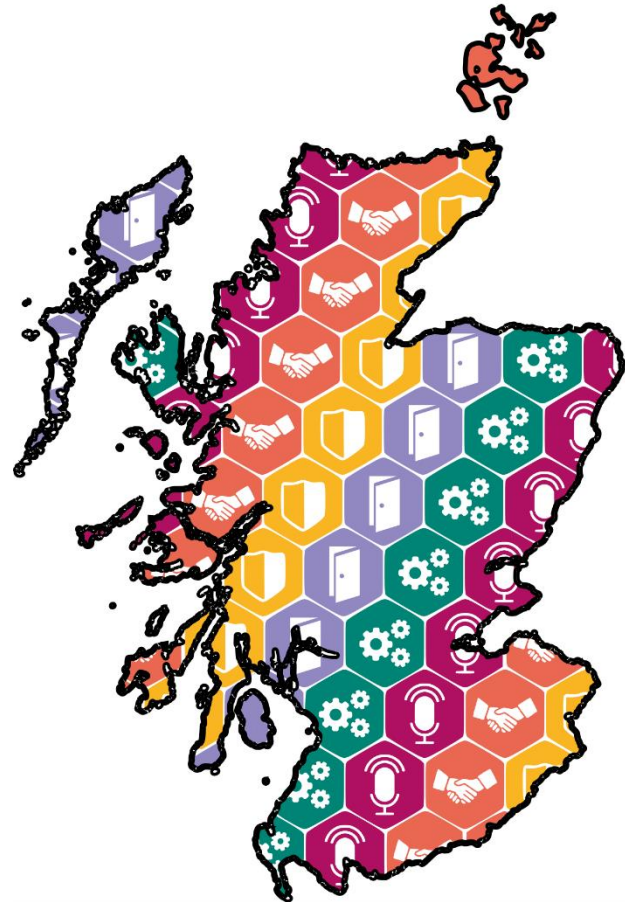


# Fair Work in Scotland



Fair Work Convention  
December 2020



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# Foreword

Since the publication of the Fair Work Framework in 2016, the Fair Work Convention has been striving to make fair work a reality for workers and employers in Scotland. The dimensions of fair work: **effective voice, security, respect, opportunity and fulfilment** provide a basis for understanding the labour market and for taking decisive action at a workplace level which in turn produces a better, fairer economy and society.

This report, Fair Work in Scotland, offers insight into fair work components and how they can be measured and improved. It is designed to support understanding of where Scotland is in its fair work journey, and offer suggestions as to how to progress further.

This report shows that even before the pandemic, limited progress was being made in improving key fair work indicators. The impact of the COVID-19 pandemic will add further pressures. If Scotland is to achieve its ambition of being a Fair Work Nation by 2025, faster action is needed.

The COVID-19 crisis has laid bare much of the unfairness in our economy. Issues like access to sick pay, contract type and security, polarizing job intensity, safety when making workplaces COVID-19 secure, and isolation, wellbeing and voice while working from home, highlight

the complexity of embedding fair work practice across the economy. Significant variation in people's access to fair work is not new, but experience throughout the pandemic has highlighted how stark some of these variations are, and how important it is to make progress on all dimensions of fair work for workers as a whole and for those groups, often with protected characteristics, who are less likely to have access to fair work.

Fair work should be at the heart of our economy. The value of the fair work approach, where employers, workers, unions and public agencies work together in a structured way, has already been used to deal with the challenges posed by the pandemic. It should be built upon to tackle the ongoing impact of the pandemic and the other significant challenges workers and employers faced before the pandemic struck.

In responding to the pandemic, the role of the state in supporting business and driving recovery has been significant. There has been, and will continue to be, opportunity to design every intervention of the state in this regard to support fair work, embedding a fairer, more productive and innovative approach at the workplace. At a time when many employers are redesigning their business models, the opportunity to build in fair work, and effective voice in particular, has

# Foreword

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never been greater. Steps taken to do this now will shape our ability to respond effectively to this and other challenges facing businesses, workers and the economy.

Fair work is not an optional extra – it is an important route to creating and sharing value. While this report acknowledges the challenges ahead, it also makes clear recommendations for future action. We must ensure that as we proceed through and emerge from the current crisis, our collective vision of **a Fair Work Nation by 2025** is realised.



Patricia Findlay

Professor Patricia Findlay  
Fair Work Convention Co-Chairs



Grahame Smith

Grahame Smith  
Fair Work Convention Co-Chairs

# About this Publication

This report presents the Fair Work Convention's Fair Work Measurement Framework which monitors Scotland's progress towards becoming a Fair Work Nation. The measurement framework consists of 39 indicators, reflecting the multidimensional nature of fair work.

The report provides an overview of progress on indicators over the past 5 years. Performance of the indicators is indicated by an arrow; improving, maintaining and worsening. Where the change in data was not statistically significant, we report the performance as maintaining. All data used in this report is the latest data available and selected indicators are broken down to illustrate how fair work affects different groups of workers in Scotland. All changes reported in this publication are statistically significant which means that these changes are real and did not occur simply due to variation in samples.

The data sources used in the Measurement Framework are designated as Official Statistics. This ensures that data presented here is robust and reliable. However, it also means that there is some time lag. All data provided is the latest data available at the time of publication (14 December 2020). The specific timeframe for each data set is noted within the tables and charts.

## **Data sources:**

Labour Force Survey and Annual Population Survey  
Annual Survey of Hours and Earnings  
Scottish Employers Perspectives Survey  
Scottish Employers Skills Survey

The purpose of this report is to reflect on progress being made on fair work and to present the indicators needed to track this progress. While the report presents a view of individual indicators and their trajectory over recent years, individual indicators cannot capture fair work on their own and any overall assessment of fair work in Scotland requires consideration of multiple indicators that make up each of the five dimensions of fair work.

A number of gaps in data exist and therefore the picture continues to be incomplete. Even where performance has improved against an indicator, significant improvement may still be required. Overall improvement may also be accompanied by significant variation for particular groups of workers or within sectors.

The purpose of the Measurement Framework is to better inform the debate on fair work, to track progress over time and to identify areas where further analysis, research and workplace action is required.

# Executive Summary

[Fair Work](#) is work that offers **effective voice, security, opportunity, fulfilment and respect**. It balances the rights and responsibilities of employers and workers and generates benefits for individuals and society.

The [Fair Work Measurement Framework](#) monitors Scotland's progress towards becoming a Fair Work Nation by:

- keeping track of change across all aspects of fair work
- building on the analysis in the Fair Work Framework which was rooted in research and evidence and on the real-life experience of a diverse range of workers;
- highlighting systematic variation (e.g. by gender, ethnicity or other protected characteristics) and
- making evidence-based recommendations which support Scotland's progress towards becoming a Fair Work Nation.

## Overview of Evidence

This report shows that even before the pandemic there were limited improvements in the indicators of fair work. It is important to acknowledge that this set of indicators is based on existing data sources, which leaves, in some cases, substantial gaps in evidence. While there has

been progress on certain indicators, many indicators across all dimensions of fair work are maintaining at current levels and progress is not being made. However, some indicators are also worsening, pointing to growing problems within the labour market and at the workplace.

Within each dimension, there is also significant variation for groups of workers, often aligning with protected characteristics. This suggests that the lived experience of fair work can vary significantly for people in Scotland. It paints a worrying picture of persistent systematic inequalities that need to be addressed if fair work is to be realised.

There is also significant sectoral variation with some sectors as a whole not performing well across multiple dimensions of fair work. These include:

- Agriculture, Forestry and Fishing
- Mining and Quarrying
- Manufacturing
- Construction
- Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles
- Accommodation and Food Service Activities
- Human Health and Social Work Activities

# Executive Summary

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This suggests that considered interventions are required to fully understand and tackle the barriers to fair work in these sectors. This may require efforts to achieve a change in the sector's core business model and/or approach to employment.

The picture is also changing dramatically. The current pandemic is impacting significantly on the economy and is likely to exacerbate the problems we face. Properly embedding fair work principles will help Scotland respond to the challenges caused by the current pandemic as well as other issues around aging, climate change, automation, the shift to homeworking, EU Exit and changes in patterns of global trade.

## Opportunity

Until the end of 2019, the employment rate was high and unemployment was at a record low but people from different groups still had very different experiences and opportunities in relation to work. Now as then, workers with disabilities are much less likely to be in employment and young workers are much more likely to be unemployed than the rest of the working population. Opportunity to work also varies by industry. Construction is very male-dominated, while Health and Social work is very female-dominated, which can create barriers for some workers to enter and progress within these industries.

The COVID-19 crisis is likely to exacerbate issues in this dimension of fair work, with unemployment forecast to rise significantly over the course of this year.

## Respect

Measuring respect as a dimension of fair work is challenging. There has been little change in the health & safety aspect of respect at work - prevalence of injuries at work and illnesses caused or made worse by work are at the same level as they were 5 years ago. However, lack of data means that our performance on unacceptable behaviour at work such as discrimination, harassment and bullying cannot be measured.

COVID-19 changes this picture. The risk associated with health and safety at work is increasing with sectors that require close contact with others, like Accommodation and Food Services or Education, now associated with a higher risk profile.

## Security

Of the 5 dimensions of fair work, security has seen the most improvement in the past 5 years. The Convention's composite measure of security of employment, hours and pay shows that security of work in Scotland has improved, largely due to improvements in the real living wage.

# Executive Summary

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Despite this, experience of security at work varies for different groups of workers and across industries. Young people are most likely to be on a zero-hours contract and to be paid less than the real living wage. Workers in Accommodation and Food Services or Wholesale and Retail Trade are much less likely to be paid the real living wage than workers in other industries.

COVID-19 changes this picture. The lowest earners before the pandemic have lost their jobs at four times the rate of the highest earners (8% compared to 2%). Young workers are twice as likely to have been furloughed or lost their job as those who are middle-aged.

## Fulfilment

Indicators of fulfilment did not perform well over the past 5 years. Indicators of workplace learning, average time spent in training and skills underutilisation (where skills and qualifications of workers are more advanced than their job role requires) have all deteriorated.

Participation in training decreases as workers get older and is lower for minority ethnic groups. There is also a large variation across industries. The highest participation in training was in Human Health and Social Work and the lowest in Agriculture, Forestry and Fishing. Training allows workers to maintain and learn new skills. It is a key factor

affecting fulfilment at work and can help deliver more productive contributions and more effective workplaces.

The impact of COVID-19 on fulfilment is uncertain. The opportunities for training within workplaces may be reduced due to pressures around job intensification and practical issues associated with COVID-19 and homeworking. At the same time many workers will be supported to train to adapt to changes in work practices provoked by employers' response to the pandemic. The need for upskilling and retraining opportunities may also be greater due to pressures on industries and rising unemployment.

## Effective Voice

The prevalence of effective voice over the past 5 years is difficult to assess. There are significant data quality issues across this dimension which means that elements of effective voice, particularly voice mechanisms in non-unionised workplaces, cannot be measured. Where data exists, indicators of effective voice show mixed results.

The key indicator of effective voice - collective bargaining coverage - has improved over the past 5 years, but there is still significant sectoral variation. The highest collective bargaining coverage was in Public Administration and Education and the lowest in Information and Communication. Overall, collective

# Executive Summary

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bargaining coverage in the public sector was 73% compared to 20% in the private sector.

The impact of COVID-19 on effective voice is difficult to assess, but the combination of job intensification for many key workers and isolation for homeworkers could impact negatively on opportunities to exercise effective voice.



# Recommendations

The Fair Work Measurement Framework suggests that limited progress has been made in addressing fair work with the majority of indicators showing no improvement over the past 5 years. Further progress is required if Scotland is to meet its vision to be a Fair Work Nation by 2025. The COVID-19 crisis is also presenting significant

challenges across all of the dimensions of fair work which increases the need to take decisive action. Based on the data presented in this report, we recommend, as a priority, that action be taken in the following areas:

	Scottish Government	Fair Work Convention	Workplace Stakeholders
<b>Create Sector Level Fair Work Processes</b>	Build fair work processes that bring employers, unions and public agencies together: <ul style="list-style-type: none"> <li>• building on the positive experience of developing sectoral guidance during the COVID-19 crisis;</li> <li>• focusing on sectors that perform poorly across a number of dimensions of fair work, as identified in this Report; and</li> <li>• taking immediate action to address issues within sectors where public funding predominates and/or the public sector has direct and indirect responsibility.</li> </ul>	Support employers, unions and workers to build the internal capacity necessary to engage constructively in fair work dialogue and processes.	Employers and unions should commit to engage constructively in sector-level fair work processes.

# Recommendations

	Scottish Government	Fair Work Convention	Workplace Stakeholders
<b>Prioritise Fair Work Activity Where Fair Work is Least Prevalent</b>	<p>Target sectors and support groups of workers where pay and precarious work is most prevalent to improve fair work across all dimensions.</p> <p>Work with employers and unions to develop interventions that recognise the links between the absence of fair work and systematic inequality.</p>	<p>Raise awareness of the relationship between the absence of fair work and systematic inequality.</p> <p>Support the Scottish Government, employers, unions and workers to understand and tackle systematic inequalities by taking a fair work approach.</p> <p>Research entrenched inequalities from a fair work perspective for example: the gender pay gap for older women workers; and the impact of socio-economic status (class) on access to fair work.</p> <p>Work with partners to build capacity amongst campaigning groups to better understand fair work and to access and enforce rights at work.</p> <p>Undertake an inquiry into Fair Work in the Accommodation and Food Services sector.</p>	<p>Employers and unions should work together to develop bespoke fair work policies and practices at workplace level, drawing on the Fair Work Framework, focused on eradicating systematic pay and other inequalities (for ex-ample access to training).</p> <p>Employers should undertake a systematic review, working with their workforce and trade unions, to ensure that there are no systematic barriers to work, training and progression opportunities for workers with protected characteristics.</p> <p>Employers should take steps to ensure diversity within decision making structures, particularly but not exclusively at board level.</p>

# Recommendations

	Scottish Government	Fair Work Convention	Workplace Stakeholders
<b>Embed High Standards through Conditionality</b>	<p>Apply fair work conditionality to all support provided to business during the pandemic and beyond</p> <ul style="list-style-type: none"> <li>Complete and publish Fair Work First guidance and monitor its implementation and effectiveness.</li> </ul>	<p>Work with the Scottish Government to monitor the effectiveness of Fair Work First (and other approaches designed to incentivise fair work) giving advice and guidance on how this can improve.</p>	<p>Employers should engage constructively with conditionality requirements.</p> <p>Unions should work with employers to ensure conditionality declarations within conditionality systems are evidence based and effectively embedded and operationalised.</p>

# Recommendations

	Scottish Government	Fair Work Convention	Workplace Stakeholders
<b>Respond to and Shape Labour Market Change</b>	<p>Work with employers, unions and workers to:</p> <ul style="list-style-type: none"> <li>improve access to training and increase opportunities for retraining and upskilling</li> <li>create an effective voice mechanism, where none exists, including through trade union membership and representation, for young workers to seek help and support with workplace issues. One way of achieving this would be a disputes resolution mechanism linked to the Young Person's Guarantee.</li> </ul> <p>Explore how enhanced social security powers can be used to improve the safety net for workers focusing on sick pay and unemployment support.</p>	<p>Lead a conversation on the changing nature of work by:</p> <ul style="list-style-type: none"> <li>researching the impact of labour market shifts on the dimensions of fair work</li> <li>exploring workers' lived experiences of fair work and</li> <li>supporting the development of practical interventions that improve fair work outcomes.</li> </ul> <p>Support the Young Person's Guarantee by:</p> <ul style="list-style-type: none"> <li>raising awareness amongst young people about fair work and the treatment they should expect to receive at work</li> <li>supporting the Scottish Government and other interested stakeholders to develop voice mechanisms for young workers, including through union membership and representation.</li> </ul>	<p>Employers and workers should work together to ensure all workers have access to sick pay and occupational health services.</p> <p>Employers should seek to provide training opportunities for young workers which lead to secure employment. Employers, in partnership with their workforce and unions should work to 'future-proof' skills and employment to prepare better for economic shocks and other uncertainty.</p> <p>Employers and unions should support workers impacted by redundancy to access retraining and upskilling opportunities.</p>

# Recommendations

	Scottish Government	Fair Work Convention	Workplace Stakeholders
<b>Improve Data Quality</b>	<p>Create and resource a Scotland wide survey similar to the former Workplace Employment Relations Study series.</p> <p>Improve data quality at a Scottish level around protected characteristics, geography and class.</p>	<p>Focus research on issues where data is currently poor and the picture incomplete.</p> <p>Develop a fuller analysis of fair work outcomes by sector, protected characteristics, geography and class.</p>	<p>Support the collection of work-related data and respond positively to official surveys.</p>

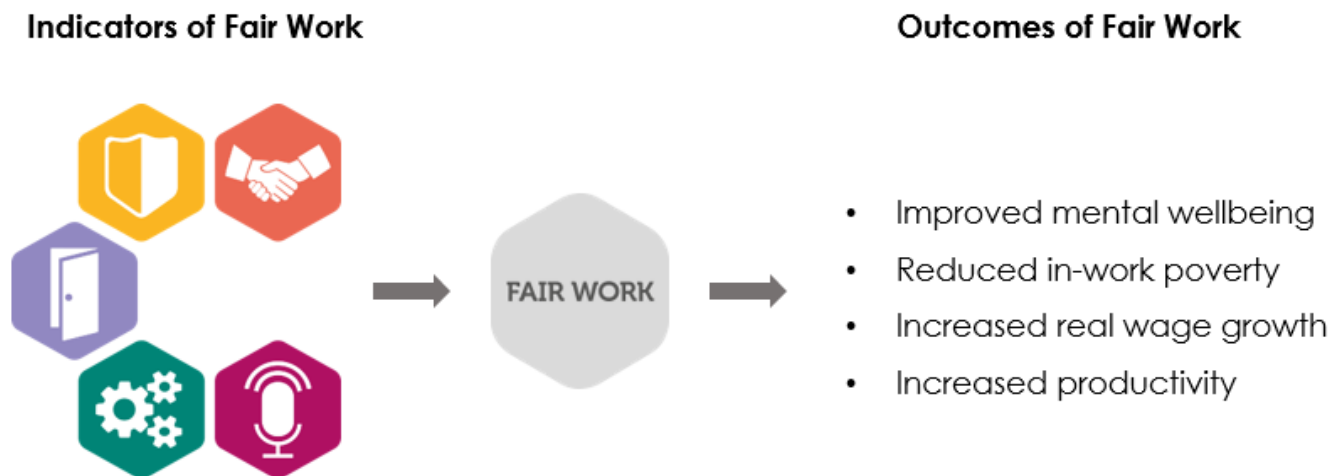
# Fair Work Measurement Framework

The Fair Work Measurement Framework sets out indicators of fair work which can be measured using the existing data sources. These represent workplace practices and can be improved at an organisational level.

International evidence shows that implementing fair work will lead to improved outcomes, such as improved mental wellbeing, reduced in-work poverty, increased real wage growth, and increased productivity. Improvements in the performance of Fair Work indicators will collectively lead to improvements in these outcomes.

The Measurement Framework is designed to monitor progress towards Scotland becoming a fair work nation by 2025 by:

- keeping track of improvements across all aspects of fair work
- building on the analysis in the Fair Work Framework which was rooted in research and the real-life experience of a diverse range of workers
- highlighting systematic variation (e.g. by gender, ethnicity or other protected characteristics); and
- making evidence-based recommendations which support Scotland's progress towards becoming a Fair Work Nation.



