



Changing the world
of work for good

Building Working Class Power

How to address class inequality today

July 2022

Why does it matter?

The Trades Union Congress was founded to advance the “general interests of the working classes”, and that remains our core mission today.

We need stronger rights for workers to negotiate better pay and conditions, a plan to restore our public services, and new laws to end class discrimination

Are we all in this together?

Working class families have been hit hard by the pay crisis that started after the financial crash:

Seven million employees in working class jobs have seen their pay flatline since then, while the highest earners have seen pay rises.

More than a decade of austerity has had a disproportionate impact on working class families: and for families on less than average earnings, cuts to public services over the last decade have been worth over five percent of their annual incomes – compared to less than one per cent for above average earners.

TUC analysis shows that graduates with parents in 'professional and routine' jobs are more than twice as likely as working-class graduates to start on a high salary, no matter what degree level they attain.

Better in a union?

Trade Unions have been vital to improving working class prospects. We've fought for the right to speak up in the workplace and negotiate better terms and conditions, and we know that where trade unions are strong, inequality falls. Strengthening our own movement, and our ability to negotiate for working people, is at the heart of trade unions' mission to protect working class interests.

We need government action too. Government must reverse years of austerity and fund the public services that working class families rely on.

And after years of prejudice based on social background, it is clear that working class people won't get a fair chance at work unless government puts in place a framework to tackle class discrimination.

What are the issues?

- *Pay has stagnated.*
- *Workers often don't have a voice at work*
- *Work is getting more exhausting*

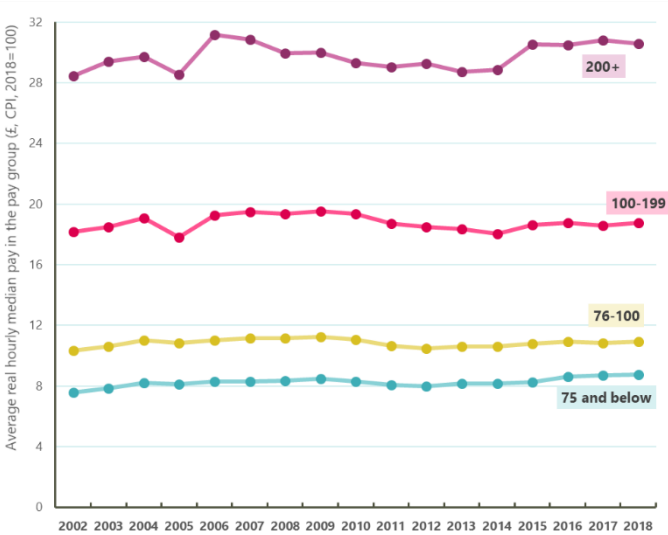
In our work on how class relates to pay and public services, we therefore look at a broader group of people, concentrating mainly on those earning below average incomes.

What does working class even mean?

Rather than than ignite a lengthy debate about definitions, we want to focus on how to tackle the persistent class inequality that still exists in Britain today.

- Pay in working class jobs has stagnated;
- A decade of austerity is having a disproportionate impact on working class families;
- Class discrimination means that those from working class backgrounds are still shut out of opportunities

Pay in working class jobs

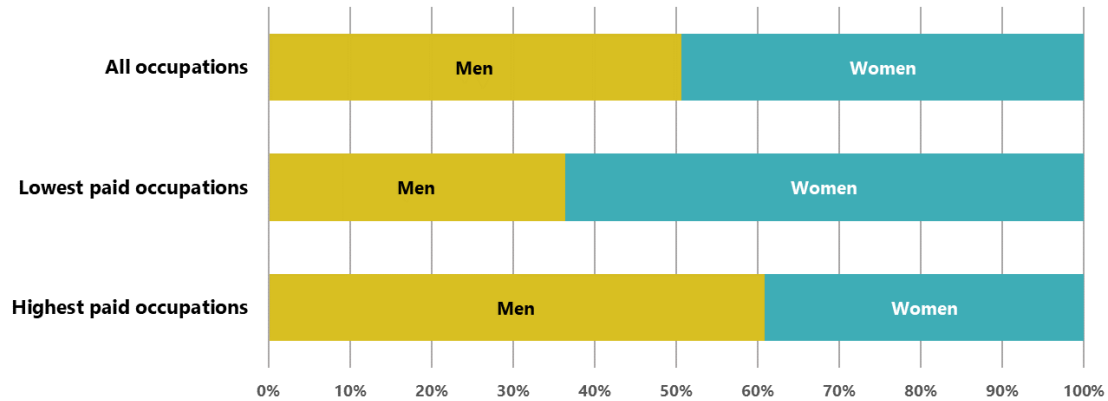


Source: TUC analysis of ASHE 2002-2018

Who's working class now?

However you define 'working class' it's clear that working people's interests are under attack.

Chart 3: women are overrepresented in the lowest paid occupations and underrepresented in the highest paid.



Source: LFS, TUC analysis. Lowest-paid occupations: those where median hourly pay is 75% or less than overall median hourly pay. Highest paid occupations: those where it's double, or more than double, of overall median hourly pay.

