

**Rupture and Invention:  
The Changing Nature of Employment and the  
Implications for Social Policy**

**Conference on The Great Transformation of Work  
University of Bergamo and Adapt**

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# Standard Contract of Employment

- Long term jobs on open-ended contracts
- Steady incomes with rising wages
- Stable package of social insurance including health insurance
- Reliable old age pensions
- Rights to vacation, maternity leave, and other entitlements
- Industrial accident protection
- Unemployment insurance

# Three Eras in Employment Regulation

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- » Artisanal Era
- » Industrial Era
- » Digital Era

# Characteristics of the Artisanal Era

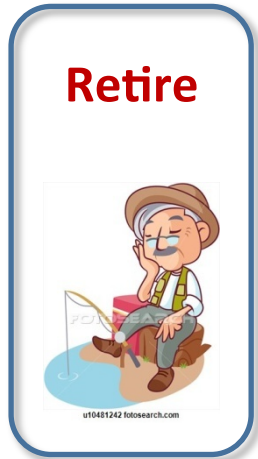
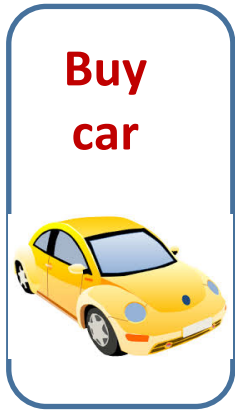
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- Skilled workers had monopoly of knowledge about production
- Guild-like craft unions
- Apprenticeship systems for skill transmission
- Production for Local or Regional Markets
- Master-servant law governed individual employment
- Conspiracy law governed collective labor relations

## Characteristics of the Industrial Era

- Mass production for national markets
- Profitability from economies of scale
- Assembly line production
- Semi-skilled workers
- Internal labor markets for promotion and training
- Taylorism – radical separation of thinking from doing

# Stages of an Orderly Life In the Industrial Era



# Characteristics of the Digital Era

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- Production for Global Markets
- Knowledge and innovation are prime sources of firm value
- Profits derive from intellectual property
- Firms seek flexibility in labor relations

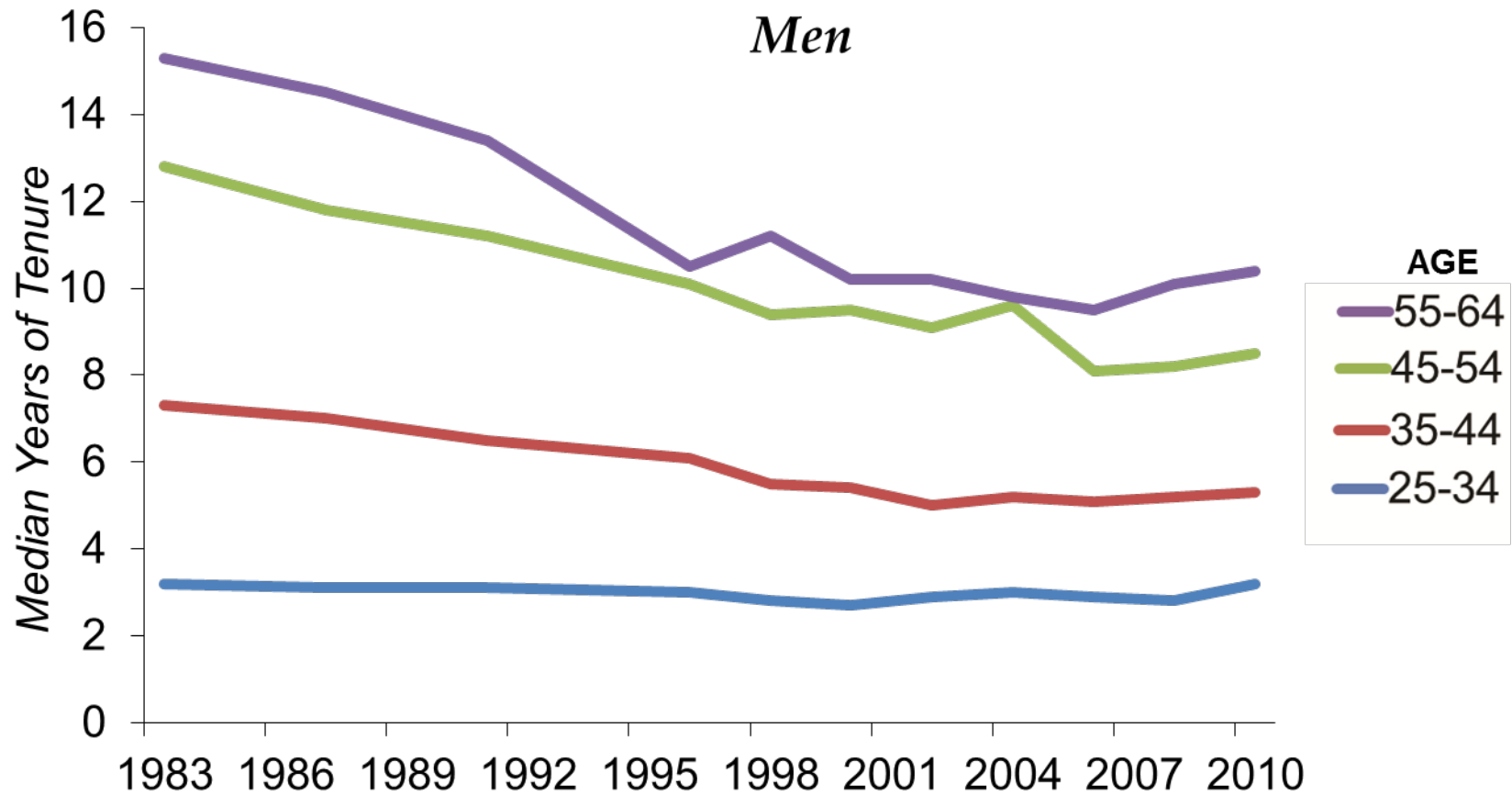
“[The Taylorist approach to] personnel management sees human resources as **expenses**; strategic human resource management seems them as **assets**.”

