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Still Forgotten? The need to create a Fair Work Agenda to alleviate low-pay and precarity



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Professor Jo McBride and Dr Andrew Smith, with foreword by Judith Cummins MP

Foreword

Responding to the Government's budget in 2018, I raised the story of Anna, a hardworking mum having to juggle family life with the multiple jobs she needed, just to make ends meet:

"I am exhausted. I get up at 4.30 in the morning. I leave the house at 5.10 for a 6 am start and a 10 am finish, then I come to my second job at 11 am and I have got all day here. I finish at 4 pm here...and go to my sons to get a sandwich or something and then go to my next job. That one is five nights a week and it's a very hard job. The evening job is really hard. I get really tired when it's about 8 pm. It's about midnight when I get to bed. But if I didn't do these jobs, I wouldn't be able to live. I wouldn't be able to survive."

Anna's experience was provided for the aptly named paper, "The Forgotten Workers: Low-Paid Workers in Multiple Employment" authored by Dr Andrew Smith from the University of Bradford (who is now at the University of Sheffield) and Dr Jo McBride from Durham University¹. Their work gave a platform for the ignored and growing number of workers who have to work multiple low-paid jobs just to survive. I publicised their work back in 2018 because I believed that it was crucial a spotlight was shone on these forgotten workers.

During the pandemic, it finally felt like change was afoot. While many worked from home or were furloughed, key workers had to go into work. They were the ones who served us in the supermarkets, who cared for the sick and vulnerable, and who collected our bins. The workers who could not work from home. We applauded them on our doorsteps as they soldiered on, putting themselves at risk to keep our country going.

Our reliance on these key workers should have motivated the government to see how the economy could be restructured so they could be rewarded properly for the vital work they do. Instead, key workers now find themselves at the mercy of energy price shocks, rampant inflation, a terrifying cost of living crisis and employers that are

¹ Forgotten Workers Report (2018), <https://www.dur.ac.uk/business/research/research-centres/forgotten-workers/>

all too ready to dispense with their services at a moment's notice. As we saw earlier in 2022 at P&O ferries, even workers with full contracts can be dismissed at moment's notice to be replaced with cheaper labour.

It is a pleasure to work even more closely with Professor Jo McBride and Dr Andrew Smith on this paper which hopes again to highlight the experience of workers who face low-pay, job insecurity, and the difficult demands of their multiple different employers. As they carefully balance their multiple precarious employments, they are also facing economic shocks and conditions which threaten to push people beyond their limits.

I want the lessons learnt through the pandemic to provide the impetus for change in the makeup of our job market so that the 'Forgotten Workers' will no longer find it difficult to access mortgages, pay rents or everyday bills. Most of all I want them to have secure employment with sufficient working hours and employment protections that they should be entitled to.

The government's attempt to improve the world of work through its flagship "Taylor Review into Modern Working Practices" has not yet been implemented. This is despite the government promising to bring forward an Employment Bill in the 2019 Queen's Speech that would have sought to enact the limited recommendations the Taylor Review contained. In fact, the Government have promised an Employment Bill, not once, not twice – but twenty times.

Indeed, in the intervening years, the situation has got worse rather than better for these marginalised workers. The TUC found those in insecure work have struggled most during the pandemic². More than half of insecure workers had their hours cut, and those still working faced higher infection rates, but were often unable to claim sick pay when they had to isolate. This left people with impossible choices they should never have had to make.

The pandemic has had tragic consequences for society, but it also provided a unique opportunity to improve the future of work for the better. Unfortunately, these opportunities were squandered. Now the pressures workers face are increasing, with many low-paid workers unable to afford to drive to work and energy bills rising 23 times faster than wages.

Faced with the biggest cost of living crisis in half a century, we simply cannot go back to the pre-Covid 'normal' of a deregulated labour market characterised by precarious and insecure employment. We need to create a new world of work that is more equal and fairer, particularly to those workers who kept this country going.

I was proud to play my part in the campaign that led to the introduction of the National Minimum Wage (NMW) Act, which was enacted on 31st July 1998,

² TUC, 2021. *Jobs and recovery monitor - Insecure work*. [Online] Available at: <https://www.tuc.org.uk/research-analysis/reports/jobs-and-recovery-monitor-insecure-work>

disproving once and for all that a NMW would destroy jobs. The next Labour Government must now set the NMW at a rate that helps push people out of poverty. This paper gives detailed recommendations for a decent minimum standards framework and offers further, important measures that will improve workers' pay and security considerably.

