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Is Britain such a bad place to work? The level and dispersion of job quality in comparative European perspective

Francis Green

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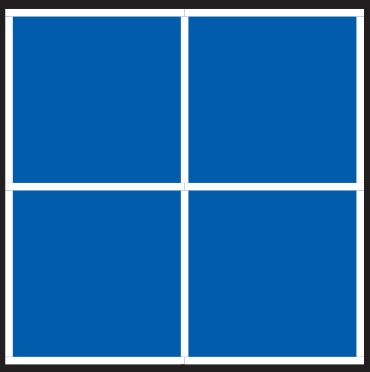

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Is Britain such a bad place to work? The level and dispersion of job quality in comparative European perspective

Francis Green

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Abstract

This paper questions the view that jobs in Britain are on average of low quality relative to those in comparator nations in Europe. Using the European Labour Force Survey and a new comparative survey by the European Foundation for Living and Working Conditions, I investigate four core dimensions of job quality: monthly earnings, the prospects of a job (security and promotion prospects), intrinsic job quality (skills, social relationships, environmental factors, work intensity) and working time quality. I find that:

- *On the down side, British workplaces are exceptional in that monthly earnings are much more unequal than elsewhere in Europe.*
- *Yet, in terms of the three other core dimensions of job quality Britain's jobs are not unduly unequal, unless one chooses to compare with a Nordic country.*
- *Moreover, on average Britain has quite high job quality in all four dimensions, consistent with, though not necessarily caused by, its comparative affluence.*
- *The much cited proposition that "Britons work the longest hours in Europe" is a myth. When all workers are properly included, Britain's average work week in 2011 ranked 23rd out of 27 EU countries. The kernel of truth behind the proposition is that male full-time employees worked the longest hours. Even so, a relatively high proportion of jobs in Britain offer employees flexibility in their work hours.*

This comparative picture supports a policy priority focussed on actions to reduce wage inequality. Nevertheless the findings need not encourage complacency from policy-developers in respect of other aspects of job quality, which may be under threat in an era of economic stagnation.

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1. Introduction: the characterisation of Britain as a land of poor job quality.

It is often held that jobs in Britain tend to be of low quality, relative to those in "competitor" nations in Europe. This paper throws doubt on this perspective, following an investigation using data from a new comparative survey of working conditions. Driven by the persistence of the common mis-perception that "Britons work the longest hours in Europe", the paper also revisits once more the comparative working time of jobs in Britain.

The viewpoint that I am questioning derives in part from the characterisation of Britain in 'regime' theories (wherein self-sustaining systems of labour market institutions are postulated to affect both skill formation and the quality of employment) and in part from the broader literature on labour market regulation which classifies Britain as relatively low on an international scale of regulatory strength.

According to "varieties of capitalism" theory, Britain's market-driven skills system tends to generate a lower and more unequal level of skills than the coordinated systems of Northern Europe including the Nordic countries (Hall and Soskice, 2001; Olsen *et al*, 2010). Wages are also less compressed between skills groups than they are in countries where bargaining takes place at peak levels. Britain is seen as the quintessence of a liberal market economy within Europe. In recent years, the varieties of capitalism approach has been challenged to provide a better account of how institutions change, and to study differences between the institutions of the corporatist countries (e.g. Busemeyer and Trampusch, 2011). It has also been criticised for its difficulty, as a firm-based theory, in accounting for systematic differences between the Nordic countries and the rest of the coordinated market economies. An explanation based on employment regimes, with more emphasis on historical class conflict and on the role of the state in labour market coordination in parallel with welfare state regimes, appears to provide a somewhat better account of job quality differences (Gallie, 2007, 2011; Esser and Olsen, 2012). Despite such criticisms and acceptance that there is much regional and sectoral variety within countries, it is typically held that too many British employers choose to follow the 'low road' to competitiveness, driven by global and neo-liberal forces to focus on cost-minimisation rather than innovation[1], the consequence being that too many sectors or regions are stuck in a state of low skills demand and supply, low productivity, and low job quality.

[1] This characterisation is a common charge of the British Trades Union Congress.

This generalisation may be hooked onto reports that British employers have been slow to introduce “high-involvement work systems”: these latter are credited, not only with raising company performance but also with improving overall job quality for workers, especially though not exclusively in the Nordic countries (Böckerman et al., 2012).

Thus, despite some sceptical accounts to the effect that high-performance working is sometimes accompanied by work intensification, the low level of either voluntarist or institutional pressures to adopt innovative management practices could lead us to expect expect that British jobs have a relatively low quality (Lawton, 2009; UKCES, 2011). Meanwhile, on the supply side the expansion of the skill supply system in Britain is also thought to be lagging behind that of competitor nations, in respect of the education and training afforded to non-college-bound young people. The Leitch report pointed this out forcefully in 2006, and subsequent monitoring by the UK Commission for Employment and Skills has recorded slow progress relative to other countries (Leitch, 2006; UKCES, 2009). This could matter for relative working conditions if a skill deficiency hindered the adoption of more productive and better rewarded work processes.