# Fair Work Measurement Framework

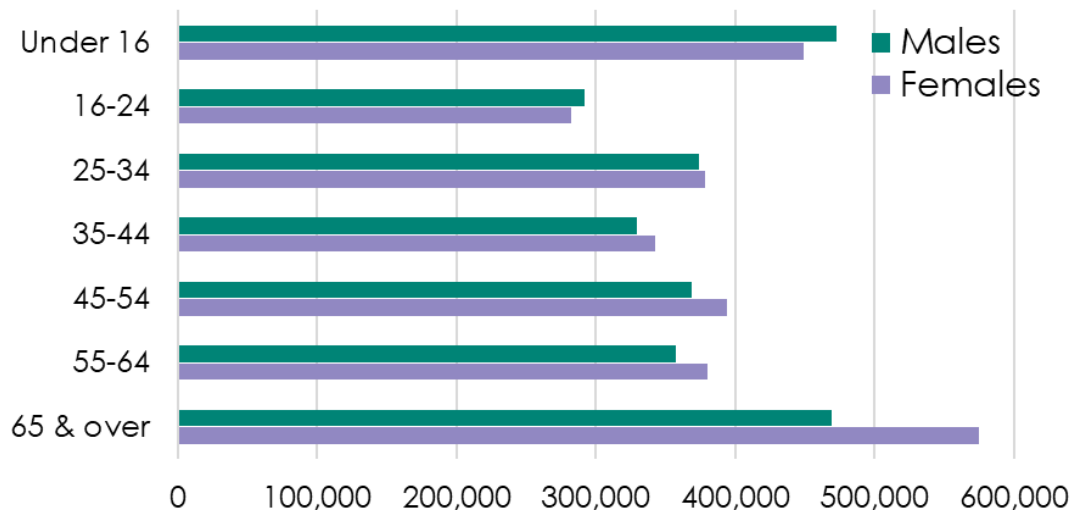
Opportunity	Respect	Security		Fulfilment	Effective Voice
Disability and ethnicity Employment gaps	Work-related ill health and disease	Secure employment	Hours of unpaid overtime	Employer provided training	Trade union membership
Youth unemployment rate	Working days lost due to ill health and disease	Permanent employment	Median gross weekly earnings	Workplace learning	Trade union presence
Gender economic inactivity gap	Stress, anxiety or depression caused by work	Underemployment (hours insufficiency)	Real living wage	Type of training	Collective bargaining (reported by employees)
Economic inactivity	Working days lost due to stress, depression or anxiety	Involuntary non-permanent work	Gender, disability and ethnicity pay gaps	Training duration	Collective bargaining (reported by employers)
Access to flexible working	Workplace injury	Involuntary part-time work	Zero hours contracts	Skills underutilisation	
Vertical and horizontal occupational segregation	Working days lost as a result of workplace injury	Involuntary self-employment	Average tenure	Skill shortage vacancies	
	Fatal injuries				
<b>Gaps in data</b>					
Career progression	Discrimination, Harassment & Bullying	Sick pay entitlement		Autonomy, Problem solving, Work Intensity	Adequate channels for employees to communicate, influence and negotiate

# Labour Market Overview

- Scotland's population has grown each year since mid-2000. Migration has been the main driver of Scotland's population growth for the past 19 years.
- The Scottish population is ageing, which creates pressures for the labour market and requires new ways of working.
- Nearly 4 in 5 adults were employed in the private sector (79%). This proportion has increased since 1999 (75.7%) but has been stable since 2014.

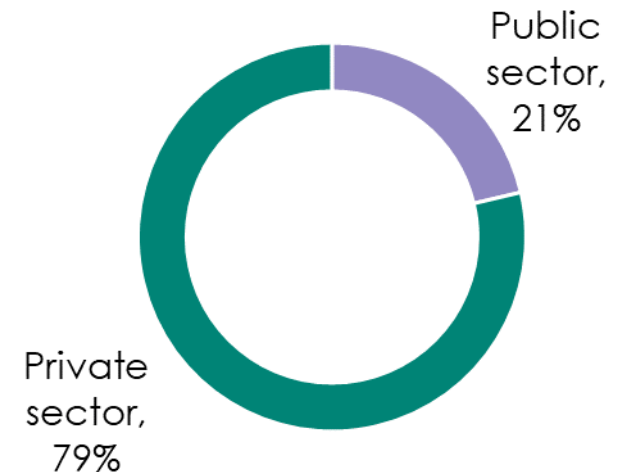
## Estimated population by age and sex, Scotland, 2019

Source: Mid-year population [estimates](#), NRS



## Employment by sector, Scotland, Q2 2020

Source: Quarterly Public Sector Employment [series](#), SG

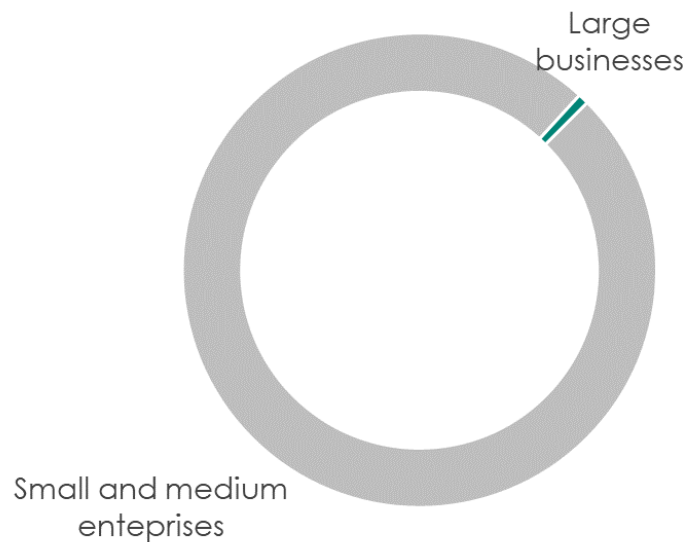


# Labour Market Overview

- As at March 2020, there were 364,530 businesses (registered and unregistered, including public sector) operating in Scotland.
- 361,995 Small and Medium-sized Enterprises (SMEs) accounted for 99.3% of all businesses.

## Proportion of businesses in Scotland, including public sector, by number of employees, 2020

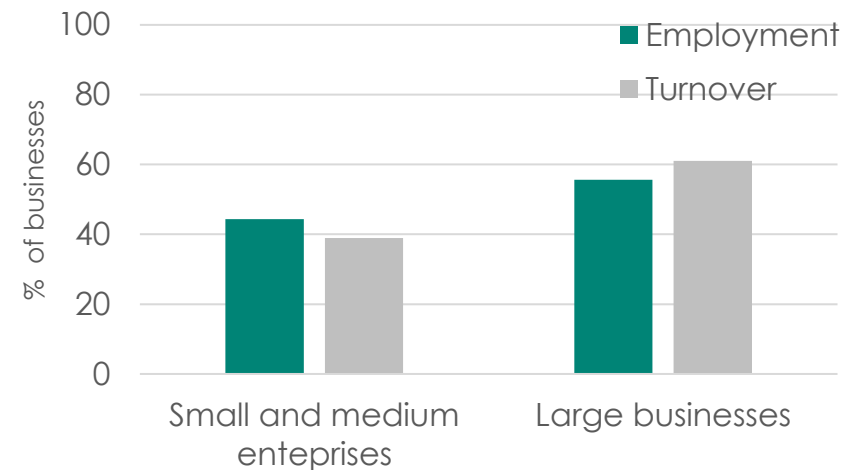
Source: *Businesses in Scotland 2020*, [SG](#)



- SMEs provided 1.2 million jobs, 44% of employment, and 39% of private sector turnover.
- The large (250+ employees) businesses operating in Scotland as at March 2020 accounted for 56% of employment and 61% of turnover.

## Employment and Turnover by size of businesses in Scotland, 2020

Source: *Businesses in Scotland 2020*, [SG](#)

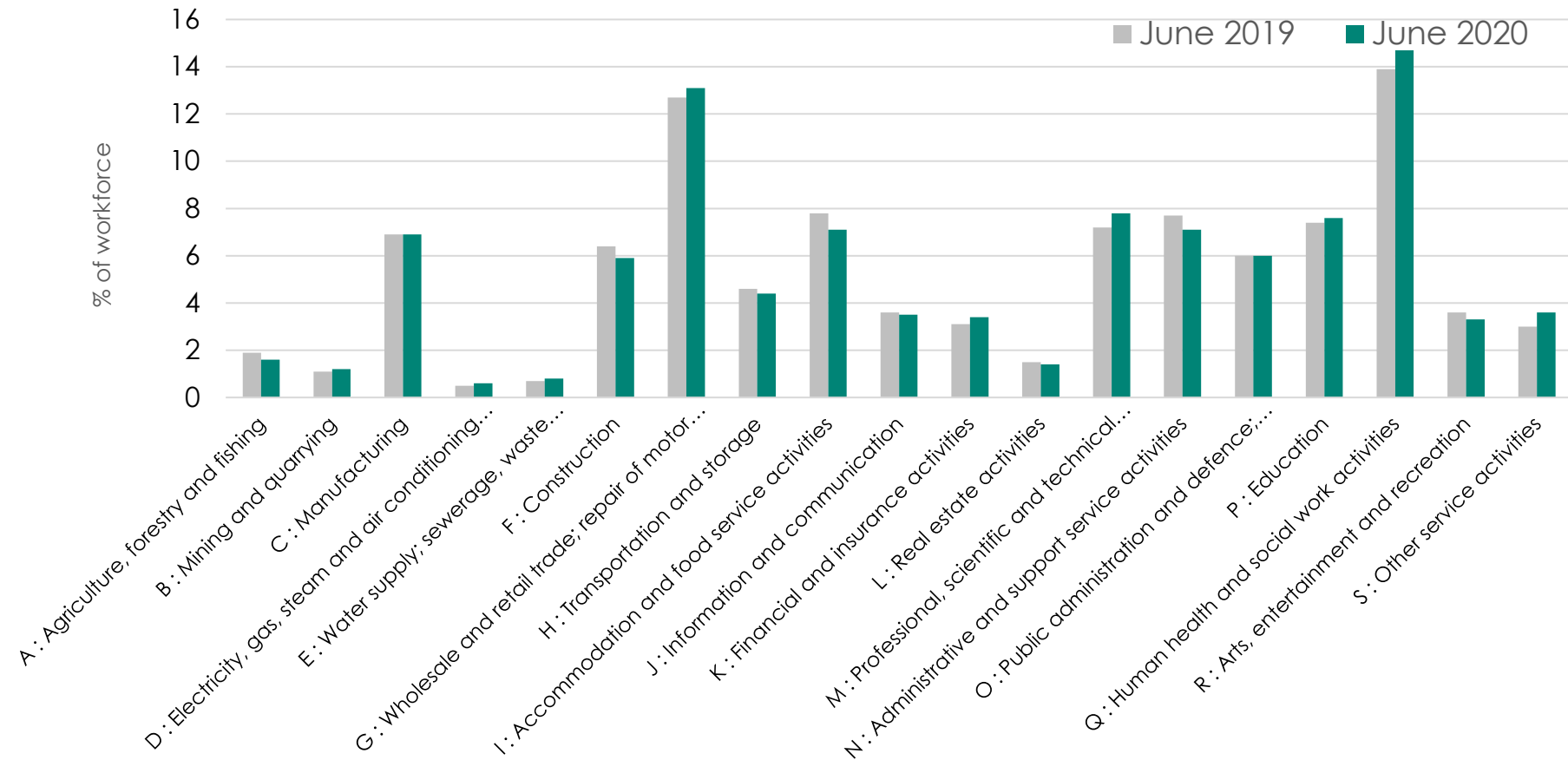


# Labour Market Overview

- 74.0%<sup>1</sup> of people aged 16-64 years old in Scotland were in employment in July - September 2020.
- This is around 2,644,000 adults.

## Proportion of Scotland's workforce by industry (SIC2007), seasonally adjusted (June 2020)

Source: Workforce Jobs, [ONS](#)



<sup>1</sup> Labour Force Survey, ONS, [SG analysis](#)

# Labour Market and COVID-19

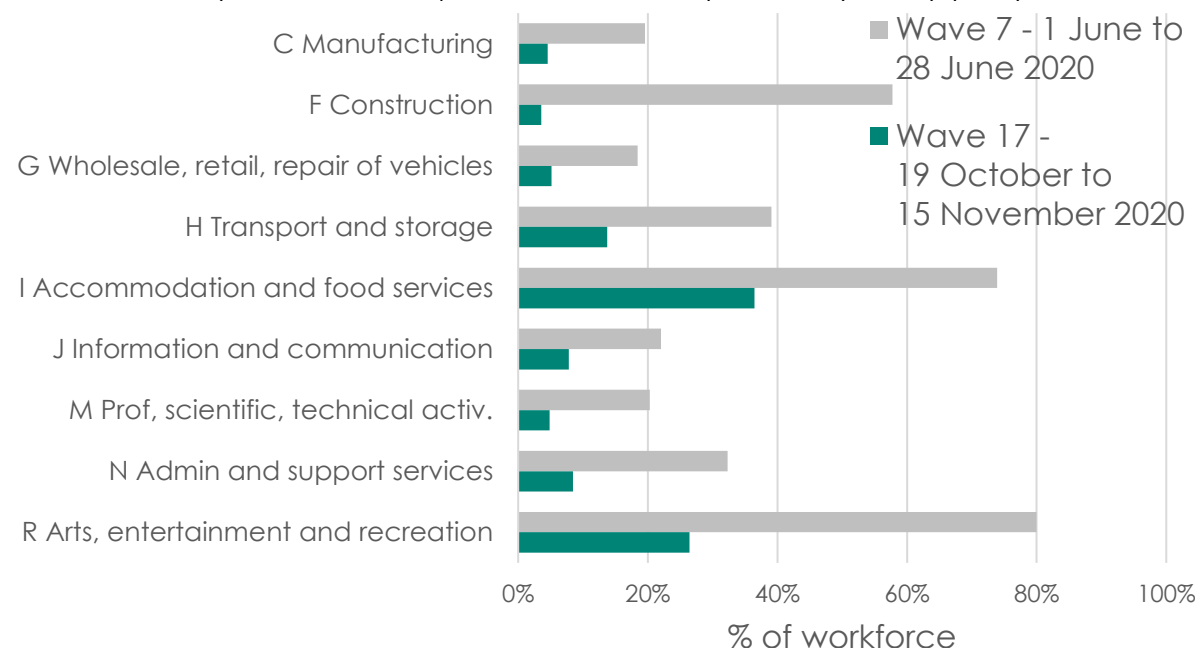
- The latest data shows that 183,200 jobs were furloughed in Scotland as at 30 September 2020<sup>2</sup>
- More recent analysis by the Scottish Government shows that 10.1% of workforce were on furlough in November 2020<sup>3</sup>
- 142,000 claims in Scotland had been made to the second Self Employed Income Support Scheme

(SEISS) which opened on 17 August. This represents 64% of the eligible population<sup>4</sup>

- As forecast by the Scottish Government<sup>5</sup>, GDP is expected to fall by 9.8% over the year as a whole and will not recover to its pre-COVID-19 level until 2023-24
- Unemployment is forecast to peak at 8.2% in Q4 2020 and may remain elevated for several years.

## Proportion of workforce on furlough by industry

Source: SG analysis of Business Impact of Coronavirus (COVID-19) Survey (BICS), ONS<sup>3</sup>



As shown in the chart on the left, in June 2020, the highest proportion of workforce on furlough was in the Arts, Entertainment and Recreation industry sector (80%), followed closely by Accommodation and Food Services (74%) and Construction (58%). As many workers have since then been able to return to work, in November 2020 the highest proportion of workers on furlough was in the Accommodation and Food Services (36%), while the proportion of furloughed workers in the Arts, Entertainment and Recreation industry decreased to 26%.

<sup>2</sup> HMRC Coronavirus (COVID-19) statistics, available [here](#)

<sup>3</sup> SG estimates of ONS Business Impacts of COVID-19 Survey data, Wave 17 - 19 October to 15 November 2020, available [here](#)

<sup>4</sup> HMRC coronavirus (COVID-19) statistics, available [here](#)

<sup>5</sup> State of the Economy report, Scottish Government, available [here](#)

# Opportunity



## Summary

- The gap in disability employment has fallen but still stands at 33.5 percentage points (p. p).
- The ethnicity employment gap remains at the same level as in 2015 (14.6 p. p).
- Accessibility of flexible working arrangements remains very low. In 2019, 76.9% of workers did not have access to any flexible working arrangements.

But COVID-19 changes this picture:

- Unemployment is forecast to double over the course of the year.
- The claimant count, a timelier indicator of labour market activity but not an equivalent measure of unemployment, increased in October 2020 to 215,000 claimants, which is 101,000 claimants more than a year ago.
- The workers likely to be worst affected in the months ahead are among the lowest qualified and may face barriers to entry into many other sectors.
- At the UK-level, the proportion of workers working exclusively from home increased from 5.7% of workers in Jan-Feb 2020 to 36.5% in June 2020. The surge in homeworking was experienced mostly by higher paid and higher skilled workers.

# Opportunity

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## Introduction

It is a reasonable aspiration to want work that is fair – and for fair work to be available to everyone. Fair opportunity allows people to access work and employment and is a crucial dimension of fair work.

For **individuals**, opportunity that provides fair and equal access to work and to career progression improves their life chances and creates opportunities for social mobility. Irrelevant barriers to access and participation are removed so that employers and workers can focus on merit, performance and contribution.

For **employers**, fair opportunity leads to diverse organisations where all talents from all sections of society are valued, developed and utilised. Organisations can benefit from the richness of talent and the diversity of ideas that this creates. Organisations may also benefit from improved recruitment, retention and reputation. Providing fair opportunity requires attention to recruitment and selection procedures, internship arrangements, training and development approaches and promotion and progression procedures and practices.







For **society**, fair opportunity breaks down labour market and related inequality, reduces the costs of inefficient resource allocation and helps create a more equitable, inclusive and cohesive society.