It is my firmly held belief that the best way to improve the terms and conditions of workers is through the strengthening of free collective bargaining. In countries with a strong tradition of collective bargaining we can see that living standards are raised. Strong trade unions improve workers' terms and conditions. Forgotten workers are often isolated workers without a strong collective voice and the next Labour Government must assist Trade Unions to meet the challenge of representing these workers. In sectors where many forgotten workers are employed, there is a clear imbalance of power between employers and employees. These vulnerable workers should be joining trade unions to ensure gold standard representation for their terms and conditions at work. But until this happens these vulnerable workers need a minimum level of protection at work. In an interesting addition to New Zealand's Fair Pay Agreement Bill, where there is no representative body to act as the bargaining party, the Employment Relations Authority will set the terms of the Fair Pay Agreement³.

To better balance industrial relations, the next Labour Government will establish Fair Pay Agreements through sector level negotiations between employers and unions. This will limit bad employers' ability to undercut better employers. For instance, I support care workers' wages being raised to at least £15 an hour.

From day one of a Labour government, our Chancellor would write to the Low Pay Commission with the simple instruction: the National Minimum Wage must reflect the cost of living. This ambitious update will ensure wages will finally match up to the price of daily life and guarantees good work will be remunerated with good pay. I do not want work to continue to trap the forgotten workers in poverty, I want work to provide a route out of poverty. I want dignity at work.

The following paper aims to highlight the experience of those in precarious work and what steps can be taken to restructure the labour market so there will be no need to author another paper on these 'Forgotten Workers'. The paper evaluates the proposals forthcoming from both the government and The Labour Party and make recommendations to change the labour market so that vulnerable workers are better protected and aims to build a solid foundation for stable and secure work fit for the 21st century.

Judith Cummins MP, January 2023

³ Ministry of Business, Innovation & Employment, 2022. *Fair Pay Agreements*. [Online] Available at: <https://www.mbie.govt.nz/business-and-employment/employment-and-skills/employment-legislation-reviews/fair-pay-agreements/> [Accessed 30 August 2022]

Still Forgotten? The need to create a Fair Work Agenda to alleviate low-pay and precarity

Professor Jo McBride and Dr Andrew Smith

Introduction

In December 2018 we published a report on 'The Forgotten Workers: Low-paid workers in multiple employment' that highlighted the structural inequalities that led people to be forced to take more than one job to make ends meet (McBride and Smith, 2018). We argued then that these workers had no other choice but to take on a multitude of low-paid jobs due to the limited availability of decent, secure jobs and the proliferation of low-paid, agency, outsourced and zero hours jobs. The purpose of this paper is to draw on our empirical research on employment precarity, reflect on the impacts of the Covid-19 pandemic and the current cost-of-living crisis, and to seek to inform, influence and impact Labour Party policy in terms of a fair work agenda.

The Covid-19 pandemic has had a seismic impact on work and employment, highlighting many of the already existing inequalities and challenges within the UK labour market. In particular, in terms of precarious low-paid, insecure work, with no guaranteed working hours or insufficient hours (see JRF, 2021a; Smith and McBride 2022). During the pandemic many of these jobs were classed as being conducted by 'key' workers, and there was a hope that with the 'clapping for carers' support from the public there would not be a return to the 'old norm' of a polarised labour market marked by low-paid precarious work for many. Yet we are now experiencing a cost-of-living crisis, with a rise in inflation and surge in food, energy and fuel costs, with fears that these impacts will cause even further growth in income, food and fuel poverty. Whilst the current government lauds rising levels of employment, with 29.7 million payrolled employees in October 2022 (ONS, 2022a), they continue to emphasise job quantity rather than job quality. The number of workers on precarious zero hours contracts continues to rise at over 1 million (ONS, 2022b), and it is estimated that 1 in 10 workers in the UK have insufficient hours, which is a characteristic of precarious work (McDonald and Sandor, 2020).

The drivers of precarious work are twofold, being, firstly, the role of the state in promoting labour market 'flexibility', and, secondly, managerial strategies imposing non-standard forms of employment. This precarization of work has created a growth in low quality, zero hours and insecure jobs (Alberti et al., 2018).

The Conservative government led by Theresa May commissioned the Taylor Review to evaluate modern employment practices (see Taylor et al., 2017). Whilst the Taylor Review in 2017 offered, what we argue are weak and minimal recommendations, we are now five years on from this review and there are no current plans to implement these recommendations in a new employment act. In

December 2019, the Government committed to introducing an Employment Bill, yet this was never published. In December 2021, the Government then stated that the Bill will be brought forward “when Parliamentary time allows it” (Powell and Codd 2022). This has still not been followed up. Now, with a pandemic that has exacerbated labour market inequalities and a cost-of-living crisis dominating the economy there is a need to urgently address these issues and introduce policies to support these workers. However, in May 2022, information of yet another review to be conducted on the Future of Work by Matt Warman MP was introduced. It is not clear yet as to whether this is to replace the Taylor Review recommendations. It is noted here that such reviews take a considerable time to be conducted and published, whereas what is required without delay are discussions concerning how to protect our vulnerable labour force. In particular, those workers and jobs that during the pandemic were evidenced as being of immense value to our society – ‘our key workers’ who we thanked, clapped and lauded as heroes. Such key work was (and still is) marked by low-pay and precarity, with many trapped in employment that is insecure and low-paid. Unfortunately, it seems that we are already beginning to see these workers being forgotten again.

