

# Precariousness and Futurity: The Example of Subcontracted Cleaning Workers in the Banking and Finance Industry in London

**Gerald Koessl**

---

*By adopting a temporal perspective this article examines the relation between people's conditions of work and their possibilities of being agents of their future working lives. This is done in the empirical setting of subcontracted cleaning firms servicing the banking and finance industry in the two main financial districts of London – the City of London and Canary Wharf. An analysis of eighteen in-depth interviews with cleaning workers and two trade union organisers reveals the divisions and processes of polarisation within organisations along core and periphery positions, resulting from the fact that cleaning workers are not employed in-house but by subcontracted cleaning firms. The precarious conditions of work induced by the periphery position from their 'real employers', that is, the banks, undermine cleaning workers' possibilities to individually confront their future. Poverty wages - in many cases still being paid - in combination with the absence of appropriate social protection (e.g. sick pay or pension schemes) force many of the workers to 'stabilise the present' whilst future plans remain out of individual reach. However, in recent years, many of the workers have joined trade unions, aiming to collectively improve their future working lives.*

*Keywords: Precariousness, Future, Subcontracting, Cleaning industry, Trade Unions*

---

## **Introduction**

This article examines the temporal dimension of precariousness of subcontracted cleaning workers in the banking and finance industry in London. Specifically, by adopting a temporal perspective I will investigate how precariousness can be understood vis-à-vis the ways in which these workers relate to their present and future working lives. Whilst the public perception of banking and finance may be of people

in suits, modern high-rise architecture and luxury, I will turn attention to a less glamorous side; that is, to a workforce that is easily forgotten and overlooked in this industry. This workforce comprises service-sector workers who allow everyday business to take place and includes cleaners, security staff and caterers. Typically, these services are not provided in-house but are contracted-out to specialist firms.

More specifically, this article con-

concentrates on subcontracted cleaning in two main financial districts of London - the City of London and Canary Wharf. The City of London, sometimes referred to as the Square Mile, is located in Central London. Canary Wharf, which is situated within an area of the former docklands of London, is the second major financial centre in London after the City. While the City of London has been the historical centre for business and finance, Canary Wharf was built in the 1980s as an extension of the City, during a time when financial services were expanding rapidly and port-related industries were in decline.

My analysis in this article is based on eighteen interviews conducted between October 2009 and March 2010 with cleaning workers of varying age groups who service the banking industry, and on two interviews with trade union organisers. The contact with the cleaners was established by attending events for the campaign 'Justice for Cleaners', which demands better conditions of work and payment for the workers, as well as by going to monthly meetings of the cleaning workers branch committee of the union Unite. These meetings were well suited for interviews with organisers and representatives of the union about their activities and challenges of organising labour under conditions of subcontracting, the financial crisis and the increasing importance of migrants in London's workforces. While the

interviews with trade union organisers were undertaken at the Unite office in Holborn, the majority of the interviews with cleaning workers took place in their homes. It is of significance that all of the workers interviewed were not born in the UK and have histories of migration, which will be addressed as well in this article. However, the main focus will be on how 'subcontracting as a new employment paradigm' (Wills 2009a) shapes the temporalities and in particular the future perspectives of cleaning workers in the contracted-out cleaning sector in the banking and finance industry in London.

These interviews also revealed the importance of trade unions for the way in which cleaners imagine their futures. As such this chapter will examine the role of unions in shaping the temporal structures of the working lives of this group of workers. Before analysing the empirical data, I will briefly discuss the context of this research, namely the changing structure of London's economy and the growing inequalities and processes of polarisation in London's service sector, and specifically the situation in the banking and finance industry, which has become dependent on subcontracted cleaning workers in recent decades. More specifically, I will first discuss how subcontracting as a business practice has become a new employment paradigm in the low-paid service sector of the banking and

finance industry in London and how this subcontracted cleaning industry mainly employs migrant workers, which has created a new migrant division of labour. Thereafter this paper will argue that the changing of contractors often results in a deterioration of conditions of work and frequently leads to workers needing to do more work in the same amount of time. In this context I will also discuss how changing contractors mitigate against upward mobility or incremental wages within the cleaning industry. The third section will then show that the precarious nature of employment relationships in the cleaning industry requires workers to 'stabilise the present', often by doing two or three jobs, without being able to plan or confront the future individually. The last sections will go on by illustrating the importance of trade unions for the futures of cleaners and it will provide evidence for the challenges of organised labour in the context of subcontracting.

### **The rise of London as a centre for banking and finance and new migrant divisions of labour**

The growing importance of subcontracting in London's banking and finance industry is the result of a number of economic and political changes that occurred over recent decades. Until the mid 1960s a considerable amount of London's economy was still based on light manufacturing<sup>1</sup> (Hamnett 2003,

31). However, since the mid 1960s, both manufacturing and London's port witnessed a gradual downturn (Hamnett 2003, 14), which had far-reaching effects on London's labour market. While employment in manufacturing and port-related industries declined over the last decades, there has been a considerable growth of the service sector, in particular the banking, finance, insurance and business services (Hamnett 2003, Massey 2007). These transformations, however, were not a straightforward result of economic and technological changes, but were also induced politically by the Conservative government in the UK under Thatcher (Helleiner 1994, Toulouse 1992, Tallon 2010). The establishment of London as a centre for banking and finance has thus been enabled by neoliberal policies that deregulated financial services (Buck et al. 2002, Butler and Hamnett 2009, Massey 2007, Toulouse 1992), which in turn 'strengthened its role as one of the major control centres for the global economic and financial system' (Hamnett 2003: 4).

