

Ken Skates AC/AM

Ysgrifennydd y Cabinet dros yr Economi a Thrafnidiaeth  
Cabinet Secretary for Economy and Transport



Llywodraeth Cymru  
Welsh Government

John Griffiths  
Chair of the Equalities, Local Government  
and Communities Committee  
National Assembly for Wales

15 June 2018

Dear John

Thank you for your letter of 21 May 2018 asking me to clarify the roles and terms of reference for the Fair Work Board and Fair Work Commission to inform your inquiry into poverty in Wales.

When Welsh Government set out its ambition for Wales to become a Fair Work nation it was decided to take the work forward in two stages. Phase one was intended to conduct initial scoping and identification of the key practices that impact on Fair Work. To include:

- a review of the available evidence;
- identifying the gaps in the evidence base;
- identifying the levers available to Welsh Government to enable it to promote and drive Fair Work across Wales;
- and a definition of Fair work.

The Fair Work Board was established in May 2017, to conduct the initial scoping work. The Board has been a source of good, creative and critical advice in helping to test our thinking. I believe that it has made good initial progress in identifying the evidence gaps and the levers available to Welsh Government to drive a Fair Work agenda. Having examined the evidence it considered that the Euro Foundation Fair Work dimensions would be a good set of key headings upon which to set a framework for Fair Work in Wales which would encompass:

- Participation in the decision making process (A right to be heard)
- Earnings (Fair and guaranteed hourly earnings)
- Prospects (Job security, career progression and contract quality)
- Intrinsic Job Quality (skills and autonomy, absence of abuse, good physical environment, a balanced and fair level of work)
- Working Time Quality (Discretion over the length, scheduling and flexibility of working time.)

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

Whilst it has been possible for the Board to agree what constitutes Fair Work (at a very high level) and the levers available to progress fair work, it has not been able to finalise a definition of Fair Work or reach consensus on the means and processes by which to deliver fair work outcomes during the scoping stage. We therefore concluded that it was time to transition the work into the next phase to take forward the Board's initial scoping work and to undertake more in-depth expert analysis.

Last month the First Minister announced his intention to establish a Fair Work Commission to take forward the second phase of the work and to test the evidence and make recommendations on the changes that are needed to support fair work in Wales. It will be a Welsh Government body with an independent and authoritative chair appointed by the First Minister and comprising a small number of experts in the field of employment law and arbitration and an active or former senior trade unionist. The First Minister hopes to be in a position to announce the Chair of the Commission and its Terms of Reference within the next few weeks.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Ken Skates', written in a cursive style.

**Ken Skates AC/AM**

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