



SIRE Work and Wellbeing Workshop (University of Dundee)



Date: 2-5:30pm Wednesday 24th March 2010

Venue: Dalhousie Building, Room 2G14 (Ground Floor)

Programme

- 2:00-2:50pm** Professor Tim Barmby (University of Aberdeen)
Title: **Things Can Only get Worse? An Empirical Examination of the Peter Principle**
- 2:50-3:00pm** Short Break
- 3:00-3:50pm** Dr Colin Green (Lancaster University)
Title: **Piece Rates and Workplace Injury: Does Survey Evidence Support Adam Smith?**
- 3:50-4:10pm** Afternoon Tea Break
- 4:10-4:50pm** Tom Spencer (Scottish Government)
Title: **Estimating relative poverty at sub-Scotland level**
- 4:50-5:30pm** Dr Paul Seaman (University of Dundee)
Title: **The Living Wage: An economic understanding and a policy for equality?**

Travel Details

Travel details on how to get to Dundee can be found at,

<http://www.dundee.ac.uk/general/travel/maps.htm>

The railway station is only a few minutes walk from the main University campus.

The Dalhousie Building is number 14 on the city campus map.

Please register for this event by e-mailing Dennis Petrie (d.j.petrie@dundee.ac.uk) on or before Monday 22nd March.

Workshop Topics

Professor Tim Barmby (University of Aberdeen)

Things Can Only get Worse? An Empirical Examination of the Peter Principle

Tim Barmby, Barbara Eberth and Ada Ma

Abstract:

This paper examines empirically whether the Peter Principle operates in a large hierarchical financial sector firm. We attempt to allow for variation in optimal effort over stages in the hierarchy and also learning. Our findings suggest, at least in the organisation we study, that the mean fall in performance actually understates the effect of the Peter Principle.

Dr Colin Green (Lancaster University)

Piece Rates and Workplace Injury: Does Survey Evidence Support Adam Smith?

Keith A. Bender*, Colin P. Green and John S. Heywood*

*Department of Economics and Graduate Program in Human Resources and Labor Relations, University of Wisconsin

*Department of Economics, Lancaster University Management School

Abstract:

Piece rates are routinely associated with greater productivity and a positive wage premium. Yet, piece-rates may also generate unanticipated and unprofitable effects. This paper uses cross-country European data to demonstrate a strong link between piece rates and workplace injury. Despite unusually good controls for workplace hazards, job characteristics and worker effort, workers on piece rates suffer a 5 percentage point greater likelihood of injury. As injury rates are typically not controlled for when estimating the premium to piece rates, our results raise the specter that a portion of the return to piece rates reflects a compensating wage differential for risk of injury.

Tom Spencer (Scottish Government)

Estimating relative poverty at sub-Scotland level

Abstract:

The Scottish Household Survey (SHS) is a key source of information about incomes at local authority level. However, one issue with the SHS from the point of view of income and poverty researchers is that it only records income information for the head of household and spouse. It therefore underestimates household income for the 14 to 15 percent of households which contain “other adults” – adults that are neither the head of household nor in a couple with them. Tom will discuss a recent Scottish Government project to improve the quality of the household income information in the SHS data by using hot-deck imputation to fill these gaps with adults from the Family Resources Survey. He’ll present experimental estimates for the proportion of households in relative poverty at a local authority level across Scotland and discuss how these figures can be of most use to academics and local authority researchers.

Dr Paul Seaman (University of Dundee)

The Living Wage: An Economic Understanding and a Policy for equality?

Abstract:

This paper examines the effects of introducing a living wage into the UK. Such a policy would see public sector bodies in the UK agreeing to pay their own workers an hourly wage rate significantly above the current minimum wage of £5.80 per hour. Glasgow City Council has introduced a living wage of £7 per hour. Furthermore, private sector organisations supplying goods or services to public sector bodies would be expected / required to pay their staff providing these goods or services at least this living wage. The paper examines why low wages exist in the public sector, the financial costs of introducing a living wage, the effects of such a move on the earnings of disadvantaged groups such as females and the ethnic minorities, and on household income inequality in general.

About the Speakers

Professor Tim Barmby (University of Aberdeen)

After having research assistant jobs at Kent and Manchester, Tim lectured at Leeds, Hull, Loughborough and Newcastle. He held a Readership in Labour Economics at Newcastle, and then a Chair in Economics at Durham before moving to Aberdeen in 2004. Tim is a labour economist with interests in the structure of incentives and labour supply in particular. He has published in the Economic Journal, on the labour supply of the self-employed as well as the Journal of Labor Economics and the Journal of Human Resources. He is presently working on models of self-employed taxi drivers, models of piano competitions, as well as finishing a book on the economics of absenteeism with John Treble.

Dr Colin Green (Lancaster University)

Colin joined the Lancaster Economics Department in July 2007. He holds a research lectureship in education economics funded by the Bowland Trust. He has published a number of papers covering areas such as flexible employment contracts, job satisfaction and performance pay, educational performance of indigenous minority groups and the impact of group norms on workers' absence behaviour. His current research areas include performance related pay and worker wellbeing/wages, worker absenteeism and labour supply decisions, education and risk, and flexible employment contracts.

Tom Spencer (Scottish Government)

Tom is an assistant statistician in the Scottish Government income and poverty statistics team. He has worked in his current post for two years after posts producing statistics about Scottish exam results and working on a survey about lorries for the Department for Transport.

Dr Paul Seaman (University of Dundee)

Paul graduated with an MA in Economics from the University of Glasgow, an MSc in Economics from the Scottish Doctoral Programme in Economics based at the University of Glasgow, and a PhD from the University of Aberdeen. He came to the University of Dundee in 1995. Paul's research interests include; labour economics, the economics of education, the economics of welfare reform and regional economics and UK devolution. Paul is currently working on; social capital, personal networks and the ethnic minorities, reform of the free school meal and child benefit systems, workless households and child educational development, the effects of Scottish and Welsh devolution and experimental economics.