This paper seeks to consider the circumstances surrounding this problem, together with initiatives proposed to help alleviate some of these issues. We will argue that there is a need to move away from the pre-Covid ‘normal’ of a deregulated ‘flexible’ labour market marked by precarious work for millions. There is a clear necessity to create a new world of work that is more equal and fairer, with new policies to protect our essential workers, modern employment rights and trade union protections in order to re-regulate contemporary employment relationships and workplaces. Finally, as argued in our *Forgotten Workers* report, all forms of work should enable people to earn enough to survive.

The Forgotten Workers

The UK labour market has become increasingly polarised since the financial crisis of 2007-08, with years of austerity and wage stagnation. Many people are experiencing precarious and insecure work that is becoming ‘normalised’, which is marked by low-pay, insufficient working hours, temporary and zero hours contracts, and limited employment protections (see Rubery et al., 2018).

‘The Forgotten Workers’ research project is the first UK study to critically examine low-paid multiple employment. The study reveals that as a direct consequence of low-pay, insufficient and irregular hours, and precarious work, some workers need to accumulate 2, 3, 4, 5 and even 7 different jobs in order to attempt to make ends meet to survive (McBride and Smith, 2018). Many of these workers, despite having a multitude of jobs, are still struggling financially, with some experiencing ‘in-work poverty’ (IWP) (McBride and Smith 2021).

The findings from the report show that some key reasons for the emergence of low-paid multiple employment are associated with factors including:

- Low-paid work - Compared to other developed countries, the UK is distinguished by a low productivity/low-pay dynamic and a larger number of low-paid low-skilled jobs within its labour market (Innes, 2018).
- In-work poverty - the findings demonstrate how poverty can be created and sustained through paid work, rather than being challenged by it (see McBride and Smith, 2021).
- Precarious work – there has been a strong rise in these types of jobs, mostly due to a deregulated ‘flexible’ labour market. Included within this has been the proliferation of part-time, zero hours contracts, temporary and casual contracts, along with the agencification of work (see Smith and McBride, 2022).

The study reveals that people are becoming trapped in this cycle of needing to take on more than one job due to a combination of interrelated issues. Many of these jobs are usually low-paid due to the lack of opportunities within the labour market for better quality, secure, full-time work. This is despite the continuous mantra of the current Conservative government of ‘Making Work Pay’. Furthermore, when in employment, it was discovered that these workers also lack access to training and progression opportunities to further their careers. Persistent issues of low-pay, employment precarity and underemployment, in terms of a lack of working hours and skills/employment opportunities, are significant causal factors of experiencing IWP (McBride and Smith, 2018; JRF, 2021b). Many of the workers we interviewed were employed on zero hours contracts or worked variable hours, which created additional complexities in terms of trying to ‘balance’ multiple jobs with family life (Smith and McBride, 2021). Moreover, the effects of Covid-19 on work and employment will exacerbate these issues (JRF, 2021b), together with the cost-of-living crisis.

