



Changing the world
of work for good

What can we do about labour market inequality?

Kate Bell, TUC

Before we start

Donate Now to Support People in Ukraine

People in Ukraine are in grave danger of physical harm, families have fled their homes seeking refuge in neighbouring countries, and others are sheltering from bombs falling in major cities.

Normal working life has been forced to stop.

How trade unions are supporting Ukraine

The ITUC's Ukrainian member organisations FPU and KVPU are providing support to families who desperately need assistance. Trade unions in neighbouring countries including Poland, Slovakia, Hungary, Romania and Moldova are supporting the increasing number of refugees. People need:

- food and water provisions,
- medical supplies,
- hygiene items.

1 Choose

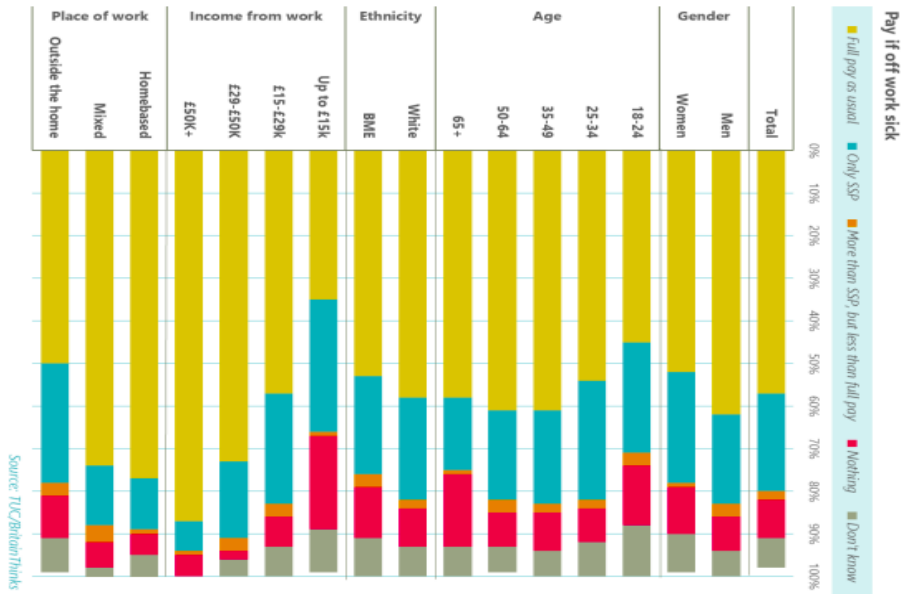
 I want EUR EUR EUR

<https://petitions.ituc-csi.org/support-ukraine>

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Why (else) does it matter? – reinforcing other inequalities



Sick pay mirrors other inequalities at work

67 per cent of 'insecure' workers receive nothing when off sick vs 7 per cent of 'secure' workers

BME women twice as likely to be on zero hours contracts as white men

Those in 'elementary' jobs four times more likely to leave work because of ill health than 'professionals'

Why (else) does it matter? – the experience of poor quality low paid work can be terrible

“I have been affected by the Coronavirus and I’m only due SSP. I’ve had to self-isolate for two weeks. It’s not great for the company to offer this. There are other **workers who will not take the time off needed now because of loss of earnings and can’t afford to be off** who will then make others unwell! Douglas, Warehouse Sector. ”

“In my store, you have to check the rota constantly throughout the week to make sure your shifts haven’t been cancelled. So **you’re always worrying** about whether you’ll be able to get enough hours to make ends meet. Retail Worker, Northern Ireland.

“**Even when my pay goes up, I’m still worse off.** Rent and bills just keep getting more expensive. It’s just impossible to pay for everything on the wage we get. I’ve borrowed from family, but they’re struggling too, and I can’t afford to pay them back. Warehouse Worker, London area.

(Usdaw members’ survey 2021)

The good news – policy works!

