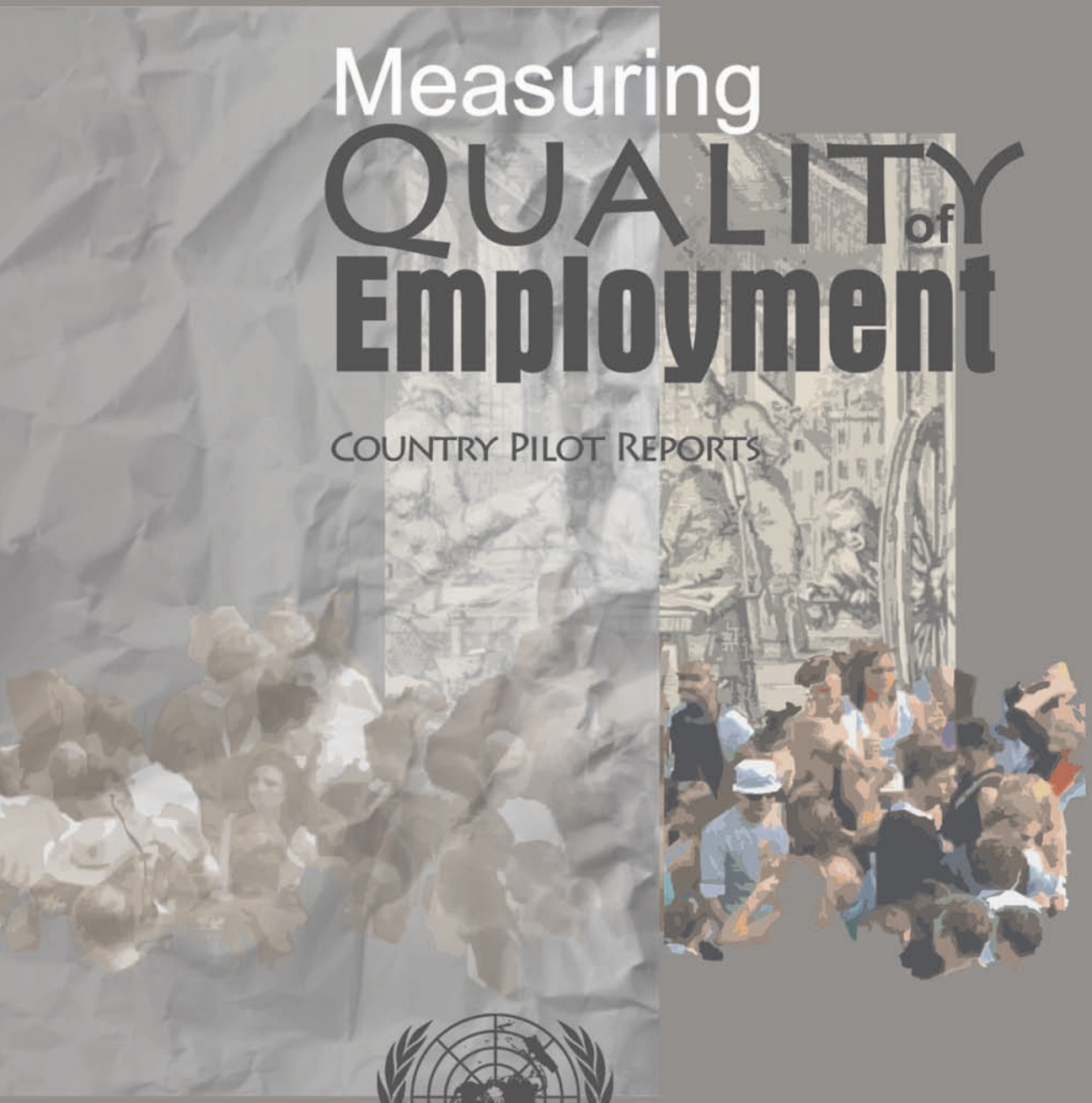
UNITED NATIONS ECONOMIC COMMISSION FOR EUROPE