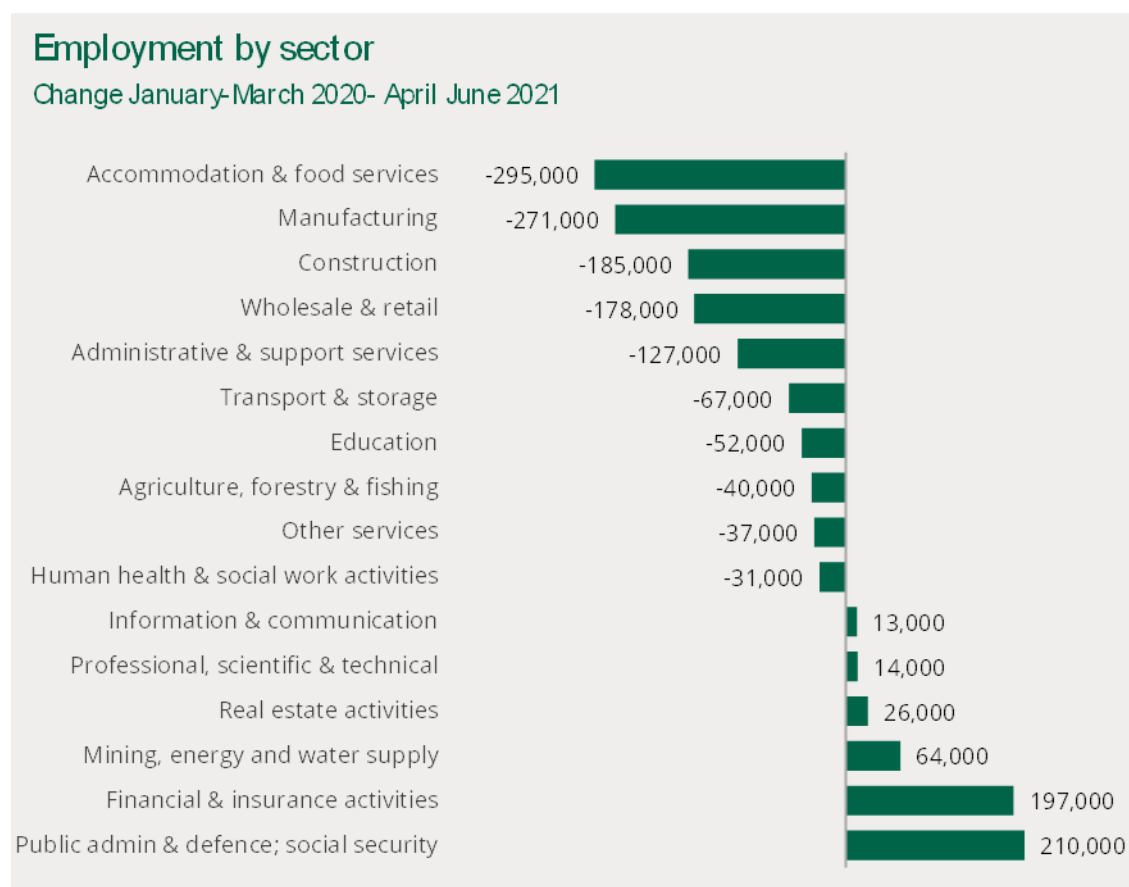
The impact of the Covid-19 Pandemic on these workers

In-Work Poverty:

Prior to the Covid 19 crisis, statistics on poverty published by the Joseph Rowntree Foundation (JRF) indicated that in-work poverty was increasing in 2018-19 (2021b). This year’s JRF report demonstrates that around two-thirds (68%) of working-age adults in poverty live in a household where at least one adult is in work. What is also very concerning is that this percentage is at its highest since records began in 1996/97 (JRF 2022).

As also highlighted in the Forgotten Workers (FW) research, the JRF study shows that part-time work, insufficient hours and insecure work were found to be the main drivers behind the increase in in-work poverty. Furthermore, the rise in part-time workers in IWP is the highest in the regions of the North-East of England and Yorkshire and Humber - the two regions where the Forgotten Workers research was conducted.

Table 1 – Employment by Sector during the most severe period of Covid 19 in the UK



Source: ONS, [EMP13](#), Employment by industry

The UK workforce has been severely hit by the economic consequences of the Covid-19 lockdowns. The sectors identified as being most significantly affected (between January-March 2020 and April-June 2021) were the accommodation and food services sector, which experienced the largest decrease in employment, followed by manufacturing, construction, and wholesale and retail (Powell, A. 2022). Many of the low-paid workers with multiple jobs highlighted in our initial Forgotten Workers report who worked in these sectors prior to the pandemic, and the numbers on those with more than one job declined sharply during the pandemic but are now rising rapidly – see below.

Table 2 – Workers with Second Jobs up to and during the Covid 19 crisis



Source: ONS, Workers with second jobs, series [YCBW](#)

It should be noted here that, although these figures are very important in highlighting this issue, *the ONS figures are only related to those workers with up to 2 jobs* - not multiple jobs, such as, up to 7 different lines of employment as discovered in the FW research. Another important point in relation to these sectors is that the JRF's recent report (2022) also warned that the Covid crisis' impact on the labour market could have been disastrous. Indeed, they draw attention to those sectors and their workers also identified in the FW research. The JRF report claims that there were concerns that the winding down of the Coronavirus Job Retention Scheme (CJRS) could negatively impact many of the 11.6 million furloughed workers – particularly in leisure and hospitality, younger workers, and those on insecure contracts - who would face unemployment. However, they report a different picture emerging with the most recent Labour Force Survey estimating an increasing employment rate. The JRF optimistically state that if this recovery continues, the UK may avoid an additional Covid factor being added to the interaction that the labour market already has with poverty.

However, for the purpose of this paper, what tempers this positive note slightly, is another driver of precarisation, namely the increase in part-time work and zero-hour contracts. In particular, the Resolution Foundation found that for workers under the age of 34 who lost their jobs during the pandemic, many are now returning to the labour market, but with limited employment options due to the proliferation of precarious employment contracts (Gustafsson, 2020). Again, this demonstrates how the focus on determining a post Covid recovery of the labour market is directly on job quantity rather than job quality.

