Birmingham – total population of 2,834,000); Greater Manchester (2,756,000); Liverpool City Region (1,525,000); Leeds City Region (3,048,000); Sheffield City Region (1,375,000); and the Tees Valley (670,000). They outline city-region policies under a 'good jobs framework'.<sup>74</sup>

They identify two axes to the 'good jobs framework'. The first distinguishes between policy agendas aiming to create more high-quality jobs (i.e., 'create more good jobs') and ones aiming to improve the quality of existing jobs in local labour markets (i.e., 'make bad jobs better'). The second axis identifies if policy-makers look to adopt standard-setting mechanisms, like wage floors (minimum and living wages) and other institutional mechanisms (like trade union recognition), or use more sector oriented programmes and/or intermediary organizations (labelled as 'programmatic').

Programmatic policies aim to increase more new good jobs rather than improve the quality of existing jobs.

They suggest that their analysis of devolution policies in city-regions relating to good jobs illustrates the dominance of 'programmatic' policies aiming to increase more new good jobs rather than improve quality of existing jobs.

For example, in Greater Birmingham the focus is on existing strengths in advanced manufacturing, plus creating new green jobs. The focus in Liverpool is on science and expanding the Knowledge Quarter. In Sheffield, there is a focus on local skills supply linked to sectors like advanced manufacturing and nuclear research. Tees Valley focuses on advanced manufacturing and logistics. Leeds City Region emphasizes biotechnology and low-carbon jobs. Greater Manchester promotes various sectors, including advanced manufacturing, business services, biotech and pharmaceuticals.

According to Sissons et al., all the English city-regions they examine commonly share a 'programmatic' policy focus: none currently aims to make systemic interventions promoting minimum standards like wage floors or trade union recognition. This is despite all six case study city-regions having large segments of low-wage labour markets.

They suggest that this focus on 'programmatic' policies partly relates to constraints on the capacity of city-regions to shape policies on minimum employment standards (like a statutory national minimum wage, set nationally) relating to wider job quality matters.

There are some indications that this may be beginning to change in the last couple of years, for example, in relation to growing interest in encouraging

<sup>&</sup>lt;sup>72</sup> IGN index of fair employment charters, December 2020

<sup>&</sup>lt;sup>73</sup> IPPR, <u>Decent Work: Harnessing The Power of Local Government</u>, May 2019

<sup>&</sup>lt;sup>74</sup> Sissons, P., Green, A.E. and Broughton, K., <u>Inclusive growth in English cities: mainstreamed or sidelined? (PDE)</u> Regional Studies, 53(3): 435-446. 2019

place-based voluntary real living wage accreditation in some cities-regions (Living Wage Places).<sup>75 76</sup> For example, Greater Manchester City Region launched a Good Employment Charter in 2020 and Liverpool City Region introduced a Fair Employment Charter in 2021 - which include endorsing voluntary real living wage accreditation.<sup>77,78</sup>

An important aspect of Living Wage Places is encouraging large local employers as 'anchor institutions' to pay the real Living Wage and also extend it across local supply chains through procurement processes – this is required for accreditation with the Living Wage Foundation.

Cao and colleagues have been conducting research specifically relating to good work in England's Midlands region. Their research explores the <u>decent</u> work policy implications and challenges for the Midlands in the context of the coronavirus crisis. The goal is to create better understanding of the perspectives of key stakeholders on decent work policy development, regarding inclusive recovery policies on jobs and income. Recommendations include:

1. The government should support a policy shift towards prioritising decent work, to be incorporated with the region's economic recovery in the post-Covid era.

2. In the Midlands, a pan-regional figurehead, which could be an association of local/regional authorities, or delegations from Government departments, is needed to lead the decent work policy agenda and coordinate actions.

3. Specifically, three dimensions of policy shift are recommended for the Midlands region:

- Decent job policies: including, to initiate new employment policies in the Midlands region to support investment in job-creation/job guarantees;
- b) Decent work protection and rights policies: including supporting the Real Living Wage for key workers/low-paid population; encouraging trade union organising and engagement; advocating a policy shift from inflation and business interests to quality employment and decent income;
- c) Decent dialogue mechanism: to establish a regional mechanism for continuous decent work discussion; to enhance knowledge

<sup>&</sup>lt;sup>75</sup> Smith Institute, <u>The local Living Wage dividend: An analysis of the impact of the Living Wage on ten</u> <u>city regions</u>, September 2018

<sup>&</sup>lt;sup>76</sup> Living Wage Foundation, <u>Living Wage Places: A Toolkit on tackling low pay by celebrating local</u> <u>action (PDF)</u>.