## Indicators

- Disability and ethnicity employment gaps
- Youth unemployment rate
- Gender economic inactivity gap
- Economic inactivity
- Access to flexible working
- Occupational segregation – vertical & horizontal

## Gaps

- Career progression

	2015/16	2019/20	Performance
<b>Disability employment gap</b> Difference between employment rates of non-disabled and disabled adults	37.1% <sub>pt</sub> July 15 - June 16	33.5% <sub>pt</sub> July 19 - June 20	 Improving
<b>Ethnicity employment gap</b> Difference between employment rates of white adults and adults from minority ethnic groups	14.3% <sub>pt</sub> July 15 - June 16	14.6% <sub>pt</sub> July 19 - June 20	 Maintaining
<b>Youth unemployment rate</b> Proportion of 16-24 year olds who were looking for work	13.9% July 15 - June 16	9.7% July 19 - June 20	 Improving
<b>Gender economic inactivity gap</b> Difference between rates of economic inactivity of men and women (16-64 years old)	8.4% <sub>pt</sub> in Jun – Aug 16	6.2% <sub>pt</sub> in Jun – Aug 20	 Improving
<b>Economic inactivity</b> % of economically inactive adults who want to work	24.2% in Jan – Dec 15	20.4% in Jan – Dec 19	 Worsening
<b>Access to flexible working</b> % of workers with no access to flexible working options	76.6% in Jan – Dec 15	76.9% in Jan – Dec 19	 Maintaining

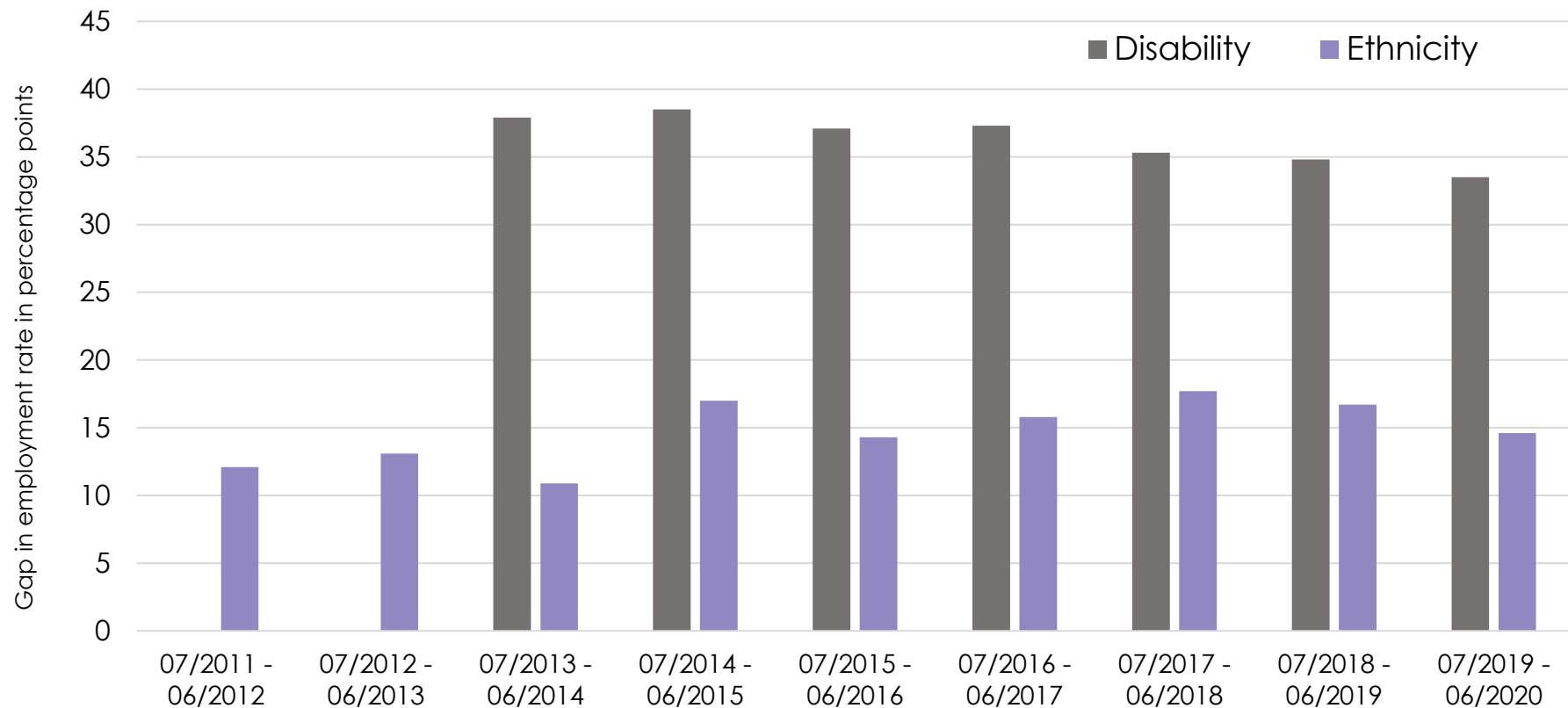
Source: Labour Force Survey, Annual Population Survey, ONS

# Opportunity

- Workers with disabilities or from minority ethnic groups are much less likely to be in employment than the rest of the population.
- While the disability employment gap has narrowed, it remains high. The ethnicity employment gap has stayed the same as 5 years ago.

## Ethnicity and Disability employment rate gaps in percentage points, Scotland

Source: Annual Population Survey, ONS, Jul-Jun datasets

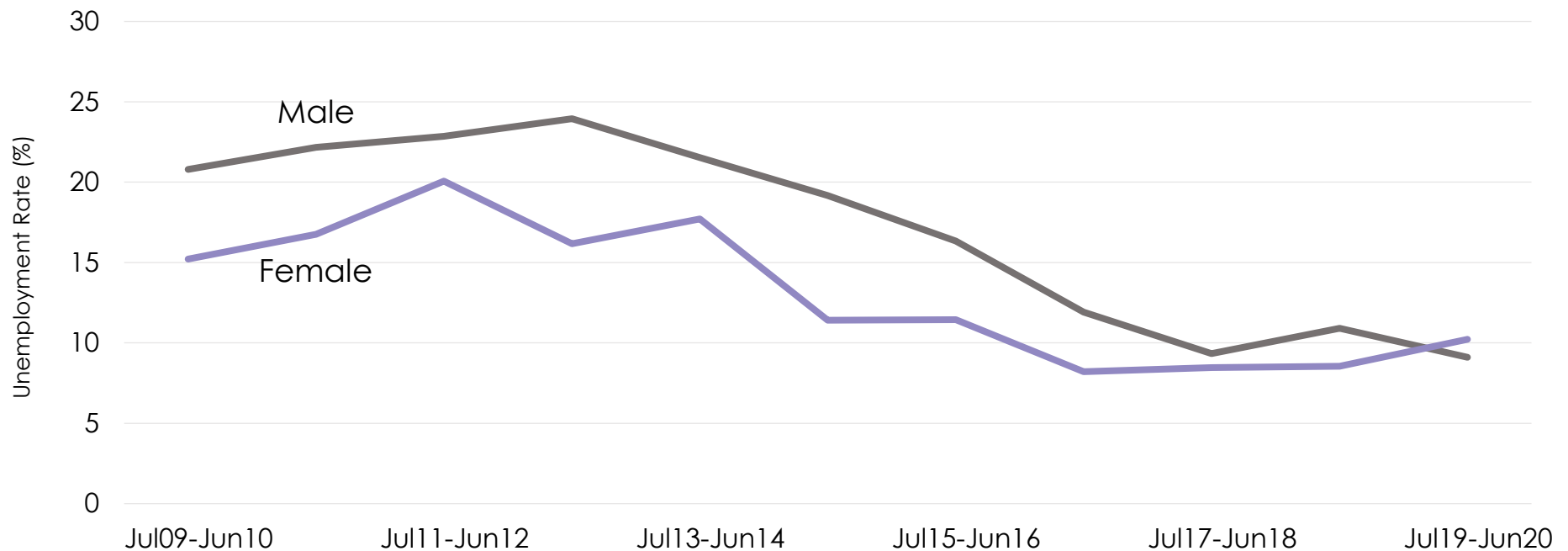


# Opportunity

- Young people are much more likely to be unemployed than the rest of the population.
- 5 years ago, 16-24 year old men were more likely to be unemployed than 16-24 year old women (16% and 11% respectively). The latest data shows this gap has disappeared.

## % of 16-24 years old adults who were unemployed in Scotland by gender

Source: Annual Population Survey, ONS, not seasonally adjusted, Jul-Jun datasets

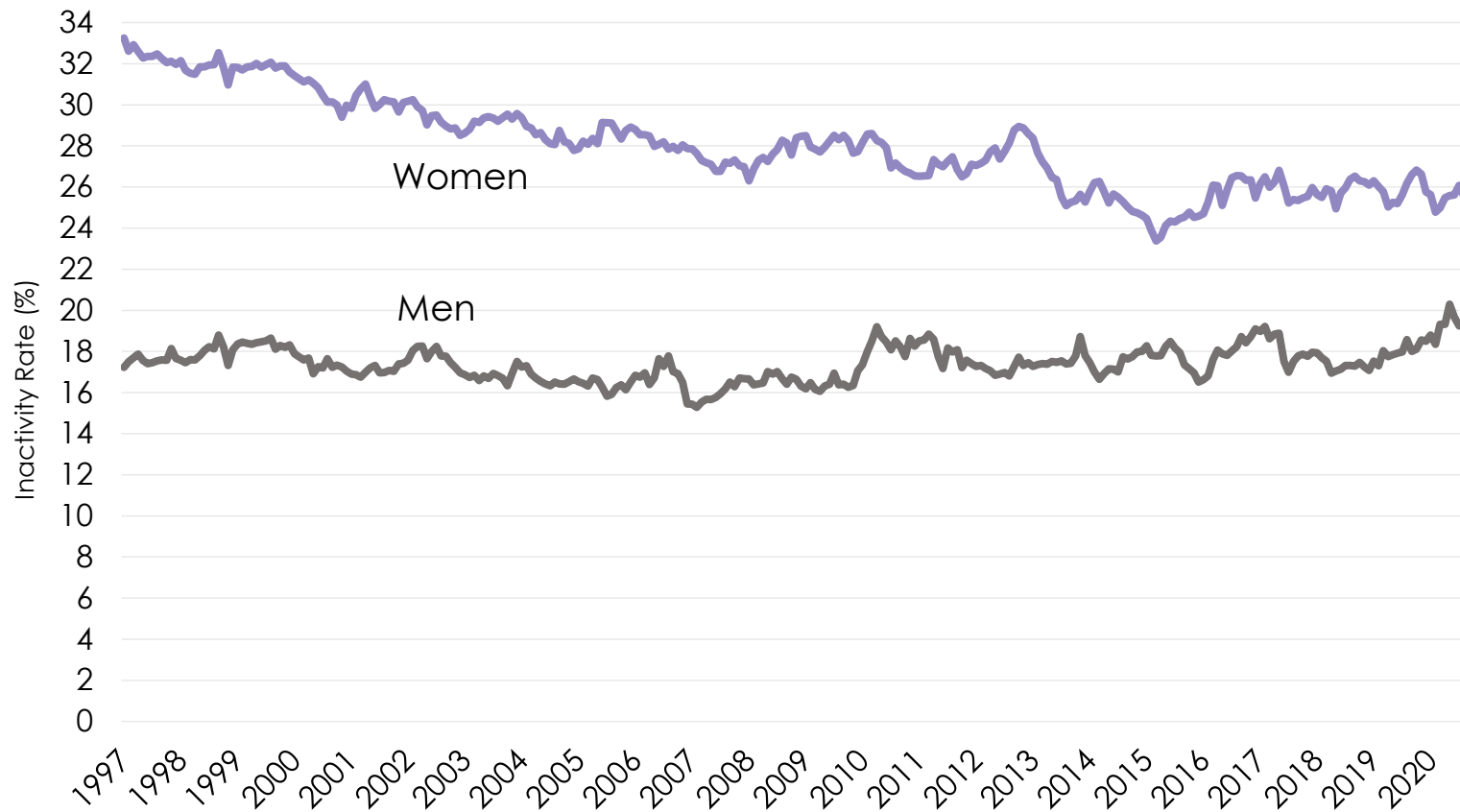


# Opportunity

- Historically, women were much more likely to be economically inactive than men but this gap narrowed significantly in 2015.
- In 2020, the difference between rates of economic inactivity of men and women remained similar to 2015.

## Rates of economic inactivity for men and women in Scotland over time

Source: Labour Force Survey, ONS, Seasonally adjusted

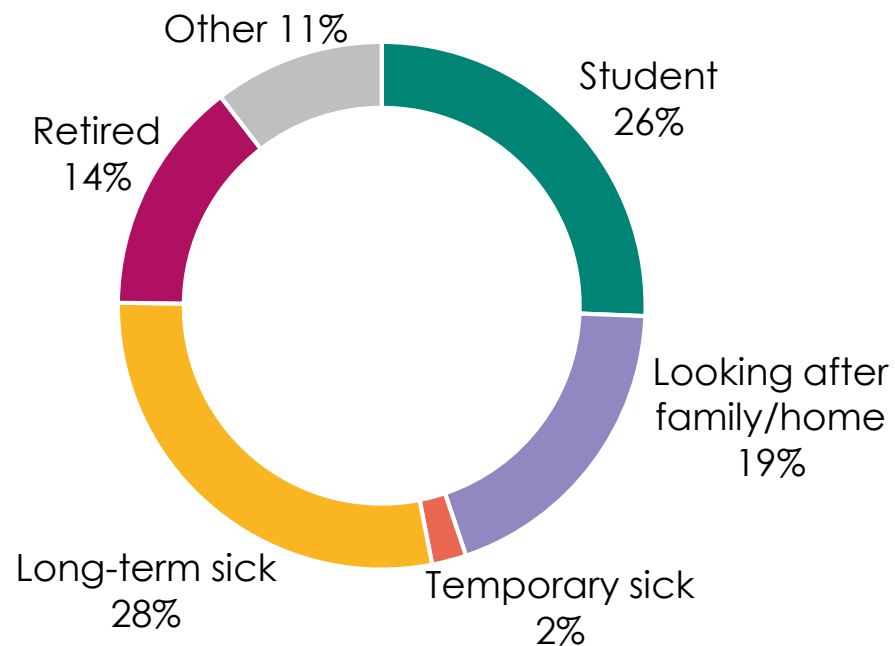


# Opportunity

- The most common reason for economic inactivity was long-term sickness (28%) and being a student (26%).

## Reasons for economic inactivity (all adults), Scotland, 2019

Source: SG analysis of Annual Population Survey, Jan - Dec dataset



- 1 in 5 of all economically inactive adults reported they wanted to work in 2019.

Offering flexible working options, such as flexi time or term-time working, will

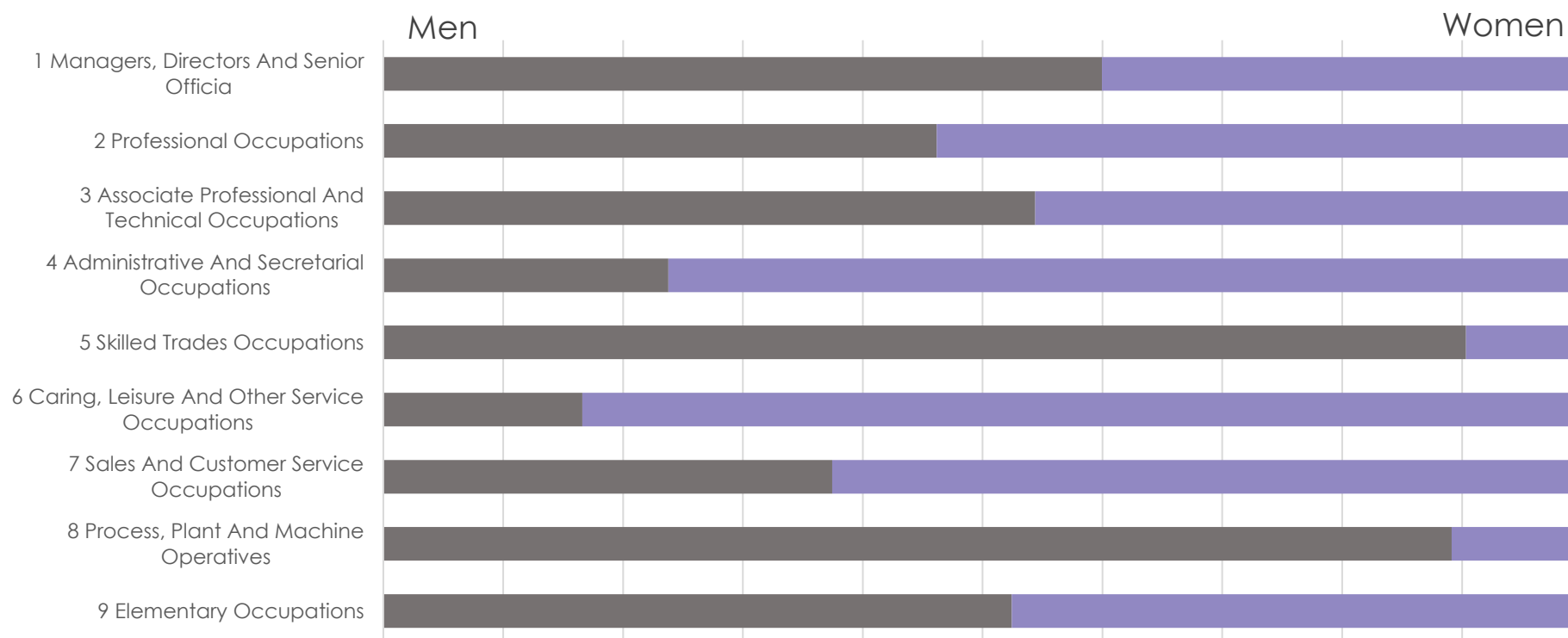
- reduce barriers many adults face when trying to enter the labour market
- help those who would like to work more hours but cannot due to caring responsibilities
- improve wellbeing through improved work-life balance.

# Opportunity

- There is a significant variation in the representation of women and men in certain occupations.
- In 2019, only around 1 in 10 workers in Process, Plant and Machine Operatives and Skilled Trades occupations were women.
- Men were most under-represented in the Caring, Leisure and Other Services occupational group – only 1 in 6 workers were men.

## Gender imbalance in occupations, Scotland, 2019

Source: Annual Population Survey, ONS, Jan-Dec dataset



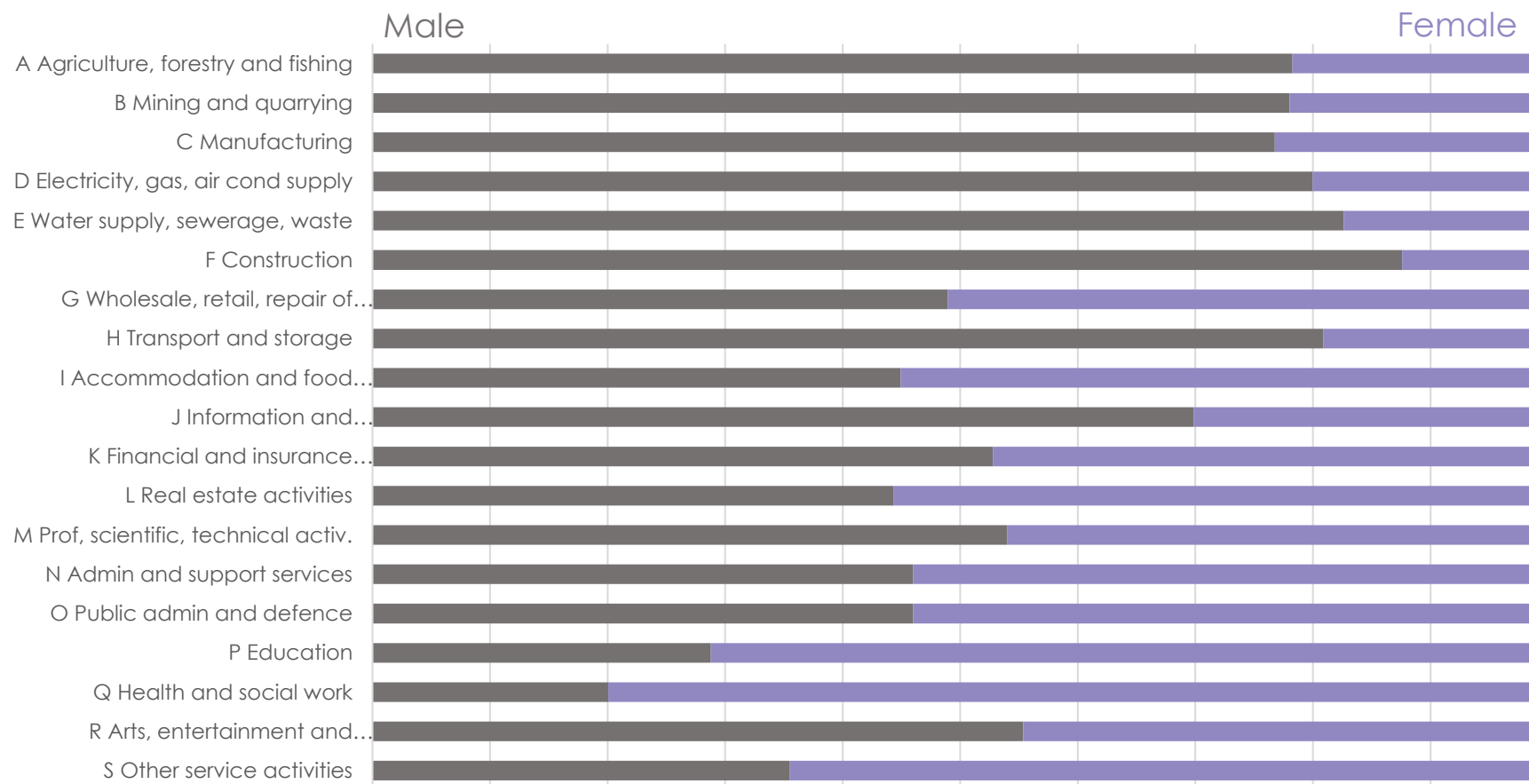
# Opportunity

- Gender imbalance was most prominent in the Construction industry where, in 2019, only 12% of the workforce were women.

