

# NERI Research inBrief

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## Is any job better than no job?

### Job Quality & Well-being in Northern Ireland

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#### SUMMARY

In recent decades there has been increased recognition that in assessing the state of the labour market we need to move beyond a sole focus on job quantity and give further credence to the importance of *job quality* (OECD, 2015).

This has arisen partly out of increased recognition of the potentially profound influence which one's job can have on an individual's health and well-being outcomes.

This *Research InBrief* summarises previous findings from an NERI working paper (No. 38) which looks at the relationship between job quality in Northern Ireland and the health and well-being outcomes of workers.

Evidence of the fundamental importance of job quality for a number of health and well-being outcomes is striking. Those with poor quality 'bad jobs' are much more likely to have a long-standing illness or disability, poor general health, and low overall life satisfaction. Whilst the corrosive effects of unemployment for individual health and well-being outcomes is well-established these findings demonstrate the important and powerful influence which having a poor quality 'bad job' has for the health and well-being of workers.

#### KEY POINTS

- Poor quality employment is shown to be negatively associated with a number of individual health and well-being outcomes, with those with 'bad jobs' being much more likely to have a long-standing illness or disability, poor general health, and low overall life satisfaction.
- The results show that a higher proportion of *the working poor* have lower overall life satisfaction, a longstanding illness or disability and poor general health than the *unemployed*.
- Those in insecure employment have lower levels of life satisfaction and a higher likelihood of having a long-standing limiting illness than those in secure employment.
- These findings augment the broader evidence base which shows that creating good quality jobs is not just important in its own right or even in terms of how we might assess overall labour market performance, but also has important implications in terms of the health and well-being of workers.
- These findings call to question the activation agenda and the recent repositioning of insecure/low paid work as an acceptable alternative to unemployment and lead us to conclude that *any job may not be better than no job*.

## Introduction

Traditionally discussions around employment and labour market policies have tended to focus on the numbers of people in employment. In recent decades, however, there has been increased recognition that in assessing the state of the labour market we need to give further credence to the importance of *job quality* (OECD, 2015). This has come about as a result of widespread agreement that a sole focus on how many jobs an economy has offers only a partial perspective, with a growing consensus that an understanding of the quality of jobs is also required.

Concern for job quality has been growing on the basis of a growing international literature documenting the 'spread of bad jobs', increasingly polarised labour markets, an increase in non-standard and precarious employment, a general widening of wage inequalities, and rising concerns that work no longer pays - based on a bringing to the fore issues such as low pay and in-work poverty (Wilson, 2017).

Together this evidence has prompted concern about the potentially profound influence which job quality has for a number of different outcomes. Key among these includes the impact of poor quality jobs for the health and well-being of individuals and the households in which they live.

### Why might poor job quality impact negatively on health and well-being?

Work itself is a major and defining part of most people's lives. A large part of many adult's lives, at least between the ages of 18-64, is spent either working or looking for employment. It is by working that the majority earn an income with which to live.

Furthermore, work provides temporal structure and organisation to many aspects of our lives and also contributes significantly to the social, economic and psychological well-being of individuals (OECD, 2011). Moreover, work enables us to feel as though we are making a positive contribution to

society (Bailey, 2016; Tomlinson and Wilson, 2001).

When one's job does not fulfil these criteria the broader evidence base shows that the health and well-being implications of this can be profound. Indeed, previous studies in this area have found that poor quality jobs – that is jobs which are low paid, insecure, or offer poor working conditions have negative material and psycho-social impacts, which in turn is harmful for an individual's health and well-being.

The strong negative health effects of poverty, whether in-work or out-of-work poverty are well-documented in a large body of literature (See for example Prior and Manley, 2017). Furthermore, Sverke *et al* (2002) present evidence demonstrating the fundamental importance of security in employment for employee health with both physical and psychological health appearing to be negatively affected by a lack of security in work. Research by Kompier *et al* (2009) suggests that temporary agency workers are more likely to suffer from mental illness.

Other evidence demonstrates that poor quality employment leads to a deterioration in general health and specific health outcomes due to the financial difficulties, precariousness, lack of access to other benefits of employment such as stability, temporal structure and the extreme psychological strain which such workers face (OECD, 2002).

