



# Reducing Precarious Work

## Protective gaps and the role of social dialogue in Europe

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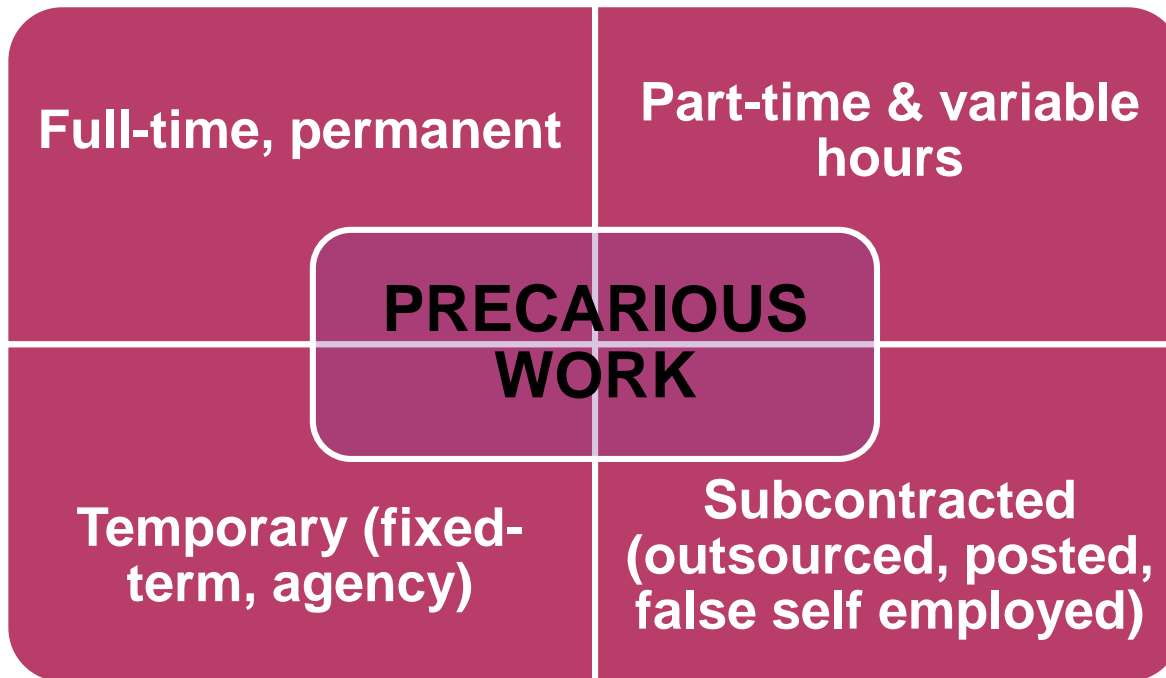
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# DEBATING PRECARIOUS WORK

- 1) The **standard employment relationship (SER)** is still a valuable benchmark for well protected employment
  - country varieties of standards & direction of change
  - form of regulation (legal regulations & collective bargaining)