The role of London as a 'global city' (Sassen 2001) or 'world city' (Friedmann and Wolff 1982, Massey 2007), was paralleled by new inequalities that reflected the changing corporate structures in the service sector economy. The growth of well-paid employment in finance, banking, insurance and business services has been accompanied

by a rising demand for 'work on the periphery', that is, for workers ensuring the cleanliness and security of the respective workplaces. New economic and social divisions within the service sector have become particularly evident in London's banking and finance industry, which employs two very different types of workforces. By drawing on her empirical research on contract cleaners in London (Wills 2008), Jane Wills illustrates these two types of workforces:

The stark divides between rich and poor are nowhere more evident than at Canary Wharf and in the City of London. The well-heeled army of analysts, brokers, dealers and traders do their business in the gleaming tower blocks and offices alongside a supporting cast of low-paid caterers, cleaners and security staff (Wills 2008, 305).

Similarly, Saskia Sassen argues that 'the rapid growth of the financial industry and of highly specialised services generates not only high level technical and administrative jobs but also low wage unskilled jobs' (Sassen 1996, 583). In the case of London's banking and finance industry, these low-paid jobs are mainly filled by migrants (see also Pai 2004). Wills et al. (2010) indeed argue that a 'new migrant division of labour' has been put in place over recent decades:

London now depends on an army

of foreign-born workers to clean its offices, care for its sick, make beds, and serve at its restaurants and bars. (...) in relation to its global-city status, London has become almost wholly reliant on foreign-born workers to do the city's 'bottom-end' jobs (Wills et al. 2010, 1).

As Wills (2008) points out, this migrant division of labour is particularly true for London's two financial districts, that is, the City and Canary Wharf, where a large proportion of cleaning workers come from countries that were once under British colonial rule, such as Nigeria or Ghana (see also Wills et al. 2010, 61). As noted earlier, these cleaning workers are typically employed by subcontracted specialist cleaning firms. Subcontracting has been identified as a major factor in determining the rhythms and pace of work as well as in shaping the ways in which workers relate to their future working lives. Furthermore, subcontracting plays a vital role in the formation of new divisions of labour and in the development of new inequalities, which is why I will now turn attention to analysing the specific case of subcontracted cleaning workers in the banking and finance industry in London.

**Subcontracting as a new employment paradigm – the case of cleaning workers in the banking industry in the City of London and Canary Wharf**

There have been many attempts to describe division and polarisation processes within organisations. While some authors speak of the division of workforces into a core and periphery (Atkinson 1984, Harvey 1989, Pellow and Park 2002, Virtanen et al. 2003), others suggest the notion of a dual labour market, which is divided into a primary and secondary market (Barron and Norris 1976, Gordon 1972, Piore 1971, Doehringer and Piore 1971). Whatever model one chooses, it is apparent that cleaning workers in the banking industry of London can be located in the periphery or the secondary market. This was evidenced by the fact that all of the people interviewed working as cleaners for the banking sector were employed by specialist cleaning firms that are contracted to perform the cleaning of bank buildings for an agreed period of time. Subcontracting as a business practice has become more widespread over the last decades, mainly as a result of measures to cut down costs of services that are not directly related to the core-activities of a company (cf. Rees and Fielder 1992). Cleaning contracts in the banking industry are usually negotiated only for a few years and are hence re-tendered on a regular basis with newly agreed terms

and conditions. Robert MacKenzie places subcontracting in a broader context by arguing that:

[t]he deregulation of employment has been a key feature of the 1990s. There have been considerable reforms visited upon traditional systems of employment over this period. The hierarchical-bureaucratic employment structures represented in the traditional internal labour market have been undermined. This has been paralleled by a revival of interest in the contract as the favoured mechanism for the organisation of economic activity. (...) A key feature of this restructuring of employment has been the use of subcontracting (MacKenzie 2000, 707-708).

The use of subcontracting exposes cleaning companies to fierce competition and systematic short-termism, which has fundamental impacts on the terms and conditions of workers. Drawing on their recent research on subcontracted labour in the UK, Wills et al. (2010) note how subcontracting has served as a tool for privatising services in councils, hospitals, schools and universities and how in conditions of subcontracting:

[r]egular re-tendering and intense competition between contractors meant that wages, conditions and staffing were kept at minimal levels, and managers no longer had the burden of responsibility for

employing their staff. New workers could be taken on without the troublesome costs of annual increments, sick pay or overtime rates (Wills et al. 2010, 3).

The economic and social transformations that enabled the introduction of subcontracting must be put into the context of the rise of neo-liberalism, which gained ground in the UK from the 1980s onwards (King and Wood 1999, Prasad 2006). Neo-liberal agendas introduced subcontracting in the public as well as private sector in order to reduce cost at any price, without considering the effects on people's conditions of work. As a result of 'neoliberal policy agendas' that 'allowed greater market penetration in sectors like cleaning' (Wills 2008, 310), the competition among cleaning contractors has intensified. A competitive climate in which contractors are trying to beat each other's offers has triggered a downward spiral not only as regards prices at which they offer their services but also as regards the resulting conditions of work for the cleaners, who have no real influence over the bidding and contracting process. For organisations such as banks, subcontracted cleaning provides a cheap and easily available labour force as they [the banks, A/N] neither have to pay incremental wages nor offer fringe benefits such as sick pay or pension schemes. The absence of these benefits, as my

empirical data suggests, has fundamental impacts on the temporalities of working lives of cleaners and is a major reason for their precarious situation. Precarisation due to subcontracting is particularly prevalent in low-paid industries, such as cleaning, catering or security services. The incomes of workers in these industries are in many cases only slightly above the legally required national minimum wage (NMW), which is currently set at £6.08<sup>2</sup> per hour. The widespread use of subcontracting in contemporary economies makes Wills go so far to say that while 'the paradigmatic form of employment during the middle years of the twentieth century was the factory (...) subcontracted capitalism is becoming paradigmatic today' (Wills 2009a, 442).

