



Beneficial constraints: stronger workers' rights can underpin better work in left-behind UK regions

Executive summary

- [Good work](#) is a vital policy issue but [access to it is very unevenly spread and widening](#), in regions across the UK: Eight of the ten local authorities with the lowest scores for access to good work are in Northern England, and the other two are in the Midlands. Many of these places are characterised by high levels of unemployment, many workers in routine low-skilled jobs, and low pay.
- [New research by the Work Foundation](#) suggests that work has become less secure in the UK in the last year as workers have faced the worst cost of living crisis for over 40 years.
- An estimated [6.8 million people \(21.4%\) in the UK](#) were in severely insecure work in 2023. The growth in severely insecure work has been driven by increases in low pay, solo self-employment and zero-hour contracts.

The [Centre for Business Research Labour Regulation Index](#) (CBR-LRI) compares the strength of worker protection laws and regulations in different countries, worldwide. The UK 'flexible labour market' model is lightly regulated, especially compared to many EU Member States. The CBR-LRI Index states that deregulation of the kind the UK has experienced since the 1980s, which treated labour laws as a 'burden on business', is not the norm. It also states that worker-protective regulations have largely positive impacts, including increasing the labour share of national income, that is, the proportion of income going to wages and

salaries as opposed to dividends and profits; labour protection is positively correlated with productivity, innovation and employment levels. This factual data goes against much orthodox commentary in the UK on the impact of worker protection regulations.

Policy recommendations

1. (Re)establish a Ministry of Employment Rights akin to the former Ministry of Labour.
2. The state should create a floor of cross-cutting hard minimum standards for good work/better jobs through statutory regulation to implement stronger protections for workers – under the seven dimensions adopted by the [Measuring Job Quality Working Group](#): terms of employment; pay and benefits; job design and the nature of work; social support and cohesion; health, safety and psychosocial wellbeing; work–life balance; and voice and representation.
3. This should include new regulations to strengthen and extend trade union collective bargaining at different levels, especially [sectoral bargaining](#) in everyday [foundational economy](#) sectors.
4. Change the statutory national 'living wage' to a statutory [real living wage](#) (measured against the cost of living).
5. Strengthen the right to existing [standard rules on information and consultation provisions](#) in [The Information and Consultation of Employees Regulations 2004](#).

6. This could promote the diffusion of [works council](#) type forums to boost voice, productivity and innovation.
7. Roll-out of devolved regional [job guarantee schemes](#) underpinning good jobs and meaningful full employment, focused on everyday economy, green and community sectors/zones.
8. [Good work](#) and the policy recommendations above should be centre stage in a new overarching [industrial strategy](#) and renewed [social contract](#), prioritising the everyday economy.

About the research

[Our research](#) and other research indicate that the UK low wage-low investment-[low productivity model](#) has created large numbers of low-quality insecure jobs under the auspices of labour market flexibility. This is especially so in regions outside London and South-East England. Moreover, too few employees have access to institutions to express [voice](#) and participate in workplace governance, creating a democratic deficit in many UK workplaces. This has been exacerbated by the failure to implement an industrial strategy that could underpin good jobs.

A [research briefing on good work](#) for UK Parliament was published, reflecting many of these findings when I was a Parliamentary Academic Fellow (2022).

Our research also illustrated the importance of institutions and regulations for protecting workers during the [Coronavirus pandemic](#). Too often, existing labour market policy in the UK expects workers to develop individual [resilience](#) to turbulent market forces.

Our evidence-based research shows that a new policy direction and associated new regulations are required based on the concept of imposing ['beneficial constraints'](#) on employers to compel

them to create good quality jobs, and to support and protect good [employment relations](#).

Conclusion

Together, the various policy recommendations and related analysis above reflect a need for a policy shift in the UK away from a liberal labour market model that is not working for increasing numbers of people (low pay, insecurity, underemployment). This requires the state to implement much stronger regulations for workers' rights to correct power imbalances in the UK employment relations model.

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