# DEBATING PRECARIOUS WORK

- 2) Precarious work can extend across **all employment forms**



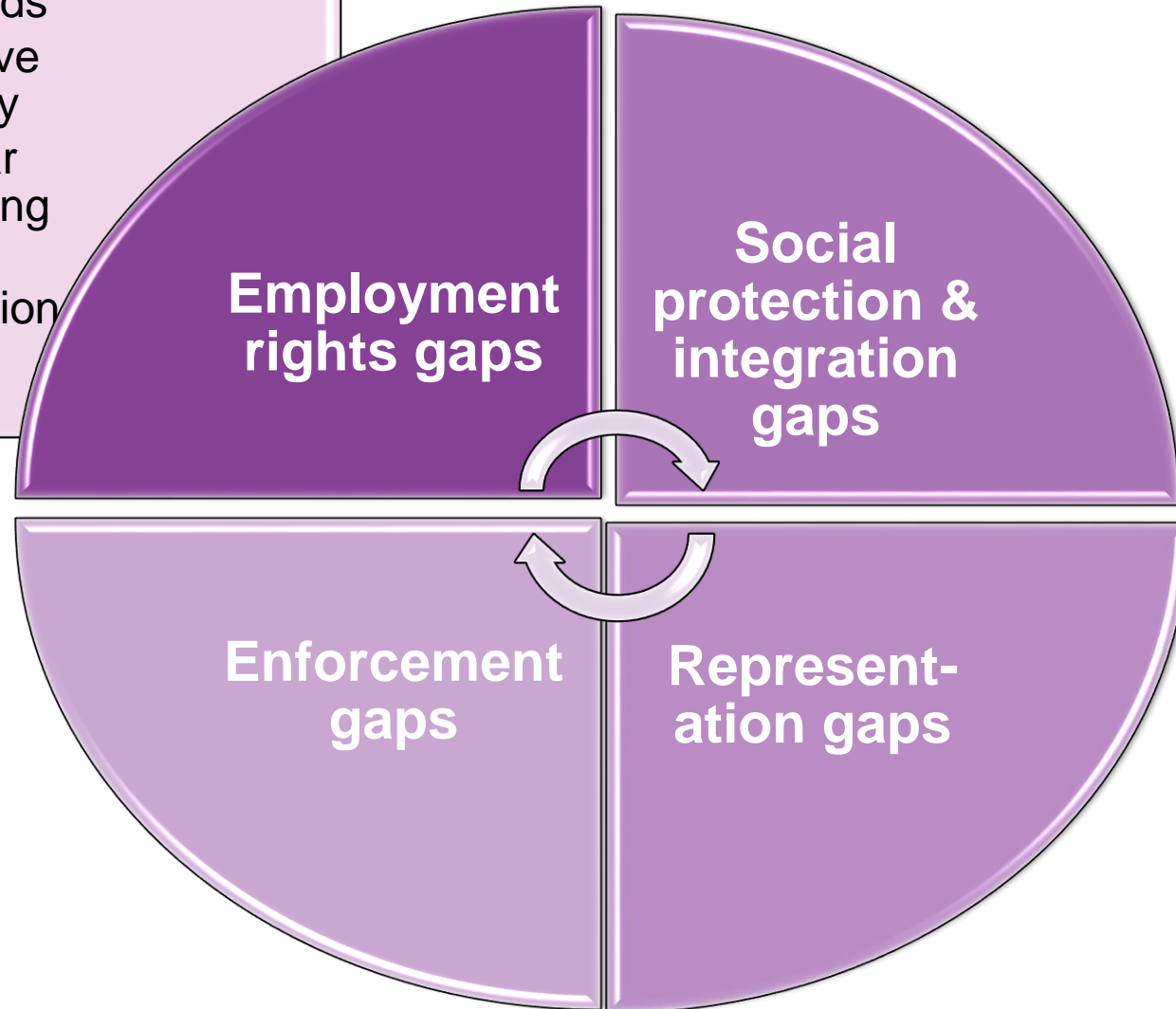
# DEBATING PRECARIOUS WORK

## 3) Analysing precarious work through ‘**Protective Gaps**’

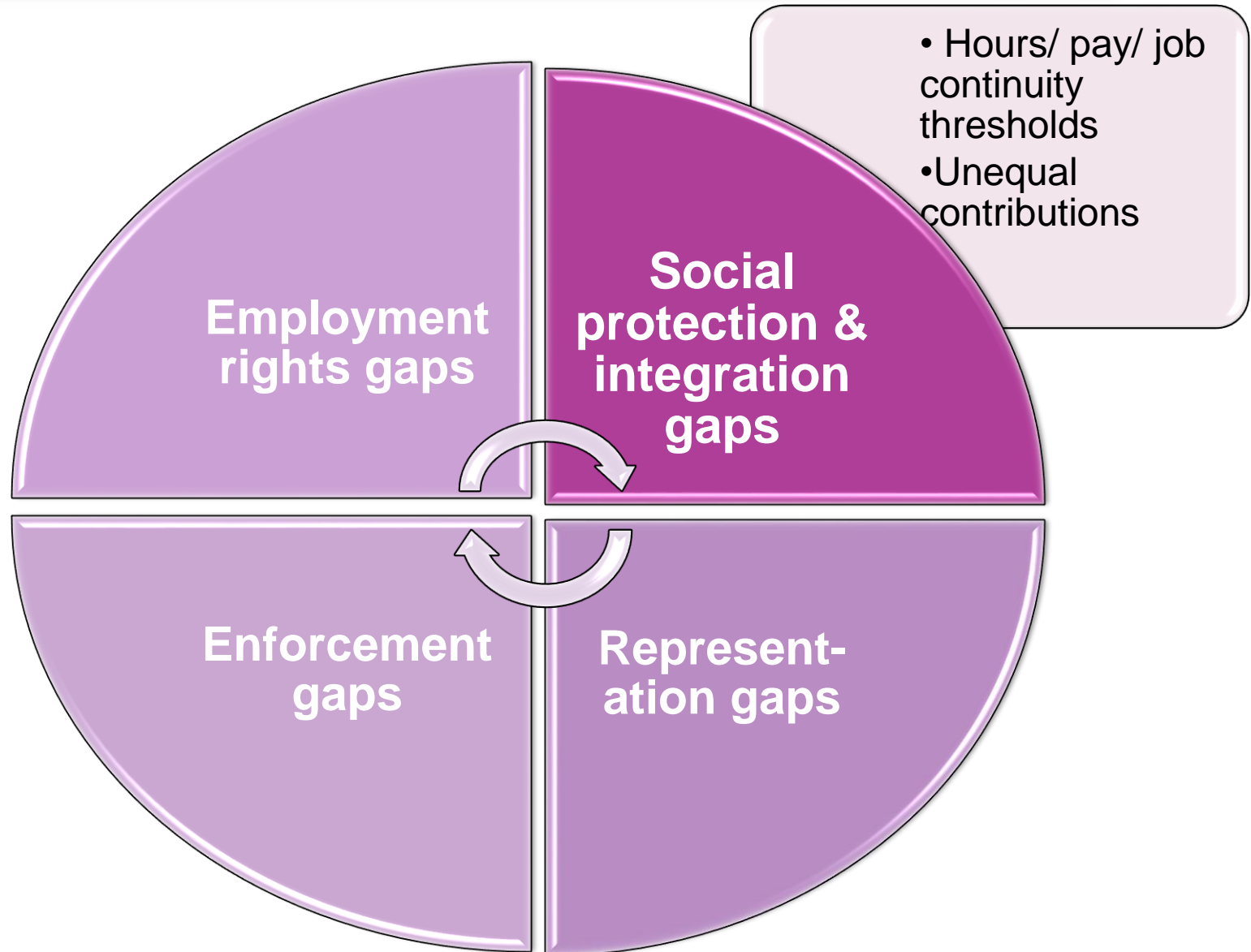
- Other studies focus on non-standard employment and on objective and subjective job quality measures (Broughton et al. 2016, EuroFound 2015)
- Our *institutional analysis* is complementary: Detailed focus on precarious work arising from **4 Protective Gaps**:
  - **Employment rights gaps, Social protection gaps, Representation gaps, Enforcement gaps**
  - Protective gaps are inter-connected and institutionally embedded
  - Widening of gaps makes labour markets **more exclusive**; Closing gaps makes labour markets **more inclusive** (Rubery 2015)