The Greater Manchester Good Employment Charter, Evaluation (PDE), Decent Work and Productivity Research Centre, Manchester Metropolitan University, May 2021

<sup>&</sup>lt;sup>78</sup> Liverpool City Region, <u>Fair Employment Charter</u>, 2021

exchange between enterprises, civil societies, communities, and education institutions, on decent work policies.

4. To safeguard the policy shift, a clear policy framework should be drafted by the regional figurehead to safeguard the institutional progress of a decent work policy shift and promote best practice in the region.

## International examples of good work policies

This section provides some selected examples of international policy initiatives relating to good work.

### International job disruption policies: social partnership

A number of countries have developed a collaborative social partnership approach in response to disruption of the labour market: the Danish Disruption Council, The Californian Future of Work Commission, Germany's Industry 4.0., the Swedish Job Security Council, the New Zealand Future of Work Forum.

#### Denmark

3.4

The Danish Disruption Council was formed by the Danish government in 2017 to help ensure that public policy adjusts to the effects of technological change on the labour market and support new types of work.<sup>79</sup> The Disruption Council is headed by the Prime Minister, and comprises eight ministers and 30 members, including CEOs, social partners, researchers and others. Five policy steps have been prioritized: Adjusting the unemployment benefits system; recognising platform work as work when it comes to social benefits; the first collective agreement with a platform company (Hilfr); boosting the future potential of the sharing and platform economies; upskilling the workforce to meet changing conditions.

#### Germany

In Germany, 'Industrie 4.0' (Industry 4.0) is a national strategic initiative by German government under the auspices of the Ministry of Education and Research (BMBF) and the Ministry for Economic Affairs and Energy (BMWI). The aim is to increase the number of good jobs in digital manufacturing by increasing digitisation and interconnection of products, value chains and business models.<sup>80</sup>

<sup>&</sup>lt;sup>79</sup> World Economic Forum, <u>5 ways Denmark is preparing for the future of work</u>, 21 November 2018

<sup>&</sup>lt;sup>80</sup> European Commission, <u>Germany: Industrie 4.0 (PDF)</u>, January 2017

#### Sweden

In Sweden, Job Security Councils have been facilitating moves between existing jobs and new jobs since the 1970s. The Councils prioritise employment security by assisting workers to find new jobs after redundancies. They are sectoral social partner bodies, regulated by collective bargaining agreements, covering transition arrangements, career guidance and training services.<sup>81,82</sup>

#### California

In California, the main aim of the Future of Work Commission was to develop a New Social Compact for work and workers, and make policy recommendations covering:

- The types of jobs Californians could have in future.
- The effects of technology on work, workers, employers, jobs and society.
- Methods of promoting better job quality, wages and working conditions through technology.
- Modernizing worker safety net protections.
- The best way to preserve good jobs, prepare the workforce for jobs of the future through lifelong learning.<sup>83</sup>

The New Social Compact for work and workers was published in March 2021 by the California Future of Work Commission, identifying five priority recommendations: ensuring jobs are available for everyone who wants to work; eliminate working poverty; create an updated worker benefits and safety net model for the 21<sup>st</sup> century; raise the standard and share of quality jobs; future-proof California with jobs and skills to prepare for shocks including technological change and climate crisis.<sup>84</sup>

#### **New Zealand**

In New Zealand, The Future of Work Tripartite Forum established in August 2018, is a social partnership between the Government, Business New Zealand as representatives of business groups, and the New Zealand Council of Trade Unions as representatives of unions. <sup>85</sup> The Forum has five strategic priorities:

Creating more adaptive institutions

<sup>&</sup>lt;sup>81</sup> TUAC to OECD, <u>The Swedish Job Security Councils – A case study on social partners' led transitions</u>, 1 May 2018

<sup>&</sup>lt;sup>82</sup> Engblom, Employment Protection, Collective Bargaining, and Labour Market Resilience - The Swedish Transition Agreements (PDF), January 2017