The characterisation of Britain as a country where job quality including pay is likely to be low and relatively unequally dispersed follows also from the regulation literature, which typically presumes that regulations are broadly protective of workers, especially those in lower quality jobs. Historically it has certainly been true that employers in Britain had relatively few legal constraints to deal with, in comparison with their European counterparts. Britain had instead an extensive voluntarist tradition of employment regulation, coupled with historically high levels of unionisation. This tradition was partially dismantled under the Thatcher-Major governments which pursued a neo-liberal agenda for labour market reform, with unions having less power to affect employment conditions either through national political influence or at the workplace. The growth of "non-standard" jobs was said to be signalling lower job quality (McGovern *et al*, 2004). In the past 15 years the national minimum wage was introduced while employment rights were expanded, partly driven by EU membership which obliged successive governments to introduce legislation to comply with directives on, *inter alia*, working hours (including holidays) and the fair treatment of part-time workers and those on fixed-term or temporary agency contracts. Nevertheless it remains

the case that employers have greater flexibility to hire and fire workers in Britain than in any other European country.[2]

Any or all of these institutional descriptions has been used to support the proposition that jobs in Britain on average have a comparatively low quality (from the perspective of employees) compared with those in many other European countries. Is this presumption broadly correct? The answer, according to the empirical evidence I present in this paper, is mixed. The low-quality characterisation is most commonly asserted in respect of the prevalence of both "low wages" and "long hours" in Britain compared with those in Europe. There is good evidence from a number of studies, indeed, that there is a relatively high proportion in Britain of workers with low earnings or, equivalently, experiencing in-work poverty (Lloyd *et al*, 2008). The facts about hours, by contrast, do not support the idea that Britain is a long-hours society, unless seen through a gender-selective lens that spies only men. Moreover, job quality comprises more than just wages and hours. When a fuller set of indicators of job quality is considered, British workplaces appear relatively favourable compared to many other countries in Europe. I suggest in this paper that common generalisations about Britain's low job quality contain only a partial validity and are, taken as a whole, not to be trusted. In short, a more nuanced and complex picture emerges from a proper examination of the evidence.

To set the scene, consider, first, some counterarguments from theory. There are two grounds for questioning the presumption that Britain is a land of relatively poor job quality. First and foremost, one might expect that many aspects of job quality are embedded in the relative affluence of an economy. Greater levels of wealth and income would be expected to lead to higher demands by workers for good wages and working conditions; at the same time, higher productivity that comes from a better-equipped and more highly skilled economy enables employers to offer better job quality. Of course, one would expect that some aspects of job quality, especially those that are especially costly to provide, are more sensitive to employers' resources than others. Some aspects of job quality might be luxuries, only available from the most productive organisations. Others might be neutral with respect to affluence, such as the quality of social relationships in the organisation; while yet other

[2] In the OECD indicators on Employment Protection, Britain scores just 1.1 out of 6, putting it below all countries other than the USA and Canada.
http://www.oecd.org/employment/employmentpoliciesanddata/oecdindicatorsofemploymentprotection.htm

aspects might be seen as a cost of affluence, such as the high work intensity accompanying the use of new technologies. While job quality is affected by multiple determinants, thus varying a lot between employers, the link with affluence should lead one to suspect that Britain's job quality is also relatively high, seeing that it is among the more affluent countries in Europe, at least as measured conventionally by its GDP per head. There is no reason why the relationship with affluence should not be as strong as that predicted for the association with institutional regimes.[3]

Second, while Britain's employment relations are relatively low on the regulation scale, it is very far from being unregulated: there remain strong anti-discrimination and unfair practices laws on the statute books, a long-standing and largely effective system of employment arbitration, a resilient if reduced union sector, and a hefty set of health and safety regulations. There are no particular grounds to suggest that regulatory compliance is any the less thorough in Britain than elsewhere; one might expect to find that compliance is less close in countries where unions are weakest, but I am not aware of any evidence that compliance is especially lax in Britain. Moreover, the effects of regulation on job quality are rather more complex than is supposed in the hypothesis that more is better. One could expect that the different forms of regulation have differential effects on job quality. Unambiguously, health and safety legislation that, for example, diminishes the prevalence of unacceptably risky workplaces is beneficial; but regulations that differentially protect employment for some workers might, by reducing employment transfers, raise the sense of insecurity for others with temporary or otherwise insecure jobs (Clark and Postel-Vinay, 2009).

There are also some existing cautionary empirical studies of workplaces, directly comparing job quality across Britain and elsewhere (Dieckhoff *et al*, 2007; Gallie, 2007; European Commission, 2008). Although Britain's youth training system for non-college bound cohorts lags behind those in the corporatist countries the participation rate in continuing training among adults is relatively high in Britain, the caveat to this finding being that the length of training episodes is quite low. Similarly Gallie (2003; 2007) records intermediate levels of task discretion in Britain, below that recorded in the Scandinavian countries as expected, yet above that found in Germany and Austria; this is despite the fact that task discretion in Britain had fallen sharply during the 1990s (Gallie *et al*, 2004). Such findings led to the

[3] The same argument provides additional grounds for expecting to find high job quality in workplaces in the generally affluent Nordic countries.

conclusion, in an earlier report from the Work Foundation (Coats and Lehki, 2008: p. 62), that "the situation (in Britain) is nowhere near as bad as some commentators have assumed". Despite these arguments and findings, the presumption that Britain's job quality is relatively poor compared to elsewhere in Europe is still repeated, in one form or another, in public debate.