# INTER-CONNECTING PROTECTIVE GAPS

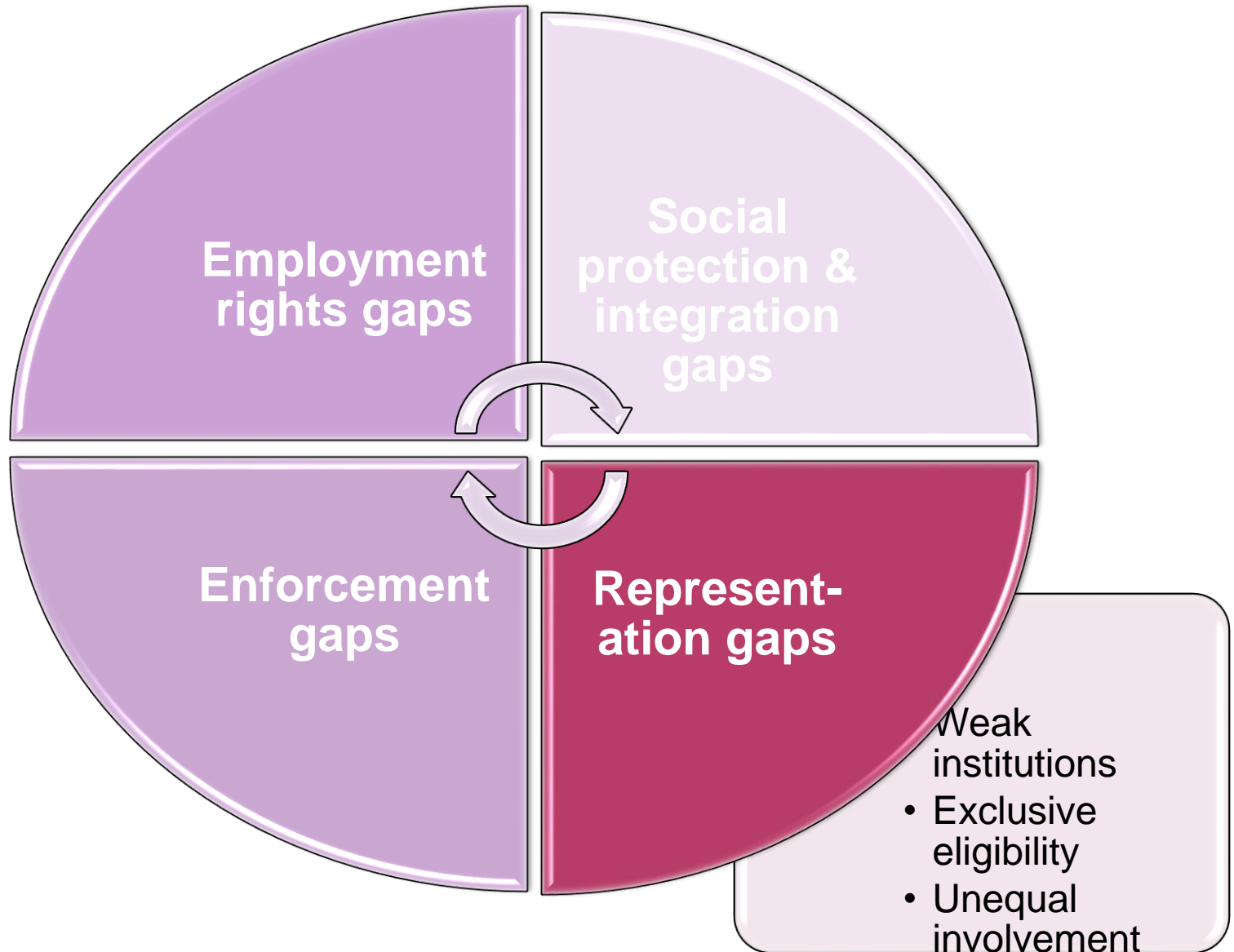
- Low minimum standards
- Exclusive eligibility
- Irregular upgrading
- Weak integration



