

Work and Equalities Institute

Regulating low wages: A comparison of policy patterns and outcomes

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Refreshments from 12:15 in AMBS 3.008

Abstract

The paper provides a comparative analysis of three central policies to regulate low wages: statutory minimum wages, state support for collective bargaining, and topping up low wages with public transfers (in-work benefits). We map the variation of these policies across 33 OECD countries and analyze how they affect the incidence of low-wage employment. We find three configurations of low-wage policy. In the first type, “wage scale protection”, governments put most emphasis on supporting collective bargaining. In the second, “bare minimum”, there is not much else than the statutory minimum wage. In the third, “state pay”, the statutory minimum wage is supplemented by sizeable public financial support for low earners. When analyzing policy outcomes, it is clear that “wage scale protection” is the best model in containing low-wage employment. In “bare minimum” models much depends on the level of the statutory minimum wage. Although “state pay” models help with disposable income they exacerbate the incidence of low pay.

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About the speaker

Georg Picot is Professor in Comparative Politics at the University of Bergen, Norway. He is specialized in comparative political economy and comparative welfare state research. In his current research project, he analyses how states regulate wages, in particular the politics of regulating low-wage employment (funded by a FRIPRO Young Research Talents Grant from the Research Council of Norway). His research appeared in several disciplinary and interdisciplinary journals, including *British Journal of Political Science*, *Comparative Political Studies*, *Journal of European Public Policy*, *Journal of European Social Policy*, *Socio-Economic Review*, and *Industrial Relations Journal*. In 2012 he published the monograph *Politics of Segmentation: Party Competition and Social Protection in Europe* (Routledge). Before Bergen, Georg held positions at the University of Manchester, University of Oxford, and University of Heidelberg.