- The most female-dominated industry in 2019 was Health and Social work where men made up only 20% of the workforce.

## Gender imbalance in industries, Scotland, 2019

Source: Annual Population Survey, ONS, Jan-Dec dataset

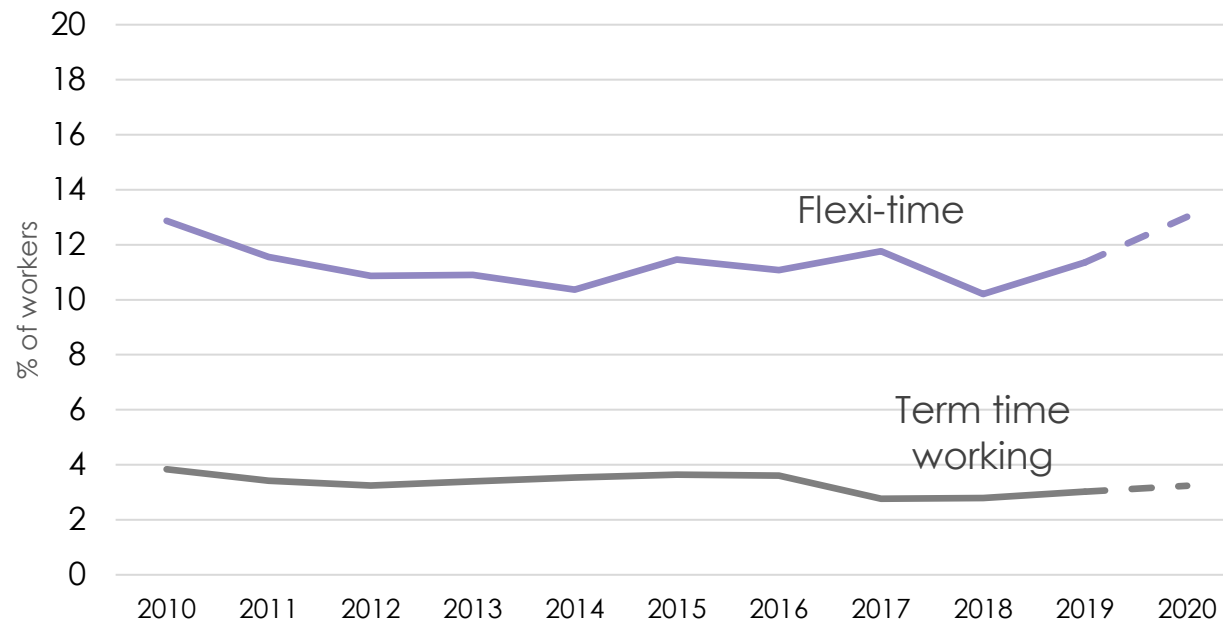


# Opportunity

- Access to flexible working arrangements remains low in Scotland.
- In 2019, nearly 4 in 5 workers did not have access to any flexible working arrangements.
- Although still provisional, 2020 data indicates that access to flexible working hours has improved through an increase in the availability of flexible working time.

## Proportion of workers in Scotland with access to flexible working arrangements

Source: Labour Force Survey, ONS



**FAIR OPPORTUNITY IS MORE THAN THE CHANCE TO ACCESS WORK.**

**ATTITUDES, BEHAVIOURS, POLICIES AND PRACTICES WITHIN ORGANISATIONS, AND THEIR OUTCOMES, SIGNAL AND REFLECT THE VALUE PLACED ON FAIR OPPORTUNITY.**

Note: 2020 data is provisional

Until the end of 2019, this data was collected in April-June and October-December.

Since the start of 2020, this data has been collected monthly.

# Opportunity and COVID-19

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The full impact of the pandemic on employment is not yet apparent in the data. However, we can already see:

- the employment rate in Jul-Sep 2020 fell by 0.4% to 74.0% compared to the previous year.
- the number of self-employed workers decreased by 13,000 in Jul-Sep 2020 compared to the previous year.
- The claimant count, a timelier indicator of labour market activity but not an equivalent measure of unemployment<sup>6</sup>, increased in October 2020 to 215,000 claimants, which is 101,000 claimants more than a year ago.

The workers likely to be worst affected in the months ahead are among the lowest qualified, meaning they may face barriers in re-entering the labour market.<sup>7</sup>

The pandemic had impacted not only on labour market activity but also on ways of working as many workers were required to work from home. More than 1 in 3 workers (36.5%)<sup>8</sup> in the UK in June 2020 reported working exclusively from home, compared to only 5.7% of workers in January/February 2020. The surge in homeworking was experienced mostly by the highest paid, the better qualified and the higher skilled.

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<sup>6</sup> Note: claimant count is not an equivalent measure to unemployment as it includes people on low pay and hours and some who are classified as economically inactive. This data is classified as Experimental Statistics.

Some evidence<sup>8</sup> suggests that homeworking does not have any notable impact on self-reported levels of productivity:

- Two fifths (40.9%) of homeworkers reported that they were able to get as much work done in June 2020 as six months earlier.
- Over a quarter (28.9%) said that they got more done while a similar proportion (30.2%) said that their productivity had fallen.
- Those who worked from home relatively infrequently reported a decrease in their productivity, while employees who worked exclusively from home reported an increase in their productivity.
- Nine out of ten (88.2%) employees who worked at home during the lockdown would like to continue working at home in some capacity with almost half (47.3%) wanting to work at home often or all of the time.

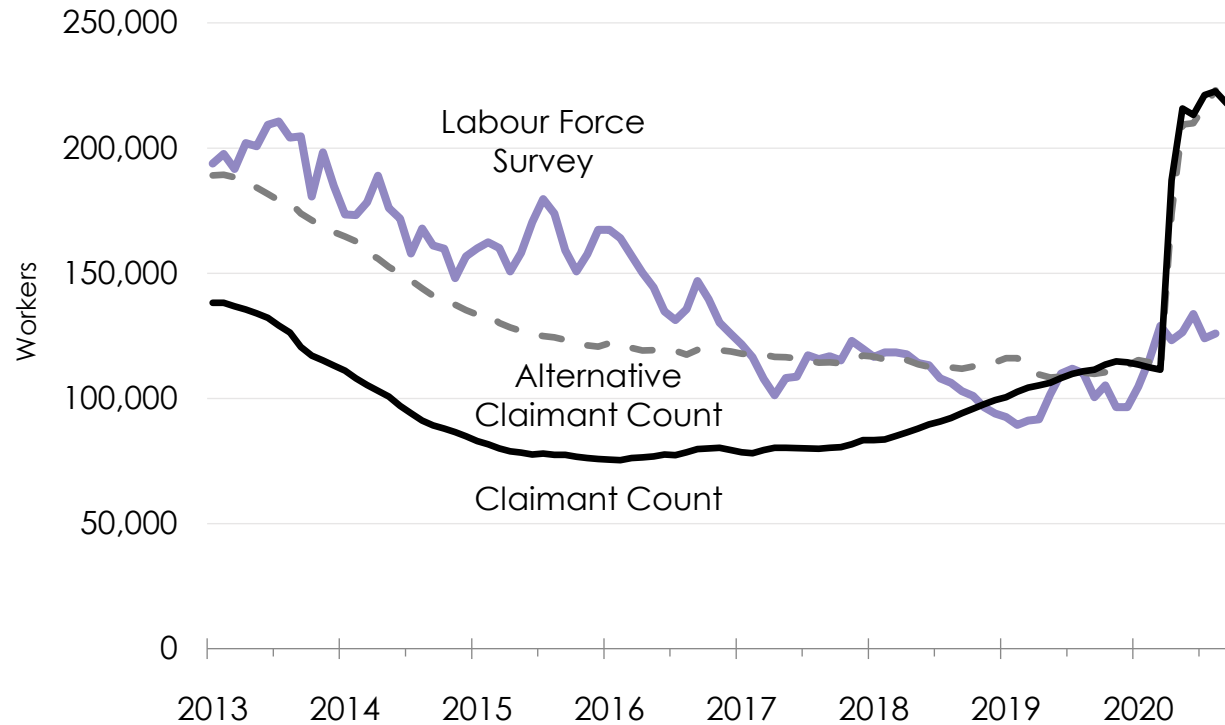
<sup>7</sup> Resolution Foundation (June 2020), available [here](#)

<sup>8</sup> Felstead, A and Reuschke, D (2020), available [here](#)

# Opportunity and COVID-19

## Levels of unemployment in Scotland as measured by Labour Force Survey, Claimant Count and Alternative Claimant Count

Source: Labour Force Survey and Claimant Count (ONS), Alternative Claimant Count (DWP), Jan 2013 – October 2020



The primary data source on rate and level of unemployment is the Labour Force Survey, where the impact of the pandemic has not shown yet. Experimental statistics data such as the Claimant Count and Alternative Claimant Count do show a significant increase in claims. This could be due to the fact that reduced hours and reduced pay due to furlough forced higher numbers of workers to claim these benefits to top up

Note: Claimant Count is the number of claimants of Job Seekers Allowance and claimants of Universal Credit who were claiming principally for the reason of being unemployed.

# Respect



## Summary

- Up until early 2020, the prevalence of work-related illnesses remained the same as 5 years ago. On average 1.34 working days are lost per worker in Scotland every year due to work-related illness.
- The prevalence of injuries at work also remained at the same level as 5 years ago.
- Stress, depression and anxiety account for the highest number of working days lost due to work-related illness (55%).
- The total cost of workplace self-reported injuries and new cases of work-related ill health in 2018/19 in Scotland was £1.2 billion, with ill-health causing the biggest proportion of total costs at around 67% (£0.8 billion).

But COVID-19 changes this picture:

- Risk at work is changing, with sectors that require close contact with others, like Accommodation and Food Services or Education, now associated with a higher risk profile.
- The highest number of deaths of workers aged 20-64 which involved COVID-19 were among Process, Plant and Machine Operatives (27.4 deaths per 100,000 population).
- The need for workplaces to be safe for workers has never been more important.

## Introduction

Respect at work enhances **individual** health, safety and wellbeing. Dignified treatment can protect workers from workplace related illness and injury and create an environment free from bullying and harassment.

Workplaces that recognise individuals as individuals with their own interests significantly impact self-esteem while giving value to the contribution that individuals make. Respect at work is a two-way process between employers and workers and is valued for recognising the reciprocity of the employment relationship.

From the **workplace perspective**, respect not only avoids the negative impacts (and potential liabilities) arising from some forms of disrespectful behaviour, more constructively, it can improve standards of communication and social exchange. Where workers believe that their contribution is recognised and valued, trust relationships are developed and the potential for worker involvement is enhanced.

Work is an important part of **social life** and the relations learned and reinforced in the workplace can spill over into other social spheres, creating more respectful and cohesive societies.






More practically, fewer work-related illnesses and injuries improve individual and collective wellbeing and, as they disproportionately impact on specific categories of the workforce, help to reduce inequality. These reductions would also reduce demands on the NHS and the welfare system. Respectful workplace relations can also improve conflict resolution, thus reducing the cost associated with disputes between employers and workers.

## Indicators

- Work-related ill health and disease
- Working days lost due to ill health and disease
- Stress caused or made worse by work
- Stress related absence
- Workplace injury
- Working days lost as a result of workplace injury
- Fatal injuries

## Gaps

- Discrimination, bullying and harassment at work
- Enforcement, including inspections

	2016	2020	Performance
<b>Work-related ill health and disease</b> Self-reported illness caused or made worse by work per 100,000 workers	3,560 per 100,000 workers	3,560 per 100,000 workers	 Maintaining
<b>Working days lost due to ill health and disease</b> Estimated no. of working days lost	1.17 days lost per worker	1.34 days lost per worker	 Maintaining
<b>Stress, anxiety or depression caused by work</b> Self-reported stress, depression or anxiety caused or made worse by work per 100,000 workers	1,340 per 100,000 workers	1,880 per 100,000 workers	 Maintaining
<b>Working days lost due to stress, depression or anxiety</b> Estimated no. of working days lost	0.57 days lost per worker	0.73 days lost per worker	 Maintaining
<b>Workplace injury</b> Rate of self-reported workplace non-fatal injury per 100,000 workers	1,960 per 100,000 workers	1,690 per 100,000 workers	 Maintaining
<b>Working days lost as a result of workplace injury</b> Estimated no. of working days lost as a result of workplace injury	0.24 days lost per worker	0.17 days lost per worker	 Maintaining
<b>Fatal injuries</b> No. of fatal injuries to workers.	15 workers	10 workers	N/A

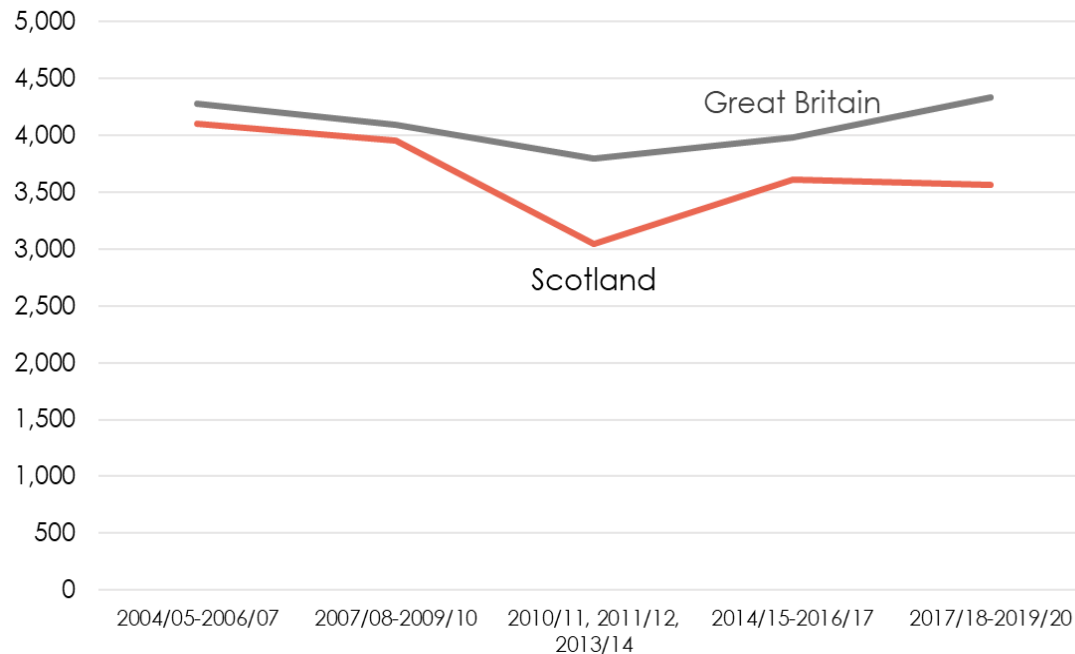
Source: Labour Force Survey, ONS, Analysis by Health and Safety Executive, available [here](#)

Note: This data is collected every year in January - March and so the impact of COVID-19 on 2020 data is be minimal

# Respect

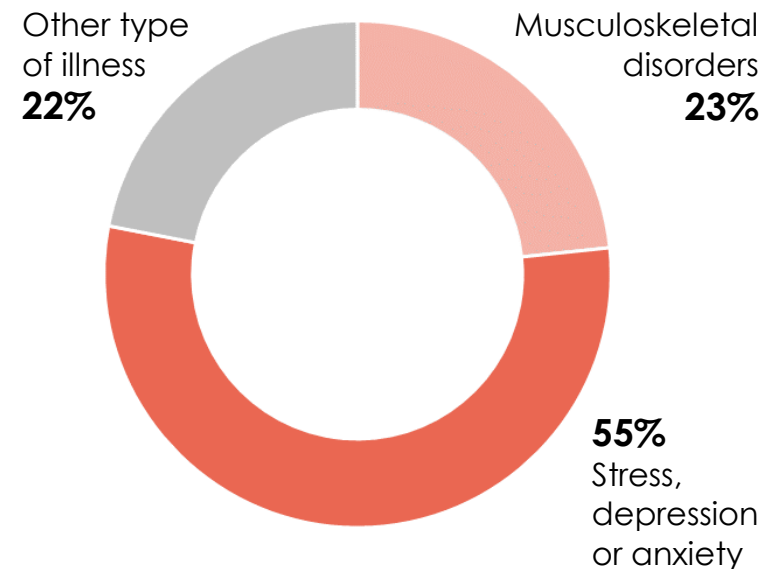
- It is estimated there were 99,000 cases of illnesses caused or made worse by work in Scotland in 2019/20.
- The average rate of self-reported illness caused or made worse by work per 100,000 workers in Scotland was 3,560 in 2019/20. This is lower than in Great Britain overall.

**Average rate of self-reported illness caused or made worse by work, per 100,000 workers**



- It is estimated that 2,953,000 working days were lost due to self-reported illness caused or made worse by work in Scotland in 2019/20.
- The most common cause of illness was stress, depression or anxiety, accounting for 55% of all working days lost due to ill health in 2019/20.