It is not surprising then, that the JRF raise significant concerns over what shape the labour force's recovery will take, and that for now,

...it is what happens to low earners and insecure and part-time workers that is critical for future in-work poverty levels." (2022:37)

We now turn our concerns to the potential effects on in-work poverty levels from the fallout of the CJRS scheme, and particularly those who were 'excluded' from the Furlough Scheme.

Furlough

There are no exact statistics as to how many workers were 'excluded' from the Coronavirus Job Retention Scheme (CJRS) (Powell, 2022). In October 2020, the National Audit Office (NAO) published a report, 'Implementing employment support schemes' in response to the COVID-19 pandemic', which looked at workers who were excluded from both the CJRS and the Self-Employment Income Support Scheme (SEISS). In this report, the NAO estimated that 1.1 million workers were 'excluded' from the CJRS. However, the campaign group Excluded UK estimate that around 3 million workers missed out on the CJRS and SEISS (Powell, 2022).

The House of Commons Library briefing on 'FAQs: Coronavirus Job Retention Scheme' *does* provide information on workers who were 'excluded' from the CJRS (Powell, 2022). Some were excluded in the sense that they were not eligible. Others were eligible but did not receive adequate support. These different groups include:

- Workers who were not paid through PAYE (e.g., gig workers).
- Eligible workers whose employers refused to furlough them (e.g., zero-hours and agency workers; workers on maternity leave).
- Eligible workers who receive a significant portion of their pay through tips and/or tronc systems (e.g., where businesses in the hospitality and leisure sector fairly distribute tips and service charges).

Again, this reflects the types of jobs and workers identified in the Forgotten Workers report as being vulnerable to experiencing in-work poverty, and workers in these jobs were also affected negatively by furlough.

Other research has also found that many workers in low-paid, insecure jobs slipped through the gaps during furlough support schemes and were more likely to have their working hours cut and lose their jobs (Wilson and Buzzeo, 2021). Workers on zero hours contracts (ZHCs) or temporary contracts were 4 times more likely to lose their jobs in comparison to permanent workers (JRF, 2021b). If they kept their jobs – or were concerned about losing their jobs - they were also the most likely to be unable to take sick leave due to a weak Statutory Sick Pay (SSP) system.

Statutory Sick Pay:

The Royal Society in 2021 warned of an ‘economic security trap’, whereby due to the lack of sick pay coverage, many of those who are self-employed, gig economy workers or employed on zero hours and agency contracts were unable to afford to self-isolate and had to return to work during the pandemic. Research has demonstrated how such workers were potentially contributing to the spread of infection because they could not afford to take time off sick when they had the virus (Adams-Prassl *et al.* 2021). This is because many low-paid workers do not have access to employer-provided benefit schemes and are therefore reliant upon minimum statutory provision - Statutory Sick Pay. Indeed, for those workers on lower wages (many of whom were classed as ‘key workers’ during the height of the pandemic), research by the TUC (2021) found that as many as one in 12 key workers did not qualify for statutory sick pay, because they earned on average less than £120 per week and had no option but to work. This of course also meant that many of these workers carried a disproportionate burden of infection as a result (Whitehead *et al.* 2021). It should also be noted that the level of payment of SSP in the UK is at a very low level compared with that of other developed economies (OECD 2021).

Changes to employment contracts:

It has also been noted that there have been non-negotiated changes to employment contracts during the Covid-19 pandemic with some workers having inferior terms and conditions imposed, hours reduced, and some being moved onto ZHCs. The TUC have also noted how the ‘abusive use of ZHCs’ have markedly increased per se. They warn that employment rights could spiral downwards – as they did after the 2008 crisis. (TUC 2021) A recent, well documented, non-negotiated change to employment contracts was the sacking of 800 workers at P&O ferries with the intention to replace these workers with lower paid workers on only £5.15 per hour. In May 2022, the Further Education sector was also hit by ‘fire and rehire’ tactics (UCU 2022) indicating the levels at which this practice is spreading. These issues are clearly appalling but also highlight the growing problem of the view of workers as simply disposable and not valued. The sectors that have been affected the most in terms of increasing disposability of labour are in accommodation, food services, hospitality and leisure, all of which are marked by low-pay (see Table 1 ‘Employment by Sector’ above).

As discussed earlier, much of the work affected by what is discussed above was classed as ‘essential’ or ‘key’ work during the worst periods of the pandemic. Many of the key workers who helped the country ‘survive’ during the pandemic were in lower paid jobs, working unsocial hours, with limited opportunities for progression and development. Many of these workers are employed in cleaning,

caring, catering and retail – all low-paid and insecure work – the ‘forgotten workers’. Yet these jobs were the most valuable to the country, society and communities during the pandemic - so it is now time that these jobs and workers are actually recognised as having ‘value’ and rewarded more favourably.