<sup>&</sup>lt;sup>83</sup> GovCa, Labor & Workforce Development Agency, <u>Future of Work Commission</u>. August 2019

<sup>&</sup>lt;sup>84</sup> California Future of Work Commission, <u>A New Social Compact for work and workers (PDF)</u>. March 2021

<sup>&</sup>lt;sup>85</sup> Ministry of Business, Innovation & Employment. <u>Future of Work Tripartite Forum</u>. 2021

- Raising workplace productivity and wages
- Responsive skills systems enabling lifelong learning
- Helping workers find and keep decent jobs
- Protecting vulnerable workers

# Public procurement & flexicurity: Denmark & the Netherlands

#### **Public procurement**

Both the Danish and Dutch governments use public procurement to regulate good pay and conditions in Denmark and the Netherlands respectively. Application of pay, collective bargaining agreements and social clauses in public procurement in Denmark is viewed as amongst the most advanced in Europe.<sup>86</sup>

Promotion of public procurement by the government to encourage good work standards is also common in The Netherlands. Indeed, it is estimated that The Netherlands spends 44% of its national budget on public procurement. Since 2013, the Dutch government has required that businesses awarded state contracts have to comply with International Labour Organisation (ILO) standards, including conventions on collective bargaining. These are binding in all state contracts. 'Social return' conditions in state contracts stipulate the proportion of the tender amount to be spent on wages, which limits scope to adopt low-cost employment practices. Ludlow observes that 'the Netherlands [is] a front-runner in the use of public procurement to further social policy objectives' within the EU.<sup>87</sup>

#### Flexicurity

Both Denmark and the Netherlands have been most closely associated with the concept of 'flexicurity' – combining labour market flexibility and security, rather than having to prioritize one or the other. In the Netherlands, the main focus of flexicurity has been to provide atypical part-time and temporary employees with stronger employment security. In Denmark, meanwhile, flexicurity has been associated with liberal redundancy regulations, high unemployment benefits, and comprehensive active labour market policies (ALMP).<sup>88</sup>

 <sup>&</sup>lt;sup>86</sup> Refslund B, Sørensen OH. <u>Islands in the stream? The challenges and resilience of the Danish</u> <u>industrial relations model in a liberalising world (PDF)</u>. Industrial Relations Journal, 47(5-6): 530-46.
 2016

<sup>&</sup>lt;sup>87</sup> Ludlow, A. <u>'Social Procurement: Policy and Practice Future Directions in EU Labour Law: Academic Contributions' (PDF)</u>, European Labour Law Journal, 479, 488. 2016

 <sup>&</sup>lt;sup>88</sup> Bekker S, Mailand M. <u>The European flexicurity concept and the Dutch and Danish flexicurity models:</u> <u>How have they managed the Great Recession? (PDF).</u> Social Policy & Administration. 53(1):142-55.
 2019

### Green jobs transition in Spain

In Spain, a tripartite agreement in 2018 between the social partners (trade unions, employers) and the Spanish government allocated €250 million to be invested in mining communities in the Asturias region. The agreement was designed to smooth the transition away from carbon-intensive employment, with coalmines due to close, towards retraining to prepare for new green jobs and environmental restoration. The agreement also provided early retirement options for miners aged over 48.<sup>89,90</sup>

### Policy responses to the coronavirus pandemic

The European Foundation for the Improvement of Living and Working Conditions (Eurofound) provides a <u>COVID-19 EU PolicyWatch</u>, which collates information on policy responses of EU (and UK) governments and social partners to the coronavirus pandemic, and outlines best practice exemplars of organisational measures intended to mitigate social and economic impacts.<sup>91</sup>

Specific examples include support to companies in Portugal for hiring on the basis of teleworking contracts in interior regions.<sup>92</sup> In Germany, protective measures integrating outsourced workers at Tönnies, Germany's biggest meat processing company, were implemented to improve working conditions and employment security.<sup>93</sup>

In Belgium, Flemish employment services launched a policy initiative to support people who were in temporary unemployment to work in the care sector.<sup>94</sup>