Despite legal regulations such as the Transfer of Undertakings Protection of Employment Regulations<sup>3</sup> of 2006 (TUPE), which does not allow new contractors to employ its staff at conditions and terms that are worse than the previous contractor offered, the majority of the interviewees in fact reported a deterioration of their working conditions after a new contractor had taken over. Nonetheless, my analysis of the interviews suggests that there is not a straightforward relation between subcontracting and the effects on people's conditions of work. The people interviewed stated a number of ways in which the contracting-culture impacted on

their working lives. Apart from those who mention that they were being dismissed during the course of a change of contractors, one of the most immediate forms of change that many cleaners experienced was an increase of workloads and hence an intensification of time. An intensification of time means that the actual amount of time per task is reduced and time hence intensified, as Efia's case illustrates:

There are also less people now... I don't know why they don't put anybody there. After somebody left some time ago the manager didn't replace her which means that there is more to do now. So you do the job of the other people but you don't get paid for the additional work. This happened recently, maybe over the last two years. So two or three years ago I had twenty something colleagues and now I have fifteen, so maybe we are five or six persons less who actually do the same amount of work (Efia, female cleaner, five years' service for Lancaster at Merrill Lynch).

These findings add weight to Gareth Rees and Sarah Fielder's empirical study (1992) of subcontracted cleaning workers in the 1980s, in which they provide evidence for processes of time intensification in the cleaning industry. Processes of intensification, as Rees and Fielder go on to say, mainly result from the labour-intensive character of clean-

ing work, where increases in productivity<sup>4</sup> were only attainable by 'getting fewer workers do the same amount of work' (Rees and Fielder 1992, 356). The authors also state that efforts to raise productivity and cut costs were accompanied by 'a general deterioration of working conditions' (Rees and Fielder 1992, 356). Similarly, Jean-Yves Boulin (2001) argues that over the last decades, due to just-in-time production and a demand-oriented economy, working time has increasingly become intensified and densified, as individuals need to complete more work in the same or less amount of time. For the interviewed cleaners, time intensification increased the pressure on each individual worker and easily escaped the legal regulations of the TUPE law, as there are no clear standards as to what amount of work can or should be done within a certain time-period. In particular, in a current climate dominated by uncertainties about the future, workers accept these changes easier than would be the case in another industry or job where people have stronger collective representation and hence stronger bargaining power over their conditions.

In addition to this effect, subcontracting keeps cleaners at arms length from their 'real employers' and therefore makes them more vulnerable in regard to redundancy, as many of the interviewees stated. Uncertainty for the future intensified during the period of the financial

crisis in 2008 and 2009, the effects of which were indirectly felt in the cleaning industry. As many of the banks were laying-off people, banks searched for smaller premises or reduced their office space considerably. As a result, cleaning companies lost their contracts or required fewer workers. The fact that most of the interviewees experienced some form of change to their working lives as a direct result of subcontracting has made them realise the link between subcontracting as a business practice and their own precarious situation. Ajagbe, a male cleaning worker for six years at Johnson Control and Mitie in the Goldman Sachs building in Canary Wharf explained that 'when you come to the cleaning companies... like we are working for Goldman... our job is not safe because we are contracted'. Indeed, my analysis evidenced a strong link between the (business) practice of subcontracting and the extent to which workers are able to be agents of their future working lives, that is, between precarious conditions of work and the way in which individuals relate to their future. This point will be addressed in more detail in the following sections of this article.

### **Precarious (working) lives: Stabilising the present and losing the future**

In this section I suggest that the precarious situation of the majority of the cleaners forces them to sta-

bilise their present situation, without being able to individually engage with their future working lives. This temporal dimension of precariousness<sup>5</sup>, in particular in terms of futurity, has already been noted by several authors (Kraemer 2009, Dörre, Lessenich and Rosa 2009, Tsianos and Papadopoulos 2006, Fantone 2007). The interviews revealed that most of the cleaners are required to have two and sometimes even three jobs in order to earn enough to make a living. Many of the interviewees were still working on an hourly income that only marginally exceeded the current minimum wage of £6.08. However, despite this fact there is an increasing amount of cleaning sites, where cleaners, together with the support of trade unions, have negotiated with cleaning contractors and 'real employers' (i.e. the banks) to pay the London Living Wage, which is currently set at £8.30 for London (£7.20 outside London). The importance of the London Living Wage, as a social and economic minimum standard, became particularly evident in cases where people needed to do two full-time jobs. The interview with Madu illustrates the daily rhythms and time pressures of doing so:

I was working eight hours at Compass, I started at six am in the morning, I finished at half two, then I would go home, I would sleep, I wake up at around eight, have my shower and go back to



Lancaster, both of them are in Canary Wharf. At Lancaster I work from nine pm and I finish at six am and from there I go to my money job, eight hours, you understand? (...) So I was working in the day with Compass and I was working in the night with Lancaster, you understand, sixteen hours. (Madu, male cleaner, three years' service for Lancaster at Nomura Bank and two years' service for Compass, a catering company as a porter).

In some instances people mentioned that they were taking on a second job in order to secure their futures by saving while in other cases interviewees stated that a second job helped them to provide for their family members, either in the UK or in their countries of origin. Morowa put it as follows:

You can only save some money if you have two jobs. The money from one job is maybe just enough to live, but you can't save for the future, or often people have relatives in their home countries who they want to support; you can only do that with a second job (Morowa, female cleaner, four years' service for OTS at JPMorgan).

Morowa's account shows that the ways people engage with their working lives is often only to stabilise the present. The desire to manage and save money for the future or to maintain family members or

relatives abroad forces some to work excessive hours that would far exceed the legal regulations if they were employed by a single organisation. Because of these excessive hours of work and the time-constraints faced by some of the workers, the location of the workplace and the time they need to get there is vital. This geography of time is particularly true for London, where living and transportation costs are high and workers usually have to commute considerable distances and spend a lot of time only to get to work in the City of London or in Canary Wharf, places they could never afford to live.