-- Bruce Kaufman, THE GLOBAL EVOLUTION OF INDUSTRIAL RELATIONS at 353.



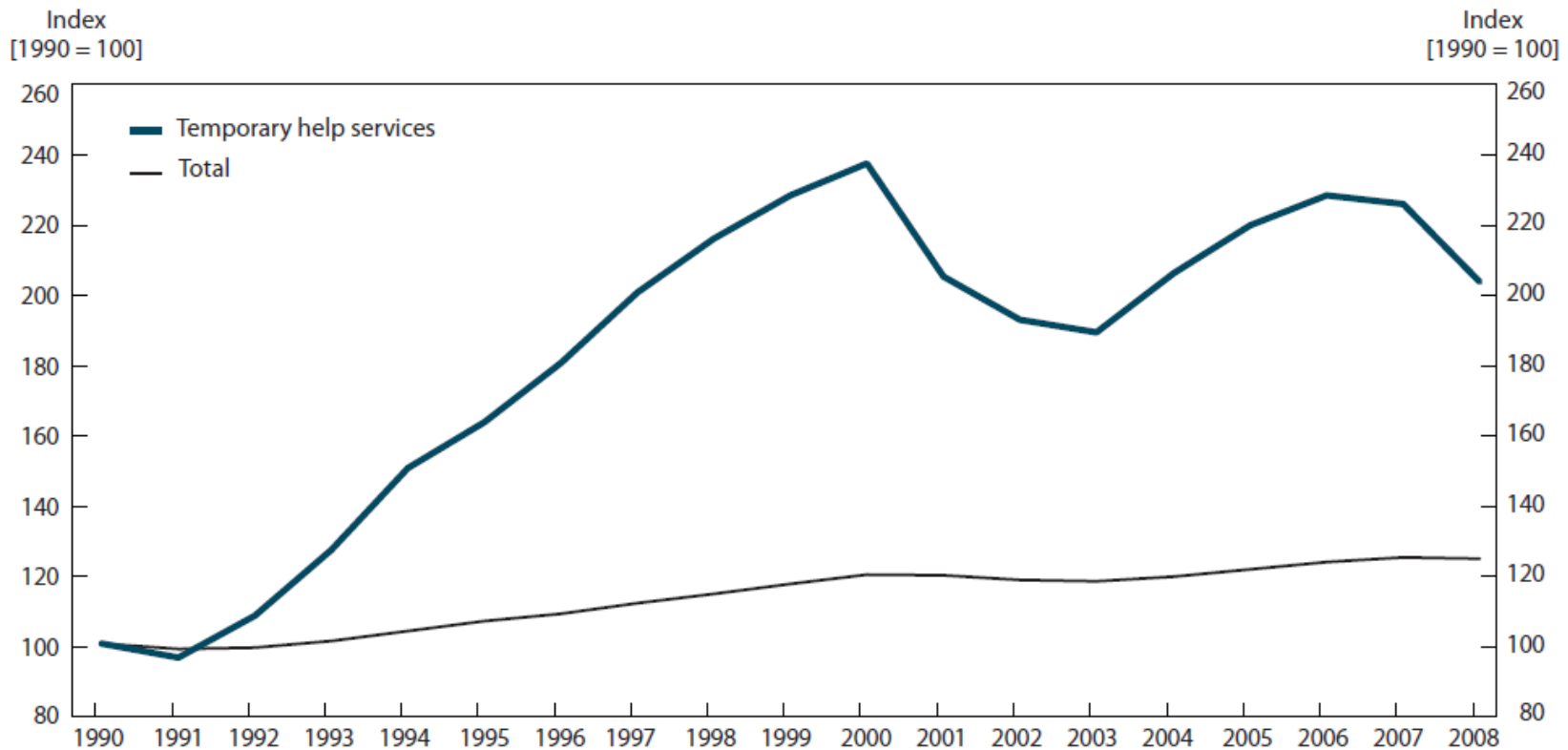
## Median years of Tenure with Current Employer for Wage and Salary Employees by Age, 1983 - 2010