Alleviating employment precarity and low-pay

The evidence presented above demonstrates that there is now more than ever, an urgent need to focus on the deep-rooted structural issues around low-paid precarious employment in the UK; as also recommended in the Forgotten Workers research (see McBride and Smith, 2018). The negative notions of the ‘value’ of particular jobs and work also needs to be challenged, as this perception fuels the problem of such jobs being poorly paid and insecure (see McBride and Martinez Lucio, 2021).

Indeed, as mentioned earlier, there *had* been some limited attempts to regulate work and employment through the much-debated Taylor Review of Modern Working Practices published in 2017. This contained promises to create ‘better jobs’; that ‘all work’ should be fair and decent, and that people should have dignity in work and opportunities for progression. The report advocated efforts made to ‘improve’ the quality of work, together with a ‘recognition’ that insecure and exploitative work is ‘bad for health and well being and leads to costs to society’. It also contained a wide range of recommendations including issues, such as, agency work, employment status, the enforcement of employment rights, and zero hours contracts. Although these may be welcomed as potentially positive changes by some, we argue that they are vague, at times contradictory and merely tinker around the edges. For instance, there is no mention of precarious work, the ‘real’ Foundation Living Wage, the power asymmetries inherent in the employment relationship or the more recent Trade Union Act 2016. Moreover, there are no proposals to enhance collective bargaining coverage or to eradicate zero hours contracts. Yet, the Taylor recommendations have never been implemented into anything of any substance.

In December 2018 the government developed its industrial strategy and the ‘Good Work Plan’ to provide the ‘vision for the future of the UK labour market’ (see BEIS, 2018). Furthermore, by December 2019 Theresa May’s Conservative Government was committed to introducing a new Employment Bill. This also included the mechanisms required for an Enforcement Body to be established to monitor the legislation and have the power to impose penalties on those who breach the legislation. The main intention was to ‘build a fairer economy for everyone’. However, the Johnson Conservative government scrapped the industrial strategy. The Conservative governments have still not introduced any legislation and it is still unclear when the Employment Bill will be published. It would therefore appear that any commitment to improving the quality of work in the UK by the current government has been, at best, put on hold. As mentioned earlier there has been yet another review commissioned by the current government led by Matt Warman MP on the Future of Work. However, we are not aware whether this will include any recommendations from the Taylor Review

with regards to insecure work, how long it will take, or indeed whether it will be conducted at all as its introduction was fairly low key.

Yet, there have been other notable efforts established that can protect vulnerable workers. For instance, The Living Wage Foundation introduced a 'Living Hours Campaign' prior to the pandemic. This was developed over an 18-month period of consultation with workers, Living Wage Employers, ACAS, trade unions and experts. This culminated in a set of measures to tackle the problems of under-employment and insecurity around working hours. They call for measures around employers needing to provide at least 4 weeks' notice for shifts, with guaranteed payment if shifts are cancelled; the right for workers to a contract that reflects accurate hours worked and a guaranteed minimum of 16 hours per week (unless the worker requests fewer). The standard was launched in June 2019 and there are a number of employers who are accredited 'living hours' employers – <https://www.livingwage.org.uk/living-hours> However, it should be noted that this is a voluntary scheme reliant upon employer goodwill, as opposed to a re-regulation of the modern employment relationship.

The Labour Party has also introduced its Employment Rights Green Paper: A New Deal for Working People in 2021. There are a host of policy proposals in this that resonate with some of the recommendations and actions highlighted in the Forgotten Workers report and are pertinent to this paper. These are discussed below, and we offer some critical reflections:

A focus on job quality – wherein workers' rights will be significantly enhanced through fair pay, job security, dignity and equality at work. We note that low-paid workers who need to work in more than one job to make ends meet *are* included in the Labour Party's New Deal, but we would highlight here that *only 2 jobs are mentioned as being in multiple employment*, and in our report, we found people with 3, 4, 5 and up to 7 different low-paid jobs. We would, therefore, suggest that 'multiple' jobs need to be acknowledged, as well as a requirement for people with 'multiple jobs' to be measured more effectively and accurately.

Banning Zero Hours Contracts – Labour's proposals intend to ban zero hours contracts, together with contracts without a minimum number of guaranteed hours. This should also address the problem of 'one-sided flexibility' and problems with 'unremunerated labour time', which is the downtime where workers need to be available for (potential) work at any point, but may not actually be offered any hours - as identified in the FW report. Labour's proposals also aim to ensure that anyone working regular hours for twelve weeks or more will gain a right to a regular contract to reflect those hours normally worked. These are very welcome proposals although it would be more useful to have clarity as to what have been identified as "the structural causes of poverty" and how these will be eradicated. Moreover, this will also need to be reviewed in case unscrupulous employers try to find loopholes in this twelve-week proposal.