The preliminary aim here is to disentangle fact from fiction in propositions about Britons' long working hours, using recent data from the European Labour Force Survey. Following that the main contribution of the paper is to utilise new evidence from the 2010 European Working Conditions Survey to compare job quality between Britain, selected European nations and Europe as a whole. Apart from bringing the argument more up to date, these data permit a more rounded verdict on the state of job quality in Britain and elsewhere, encompassing a more comprehensive set of job quality aspects. The paper aims to characterise for each country not only the level but also the dispersion of job quality indicators. Inevitably, the timing of the survey does not permit the impacts of the economic crisis to be fully reflected in the findings; it is recognised that some aspects of job quality, especially job security, are affected by external factors and may have declined in every country between 2010 and now.

2. The myth of "Britons" working the "longest hours in Europe"

One area of dubiousness where comparative job quality has broached public discourse concerns the length of the working week, excessive hours being rightly seen as indicative of poor job quality. Unfortunately, what started out as an evidence-based, stylised fact about length of the working week has turned into myth. Since 1990 there have been over 1300 references in UK newspapers to the supposed fact that British workers work "the longest hours in Europe".[4] This notion is blatantly wrong. As can be seen from Table 1 (panel 1), at 36.4 average usual working hours in 2011 the UK is below the European Union (EU) average, and ranked 23rd out of 27 countries. Occasionally, newspaper claims are nuanced by substitution of the phrase "some of the longest hours in Europe" (203 references). Only rarely do the claims refer specifically to those classified to be working full-time as employees, or more specifically to male full-time employees. When they refer to the latter, the claim is

[4] Figures derive from a search of the Nexis database. "Europe" is typically taken to refer to the European Union.

indeed supported (see Table 1, 4th panel). Such valid statements were more common in the early 1990s, when Britons worked longer and the EU was smaller than now.[5] Yet the assertion is incorrect if applied to the self-employed (panel 5), and absurdly inaccurate when applied to women whether or not classified as full-time (all panels). By misrepresenting the high ranking of male full-time employees' hours as applying to the whole British workforce, references to Britons working the longest hours are institutionally sexist.

When academic writers consider Britain's hours relative to elsewhere in Europe they generally get it right.[6] For example, it is useful to note men's long working hours when considering their role in family life and work-life balance (Lyonette *et al*, 2011; Cousins and Tang, 2004). Occasional attempts by academics and rare tries in the press have been made to defuse the popular myth about working hours for all using some hard facts, but with apparently little impact (e.g. Bonney, 2005; Green, 2008). Most myths endure, but why this particular one lasts is unclear. One possibility is the pull of nationalism: being top or bottom of a country rank is like winning a competition. Working more hours is variously supposed to make Britons seem more hard-working, yet perhaps less happy and more inefficient. Nationalist self-deprecation vies in British culture with nationalist aggrandisement, each wanting to make British workers somehow special. The myth's survival is helped by its kernel of truth when filtered by the category of male full-time employee. At the same time, it provides a ready-made context for countless 'human interest' features related to the putative effects of long working hours, including deleterious stories about sexual appetite (too low), office sex (too much), marital infidelity, alcoholism, insomnia and obesity. A typical attribution is: "Brits work the longest hours in Europe. It's only natural to want to let their hair down".[7] As for explanation, Britain's supposedly long hours are sometimes claimed, without evidential support, to be associated with its opt-out from the European Working Time Directive.

[5] UK working hours peaked in the mid-1990s, thereafter falling steadily until the current economic crisis.
[6] One exception is Donnelly (2011) who uses the premier rank of UK full-time employees' hours as relevant contextual information for an analysis of consultants' working time; yet the UK is not highly ranked when it comes to the self-employed (Table 1, panel 5).
[7] Sun, 4/12/2006. The myth is not confined to the tabloids, as illustrated by features in *The Times* (28/6/2008), *The Independent on Sunday* (10/9/2006), and *The Guardian* (3/4/1998). Some references are closer to the truth about the relevant social statistic, while also less euphemistic about the hypothesised consequences: the Northern Ireland edition of the *News of the World* proclaimed, on 5/6/2011: "Too much work and not enough play makes his penis feel very dull indeed and British men are particularly vulnerable since they work the longest hours in Europe."

Table 1. Hours of work in the UK and in Europe, 2011

Category of worker	UK Rank (out of 27)	UK Average (hours)	EU Average (hours)
Male	9	41.0	40.6
Female	23	31.2	33.7
All	23	36.4	37.4
Male F-T	3	44.2	42.6
Female F-T	13	40.2	40.0
All F-T	3	42.8	41.6
Male P-T	23	18.2	19.1
Female P-T	23	19.0	20.2
All P-T	24	18.8	19.9
Male FT employees	1	43.7	41.1
Female FT employees	11	39.9	39.3
All FT employees	1	42.2	40.4
Male FT self-employed	18	46.8	49.0
Female FT self-employed	15	44.2	45.4
All FT self-employed	17	46.3	48.1

Source: Eurostat, European Labour Force Survey. Accessed via: http://epp.eurostat.ec.europa.eu/portal/page/portal/eurostat/home/

3. Job Quality Indicators in the 2010 European Working Conditions Survey

In recent years considerable progress has been made in converging towards a theoretically valid and measurable concept of job quality (European Foundation, 2002; Green, 2006.; Leschke *et al*, 2008; Holman and McClellan, 2011; Körner *et al*, 2011; Muñoz de Bustillo *et al*, 2011; Eurofound, 2012; Green *et al*, 2013). The concept to be followed here refers to the set of job characteristics which are thought to contribute to meeting people's needs from work. Though its indicators can be self-reported, this concept is objective, in contrast with 'job satisfaction' or 'subjective well-being'. The concept is also tightly defined to exclude wider features of the labour market or external institutions that have implications for well-being generally.