*Men*

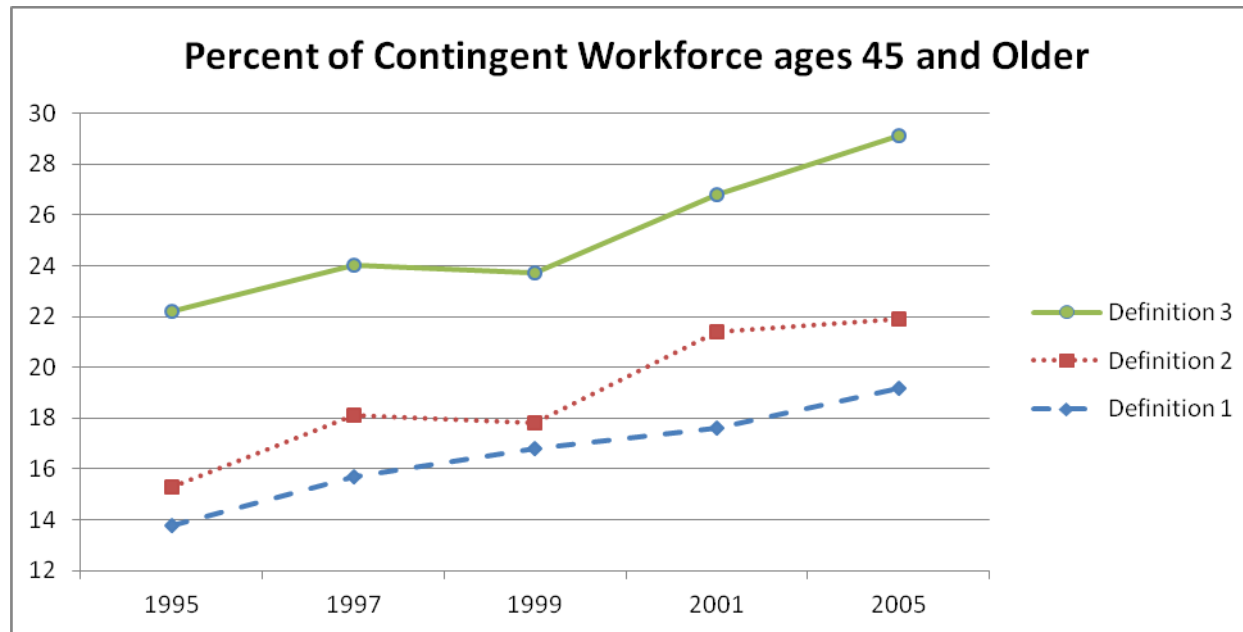


# Growth in Temporary Help Service Industry and All Industries, 1990 - 2008

**Chart 1.** Indexed employment of temporary help services and of all industries, 1990–2008



SOURCE: QCEW data.

