The bigger question behind the right to work from home

Blog post by Senior Director Stephen Adams, 8 October 2020

The German coalition government has confirmed that it plans to push ahead with plans to give workers a legal right to work from home. This idea was floated back in the Spring when lockdowns began, and some unions began to advocate a framework that would prevent employers hurrying people back into offices. There is still a lot we don't know about the German law, including exactly what rights it will create and in what contexts they can be exercised. But it is interesting as the first of what are likely to be a wave of covid-inspired attempts to address the question of workplace rights when the workplace is home.

The obvious issues the law is likely to try and address will be how workers can delineate between work and not-work when they have no presence in an office to help. Some EU states already have frameworks that do aspects of this such as regulating duties to respond to emails out of working hours. That kind of approach will probably be incorporated in the German law. There will inevitably be the question of costs in equipping and maintaining a home space for work. One concern for German unions is that businesses may be increasingly tempted to adopt productivity-linked piecework rates for home workers and erode collective bargaining in doing so.

But there is surely an even more fundamental question here. A right to work from home is a right to detach yourself as a worker from a physical workspace and replace the office with the convening power of technology. Offices serve many purposes, but one of the effects of an office is to create a centripetal anchor to a particular piece of geography - this can be their purpose too, right down to the proverbial watercooler. A more marked shift to home working works against that effect, and against the connection of a business to a particular place and community. That is precisely why many businesses will resist it, at least initially.

But some businesses will inevitably conclude that that if staff do not need to be recruited from a local labour pool to staff an office, then they can be recruited from anywhere; skills, languages and regulation permitting. This isn't new – it is the model that some IT outsourcing has already developed. But workers moving in much greater numbers into a world of home working in the sectors where this is genuinely feasible (see GC's Chief Economist Gregor Irwin for a view on this) may find that in doing so they are untying their companies from the ties to places that their morning commute helped cement.

This is potentially good for companies who can suddenly draw on a much wider labour pool and build cost compressing global services supply chains, just as their equivalents in goods manufacturing did in the 1990s. It is good for workers with high value skills whose distribution chains will expand dramatically in the same way. It is not necessarily so good for the skilled and semi-skilled services workers in the developed world who will find themselves competing with cheaper suppliers abroad. If that sounds like a replay of the conditions that prompted so much of the political resentment of 'globalisation' over the last two decades, that is not a coincidence. German employers' representatives have already hinted darkly that the result of the proposed German law will be a new wave of white-collar services

offshoring. You half wonder if many employees won't ultimately end up insisting on a right to come to the office.