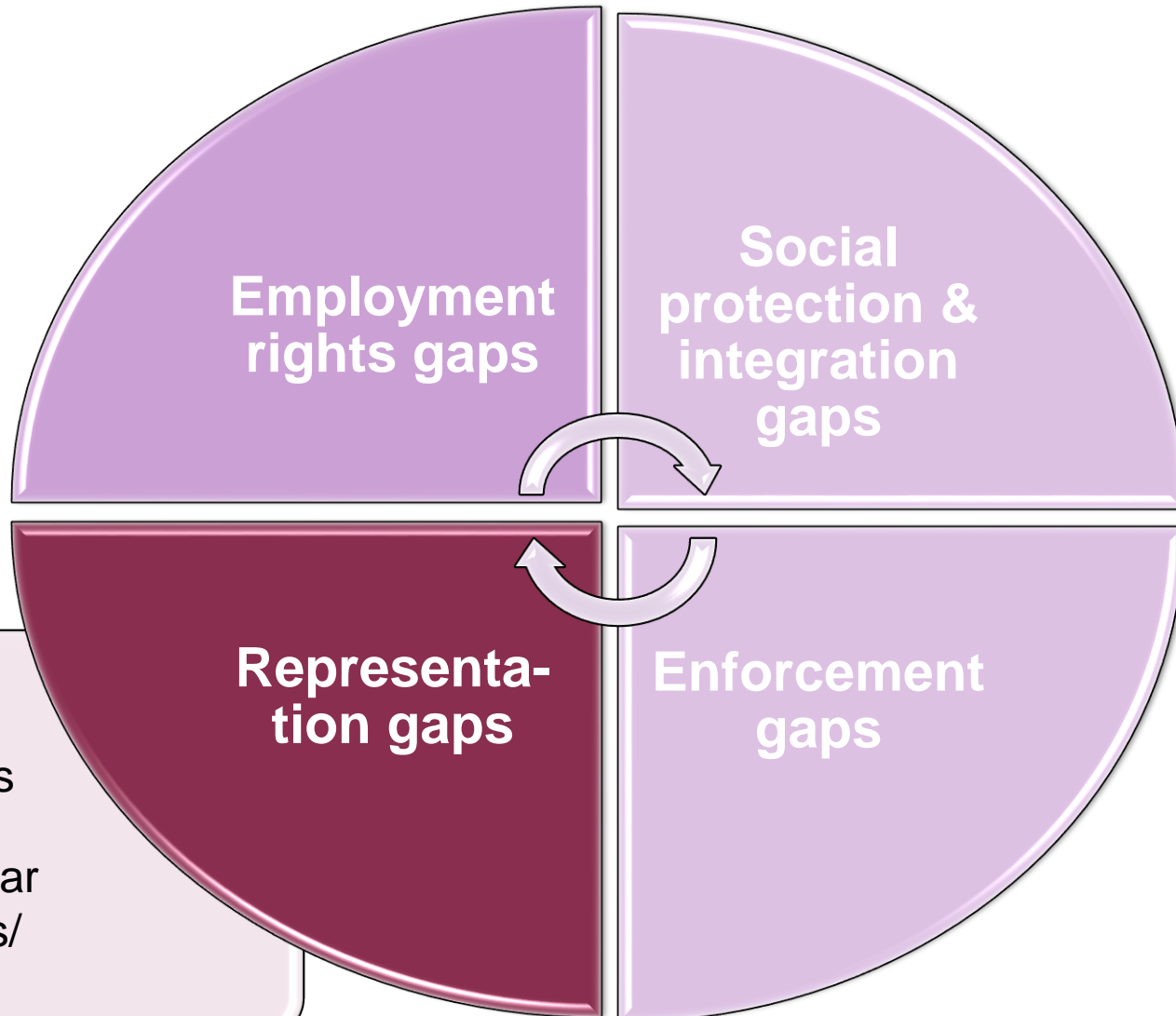
# INTER-CONNECTING PROTECTIVE GAPS



# INTER-CONNECTING PROTECTIVE GAPS



# INTER-CONNECTING PROTECTIVE GAPS



- Awareness gaps
- Power/ Fear
- Resources/ Coverage



# DEBATING PRECARIOUS WORK

## 4) A societal specific approach

- Varieties of gaps = Varieties of precariousness (Barbier 2011; Paugam 2000)
- Interaction between regulatory forms (collective bargaining and legislation); EU directives important
- How to assess precarious conditions?
  - Precarious work in Country A versus Countries B, C
  - Precarious work in Country A versus 'standards' in Country A

## 5) Employer strategies shape the form and extent of precarious work

- Employers are key architects in labour markets (Wilkinson 1981)
- Uneven development of sectors/supply chains shapes employers' capacity to improve standards

# DEBATING PRECARIOUS WORK

## 6) Social dialogue and policy reforms are needed to reduce precarious work



- Multiple roles of social dialogue in making labour markets more inclusive

- Aligns with EU's *New Start for Social Dialogue*

SD is 'a prerequisite for the functioning of Europe's social market economy'

# RESEARCH DESIGN: COUNTRY SELECTION

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
<b>Denmark</b>	CME	Nordic corporatism	Social democratic	Dual-earner model/ Weak MBW
<b>France</b>	CME/state-led	Polarised/state-centred	Conservative	One-and-three-quarters earner/ Modified MBW
<b>Germany</b>	CME	Social partnership	Conservative	One-and-a-half earner/ Strong MBW
<b>Slovenia</b>	Post-transition	Social partnership	Conservative/ Social democratic	Dual-earner model/ Weak MBW
<b>Spain</b>	CME	Polarised/state-centred	Familialist	Dual-earner/ Strong MBW
<b>UK</b>	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).

# 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

# **FIRST RESEARCH QUESTION**


**What protective gaps do we find across countries for different employment forms?**

- **Full-time, permanent work**
- **Part-time and variable hours work**
- **Temporary work**
- **Subcontracted work**