In Sweden, the government, the trade union Kommunal, and municipalities concluded an agreement in 2020 to hire up to 10,000 nursing assistants and care workers in new permanent jobs. This included people previously in temporary insecure care assistant posts being made permanent and with training/upskilling also provided. The impetus underpinning the agreement was the requirement to address deficiencies in elderly care, which became especially acute during the coronavirus pandemic.<sup>95</sup>

<sup>&</sup>lt;sup>89</sup> ETUC, <u>Spain guarantees a just transition for miners</u>, 2018

<sup>&</sup>lt;sup>90</sup> The Guardian, <u>Spain to close most coalmines in €250m transition deal</u>, 26 October 2018

<sup>&</sup>lt;sup>91</sup> Eurofound, <u>COVID-19 EU PolicyWatch</u>, database of national-level responses. 2022

 <sup>&</sup>lt;sup>92</sup> Eurofound, <u>Support to companies for hiring on the basis of teleworking contracts in interior regions</u>.
 10 July 2020

<sup>&</sup>lt;sup>93</sup> Eurofound, <u>Integrating outsourced workers at Tönnies</u>. 10 December 2020

<sup>&</sup>lt;sup>94</sup> Eurofound, <u>Care jobs for temporary unemployed</u>. 26 October 2020

<sup>&</sup>lt;sup>95</sup> The Local, <u>Sweden pledges to give up to 10,000 care workers permanent jobs</u>, 13 May 2020

### 4

# Ideas for good work policy reforms

This section reviews selected policy and academic literature on ideas for good work policy reforms. First, the importance of supporting good work in the Foundational Economy is outlined. Second, policies relating to green jobs and just transition are considered. More generic ideas for good work policy reforms are then outlined – notably regarding the choice of 'hard' and/or 'soft' policies, followed by a new social contract for good work.

4.1

### Good work in the foundational economy

There is a growing body of opinion that a vital part of a good jobs strategy is making existing jobs in foundational sectors like care and retail better and increasing the number of good quality jobs in such foundational sectors. The main argument is that industrial and jobs policy should encompass a broader range of more traditional labour-intensive sectors and their supply chains grounded in the <u>foundational economy</u>.<sup>96, 97, 98</sup>

Bowman and colleagues define the 'foundational economy' as the zone that produces socially useful good and services in sheltered sectors with three related factors: first, they are required for everyday life; second, they are consumed by all citizens regardless of wealth; third, they are distributed according to population through (regional, local) networks. Foundational sectors embedded in localities include: energy and telecommunications utilities; transport; private sector activities like retail banking, supermarket food retailing and food processing; and health, education, welfare and social care. Bowman and colleagues estimate that one-third of the UK workforce is employed in foundational related activities.<sup>99</sup>

While characterised by increased outsourcing to the private sector, many foundational sectors are directly or indirectly governed by the state or could potentially be. Proponents of the foundational economy suggest that there could be social licencing regulations, whereby the right of employers to trade

The foundational economy provides socially useful goods and services.

<sup>&</sup>lt;sup>96</sup> Foundational Economy, <u>https://foundationaleconomy.com/</u>

<sup>&</sup>lt;sup>97</sup> Bowman, J., J. Froud, S. Johal, J. Law, A. Leaver, M. Moran, & K. Williams. The End of the Experiment? From Competition to the Foundational Economy. Manchester: Manchester University Press. 2014

<sup>&</sup>lt;sup>98</sup> Collective, Foundational Economy. Foundational Economy: the infrastructure of everyday life. Manchester University Press, 2018

<sup>&</sup>lt;sup>99</sup> Bowman, J., J. Froud, S. Johal, J. Law, A. Leaver, M. Moran, & K. Williams. The End of the Experiment? From Competition to the Foundational Economy. Manchester: Manchester University Press. 2014

in foundational activities would depend on procurement and compliance with social responsibilities like providing good working conditions, paying real living wages, training, and recognising trade unions.

The coronavirus pandemic has also led to a greater appreciation of the social value of such key worker roles in sectors like retail, hospitality, healthcare, social care, public transport.<sup>100</sup> Workers in these foundational roles were at the forefront in responding to the public health crisis. Indeed, they closely correspond to the 'essential workers' identified by government during the pandemic.<sup>101</sup> The pandemic has focused more attention on the fact that foundational economy jobs are often low-paid, and a reappraisal of whether wages and terms and conditions of employment need to be enhanced to reflect the real social and economic value of such roles.

