



Reducing Precarious Work

Protective gaps and the role of social dialogue in Europe

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EPSU, 11th January 2017

OUTLINE

- **UK coordinating team, but collaborative effort across six country teams**
- **Background/aims of research**
- **Analytical approach to precarious work**
- **Social dialogue and public procurement**
- **French and UK case studies of home care sector**
 - UK case of UNISON's ethical care charter
 - French case of regional training initiative in south of France (PACA region)
 - French team led by Philippe Méhaut at Aix-Marseille University

RESEARCH AIMS

- **Mapping precarious work across Europe**
 - Standard employment, part-time/variable hours, temporary, sub-contracted
- **Comparing standards and ‘protective gaps’**
 - Employment rights, social protection, representation, enforcement
- **Understanding what contributes to reducing precarious work in six countries:**
 - Alternative policy frameworks
 - Industrial relations activities/innovations
- **Evidence of dualism, inclusion and exclusion**
- **Scale and sustainability of positive examples of social dialogue**

RESEARCH DESIGN: MULTI-LEVEL, MIXED METHODS

Quantitative analysis of EU-level labour market statistics

Institutional regimes/ cluster analysis

Patterns/trends in standard & non standard employment forms

Interviews with expert informants (6-12 per country)

Senior policy-makers

Employer associations & trade unions

Civil society organisations

Critical analysis of 'Protective Gaps' (policy, expert and secondary data)

Employment rights gaps

Social protection gaps

Representation gaps

Enforcement gaps

Original case studies (144 manager & worker interviews)

Denmark x 3

France x 4

Germany x 4

Slovenia x 3

Spain x 3

UK x 4

RESEARCH DESIGN: 'CONTEXTUALISED COMPARISON'

Table 3.1. Locating six countries across institutional types –Pre-crisis

	Variety of capitalism	Industrial relations regime	Welfare state regime	Gender regime and dominant household forms
Denmark	CME	Nordic corporatism	Social democratic	Dual-earner model/ Weak MBW
France	CME/state-led	Polarised/state-centred	Conservative	One-and-three-quarters earner/ Modified MBW
Germany	CME	Social partnership	Conservative	One-and-a-half earner/ Strong MBW
Slovenia	Post-transition	Social partnership	Conservative/ Social democratic	Dual-earner model/ Weak MBW
Spain	CME	Polarised/state-centred	Familialist	Dual-earner/ Strong MBW
UK	LME	Liberal pluralism	Residual	One-and-a-half earner/ Modified MBW

Notes: CME = coordinated market economy, LME = liberal market economy; MBW = male breadwinner.

Sources: Hall and Soskice (2001), Frege and Kelly (2013), EC (2009), Esping-Andersen (1999), Lewis (1992), Lewis et al. (2008)

PRECARIOUS WORK

- Common definition of precarious work is problematic
 - Protective gaps – rights, social protection, representation, enforcement
- The **standard employment relationship** (SER) is still a valuable benchmark for well protected employment
 - Full-time, permanent, reasonably well paid, with social wage
 - Anchor for economic and social systems (Bosch 2004)
 - Not necessarily in 'terminal decline' (Stone & Arthurs 2013)
- Precarious work can extend across **all employment forms** including public sector
 - Contrary to dualist, insider-outsider approaches (Lindbeck and Snower 2002, Rueda 2007, 2014, Palier and Thelen 2010)

REDUCING PRECARITY

- **Prevent employers from creating more precarious work (e.g. SER is re-normalised), or impose costs on precarity (e.g. redundancy payments or alternative job offers)**
- **Offer routes into 'standard' open-ended contract – non-standard work operates as a stepping stone**
- **Improve standards for those in precarious work**
 - Higher minimum wages, increase/stabilise working hours
 - Strengthen social protection, increase union representation
- **Shine a light on working conditions throughout the supply chain – particularly in public sector contracts (e.g. lobby politicians, organise workers, use media campaigns)**
- **Important not to separate work and workers – weakening of compensating mechanisms such as welfare and family resources**
- **Efforts needed to make labour markets inclusive for all rather than levelling down (Rubery 2015)**

SOCIAL DIALOGUE

Social dialogue and policy reforms are needed to reduce precarious work



- Multiple roles of social dialogue in making labour markets more inclusive (e.g. improving rights and enforcement, broadening social protection, increasing representation)
(e.g. Ebisui 2012, Keune 2013, Vosko and Thomas 2014)
- Narrow and wide forms of social dialogue (e.g. Heery 2011), importance of the firm

CASE STUDIES:

THE POWER OF SOCIAL DIALOGUE

- **Social dialogue can be versatile and adaptable**
- **Limited evidence of vested interests defending fixed positions** – e.g. unions do not necessarily perpetuate ‘dualism’
- **Effective union strategies involved:**
 - Traditional union-employer channels and novel networks of collaboration (informal mobilisation –unions and employers acting ‘*outside their standard frames of bargaining*’ –Kornig et al 2016)
 - Alternative mechanisms for regulation (join with employers against clients; cross-class coalitions)
 - Targeted strategies (mobilise migrants; work with local politicians; access training grants/funds)
 - Fix new standards in response to experience of workers in precarious work (housing conditions)