In parallel with the greater conceptual precision, data availability in Europe has improved. The 2010 European Working Conditions Survey was the latest in a series of nationally representative surveys begun in 1990. By the time of this, the fifth, survey, it had matured through refinements in consultation with academics and policy-makers, as well as expanded to encompass 34 countries, including all 27 member states ("EU27"). As a result, its questionnaire instrument had evolved to cover all the main aspects of job quality. In 2011 the

LLAKES research centre was commissioned to develop indicators of job quality from the latest survey data, and this paper draws on the outcomes of that commission (Eurofound, 2012; Green *et al*, 2013).

There are four core indicators of job quality: *Earnings, Prospects, Intrinsic Job Quality* and *Working Time Quality*. These are summarised in Table 2, adapted from Eurofound (2012) where the full details of both the principles for their construction and the items entering into each index are described.[8] As can be seen, *Intrinsic Job Quality* is the most complex of these indices, being a combination of 4 sub-indices. Apart from *Earnings*, which is measured in PPP-adjusted Euros, all other indices have been normalised to the range 0-100. The table also shows the mean and standard deviation of each index across the EU27 sample.

Table 2: Indices of job quality

Index	Brief description of content	EU27 Mean (Standard Deviation)
Earnings	Monthly earnings (net € PPP-adj.))	1297 (860)
Prospects	Job security, career progression, contract quality	66.0 (20.8)
Intrinsic Job Quality		68.0 (11.5)
comprising:	*Skills and Discretion*	54.3 (21.8)
	• skills use, task discretion, involvement	
	Good Social Environment	78.5 (21.6)
	• social support, absence of abuse	
	Good Physical Environmental	75.0 (14.5)
	• low level of physical & posture-related hazards	
	Absence of High Work Intensity [100 - *Work Intensity*]	65.0 (18.8)
	• pace of work, work pressures, & emotional/value conflict demands	
Working Time Quality	Duration, scheduling, choice, and short-term flexibility over working time	59.1 (17.3)

[8] Note that, while monthly earnings was the indicator used in Eurofound (2012), an erratum crept into column of its Table 1 which referred incorrectly to hourly earnings. Also, the table here presents only positive indicators, so has reversed the *Work Intensity* indicator by subtracting it from 100.

It is always likely that survey data sets fall short in certain respects. Worth logging are two points which can colour the findings to be reported here. First, about 1 in 5 respondents (1 in 6 among the UK and the comparator countries analysed below) did not respond on their earnings, and no doubt there is measurement error among those that did. Some responses were given in bands and imputed to an absolute amount. Employer-based wage surveys arguably have less measurement error, though often exclude small enterprises. Moreover, since tax, social security systems and public provision differ across countries, direct comparisons of net monthly earnings are not always strictly valid comparable indicators of the extent to which jobs satisfy the needs of living.[9] Second, *Working Time Quality* is intended to be an index of job quality features that enable workers to find a "work-life" balance, but it currently does not cover relevant features that are not about time, for example the availability of workplace child-care.

4. How Britain Compares

Following the discussion in the Introduction, the aim of the analysis is to examine the hypothesis that there is something distinctively poor about job quality in Britain. While comparisons are made with the EU27 as a whole, it is equally important to compare with individual countries. To examine all 27 member states is to present a complex picture, even without the additional European countries outside the EU. Rather, to compare with the UK I have selected 4 individual countries as representing each of the various model regimes often discussed in the literature: Germany is the largest corporatist country, Sweden the largest of the Nordic countries, Italy a large southern-European country, and the Czech Republic being one of the larger and more mature transitional countries from Eastern Europe. Though every country is different it would be perfectly possible to choose other countries to make the same broad points being covered in this paper. In every case, the tables present findings for males and females separately, as well as for the whole workforce aged 18 or more; the findings apply to each respondent's main job.[10]

In Table 3, which shows means of the UK's core job quality indicators in relation to the comparators, the idea that Britain's workplaces have low job quality on average is decisively rejected. *Intrinsic Job Quality* is highest in Sweden but the UK is close behind. With *Working*

[9] For the same reason direct comparisons of gross earnings also need careful interpretation (Brandolini *et al*, 2010).
[10] The self-employed are included.

Time Quality the UK is further behind Sweden and level with Italy, but well above Germany, the Czech Republic and the EU average. With *Earnings* the UK again comes second only to Sweden. In terms of the average monthly take-home pay, it cannot be supported that the UK is a low-wage country. Finally, with *Prospects* the UK is above the EU average and all 4 comparators.