# FULL-TIME, PERMANENT WORK: EROSION OF STANDARDS?

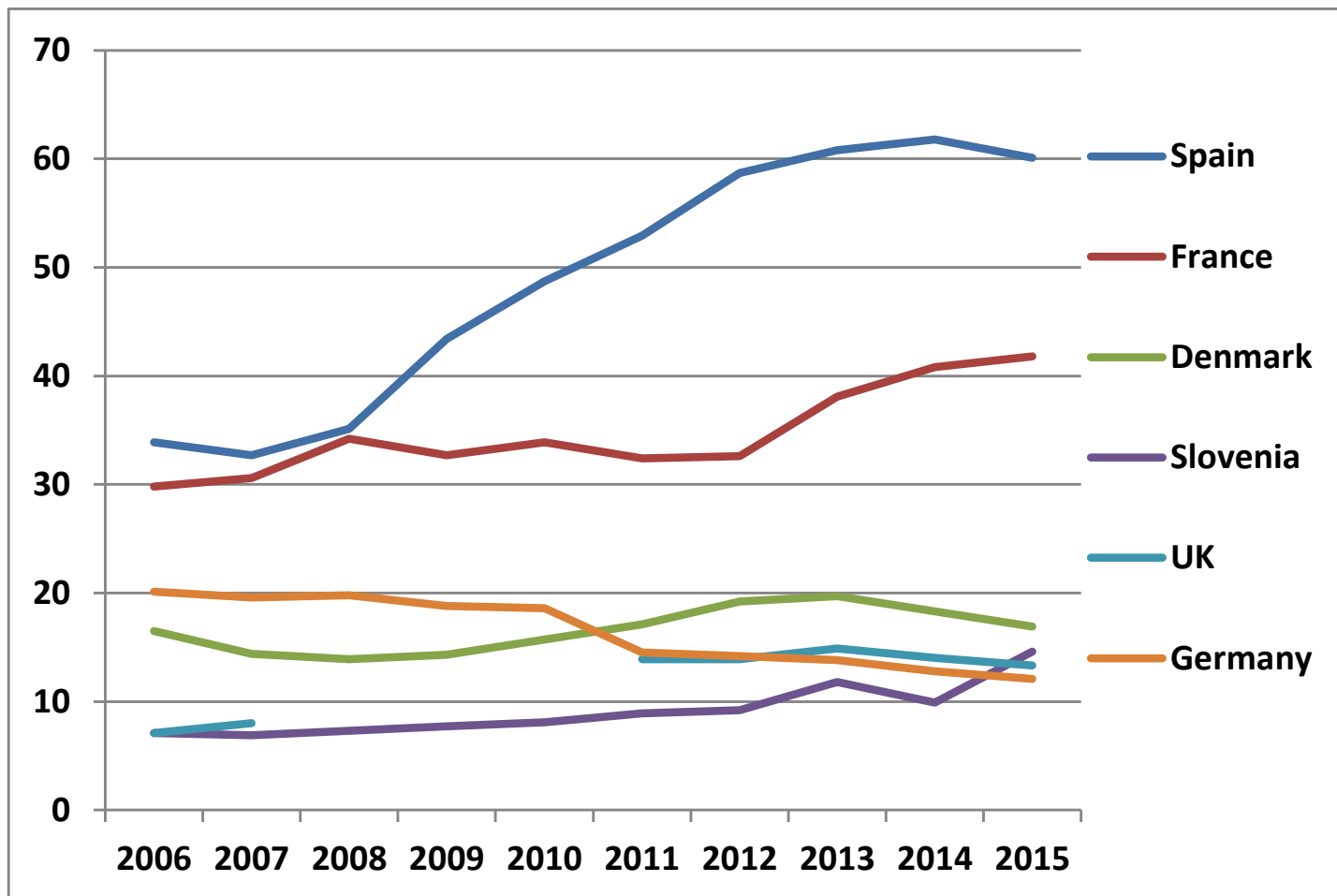
	More Inclusive 	More Exclusive
<b>Employment rights gaps</b>	<p><b>E.g. Minimum wage</b></p> <ul style="list-style-type: none"> <li>-High level (DK, FR, SI)</li> <li>-Eligible from day one</li> </ul> <p><b>E.g. Employment protection</b></p> <ul style="list-style-type: none"> <li>-Short tenure (DK, ES, SI)</li> </ul>	<ul style="list-style-type: none"> <li>-Low level (ES)</li> <li>-Excludes student interns (FR, SI, UK)</li> <li>-Long tenure (FR, UK)</li> <li>-Public sector downsizing (except DK)</li> </ul>
<b>Social protection gaps</b>	<p><b>E.g. Unemployment benefits</b></p> <ul style="list-style-type: none"> <li>-High minimum (DK)</li> <li>-Long duration (DK)</li> <li>-Contributory benefits extended (ES, low level)</li> </ul> <p><b>E.g. Paid maternity leave</b></p> <ul style="list-style-type: none"> <li>-High level, long duration (SI)</li> </ul>	<ul style="list-style-type: none"> <li>-No/low minimum (DE, UK)</li> <li>-Short duration (SI, UK)</li> <li>-Excludes voluntary quits (ES, SI)</li> <li>-Low level (UK)</li> </ul>

# FULL-TIME, PERMANENT WORK: EROSION OF STANDARDS?

	More Inclusive 	More Exclusive
<b>Representation gaps</b>	<b>Collective bargaining</b> -High, relatively stable (DK, ES, FR)	-Low (UK) -Falling slowly (DE, ES), quickly (SI)
	<b>Workplace representation</b> -High (DK, FR), Moderate (SI, ES)	-Low (DE small firms, UK private sector)
<b>Enforcement gaps</b>	<b>Labour inspection</b> -High level resources (DK)	-Low level resources (UK) -Falling resources (DK, SI, UK)
	<b>Social dialogue role</b> -Strongly embedded (DK, DE, SI)	-Weak role (UK –highly individualised with fees also)

# PART-TIME WORK: TRENDS?

- Overall relatively stable for women
- But **rising shares of involuntary part-time employment** (Spain, France, Slovenia) (Eurostat)





# PART-TIME & VARIABLE HOURS WORK:

More Inclusive



More Exclusive

## Employment rights gaps

### Earnings/hours protection

- Minimum hours (FR); some collective agreements (DE, DK)
- Worker notice on schedules (FR, DE, ES)

- No minimum hours (ES, SI, UK)
- Hyper-flexible hours (UK)

### Integration with SER

- Overtime pay (FR)
- Right to reduce hours (DE, ES, FR, SI)
- Right to return to full-time (FR, DE, ES, SI)

- Few opportunities in high-level jobs (UK, DE)
- Only right to request (DK, UK)
- No right to return to full-time (DK, UK)

## Social protection gaps

### Unemployment benefits

- High minimum level
- No/low hours thresholds
- Voluntary opt-in (DE); can insure as FT (DK, FR); reduced hours for care work treated as FT (SI)
- Low contributions (DK, FR); uprated (ES)

- No minimum benefit (DE)
- Earnings threshold (DE, UK)
- Short reference period/high contributions (DE, SI)

# ENFORCEMENT GAP PROBLEMS: MINI JOBS IN GERMANY

- One in five (7.5 million) working Germans had a mini-job in 2014, 2/3 women
- Defined as earning up to €450 per month
- Average 11 hours per week; main job for 2 in 3

