



Paper 4/ – Fair Work

For information

1. Purpose

- 1.1. This paper provides Commissioners with background on the Scottish Government approach to Fair Work.

2. Background

- 2.1. A recurring theme in the Commission's meetings to date has been the importance of understanding quality of work in the context of opportunities in the net-zero economy. At the last Commission meeting, the Scottish Government approach to Fair Work was suggested as a helpful framework for thinking on this issue.
- 2.2. This paper provides an overview of Fair Work, the Fair Work Convention, the Convention's Fair Work Framework and how Government plan to measure Fair Work. The Secretariat have drafted this paper, with input from Scottish Government officials.
- 2.3. A conference call has been scheduled for 8 October with the Co-Chairs of the Fair Work Convention, Grahame Smith (General Secretary STUC) and Professor Patricia Findlay (Strathclyde University).

1. Fair Work

- 1.1. The Scottish Government's promotion of Fair Work aims to drive productivity, release untapped potential and inspire innovation - all of which it hopes will add value to jobs and to business and in turn create stronger, more sustainable and inclusive growth.
- 1.2. Fair Work is seen as crucial to collective ambition to eradicate child poverty by supporting families with children gain more income through employment and providing flexible job opportunities that respect caring responsibilities and other commitments workers may have.
- 1.3. The importance of Fair Work to the Scottish Government can be seen from references to it in Scotland's Economic Strategy, National Performance Framework, Economic Action Plan and the Labour Market Strategy. Fair Work is also a key theme for the Enterprise and Skills Strategic Board.

2. The Fair Work Convention

- 2.1. In 2015, the independent Fair Work Convention was established by Scottish Government to advise on issues relating to Fair Work. The remit of the Convention is to drive forward Fair Work in Scotland so that it becomes a hallmark of Scotland's workplaces and economy. The Convention's 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 and society.
- 2.2. The Convention currently has 8 members, made up of equal numbers of Trade Union and Employer representatives from the public, private and third sectors. Professor Patricia Findlay from the University of Strathclyde and Grahame Smith, General Secretary of the STUC, are co-chairs.
- 2.3. The Convention takes forward its functions through monitoring, advice and guidance, research, investigations, developing networks and alliances, raising the profile of and keeping fair work on the agenda.
- 2.4. Since its formation, it has sought to mainstream Fair Work into the advice that employers get from public agencies. It seeks to consistently encourage Scottish Government to move to a more sophisticated understanding of Fair Work beyond Living Wage.
- 2.5. On 26 February 2019, it published its first in depth report, on [Scotland's Social Care Sector](#).

3. The Fair Work Framework

- 3.1. The Convention's [Fair Work Framework](#) was published in 2016, and defines fair work as:
... work that offers [effective voice](#), [opportunity](#), [security](#), [fulfilment](#) and [respect](#); that balances the rights and responsibilities of employers and workers and that can generate benefits for individuals, organisations and society.

3.2. These five dimensions cover the scope of workers to 'have a say' and to influence and change practices, how people can access and progress in work, the employment conditions they experience, the work that people do and how people are treated at work.

3.3. The Framework states that these five dimensions are important for two reasons:

- National and international research identifies good practice within each of the dimensions that can create positive outcomes for workers, employers and for society.
- Taken together, these dimensions have significant synergies. The dimensions can reinforce each other, creating a virtuous circle of practices, behaviours, attitudes and outcomes.

3.4. The Scottish Government's [Fair Work Action Plan](#) (February 2019) adopts the Convention's vision and sets out how it will help employers embed fairer working practices within their workplace, focusing on:

- support employers to adopt fair work practices;
- deliver Fair Work to a diverse and inclusive workforce;
- embed Fair Work across the Scottish Government.

4. Fair Work First

4.1. A key mechanism to delivering Fair Work across Scotland will be through Fair Work First. the Scottish Government aims to extend Fair Work criteria to as many funding streams, business support grants and public contracts as it can. Over the coming year, the Scottish Government plan to test and refine the Fair Work first criteria, with a view to wider implementation by 2021..

4.2. This means to receive support, business will be asked to commit to:

- Investment in skills and training.
- No inappropriate use of zero hours contracts.
- Action to tackle the gender pay gap.
- Genuine workforce engagement.
- Paying the real Living Wage

5. Measuring Fair Work

5.1. Building on the National Performance Framework and working with the Fair Work Convention, the Scottish Government will develop and adopt a set of indicators to measure progress in delivering a fair work nation. The measurement framework will translate the



theory of Fair Work into practical terms. It will consist of 40 indicators and use data from the Labour Force Survey, Annual Population Survey, Annual Survey of Hours and Earnings, Family Resource Survey and Scottish Health Survey.

5.2. Its purpose will be to:

- help assess if Scotland is on track to become a fair work nation by 2025;
- keep track of improvements across all aspects of fair work;
- identify if any demographic groups significantly lack in fair work.

5.3. The Fair Work and Gender Ministerial Working Group will provide a challenge function to the action being taken.

5.4. The Scottish Government will also seek to provide the Scottish Parliament with annual reports on progress in embedding Fair Work via the Economy, Jobs and Fair Work Committee and the Finance Committee in respect of the Fair Work budget, with the first report being provided in March 2020.