

Preface

The Covid-19 crisis has provided a unique window into the social infrastructure which underpins much of daily life. Such provision clearly included health and medical services (nurses, doctors and social care staff), but also encompassed workers engaged in the provision and supply of food, water, energy and communications. Many of these activities comprise part of what has been termed the Foundational Economy (FE) – the nation’s essential physical infrastructure, operating infrastructure and public services. In this paper we discuss the experiences of workers in different parts of the FE during the Covid-19 pandemic, drawing on the results of a telephone survey of 1,917 UK employees undertaken in June and July 2020. We find a significant diversity of experiences across the FE. Workers within the material and providential parts of the FE were most likely to have continued working in the same way as before throughout the UK Covid-19 lockdown; being less likely to be furloughed and more likely to remain working at the same location (i.e. remaining in the physical workplace). They were also found to have more confidence in their employment prospects. However, this is balanced against greater concerns about the impact of work on the health of themselves and their family members. There is also evidence that workers in some parts of the FE feel the Covid-19 crisis has led them to ‘Feel more valued by the local community’.

Working in the Foundational Economy During Covid-19

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Introduction

The Covid-19 crisis provided a unique window into the social infrastructure which underpins much of daily life. This included health and medical services (nurses, doctors and social care staff), but also encompassed workers engaged in the provision and supply of food, water, energy and communications. Many of these activities comprise part of what has been termed the Foundational Economy (FE).

The FE includes parts of the nation's physical infrastructure, operating infrastructure (for example banking and food supply chains) and public services in health, education and public welfare. Academic interest in the FE initially developed through the work of scholars at the University of Manchester (for example, Bentham et al, 2013). The FE is large, its operation is critical to everyday life, but much of the FE has fallen outside the interest and remit of many 'mainstream' approaches to economic development and industrial strategy (Hislop et al, 2019).

We analyse the FE on the basis of the following sectors, identified by the work of the FE collective²:

- Material – including utilities, networks, banking and food
- Providential – including education, health, care and public welfare
- Overlooked – including local retail and services for 'everyday necessities', such as hairdressing, house maintenance and recreation activities

Early accounts of the FE during the pandemic have focused on changing public perceptions of different types of work, and on accounts of employment in key sectors (Dobbins, 2020; Cai, Velu and Tindal, 2020). However, there has been little evidence to date on the varied impacts of the Covid-19 crisis across different parts of the FE, or how experiences in the FE compare with employees working in other sectors.

We use new survey data to provide evidence on working experiences during the pandemic. Overall, the evidence points towards heterogeneous experiences of workers within different parts of the FE during the pandemic; but to specific parts within the FE, particularly the providential sector, as experiencing comparative job stability as well as potentially feeling more valued by the community. However, this is balanced against concerns about health and

¹ <https://foundationaleconomy.com/>

² <https://foundationaleconomycom.files.wordpress.com/2019/01/fe-intro-2.pdf>

pay. The findings suggest a complex and variegated relationship across the FE to job quality in the context of the significant changes to employment and society which have resulted from Covid-19.

Method

This paper draws on a new survey of a sample of 1,917 UK employees undertaken in June and July 2020³. The survey included 1,327 workers employed across different parts of the FE (and 590 in Non-FE sectors)⁴. The survey provides new evidence about workers' experiences of how their work changed during the UK lockdown and their feelings about work during the pandemic. We report the findings for employees only (i.e. excluding the self-employed).

We analyse worker responses grouped by different conceptual parts of the FE: the material (utilities, networks, banking and food); providential (education, health, care and public welfare); overlooked (local services such as hairdressing, specialised retail and recreation activities); and compare these to non-FE workers. Given the complexities of collecting detailed information on sector of employment by telephone survey, responses were coded to the 2-digit Standard Industrial Classification (SIC) level. These 2-digit codes were then best-fitted to an existing definition of the FE sectors at the more detailed 5 digit-level⁵. Table 1 provides the details about the sample sizes for the different parts of the FE. Considering the unweighted sample, approximately 41 per cent of total responses were grouped in the providential sector, followed by Non-FE (30.8%), overlooked (14.4%), and material (13.9%).

Table 1: The number of employee respondents by sectors

	Unweighted	Weighted
Material	266	303
Providential	784	750
Overlooked	277	300
Non-FE	590	598
Total	<i>1,917</i>	<i>1,951</i>

To compare the experiences of workers we apply a simple statistical test, the Chi-square (χ^2) test, to identify a significant difference in frequency between the four groups based on the difference between the observed and expected frequency in each group (Satorra and Bentler, 2001). The analysis also applies a weighting statistical technique to address the imbalance of responses, ensuring that results are robust. Throughout the report we use a colour scheme

³ The survey was undertaken by telephone by the survey organisation Ipsos-Mori.