**Working days lost by type of ill health in 2019/20 in Scotland**



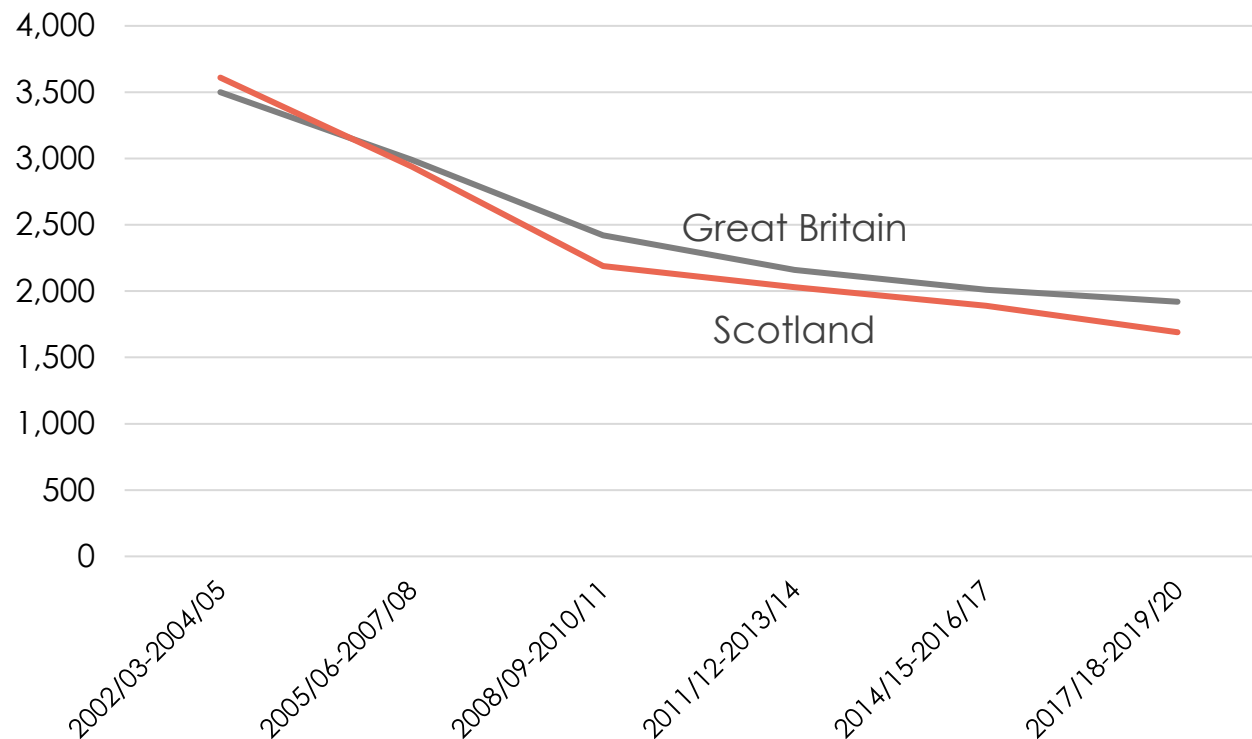
Source: Health and Safety Executive, Labour Force Survey, ONS, January – March dataset, available [here](#)

# Respect

- The average rate of self-reported non-fatal injury at the workplace has been on decline since 2001/02, when data collection began.
- The average rate of self-reported non-fatal injury at the workplace per 100,000 workers in Scotland was 1,690 in 2019/20. This is very similar to Great Britain overall.

## Average rate of self-reported non-fatal injury at workplace per 100,000 employees

Source: Health and Safety Executive, ONS



The total cost of workplace self-reported injuries and new cases of work-related ill health in 2018/19 in Scotland was £1.2 billion, with ill-health causing the biggest proportion of total costs at around 67% (£0.8 billion).

Source: Health and Safety Executive analysis of Labour Force Survey, ONS, January – March dataset, available [here](#)

- There have been no large-scale Scottish surveys of unfair treatment, bullying and harassment in the workplace since the Great Britain-wide Fair Treatment at Work Survey 2008.
- The Scottish Household Survey found that 8% of people in Scotland reported they experienced discrimination in 2018 and 29% of those who experienced discrimination were discriminated at the workplace or when applying for a job.
- The Equality and Human Rights Commission found that nearly three-quarters of mothers (73%) reported having a negative or possibly discriminatory experience during pregnancy, maternity leave, and/or on return from maternity leave<sup>9</sup>.
- UK data from 2010 suggests that 31% of workers reported some form of adverse social behaviour (verbal abuse, threats or humiliating behaviour, physical violence, bullying or harassment) at work in the previous 12 months)<sup>10</sup>.
- Bullying and harassment in the workplace damages employers as well as workers. The CIPD estimate its cost to UK employers as upward of £2 billion per year through 'sickness absence, staff turnover, reduced productivity for the victims and their colleagues as well as the cost of potential litigation'<sup>11</sup>.
- For the individual, the cost typically includes absence from work but may also include poorer mental health, particularly for workers who feel unable to defend themselves from the bullying behaviour<sup>12</sup>.

**FAIR WORK IS WORK IN WHICH PEOPLE ARE RESPECTED AND TREATED RESPECTFULLY, WHATEVER THEIR ROLE AND STATUS.**

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<sup>9</sup> Is Scotland Fairer, 2018, EHRC, available [here](#)

<sup>10</sup> Eurofound, 'European Working Conditions Survey 2010 - Bullying and Harassment at Work' (Eurofound), available [here](#)

<sup>11</sup> CIPD, 'Bullying at Work: Beyond Policies to a Culture of Respect', Guide (London: Chartered Institute of Personnel and Development, 2005), 13, available [here](#)

<sup>12</sup> Langeland, 'New Studies on the LongTerm Effects of Bullying'

# Respect and COVID-19

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The prevalence of accidents occurring at workplaces and ill-health caused by work was decreasing until the start of the pandemic.

Although official statistics will not yet show the impact of the COVID-19 pandemic, it has impacted on Respect dimension in several ways:

- The need for workplaces to be safe for workers has never been more important, requiring measures such as enhanced risk assessments and appropriate equipment.
- Many workers and workplaces needed to adapt to homeworking overnight which required adopting new digital skills and giving up face to face interaction with colleagues, potentially contributing to increased work-related stress.
- As reported by the National Records of Scotland<sup>13</sup>, the highest number of deaths of workers aged 20-64 which involved COVID-19 were among Process, Plant and Machine Operatives (27.4 deaths per 100,000 population) and Transport and Mobile Machine Drivers and Operatives (25.7 deaths per 100,000 population).

ONS [analysis](#) shows, unsurprisingly, that healthcare workers are most exposed to COVID-19 and work in close proximity to others. However, they are also likely to be using Personal Protective Equipment (PPE) which is vital for ensuring safe working environments for these workers.

Those working in Accommodation and Food Services or Education sectors might not directly be exposed to the disease but their roles require close contact with others and so increase the risk of them coming into contact with someone who has COVID-19.

High levels of homeworking reduce the risk from COVID-19 but potentially comes with a range of other pressures including higher levels of stress and anxiety.

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<sup>13</sup> National Records of Scotland, available [here](#)

# Security



## Summary

- The proportion of workers in secure work (which provides security of employment, hours and pay) increased from 55% in 2015 to 64% in 2019.
- The proportion of adults paid below the real living wage rate decreased to 15% in 2020, but a significant difference between full and part time workers remains (10% and 27% respectively in 2020).
- The gender pay gap for full-time workers fell markedly to 3% in 2020.
- The percentage of adults on zero hour contracts has quadrupled from 0.7% in 2012 to 3.3% in 2020.
- 22% of workers had less than two years' service in 2019, with implications for access to and enforcement of their employment rights.

But COVID-19 changes this picture:

- The lowest earners before the pandemic have lost their jobs at four times the rate of the highest earners (8% compared to 2%).
- Young people are twice as likely to have been furloughed or lost their job as those who are middle-aged.
- Real pay has fallen. This is mostly due to lower pay for furloughed workers and temporary hours reductions and wider pay restraint in the face of a major recession.

## Introduction

Security and stability of employment allows **individuals** to better plan their day-to-day lives and their future.

Security of income can contribute to greater individual and family stability and promote more effective financial planning, including investment in pensions. When people have a stable and sufficient income they rely less on the welfare system while in work and in retirement.

Predictability of work commitments, especially working hours, are also important elements of fair work.

Security plays an important role in behaviours and attitudes within **workplaces** and therefore can generate important benefits for employers. Where people feel secure, this can increase their willingness to adapt and change, their commitment, the chances of them 'going the extra mile' and can also increase employer-worker trust. Stability of work can support more workplace learning, better skills development and fulfilment in work. Security and stability in work can also reduce worker turnover and minimise recruitment, selection costs and lost training costs.

Security at work can generate clear **benefits for society**.

Where people have stable employment and sufficient income, public spending on the welfare system can be lower and more public revenues can be generated through taxation. Conversely, low pay and employment insecurity lead to in-work poverty, child poverty and poverty beyond working life, all of which diminish individuals and society. Insecure employment is associated with poorer health and higher demands on health services.








## Indicators








- Secure employment
- Permanent employment
- Zero hours contracts
- Involuntary non-permanent work
- Involuntary part-time work
- Involuntary self-employment
- Underemployment (hours insufficiency)
- Tenure
- Hours of unpaid overtime
- Weekly earnings
- Real living wage
- Gender, Disability and Ethnicity pay gaps

## Gaps

- Sick pay entitlement

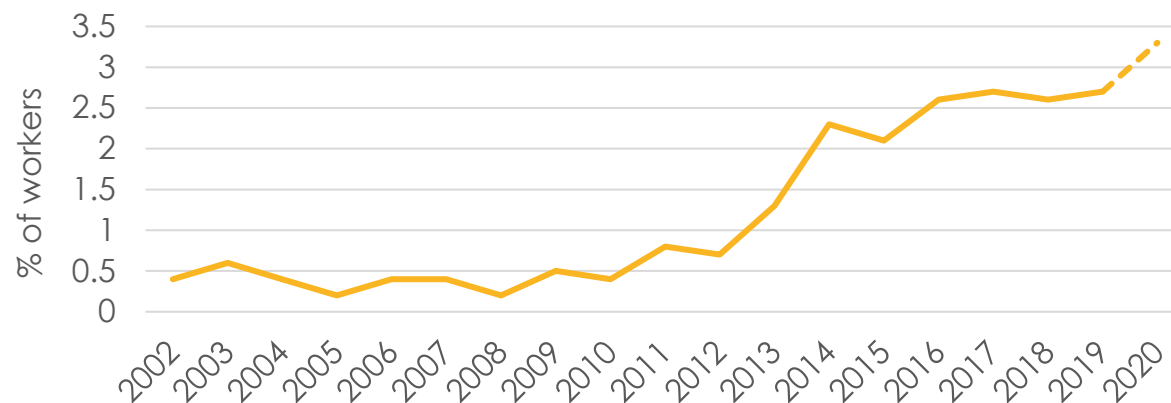
# Security

	2015	2019	Performance
<b>Secure employment</b> % of workers in employment that provides security of contract, pay and hours	54.5%	63.9%	 Improving
<b>Permanent employment</b> % of workers in permanent employment	94.0%	95.0%	 Improving
<b>Zero hours contracts</b> % of workers on a zero hours contract	2.1%	3.3% in 2020	 Worsening
<b>Involuntary non-permanent work</b> % of workers in non-permanent work who could not find permanent employment	32.5%	24.8%	 Improving
<b>Involuntary part-time work</b> % of part-time workers who could not find full-time employment	14.7%	10.5%	 Improving
<b>Involuntary self-employment</b> % of workers who are self-employed as they could not find other employment	10.4%	3.7%	 Maintaining
<b>Underemployment</b> % of workers looking for more hours, additional job, or a job with more hours than their current job	8.6% in Jul 14 – Jun 15	7.2% in Jul 19 – Jun 20	 Improving

	2015	2019	Performance
<b>Hours of unpaid overtime</b> Average no. of hours of unpaid overtime per week	7.1 hours	7.3 hours	 Maintaining
<b>Median gross weekly earnings</b> of employees aged 16+ on the PAYE system	£422.6	£482.3 in 2020	 Improving
<b>Real living wage</b> Proportion of employees (18+) earning less than the real living wage	19.6%	15.2% in 2020	 Improving
<b>Gender pay gap</b> Difference between men's and women's full-time hourly earnings as a percentage of men's earnings	7.7%	3.0% in 2020	 Improving
<b>Ethnicity pay gap</b> Difference in median gross hourly pay (excluding overtime) between white and minority ethnic workers	15.2%	12.1%	 Improving
<b>Disability pay gap</b> Difference between disabled and non-disabled median hourly pay	9.6%	16.2%	 Worsening
<b>Tenure</b> Proportion of workers with less than 2 years of service	22.0%	22.8%	 Maintaining

Source: Labour Force Survey, Annual Population Survey, Annual Survey of Hours and Earnings, ONS

## Proportion of workers on zero-hour contracts, Scotland



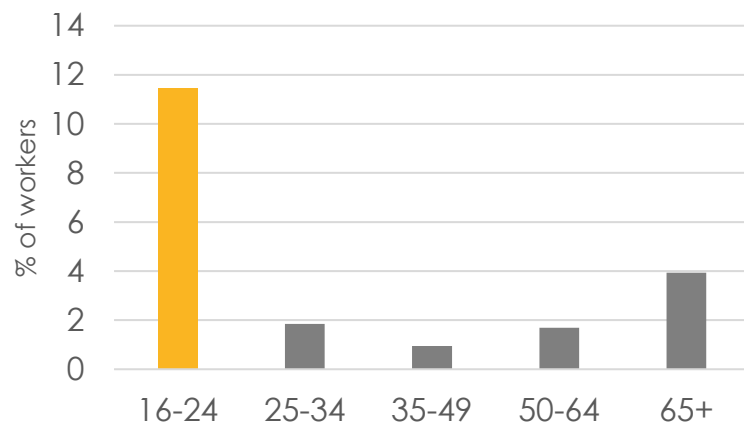
The proportion of workers on zero hours contracts has been increasing since 2012. Those who are

- 16-24 years old
- from minority ethnic groups, or
- working in accommodation and food services

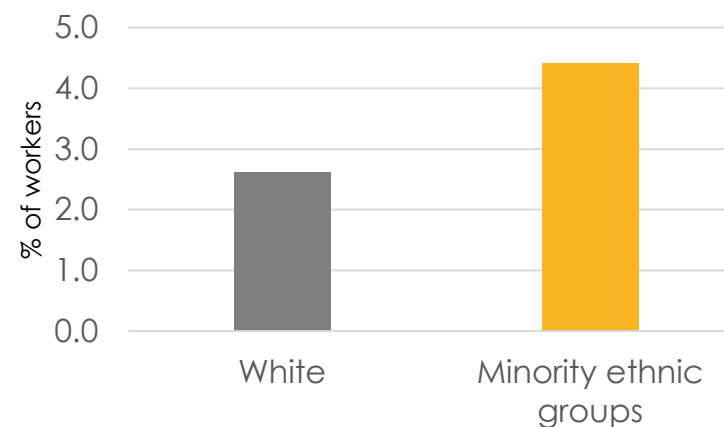
are most likely to be employed on zero hours contracts.

Note: 2020 data is provisional

## % of workers on zero hour contracts by age, 2019

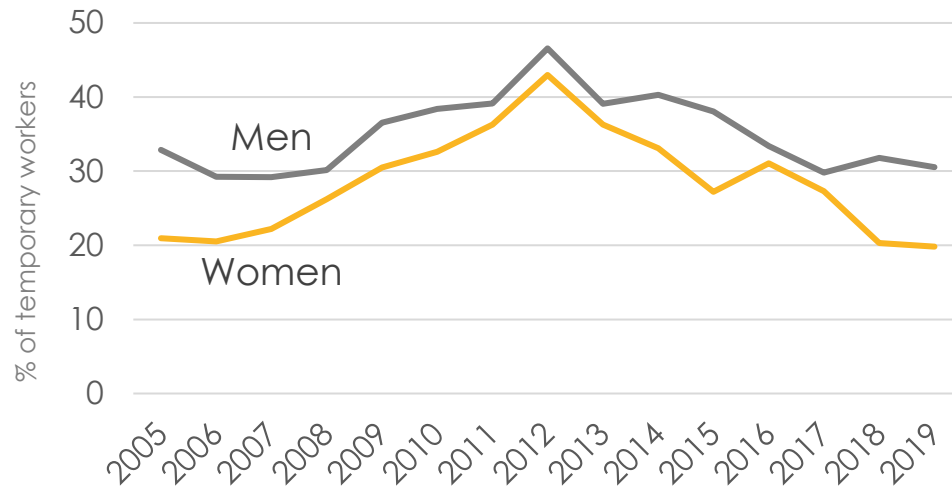


## % of workers on zero hour contracts by ethnicity, 2019



Source: Labour Force Survey (Apr-Jun and Oct-Dec datasets), ONS

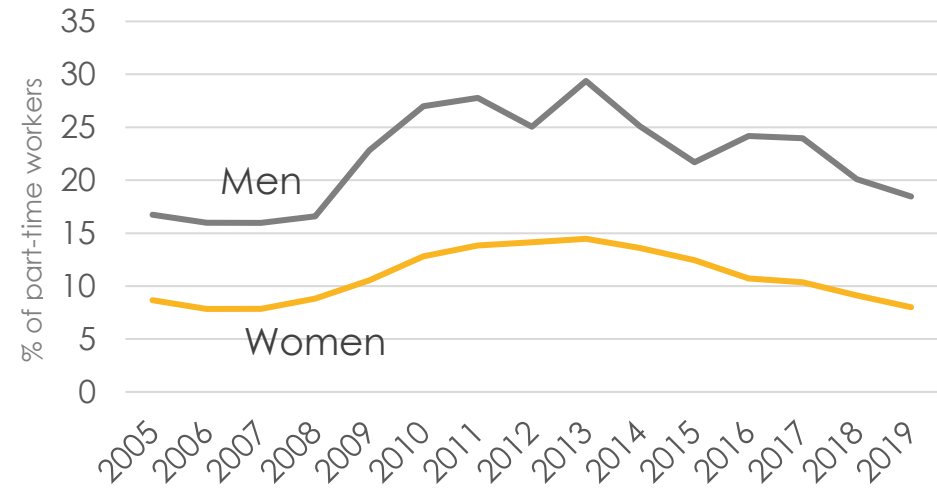
**Proportion of adults in involuntary non-permanent work**



During the last financial crisis there was a significant increase in the proportion of adults in employment that was less secure than they desired. In 2012, 45% of adults in temporary employment said they could not find permanent work. This proportion decreased to 25% of all non-permanent workers in 2019 but varied significantly by gender. While 20% of women in temporary work could not find permanent employment, for men it was 31%.

Source: Annual Population Survey (Jan-Dec), ONS

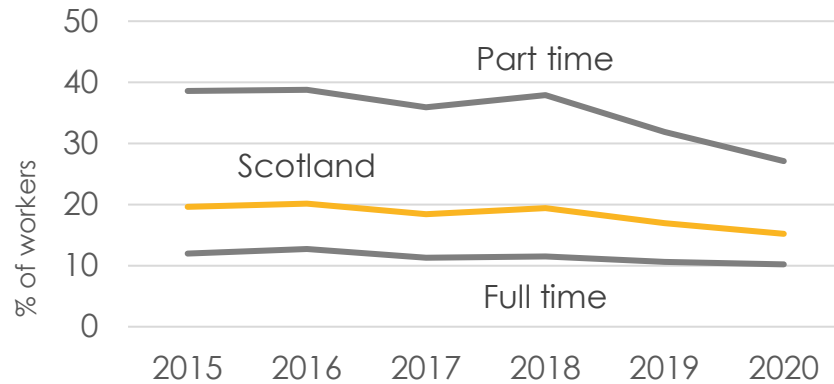
**Proportion of adults in involuntary part-time work**



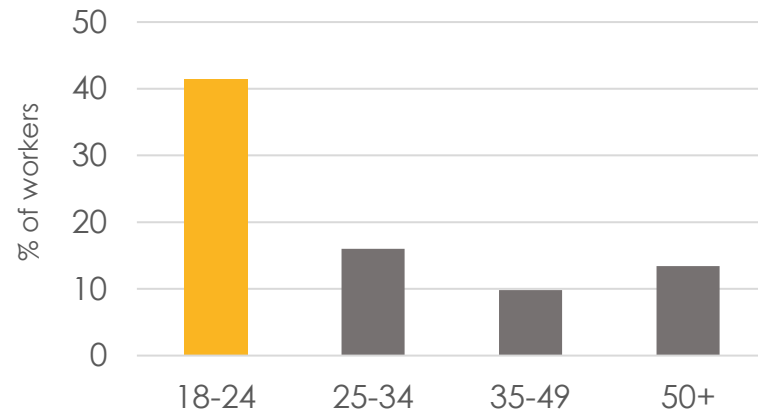
The proportion of adults who took on part-time work as they could not find full-time work also peaked during the last financial crisis. This, too, varied by gender. In 2019, 8% of women in part-time work said they could not find full time work, while for men this was 18%. This difference can be partially explained by the fact that women are more likely to look for part-time work so they can also look after children or elderly parents, and therefore reflects the gender imbalance in unpaid caring roles.