### New foundational economy policies in Wales

To date, policy initiatives on good work in the foundational economy are most apparent in Wales.<sup>102</sup> This includes policies on fair work and public procurement outlined above in Section 3. Moreover, the Welsh Government have also adopted new policy initiatives funding experiments specifically in the foundational economy.<sup>103</sup> One of the key promises in the Welsh Government's Programme for Government was to <u>pay social care workers in</u> <u>Wales the voluntary Real Living Wage</u> (currently £9.90 per hour outside London) and this took effect from 1 April 2022.<sup>104,105</sup>

### The Preston model

Elsewhere in the UK, in the city of Preston in North West England, the Preston model of the foundational economy has attracted a lot of attention. 'The Preston Model' is a local approach taken by Preston City Council and other institutions and partners to develop community wealth in the city.<sup>106,107,108</sup> This has occurred through local policies like supporting cooperative/municipal forms of organisational ownership, channelling investment into local good jobs, the role of key anchor institutions in promoting fair work through

- <sup>103</sup> Welsh Government. The foundational economy. Cardiff: Welsh Government. 22 January 2021 https://gov.wales/further-3-million-boost-everyday-economy-projects
- <sup>104</sup> Welsh Government. <u>Implementing the Real Living Wage for social care workers in Wales</u>. 31 March 2022
- <sup>105</sup> Welsh Government, Additional payment for social care workers aligned to the Real Living Wage, 26 May 2022
- <sup>106</sup> Preston City Council, <u>What is Preston Model?</u> [accessed 1 June 2022]
- <sup>107</sup> Preston City Council, <u>How we built community wealth in Preston (PDF)</u>.
- <sup>108</sup> Preston City Council, <u>Community Wealth Building 2.0: Leading Resilience and Recovery in Preston</u> (<u>PDF</u>).

<sup>&</sup>lt;sup>100</sup> Winton, A. and Howcroft, D. <u>What COVID-19 tells us about the value of human labour</u>, University of Manchester, 7 April 2020

<sup>&</sup>lt;sup>101</sup> UKGov, <u>Essential workers prioritised for COVID-19 testing</u>, 25 February 2021

<sup>&</sup>lt;sup>102</sup> Green, A. E., & Sissons, P. Fair work in the foundational economy: a review of evidence. Bevan Foundation. May 2021. <u>https://www.bevanfoundation.org/resources/fair-work-in-the-foundationaleconomy-a-review-of-evidence/</u>

policies like a real living wage, setting public procurement rules in local supply chains.

# 4.2 Green jobs and just transition

Policies for creating new green jobs are an important aspect of addressing climate crisis. The International Labour Organisation (ILO) <u>defines green jobs</u> as:

"Green jobs are decent jobs that contribute to preserve or restore the environment, be they in traditional sectors such as manufacturing and construction, or in new, emerging green sectors such as renewable energy and energy efficiency."

This encompasses new green jobs in local community projects, like tree planting/re-wilding, green social housing provision and community redevelopment, and other aspects of a 'Green New Deal'. In relation to this, an all parliamentary group of politicians (called the <u>Green New Deal Group</u>) tabled a <u>Green New Deal Bill</u> on 19 October 2021, which includes calls for a comprehensive action plan to create 'millions of good green jobs across the UK'.<sup>109</sup>

Good Work and green jobs policy in the context of a Just Transition to Net Zero is also gaining increasing attention, in relation to climate change.

The main concrete policy by the UK government on green jobs relating to just transition was the formation of the Green Jobs Taskforce in late 2020, as part of its <u>Ten Point Plan for a Green Industrial Revolution</u>.<sup>110</sup> This independent Taskforce comprised representatives from industry, trade unions and skills bodies to advise BEIS and the Department for Education (DfE), to assess workforce skills requirements for meeting net zero, how to facilitate good quality green jobs and how to transition workers from high carbon sectors into new green sectors – including electric vehicle manufacture in the midlands, construction and installation of offshore wind farms, and green retrofitting of homes.