Moreover, many cleaners in the banking industry are doing night-shifts. By doing an additional job during the day, they only get a few hours of sleep per night, which in the long run poses a serious health hazard. Ebo, who is doing two cleaning jobs, one from ten pm to six am in the City and another one in west London from seven am to nine or ten am, spoke about the reasons for doing more than one job as well as the effects of doing night work on his health:

Working in the night affects your health because in the day you cannot sleep very well, as you can in the night... and that's more or less a health hazard. By the time I get home, it should be around eleven. (...) with the high cost of living in the city you can't depend on only one job. This is why people have

up to three jobs. Without that you can't survive (Ebo, male cleaner, five years' service for Johnson Control and Mitie at Goldman Sachs).

The previous two interview extracts demonstrate the tensions between financial constraints that required people to take on more than one job and the desire to gain control over their future. These desires, however, were often contrasted by the extreme time pressures and health risks involved in doing excessive working hours in two or even three different jobs.

Another reason that makes the work of the cleaners particularly precarious is the contractual nature of their employment relationship, which in many cases does not offer entitlements such as sick pay, a pension scheme and in some instances only a reduced number of days of paid holidays. The absence of these entitlements had fundamental effects on the conditions of work and life of the cleaners. Morowa explains what it meant for her to work without being entitled to sick pay:

We don't get sick pay. So that's why a lot of the workers who are sick go to work, because they cannot afford to stay at home. Sometimes you feel so sick, but you have to go to work. When you stay in the house for two, three days, your money is gone... you don't have enough money. And you need the money to pay your

rent and everything (Morowa, female cleaner, four years' service for OTS at JPMorgan).

Morowa as well as numerous other interviewees gave similar accounts stating that with their current income they could not meet the expense even for staying at home for a few days. Nonetheless, there were also interviewees who mentioned that they did get a certain amount of days of sick pay per year, although at a lower level of pay than the actual income would be.

The precarious condition of the cleaning workers is aggravated even more by the fact that subcontracted cleaning companies rarely offer pension schemes to their workers. Hence, subcontracting does not only result in low wages as the interviews evidenced, but also in very limited social protection individuals get via their employment. Abena, for instance, described her situation at work after a new contractor had taken over in the following manner:

Well, since we work with Lancaster there is no job security... they just want to make money and they just work like that, we don't have any security like that when you are old they would pay you a pension, nothing like that (Abena, female cleaner, eight years' service for Lancaster and Euresat at Royal Bank of Scotland).

Although some of the workers would be entitled to receive a pub-

lic pension if they paid contributions for a long enough period of time, these pensions would hardly suffice. For this reason, many of the cleaners I spoke with had already ideas of what they would like to do after they retire from their (cleaning) job. Keeping in mind that all of the workers that were interviewed had personal histories of migration and were not born in the UK, some said that they would like to return to their countries of origin after they retire. This was mainly the case with cleaners who had close relatives in their home countries. Other workers spoke about the desire to open their own business or shop after their retirement, as Ajagbe for instance stated:

So after you are sixty, you have to plan for your coming years. If you reach the age of sixty, nobody knows... but you have to plan. If you are old you can't afford to look after yourself. So if you can get a job... If I can look for a job with a little bit of money, I can sell my own product that would be very good. So I would like to have my own shop (Ajagbe, male cleaner, six years' service for Johnson Control and Mitie at Goldman Sachs).

The plan to open one's own shop or business was closely related to the desire to either 'be one's own boss' or to 'do one's own thing', as some of the workers noted, which contrasted many of the cleaners'

daily experiences at work. Mira, a female cleaner with two years' service for Lancaster at Tower 42, put it the following way: 'I can't go on like that, I have to move forward. That's why I decided to do my own thing, my own dance company'. In this statement, Mira expresses not only the desire to 'do her own thing' but also that 'she wants to move forward', which is not easily possible in the cleaning industry. However, the plan to open one's own shop or business was strongly affected by the precarious retirement perspectives that many of the cleaners are expected to face in the future. Put differently, as a result of their low incomes, most of the cleaners said that they were not able to make proper provisions for their pensions and were therefore forced to continue work or open their own business that allows them to earn some additional income when they are retired in the future.

### **The (im-)possibilities of individual change?**

The relationship of precariousness to certain understandings of the future was also evident when interviewees spoke about their desire to either change job or to do some additional education in order to qualify for other jobs. In many cases, individuals were financially not able to take the necessary time off they would need to do some additional education or to search for another job. These economic constraints made it hard for cleaners to

individually change their future. The following excerpt from Adeola's interview underscores this situation:

You know in the case of a cleaner's job... you just want to stay because you want to earn money, you don't want to lose any money. If you find something better from there you can leave, but people cannot afford to leave and wait to find something else without working (Adeola, female cleaner, eight years' service for Johnson Control and Mitie at Goldmann Sachs).

In cases where change was possible, decisions were not taken individually but were weighed against other financial and familial obligations such as children or relatives living abroad. In the interviews this was the case when cleaners aimed to do some further education or upgrade their previous education to UK standards, as Madu's interview illustrates: 'There were so many things for me to do back home... because of that I could not go back to school. So I decided to continue working' (Madu, Lancaster at Nomura). The only way people imagined a more individually determined working life lay beyond a distant point in the future with less commitments, as an interview extract with Kodwo underlines:

I don't have a specific plan... I don't have any choice now because when my children grow up to the point that they can sort themselves out... it's different.

But as I also said I'm going back home by next month and I'm going to figure out some things there and that will tell me what my plans will do to me... to my future life. So I can start to think of myself when I am more independent, when I can afford it (Kodwo, male cleaner, six years' service for ISS at Morgan Stanley).