⁴ The data has been weighted to the known population proportions for gender, age, government office region, working status, social grade and education.

⁵ The definitions can be found at: <https://foundationaleconomy.com/activity-classification/>.

to convey the key findings. If a cell is coloured green, there is a significant difference between the responses of the four sectors to the survey question.

Findings – Working in the Foundational Economy During Covid-19

Table 2 reports whether and how employees’ work situation changed during the pandemic. The result shows a significant diversity of experiences across the FE. Workers in the overlooked part of the FE (46.8%) were most likely to have been put on furlough compared to non-FE workers (22.1%), and the material (18.5%) and providential parts (8.7%) of the FE. Patterns of home-working also varied, with approximately 48 per cent of workers within the non-FE working from home, followed by those within the providential (40%), material (19.5%) and overlooked (17.3%) parts. Workers within the material (34.0%) and providential parts (29.6%) of the FE were most likely to have continued to attend work in the same way, working in the same physical workplace, as prior to the Covid-19 lockdown.

Table 2: Has your work situation changed since the Covid-19/Coronavirus lockdown?⁶

	Foundational economy			Non-FE/Other	Total
	Material	Providential	Overlooked		
Yes, I have been put on furlough	18.5%	8.7%	46.8%	22.1%	20.2%
Yes, I am now working mainly or entirely from home	19.5%	40.0%	17.3%	48.3%	35.9%
Yes, I am now working mainly or entirely in a different location	2.3%	3.6%	2.7%	0.8%	2.4%
Yes, my role now requires me to work mainly or entirely in different locations each working day	2.0%	2.1%	1.3%	2.0%	1.9%
No, I continue to mainly or entirely work from home	4.3%	4.0%	3.0%	7.9%	5.1%
No, I continue to mainly or entirely work from the same workplace location prior to the lockdown	34.0%	29.6%	12.6%	10.7%	21.9%
No, I continue to work mainly or entirely in different locations each working day	7.3%	1.2%	7.3%	2.3%	3.4%
Don't know	1.7%	0.8%	0.3%	1.2%	1.0%
None of these	10.6%	10.0%	8.6%	4.7%	8.2%
<i>Total weighted sample</i>	<i>303</i>	<i>750</i>	<i>300</i>	<i>598</i>	<i>1,951</i>

⁶ Note: Green denotes statistically significant response using Chi-square test (p<0.05)

Considering the impact of the Covid-19 lockdown on working status (Table 3), the results reveal that workers within the providential part of the FE (33.1%) were more likely to report that their work hours had increased, compared to non-FE workers (30.3%), and material (24.4%) and overlooked (21.3%) sector employees. Those who work in the overlooked sector were most likely to work fewer hours. Approximately 45 per cent of workers within the providential part of the FE reported that their work has become more stressful, followed by the material (31.4%), non-FE (30.8%) and overlooked parts (29.2%). We also found that workers within the providential part of the FE were most likely to report difficulties in managing work and their responsibilities outside of work (33.6%). In addition, workers in the material and providential parts of the FE were most likely to report that additional health and safety requirements (65.2% and 61.7% respectively) and social distancing measures had been introduced to their workplace (75.5% and 71.5% respectively).

Table 3: In which of the following ways, if any, has your work been impacted by the Covid-19/Coronavirus lockdown? (multiple response)⁷

	Foundational economy			Non-FE/Other	Total
	Material	Providential	Overlooked		
I am working more hours	24.4%	33.1%	21.3%	30.3%	29.1%
I am working fewer hours	21.1%	18.8%	30.7%	20.4%	21.5%
I have found my work to be more stressful	31.4%	44.8%	29.2%	30.8%	36.0%
It has been difficult for me to manage work and my responsibilities outside of work	21.1%	33.6%	16.0%	24.4%	26.1%
Additional health and safety requirements have been added to my job	65.2%	61.7%	59.5%	38.8%	54.9%
I am currently required to either start using PPE (Personal Protective Equipment) or use additional PPE	54.5%	42.8%	51.3%	28.3%	41.5%
Social distancing measures have been introduced	75.5%	71.5%	69.3%	60.2%	68.3%
Measures are in place to reduce contact with people	71.0%	74.7%	67.7%	65.7%	70.3%
Don't know	1.3%	0.1%	1.7%	1.5%	1.0%
<i>Total weighted sample</i>	<i>303</i>	<i>750</i>	<i>300</i>	<i>598</i>	<i>1,951</i>