A key claim of earlier studies, however, refers not to the level but to the dispersion of pay, presented in Table 4. From the Gini coefficient it can be seen that the UK distribution is much more unequal in the UK than elsewhere. Moreover, while the table only shows 4 other countries, I find that the inequality within the UK is greater than it is in any other European Union nation. This result is entirely consistent with previous findings that there is a high proportion of low wage workers in the UK. To illustrate with two large groups, according to my findings the earnings ratio comparing professional workers with service and sales workers is 2.30 in Britain, but just 1.39 in Italy, 1.47 in Sweden, and 1.99 in Germany.

Table 4 also shows, however, that there is nothing special about the dispersion of other aspects of job quality: Britain is middle-ranking for all three of the other core indicators. It is Sweden's inequality that stands out as lowest, according to all indicators. This result is a specific case of a general finding noted elsewhere, namely that the Nordic countries are among the most equal locations for job quality, not only in terms of wages (a well-known fact), but also in terms of the other core aspects of job quality (Green et al. 2013).

Table 3. Job Quality Indices for the UK and selected European Union Countries, 2010

		Czech R	Germany	Italy	Sweden	UK	EU27
Earnings	Male	1155	1678	1406	1777	1956	1486
	Female	823	1143	1056	1496	1209	1079
	All	1009	1431	1257	1645	1591	1297
Prospects	Male	62.6	70.6	65.7	68.4	70.6	66.8
	Female	59.0	65.9	61.4	66.2	71.4	65.0
	All	61.0	68.4	64.0	67.4	70.9	66.0
Intrinsic Job Quality	Male	66.7	65.9	67.1	70.0	68.7	67.3
	Female	68.7	67.7	68.3	69.4	70.3	68.9
	All	67.6	66.7	67.5	69.7	69.4	68.0
Working Time Quality	Male	51.7	53.7	60.4	66.7	57.9	57.7
	Female	51.3	58.6	62.7	68.7	65.0	60.7
	All	51.5	56.0	61.3	67.6	61.3	59.1

Source: European Working Conditions Survey, author's analysis.

Table 4. The inequality of job quality in the UK and selected European Union Countries, 2010

Gini coefficient

		Czech R	Germany	Italy	Sweden	UK	EU27
Earnings	Male	0.23	0.26	0.22	0.23	0.36	0.35
	Female	0.24	0.31	0.28	0.21	0.38	0.34
	All	0.25	0.30	0.26	0.23	0.39	0.35
Prospects	Male	0.17	0.15	0.16	0.16	0.17	0.18
	Female	0.19	0.17	0.19	0.14	0.16	0.18
	All	0.18	0.16	0.18	0.15	0.17	0.18
Intrinsic Job Quality	Male	0.10	0.10	0.08	0.08	0.10	0.10
	Female	0.09	0.10	0.08	0.08	0.09	0.09
	All	0.10	0.10	0.08	0.08	0.09	0.09
Working Time Quality	Male	0.21	0.18	0.15	0.11	0.19	0.17
	Female	0.20	0.17	0.14	0.11	0.15	0.16
	All	0.20	0.18	0.15	0.11	0.17	0.17

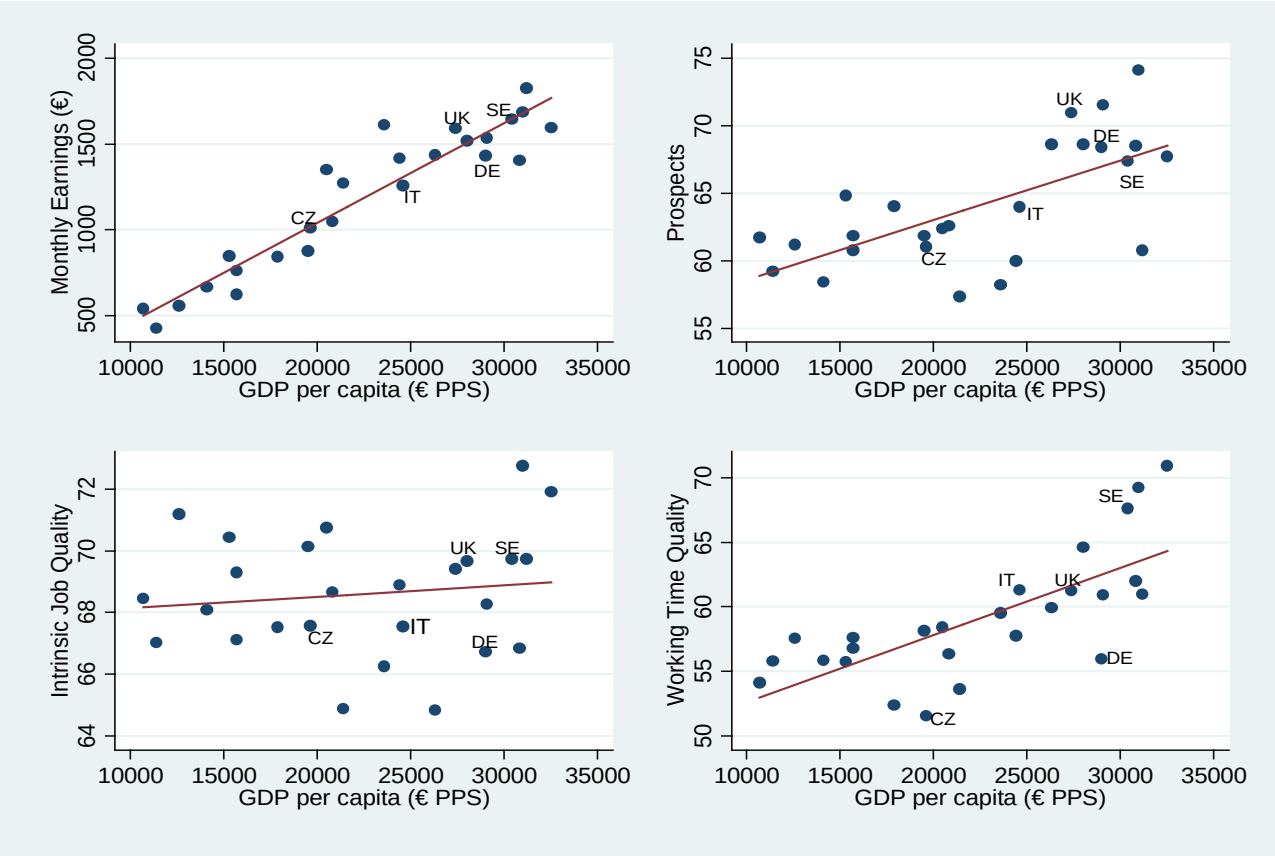
Source: European Working Conditions Survey, author's analysis.