Previous excerpts from interviews demonstrate that cleaners time their working lives and in particular changes to their work in accordance with the financial necessities and commitments they have, mainly towards members of their family. An individually determined working life is projected into the future and seen as something that is only possible once 'one is able to afford it', as Kodwo put it. However, familial relations as well as personal networks and in many instances also ethnic support networks were also reported to be important resources, in particular for finding employment or affordable accommodation in London. The majority of the interviewees noted that they had found their job as cleaning worker with the help of a friend or relative, who introduced them to their current workplace. Although these personal networks provide important systems of support for cleaning workers, they rarely help in terms of offering better future perspectives or opening up possibilities for progression. This is so mainly because the people

who support each other usually do not have access to other sectors of employment. Hence, despite these support networks many cleaners find themselves in a precarious situation with little possibilities for individually engaging with their future working lives.

This precarious situation is exacerbated even more by the absence of incremental wages or possibilities for progression within organisations. Andy, who works with OCS at Lloyds in the City of London, described the impossibility of moving forward in the cleaning industry as follows:

Cleaning is not a job I would strongly recommend for you because you don't get promotion from it. As a cleaner you will be cleaning for all of your life, because they transfer managers from there to there and even for the position as a supervisor, you don't hear. You just see that they brought in and introduce you a new supervisor or a manager. Those few who are there, no matter how many years you have been there, there is no opportunity there. They don't say 'Let's train this man, let's see what he can do', except if you know someone who can influence and help you. If you don't, it's difficult (Andy, male cleaner, more than twenty years' service for OCS and Maclellan at Lloyds).

As previous interview excerpts

indicate, the temporal structures of cleaners' working lives and the way in which they relate to the future can thus be characterised by notions of precariousness and the structural impossibility to individually influence the future of one's own working life. In contrast to commonly held views about individuals being active agents of their working lives, such understandings of (individualised) agency are unfeasible in the context of my analysis of subcontracted cleaning workers, where the (im-)possibilities of individual change were mainly shaped by external factors that were beyond individual control. While the precarious condition of many cleaning workers does not allow for a more individual engagement with their future working lives, it has prompted new ways of confronting the future in a collective way. The following sections draw on interview data in order to demonstrate that trade unions are one of the major resources and forms of socialisation that enable cleaners to imagine a future which they are able to influence and shape.

### **Collective futures: trade unions and the representational gap**

The impossibility of changing their working lives or improving their situation in the future has raised the awareness among cleaners that change and an improvement of their condition is only possible at the collective level. For this reason many of the cleaners have joined a trade

union over the last years. In the following excerpt, Kodwo explains how the union provides a resource for imagining a better future:

If you are a union member you are one. When you got a problem, I got a problem and when I get a problem you also get a problem. So we team up all the time and fight for our right and hope we can change our future to the better. Before the union, we couldn't do much as individuals, alone you don't have the power to change anything but as a union you do (Kodwo, male cleaner, six years' service for ISS at Morgan Stanley).

Trade unions have become increasingly important for cleaning workers because 'in a subcontracted economy, many workers have no industrial relations contact with their "real" employer' and thus 'the workers themselves have no channel through which to bargain over [these] terms' (Wills et al. 2010, 180) and conditions of work. By 'real employer', Wills et al. mean the companies who have subcontracted some of their services, which in the context of this research are banks or financial institutions. The cleaning workers' engagement in the union and the struggle for improvements to their conditions further illustrated that a 'good' workplace does not only concern the levels of pay and social security but encompasses a wide range of aspects including re-

spect and feelings of being valued, as Eze elaborated:

The union has given us some kind of strength. So, if you are organized on the site, you have some kind of confidence, that the managers will not treat you too bad. As far as you are bullied... you know your rights better than before. Also the way they talked to us was... they talked to us as if we are nobody, they didn't show any respect (Eze, male cleaner, two years' service for ISS at Citigroup).

The dilemma with subcontracted work is that a mere pressure on the contractors to 'improve [the] pay and conditions of work (...) would probably price their [the cleaners', A/N] immediate employer out of the market' (Wills et al. 2010, 180). Therefore, workers have started to organise themselves with the help of the trade union in order to increase pressure on the 'real employers', that is, on banks and financial institutions. In 2005, the cleaning workers, together with the union, launched a campaign for a London Living Wage (Wills 2009b). A London Living Wage as Alberto, a union organiser, put it 'means a salary that the workers can live with in London, because London is one of the most expensive places around the world'. The Living Wage Campaign, which was originally launched by London Citizens, the biggest community alliance in Britain, is set every year

by the Greater London Authority. Although the London Living Wage is not legally binding but rather addresses employers on a social and ethical basis, the campaign has managed to introduce the Living Wage into a considerable number of workplaces, including subcontracted cleaning companies in the banking industry. The London Living Wage has been of particular importance in the context of subcontracted work, as Wills et al. illustrate:

The idea of a Living Wage campaign was developed to overcome [the] 'representational gap' between subcontracted workers and their 'real' employers by linking subcontracted workers with a broad alliance of community organisations (Wills et al. 2010, 180).

### **Trade unions and collective imaginations of the future**

Apart from the attempts to increase the levels of pay and create a work environment where workers are respected and appreciated, the workers also demand benefits such as sick pay, pension schemes and a higher degree of job security. Ebo, who works as a cleaner at Johnson Control in the City is also very active in the union and in organising people to improve the situation of cleaning workers. He explained how the collective ambition of the union has helped to a certain degree to improve the conditions at the site

where he works:

If you are sick you have to go to work because you cannot afford to stay at home. But since the union is in, the situation is better because they introduced sick pay of ten days a year. So if you are sick for ten days, you will be paid. But after the ten days, if you are still sick you will not be paid. But we achieved this only because of the activities of the union. That's something the union fought for. Although it's still not yet fair it's better than we didn't have at all. We hope that in the future the number of days will go up. The other thing is that we are not offered any kind of pension scheme, not at all. This is another goal for the future that we are going to fight for. It's not for now, but in the future we will tackle this issue (Ebo, male cleaner, five years' service for Johnson Control and Mitie at Goldman Sachs).