The <u>Green Jobs Taskforce Report</u>, published in July 2021, considered these matters and provided recommendations, including calling for a comprehensive and holistic view of the green jobs and skills challenge.<sup>111</sup>

"(The Report) represents a call to arms for government, industry and the education sector across all stages of the green jobs life cycle: to invest in delivering net zero and our environmental goals; to build pathways into green careers for people from all backgrounds; and to ensure that workers

<sup>&</sup>lt;sup>109</sup> UK Parliament, <u>Green New Deal Bill</u>, 19 October 2021.

<sup>&</sup>lt;sup>110</sup> Gov.UK, <u>The ten point plan for a green industrial revolution</u>, 18 November 2020.

<sup>&</sup>lt;sup>111</sup> Gov.UK, <u>Green Jobs Taskforce report</u>, 14 July 2021.

and communities dependent on the high carbon economy are supported with the transition."

One recommendation of note regarding good work is:

"That the government should work with industry, unions and other key stakeholders to actively set out, as part of the net zero Strategy, how it will ensure that the green jobs created by employers are good quality as defined by the Good Work Plan, regardless of skills base."

A report by the IPA provides an overview of <u>Just Transition</u>.<sup>112</sup> It emphasises the concept of a just transition, whereby jobs are protected, and workers are reskilled for new green jobs. The report observes that a just transition requires partnership between employers and workers, encompassing robust worker voice at multiple levels to enable workers to speak up to secure their interests and also ensure broader consent to managing change. This should include a greater collective role for trade unions and other employee representation channels in ensuring job quality as part of a just transition, according to the IPA report.

The IPA report concludes that government has a vital role at national, regional and sector levels in advancing good green jobs in collaboration with key stakeholders. The example of the Green Jobs Taskforce (see above) offers a potential model to adapt to meet this need on a more permanent basis, it concludes. However, the report notes 'concerns among many policymakers, academics and workforce representatives in the UK that the Good Work agenda is falling by the wayside as a result of changing government policy priorities'.

# 4.3 Hard or soft policy ideas for good work

A review of academic and policy articles reveals a distinction between hard and soft policies for enhancing good work.<sup>113,114</sup>

Hard policies comprise regulation and legislation by the state, which are compulsory. Current examples of hard policies include the UK national minimum wage, and public procurement rules in Wales to support good jobs in the foundational economy. In contrast, soft policies are voluntary. Current examples of soft policies include voluntary real living wage accreditation with the Living Wage Foundation, and employment charters in English cityregions.

<sup>&</sup>lt;sup>112</sup> IPA, <u>Just Transition</u>, September 2021

<sup>&</sup>lt;sup>113</sup> Gibb S, Ishaq M. <u>Decent work: what matters most and who can make a difference? (PDF)</u>. Employee Relations: The International Journal. 2020

<sup>&</sup>lt;sup>114</sup> Warhurst C, Knox A. <u>Manifesto for a new Quality of Working Life (PDF)</u>. Human Relations. 75(2):304-21. 2022

Soft policies lay out best practice for 'good' employers, while hard policies create a minimum floor for 'bad' employers (and implicitly prevent them from undercutting the good employers in that regard as well).

A combination of hard and soft policy measures is required to improve the quality of existing jobs and create new good quality jobs. The choice of hard and/or soft policies for good jobs relates to debates about enforcement of rules for good jobs, and who is responsible for enforcement (the state, employers, other stakeholders). There is emerging agreement in the academic and policy literature that a combination of hard and soft policy measures is required to improve the quality of existing jobs and create new good quality jobs.

According to Gibb and Ishaq, what matters most to employees is typically hard policies, whereas employers typically prefer soft voluntarist policies, and for advocates of decent work it is usually a mix of these.<sup>115</sup> The policy implication, they suggest, is that if progress on addressing work quality problems requires mutual engagement by a range of stakeholders, a combination of hard and soft measures is required at different levels (the workplace and beyond):

Problem areas of work quality, and problem employers, can be influenced by strategies shaping "hard" factors, including legislation. This needs to be complemented and integrated with strategies on "soft" factors, including identifying positive role models on themes of well-being, work-life balance and precarious forms of employment, as well as pay.