It was also hypothesised in Section 1 that affluence would be one of the main factors related to job quality. To examine whether this was the case, a simple cross-plot and regression of each of the job quality indices against GDP per capita is shown in Figure 1.[11] For three of them, there is a clear positive relationship, with the slope of the coefficient being statistically significant.[12] Of course, this line proves nothing about causality: in addition to the fact that causation could run either way, there are very many external factors that might affect both variables. Rather, the line simply establishes that job quality is in some way embedded in affluence, whether through institutional or market forces. In the case of *Earnings*, most countries are fairly close to the line, while in the case of *Working Time Quality* some of the comparator countries are notably off-line: Germany and the Czech Republic are rather low, Sweden somewhat high, on this index. With *Prospects* there are several countries whose job quality is not at all in line with their wealth, including the UK which is well above the line. With *Intrinsic Job Quality*, however, there is no significant relationship with affluence.

[11] Luxemburg is omitted from this plot, because very many workers in Luxemburg's workplaces live outside the country.

[12] The slope coefficients are: for *Earnings* 0.039 (t=9.91); for *Prospects*, 0.000321 (t=4.88); for *Intrinsic Job Quality*, 0.00001 (t=0.35); and for *Working Time Quality*, 0.00022 (t=2.73)

Figure 1. The relationship between job quality indices and GDP per capita in 2010



Notes: Prospects, Intrinsic Job Quality and Working Time Quality are indices with a potential range of 0 to 100; Monthly Earnings is measured in Euros, PPP adjusted. For details and source, see text.

It is legitimate to ask whether these country differences can be accounted for by differences in the industrial structures of countries. If job quality varies a lot between industries, differences in countries' industrial structures could be the channel through which the UK's differences in job quality from elsewhere are mediated. To see how far this is the case, I first regressed the job quality indices against a dummy variable for the UK; the resulting coefficient estimates are shown in the first row of Table 5. I then introduced dummy variables for industry into the regression, and the resulting coefficients on the UK dummy are shown in row 2. As can be seen, the coefficient is raised by a small amount in the case of *Working Time Quality*, and lowered somewhat for the other three indices. Overall the changes are small, implying that the country difference applies within industries to almost the same extent as overall. A further question is whether the differences are captured by the occupation composition of countries. As can be seen from Row 3 which introduces occupation dummies, the coefficients are reduced by a relatively small amount in every case; there remains a

substantial and significant difference between the UK's job quality and the rest of Europe, even within the same industries and occupations.

Table 5. Effect of Industry and Occupation Composition on UK Job Quality Relative to the EU Average

Controls	Earnings		Prospects		Intrinsic Job Quality		Working Time Quality	
None	326.1	(16.06)	5.960	(0.333)	1.653	(0.187)	2.332	(0.275)
Industry	305.4	(15.54)	5.124	(0.325)	1.356	(0.180)	2.736	(0.269)
Industry & occupation	263.6	(14.52)	5.091	(0.321)	0.937	(0.170)	2.390	(0.267)
Case numbers	28987		34287		33298		34818	

Notes: Controls were for 1-digit NACE Industry and 1-digit ISCO08 Occupation classifications. Standard errors are in parentheses.