Ebo's experience of improvement through the union, which is shared by the majority of the other cleaners, shows that positive change is mainly a result of collective effort and hardly possible at all individually. His account also outlines the importance of non-monetary entitlements such as pensions or sick pay, entitlements that amongst regularly employed workers are an implicit part of their employment contracts and do not have to be demanded explicitly. The erosion of regular em-

ployment contracts and the rise of contracts that offer social security only at a marginal level, facilitated by practices such as subcontracting, have thus fundamentally contributed to present-day precariousness in the workplace and have undermined individuals' agency in terms of shaping their personal future working lives.

This relation between precariousness and the inability to engage with one's future has also been noted by Wills et al's (2010) empirical research on migrant workers in London. The authors discuss how the structural positions of migrant workers in low-paid jobs are related to possibilities of individual future planning. Their findings reveal that:

although migrants have considerable agency to respond to the challenges facing them, such efforts are constantly undermined by poverty, poor working conditions, state policy, and community exclusions that frustrate their ability to develop longer-term or more 'strategic' goals. Indeed, although migrants' lives may include very careful planning and budgeting, these are often aimed only at coping with the immediate exigencies of their day-to-day lives (Wills et al. 2010, 126).

This argument about the ways in which migrant workers are unable to relate to their future is supported by the findings reported in this paper, where I demonstrated how the

precarious nature of cleaning urges workers to stabilise the present, a stabilisation which brackets engagement with their future working lives.

The high number of migrant workers among cleaners has also challenged trade unions as institutions that have been traditionally involved in disputes over (white) working class issues. In fact, the relation between trade unions and migrant workers has not been and is still not always as smooth as these previous statements may indicate. In fact, in the decades of post-war immigration to Britain, trade unions were often opposed to immigration as they tried to restrict the labour supply (Wrench and Virdee 1995) and were thus reluctant to represent migrant workers. Until the 1980s, which 'saw the integration of black voices<sup>6</sup> and anti-racist practice into the political mainstream' (Wills et al. 2010: 167), many migrant workers faced racism even from the side of trade unions. As Wills et al. (2010) go on to say, 'it was only during the 1980s, and following efforts at black self-organisation within the unions, that these new members were really accepted' (2010: 167, see also Wrench and Virdee 1995). Despite the ongoing difficulties many migrant workers are facing in terms of being adequately represented by trade unions, the majority of the interviewees in my sample were very positive about their experiences with the union and felt that this was



the only way to improve the future conditions of their working lives.

### **Subcontracting as a challenge to organised labour**

Apart from the changing role of unions as regards the representation of an increasing number of migrant workers, one of the biggest challenges for unions that are dealing with low-paid service sector work is the mounting prevalence of subcontracting. The unions often have to negotiate with both the cleaning companies as well as the 'real employer', which in the case of this research is the bank. Alberto, an organiser at Unite, explains the situation as follows:

We work with both, the cleaning companies and the banks. Usually we have meetings with the cleaning companies to establish the London Living Wage. And also if necessary we speak with the clients, the banks. In some places, like when we went to a demonstration against one of the banks, after speaking with the cleaning companies we went directly to the bank and we explained them that we will continue embarrassing them if they don't sort this out (Alberto, Unite Organiser).

Alberto's statement shows that damage to their public reputation poses serious problems to banks and hence is a main target in the union's fight for better pay and conditions of work. It also makes clear

that in the subcontracted economy it is important to address both the so-called 'real employer' as well as the contractor. Over the past years and decades, trade unions have experienced the challenges of organising people in the subcontracted economy, which, according to Unite organiser Nick, has become 'much, much more prevalent since Thatcher, so since the mid 80s'. Nick emphasised the importance of getting in contact with the 'real employers':

...because cleaning companies such ISS, OCS, etc. will always say: well, it's not our problem; we are only paying what we can with the contract. So the way we go is trying to embarrass the banks, which is the main weapon we have. And the media, of course, play a very important role in that (Nick, Unite Organiser).

The excerpts from Alberto's and Nick's interviews demonstrate not only the role that trade unions have in terms of offering individuals the possibility of being agents of change but they also give account of the changing nature of the unions themselves. Changes to business practices such as subcontracting as well as an increasingly diverse workforce have challenged the work of the unions and have shown that union organisers need to respond to these changes. This is particularly true for a global city like London, where there is a concentration of service sector industries such as

banking, finance and insurance, and with them the number of sub-contracted workers servicing these industries. In these subcontracted industries, labour turnover is high and they employ many migrant workers, who often find themselves in situations that do not allow them or make them hesitant to get organised in trade unions. As several of the interviewees mentioned, this is often due to people's uncertain immigration status and the fear of losing one's job when joining the union or when speaking out on their conditions of work. These factors pose a serious challenge to organised labour in the context of subcontracted economies with large numbers of migrant workers.

My analysis of interview data further revealed that apart from the support that unions offer, it is political and legal regulations<sup>7</sup> that give a certain degree of job security to cleaners, in particular the previously mentioned TUPE Regulation, which applies when new contractors are coming in and take over from previous ones. The time periods for which cleaning contractors stay at a bank are often only for a few years and many of the interviewees therefore reported a change of contractor during their working lives as cleaners. The fact that cleaning workers are not included in negotiations and hence have no influence over the terms and conditions of new contracts makes national legal regulations particularly important for them.

Peter, who was working with the contractor OCS for six years, is now working with a new contractor in the same site. The reason why he could keep his job was mainly due to the TUPE regulation, as he explains:

So I continued with GSF because OCS lost the contract. They lost the contract last year in October. So this company took over and I continued there. That's because of the TUPE; it gives you the security that you can stay (Peter, male cleaner, four years' service for GSF at State Street).

However, as noted earlier, despite the TUPE regulation, there were also cases in which a change of contractor resulted in either people losing their jobs or having to face a considerable deterioration of their conditions of work.