⁷ Note: Green denotes statistically significant response using Chi-square test (p<0.05)

Respondents were asked to rate their concerns about their job using a 5-point scale (where 1 = strongly disagree and 5 = strongly agree). Table 4 reports the job-loss concern between different FE sectors. Significantly more workers within the overlooked part of the FE considered that they strongly agreed that they are more concerned about losing their jobs than those who worked in other parts of the FE or non-FE workers. While workers within the providential and material parts of the FE considered that they strongly disagreed with the job-loss concern.

Table 4: Thinking about how the Covid-19/Coronavirus lockdown, has affected you, if at all. To what extent do you agree or disagree with the following statements? - 'I am more concerned about losing my job'⁸

	Foundational economy			Non-FE/Other	Total
	Material	Providential	Overlooked		
Strongly agree	16.8%	7.6%	24.0%	19.2%	15.1%
Tend to agree	13.2%	13.1%	21.0%	22.4%	17.2%
Neither agree nor disagree	12.2%	7.9%	11.0%	10.9%	9.9%
Tend to disagree	12.5%	18.9%	11.7%	18.9%	16.8%
Strongly disagree	44.9%	52.3%	32.3%	28.4%	40.7%
Don't know	0.3%	0.3%	0.0%	0.2%	0.2%
<i>Total weighted sample</i>	<i>303</i>	<i>750</i>	<i>300</i>	<i>598</i>	<i>1,951</i>

Table 5 shows that workers within the material part of the FE were most likely to report that they strongly agreed that they are more worried about the impact of going to work on their health. Approximately 53 per cent of workers within the providential part considered that they strongly agree or tend to agree that they were worried about their health.

⁸ Note: Green denotes statistically significant response using Chi-square test (p<0.05)

Table 5: Thinking about how the Covid-19/Coronavirus lockdown, has affected you, if at all. To what extent do you agree or disagree with the following statements? - 'I am more worried about the impact of going to work on my health'⁹

	Foundational economy			Non-FE/Other	Total
	Material	Providential	Overlooked		
Strongly agree	24.4%	22.9%	21.9%	18.5%	21.6%
Tend to agree	21.8%	30.0%	21.5%	27.4%	26.6%
Neither agree nor disagree	15.5%	12.8%	12.3%	14.7%	13.7%
Tend to disagree	13.5%	16.0%	17.2%	16.4%	15.9%
Strongly disagree	24.1%	18.1%	26.5%	22.7%	21.7%
Don't know	0.7%	0.3%	0.7%	0.3%	0.4%
<i>Total weighted sample</i>	303	750	300	598	1,951

Table 6 shows that workers within the material and providential parts of the FE were most likely to strongly agree that they were worried about their family's health when they went to work, with 32.0 per cent and 29.5 per cent respectively. Those who worked in the providential part of the FE were also most likely to feel that they tended to agree that they are worried about the impact of going to work on their family's health.

Table 6: Thinking about how the Covid-19/Coronavirus lockdown, has affected you, if at all. To what extent do you agree or disagree with the following statements? 'I am more worried about the impact of going to work on my family's health'¹⁰

	Foundational economy			Non-FE/Other	Total
	Material	Providential	Overlooked		
Strongly agree	32.0%	29.5%	26.3%	22.2%	27.2%
Tend to agree	18.8%	31.2%	23.7%	28.1%	27.2%
Neither agree nor disagree	14.2%	11.6%	13.0%	14.9%	13.2%
Tend to disagree	14.2%	12.1%	17.3%	14.9%	14.1%
Strongly disagree	20.1%	15.1%	18.3%	18.9%	17.5%
Don't know	0.7%	0.5%	1.3%	1.0%	0.8%
<i>Total weighted sample</i>	303	750	300	598	1,951

⁹ Note: Green denotes statistically significant response using Chi-square test (p<0.05)

¹⁰ Note: Green denotes statistically significant response using Chi-square test (p<0.05)

Considering how essential workers feel about their value in the local community (Table 7); significantly more workers within the providential part reported that they strongly agreed or tended to agree that they feel more valued by the local community. While those who work in the overlooked sector were most likely to report that they strongly disagreed that they feel more valued by the local community.

