By lunchtime on the first Wednesday of 2017, top bosses had already made more money than the typical UK worker will earn all year. And the average pay ratio between FTSE100 CEOs and the average total pay of their employees in 2015 was 129:1.

The High Pay Centre’s ‘Fat Cat Wednesday’ research is a reminder of how important corporate governance reform is to making the economy fairer for all working people.

Working people deserve a fair share of the wealth they help create. But while the pay of top executives has been rocketing up, the average weekly wage is still worth less than it was nine years ago. The Prime Minister must stick to her promise to tackle excessive pay at the top and she should keep her commitment to put workers on company boards.

New research published by the Resolution Foundation on the 30th December showed that workers on controversial zero hours contracts not only have fewer employment rights and face greater job insecurity. They now also face a pay penalty that costs them £1,000 compared to staff doing the same work on secure job contracts.

While it is well known that zero hour contract workers earn less than permanent employees – 38 per cent less per hour on average – many people assume this is because zero-hour jobs are concentrated in low-paying sectors, and among younger and less experienced staff.

But the Foundation’s analysis found that, even if you adjust for employment sector, age and experience, there is a remaining ‘precarious pay penalty’ of 7 per cent that is directly associated with being on a zero hours contract. For a typical zero hours contract worker, working 21 hours a week, this penalty amounts to £1,000 a year.

This ‘precarious pay penalty’ suggests that the use of ZHCs is not only about the control they give employers over the working hours of their staff. The Foundation said that the existence of such a large pay penalty suggests they also result in wages being held down in some cases.

This penalty shows why the government is right to look into modern working practices through the recently commissioned Matthew Taylor review. A TUC report – *Living on the edge* – shows that 1.5 million people now risk missing out on protection from unfair dismissal and the right to redundancy pay (even if they have worked for two years or more for an employer). And nearly half a million (485,000) have no legal right to sick pay due to low pay.

*Living on the edge* calls on Matthew Taylor’s independent review of employment practices to strengthen legal protections for precarious workers.

So as we enter 2017, the evidence is clear that we need a new balance between those at the top – enjoying soaring boardroom pay – and ordinary working people. Strong unions are the only way to make sure working people get their fair share in our country’s success.

Beth Farhat

Regional Secretary Northern TUC