"... 1992, ..the Labour Party included a commitment in their manifesto to introduce a minimum wage of half male median earnings, eventually rising to two thirds. This policy proved to be an electoral liability for Labour since the Conservative Party were able to claim that the minimum wage, which would have been the highest in the developed world, would be disastrous for employment. Michael Howard famously claimed in a Tory press release that it would destroy between 750,000 and 2,000,000 jobs....."

As late as 1995, the CBI had been arguing "that even a low minimum wage would reduce job opportunities and create major problems for wage structures in a wide range of companies"

(Institute for Government)

Policy works – so what else could we do? – Restore workers' bargaining power

OECD 2019:

“More than ever collective bargaining, ... can help companies and workers respond to demographic and technological change and adapt to the new world of work...the best outcomes in terms of employment, productivity and wages seem to be reached when sectoral agreements set broad conditions but leave detailed provisions to firm-level negotiations. This is the case in countries such as Denmark, Germany, the Netherlands, Norway and Sweden.

New Zealand 2021

“Fair Pay Agreements will improve wages and conditions for employees, encourage businesses to invest in training, as well as level the playing field so that good employers don't get undercut and disadvantaged. For too long New Zealanders working in critical roles like cleaners, supermarket workers, and bus drivers ...have been undervalued by our workplace relations system. Fair Pay Agreements are about turning that around and ensuring that working kiwis get a fair go again.”

Policy works – so what else could we do? – Introduce higher legal floors to tackle insecure work

Spain introduces 'Ley de riders' (2021)

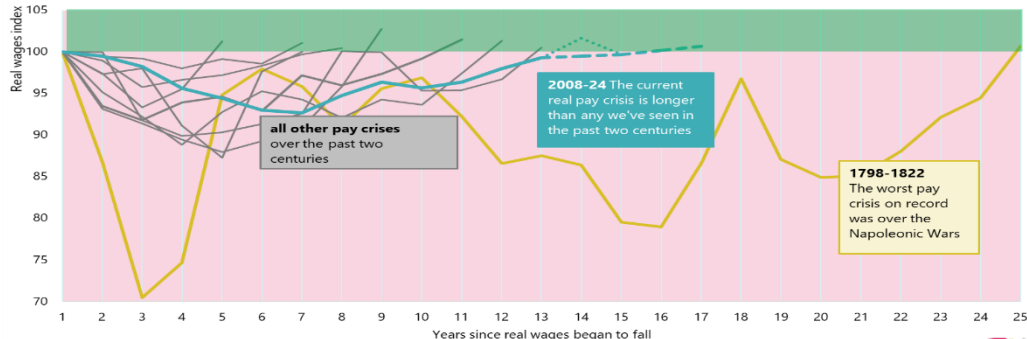
"On July 21st, after less than a month of debate, the Spanish Congress approved the 'riders' law', **which presumes riders to be employees** entitled to access to work-regulating algorithms.... Stuart Delivery has promised to hire an important part of its fleet directly and to negotiate a collective agreement in the future. Just Eats, which had already eliminated bogus self-employment—albeit through subcontracting to a large extent—has pledged to hire directly more of its fleet...."

Ireland bans zero hours contracts and introduces payment for cancelled shifts (2018)

"**Zero-hours contracts are prohibited in most cases** under the Employment (Miscellaneous Provisions) Act 2018, but there are some exceptions to this rule...**You must receive a minimum payment if you are called in to work but sent home without work** (except in emergencies, exceptional circumstances or short-term relief, for example). You must get pay for 25% of the possible hours or for 15 hours, whichever is less."

We could avoid bad policy too

The worst pay squeeze since the Napoleonic Wars



Sources: OBR, ONS, TUC analysis; includes adjusted 2021 figure given overstatement of AWE.

- A decade of austerity = weak investment = weak productivity = weak pay
- Public sector pay squeeze or freeze
- Sharp cuts to social security
- Anti-trade union laws – Trade Union Act 2016

The logo for TUC (Transporters' Union of Canada) features the letters 'TUC' in a bold, sans-serif font. Each letter is white with a light blue gradient and contains a stylized arrow pointing in a different direction: the 'T' points up, the 'U' points down, and the 'C' points right.

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