## Data and Methods

In seeking to assess the relationship between the quality of one's job and an individual workers health and well-being outcomes in Northern Ireland this study utilises the OECDs (2015) multi-dimensional conceptualisation of job quality. Specifically, the OECD's (2015) conceptualisation of job quality considers three dimensions of one's job: quality of earnings, job security, and quality of the working environment as the framework from which to examine and profile the quality of jobs.

Three individual health and well-being measures are used. The first is concerned with overall subjective well-being and captures overall satisfaction with life. The second captures whether one has a long-standing illness or disability. The third is a self-reported health measure and captures health in general.

Data from the Poverty and Social Exclusion Northern Ireland (PSE-NI) (See: <http://poverty.ac.uk/> for further details) survey are used to examine these relationships. However, given the cross-sectional nature of the PSE-NI survey data used for this study we cannot hope to demonstrate a causal relationship between poor job quality and individual well-being outcomes, nevertheless there remains value in exploring the associations.

### Findings and Discussion

The analysis consisted of two stages. The first stage involved assessing the risk of having low satisfaction with life overall, a longstanding illness or disability and fair or bad overall health by employment status. The second stage compared the risk of having low well-being for those with high/

good job quality across the three dimensions, but also with those who are unemployed or economically inactive.

In doing this the results show that those who are unemployed or economically inactive are significantly more likely to have poor quality health and well-being outcomes than those in employment. For example, 39% of those who are economically inactive and 37% of the unemployed have low satisfaction with their life overall. This is in comparison to 16% of working-age adults who are in employment.

Nevertheless, when we breakdown the results as shown in Table 1 below in terms of those who are classified as having poor job quality the results reveal a not so rosy picture for those in 'bad jobs'.

Indeed, poor job quality is shown to be negatively associated with a number of individual health and well-being outcomes. Looking across the three dimensions of job quality we see that those who have poor earnings, insecure jobs, or a poor-quality working environment are much more likely to have poor health and well-being outcomes.

**Table 1: Health and well-being outcomes by employment status and dimensions of job quality**

	Low overall life satisfaction	Has long-standing illness or disability	General health fair or bad
	%	%	%
<b>Employment status</b>	***	***	***
Employed	16.1	15.7	12.6
Unemployed	36.6	19.4	23.6
Inactive	39.2	51.3	49.1
<b>Dimensions of job quality</b>			
<b>Earnings quality</b>	***	***	***
High earnings quality	18.8	14.1	11.3
Poor earnings quality	47.4	26.9	22.4
<b>Job security</b>	***	*	ns
Job is secure	20.3	15.3	11.7
Job is not secure	30.3	16.7	14.2
<b>Quality of working environment</b>	ns	ns	ns
Good quality working environment	22.1	15.5	11.5
Poor quality working environment	26.7	16.2	14.2

Note: In the case of all decompositions: ns = not significant; \*\*\* = p<0.001, \* = p<0.05.

For example, those with poor earnings are almost twice as likely to have a long-standing illness or disability, and more than twice as likely to have poor general health or low overall life satisfaction.

Further to this the results show that when the health and well-being outcomes of those with poor earnings quality are compared to those with those with the unemployed and the economically inactive those with poor earnings are statistically significantly much more likely to report low overall life satisfaction. Those with poor earnings are also more likely to have a long-standing illness or disability compared to the unemployed.

Looking specifically to the data on earnings quality we see that those who have poor earnings quality (i.e. the working poor) (47%) have a higher risk of reporting low overall life satisfaction than the unemployed or economically inactive. Those with poor earnings quality (27%) also have a significantly higher risk of having a long-standing illness or disability than the unemployed (19%).

In terms of security of employment, the results show that those who do not perceive their job to be secure (30%) have a significantly higher risk of reporting low satisfaction with life than those with a secure job (20%). These results hold for long-standing illness or disability and for those with poor general health, although the differences are not statistically significant for these measures. Similarly, in assessing the results for individual health and well-being outcomes in terms of good and poor-quality working environment we see that in each case those who work in a poor-quality environment have a higher risk of having worse health and well-being outcomes, although these differences are not statistically significant.

## Conclusion

A particularly stark finding of this study is that the working poor have poorer health and lower life satisfaction, than the unemployed or economically inactive.

This is of particular importance in the context of the recently published Taylor Review of modern working practices, has said, like many others that the 'worst work status for health is unemployment'. The findings presented in this *Research InBrief* however show that this is not necessarily the case and calls to question the old maxim that 'any job is better than no job'. These findings bring important implications for labour market policy, including activation policy.

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