Warhurst and Knox present a manifesto for a new Quality of Working Life, proposing minimum standards rather than just voluntary actions by employers.<sup>116</sup> They conclude that although substantial scope still exists for employers to voluntarily improve working lives through their human resource management practices, the most vulnerable workers need statutory protection from those employers whose business models are intentionally premised on poor quality jobs. To this end, Warhurst and Knox believe that the state should create a floor of hard minimum standards of job quality through statutory regulation to ensure employee well-being – under the seven dimensions adopted by the Measuring Job Quality Working Group (see Section 1): terms of employment; pay and benefits; job design and the nature of work; social support and cohesion; health, safety and psychosocial wellbeing; work-life balance; and voice and representation.<sup>117</sup>

<sup>&</sup>lt;sup>115</sup> Gibb S, Ishaq M. <u>Decent work: what matters most and who can make a difference? (PDF)</u>. Employee Relations: The International Journal. 2020

<sup>&</sup>lt;sup>116</sup> Warhurst C, Knox A. <u>Manifesto for a new Quality of Working Life (PDF)</u>. Human Relations. 75(2):304-21. 2022

<sup>&</sup>lt;sup>117</sup> Irvine G, White D and Diffley M, <u>Measuring Good Work: The final report of the Measuring Job Quality</u> Working Group, Carnegie UK Trust, Dunfermline. 2018

# 4.4 A new social contract for good work

### **RSA blueprint for good work**

The Royal Society for Arts (RSA) has outlined <u>a new blueprint for good work</u> for all as a right.<sup>118</sup> The RSA identify four systemic policy challenges:

- 1. Stronger worker voice: How can trade unions be supported to reverse long-term membership decline? What other mechanisms are required to give workers more stakeholder power?
- 2. Democratic data: What rights should people have regarding data that is collated about them in workplaces?
- 3. A modern safety net: How can workers be supported financially during unemployment and retraining? How can parity of esteem between independent workers and employees be established, including in the gig economy?
- 4. Lifelong learning: How can workers be reskilled to equip them for the jobs of the future, especially those most at risk of automation? Can the status of low-skilled work be enhanced by creating upskilling opportunities?

The RSA then identify eight good work ideas for a new social contract relating to each of the four policy challenges:

- Stronger worker voice: a union innovation deal and works councils
- Democratic data: a data covenant for workers and data trusts
- A modern safety net: universal basic income (UBI) and portable benefits
- Lifelong learning: personal learning accounts and job security centres

Finally, for all eight ideas, the RSA make three policy recommendations – one for each level of intervention (micro, meso, macro). For example, of particular relevance for government policy, the RSA recommendations include the following hard legislative proposals:

• To support stronger employee voice, the RSA suggest: removing legislation aimed at restricting trade union organising, including the ban on digital balloting and physical access to workplaces for union organisers; implementing a British model of co-determination through legislation, and ensuring that all organisations with more than 20 workers must establish a works council.

<sup>&</sup>lt;sup>118</sup> RSA, <u>A blueprint for good work</u>, June 2020

- To provide a modern safety net, the RSA recommend: introducing a universal basic income of £5,000 a year, funded by replacing Universal Credit, reforming current tax break entitlements such as the personal allowance and new, redistributive taxes on Big Tech; implementing laws providing portable benefits for all self-employed workers, and ensuring that contractors of labour services should pay.
- To facilitate lifelong learning, the RSA propose: reconfiguring the existing apprenticeship levy into a general skills levy to fund personal lifelong learning accounts; exploring the idea of Job Security Centres, introducing a reskilling levy on employers, and altering statutory redundancy notice periods similar to those in Sweden.

# Institute for the Future of Work – A future good work strategy

In a report called <u>A better future for work: the world after Covid-19</u>, the Institute for the Future of Work (IFOW) makes various recommendations to extend good work.<sup>119</sup>

The overarching idea by the IFOW is to help all workers in a post-coronavirus world of work through a cross-cutting national strategy to support the environment, institutions and infrastructure to promote good work and address inequalities, including:

- Create a national Commission or Council on the future of work in the UK on a social partnership basis, with experts from government, industry, academia, and unions overseeing a good work strategy.
- Create new, place-based industrial strategies.
- Embed good work principles within organisations as a condition for future government support.

#### Provide security to protect people's futures

- Create a post-pandemic safety net.
- Foster local entrepreneurialism with public funding for experimental pilot initiatives.
- Provide direct support for workers in transition by adopting a 'mini' furlough scheme with a government wage subsidy of up to 20% for training. Align with targeted local needs for good jobs.