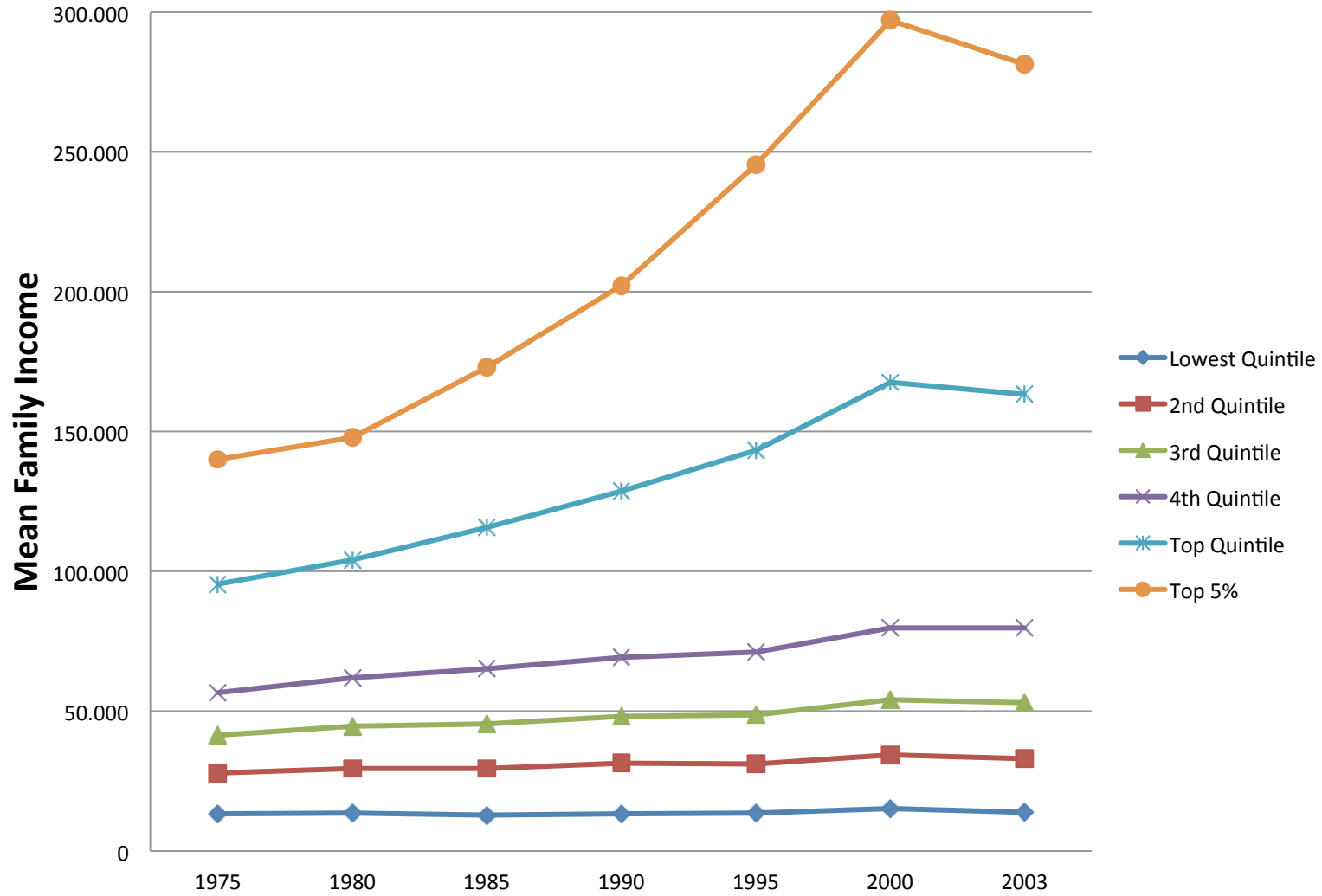


**Definition 1** comprises “[w]age and salary workers who expect their jobs will last for an additional year or less. Self-employed workers and independent contractors *are excluded.*”

**Definition 2** includes those in Definition 1 plus “self-employed and independent contractors who expect their employment to last for an additional year or less and who had worked at their jobs . . . for one year or less.”

**Definition 3** expands the definition further to also include “[w]orkers [including self-employed and independent contractors] who do not expect their jobs to last. . . . even if they already had held the job for more than one year and expect to hold the job for at least an additional year” (U.S. Dept. of Labor).

## Mean Family Income by Quintile and top 5% (2003 dollars)

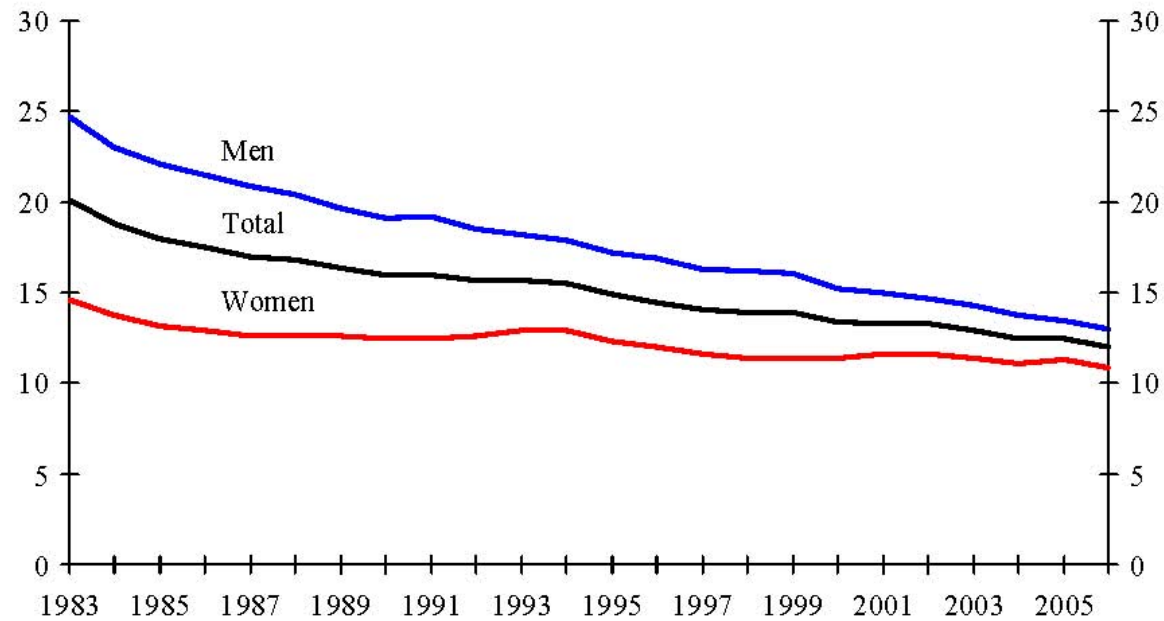


Source: *The State of Working America 2006-07*, table 1.11.