*Table 11.5 Survey results on fundamental worker entitlements in mini-jobs*

Responses by	Paid Holidays		Sick Pay		Pay for Public Holidays	
	Not Possible	No Answer	Not Possible	No Answer	Not Possible	No Answer
Employees	41.5%	26.1%	38.7%	34.6%	43.3%	36.3%
Companies	31.3%	11.1%	25.6%	10.7%	40.3%	13.3%

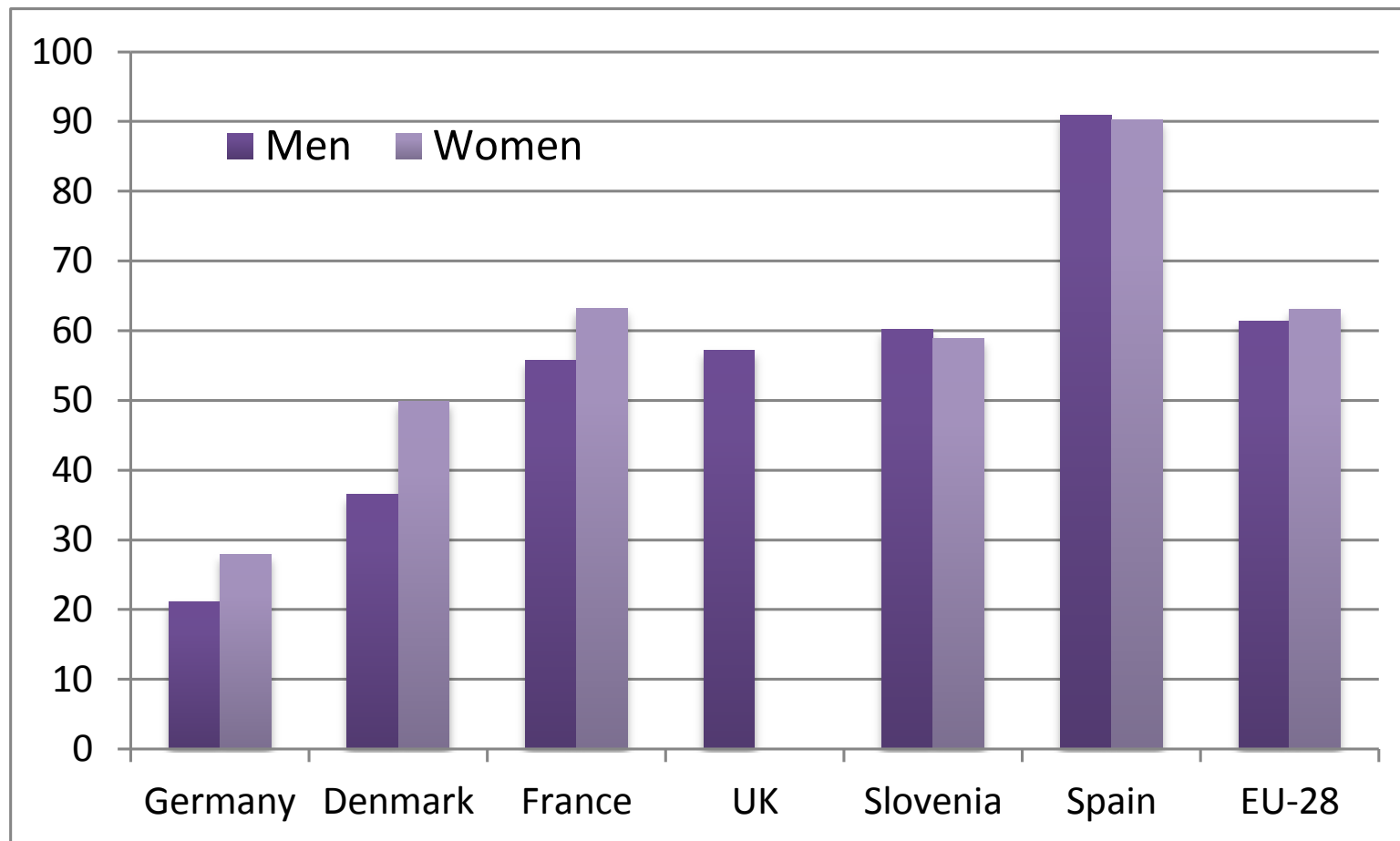
*Source: Weinkopf 2014 based on RWI 2012.*

Weinkopf, Claudia (2014): Precarious employment and the rise of mini jobs. In: Vosko, Leah/ MacDonald, Martha/ Campbell, Iain (eds.) *Gender and the Contours of Precarious Employment*, Routledge, pp.177-193.

# TEMPORARY WORK

## Temporary work as 'second choice' work

% of temporary workers who 'could not find permanent work', 2015



# TEMPORARY WORK

	More Inclusive	← →	More Exclusive
<b>Employment rights gaps</b>	<b>Employment protection</b> -No tenure restrictions (None); ES 1m -Targeted compensation (ES)		-Tenure requirements (6m DE, 12m FR, 24m UK)
	<b>Flexible working</b> -No tenure restrictions		-Tenure restrictions (DE, UK)
<b>Social protection gaps</b>	<b>Unemployment benefits</b> -Few contributions over long period (DK, FR, ES)		-High contributions over short period (DE, SI) -Intermittent work penalised
	<b>Paid maternity leave</b> -Low/ flexible continuity requirements (all except UK)		-Long/rigid continuity requirements (UK)

# TEMPORARY WORK: CHALLENGES OF ENFORCEMENT?

- Major improvements with EU Directives on equal treatment
  - But **limited awareness of rights** among workers and employers; **weak transitions to open-ended contracts** undermine lifecycle earnings growth
  - Weak capacity to claim their rights (low union representation); exit preferable to voice
  - High risk of low pay, **in-work poverty**:

*Share of workers in poverty by contract*

	SPAIN	GERMANY	FRANCE	SLOVENIA	DENMARK	UK
<b>Workers with a temporary contract</b>	23.3%	18.1%	13.2%	12.5%	9.8%	7.3%
<b>Workers with a permanent contract</b>	5.9%	7.5%	4.7%	4.5%	3.6%	5.1%
<b><i>In-work poverty contract gap</i></b>	<i>17.4 pp</i>	<i>10.6pp</i>	<i>8.5pp</i>	<i>8.0pp</i>	<i>6.2pp</i>	<i>2.2pp</i>

Source: Eurostat SILC 2015 data

# SUBCONTRACTED WORK

	More Inclusive	More Exclusive
<b>Employment rights gaps</b>	<b>Employment protection for subcontracted employees</b> -Protect transferring workers (extend collective agreements) -Social clause in procurement (DK, DE, UK); restricted use (ES)	-Minimum scope of protections -Ambiguous 'employer' status
	<b>Protections for posted workers</b> -Equality with conditions for non-posted workers	-Directive privileges minimum statutory protections (all 6 countries)
<b>Social protection gaps</b>	<b>Pensions for subcontracted employees</b> -Continuity with change of employer	-Protections exclude pensions (Acquired Rights directive)
	<b>Protections for posted workers</b> -Equality with non-posted workers (none)	-Match conditions in sending country (Directive, all 6 countries)

# SUBCONTRACTED WORK: PROBLEMS OF FALSE SELF EMPLOYMENT

## Major risks of exclusion

- Civil law not employment law
- Loss of social protection rights caused by voluntary opt-in arrangements (eg 1 in 5 opt in to Spain's unemployment fund)
- High risk of poverty (24% in Slovenia)
- Immigration rules place migrant workers at risk (conditions of entry and stay) (Cremers 2009)
- Growing employer use of 'labour-only subcontracting'

## Towards more inclusive arrangements?

- **Denmark:** universal social protections extended to self employed
- **Slovenia:** clients contribute 9% of gross earnings in social security contributions (1/2 of standard level)
- **Spain's** hybrid status (*TAED*) extends some employee protections (employment rights and social protection)

# SECOND RESEARCH QUESTION

**How can social dialogue reduce precarious work?**

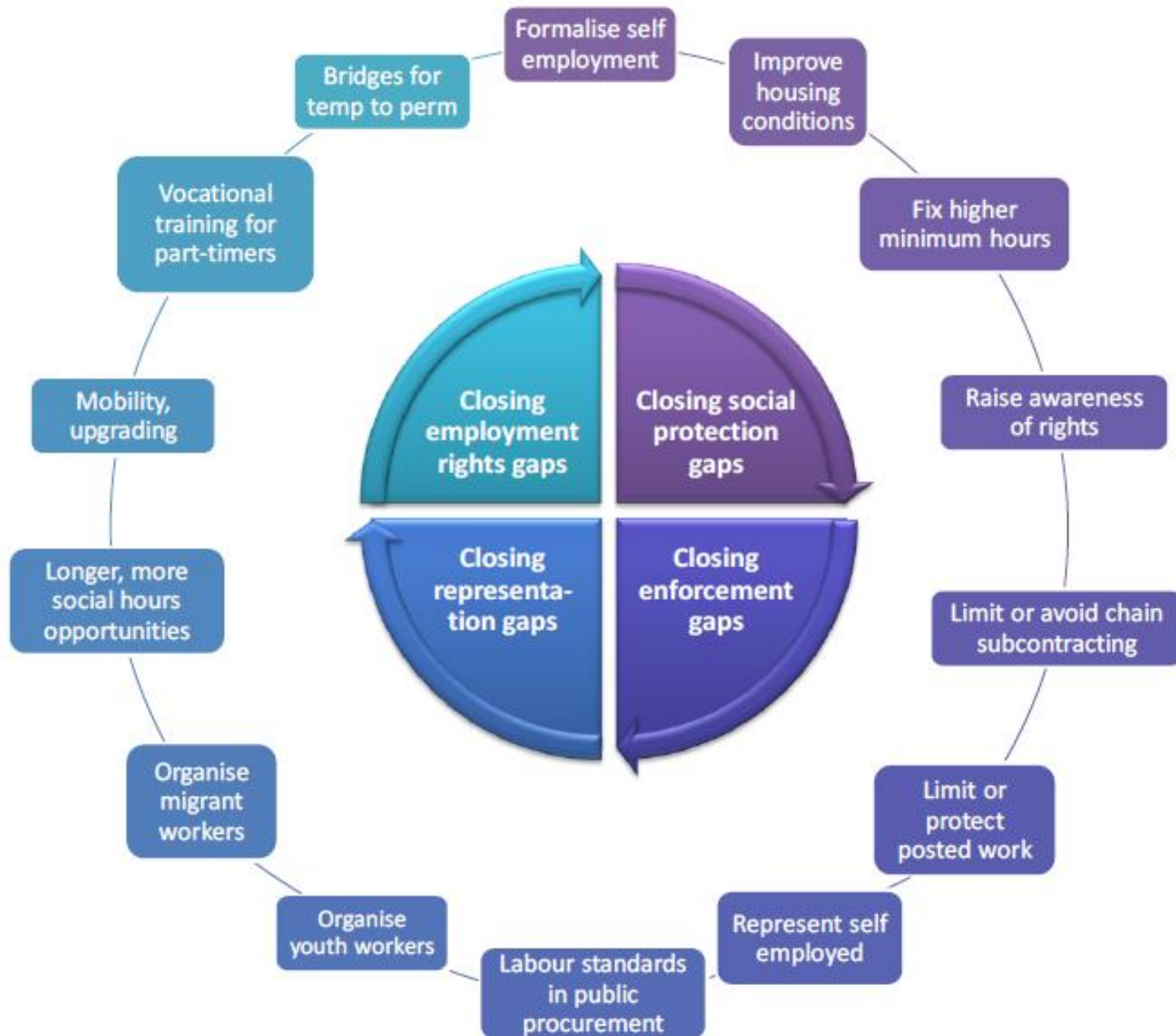
- Selection of 21 case studies across six countries
- ‘Purposive sampling’ –chosen to:
  - i. represent a type of precarious work
  - ii. a form of social dialogue
  - iii. an attempted improvement of conditions



