

SUPPLEMENTARY SUBMISSION FROM NHS HEALTH SCOTLAND

Topic: Quality of work in the third sector

Chic Brodie: Have you looked at the third sector and social enterprises, in which there is, of course, almost full control for people? Has any work been done on that?

Martin Taulbut: A recent report looked at the third sector in Glasgow, the experience of employees there and their health and wellbeing.

Response:

Here is the report referred to:

GCPH. *The changing nature of work in the third sector in Glasgow*. Glasgow: GCPH; 2015. http://www.gcph.co.uk/publications/554_the_changing_nature_of_work_in_the_third_sector_in_glasgow

Topic: "Between 10-30% of jobs..."

Lewis Macdonald (North East Scotland) (Lab): "...anything from 10 per cent to 30 per cent of jobs in the Scottish economy are bad for people's health"....The difference between 10 per cent and 30 per cent is clearly significant. Would you like to say a little more about that and about what influences that range of definitions?"

Response:

Francis Green and Tarek Mostafa (2012) used data from the fifth European Working Conditions Survey to estimate the quality of jobs in Europe. They divided jobs into four clusters: high-paid good jobs, well-balanced good jobs, poorly balanced jobs and low quality jobs. These categories are defined according to earnings, prospects, intrinsic job quality and working time quality. **Low quality jobs** fare worst on earnings, prospects and intrinsic job quality but score better on working time quality than poorly balanced jobs. **Poorly balanced jobs** score better on earnings, prospects and job quality than low quality jobs but are worse than high-paid good jobs and well-balanced good jobs in these respects and are the lowest scoring of the four job categories in terms of working time quality. Page 50 of the report shows a table with their estimates by country. In the UK, 10% of jobs are defined as low quality and 25% as poorly balanced.

Professor Nick Bailey presented some data in 2014, based on the Poverty and Social Exclusion (PSE) UK survey, estimating that around one third of adults in paid employment are in in-work poverty, or in insecure or poor quality work ('exclusionary employment'). 8% had at least two of these work characteristics. This study also suggested that people in the worst quality work had worse health than the unemployed.

Peycheva *et al.* (2014) use a similar methodology to Green and Mostafa (2012) to identify particular occupations with multiple disadvantages. They identified a number of occupations with multiple disadvantages (see p. 40-41 of their report). Based on NHS Health Scotland analysis of the Eurostat version of the Labour Force Survey, which uses the same definitions of occupations as in the Peycheva *et al.* report,

34% of people in employment in Scotland were working in these occupations in 2011.

The direct and indirect links between aspects of employment and adverse health outcomes are covered in the evidence already submitted. However, Professor Findlay's comments about subjective/objective definitions of good and bad jobs remain highly relevant.

Sources:

Eurofound (2012), *Trends in job quality in Europe*, Publications Office of the European Union, Luxembourg.

Bailey N. (2014) Employment, poverty and social exclusion – Presentation at Third Peter Townsend Memorial Conference Poverty and Social Exclusion in the UK.

Eurofound (2014), *Occupational profiles in working conditions: Identification of groups with multiple disadvantages*, Dublin.

Topic: mobility and availability of employment

Chic Brodie:

You also say in your paper: "to truly offer work for all, opportunities should be distributed geographically and occupationally according to need".

I would love to know how to do that. Has there been any discussion of mobility and people's ability to move to where there are jobs? You have used the examples of Aberdeen and Aberdeenshire, and Glasgow. Has any work been done on people's desire for mobility and the impact of that?

Response:

The first problem is one of lack of national demand for labour. This is not purely a legacy of the recession – at no point during the years 2002 to 2013 in Scotland did the number of vacancies available exceed the number of unemployed – so even if people were able and willing to move anywhere in Scotland and take up any job offer, there would still be substantial unemployment (*Table 1*). For Scotland, in 2013 there were 150,000 more unemployed than vacancies; in the years 2004 – 2008 (pre-recession), there were c. 60,000 more unemployed than vacancies. (This is likely to be an underestimate of the true labour market slack, given that there are many more working-age people in Scotland not classified as unemployed but claiming out of work benefits, many of whom are constrained by health problems and caring responsibilities).

Table 1: Vacancies and unemployment in Scotland: 2002 - 2013

	2002	2004	2006	2008	2010	2011	2013
Vacancies	64,700	73,400	76,700	69,800	43,900	44,481	54,490

ILO unemployed	164,000	137,100	136,600	130,100	205,500	221,300	209,400
Shortfall in vacancies	99,300	63,700	59,900	60,300	161,600	176,819	154,910

Sources: Local Area Labour Force Survey; Annual Population Survey; UKCES Employers Skills Survey and predecessors.

Even if the number of unemployed and vacancies was roughly even for Scotland (but still distributed unevenly geographically), it is unlikely the problem could be solved purely by encouraging people to move to where the jobs are, because this would fail to address the excess supply of unemployed/lack of jobs for people looking for non-professional jobs, especially looking for elementary occupations. In 2013, the shortfall in vacancies was most pronounced for those without a recent work history or those looking for work in elementary occupations (Table 2).

Table 2: Vacancies and unemployment in Scotland by occupation: 2013

	Vacancies	ILO Unemployed	Shortfall in vacancies*
Managers	2,139	7,526	5,387
Professionals	10,356	7,187	-3,169
Associate professionals	5,366	8,169	2,803
Administrative/clerical staff	5,372	11,918	6,546
Skilled trades	5,157	21,067	15,910
Caring, leisure, other services	7,786	10,658	2,872
Sales and customer services	5,575	19,510	13,935
Machine operatives	3,429	13,411	9,982
Elementary staff	6,981	42,072	35,091
Unclassified staff	1,484	65,509	64,025
Total	53,645	207,027	153,382

Sources: Annual Population Survey (Jan-Dec 2013); UKCES Employers Skills Survey 2013. Note: * Negative figures indicate a 'surplus' of vacancies.

On a practical level, it would also be difficult to address these issues without also considering the housing market. In places where labour market demand is strong, demand for housing is also strong. In 2013, there were an estimated 9,458 vacant

dwellings in Aberdeen City and Shire¹. It would be difficult to accommodate the 64,500 'surplus' unemployed people resident in GCV in and around Aberdeen City and Shire.

The logic of this suggests that a combination of job creation, investment in adult skills and help for people to overcome barriers to employment (e.g. helping SMEs make adjustments for those with health problems, extending provision of childcare) would be required to address this issue.

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¹ <http://www.nrscotland.gov.uk/statistics-and-data/statistics/statistics-by-theme/households/household-estimates/2013/list-of-tables>