# Security

## Proportion of workers earning less than the Real Living Wage



## Proportion of workers earning less than the Real Living Wage in 2020

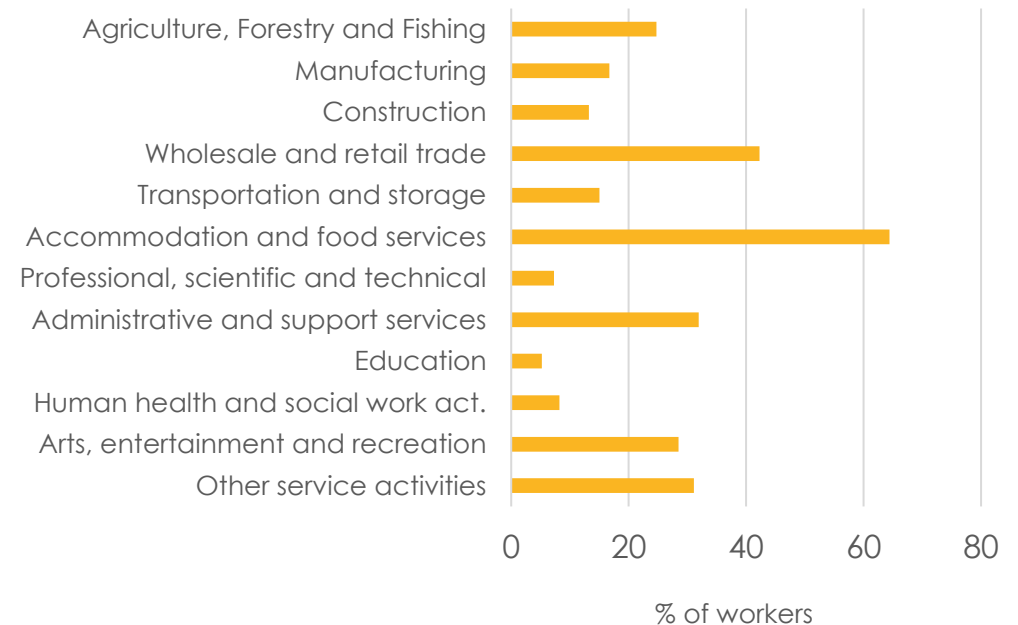


Source: Annual Survey of Hours and Earnings, ONS  
 Note: The reference date for 2020 data is 22 April 2020.

Workers most likely to be paid below the real living wage are

- female
- less than 25 years old
- working part time
- working in Accommodation and Food Services or Wholesale and Retail Trade

## Proportion of workers earning less than the Real Living Wage in 2020

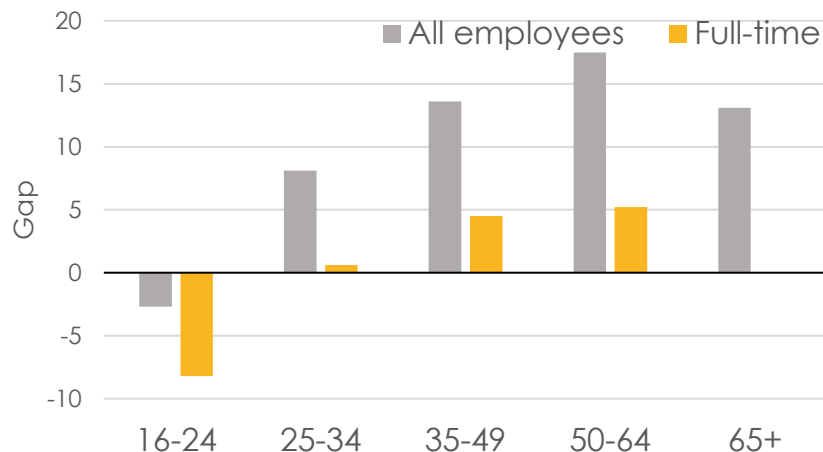


Note: A number of industries were suppressed due to sample sizes being too low for robust and reliable analysis

## Gender Pay Gap in Scotland in 2020

- The difference in median earnings between women and men working full-time was 3%, the lowest on record.
- When considering the earnings of all workers, the gender pay gap increases to 10.9%, while for part-time workers the gap falls to -10.3%, which means that women who work part-time earn more than men who work part-time.
- The gender pay gap varies significantly by age, work pattern, industry and occupation.

## Gender pay gap in Scotland in 2020 by age

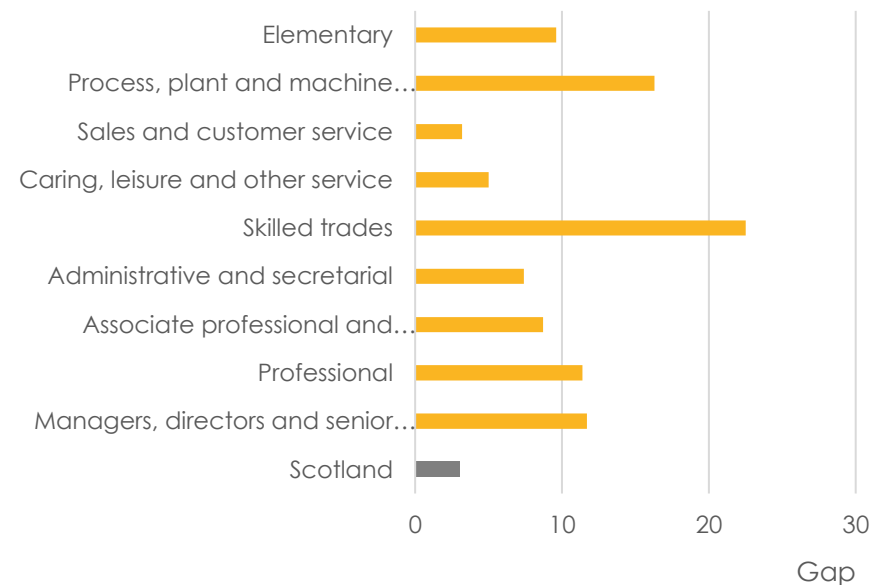


Source: Annual Survey of Hours and Earnings, [ONS](#)

Note: The reference date for 2020 data is 22 April 2020

- Across industries, the largest gap for full-time workers was in Professional, Scientific and Technical Activities (24.7%), while the smallest gap was in Public Administration and Education (both -0.1%).
- Across occupational groups, the largest gap for full-time workers was for Skilled trades (22.5%) and the smallest gap was for Sales and customer service (3.2%).

## Gender pay gap for full time workers in Scotland in 2020 by occupation (SOC 2010)



# Security and COVID-19

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The full impact of COVID-19 is yet to show in official statistics. However, we can already see its impact on security of work, and more specifically, its disproportionate impact on workers in certain industries and demographic groups:

- The lowest earners before the pandemic have lost their jobs at four times the rate of the highest earners (8% to 2%), as reported by the Resolution Foundation.<sup>14</sup>
- Young workers were twice as likely to have been furloughed or lost their job as those in the middle age groups.
- Those still in work now work fewer hours. In Scotland, the average number of hours worked per week by full-time employees was 34.2 hours (Jul 2019 – Jun 2020), a decrease from 36.9 hours (Jul 2018 – Jun 2019).<sup>15</sup>
- Self-employed workers, whose numbers recently reached a record high of more than 5 million in the UK, have felt the crisis hardest of all.<sup>14</sup>
- Real pay has fallen. This is mostly due to lower pay for furloughed workers and temporary hours reductions and wider pay restraint in the face of a major recession.

The Resolution Foundation's analysis shows that the biggest drivers of people losing work is the sector in which they work and being in atypical forms of work, such as agency workers and those on a temporary contract (p. 29)<sup>14</sup>.

The pandemic also highlighted the need for an adequate safety net such as sick pay and unemployment benefits. The TUC estimates that almost 2 million workers in the UK are not entitled to statutory sick pay due to their low earnings<sup>16</sup>. This affects mostly women and those on zero hours contracts.

**SECURITY OF EMPLOYMENT,  
WORK AND INCOME ARE  
IMPORTANT  
FOUNDATIONS OF A  
SUCCESSFUL LIFE.**

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<sup>14</sup> Resolution Foundation, available [here](#)

<sup>15</sup> SDS analysis of Annual Population Survey, available [here](#)

<sup>16</sup> TUC analysis of Labour Force Survey, available [here](#)

# Fulfilment



## Summary

- Findings from the Labour Force Survey show that participation in training decreased over the past 5 years to 23.7% of employees in 2019.
- Of those adults who did not participate in training, only 11% reported that any training was offered.
- However, according to the Scottish Employer Perspectives Survey, 70% of employers provided training to their staff in 2019.

But COVID-19 changes this picture:

- Opportunities to train may be under pressure due to job intensification, working from home, and pressures on employer resource but the need for training to adapt to changing work practices is likely to be high.
- Many businesses have already shown over the last 6 months that rapid adoption of digital technologies and the training required to achieve this is possible.
- Evidence shows that work intensity (working at high speed and to tight deadlines) has been increasing in Britain even before the pandemic, most notably for teachers and health workers, and we can expect this to have worsened during the pandemic.

## Introduction

**Workers** benefit from engaging in fulfilling work in terms of using and developing their skills; having some control over their work and scope to make a difference; taking part in appropriately challenging work and taking up opportunities for personal growth and career advancement. Workers who are fulfilled in their jobs are more likely to be engaged, committed and healthy. Fulfilling work contributes to confidence and self-belief.

Providing fulfilling work can also benefit **employers**. Work that is fulfilling allows workers to produce high quality goods and services and is more likely to unleash creativity that supports improvement and innovation. Indicators of fulfilling work are associated with higher productivity and innovation in more successful comparator EU countries.

Fulfilling work that gets the best out of people helps to more fully realise the investment **society** makes in education, learning and training. Ensuring that people have access to work that is as fulfilling as it is capable of being is an important dimension of fair work. Fulfilment at work will mean different things to different people, but all types of work at all levels can be more fulfilling where the tasks, work environment and employment conditions







are aligned to the skills, talents and aspirations of the people who carry it out.

## Indicators

- Employer provided training
- Training participation
- On the job training
- Training duration
- Skills underutilisation
- Skills shortage vacancies

## Gaps

- Skills mismatch (over- & under-educated)
- Autonomy/Influence
- Problem-solving

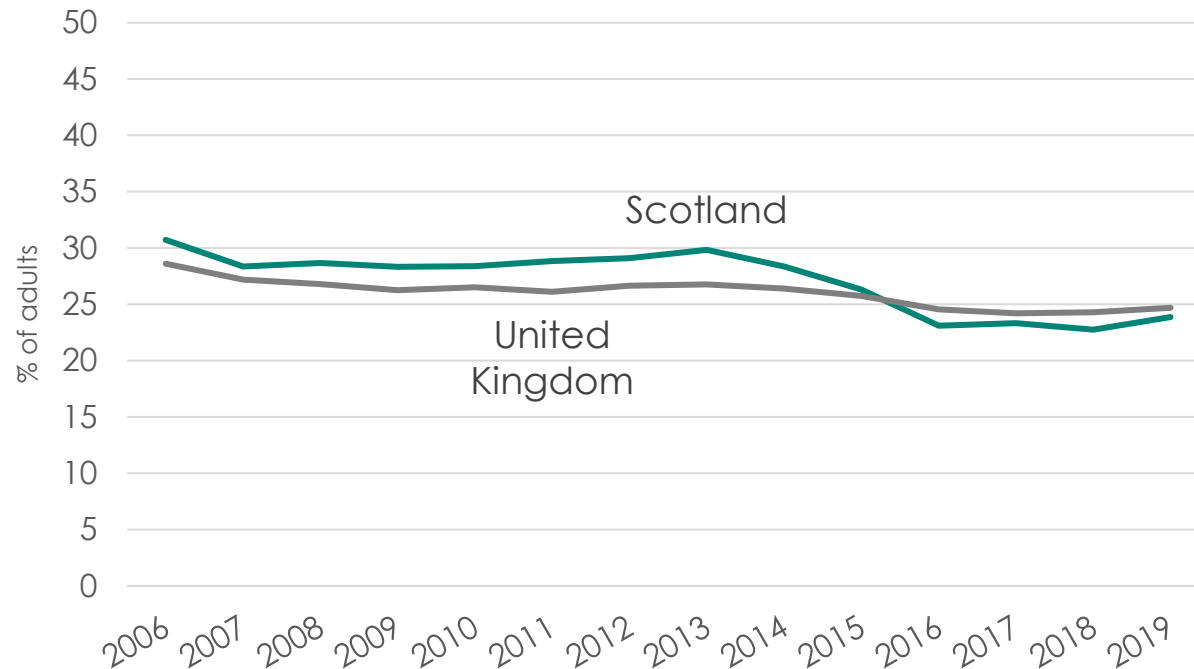
	2015	2019	Performance
<b>Employer-provided training</b> % of employers who provided training to their employees, in Scotland	72% in 2014	70%	 Maintaining
<b>Workplace learning</b> % of employees who reported receiving job-related training within the last 3 months, in Scotland	25.8%	23.7%	 Worsening
<b>Type of training (on the job and away)</b> % of employees who received training both on the job & away, as a proportion of those who received any training	20.8%	23.9%	 Improving
<b>Training duration</b> Average number of hours of training in Scotland	70 hours	48 hours	 Worsening
<b>Skills underutilisation</b> % of establishments with at least one employee with skills and qualifications more advanced than required for their current job role	32%	35% in 2017	 Worsening
<b>Skills shortage vacancies</b> Proportion of establishments reporting at least one skills shortage vacancy.	6%	6% in 2017	 Maintaining

Source: Labour Force Survey, Annual Population Survey, Employer Perspectives Survey, Employer Skills Survey

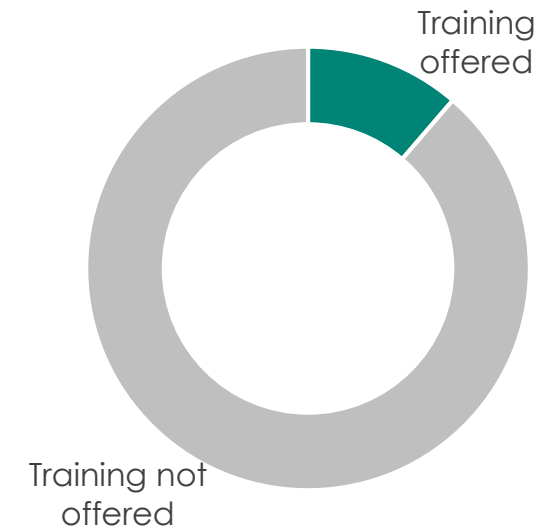
# Fulfilment

- In 2019, 23.7% of employees reported they received job related training within the last 3 months, an increase from 22.5% in 2018.
- The proportion of employees who received job related training within the last 3 months decreased from 25.8% in 2015.
- Examining the types of training received, the proportion of those who received on the job training only increased over time while the proportion of those who trained away from the job decreased.
- Of those who did not take part in training, only 11% reported that training had been offered.

## Proportion of employees who took part in training related to current or future job

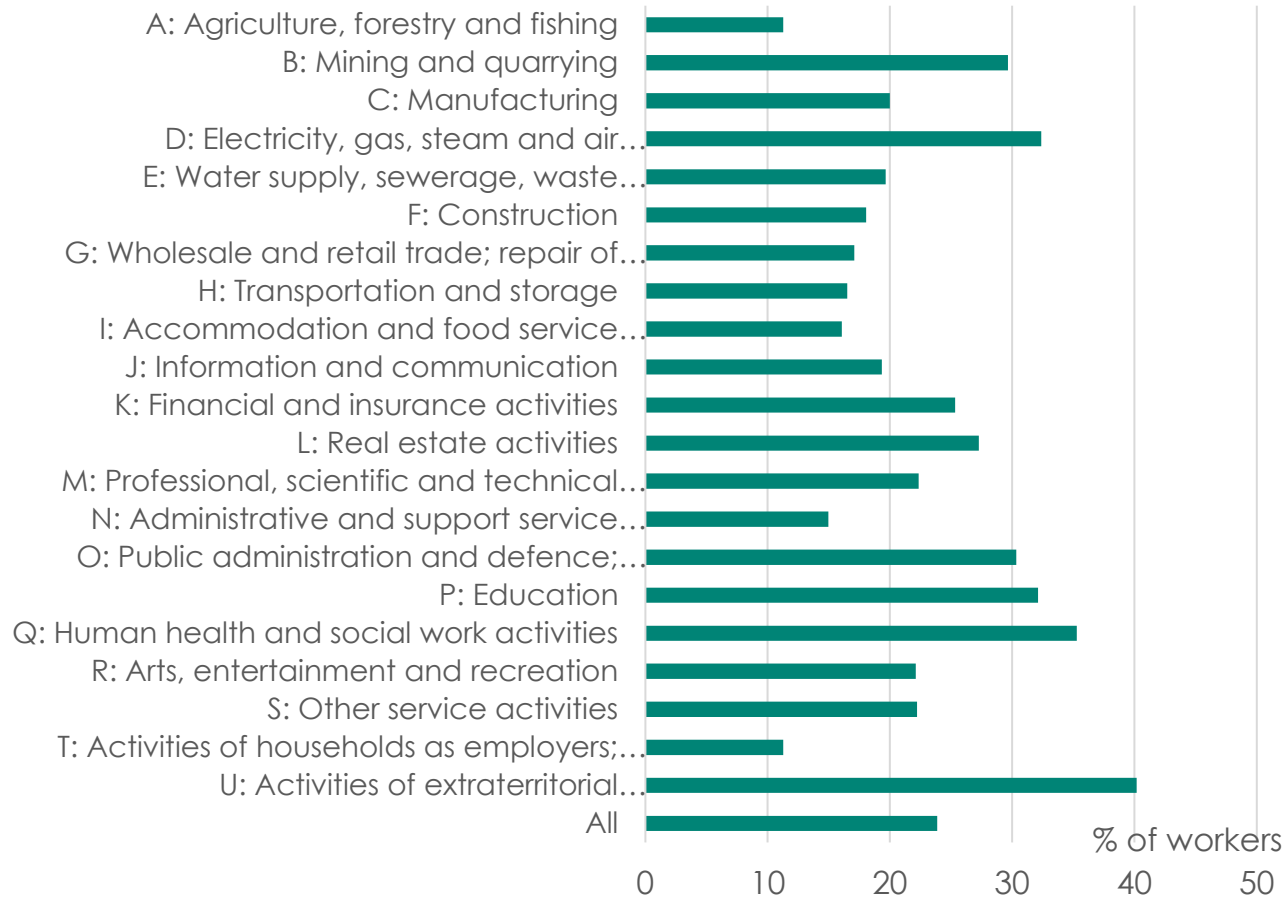


In Scotland in 2019, of those who did not take part in any training, only 11% reported training had been offered.



Source: Annual Population Survey (Jan-Dec datasets), ONS

**Proportion of employees who took part in any training related to current or future job in 2019, by sector in Scotland**



**Type of training in Scotland in 2006 and 2019**



Source: Annual Population Survey (Jan-Dec datasets), ONS

# Fulfilment and COVID-19

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The full impact of the pandemic on the fulfilment dimension of fair work will become more apparent over the coming months. However, a number of trends are likely to emerge.