CASE STUDIES:

SOCIAL DIALOGUE AT MULTIPLE LEVELS

- **Not simply a patchwork of local, workplace level gains** (contrary to Stone & Arthurs 2013)
 - **National, inter-sectoral, sector level and local actions, supported by task forces/joint initiatives**
 - **Cleaning, catering, construction, retail, care work, food processing, media, higher education**
 - **Posted workers, migrant workers, seasonal workers, part-time, temporary agency as well as permanent/open ended contracts**

PUBLIC PROCUREMENT

- **Regulation of ‘value chains’ – increasingly long and complex networks/webs of organisations including posted workers and sub-contractors: wage undercutting; contingent on employer demand**
- **Labour clauses - the state as a socially responsible customer (Jaehrling 2015) although complicated by Rüffert ECJ**
 - Setting specific standards (e.g. wages and working time)
 - Promote worker representation, formalise negotiations contractors – choosing reputable suppliers and ‘flushing out’ rogue firms
- **Denmark – Cleaning services in Copenhagen municipality, chain liability for following sector CBA, independent audit**
- **Germany – hybridised minimum wage setting in Bremen municipality (cleaning and construction) to prevent wage dumping**
 - Local politics is important
 - Useful complement to existing mechanisms of social dialogue/collective bargaining
 - Monitoring and enforcement an issue when reliant on external market to provide services

COMPARING CONTEXT OF FRANCE AND UK

- **Different institutional constellations of IR and protective gaps**
 - France higher MW bite (for now), stronger employment protections and social protections for (single persons), higher CB coverage
 - State a reasonably good employer in France, UK less so - extensive outsourcing and falling real wages (2010+)
 - But both low union density in private sector
 - Growing problem of involuntary part-time work in France
- **Social dialogue in France generally more coordinated than UK, even in home care e.g. sector CBA, local employer and union agreements**
- **In UK there is sector level CBA for local authority employees but not private sector contractors, limited local union recognition means public procurement is important**
 - In France state is a facilitator of social dialogue initiative, in UK state has direct role as employer and 'buyer'

PRECARIOUS WORK IN HOME CARE

- **Personal services sector (residential and home care) – provided by or on behalf of the state through fragmented supply chains**
 - Large and expanding sectors (ageing population), pressure on hospital budgets
- **Job quality**
 - Highly personal and demanding work, limited choice/autonomy, turnover and burnout a significant problem
 - Clear and hidden precarity - low wages, insecure contracts, short working hours, limited career prospects
 - Female dominated = undervaluation of ‘women’s work’
- **Specific projects/campaigns to raise standards – pragmatic recognition of problems facing the sector, impact of recession/cutbacks alongside issues of ‘social justice’**
 - Wide social dialogue (‘tripartism’ or ‘quadripartism’)
 - Regional/local level (rather than national/sectoral)
- **Importance of political will**
 - Between institutions/organisations working to achieve common goals, but also key actors as ‘champions’
- **Business case for employers – manage economic turbulence, develop staff, improve retention**

FRENCH CASE STUDY

- **IRIS SAP (Intervention régionale pour l'investissement social dans les services à la personne) initiated in 2009**
 - Provence-Alpes-Côte-d'Azur region (PACA) region
- **Home care mixed market of private, public, associations and individuals (although with significant state funding) – around 32,000 workers in total, almost all women**
- **Home care workers generally open ended contracts, but part-time with low wages (300-500 euro per month), unpaid travel time means long working day**
- **Regional social dialogue built around training and workforce development, job quality and work organisation, funded largely by regional council**
 - Not for profit sector only, focus on employees most threatened by job loss, particularly the low-skilled; employees on precarious contracts; employees with limited access to training; and the unemployed
- **Relatively high ambitions to:**
 - Professionalise the workforce
 - Upskill and build career paths (in home care and medical sectors through 'bridging')
 - Support businesses struggling as a result of the recession
 - Create quality job opportunities and support vulnerable groups

SOCIAL DIALOGUE

- **Complex web of organisations and institutions**
 - PACA regional council, Commission Régionale Paritaire Emploi Formation Professionnelle (CPREFP de Provence-Alpes-Côte-d'Azur Corse), Pôle régional d'innovation et de développement économique solidaire (PRIDES), Joint collecting agencies....
- **Unions** (CFDT, CFTC, UNSA-SNAPAD, CGT-FO, CGT)
- **Employer's associations** (UNA, ADESSA, ADMR, A DOMICILE, FNAAFP-CSF)
- **Regional cooperation agreement signed in 2011, building on existing work around training and workforce development (training levy for employers)**
 1. Reducing forced part-time work (e.g. FT work where possible)
 2. Training rather than unemployment (e.g. support for those made redundant)
 3. Professionalisation and qualification of job-seekers (e.g. support local labour market)
 4. Securing career paths by building bridges to related sectors (e.g. move into health care, residential care)
- **Firms must also abide by CBA and work with regional economic development organisation (PRIDES PSP PACA)**
- **Regional union collaboration important to avoid national 'posturing'; might have struggled to get agreement across multiple unions at national level**