Since *Intrinsic Job Quality* is the most complex of the four indices, it is of interest to uncover the background to what to some people might seem the surprisingly high value for the UK, close to that of Sweden, shown in Table 3. Table 6 presents the constituent indices. It can be seen that, as might be expected from previous studies Sweden scores more highly than the UK on *Skills and Discretion*. However, it can also be seen that this is compensated for by the fact that Sweden is somewhat lower than the UK in terms of *Good Physical Environment*. The latter captures exposure to a range of hazards, which vary in importance across countries. As one example: in Sweden, 40% of workers' jobs involved "repetitive hand or arm movements" at least three-quarters of the time, compared with 31% in the UK; and as another, in Sweden 9% of jobs involved "exposure to breathing in smoke, fumes, powder or dust ..." at least half the time, compared with 6% in the UK. Of further interest is the fact that the UK is somewhat higher than Germany for both *Good Social Environment* and *Skills and Discretion.* Taking *Good Social Environment* and breaking it down further reveals that this difference arises because British workers report gaining more social support from colleagues, work friends and managers. For example, 47% of German workers report that their manager "helps and supports" them always or most of the time, while in the UK the proportion is 73%. In the case of *Skills and Discretion*, there are some items in which German workers score more highly than the UK: for example, 68% of German workers report that their job involves

"complex tasks", compared with 62% in the UK. Yet for other items, the balance is the other way: for example, 30% of workers in Britain say that they are always consulted before their work targets are set, compared with just 13% of workers in Germany. It appears that the representative consultation system in German works councils may not be perceived as consultation by individual workers. To take another example, 24% of workers in Britain report that they can always influence decisions that are important for their work, compared with 13% of workers in Germany. It might be argued that more detailed measures of skills use, currently unavailable, would give a different overall picture.

Table 6. Sub-Indices of Intrinsic Job Quality for the UK and selected EU Countries.

		Czech R	Germany	Italy	Sweden	UK	EU27
Skills and Discretion	Male	57.2	54.3	51.6	63.8	59.5	54.9
	Female	56.6	53.6	49.0	64.1	58.1	53.5
	All	57.0	53.9	50.5	63.9	58.8	54.3
Good Social Environment	Male	75.9	75.6	79.5	81.5	79.0	78.8
	Female	74.1	75.1	76.7	77.8	79.8	78.1
	All	75.1	75.4	78.3	79.7	79.4	78.5
Good Physical Environment	Male	73.5	73.7	72.6	73.2	75.1	72.4
	Female	79.4	79.3	79.8	75.7	79.9	78.0
	All	76.0	76.3	75.5	74.4	77.3	75.0
Absence of High Work Intensity	Male	62.7	60.1	65.5	62.0	62.0	63.8
	Female	65.6	63.3	68.4	60.4	63.8	66.4
	All	63.9	61.6	66.6	61.2	62.8	65.0

Source: European Working Conditions Survey, author's analysis.

Table 7. Illustrative Components of Working Time Quality for the UK and selected EU Countries

		Czech R	Germany	Italy	Sweden	UK	EU27
Hours per week	Male	42.9	40.1	39.5	39.6	41.1	40.6
	Female	39.6	32.4	32.9	34.6	29.5	33.9
	All	41.5	36.5	36.8	37.2	35.7	37.5
Sunday working	Male	42.3	25.8	23.0	37.4	38.6	30.0
	Female	33.1	25.0	22.8	39.5	32.7	27.6
	All	38.4	25.5	22.9	38.4	35.8	29.0
No choice of working time	Male	53.5	55.7	57.6	39.2	56.9	58.0
	Female	67.0	52.9	58.9	34.7	58.6	59.5
	All	59.3	54.4	58.1	37.1	57.7	58.7
Lack of flexibility*	Male	51.6	52.5	23.5	14.9	25.8	33.1
	Female	60.1	52.6	30.4	15.2	24.5	37.4
	All	55.3	52.5	26.2	15.1	25.2	35.1

Source: European Working Conditions Survey, author' analysis.
* "Somewhat difficult" or "very difficult" to "take time off to take care of personal or family matters".

It is of interest also to explore further the reasons for the UK's relatively good score on *Working Time Quality*. Table 7 shows some of the constituent items in that index, as a way of illustrating the country differences. First, it can be noted as an accuracy check that the UK figure for hours per week is tolerably close to that recorded in the much larger European Labour Force Survey data for 2011 shown above in Table 1. Second, the UK is worse than average in terms of the proportion of workers who work on Sundays, and fares barely better than average in terms of whether they have a choice of working hours. Yet it scores well for hours flexibility: for example, only 1 in 4 (25.8%) workers in Britain report that it would be somewhat or very difficult to take time off during working hours to take care of personal or family matters, compared with 1 in 2 (52.5%) workers in Germany. It can also be seen from the table how Sweden scores well above the other countries in terms of both choice and flexibility of working hours, for both sexes: these factors account for Sweden's high score for *Working Time Quality*. Also notable, the gender gap in flexibility (in favour of men) is considerable in the Czech Republic and Italy, but not in the UK, Sweden or Germany. Since choice and flexibility are known to be significant factors determining how well working hours meet peoples' needs, *Working Time Quality* is a more comprehensive and satisfactory index than just the length of the workweek for comparing job quality across nations.

Finally, the reasons why the UK has a relatively high score on *Prospects* – the highest among the comparator countries – are quite simple. On one hand, the UK is up there with Germany in having comparatively low job insecurity; on the other hand, UK jobs offer easily the highest chance of career progression: to illustrate, 55% of British workers agree or strongly agree that their job offers good prospects for career advancement, compared with 26% in the Czech Republic.