# Union Density in the U.S. -- 1983 - 2005

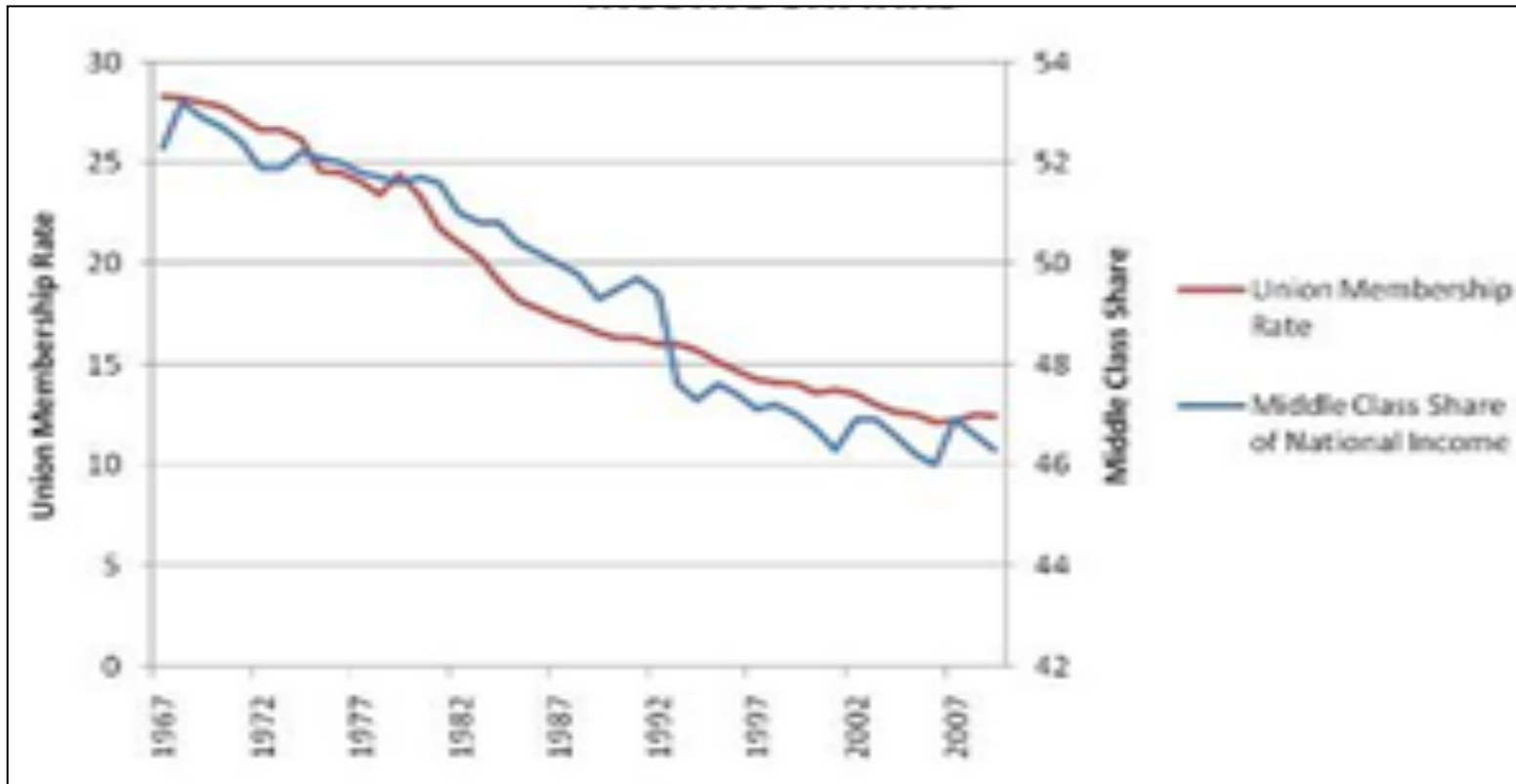
**Chart 3-11. Union membership has declined over time**