# CASE STUDIES: THE POWER OF SOCIAL DIALOGUE

- **Social dialogue can be versatile and adaptable**
  - Limited evidence of vested interests defending fixed positions
  - 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; abolish zero hours)
    - Fix new standards in response to experience of workers in precarious work (housing conditions)

Figure 16.2. Targeted successes of social dialogue in reducing precarious work



# CASE STUDIES:

## SOCIAL DIALOGUE AT MULTIPLE LEVELS

- Not simply a patchwork of local, workplace level gains (contrary to Stone & Arthurs 2013)
  - Eg. Inter-sectoral CA, sector and local action –1 example (FR retail part-timers)
  - Eg. National sector level change with local action –5 examples (DK labour clauses, FR cleaning firm, ES chain subcontracting, Spain subcontracted catering, SI retail)
  - Eg. National sector level initiative/taskforce with local action – 4 examples (DK TWA, DE posted work meat industry, UK local govt procurement, UK higher education casualisation)

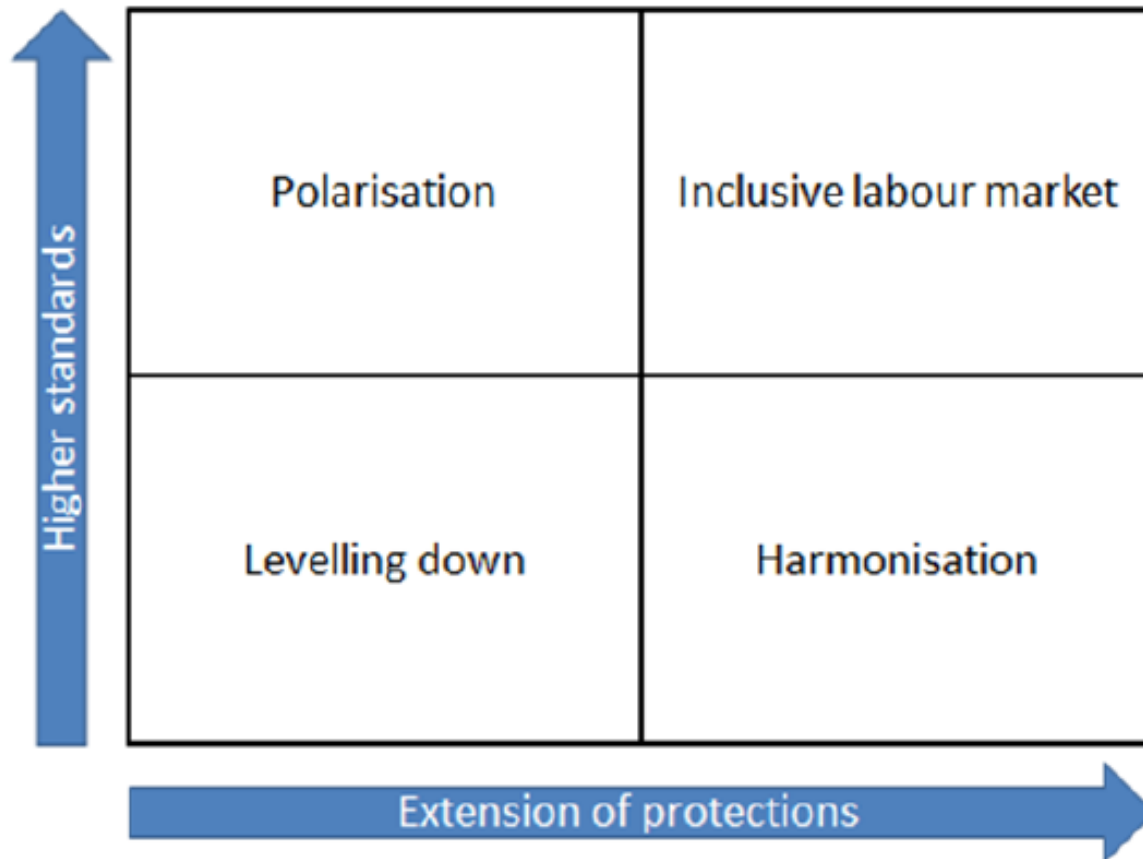
# CASE STUDIES: THE LIMITS OF SOCIAL DIALOGUE

*The recurring cycle of pressures, actions, inactions and social dialogue counter-actions*



# CASE STUDIES: DIVERSE TRAJECTORIES

Figure 16.1. Four paths towards re-regulating labour markets



# CONCLUDING THOUGHTS

- Europe has been active promoting flexible labour markets and the costs are becoming evident:
  - *high demand for state support to counter in-work poverty*
  - *fewer job opportunities that can support life-stage transitions*
  - *poor fit with productive labour markets*
- Allocative & distributive functions of Europe's labour markets are failing
- Need to interrogate all regulations for their potential ***inclusive and exclusive effects***
- Is a ***new targeted approach*** needed?
- How to ensure ***social partners are properly equipped*** to devise resolutions to problems of precarious work?