5. Implications

Comparisons of job quality across nations and regions are relatively rare owing to data scarcity. Most such comparisons have to focus on particular aspects of job quality, or on comparative case studies of sectors or groups. The merits of an encompassing and representative picture is, not only that it potentially offers a solid empirical backdrop for the assessment of macro-institutional theories (of which "varieties of capitalism" is but one), but also that it may indicate the direction in which policy-designers should be looking for

inspiration. The implications of the simple descriptive findings presented here – if accepted at face value – are not that institutions do not matter, but that their effects on job quality are complex and should be accompanied by an appreciation of differences in nation's stages of economic development. Moreover, when thinking about Britain's relative position in Europe, it evidently matters as to with whom you choose to compare. If a British government wants policy ideas to improve the level and lower the dispersion of job quality, looking to Sweden (and to other Scandinavian countries), rather than to Germany, would seem advisable.[13]

In relation to the characterisations of the UK's liberal market economy discussed in the Introduction, the most striking comparative findings about the UK are that:

- Consistent with the viewpoint that Britain is a place with many low quality jobs, it is confirmed that in the UK *Earnings* are much more unequal than elsewhere in Europe. The corollary is that there are going to be more jobs with 'low wages', however that category is defined. This is the true story of Britain's exceptionalism.
- Yet, in terms of the three other core indicators of job quality – *Prospects, Intrinsic Job Quality* and *Working Time Quality* – Britain's jobs are not unduly unequal, unless one chooses to compare with Sweden.
- Moreover, on average Britain has quite high job quality in all four dimensions. This relatively high level of job quality is consistent with, though not necessarily caused by, its comparative affluence in terms of its per capita GDP. The country differences in job quality cannot simply be accounted by differences in industrial and occupational composition.
- With respect to the working week, the proposition that Briton's work the longest hours in Europe has been once more rejected. In fact, when all workers are properly included, Britain's average work week ranks 23rd out of 27 EU countries. Moreover, a relatively high proportion of jobs in Britain offer some flexibility in their work hours. The only element of truth in the idea that Britain's workweek is exceptional is that male full-time employees work the longest hours.

[13] There is considerable heterogeneity among 'corporatist' countries, and a fuller policy-driven analysis should be more comprehensive than this paper in its choice of countries.

Two responses are possible to these findings. In line with the *weltanschauung* that espouses the inferiority of Britain's jobs, one might question the data. It could be maintained that the comparisons are nothing more than artificial constructs, reflecting the particular way that British and other countries' workers answer the questions – often a risk in comparative work. In defence of the survey, however, it must be recalled that, on the whole, this is of good quality, with proper attentions to ensuring as far as possible its representativeness and that questions are interpreted by respondents as the researchers intended. As with all internationally comparable surveys, ongoing work to validate comparability remains an important part of the agenda. It can also be recognised that workers in especially vulnerable jobs are less likely to be captured in social surveys; periodic revelations through police action of enclaves of highly exploited, often migrant, labour remind us of this gap. Even so, there is no evidence, of which I am aware, to show that the prevalence of super-exploited, vulnerable, labour is higher in Britain than elsewhere in Europe.

Alternatively one can accept at least tentatively that these data present a genuine picture of comparative reality. In this case, further investigation seems warranted, along with theoretical reflection to try to understand some of the emerging patterns. At this stage it is possible only to speculate about why British job quality is not more unequal in other ways than earnings. One possibility could be that the strength and effectiveness of labour regulations, which would be expected to reduce inequality by having most effect in potentially poor quality jobs, is greater for many non-pecuniary aspects of job quality (for example, in physical risk reduction) than it is for earnings. Similarly, the fact there is a relatively high male-female earnings gap but no such male advantage for other aspects of job quality (while there is for some other countries) could be a focus for future research on the comparative effects of regulation. At any rate, it is to be hoped that the findings might stimulate a reconsideration and a further nuancing of encompassing 'regime' theories of how institutions affect labour markets.

In the case of the hours data, since these are taken from Eurostat's European Labour Force Surveys, with much larger samples in every country, it would seem rather haughty not to accept them as genuine. It would be better if commentators did not believe the myth that all Britons work the longest hours in Europe, and if they did realise that there has been a slow but steady decrease in the length of the UK working week from the mid 1990s right through

to the start of the present economic crisis. This progress, and the relative flexibility of hours in Britain, merit some celebration, even if there remains much to do. Arguably policy designers would be better advised to focus more on the issues of intensive work effort and declining task discretion, which in combination are known to be the source of strain and mental ill-health, and according to some recent evidence partly behind rising payouts for incapacity benefit in Britain (Baumberg, 2011).

Above all, if we provisionally accept the data's general validity the comparative analysis tells us that the main exceptional feature of the UK labour market needing attention is its excessive pay inequality. This identification suggests that it is right to prioritise for policy development attempts to reduce wage inequality, as for example with the ongoing campaign for the Living Wage and calls to reform boardroom pay. This conclusion need not be an argument for complacency in respect of other aspects of job quality which may be under threat from the economic crisis – the risk of deterioration is evident in an austerity economy, with low levels of progressive organisational innovation, education falling behind targets and the legacy of high youth unemployment.

Further improvements of the job quality data can also be expected, as the European Working Conditions Survey is continually refined despite its mature state and repeated in its 5-year cycle. One area for attention lies in the capturing of skills use, something which might benefit from forthcoming findings from the survey data accompanying the OECD's Programme for International Assessment of Adult Competences. Another positive development would be the further extension of the survey to workplaces outside of Europe, allowing European models including Britain to be compared with non-European labour markets with even more distinct institutions.

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