Trade union representation and sectoral collective bargaining – The Labour Green paper also plans to introduce Fair Pay Agreements (FPAs). These agreements will be bargained collectively sector by sector to ensure they apply to

a wide range of jobs. FPAs will therefore be negotiated between trade unions and employer representatives, covering minimum terms and conditions for all workers in a particular industrial sector.

It is intended that this will begin in one of the most important job sectors to our communities - yet is underpaid and undervalued – that is in social care. This is a very promising proposal as has the potential to ensure that all workers (including those in precarious work) are represented by sectoral collective bargaining (SCB).

This was also recommended in the FW report - in particular, for those voiceless workers trapped in low-paid insecure and precarious jobs. Many of these workers did not have trade union representation, either due to unions not being recognised at all their workplaces or there was a different union recognised in different workplaces. This meant that people who needed trade union representation the most - in low-paid and multiple insecure jobs - were trapped. These proposals will extend bargaining power and strengthen worker voice.

Fair Pay Agreements are arguably an effective way forward – expanding collective bargaining and strengthening union voice, enabling low-paid insecure workers to gain better pay and improve working conditions. Indeed, sectoral collective bargaining operates successfully in other countries and the Green paper argues that evidence from New Zealand demonstrates how such policies have improved standards for all. It also states that in Europe, SCB agreements cover well over $\frac{3}{4}$ of the workforce, whereas the figures are much lower in UK at around only $\frac{1}{4}$.

As sectoral collective bargaining is the norm in many other successful developed economies, it would be expected that they should be relatively easy to emulate in the UK. We can learn from those economies where they operate, by developing policies and practices to ensure that they operate effectively. With that in mind, it is logical that there will be some form of enforcement/inspection body to ensure that this legislation is effective. The Labour proposals claim that they will establish - *and properly fund* - a Single Enforcement Body (SEB) to enforce workers' rights and this body will be capable of unannounced inspections. We believe an SEB will be essential – but would welcome some clarity on the representative bodies on the SEBs.

Statutory Sick Pay (SSP) - Labour pledges to raise SSP and make it available to all workers, including the self-employed and those who are on low wages and are currently excluded by the lower earnings limit for eligibility. This is also a much-welcomed policy proposal, particularly when considering the serious consequences to low-paid 'key' workers during the pandemic who were not eligible to claim sick pay.

Banning fire and rehire – This is important as we have seen the rise of this practice by unscrupulous employers during recent years, particularly during Covid 19 pandemic.

Repealing the Trade Union Act 2016 – This is necessary to provide workers with greater powers to negotiate for improved conditions at work, training and fair pay. We must ensure that trade unions have access to workplaces to inform workers of their benefits as well as to begin the process of establishing FPAs. It is also important to combine with trade unions to implement Labour's other proposed employment reforms, such as, banning ZHCs, decent notice of changes to shift patterns, payment for cancelled shifts and guaranteed hours. Moreover, we argue that Labour need to not only repeal the 2016 Trade Union Act, but also reverse the anti-trade union legislation introduced by Conservative governments in the 1980s and 1990s. The UK has amongst the most restrictive trade union laws in the western world.

Living wages and guaranteed hours – The Green paper proposes to continue to assess how to deliver its commitment to raising the living wage to ensure that it is adequate and address the rise in the cost of living and inflation. The proposals demand that the minimum wage is immediately raised to *at least* £10 per hour. However, this rate is now out of date given the cost of living crisis and we argue that living wages need to be set at a level so that people can afford to live. We agree with the statement set out by Trades Union Congress in August 2022 that the NMW should be at least £15/hour.

Work Life Balance – The paper claims that Labour will also ensure all workers get reasonable notice of any change in shifts or working time, with wages for any shifts cancelled without appropriate notice being paid to workers in full. This stops workers from shouldering the sole burden for unexpected and last-minute changes to working schedules.

Furthermore, what is also interesting in the Green Paper is that it proposes changing the way workers are categorised in the UK, by replacing the three different categories, 'worker', 'employee', and 'self-employed' with 'a single status of 'worker' for all but the genuinely self-employed' (page 7). This aims to cut down on the number of bogus self-employed workers, so that, "*Unscrupulous employers will no longer be able to treat their staff like regular employees whilst falsely claiming they are not denying staff rights they are owed as employees*" (Pg 8). These proposals offer some timely and interesting policy interventions, and we will develop these further in the concluding section in order to help to enhance and influence Labour Party policy and the fair work agenda.