With workers adapting to homeworking while simultaneously managing caring responsibilities and businesses struggling with falling demand or devising new business models, investment in training might not have been an immediate priority, despite the importance of re-skilling and upskilling the workforce to enable it to adapt successfully to the demands provoked by the pandemic.

However, many businesses have shown over the last 6 months that rapid adoption of digital technologies, and the training required to achieve this has been possible.

Research shows that extensive use of digital tools can increase the risk of burnout and impact on job satisfaction<sup>17</sup>, however, it also shows that technology can provide greater flexibility and independence for staff, which could have a positive impact on recruitment and retention.<sup>18</sup>

Evidence shows that work intensity (working at high speed and to tight deadlines) has been increasing in Britain, most notably for teachers and health workers<sup>19</sup>, even before the pandemic and we can expect this to have worsened during the pandemic.

Now is the time for employers to think carefully and creatively about job design and to make sure all workers have access to adequate support such as social networks and sufficient training.

**WORKERS WHO ARE FULFILLED IN THEIR JOBS ARE MORE LIKELY TO BE ENGAGED, COMMITTED AND HEALTHY.**

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<sup>17</sup> Harvard Business Review Home (2018), available [here](#)

<sup>18</sup> Ipsos MORI and York Health Economics Consortium (2019), available [here](#)

<sup>19</sup> Green, F, Felstead, A, Gallie, D and Henseke, G (2018), available [here](#)

# Effective Voice



## Summary

- Trade union membership, as a proportion of the workforce, declined from 29.0% in 2015 to 26.4% in 2019.
- Collective bargaining coverage in Scotland has increased since 2015.
- There are significant data quality issues across the dimension of effective voice which means that elements of this dimension, particularly for voice mechanisms in non-unionised workplaces, cannot be measured.
- Effective voice is vital to supporting the realisation of all the other dimensions of fair work.

But COVID-19 changes this picture:

- The impact that COVID-19 is having on effective voice is difficult to assess, but the combination of job intensification for many key workers and isolation for homeworkers could impact negatively on effective voice opportunities at workplace level.
- However, some models of engagement between employers, workers, unions and public agencies during the crisis have proved effective for dealing with change and meeting the challenges of the pandemic.

# Effective Voice

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## Introduction

Having an effective voice is crucially important to the realisation of all the other dimensions of fair work.

For **individuals**, the opportunity to have an effective voice is crucially important. Having a say at work is consistent with the broader suite of rights available to citizens in democratic societies. Voice and dialogue can help to resolve conflict and address unjust, unfair or unequal treatment. It can also identify opportunity and reinforce consensus.

Effective voice can benefit **employers** as well as workers. Where voice channels exist and voice is welcomed, workers are more likely to engage with their employer and offer insights and ideas that can stimulate change, improvement and innovation. Dialogue can improve the quality of available information, information sharing and cross learning which in turn can improve the quality of decision making. Genuine voice mechanisms can deliver wider consensus and commitment to decisions – even from those who disagree – and can contribute to an open and constructive work climate. Jointly agreed decisions are easier to implement and more likely to be adhered to.

Effective worker voice and representation can also support **wider social priorities** in terms of equality of

opportunity, pay equality, learning and skills acquisition and occupational health and safety.

Voice is effective where workers have scope to say what they feel, are listened to and where their voice can make a difference.

Workers in unionised firms were more likely to point to these characteristics of voice in their workplaces. This is consistent with wider research evidence that suggests that effective voice is most likely where unions are present, and where management and union representatives have the orientation, capability and capacity to communicate, influence and negotiate. Effective voice is critical to delivering the other dimensions of fair work.





## Indicators

- Trade union membership
- Trade union presence
- Collective bargaining

## Gaps

Adequate channels to communicate, influence and negotiate

# Effective Voice

	2015	2019	Performance
<b>Trade Union membership</b> % of workforce who reported they were members of a trade union/staff association	29.0%	26.4%	 Worsening
<b>Trade Union Presence</b> % of workforce who reported others at their workplace were a member of trade union/staff association	33.6%	32.6%	 Maintaining
<b>Collective Bargaining</b> % of workforce whose pay and conditions of employment are affected by agreements between their employer and a trade union/staff association (reported <b>by workers</b> )	34.9%	38.0%	 Improving
<b>Collective Bargaining</b> % of workforce whose pay and conditions of employment are affected by agreements between their employer and a trade union/staff association (reported <b>by employers</b> )	50.0%	51.6%	 Improving

Source: Labour Force Survey (Oct-Dec datasets) and Annual Survey of Hours and Earnings, ONS

# Effective Voice

Data on collective bargaining (when workers' pay and conditions are agreed between employer and trade unions/staff associations) is collected through two major surveys:

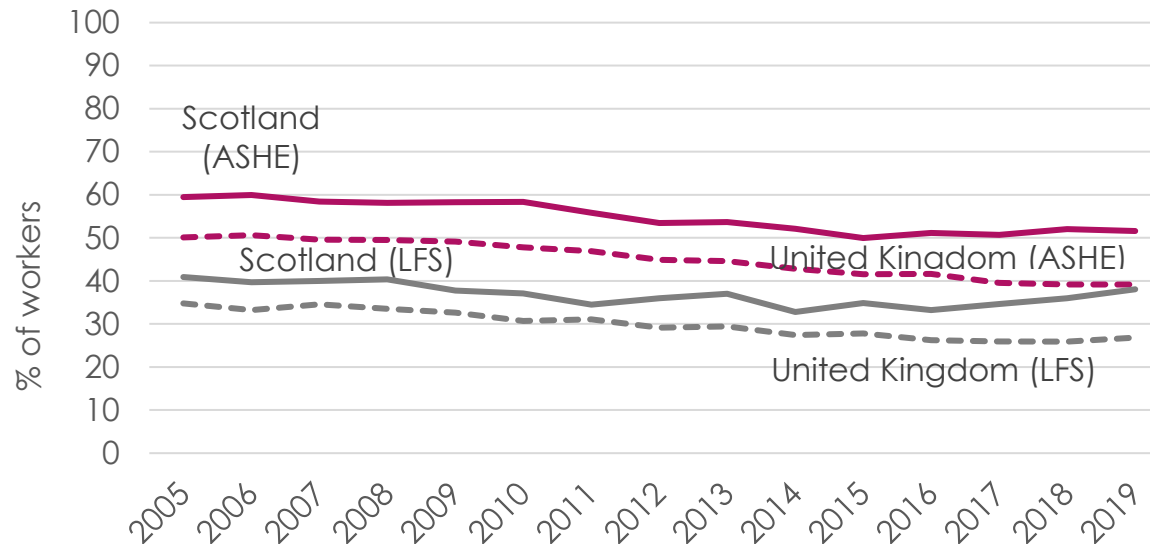
1. The Annual Survey of Hours and Earnings (ASHE) collects data from employers and so is more accurate as many workers are not aware that such agreements are in place. It also has a larger sample size.
2. The Labour Force Survey (LFS), which collects data from workers, includes groups such as temporary,

part-time and low-paid workers who are not necessarily covered by employers' records, and so might not be included in ASHE findings.

The chart below shows there is a substantial difference between proportions of workers covered by collective bargaining but the sources agree that, after a gradual decrease in prevalence of collective bargaining in Scotland from 2005, collective bargaining has been increasing in the most recent years.

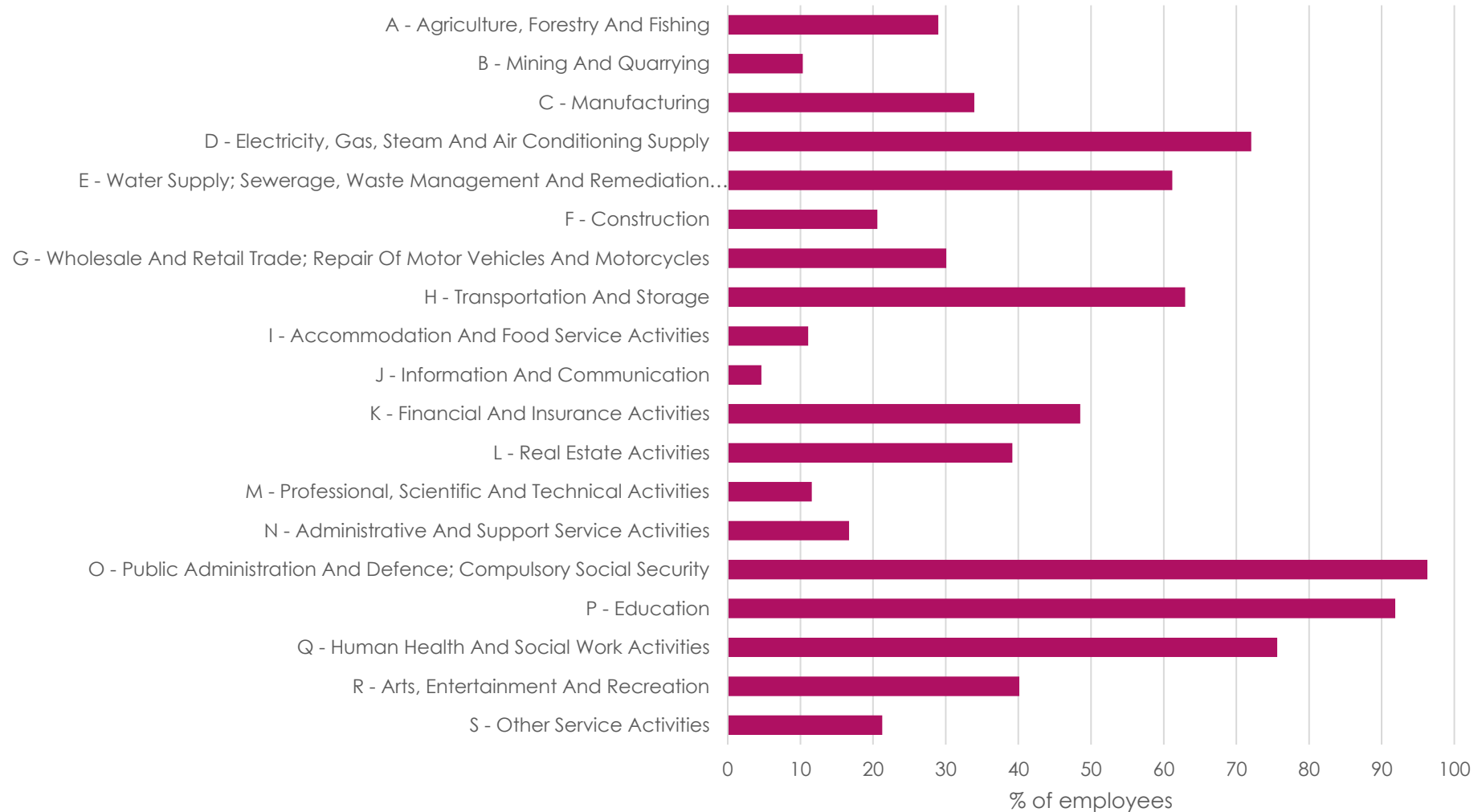
## Proportion of workforce covered by collective bargaining

Source: Labour Force Survey and Annual Survey of Hours and Earnings, ONS



## Proportion of employees covered by collective bargaining by industries in 2019, Scotland

Source: Annual Survey of Hours and Earnings, ONS



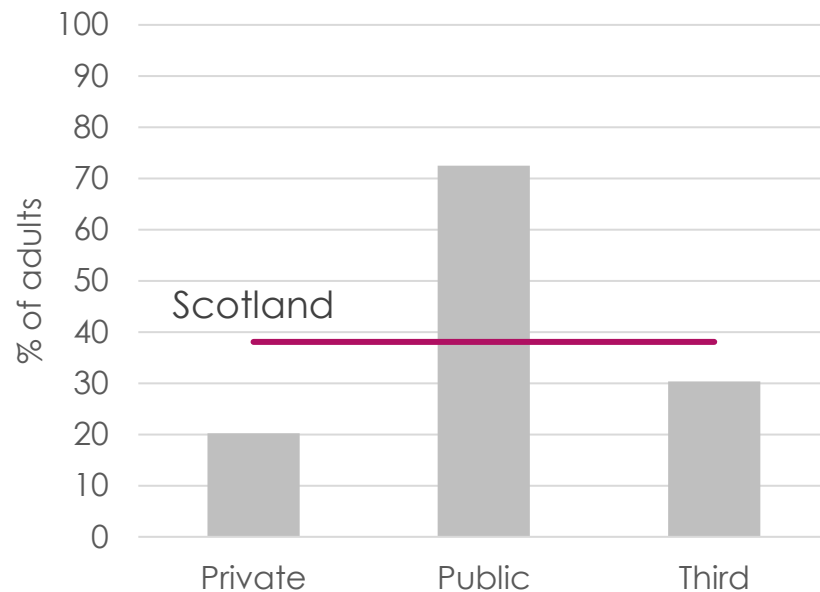
# Effective Voice

Adults most likely to work in places covered by collective bargaining are:

- Women
- 50-64 years old
- White
- With long-term health problems
- Who work in the public sector

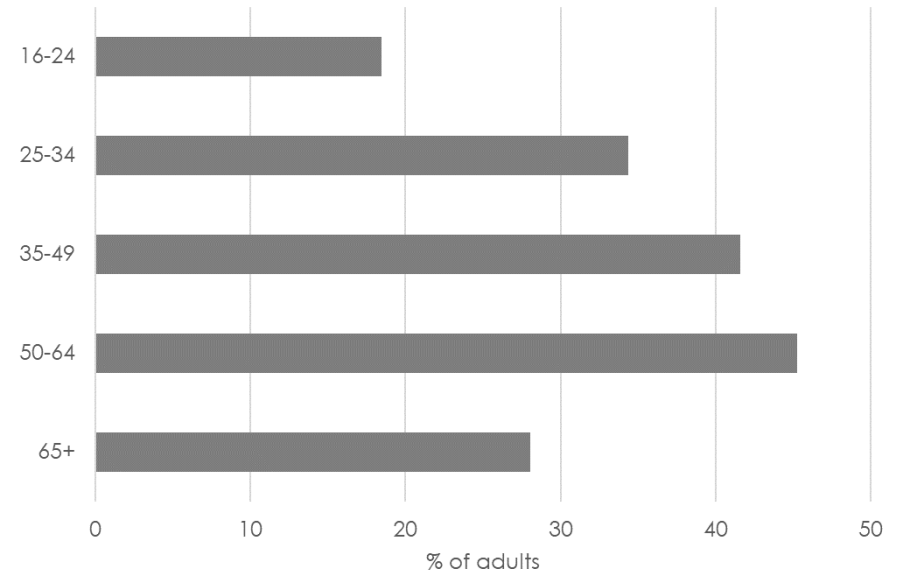
## Proportion of adults in workplaces covered by collective bargaining by sector, 2019 data

Source: Labour Force Survey, ONS, Oct-Dec dataset



## Proportion of adults in workplaces covered by collective bargaining by age group, 2019 data

Source: Labour Force Survey, ONS, Oct-Dec dataset



# Effective Voice

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Voice is effective where workers have scope to say what they feel, are listened to and where their voice can make a difference.

Although we do not have recent data on employee involvement in decision-making, the 2011 Workplace Employment Relations Study found<sup>20</sup>:

- half (52%) of employees rated their management as good at seeking their views
- just under a half (47%) rated their management as good at responding to suggestions from employees and representatives
- just around a third (35%) were rated as good in allowing employees & representatives to influence decisions.

The same study also found that in the absence of unions, there are few alternative channels of collective representation in UK workplaces. In 2011, only 7% of workplaces had a stand-alone non-union representative and only 8% of workplaces had a joint consultative committee. More than a third of workplaces and a fifth of all workers have no access at all to collective voice channels at work.

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<sup>20</sup> The 2011 Workplace Employment Relations Study, available [here](#)

## Effective Voice and COVID-19

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The pandemic has shown the importance of effective voice in workplaces. Not only does it make workers feel valued and increases their engagement, it also helps managers understand the needs of their staff and so increases the organisation's resilience.

The impact that COVID-19 is having on effective voice at a workplace level is difficult to assess, but the combination of job intensification for many key workers and isolation for homeworkers could impact negatively on effective voice.

However, some models of engagement between employers, employees, unions and public agencies during the crisis have proved effective for dealing with change and meeting the challenge of the pandemic.

**VOICE CAN IMPROVE THE EXPERIENCE OF  
WORK AS WELL AS IMPROVING  
ORGANISATIONAL PERFORMANCE.**

# Sectoral Analysis

All sectors display some dimensions of fair work. However, it is also possible to identify sectors that perform poorly across multiple dimensions of fair work.

These sectors include:

- Agriculture, Forestry and Fishing
- Mining and Quarrying
- Manufacturing
- Construction
- Wholesale and Retail Trade
- Accommodation and Food Service Activities
- Human Health and Social Work Activities

This suggests that considered interventions are required to fully understand and tackle the barriers to fair work in these sectors. This may require efforts to achieve a change in the core business model or approach to organising employment within these sectors, or their sub-sectors, in order to fully realise fair work in Scotland.

Some industries also perform poorly across specific fair work indicators.

## **Prevalence of self-reported illness caused by work**

Prevalence of self-reported illnesses is highest in Electricity, Gas, Steam and Air Conditioning Supply (rate of 5,030 per 100,000 employees), followed by Public Administration (rate of 4,940 per 100,000 employees) and

Human Health and Social Work Activities (rate of 4,700 per 100,000 employees).

## **Workers paid below the Real Living Wage**

In 2019 in Scotland, 17% of workers were paid below the rate of the real living wage. However, this varied significantly across industries; 60% of workers in Accommodation and Food Service were paid below the real living wage and 43% in Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles industry.

## **Horizontal occupational segregation**

Horizontal segregation was the most prevalent in the Construction sector, where the workforce is predominantly male (88%), followed by Water Supply and Waste management where 83% of the workforce is male and Health and Social Work where 80% of the workforce is female.

## **Participation in training**

Participation in training was lowest in Agriculture, Forestry and Fishing (11%), Administrative and Support Service activities (15%) and Accommodation and Food Service activities (16%).

## **Collective bargaining coverage**

Collective bargaining was lowest in Information and Communication (5%), followed by Mining and Quarrying (10%) and Accommodation and Food Service Activities (11%).

# Sectoral Analysis

## Early analysis suggests that no industries perform well across all dimensions of fair work

Relative ranking of industries (1 being the best performing industry for selected dimension, 19 being the worst performing)

	A - Agriculture, Forestry And Fishing	B - Mining And Quarrying	C - Manufacturing	D - Electricity, Gas, Steam And Air Conditioning Supply	E - Water Supply; Sewerage, Waste Management And Remediation Activities	F - Construction	G - Wholesale And Retail Trade; Repair Of Motor Vehicles And Motorcycles	H - Transportation And Storage	I - Accommodation And Food Service	J - Information And Communication	K - Financial And Insurance	L - Real Estate Activities	M - Professional, Scientific And Technical Activities	N - Administrative And Support Service	O - Public Administration And Defence; Compulsory Social Security	P - Education	Q - Human Health And Social Work Activities	R - Arts, Entertainment And Recreation	S - Other Service Activities
Opportunity	14	13	12	16	18	19	1	17	6	10	2	8	3	5	4	11	15	7	9
Respect	15	*	7	19	9	14	6	12	5	4	8	2	3	13	18	16	17	10	11
Security	15	4	13	1	10	9	18	8	19	5	2	12	7	17	3	6	11	14	16
Fulfilment	19	5	11	2	12	14	15	16	17	13	7	6	8	18	4	3	1	10	9
Voice	11	18	10	4	6	14	12	5	17	19	7	9	16	15	1	2	3	8	13

Indicators used here are:

Opportunity - Horizontal occupational segregation

Respect – Prevalence of self-reported illness

Security – Proportion of workforce not earning the real living wage

Fulfilment - Proportion of workforce participating in training

Effective voice - Proportion of workforce covered by collective bargaining

This analysis is based on selected indicators and does not fully represent an overall assessment across all dimensions of fair work. The gaps in data, as identified throughout this Report, prevent us from fully analysing and understanding the presence of fair work in some industries. The Convention will undertake further research and analysis to develop a fuller understanding of fair work within industries.