Percent of employed wage and salary workers

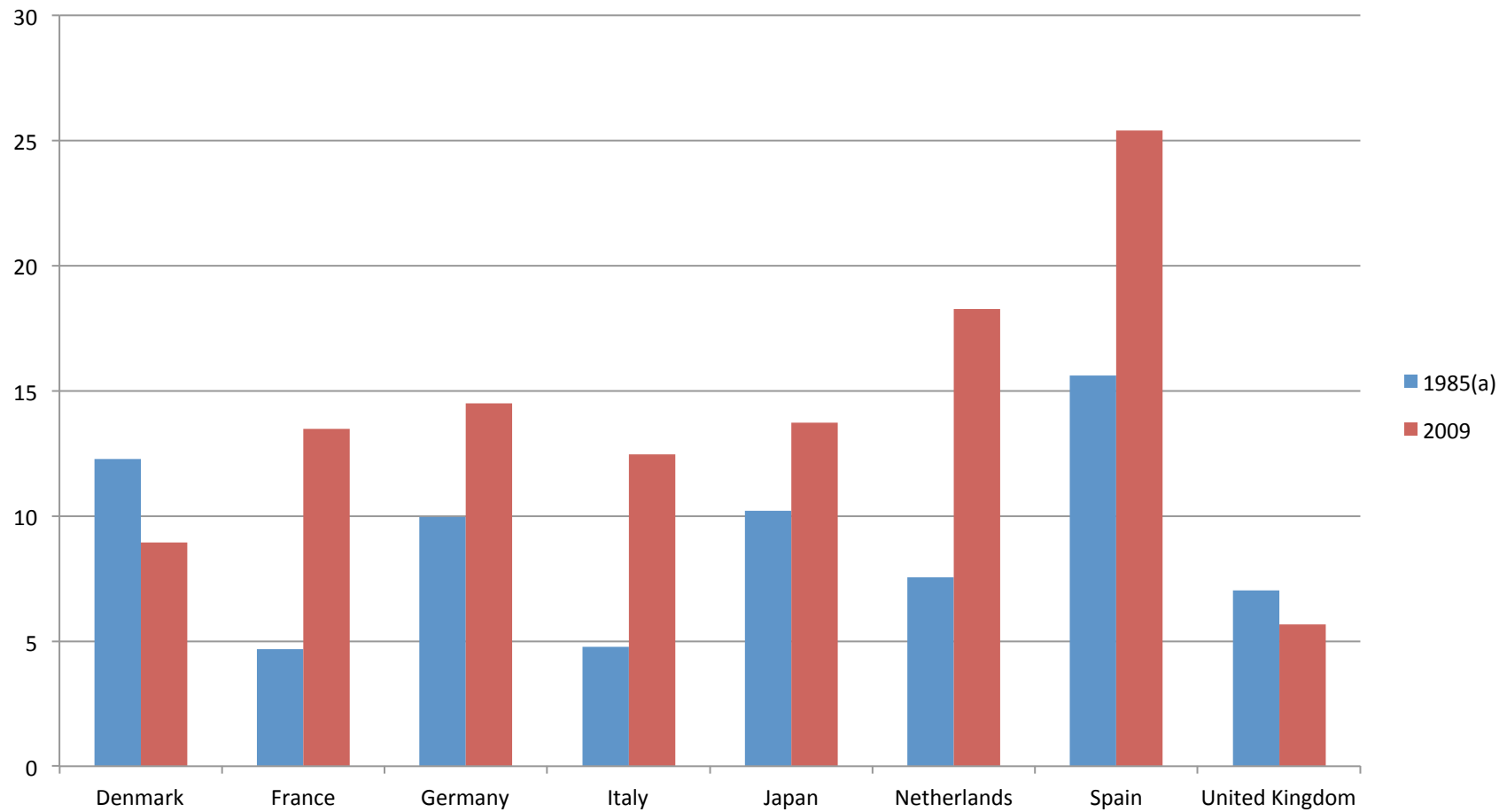


SOURCE: Bureau of Labor Statistics

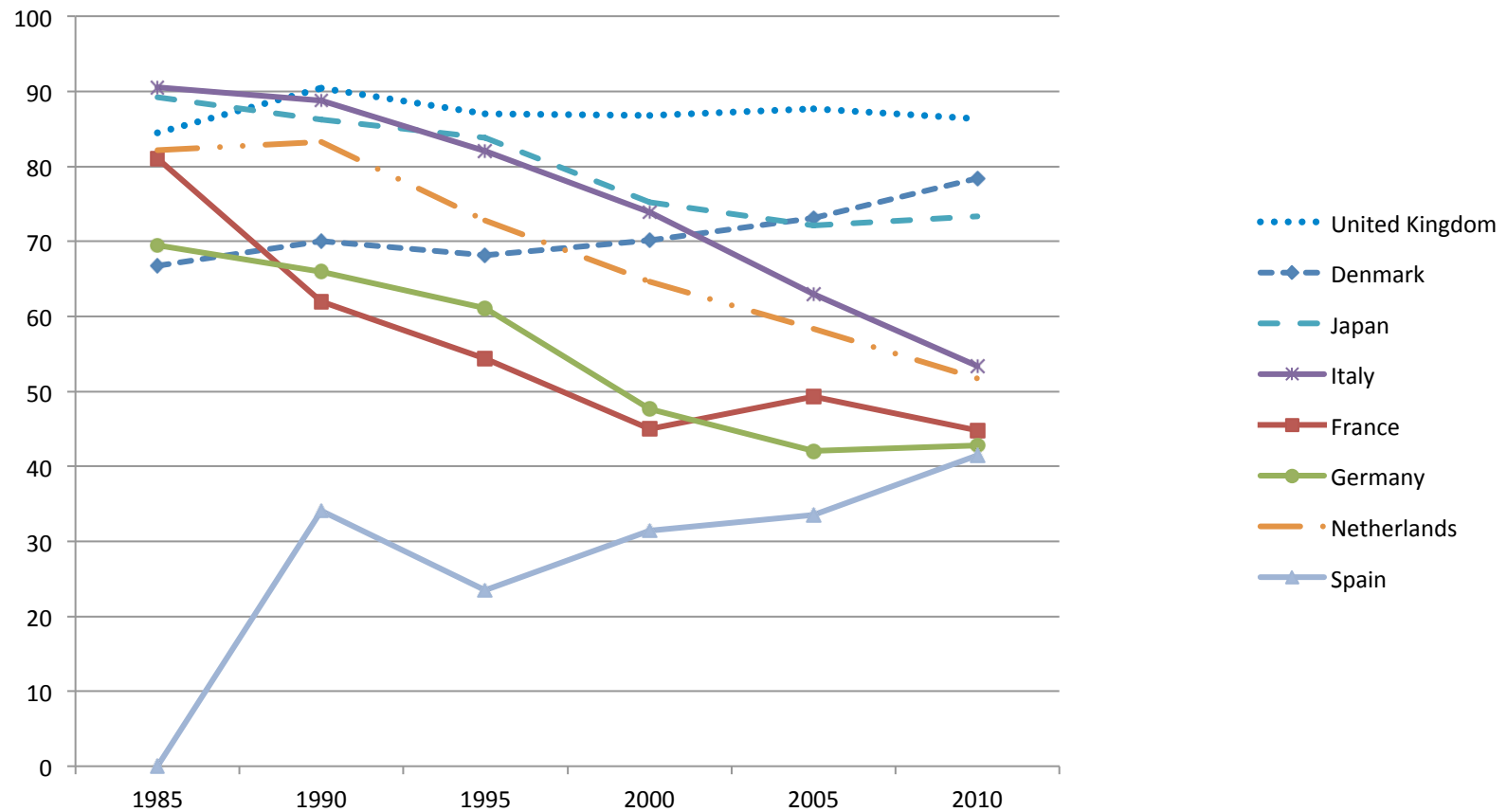
# Union Membership Rate and Middle Class Income Decline in the U.S., 1967 - 2007