Conclusions

In the Forgotten Workers report we raised concerns about the proliferation of precarious employment, the decade of austerity cuts and the fact that some low-paid workers needed to take on multiple jobs in order to attempt to make ends meet. This has been exacerbated by the Covid-19 pandemic and the cost-of-living crisis. Labour's Employments Rights Green Paper is certainly a welcome and positive

move towards potentially creating a better world of work and employment for workers in the UK. However, understandably with a Green Paper from a Party in opposition, there are details that need to be clarified. In terms of our research findings and recommendations in relation to the Forgotten Workers, among other updated pieces of work, there are certain gaps and questions that we feel require more consideration. These are discussed as follows:

1. The proposals demand that the minimum wage is immediately raised to *at least* £10 per hour. However, as McBride and Smith note, the NLW is currently already at £9.50/hour for those aged over 23, and is set to rise to £10.42/hour in April 2023. Plus there is an abundance of expert evidence to demonstrate that this is not set at a level at which people can afford to live. In her foreword, Judith Cummins MP outlined her desire to see this set at a level where people can afford to live. Indeed, we argue that the NMW should be at least £15/hour – as set out by the Trades Union Congress in August 2022. Also, the proposals do not advocate the Voluntary Living Wage - that is the standard encouraged by the Living Wage Foundation and adopted by many ‘good’ employers. It is calculated differently to the National Living Wage (NLW), being based on the Minimum Income Standard (MIS) methodology and considers the expenditure needs of low-wage families (Hirsch and Valadez-Martinez 2017). Labour’s plan for a genuine minimum wage (<https://www.theguardian.com/politics/2022/aug/19/labour-sets-out-plan-to-link-minimum-wage-to-cost-of-living>) that reflects the cost of living is a positive step in the right direction but would have benefitted from specifying exactly how those calculations would be made. We would strongly encourage the use of the Minimum Income Standard methodology that considers the expenditure needs of low-wage families when they are setting the rate of the NLW (Hirsch and Valadez-Martinez 2017). The rate set should be paid to all workers over the age of 18 and to contract workers who work on their premises.
2. The current regulations regarding the NLW, not only need to be enforced through a new Single Enforcement Body (SEB) but need to be strengthened. More detail is also needed on what legislation will be brought in to:
 - a. Close the loopholes within the current NMW regulations that allow ‘bad’ employers to cut workers’ hours when the NLW is increased, as is identified in Forgotten Workers report
 - b. Explain how any proposed legislation to secure minimum hours will be enforced to ensure the objectives are met.
 - c. There also needs to be an assurance and clarity as to *how* the SEB is given power to enforce its responsibilities and how well resourced it will be. As Heery et. al (2022) point out, “...more effective enforcement is likely to flow from investing in the inspectorate employed by HMRC, targeting activity at points in the economy where non-compliance

appears to be serious and systemic, and through ‘co-enforcement’, whereby trade unions and community organisations are enlisted to monitor employer behaviour and identify cases of non-payment (Fine and Bartley 2018)”.

3. How will Forgotten Workers be empowered to address low-pay and poor conditions where there is low Trade Union representation? Cummins, in her foreword, suggests looking at a solution being developed in New Zealand. In the Forgotten Workers report we suggested that there is a need to reintroduce a new sectoral body (akin to the late Wages Councils) that could engage in industry level/sector level pay setting institutions in low-paid industries to ensure that every worker is included. We await Labour’s fuller proposals on this with interest.
4. For many Forgotten Workers that are working in jobs where pay structures are flat and progression opportunities are limited, they become trapped in low-paid work (see also D’Arcy and Finch, 2017), which are structured and limited to the National Living Wage level. It is strongly suggested that there needs to be some form of encouragement for employers to build formal structures of pay progression for their low-paid workers. A move to more flexible structures within medium and large employers, through which low-paid workers can advance will support progression, either through career opportunities or by earning graded increments through performance, experience, or assuming supervisory responsibility. Paid time-off for training and development would be a welcome addition to this. Overall, it will prevent the issue of workers becoming trapped in low-paid and precarious work.

The Green Paper contains many proposals that would improve the conditions of those in precarious employment; however, routes out of precarious work are not addressed. We note that Labour has made a number of proposals on training, notably to devolve adult education and skills spending to combined authorities, the establishment of a new expert body – Skills England - as well as setting up of a Growth and Skills Levy. In its effort to train a new workforce to deliver growth, the Labour Party proposals must make sure positive pathways for “Forgotten Workers” to advance is developed.

5. Finally more engagement with low-paid workers would be an important addition to allow those workers more of a voice in the workplace. In particular, those workers who work unsociable hours or those who are subcontracted workers. Indeed, on that point, it would also be useful to encourage larger employers to have ethical procurement policies or to avoid sub-contracting

jobs that encourage low-pay and insecure jobs for those who need more security in work.

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End Note

It should be noted that this paper was finalised in late Autumn/early Winter 2022 and we acknowledge it is likely that there will have been changes to rates and figures we have cited within this.

It must also be noted that this was completed prior to the massive wave of industrial action across the UK, therefore the paper does not consider the rise in industrial disputes and how these illuminate the problems with current collective bargaining issues and key actors in the UK. It also does not consider the debates and discussions around the Conservative Government Anti-Strike legislation as the paper was again finalised prior to these important discussions and debates.

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