

Road-Side Hand Car Washes in the East Midlands: “Permissive Visibility” and Informal Practices in Employment

Professor Ian Clark, Nottingham Business School and Trevor Colling, King’s College London

Introduction - The Growth and Diffusion of Hand Car Washes (HCWs)

In 2013 approximately 18,500 car washes operated in the UK covering regulated and unregulated outlets (CWA, 2014). Of these 10,000+ use informal business and employment relations practices and their presence has grown from virtually none in 2004.



1, How to Research and Report on HCWs?

Between April 2014 and June 2016 we categorised and codified HCW sites in two east midlands cities. Forty-six interviews provide empirical support for our focus on HCWs. In this paper we draw on twenty-four interviews at HCWs (where we secured interviews in half of each type of HCW that we categorised); nine full interviews with sector stakeholders and eleven interviews with stakeholders and those who held regulatory power over HCWs. We exclude though discussion of the ‘space’ which HCWs occupy, a detailed review of employer use of informal strategies or a review of the largely American literature on HCWs. Detailed material on these aspects are reported elsewhere (Clark and Colling, 2016) and summarised at http://www.futureofworkcommission.com/technology_work_and_employment_in_the_21st_century

2. What Did We Find?

We found 20 permanent HCWs in one city and 26 in the second. Twenty of these were operating on former petrol station forecourts where we secured interviews at ten sites; we found three trolley washes in the car parks of national brand supermarkets and secured interviews at two of these sites. We mapped ten car washes in former pub car parks and secured interviews with a worker from five of these sites. We found three HCWs operating on waste ground in alleys adjacent to open petrol stations and interviewed workers from two sites. We also found ten HCWs operating on still open national brand petrol stations alongside open or redundant mechanized car wash units where we interviewed workers from five of these sites.



2.1 'Employment Relations'?

We found widespread denial of employment status, avoidance of the minimum wage, and working time regulations. Our efforts to discuss wages and terms and conditions proved difficult in all interviews and sometimes resulted in termination of the interview or aggressive responses. Eight interviewees across three forms of HCW (excluding trolley washes) stated that their wages were less than the national minimum wage rate (which we provided to them as a list). For workers engaged on former petrol stations and those on former pub car parks which were not subsistence operations we found that for a 9 hour day (including sustained periods of down-time) HCW workers can earn £50 where typical wage theft for these workers was around £42 per week or approximately 14% had they received the then adult minimum wage. This figure is consistent with American studies where HCW workers typically suffer wage theft by employers which translates into 15% of earnings (Theodore et.al. 2012:210-214).

We found no union presence but did find significant pressure from USDAW on national supermarkets. Beyond this pressure single-site HCW employers are effectively insulated from regulatory compliance because worker grievances are unlikely to be mobilised into activism, this is particularly likely at trolley washes and subsistence operations. The permissive regulatory environment maintained by local authorities and private sector bodies such as water companies, landlords, supermarkets and consumers make it unlikely that informal practices deployed in HCWs will be challenged.

Initially we viewed all HCWs we surveyed as businesses, however, at some (those operating on former pub car parks, in alleys adjacent to open petrol stations and most pop-ups) both workers and owners reported them as subsistence operations not ones based on accumulation. Further still at these and other HCWs based on ‘employment’ both owners and workers argued that ‘their’ HCW was part of a country of origin extended network formed by family and kinship relations not capitalist production relations based on accumulation.

2.2 The impact and reach of informal practices beyond HCWs?

A first impact beyond HCWs is the status of HCWs that use informal business and employment relations practices as legitimate business’s holding a lease to operate on a property. However, across both cities regulatory capture is permissive; employment, environmental, electrical, plumbing, water and ground works regulations are minimal and often not enforced. Supermarket car park trolley washes represent a second impact beyond HCWs. Trolley washes appear professional where operatives use professionally manufactured equipment trolleys and wear liveried high visibility jackets and waterproofs. Trolley wash teams earn more than those in road-side HCWs and we observed one team over an hour securing five wash deals at £6 per wash. We were unable to secure information on what rental trolley wash teams paid the equipment owner or intermediary who secured the sub-contract from the supermarket. The supermarket manager too declined to discuss this issue with us.

Beyond subsistence operations a third impact of informal business and employment relations practices beyond HCWs is the formality of business presentation; signage is professional mimicking that in regulated mechanized car washes on BP, Esso and Shell petrol stations. Similarly some sites had professionally manufacturing rolled steel awnings and cited visa and master card payment facilities but we found that all 46 sites were cash only businesses which provide two types of service; outside washes or an outside wash and an inside clean. Some

workers too wore protective gloves and footwear which was often liveried but this was not universally the case.



Discussion and Conclusion

Hand car washing is a lawful activity, however, the presence of informal practices is manifest as a failure to observe both employment and environmental regulations. It is the case too that surrounding and related businesses unwittingly or knowingly support the use of informal practices in roles such as trade suppliers or landlords. Similarly consumers support these businesses. The HCWs we surveyed and workers and owners we interviewed are both clearly visible and less visible at the same time; visible at the road-side and in terms of embeddedness and familiarity but less visible in terms of regulatory enforcement.



Our findings advance understanding of informal business and employment practices reporting as they do the spread and the visibility of these which flows from a growing tolerance of them amongst the population, those with regulatory capture and more formal regulators too. Precarious and vulnerable evidently migrant labour provides a further competitive advantage but at the cost of pronounced labour exploitation and long hours. Employers make a strategic choice to take advantage of exploitative labour practices to gain competitive advantage over mechanized car washes. Therein a low-cost business model disciplines competition to usurp higher productivity mechanized car washing.

Professor Ian Clark, Nottingham Business School, ian.clark@ntu.ac.uk
Mr. Trevor Colling, Kings College, London, trevor.colling@kcl.ac.uk

References:

Car Wash Association (2014) UK Hand Car Wash Market-Key Facts CWA, control publication for members only.

Clark, I. and Colling, T. (2016) 'New Insights into Informal Migrant Employment: Hand Car Washes in a Mid-Sized English City' *Economic and Industrial Democracy*

On-line first read the whole article at <http://eid.sagepub.com/content/early/recent>

Theodore N, Bernhardt A, DeFilippis J, Milkman R, Heckathorn D, Auer M, Gonzalez A, Narro V, Perelsjteam J, Polson D and Spiller, M. (2012) Under the Rader: Tracking The Violation of Labor Standards in Low Wage Industries in the US in Warhurst C, Carré F, Findlay P and Tilly, C. (Eds) *Are Bad Jobs Inevitable? Trends, Determinants and Responses to Job Quality in the Twenty-First Century*. London, Palgrave Macmillan.