Table 7: Thinking about how the Covid-19/Coronavirus lockdown has affected you, if at all. To what extent do you agree or disagree with the following statements? - 'I feel more valued by the local community'¹¹

	Foundational economy			Non-FE/Other	Total
	Material	Providential	Overlooked		
Strongly agree	19.1%	21.3%	13.0%	10.0%	16.2%
Tend to agree	13.2%	24.1%	15.0%	14.5%	18.1%
Neither agree nor disagree	39.3%	31.7%	36.9%	44.0%	37.4%
Tend to disagree	12.5%	13.5%	15.6%	13.5%	13.7%
Strongly disagree	14.9%	8.3%	17.6%	16.4%	13.2%
Don't know	1.0%	1.1%	2.0%	1.5%	1.3%
<i>Total weighted sample</i>	303	750	300	598	1,951

In Table 8, workers were asked to describe their feeling about their personal work situation using the 5-likert scale from 1 = never and 5 = always. Workers in all parts of the FE in large proportions reported that they “always” have the feeling that they are doing useful work. Approximately 56 per cent of workers within the providential part reported feeling that they always do useful work, followed by those in the material (53.8%) and overlooked sectors (50.0%). In the non-FE parts of the economy the rate was 45 per cent.

¹¹ Note: Green denotes statistically significant response using Chi-square test (p<0.05)

Table 8: For each of the following statement, please select the response which best describes your personal work situation – ‘I have the feeling I am doing useful work’¹²

	Foundational economy			Non-FE/Other	Total
	Material	Providential	Overlooked		
Always	53.8%	55.9%	50.0%	45.0%	51.3%
More often than not	29.0%	34.6%	31.3%	37.1%	34.0%
About half the time	10.6%	5.7%	10.3%	10.9%	8.8%
Less often than not	3.0%	1.7%	4.3%	3.5%	2.9%
Never	3.0%	1.5%	2.3%	2.0%	2.0%
Don't know	0.7%	0.5%	1.7%	1.5%	1.0%
Total weighted sample	303	750	300	598	1,951

Finally, considering pay (Table 9), employees who worked in the material and overlooked parts of the FE were most likely to report that they strongly agree that they get paid appropriately for their efforts. However, those who worked in the providential part were most likely to consider that they strongly disagree or tended to disagree that they get paid appropriately before and during the Covid-19 lockdown.

Table 9: To what extent do you agree or disagree with the following statements about your job? Again, please think about your main job in general, including BEFORE any impact from Covid-19/Coronavirus: ‘I feel I get paid appropriately for my efforts’¹³

	Foundational economy			Non-FE/Other	Total
	Material	Providential	Overlooked		
Strongly agree	37.0%	24.7%	33.9%	29.3%	29.4%
Tend to agree	29.0%	28.4%	27.9%	42.5%	32.7%
Neither agree nor disagree	6.9%	9.9%	8.0%	9.7%	9.1%
Tend to disagree	14.9%	19.7%	16.9%	12.0%	16.2%
Strongly disagree	12.2%	16.7%	12.6%	6.2%	12.1%
Don't know	0.0%	0.7%	0.7%	0.3%	0.5%
Total weighted sample	303	750	300	598	1,951

¹² Note: Green denotes statistically significant response using Chi-square test (p<0.05)

¹³ Note: Green denotes statistically significant response using Chi-square test (p<0.05)

Conclusions

The pandemic has drawn attention to the critical physical and social infrastructure which underpins daily life, and the workers who deliver this. Much of this is captured by the concept of the Foundational Economy. In this paper we have described the experiences of workers in different parts of the FE using new survey evidence.

We find that:

- Workers within the material and providential parts of the FE were most likely to have continued working in the same way as before throughout the UK Covid-19 lockdown; being less likely to be furloughed and more likely to remain working at the same location (i.e. remaining in the physical workplace).
- Those in the material and providential parts of the FE were also found to have more confidence in their employment prospects, being less likely to have concerns about job loss.
- However, particularly for workers in the providential sector, this is balanced against greater concerns about the impact of work on the health of themselves and their family members.
- Workers in parts of the FE feel the Covid-19 crisis has led them to ‘Feel more valued by the local community’ – but this pattern is most pronounced in the material, and especially the providential part.
- A higher portion of workers in the FE also placed stronger emphasis on their feelings of doing ‘useful work’, although feelings about pay were more mixed.

The findings demonstrate the differing experiences of workers within the FE from the ‘physical’ work environment, to job security, and health. However, they also highlight the themes of community value and performing useful work. As society and economy move towards recovery from the pandemic, fair work and societal benefit should be core to the idea of ‘building back better’.

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