# Percentage of Workforce in Temporary Employment

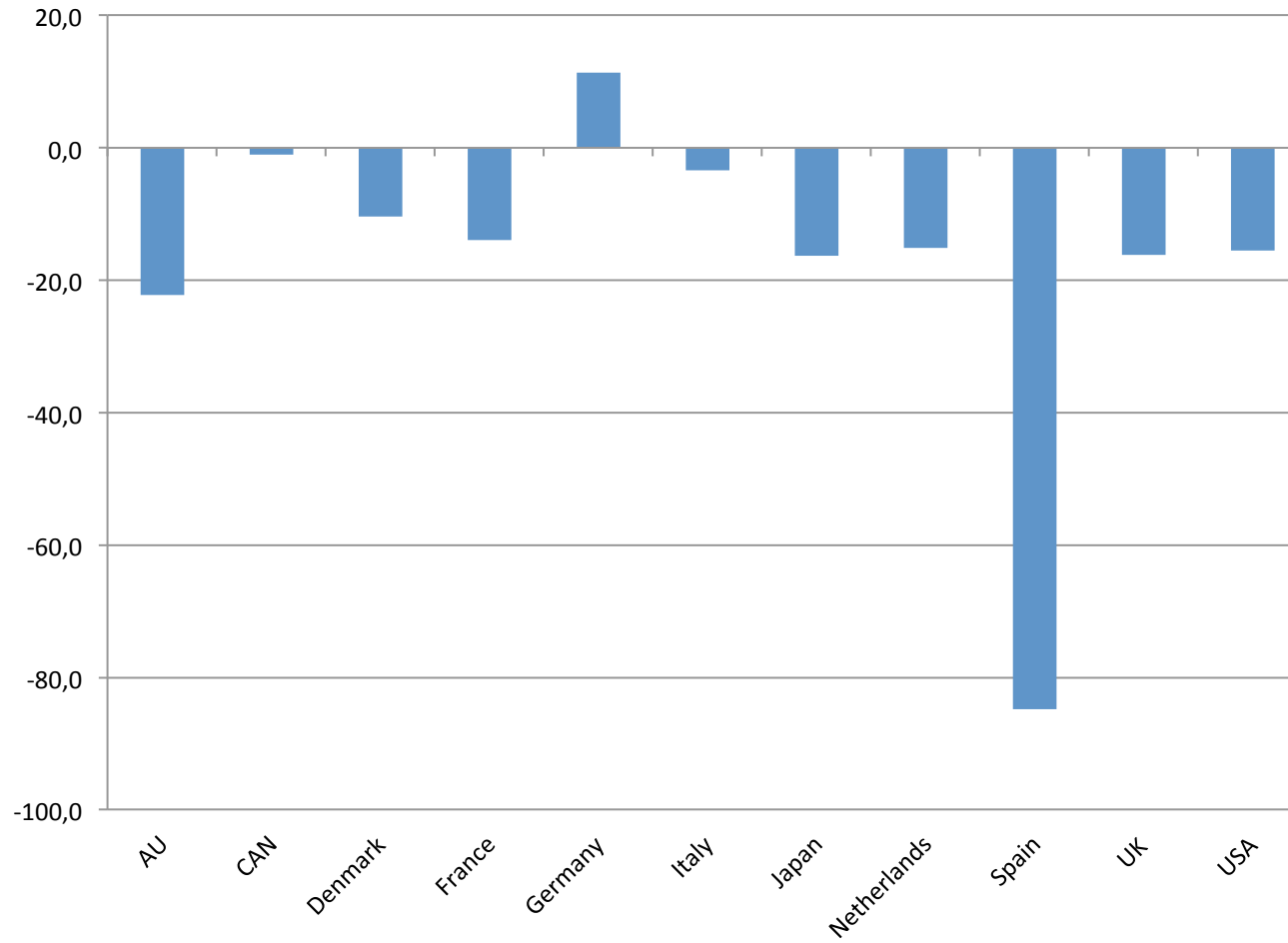


# Percentage Young Persons in Permanent Employment Age 15 – 24, 1985 – 2010

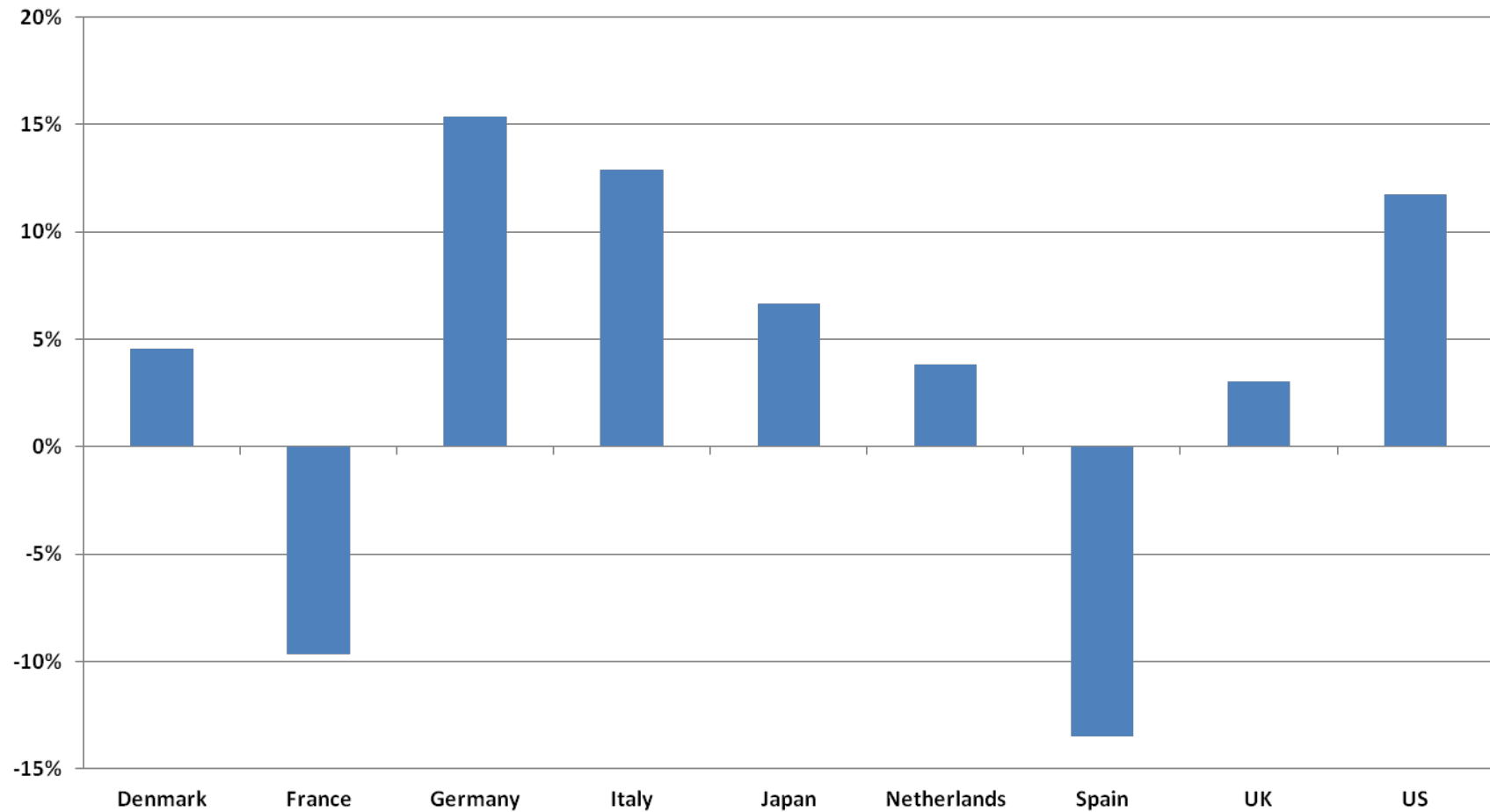




# Change in Union Density, 1970 – 2005 (in percentage points)



## Percent change in gini coefficient between mid-1980's and mid-2000s



# **Invention: Some Green Shoots**

- **Flexicurity**
- **New Types of Social Insurance**
- **New Regional Labor Market Institutions**
- **New Modes of Workplace Dispute Resolution**
- **New Types of Unions and New Forms of Collective Bargaining**