Measuring QUALITY of Employment

COUNTRY PILOT REPORTS



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COUNTRY PILOT REPORTS

Prepared by UNECE Task Force on the Measurement of Quality of Employment

UNITED NATIONS
Geneva, 2010

Note

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Introduction

Over the years various organizations have attempted to determine a basic structure for statistical measurement of quality of employment. Three distinct, but similar, approaches exist: the International Labour Organization's (ILO) measurement of Decent Work; the European Commission Quality of Work Indicators; and the Quality of Job and Employment indicators used for the European Working Conditions Survey. Each of these approaches suits a particular purpose or policy agenda. None attempts to produce a broad, overall frame for the statistical measurement of quality of employment.

In 2007, under the auspices of the Conference of European Statisticians (CES), a Task Force was set up to develop a concept for statistical measurement of quality of employment unifying the elements in the existing approaches and taking into account the work done by previous expert groups. The Task Force was composed of representatives from national statistical offices of Canada (chair), France, Finland, Hungary, Israel, Italy, Poland, from the Statistical Office of the European Union (Eurostat), the European Foundation for the Improvement of Living and Working Conditions (Eurofound), the non-governmental organization Women in Informal Employment: Globalizing and Organizing (WIEGO), the International Labour Organization (ILO) and the United Nations Economic Commission for Europe (UNECE). Later, representatives from Mexico, Republic of Moldova and Ukraine joined the Task Force. The work of the Task Force was led by a Steering Committee comprising Canada (chair) and the following Task Force members: Eurostat, ILO, UNECE and WIEGO.

This publication includes a concept paper on "Statistical Measurement of Quality of Employment" that the Task Force developed and reports of the nine countries that tested the validity of the proposed set of indicators grouped in seven dimensions. The nine "country pilot reports" were commissioned on behalf of the Task Force by ILO, with funding from the European Union. The goal of the country reports was to determine the applicability of the proposed set and grouping of indicators under a broad variety of situations. The reports cover a number of developed and developing countries from different regions of the world.

The country reports provided valuable insight to the Task Force. Most were presented and discussed at an international meeting on the Measurement of Quality of Employment in Geneva in October 2009. The focus of those discussions was not the findings on quality of employment themselves, but rather how the proposed set and grouping of statistical indicators could be improved, based on the experience the country report authors had in using it. The outcome of the discussions proved very valuable for consolidating the set of potential indicators for Statistical Measurement of Quality of Employment.

The concept paper and country pilot reports presented in this publication is the result of the Task Force efforts over two years. As foreseen in the Terms of Reference, the concept paper, finalised in October 2009, lays out the basic structure for statistical measurement of quality of employment, referred to as conceptual framework, by proposing a comprehensive set of indicators grouped under seven dimensions. However, following the discussion at the CES Bureau meeting in February 2010, the concept paper was revised: the term 'framework' was removed from the document and any possible implication for defining quality of employment in it was avoided. Therefore the final Report of the Task Force refers to a set of Potential indicators for measurement of quality of employment. The final Report together with the country pilot profiles will be submitted to a large consultation with the CES countries prior to the June 2010 plenary session of the CES.

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Acknowledgements

This publication is the result of two years of productive work by the members of the Task Force on Measurement of Quality of Employment and its Steering Committee chaired by Geoff Bowlby from Statistics Canada.

The principal authors of the respective chapters are: Chapter I - Steering Committee (Geoff Bowlby (Canada), Ingo Kuhnert and Johan Van Der Valk (Eurostat), Igor Chernyshev (ILO), Vitalija Gaucaite Wittich and David Boko (UNECE), and Joann Vanek (WIEGO)); Chapter II – Ted Wannell (Canada); Chapter III – Jason Gilmore (Canada); Chapter IV – Hanna Sutela (Finland), Chapter V - Olivier Marchand and Claude Minni (France); Chapter VI - Thomas Körner and Katharina Puch (Germany); Chapter VII - Mark Feldman, Nathalia Shenker and Vered Kraus (Israel); Chapter VIII - Federica Pintaldi, Francesca Della Ratta, Francesca Fiori and Mauro Tibaldi (Italy); Chapter IX – Rodrigo Negrete and Guadalupe Luna (Mexico); Chapter X - Elena Vatcarau and Elena Basarab (Republic of Moldova); and Chapter XI - Igor Mantsurov and Inessa Senyk (Ukraine). The editing and formatting of the publication was carried out by Vitalija Gaucaite Wittich and Zeynep Orhun of UNECE.