### Conclusion

The data analysed in this article suggests that 'work on the periphery' in the banking and finance industry in London creates precarious conditions of work and life and furthers existing divisions and inequalities within this industry. These divisions reflect the widening gap in incomes and social protection in the service sector economy more generally, which has increasingly become dominated by subcontracting and precarious forms of work with little future perspectives. This article further showed that in the case of

the banking industry these divisions are divisions of ethnicity as well as core and periphery (subcontracted) positions in organisations and have fundamental impacts on individual life chances and future perspectives. Subcontracting has contributed to a situation where people working in bottom-end jobs and thus at arms-length from their 'real employers' often only earn poverty incomes with little or no social and legal protection. In terms of futurity, these precarious conditions of work engender a lack of choice as the development of an individually determined working life is hard to achieve and change in the future often only possible on a collective level. These divisions along core and periphery positions are particularly striking in an industry where profit margins have been growing enormously over recent decades and where a bonus culture has been established that created vastly diverging pay ratios between executives or traders and those working on the periphery. These divisions provide additional evidence for ongoing polarisation processes within the service-economy where low-level jobs are increasingly outsourced or subcontracted and as a result of that do no longer offer possibilities for progression or incremental wages within an organisation.

Finally, a number of important limitations need to be considered. One important limitation is that due to the relatively small sample size

questions of class, gender or age could not be explored in more detail. However, from the eighteen conducted interviews no identifiable pattern emerged across different age groups that would indicate variations as regards the questions being asked in this paper. Questions of social class were even more difficult to address as a number of those interviewed did not want to speak about some aspects of their past lives, which was mainly due to people's difficult histories of migration or the fact that they had to leave their home countries for political reasons. The research undertaken rather indicated that a more important factor in shaping individuals' futurities was related to factors such as the degree to which past educational degrees were acknowledged, whether the respective person had to support other members of family or relatives, either abroad or in the UK, and how well support networks were suited to offer access to employment opportunities or affordable housing in London.

Considering the limitations mentioned in the previous section, further work needs to be done to examine in more detail gender and class related issues as well as the influence of age in terms of people's possibilities to determine the course of their working lives. This is particularly true for a growing and increasingly diverse migrant population in London, which is usually hardest hit by organisational downscaling,

subcontracting and by changes to the legal framework of employment. Future research may also help to establish in further detail the ‘geographies of time’, that is, the tensions arising from the fact that cleaning workers, alongside other low paid workers, are working in one of the most expensive areas of London whilst being increasingly forced to move further away from central areas of London due to rising housing costs and processes of gentrification. This may result in a situation where the majority of those who service, clean and maintain the working of the banking and finance industry have to commute considerable distances and thus spend a lot of time and money in order to get to work, which would further already existing precariousness and socio-economic inequalities.

*(N.B. The names of the interviewees in this paper have been changed in order to guarantee confidentiality.)*

### Endnotes

<sup>1</sup> In 1961 London had 1.45 million manufacturing jobs (32.4 per cent of the total) in electrical engineering, food, drink and tobacco, chemicals, instrument engineering, paper and printing, furniture making, clothing and footwear. By 1981 it had fallen by just over fifty per cent to 681,000 (nineteen per cent of the total); (Hamnett 2003, 31).

<sup>2</sup> [http://www.direct.gov.uk/en/employment/Employees/TheNationalMini-](http://www.direct.gov.uk/en/employment/Employees/TheNationalMinimumWage/DG_10027201)

[mumWage/DG\\_10027201](http://www.direct.gov.uk/en/employment/Employees/TheNationalMinimumWage/DG_10027201) (accessed February 14, 2012).

<sup>3</sup> The Transfer of Undertakings (Protection of Employment) Regulations (TUPE) protects employees’ terms and conditions of employment when a business is transferred from one owner to another. Employees of the previous owner when the business changes hands automatically become employees of the new employer on the same terms and conditions. It is as if their employment contracts had originally been made with the new employer. Their continuity of service and any other rights are all preserved. Both old and new employers are required to inform and consult employees affected directly or indirectly by the transfer ([www.acas.org.uk/index.aspx?articleid=1655](http://www.acas.org.uk/index.aspx?articleid=1655), accessed February 12, 2012).

<sup>4</sup> In economics productivity is usually measured in terms of the ratio between input and output.

<sup>5</sup> See for example Franco Berardi’s definition of precarity: ‘Precarious is a person who is able to know nothing about one’s own future and therefore is hung by the present’ (Berardi 2009, 148, see also Berardi 2005).

<sup>6</sup> The interviews showed that for those who do not have English as their first language and who have language problems, the union has an important ‘voice function’ in articulating their complaints and thus maintaining their sense of autonomy. The union ‘can speak for them’, as a female cleaner put it in an interview.

<sup>7</sup> For a discussion on policy responses to precarious work from the EU see Di-

among Ashiagbor (2006).

*labour in contemporary London*.  
London: Routledge.