SUCCESS AND LIMITATIONS

- **70 firms, 3,000 workers, increase in qualifications**
 - Process of job redesign less clear
- **Pressure on employers to convert part time work led to increase in hours**
 - But around 20% of workers reverted back to part time (much to frustration of training providers)
- **Depended on 'business support' angle, explicitly linked to recession**
 - Not for profit only, smaller firms excluded need to extend more broadly across private sector
- **Political vulnerability - key regional councillor who was 'champion' is no longer involved**
- **Balance between collaboration and ownership – wide range of parties gave the initiative dynamism and legitimacy but perhaps not enough clear leadership**
- **Regional union collaboration was a pragmatic step, but highlights problem of low wages set through CBA**

UK CASE STUDY

- **Domiciliary care in the client's own home**
 - Washing/dressing, making meals, help with medicines, general wellbeing, from 30-45 minute visits to as little as five
- **Generally sub-contracted workforce – market model of public services 'bought in' by local/municipal authorities, some not for profit but most private sector (from MNCs to hyper-local)**
 - Huge pressure on budgets since 2010, growing demand and declining resources, changing eligibility criteria
- **Union membership density around 45% and around 60% of directly employed workforce covered by CBA**
 - More fragmented at local level, very low union membership in outsourced services (some firms strongly anti-union)
 - Gaps between public and private sector a source of cost savings
 - Wages close to UK NMW (£7.20 at the time), extensive use of ZHC, non-payment for travel time, limited training opportunities

SOCIAL DIALOGUE

- **UNISON (public sector union) ethical care charter launched in 2012**
 - Explicit link between procurement strategies of local authorities and low standards of care and employment
 - Concerns about workforce development
 - Achievable aims:
 - Living wage, no zero hours contracts, payment for travel time
- **National campaign, local implementation**
 - Approaching sympathetic councils/councillors
 - Building relations with commissioners
 - A 'foot in the door' among private sector contractors
- **Business case approach for providers – increase resources, reduce turnover, improve quality**

SOCIAL DIALOGUE

- **Local authority introduced UNISON charter in 2015 (although a two year consultation exercise)**
- **Important role of Labour politicians to secure extra funding, persistence of UNISON representatives**
- **£2.5m additional annual cost (on contracts of £27m)**
- **Work with commissioners to design contracts with higher fees, guaranteed volumes of work**
 - Previous model was spot contract for as little as 10 or 20 hours care for a single client, 'give us your best price'
- **Funded by local taxation and reduced management overheads (fewer larger providers, more efficient)**

SUCCESSSES AND LIMITATIONS

- **Concrete gains**
 - Local living wage of £8.01 per hour (short of full living wage £8.25)
 - Payment for travel time and costs
 - No ZHC unless 'worker chooses'
 - 30 minute visits is default
 - Support for training and staff development
- **Monitoring and enforcement an issue ('have to trust' providers)**
 - ZHC (personal choice), 30 minute visits, work schedules
- **No formal links with providers yet or clear recruitment gains**
 - Hard to organise when no fixed work base, training offer is weak
- **Difficult to replicate across councils**
 - 13 local authorities signed up (out of 370), no data on providers/workers covered
 - Also not seen as a model for other local contracts (e.g. cleaning)
- **Underlines weakness of CBA**

CONCLUDING THOUGHTS

- **Despite different IR context in France and UK there are similar problems of precarity in homecare – issues of productivity or social bias?**
- **Growing recognition that tight public budgets and competitive pressures facing the sector are eroding standards of care and employment**
 - Sector level social dialogue has struggled to contain ‘market forces’
- **Local level initiatives have delivered success in terms of working hours, wages, job security, and training**
- **France**
 - Public procurement a complement to existing forms of social dialogue, broader ambitions for IRIS SAP but with mixed outcomes, puts responsibility on workers to upskill and increase hours, regional multi-unionism but questions of sustainability
- **UK**
 - Public procurement increasingly important for public services and social dialogue, modest ambitions of UNISON’s ethical care charter which delivered concrete gains not directly linked to productivity, questions of scale
- **Identifying ‘the employer’, establishing principle of chain liability is difficult**
- **How to replicate and embed such initiatives? Pressure back on CBA to deliver better wages, slow down outsourcing**
- **Problem of policy making which pushes services out to private sector**

Project team

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Further details

The Comparative Research Report, six National Reports and six National Research Briefings are all available on the EWERC website at:

<http://www.research.mbs.ac.uk/ewerc/Our-research/Current-projects/Reducing-Precarious-Work-in-Europe-through-Social>