

SUMISSION FROM THE STUC

Introduction

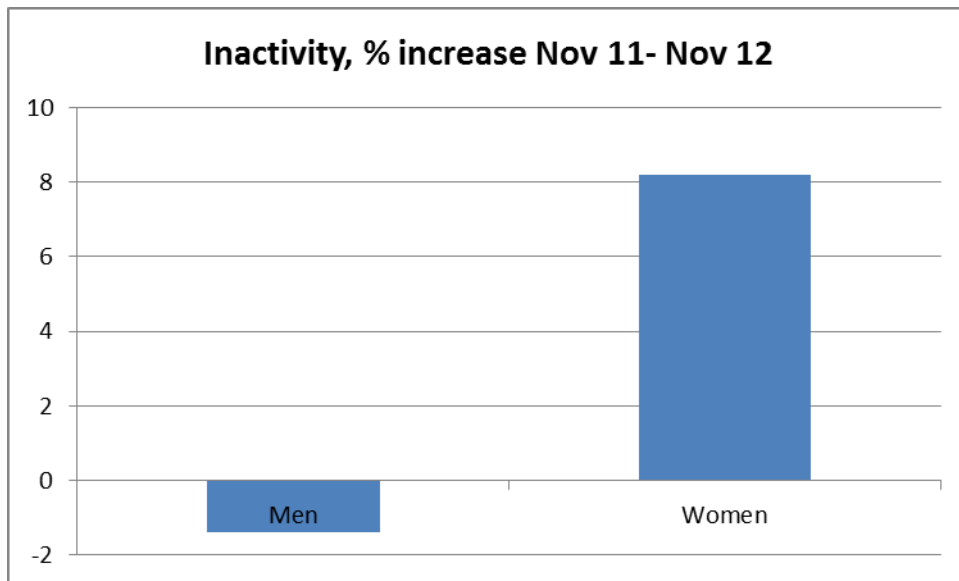
The STUC is Scotland's trade union centre. Its purpose is to co-ordinate, develop and articulate the views and policies of the trade union movement in Scotland; reflecting the aspirations of trade unionists as workers and citizens.

The STUC represents over 632,000 working people and their families throughout Scotland. It speaks for trade union members in and out of work, in the community and in the workplace. Our affiliated organisations have interests in all sectors of the economy and our representative structures are constructed to take account of the specific views of women members, young members, Black/minority ethnic members, LGBT members, and members with a disability, as well as retired and unemployed workers.

The STUC is encouraged by the Equal Opportunities Committee's continuing interest in the diverse range of experiences of women in the labour market in Scotland. The Committee roundtable discussion in February 2012, in which the STUC participated, highlighted a number of concerns, which have been given further attention in Parliament Chamber debates. The Women's Employment Summit, organised by the Scottish Government in partnership with the STUC on 12 September 2012, provided a number of additional contributions to recording the experiences of women, but also to putting forward proposals for change. Work is continuing on a number of the workstreams established at the Women's Employment Summit, and we would encourage the Committee to examine further how that work is progressing. In particular we understand progress is being made with regard to Women and Enterprise, and the STUC is represented within the Research and Analysis Group which is taking forward work on some of the gaps (or perceived gaps) in the available data and research.

In general we would encourage the Equal Opportunities Committee to examine further what is happening in the labour market, looking into the headline statistics in more detail. The STUC and its affiliated unions would welcome the opportunity to discuss these further.

For example, recent figures show a sharp rise in the number of women who are economically inactive. It should be stressed that although workless, these women no longer appear in the unemployment statistics:



(STUC analysis of latest ONS labour market statistics for Scotland)

The recent fall in women's ILO unemployment must be considered in the context of rising inactivity and falling employment; unemployment is falling not because women are finding jobs but because they are leaving the labour force altogether.

The reasons why women become economically inactive are many and complex but a categorisation of 'inactive' is most unlikely to mean that women are not contributing to the economy at all. The Women's Employment Summit recognised the economic value of unpaid labour in the home and in the community, but also identified that women will often be unable to comply with the requirements for registering formally for seeking work, and will therefore simply find other ways of trying to support themselves and their families.

Another issue of concern for the STUC is the recent rise in self-employment.

Far from being a sign of a new surge in entrepreneurialism in Scotland, the new self-employed are likely to be people trying to scratch a living doing what they used to do as employees. The new cohort display different characteristics than the pre-2008 stock of self-employed people: more likely to be women, to work less hours, to earn less and to pay less tax. Rising self-employment is in fact a sign of weak labour demand and the insecurity of the 2013 labour market.

The STUC sees many of the issues under consideration by the Committee as 'cross-cutting', and in this submission we focus on some issues with regard to the workforce, and on Childcare.

Workforce Issues

The summary of issues raised already in the Equal Opportunities Committee's investigations is wide ranging. The STUC has already contributed to the 'Workforce Issues' workstream developed through the Women's Employment

Summit, and would welcome continued engagement at every level of Parliament and Government.