<sup>&</sup>lt;sup>119</sup> IFOW, <u>A better future for work: the world after Covid-19</u>, June 2020

#### **Create good work**

- Role for Government to promote sustainable private sector job creation.
- Create public sector jobs to achieve broader national priorities, including public infrastructure improvements.
- Local industrial strategies should promote creation of good work.
- A new Community Health Work Corps to tackle local health and care needs.

#### **Protect good work**

- Guarantee a real living wage for all key workers in the foundational economy directly or indirectly employed by government.
- Stronger legislation on basic protections for key workers in the foundational economy, including enhanced sick pay.
- Make future government support, loans, funding conditional on compliance with good work standards.
- Revise competition law to consider impacts on good jobs.

#### **Research good work**

- Research future impacts on good work.
- Request the Office for National Statistics (ONS) to measure impacts on work.

#### Making Britain the best place to work

Keith Sisson, Emeritus Professor of Industrial Relations at University of Warwick, has outlined a range of ideas relating to a new social contract for good work after Brexit and the Coronavirus pandemic.<sup>120,121</sup>

Policy ideas identified by Sisson include the social safety net, employment status and low pay and insecurity facing many of the 'key' workers in everyday services in the foundational economy. A Ministry for Employment and Social Affairs and a dedicated social partnership body like the Low Pay Commission are required to review worker's rights, Sisson suggests. Effective enforcement regulations are also needed, notably a well-resourced enforcement body, and robust social licensing and procurement rules in supply chains to ensure responsible business. Regular surveys are also important for informing

<sup>&</sup>lt;sup>120</sup> Sisson, K. <u>Making Britain the best place in the world to work: how to protect and enhance workers'</u> rights after Brexit ... and coronavirus (PDF). Industrial Relations Research Unit, University of Warwick, Warwick Papers in Industrial Relations Number 111, June 2020

<sup>&</sup>lt;sup>121</sup> Sisson, K. <u>Public policy – a new social contract</u>, in <u>Employment Relations Matters (PDF</u>). Industrial Relations Research Unit, University of Warwick. 2020

evidence-based policy-making about the future of work, Sisson notes, which could be based/build on previous UK <u>Workplace Employment Relations</u> <u>Surveys</u>. The <u>last WERS survey was published in 2013</u>, but work and employment observers suggest there is a real need for a new WERS to chart continuity and change around issues like good work. 5

# Selected further reading/resources

House of Commons Library, <u>Flexible working: Remote and hybrid work</u>, 30 November 2021

Eurofound, COVID-19 EU PolicyWatch, database of national-level responses.

Foundational Economy, <a href="https://foundationaleconomy.com/">https://foundationaleconomy.com/</a>

Gibb S, Ishaq M. <u>Decent work: what matters most and who can make a</u> <u>difference? (PDF)</u>. Employee Relations: The International Journal. 8 April 2020.

IFOW, <u>A better future for work: the world after Covid-19</u>, June 2020.

IFOW, The Good Work Monitor, January 2021.

IPA, Just Transition, September 2021.

Irvine G, White D and Diffley M, <u>Measuring Good Work: The final report of the</u> <u>Measuring Job Quality Working Group</u>, Carnegie UK Trust, Dunfermline. 2018.

ReWage. A new independent advisory group called <u>ReWage</u> provides <u>various</u> ideas and resources on different aspects of good work.

RSA, <u>A blueprint for good work</u>, June 2020.

Sisson, K. <u>Making Britain the best place in the world to work: how to protect</u> <u>and enhance workers' rights after Brexit ... and coronavirus (PDF)</u>. Industrial Relations Research Unit, University of Warwick, Warwick Papers in Industrial Relations Number 111, June 2020.

Sissons, P., Green, A.E. and Broughton, K., <u>Inclusive growth in English cities:</u> mainstreamed or sidelined? (PDF) Regional Studies, 53(3): 435-446, 2019.

Warhurst C, Knox A. <u>Manifesto for a new Quality of Working Life (PDF)</u>. Human Relations. 2022 Feb; 75(2): 304-21.

Williams, M., Zhou, Y., & Zou, M. <u>Mapping Good Work: The Quality of Working</u> <u>Life Across the Occupational Structure (1st ed.)</u>. Bristol University Press. 2020.

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