The work has benefited from valuable contributions by the members of the Task Force who actively participated in the meetings and in electronic discussions. In the course of the work, many members of the Task Force have contributed papers and presentations as inputs to the discussion. The list of authors who made such contributions is presented in the Bibliography of Chapter I. Statistical Measurement of Quality of Employment. The comments by the CES Bureau members and in particular Australia and the United States are also acknowledged.

The UNECE provided secretariat support to the Task Force. The ILO and Eurostat facilitated the work by securing funding and coordinating the testing of the conceptual framework. The European Commission has provided financial support to produce a validation study and nine country pilot reports. The National Institute of Statistics and Economic Studies (INSEE) of France hosted the first Task Force meeting in Paris.

ABBREVIATIONS

AES	Adult Education Survey
CES	Conference of European Statisticians
CIS	Commonwealth of Independent States
GDP	Gross Domestic Product
ESAW	European Statistics on Accidents at Work
ESS	European Statistical System
EU-27	European Union including 27 member countries
Eurofound	European Foundation for the Improvement of Living and Working Conditions
EUROSTAT	Statistical Office of the European Union
EWCS	European Working Condition Survey
LFS	Labour Force Survey
ICLS	International Conference of Labour Statisticians
ILO	International Labour Organization
INSEE	Institut National de la Statistiques et des Etudes Economiques
IPEC	International Programme on the Elimination of Child Labour
ISCED	International Standard Classification of Education
ISCO	International Standard Classification of Occupation
ISTAT	Istituto Nazionale di Statistica
NACE	Classification of Economic Activities in the European Community
NBS	National Bureau of Statistics
NSO	National Statistical Office
OECD	Organization of Economic Cooperation and Development
SES	Structure of Earnings Survey
SIMPOC	Statistical Information and Monitoring Programme on Child Labour
UNECE	United Nations Economic Commission for Europe

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CHAPTER I. Statistical Measurement of Quality of Employment

Background to the establishment of the Task Force and its work

The creation of the Task Force that prepared this conceptual paper and a set of indicators for Statistical Measurement of Quality of Employment follows several important international seminars in Geneva on this issue. The third Joint UNECE/ILO/EUROSTAT seminar in May 2005 re-started discussions on the importance of quality of employment measurement. At that meeting, much of the attention was on the three approaches on measuring the qualitative aspects of work and labour already in use: the International Labour Organization's (ILO) measurement of Decent Work; the European Commission Quality of Work Indicators; and the Quality of Job and Employment framework used by the European Foundation for the Improvement of Living and Working Conditions (Eurofound) in their European Working Conditions Survey. These sets of indicators, it was discovered, had similar characteristics which should be utilised in the development of a single, coherent approach on the measurement of qualitative aspects of work and labour. The Seminar recommended the creation of a Task Force to define an international conceptual frame for measuring the qualitative dimensions of work, propose a set of indicators to measure quality aspects of labour and employment, and prepare a concept paper for discussion at the following joint UNECE/ILO/EUROSTAT seminar.

There was another meeting later that year, at the ILO headquarters in Geneva, in October 2005. The focus of that International Seminar, attended by some experts who were also at the above-mentioned May meeting, was to examine how Labour Force Surveys could be used to measure the qualitative dimension of employment. One of the Seminar's conclusions was that since Labour Force Surveys were central to the statistical systems run by most National Statistical Offices, they could be useful tools for measuring internationally comparable data.

In April 2007, the fourth joint UNECE/ILO/EUROSTAT Seminar on the Measurement of Quality of Work took place. The Seminar moved the work closer toward a comprehensive, internationally-recognized quality of employment measurement approach and recommended the creation of a new Task Force to further the conceptual work towards the systemic set of indicators on quality of employment statistics. That Task Force was given its mandate by the Conference of European Statisticians (CES) in June, 2007. Among the objectives of the Task Force were:

1) To refine the list of indicators developed by the previous Task Force, taking into consideration the proposals made at the seminar in April 2007.

