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Good work needs to take centre stage in Labour's employment policy

Katy Jones

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Supporting good work forms a key plank of Labour's emerging manifesto agenda. However, we've seen little detail so far on how this ambition will be supported by employment policy. Showing a reluctance to publicly depart from a punitive sanctions-based conditionality regime, draft manifesto plans do not (yet) amount to the radical overhaul that is needed to effectively support people not just to move into, but also sustain and progress in decent jobs.

This isn't about being "soft on welfare".¹ This is about offering an alternative, more progressive vision of active labour market policies that align with Labour's wider economic ambitions. To achieve this, a future Labour government would need to focus on four key priorities.

Scrap Work First

Now known globally as an archetypal Work First welfare regime – the UK is too often an example of how *not* to do things. This approach, which emphasises moving unemployed people into any job quickly, isn't serving anyone. Jobseekers are pressured into jobs that don't match their capabilities and circumstances², frustrated employers³ are inundated by a high volume of inappropriate applications.

Although delivering faster movements into work, the work people move into is often poor quality and unsustainable.⁴ The current Conservative government's plans to extend conditionality to workers in receipt of UC (as I call it, a Work First, Work More approach⁵) fail to tackle the real causes of in-work poverty and instead look set to ramp up the pressure on working people.

How Labour plans to support both unemployed *and* working social security claimants is so far unclear, but ditching our outdated Work First model and replacing it with an emphasis on good work should be centre stage.

Take a systems approach

Part of a more ambitious approach is to recognise that supporting work entry and progression is not simply a supply-side employability issue that can be tackled in silos. A co-ordinated "systems approach" to employment and skills, which is supported by investment in social infrastructure (childcare and transport) and includes a clear strategy for employer engagement and workforce development is key to supporting improvements in employment support and the quality of jobs people move into.

Alongside measures focused on supporting (sometimes requiring) businesses to improve working practices, plans for the localisation of some employment support to join up fragmented services and

¹<https://labourlist.org/2015/07/soft-on-welfare-the-challenge-of-a-popular-welfare-policy-that-works/>

²<http://www.welfareconditionality.ac.uk/wp-content/uploads/2018/05/40414-Universal-Credit-web.pdf>

³[https://www.mmu.ac.uk/sites/default/files/2023-](https://www.mmu.ac.uk/sites/default/files/2023-01/Universal%20Credit%20and%20Employers%20briefing%20note_2023.pdf)

[01/Universal%20Credit%20and%20Employers%20briefing%20note_2023.pdf](https://www.mmu.ac.uk/sites/default/files/2023-01/Universal%20Credit%20and%20Employers%20briefing%20note_2023.pdf)

⁴ <https://www.agendapub.com/page/detail/idleness/?k=9781788214544>

⁵<https://onlinelibrary.wiley.com/doi/full/10.1111/1467-923X.13130>

better serve local needs are welcome here.⁶ However, this must be underpinned by proper resourcing and more coherent governance and accountability structures.⁷

Furthermore, more responsive local policy and service provision does not negate the need for joined-up policy making at the national level. A Labour government should ensure that the DWP works in partnership with and has shared objectives with other Departments (including the Departments for Business and Trade and Education).

Ensure jobseekers can access quality training

One immediate priority to tackle silo-d working is to give more attention to employment support as a route into meaningful training opportunities. Currently, just 6% of benefit spells involve any form of education or training. Only 6% of people starting an apprenticeship claimed benefits in the 6 months prior.⁸

These are baffling statistics, especially given shared agendas of employment and skills policy on supporting people to move into and progress in work. But recent research has found that benefit rules actually militate against jobseekers who want to take up training in order to help them access better opportunities in the labour market.⁹

Labour's plans to 'deliver a landmark shift in skills provision'¹⁰ should therefore be supported by a co-ordinated approach which ensures that high quality training opportunities are accessible to jobseekers and low-income workers who want to progress. Policy silos and an emphasis on moving people into any job quickly have long been lamented, but a simple policy proposal to get the ball rolling would be to reduce restrictions on learning participation for people in receipt of social security benefits. This should receive support from the Left and the Right.¹¹

Put people at the centre of policymaking

Currently employment policy appears to be devised by the DWP, then dealt with by everyone else. Mismatches between policymaker beliefs and the realities of working life¹² have had consequences ranging from daft to disastrous.

By placing jobseekers, low paid workers, employers and indeed trade unions at the centre of policymaking, Labour could ensure that employment support works more effectively for everyone, while helping to deliver on Labour's broader social and economic mission.

As one employer in the Universal Credit and Employers project¹³ reflected: "[A]t the end of the day, it's the employer and the employee that it's affecting, so they need to actually hear from them, rather than somebody's who's just a pencil pusher who's not actually involved in it. It doesn't make sense to make policies without knowing anything about it".

⁶ <https://theconversation.com/how-better-local-employment-support-could-help-tackle-uk-labour-shortages-204597>

⁷ <https://www.bennettinstitute.cam.ac.uk/publications/devolving-english-government/>

⁸ https://campaign-for-learning.org.uk/Web/CFL/What-we-do/Policy-Folder/Policy-Views-Folder/UK_employment_support_needs_a_revamp_learning_at_heart.aspx

⁹ <https://www.lancaster.ac.uk/work-foundation/publications/room-to-grow>

¹⁰ <https://labourlist.org/2023/05/labour-manifesto-2024-election-what-policies-npf-party/>

¹¹ <https://www.thetimes.co.uk/article/for-the-labour-market-it-is-quality-not-quantity-that-makes-a-difference-qqw9k3v5c>

¹² <https://www.cambridge.org/core/journals/social-policy-and-society/article/universal-credit-assumptions-contradictions-and-virtual-reality/4F8BC473BBBD6733F9A0E31D71051E8C>

¹³ <https://www.mmu.ac.uk/sites/default/files/2023-01/UniversalCreditandEmployersFinalReportJan2023.pdf>

Labour's plan to establish a new Industrial Strategy Council, bringing together industry, unions and other experts to inform policy-making is potentially encouraging here. But only if employment policy is re-positioned as a core part of UK industrial strategy rather than side-lined as a 'welfare' issue where meaningful reform is too often undermined by politics.

The UK's current approach to employment support is broken and serves neither jobseekers, nor employers and the wider economy. Let's hope the next government follows the evidence base and has the ambition to create a system fit for a modern labour market.