

Labour markets, wages and industrial relations

[Life](#), [Relationships](#)



Telecommuting is going to change the landscape of labour for years to come. As a matter of fact, the very notion of a job is going to change. A job will be something one takes home to do in the intervals between football matches and household duties, not an activity that reshapes one's day. Such changes will trigger changes in other aspects of work.

Thus, trade union participation and union power will most probably be reduced. A great part of this influence is based in personal interaction. It is much easier to recruit a person to become a member of the union through direct personal contact than through means such as e-mail. Trade union leaders will turn into virtual figures rather than living beings in flesh and blood, and people will feel less affiliated with the union.

Besides, as the authors point out, there are reasons to expect an inflow of workers into labour who have never or seldom had employment before, including single mothers or disabled people. Those may feel isolated from the rest of the workforce and have had no experience with unions. As a result, they will be less willing to participate in union activities and bargain with their employer. Besides, more developing nations will be included in the workforce, and it is more difficult to recruit people there in the union as they live in remote places and as well have little experience with unions.

However, trade unions will not go away because of telecommuting. There are factors that even call for an increase in their power. For instance, it will become easier to change jobs since it will not involve looking for a job in exactly the same area and workers will probably not have to go to interviews in person. Rather, they may be able to do some kind of audio- or video-

interview via Internet. As a result, employees will have more possibility to defend their rights through trade unions as they will not fear loss of job. Communication with trade union leaders will take place through the same interactive means as communication with supervisors – e-mail, telephone, and videoconferencing.

Telecommuting will probably to some extent remove the difference between house prices between capital cities and regions. At the moment, housing is pricey in larger cities since there a lot of people willing to move there because higher salary levels. Those people coming from the regions are prepared to pay a premium on house price as compared to the regions because they know the house price will be offset by gains in wages. As a result, they drive demand up even at higher prices. If differences salary levels are reduced, a probable result of telecommuting, more people will prefer to stay in the regions, and housing there will rise in value against capital cities.

This does not mean that housing will cost the same throughout the nation. First, not all jobs will be affected by telecommuting. It will take time before the pay for manual jobs such labourers, nurses, etc., will get to about the same level throughout the country. People in those jobs will then still be attracted to larger cities.

Second, there are other factors than salary levels that affect housing prices. For instance, in the same city where one can get the same salary living in a nice or unattractive neighbourhood, housing prices will vary from one district to another. The reason for these variations is the difference in infrastructure,

ecological atmosphere (as, for example, when the house faces a busy road or something of the kind), and opportunities for entertainment.

Surely in larger cities one can have a much more interesting and varied life thanks to the availability of many cultural establishments, and regions will not soon overcome this difference. That is why people may still be attracted to living in the capital even if wages arrive at about the same level. Besides, formerly the attraction of the remote areas was their cheap prices for everything other than housing, such as food, entertainment, services, etc. A rise in wages will probably change that, making prices go up.

In conclusion, housing prices will go up in regions as compared to the province as a result of dwindling difference in wages. However, prices in capital or larger cities will still remain higher.

Bibliography

1. Sloman, John & Mark Sutcliffe. Economics for Business.