We note that the Economy, Energy and Tourism Committee is undertaking an Inquiry into Underemployment in Scotland. It is to be hoped that the Equal Opportunities Committee Inquiry will complement and contribute to this, as recent data identifies particular trends amongst women and men with regard to underemployment.

The STUC has undertaken further analysis of the underemployment rates and trends in Scotland, which we are happy to share with the Committee as required.

By keeping the headline unemployment statistics below that which could be anticipated given the stagnant economy, underemployment is obscuring weak demand for labour.

Underemployment should also be considered in conjunction with the other increasing use of bad practices in the labour market, including the extended use of Zero Hours contracts; use of payroll companies to support bogus self-employment thereby avoiding payment of sick pay, tax and NI responsibilities; and inflexibility within workplaces, forcing workers to reduce or change their hours to allow other family responsibilities to be met.

We would draw the Committee's attention to a major new report, recently published by the Scottish Trades Union Congress (STUC) and written by Professor Phil Taylor of the University of Strathclyde 'Performance Management and the New Workplace Tyranny' .

The report is the culmination of a three year study examining the impact new forms of Performance Management are having on workers across Scotland with particular reference to the financial services and telecoms sectors. The report finds that the unrelenting intensity of work generated under new forms of Performance Management is having a significantly negative impact on employees, highlighting some of the differential impacts on women in the workforces examined. Performance Management practices are not merely unjustifiable on grounds of welfare, decency, dignity and well-being, but also counterproductive from a managerial perspective. The evidence overwhelmingly confirms the stressful consequences for workers arising from the new regimes of work.

The Committee may wish to consider this new Report further, and explore recommendations for change that could arise from this.

Another area of concern for the workforce, raised recently within the STUC affiliates, is the trend to different tiers of wages and conditions within the one workforce. The Communications Workers' Union has recently highlighted a loophole in the Agency Worker Regulations, resulting in three different categories of workers within the same workplace. Trade unions representing workers in local authorities have flagged up moves in some authorities, to

regrade and reorganise jobs within the schools support services (cleaning, school meals, janitorial), resulting in variations in terms and conditions.

In general, in response to the Committee's request for action points to be considered, the negative economic consequences of these regimes and employment practices should be highlighted. Local economies are struggling as wage rates fall and there is less money spent locally, job insecurity is preventing families from planning for the future, and households will spend less in services used locally, such as childcare, leisure, and community resources.

Public sector contracts and tendering processes should be examined more closely to ensure employment practices are taken into account as factors when decisions are made about awarding these contracts.

Childcare

The STUC agrees with the Committee's observations to date: highlighting the need for much more flexible provision; free at the point of delivery, and the need to ensure sufficient capacity within the childcare sector workforce.

However, the STUC is concerned that there has been no significant progress in reaching these goals in recent years, despite repeated evidence submissions and research conclusions that reinforce the benefits to all concerned.

The failure to invest in childcare from an early age as a state funded public service has meant that the costs of childcare in Scotland now outstrip most other European countries – and that the consequences of rising unemployment, underemployment, and an increasingly insecure labour market will also be impacting on the levels of childcare available.

As families seek to cut their household expenditure, and their own working hours may have been reduced, even temporarily, decisions will be made to save money by not paying for childcare or for afterschool care. This can be identified as a possible consequence of the 'bedroom tax' for example, as low income families face a cut in their income through a reduction in housing benefit support. Childcare projects, nurseries, after school and breakfast clubs will not be able to sustain temporary reductions in numbers using their services, and will be forced to close – or increase charges again.

This was identified at the Women's Employment Summit in September 2012 as a growing problem in rural areas in particular. This is also a problem for childminders, self-employed and also themselves dependent on a regular income to support their households. The vast majority of workers in this whole sector are female.

Although the key problem is a lack of jobs, one possible explanation for the sharp increase in economic inactivity amongst women could be the lack of childcare places that are easily available at little or low cost. To register for Job Seekers Allowance requires a commitment to actively be seeking work, and to be available to start work within two weeks of being offered employment. The current childcare provisions just do not support this – nor does it allow for parents to take up education, skills, apprenticeships, and other activities which would be of benefit to family, community and to the economy.

Investing in a stable childcare sector will allow for workforce development, and is also the best way of tackling some of the occupational segregation issues raised elsewhere in the Committee's deliberations. An expanding childcare workforce will allow for a greater proportion of male recruits to redress some of the current imbalance. Extending accessibility to childcare (all ages) will also allow more girls and women to enter, and remain in, the sectors identified as dominated by a male workforce. The Women's Employment Summit heard how, for example, childcare difficulties were identified as one of the major reasons for the drift away from STEM occupations, once women graduates had completed studies and training.

The Equal Opportunities Committee is encouraged to explore options for a significant shift in resources to ensure childcare needs can be met.

Conclusion

The STUC looks forward to further discussion on the points raised in this submission, and to participating in the forthcoming Committee Inquiry.

Ann Henderson
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