

8 Good Reasons Why Adult Social Care Needs Sectoral Collective Bargaining

by Dr Lydia Hayes



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8 good reasons why adult social care needs sectoral collective bargaining

In the UK's adult social care industry, the need for sectoral collective bargaining is nothing short of urgent. This booklet draws on research based on the opinions and experiences of care workers that was published in 2017 as *Stories of Care: A Labour of Law*.¹ By sharing some of that book's findings, this booklet identifies the enormous benefits that collective bargaining could bring to both adult social care workers and the people for whom they care. It also supports the industrial strategy set out in the Labour Party manifesto, 'For the many not the few', which commits the next Labour government to '*roll out sectoral collective bargaining – because the most effective way to maintain good rights at work is collectively through a union*'.

Good quality jobs are desperately needed in adult social care. The appalling truth is that in every corner of the UK, families are being let down by inadequate care provision, disabled people are suffering and workers are expected to tolerate unacceptable standards of employment and a gross disregard for their caring knowledge and expertise. Sectoral collective bargaining could change this.

In 2016, the Institute of Employment Rights brought together leading employment law experts to write *A Manifesto for Labour Law*. The central message is: **Government action is needed to ensure collective bargaining across industries so that the voices of Britain's workers can be heard and respected.** Its compact, authoritative and accessible recommendations are informing debates across the labour and trade union movement. This booklet aims to add to that debate with eight good reasons why adult social care needs sectoral collective bargaining.

what is sectoral collective bargaining?

Sectoral collective bargaining is a system for setting terms and conditions of employment across industries. Collective bargaining takes place in many countries around the world and was very important in Britain for at least 50 years after the end of the First World War. Setting terms and conditions of employment through collective bargaining helped to ensure that working people were not ripped off by their bosses and could enjoy a fair share of the UK's economic wealth. At its height, 82% of UK workers benefitted from collective bargaining.

how sectoral collective bargaining works

Sectoral collective bargaining puts democratic participation and decision-making into action in the economy. Employers join employers' associations so that their interests and concerns can be jointly represented, and the interests and concerns of working people are represented through their membership of trade unions. Both sides come together to negotiate a deal for their industry. This is written up as a *collective agreement* which details the minimum standards that will apply (including pay, holidays, training, sick pay, apprenticeships and much more). Sectoral collective agreements can be enforced in law. However, evidence points to a strong track record in which agreements are respected and applied on a day-to-day basis because they create a level playing field for all employers across an industry and workers are aware of the standards set out in the agreement because they have been consulted and involved.²

why is sectoral collective bargaining a good idea?

Since the 1980s, the setting of terms and conditions at work has increasingly moved towards a 'take it or leave it' system in which individuals have had little choice but to accept whatever an employer offers. Under this system, employers compete with one another to drive down labour costs and Parliament has had to intervene by setting statutory minimum standards. However, these minimum standards are insufficient to enable working people to lead a healthy life.³ For example, the government claimed that the introduction of a higher-rate National Living Wage would improve living standards but families are now worse off because the policy failed to reflect increases in the cost of living and was accompanied by cuts to tax credits and increases in tax.⁴ In theory, individual legal rights provide a safety net so that no-one is exploited but in practice (and for millions of working people) these rights are either unavailable, insufficient or unenforced. The 'take it or leave it' system has created many problems in the UK labour market. Employment rates are higher than at any time since records began but 40% of workers in the UK are now in 'bad jobs': jobs which do not provide them with security and a living wage.⁵ Sectoral collective bargaining is a better way to set minimum labour standards because it is democratic and enables working people to have a say in shaping the terms and conditions of employment for the jobs in which they work.⁶ Collective agreements are much more detailed and industry-specific than statutory rights. They can address short-term issues such as pay and flexibility, as well as longer-term issues such as productivity, training, recruitment and pensions.

About the Institute

The Institute of Employment Rights seeks to develop an alternative approach to labour law and industrial relations and makes a constructive contribution to the debate on the future of trade union freedoms.

We provide the research, ideas and detailed legal arguments to support working people and their unions by calling upon the wealth of experience and knowledge of our unique network of academics, lawyers and trade unionists.

The Institute is not a campaigning organisation, nor do we simply respond to the policies of the government. Our aim is to provide and promote ideas. We seek not to produce a 'consensus' view but to develop new thoughts, new ideas and a new approach to meet the demands of our times.

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For over a decade, there has been a steady stream of evidence that employment in the social care sector comes with poor-quality terms and conditions, low pay, and in too many cases, exploitation. This not only devalues and degrades the skills and labour of the industry's two million-strong workforce, but is well-evidenced to have a dangerous impact on the care that some of our most vulnerable citizens receive. The sector also employs the largest number of women in low-paid jobs, adding to the gender pay gap. Despite countless inquiries and investigations, the same issues persist. It is clear that the industry is in dire need of reform.

In this booklet, Dr Lydia Hayes sets out the lessons learned from her interdisciplinary research into the sector, and builds upon the recommendations made in the Institute of Employment Rights' *Manifesto for Labour Law: a comprehensive revision of worker's rights* to propose a sectoral collective bargaining structure for the negotiation of wages and conditions. She draws upon a wide range of empirical evidence and international comparison to recommend a way forward for social care in the UK.

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