Chart 4: Percentage of Black and minority ethnic (BME) employees in different occupation groups



Source: LFS, TUC analysis. Lowest-paid occupations: those where median hourly pay is 75% or less than overall median hourly pay. Highest paid occupations: those where it's double, or more than double, of overall median hourly pay.

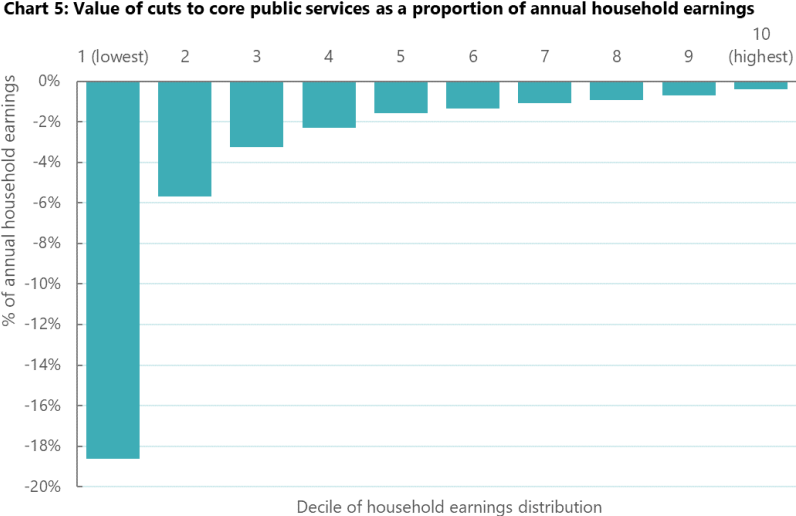
What did the pandemic teach us?

- Women workers
- Disabled workers
- Black workers
- Lgbt+ workers

Boosting working class pay

- **Unions to have access to workplaces** to tell workers about the benefits of union membership and collective bargaining (following the system in place in New Zealand).
- **New rights to make it easier for working people to negotiate collectively with their employer**, including simplifying the process that workers must follow to have their union recognised by their employer for collective bargaining and enabling unions to scale up bargaining rights in large, multi-site organisations.
- **Broadening the scope of collective bargaining rights** to include all pay and conditions, including pay and pensions, working time and holidays, equality issues (including maternity and paternity rights), health and safety, grievance and disciplinary processes, training and development, work organisation, including the introduction of new technologies, and the nature and level of staffing.
- **The establishment of new bodies for unions and employers to negotiate across sectors**, starting with hospitality and social care.

The impact of public service cuts on working class families



Source: Landman Economics analysis for TUC

Rebuilding public services

The government needs to make future decisions with the aim of closing rather than widening class gaps. The TUC is calling on the government to introduce a legal duty on public bodies to make tackling all forms of inequality a priority and put this objective at the heart of their policies and programmes.

Tackling class discrimination

Percentage of employed graduates in different salary bands at 6 months following graduation, by highest-earning parent's occupation at 14

| Socio economic classification | 15k or less | 20k or less | 25k+ | 30k+ | 40k+ |
|--|-------------|-------------|------|------|------|
| Higher managerial & professional occupations | 8 | 37 | 32 | 12 | 2 |
| Lower managerial & professional occupations | 10 | 41 | 25 | 9 | 2 |
| Intermediate occupations | 10 | 41 | 23 | 7 | 1 |
| Small employers & own account workers | 11 | 44 | 22 | 8 | 1 |
| Lower supervisory & technical occupations | 11 | 44 | 22 | 8 | 1 |
| Semi-routine occupations | 9 | 39 | 19 | 6 | 1 |
| Routine occupations | 12 | 47 | 17 | 5 | 1 |
| Never worked & long-term unemployed | 8 | 44 | 17 | 7 | 0 |
| Not classified | 9 | 37 | 28 | 11 | 2 |
| Unknown | 7 | 24 | 55 | 36 | 16 |
| Total | 9 | 39 | 27 | 11 | 3 |

A joined-up approach

- Socio-economic duty: this tackles systemic discrimination – structural discrimination stemming from public policy decisions at national, regional and local level
- Class pay gap reporting: this tackles institutional discrimination – the failure of employers to have workplace policies that improve awareness of socio-economic disadvantage and prevent class-based discrimination
- Making discrimination on the basis of class unlawful; this tackles Individual discrimination

Socio economic duty

Pay gaps

Workforce monitoring

Protecting against class based discrimination

Multiple discrimination

How do we fix it?

New rights for workers to negotiate for better pay and conditions through their trade unions.

Rebuild the public services working class people rely on:

Introduce new laws to tackle class discrimination

And also . . .

Women

Disabled workers

Black workers

LGBT+ workers

One last thing

Insecure work is endemic

The logo for TUC features the letters 'T', 'U', and 'C' in a bold, sans-serif font. Each letter is white with a light blue gradient and contains a white arrow pointing in a clockwise direction, suggesting a cycle or continuous improvement. The 'T' has a horizontal arrow pointing right, the 'U' has a curved arrow pointing down and then up, and the 'C' has a curved arrow pointing right and then down.

TUC

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