## References

- Ashiagbor, Diamond. 2006. Promoting precariousness? The response of EU employment policies to precarious work. In Judy Fudge and Rosemary J. Owens, eds. *Precarious work, women and the new economy: the challenge to legal norms*. Oxford: Hart Publishing: 77-98.
- Atkinson, John. 1986. A flexible future. Britain's dual labour force. *Marxism Today* 4: 12-17.
- Barron, Richard David, and Geoffrey Michael Norris. 1976. Sexual divisions and the dual labour market. In Diana Leonard Barker and Sheila Allen, eds. *Dependence and exploitation in work and marriage*. London: Longman: 47-69.
- Berardi, Franco. 2005. *Arbeit - Wissen - Prekarität*. <http://eipcp.net/transversal/0704/bifo/de/print> (accessed 17 October, 2011)
- Berardi, Franco. 2009. *Precarious rhapsody. Semiocapitalism and the pathologies of the post-alpha generation*. New York: Minor Compositions.
- Boulin, Jean-Yves. 2001. Working time in the new social and economic context. *Transfer: European Review of Labour and Research* 7: 197-210.
- Buck, Nick, Ian Gordon, Peter Hall, Michael Harloe, and Mark Kleinman. 2002. *Working capital: life and labour in contemporary London*. London: Routledge.
- Butler, Tim and Chris Hamnett. 2009. Regenerating a Global City. In Robert Imrie, Loretta Leeds and Mike Raco, eds. *Regenerating London: governance, sustainability and community in a global city*. London: Routledge: 40-57.
- Castel, Robert, and Klaus Doerre, ed. 2009. *Prekarität, Abstieg, Ausgrenzung. Die soziale Frage am Beginn des 21. Jahrhunderts*. Frankfurt/New York: Campus Verlag.
- Doeringer, Peter B., and Michael J. Piore. 1971. *Internal Labor Markets and Manpower Analysis*. Lexington, Mass.: Heath Lexington Books.
- Dörre, Klaus, Stephan Lessenich, and Hartmut Rosa. 2009. *Soziologie - Kapitalismus - Kritik. Eine Debatte*. Frankfurt am Main: Suhrkamp.
- Fantone, Laura. 2007. Precarious changes: gender and generational politics in contemporary Italy. *Feminist Review* 87: 5-20.
- Friedmann, John and Goetz Wolff. 1982. World city formation: an agenda for research and action. *International Journal of Urban and Regional Research* 6 (3): 309-344.
- Fudge, Judy, and Rosemary. J. Owens, eds. 2006. *Precarious work, women and the new economy: the challenge to legal norms*. Oxford: Hart Publishing.

- Gordon, David M. 1972. *Theories of poverty and underemployment: Orthodox, radical and dual labor market perspectives*. Lexington, Mass.: Lexington Books.
- Hamnett, Chris. 2003. *Unequal city: London in the global arena*. London: Routledge.
- Harvey, David. 1989. *The condition of postmodernity: an enquiry into the origins of cultural change*. Oxford: Basil Blackwell.
- Helleiner, Eric. 1994. *States and the re-emergence of global finance: from Bretton Woods to the 1990s*. Ithaca, NY, London: Cornell University Press.
- Imrie, Robert, Loretta Lees, and Mike Raco, eds. 2009. *Regenerating London: governance, sustainability and community in a global city*. London: Routledge.
- King, Desmond and Stuart Wood. 1999. *The political economy of neoliberalism: Britain and the United States in the 1980s*. In Herbert Kitschelt, ed. *Continuity and change in contemporary capitalism*. Cambridge: Cambridge University Press: 371-397.
- Kitschelt, Herbert, ed. 1999. *Continuity and change in contemporary capitalism*. Cambridge: Cambridge University Press.
- Kraemer, Klaus. 2009. Prekarisierung - Jenseits von Stand und Klasse? In Robert Castel and Klaus Dörre, eds. *Prekarität, Abstieg, Ausgrenzung. Die soziale Frage am Beginn des 21. Jahrhunderts*. Frankfurt/New York: Campus Verlag: 241-252.
- MacKenzie, Robert. 2000. Subcontracting and the reregulation of the employment relationship: A case study from the telecommunications industry. *Work Employment and Society* 14 (4): 707-726.
- Massey, Doreen. 2007. *World city*. Cambridge: Polity.
- Pai, Hsiao-Hung. 2004. The invisibles - migrant cleaners at Canary Wharf. *Feminist Review* 78: 164-174.
- Pellow, David N. and Lisa Sun-Hee Park. 2002. *The Silicon Valley of dreams: environmental injustice, immigrant workers, and the high-tech global economy*. New York, London: New York University Press.
- Piore, Michael J. 1971. The Dual Labor Market: Theory and Implications. In David M. Gordon, ed. *Theories of poverty and underemployment: Orthodox, radical and dual labor market perspectives*. Lexington, Mass.: Lexington Books: 93-97.
- Prasad, Monica. 2006. *The politics of free markets: the rise of neoliberal economic policies in Britain, France, Germany, and the United States*. Chicago: University of Chicago Press.
- Rees, Gareth and Sarah Fielder. 1992. The services economy, subcontracting and the new employment

- relations – contract catering and cleaning. *Work Employment and Society* 6 (3): 347-368.
- Sassen, Saskia. 2001. *The global city: New York, London, Tokyo*. 2nd ed. Princeton, N.J., Oxford: Princeton University Press.
- Tallon, Andrew. 2010. *Urban regeneration in the UK*. London: Routledge.
- Toulouse, Chris. 1991. Thatcherism, class politics, and urban development in London. *Critical Sociology* 18 (1): 55-76.
- Tsianos, Vassilis and Dimitris Papadopoulos. 2006. *Prearity: A savage journey to the heart of embodied capitalism*. <http://eipcp.net/transversal/1106/tsianospapadopoulos/en> (accessed 17 October, 2011)
- Virtanen, Pekka, V Liukkonen, Jussa Vahtera, Mika Kivimaki, and Markku Koskenvuo. 2003. Health inequalities in the workforce: the labour market core-periphery structure. *International Journal of Epidemiology* 32 (6):1015-1021.
- Wills, Jane, Kavita Datta, Yara Evans, Joanna Herbert, Jon May, and Cathy McIlwaine. 2010. *Global cities at work: new migrant divisions of labour*. London: Pluto.
- Wills, Jane. 2008. Making class politics possible: Organizing contract cleaners in London. *International Journal of Urban and Regional Research* 32 (2): 305-323.
- Wills, Jane. 2009a. Subcontracted employment and its challenge to labor. *Labor Studies Journal* 34 (4): 441-460.
- Wills, Jane. 2009b. The Living Wage. *Soundings Journal* 42:33-46.
- Wrench, John and Satnam Virdee. 1995. *Organizing the unorganised: race, poor work and trade unions*. *Research paper in ethnic relations No 21*. Centre for Research in Ethnic Relations: University of Warwick.