# Recommendations

The Fair Work Measurement Framework suggests that limited progress has been made in addressing fair work with the majority of indicators showing no significant improvement over the past 5 years. Further and immediate action is required if Scotland is to meet its vision to be a Fair Work Nation by 2025. The COVID-19 crisis is also presenting significant challenges across all of the dimensions of fair work which increases the need to take decisive action now.

The Fair Work Convention commits to support Government, unions and employers and all other relevant workplace stakeholders to deliver fair work and make our vision of a Fair Work Nation a reality. Based on the data presented in this Report we recommend, as a priority, that action be taken in the following areas:

## **Creating Sector Level Fair Work Processes**

The fair work approach is built on a simple philosophy: the best outcomes are achieved if employers, workers, unions and public agencies work together. International

evidence suggests that where voice is embedded in social institutions, this can create stable and constructive employment relations while supporting business success. Evidence from the Fair Work Measurement Framework suggests that there is significant sectoral variation across the dimensions of fair work. While all sectors demonstrate some elements of fair work, there are some sectors that, as a whole, do not perform well across multiple dimensions. These include:

- Agriculture, Forestry and Fishing
- Mining and Quarrying
- Manufacturing
- Construction
- Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles
- Accommodation and Food Service Activities
- Human Health and Social Work Activities

The Convention believes that a sectoral approach, building on the core principle of joint working, would support progress towards achieving our aim of becoming a Fair Work Nation by 2025.

## Recommendations

	Scottish Government	Fair Work Convention	Workplace Stakeholders
<b>Create Sector Level Fair Work Processes</b>	<p>Build fair work processes that bring employers, unions and public agencies together:</p> <ul style="list-style-type: none"> <li>• building on the positive experience of developing sectoral guidance during the COVID-19 crisis;</li> <li>• focusing on sectors that perform poorly across a number of dimensions of fair work, as identified in this Report; and</li> <li>• taking immediate action to address issues within sectors where public funding predominates and/or the public sector has direct and indirect responsibility.</li> </ul>	<p>Support employers, unions and workers to build the internal capacity necessary to engage constructively in fair work dialogue and processes.</p>	<p>Employers and unions should commit to engage constructively in sector-level fair work processes.</p>

# Recommendations

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## **Prioritise Fair Work Activity Where Fair Work is Least Prevalent**

The Fair Work Measurement Framework clearly shows that disabled workers, ethnic minorities, women and young workers often face poorer fair work outcomes and are often more heavily concentrated in precarious and low paid work. Focusing on improving fair work and job quality in sectors where low pay and precarious work is most prevalent will have clear equality benefits. A focus on Accommodation and Food Service where 60% of workers are paid below the real living wage, or Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles industry where 43% of workers are paid below the real living wage would support improved living standards for many workers with protected characteristics.

Focusing on sectors with high levels of horizontal segregation, like Construction, Health and Social Care and Transport and Storage, would also improve equality outcomes and ensure a greater level of opportunity for workers across the labour market.

The Accommodation and Food Services sector performs particularly poorly over a number of dimensions of fair work, including security, fulfilment and voice. It has been particularly impacted by COVID-19 and also employs a large number of workers within Scotland, 7.1% of the workforce. As its next sectoral inquiry, the Convention, therefore, commits to undertake an inquiry into fair work in the Accommodation and Food Services sector.

# Recommendations

	Scottish Government	Fair Work Convention	Workplace Stakeholders
<b>Prioritise Fair Work Activity where Fair Work is Least Prevalent</b>	<p>Target sectors and support groups of workers where pay and precarious work is most prevalent to improve fair work across all dimensions.</p> <p>Work with employers and unions to develop interventions that recognise the links between the absence of fair work and systematic inequality.</p>	<p>Raise awareness of the relationship between the absence of fair work and systematic inequality.</p> <p>Support the Scottish Government, employers, unions and workers to understand and tackle systematic inequalities by taking a fair work approach.</p> <p>Research entrenched inequalities from a fair work perspective for example: the gender pay gap for older women workers; and the impact of socio-economic status (class) on access to fair work.</p> <p>Work with partners to build capacity amongst campaigning groups to better understand fair work and to access and enforce rights at work.</p> <p>Undertake an inquiry into fair work in the Accommodation and Food Services sector.</p>	<p>Employers and unions should work together to develop bespoke fair work policies and practices at workplace level, drawing on the Fair Work Framework, focused on eradicating systematic pay and other inequalities (for example access to training).</p> <p>Employers should undertake a systematic review, working with their workforce and trade unions, to ensure that there are no systematic barriers to work, training and progression opportunities for workers with protected characteristics.</p> <p>Employers should take steps to ensure diversity within decision making structures, particularly but not exclusively at board level.</p>

# Recommendations

## Embedding High Standards through Conditionality

The Convention believes that for our vision of fair work to be realised, high standards must be incentivised. The Scottish Government should ensure that support provided to business during the pandemic and beyond promotes fair work.

The Fair Work Convention has welcomed the Scottish Government's Fair Work First initiative and its engagement thus far in the development of the Fair Work First Guidance criteria. The completion and publication of this guidance and clarity on its

implementation, monitoring and ongoing measurement of impact, must be a priority.

The Convention will monitor the effectiveness of Fair Work First and any other approaches designed to incentivise fair work with the aim of improving fair work outcomes, supporting continuous improvement, and driving up standards in workplaces. It is also critical that employers workers and unions engage constructively with conditionality and incentivisation measures, appreciating the mutual benefits they can realise in the workplace measures.

	Scottish Government	Fair Work Convention	Workplace Stakeholders
<b>Embed High Standards through Conditionality</b>	<p>Apply fair work conditionality to all support provided to business during the pandemic and beyond</p> <ul style="list-style-type: none"><li>• Complete and publish Fair Work First guidance and monitor its implementation and effectiveness.</li></ul>	<p>Work with the Scottish Government to monitor the effectiveness of Fair Work First (and other approaches designed to incentivise fair work) giving advice and guidance on how this can improve.</p>	<p>Employers should engage constructively with conditionality requirements.</p> <p>Unions should work with employers to ensure conditionality declarations within conditionality systems are evidence based and effectively embedded and operationalised.</p>

# Recommendations

## Responding to Labour Market Change

The evidence suggests that the nature of work is changing. Changes that were already underway as a result of the move to a net zero carbon economy, automation, changing demography, EU Exit and changes in patterns of global trade as well as those brought on by the pandemic, such as the growth of homeworking, are likely to be intensified and the pace of change to be more rapid. Scotland is also likely to see growth in unemployment, underemployment, and in-work poverty.

Urgent action is needed to support workers facing redundancy. The evidence suggests that even before the pandemic access to training was limited for many workers. The Government, employers, unions and workers must work together to create improved access

to training and increased opportunities for retraining and upskilling.

Experience throughout the pandemic has shown the importance of the social security safety net for workers. The Scottish Government has already acted to support workers' access to sick pay through the self-isolation support grant. The Scottish Government must explore how enhanced social security powers can be used to improve the safety net for workers particularly around sick pay and unemployment support.

The Convention also commits to support the Young Person's Guarantee, a key intervention for workers highly impacted during the pandemic, and one which is explicit in its commitment to support young people's fair work.

	Scottish Government	Fair Work Convention	Workplace Stakeholders
<b>Respond to and Shape Labour Market Change</b>	Work with employers, unions and workers to: <ul style="list-style-type: none"><li>• improve access to training and increase opportunities for retraining and upskilling</li><li>• create an effective voice mechanism, where none</li></ul>	Lead a conversation on the changing nature of work by: <ul style="list-style-type: none"><li>• researching the impact of labour market shifts on the dimensions of fair work</li><li>• exploring workers' lived experiences of fair work and</li></ul>	Employers and workers should work together to ensure all workers have access to sick pay and occupational health services.

# Recommendations

	Scottish Government	Fair Work Convention	Workplace Stakeholders
	<p>exists, including through trade union membership and representation, for young workers to seek help and support with workplace issues. One way of achieving this would be a disputes resolution mechanism linked to the Young Person's Guarantee.</p> <p>Explore how enhanced social security powers can be used to improve the safety net for workers focusing on sick pay and unemployment support.</p>	<ul style="list-style-type: none"> <li>supporting the development of practical interventions that improve fair work outcomes.</li> </ul> <p>Support the Young Person's Guarantee by:</p> <ul style="list-style-type: none"> <li>raising awareness amongst young people about fair work and the treatment they should expect to receive at work</li> <li>supporting the Scottish Government and other interested stakeholders to develop voice mechanisms for young workers, including through union membership and representation.</li> </ul>	<p>Employers should seek to provide training opportunities for young workers which lead to secure employment. Employers, in partnership with their workforce and unions should work to 'future-proof' skills and employment to prepare better for economic shocks and other uncertainty.</p> <p>Employers and Unions should support workers impacted by redundancy to access retraining and upskilling opportunities.</p>

# Recommendations

## Improving Data Quality

This Report identifies that there are a number of data quality issues that limit our ability to track performance in Scotland against the dimensions of fair work. These issues are most acute in the Effective Voice dimension, where only a measure of unionisation and collective bargaining coverage is available. While these measures are vitally

important they do not allow for a complete picture of effective voice to be formed, particularly where unions are not present.

There is also an important data gap in the Respect dimension, where no effective measure for bullying and harassment at work exists.

	Scottish Government	Fair Work Convention	Workplace Stakeholders
Improve Data Quality	<p>Create and resource a Scotland wide survey similar to the former Workplace Employment Relations Study series.</p> <p>Improve data quality at a Scottish level around protected characteristics, geography and class.</p>	<p>Focus research on issues where data is currently poor and the picture incomplete.</p> <p>Develop a fuller analysis of fair work outcomes by sector, protected characteristics, geography and class.</p>	<p>Support the collection of work related data and respond positively to official surveys.</p>

# About the Fair Work Convention

The Fair Work Convention was established in 2015 following a recommendation of the Working Together Review. Our remit is to drive forward fair work in Scotland and our agenda is aspirational – it is about fair work becoming a hallmark of Scotland's workplaces and economy.

The Fair Work Convention is an independent body which brings together employers, trade unions and academic expertise. The Convention's role is to:

- Provide **impartial advice and recommendations** on fair work to Scottish Ministers, the Scottish Government and policy makers to support the Fair Work agenda
- **Advocate and promote** fair work across Scotland.

Our vision is that, by 2025, people in Scotland will have a world-leading working life where fair work drives success, wellbeing and prosperity for individuals, businesses, organisations and society.

Fair work is defined by the [Fair Work Framework](#) published in 2016. It is work that offers **effective voice, security, opportunity, fulfilment and respect**. It balances the rights and responsibilities of employers and workers and generates benefits for individuals and society.



**Professor Patricia Findlay**  
**Fair Work Convention Co-Chair**

Patricia is Distinguished Professor of Work and Employment Relations, and Director of the Scottish Centre for Employment Research, at the University of Strathclyde

Business School. Her expertise is in the study of work and the management of the employment relationship, and she leads major research projects on fair work and workplace innovation, including previously the 'Innovating Works ...improving work and workplaces' programme and the Fair, Innovative and Transformative work (FITwork) research programme. She is a Fellow of the Royal Society of Arts.



**Grahame Smith**  
**Fair Work Convention Co-Chair**

Grahame is the former General Secretary of the Scottish Trades Union Congress (STUC). He serves on a number of boards/bodies in the field of economic development and skills. He is a member of the Enterprise and Skills Strategic Board; the Board of Skills Development Scotland; and the Board of Scottish Qualifications Authority.

# About The Fair Work Convention

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**Henry Simmons**  
**Chief Executive, Alzheimer Scotland**

Henry joined Alzheimer Scotland as Chief Executive in August 2008. He is a registered Social Worker, RMN and has an MBA. Henry has worked in both the learning disability and mental health fields. He is also chair of the NHS NES/SSSC Dementia Programme Board.



**Shirley Campbell**  
**Director for People, Scottish Water**

In addition to her role as a member of the Scottish Water Executive team Shirley is a board member for Scottish Water Horizons Holdings Ltd with responsibility for Scottish Water International. She is passionate about Agile working and creating inclusive digital environments where people can flourish and be highly productive.



**Robert Carr**  
**Partner, Anderson Strathern**

Robert is a Partner in the Dispute Resolution Department of leading Scottish law firm Anderson Strathern where Robert was chair for 12 years. Robert is a Past President of Edinburgh Chamber of Commerce and is a member of the Regional Enterprise Council for the Edinburgh and South East Scotland City Region Deal.



**Lilian Macer**  
**Convenor, Unison Scotland**

Lilian is the Convener of Unison Scotland and the Employee Director for NHS Lanarkshire. She served as a member of the 'Working Together Review'. Lilian is also the Branch Chair for Unison Lanarkshire Health Branch and a member of the STUC General Council.



**Satnam Ner**  
**Prospect and Former STUC President**

Satnam is a Chartered Scientist and Fellow of the Royal Society of Chemistry, he works for the Marine and Technology Division of Babcock International Group at Rosyth, Fife. He has been a member of the STUC General Council since 2007 and is former STUC President. He has been elected onto the STUC Black Workers' Committee for 19 of the 21 years that it has existed.



**Mary Alexander**  
**Deputy Regional Secretary for Unite the Union, Scotland.**

Mary has a background in the finance sector, extensive experience in representation and advocacy, and extensive knowledge of changes in management and HR practices.

# About The Fair Work Convention

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Since the publication of the [Fair Work Framework](#) in 2016, the Convention has made significant progress. There is now widespread recognition that the nature and quality of work is essential in unlocking Scotland's economic and social potential. It is positive to see fair work becoming increasingly embedded in the debate and the structures of government and wider society.

The Convention welcomes the Scottish Government's adoption of our Framework and vision to become a Fair Work Nation. As a result, it has established the Fair Work Directorate and a Cabinet Secretary and Minister for Fair Work. It also incorporated fair work outcomes into the National Performance Framework and developed a Fair Work Action Plan which aims to:

1. Support employers to adopt fair work practices
2. Deliver fair work to a diverse and inclusive workforce
3. Embed fair work across the Scottish Government

The Government has also committed to promoting fair work through Fair Work First. The Convention believes that this work will be critical for driving forward fair work outcomes across the economy.

A range of other organisations are also adopting a fair work approach and the Convention welcomes the inclusion of a fair work focus in all of the activity of the Scottish National Investment Bank, the Reports published by the Infrastructure Commission Scotland, the emphasis

given to fair work, workplace innovation and job quality by the Enterprise and Skills Strategic Board and the agencies it oversees, and the inclusion of a fair work direction for the South of Scotland Enterprise Agency and the creation of a Workers' Interest Committee to ensure the work of the agency reflects a workforce perspective.

The Convention welcomes the positive approach to fair work being adopted by CoSLA and SCVO along with a range of employer bodies and trade unions. The Convention is increasingly aware of examples of employers and unions applying the Fair Work Framework and the principles of fair work to improve workplace policy and practice. The Fair Work Statement developed between the Scottish Government, the STUC and a range of employer organisations is an example of how fair work thinking has been embedded in the response to COVID-19. The prominence that fair work received in the recommendations for the Advisory Group Economic Recovery Report and in the development of the Young Workers Guarantee is also welcome.

The Convention is committed to creating a Fair Work Nation and has worked to promote an understanding of fair work and embed it into the structures of government and wider society. We continue to offer support and advice on the development of fair work activity across a range of organisations and sectors.

# About The Fair Work Convention

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To support capacity building in fair work we have also developed a range of tools, including a [self-assessment tool](#) for workers. The Convention has also advised the Scottish Government and Scottish Enterprise in the development of an assessment tool for employers.

In February 2019 we published our ground-breaking inquiry [Fair Work in Scotland's Social Care Sector 2019](#), where we call for urgent interventions by policy makers, commissioners and leaders in the social care sector to improve the quality of work and employment for the 200,000 strong workforce in Scotland.

Led by Convention members Henry Simmons, Chief Executive of Alzheimer Scotland and Lilian Macer, Scottish Convenor, Unison, the inquiry involved:

- research on the work and employment experiences of front-line workers, personal assistants and employers from across the care sector in Scotland
- engagement with an expert working group and stakeholders from across the social care sector.

The inquiry found that:

- the social care sector is not consistently delivering fair work
- the existing funding and commissioning systems are making it difficult for some providers to offer fair work

- the social care workforce does not have a mechanism for workers to have an effective voice in influencing work and employment in the sector.
- given the predominance of women workers in the sector, the failure to address issues such as voice deficit and low pay will significantly contribute to women's poorer quality of work and Scotland's gender pay gap.

The inquiry recommended that the Scottish Government support a new sector-level body to ensure effective voice in the Social Care sector. As an immediate priority, this body should establish a minimum Fair Work Contract for Social Care, which should thereafter underpin commissioning of social care services. Looking forward, this sector-level body could develop a bargaining role in the sector, providing a locus for designing and developing services, training and development and other workforce strategies.

The Fair Work in Social Care Implementation Group has now been established and is taking forward the recommendations of our Report, including the creation of a Fair Work Contract and the move to sectoral bargaining.

The Convention is now taking forward an inquiry looking at fair work in the construction industry and the role of public procurement in driving fair work outcomes. This inquiry will report during 2021. To take this work forward

# About The Fair Work Convention

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the Convention has created a Construction Industry Inquiry Group (CIIG). This Group brings together a range of representatives from Local Authorities, construction companies, national bodies engaged in the sector, trade unions and others, who have direct experience of working in construction. The inquiry is also informed by research on workers' experience in construction undertaken by the Scottish Centre for Employment Research at Strathclyde University for the Scottish Trades Union Congress.

The objectives for the Construction Inquiry are:

- To examine the Commissioning and Procurement process in relation to public sector construction projects with specific reference to weighting, evidence, monitoring and evaluation based on the five elements of Fair Work (Opportunity, Security, Fulfilment, Effective Voice, Respect).
- To identify the Dispute Resolution Mechanism in relation to the five elements.
- To liaise with Scottish Government Fair Work First Team, Procurement and Construction Teams regarding on going work and progress with Fair Work Action Plan commitments in the Construction sector.
- To consider the current worker experience and identify key issues and actions required to ensure Fair Work First is delivered.

- To develop recommendations for Ministers to deliver Fair Work for people engaged in the Construction Industry on public sector projects

The Fair Work Convention believes that commissioning and procurement in public sector contracting is one of the most practical ways that the Scottish Government can show leadership and deliver fair work in practice. The Construction inquiry will support fair work in this sector but also deliver valuable learning that will support improved outcomes for procurement in construction but also for the operation of Fair Work First.

The work of the Convention is designed to make progress towards becoming a Fair Work Nation. Through a mixture of sectoral inquiry, in-depth analysis and cross-cutting work which focuses on the levers to make change in the economy. This Report makes clear that more progress must still be made and the Convention will work to further embed fair work across the economy in Scotland, ensuring all workers and employers access the benefits of this approach.

## Your views

Your views and comments on this publication are very welcome. Please let us know via email [fairworkconvention@gov.scot](mailto:fairworkconvention@gov.scot)

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