2) To consider additional indicators including those for which data may not be currently available, as discussed at the seminar.

3) To test the newly created list of indicators against a set of criteria to be developed by the Task Force.

The Task Force met several times to respond to what was asked of them by the CES. This conceptual paper is a reflection of the views of the Task Force, amended to consider the discussions at the fifth Joint UNECE/ILO/EUROSTAT meeting on the Measurement of Quality of Employment in October 2009. At that meeting, the basic principles of the statistical measurement of quality of employment were agreed upon, and suggestions for improvement were made which have been subsequently incorporated into the proposed set of indicators grouped under the seven dimensions.

Introduction

Quality of employment is an issue of importance to many. Nobody wants bad working conditions for themselves, and all but a few would want to eradicate the worst forms of work and labour for others. As a result, countries have labour laws and regulations that prohibit or limit certain forms of work. Some types of employment are deemed illegal (e.g. forced or child labour), while other rules regulate the workforce, without banning activities outright (e.g. by setting maximum working hours). Other labour regulations protect the safety of the worker. The issue of quality of employment, however, extends beyond aspects of work that are illegal or regulated, extending to personal preferences about what workers want from their time spent at work.

Internationally, there is great interest in the issue of quality of employment. From the perspective of the International Labour Organization (ILO), the quality of employment is about security of tenure and prospects for career development; it is about working conditions, hours of work, safety and health, fair wages and returns to labour, opportunities to develop skills, balancing work and life, gender equality, job satisfaction and recognition and social protection. It is also about freedom of association and having a voice in the workplace and the society. Finally, it is about securing human dignity and eliminating discrimination, forced labour, human trafficking and forms of child labour, especially in its worst forms.

These qualitative aspects of work and labour are largely covered by the concept of "Decent Work" defined by the ILO and endorsed by the international community, as "opportunities for women and men to obtain decent and productive work in conditions of freedom, equity, security and human dignity".[1] The Decent Work Agenda provides a framework for the major areas of ILO work and draws attention to the relationships between its four strategic objectives:

(a) Fundamental principles and rights at work and international labour standards.

(b) Employment and income opportunities.

(c) Social protection and social security.

(d) Social dialogue and tripartism.

[1]See ILO. Decent work: Report of the Director-General. International Labour Conference, 87th Session, ILO, Geneva, 1999.

In Europe, the promotion of quality of work is a "guiding principle" in the Social Policy Agenda of the European Union (EU).[2] In 2000, heads of state and governments of the EU met in Lisbon to launch a series of reforms. At this meeting, a new "overall goal of moving to full employment through creating not only more, but also better jobs" was set.[3] Subsequent meetings of the European Council have also concluded that promoting quality and productivity at work is a priority for the EU.

To meet their needs to monitor and develop policies to improve quality of work, both the ILO and the EU have developed their specific frameworks: A framework for the measurement of decent work has been developed by the ILO that combines statistical decent work indicators with information on the legal framework.[4] In other words, the ILO framework covers all elements of the Decent Work Agenda and therefore goes beyond employment. Within the EU, two frameworks are used. One set of indicators is maintained by the European Commission for monitoring labour market policies. Another was developed and is being used by the European Foundation for the Improvement of Living and Working Conditions for their work on this topic.

While several related frameworks exist, each suits a particular purpose or policy agenda. None attempts to produce a broad, overall framework for the measurement of quality of employment as such. Therefore, there remains a need to develop a single, coherent framework around which statistics on quality of employment can be developed and organized.

In 2007 a Task Force was set up to develop a single framework unifying the elements in the different systems. The Task Force was composed of representatives from Canada (chair), France, Finland, Hungary, Israel, Italy, Poland, Eurostat, the European Foundation for the Improvement of Living and Working Condition, Women in Informal Employment: Globalizing and Organizing (WIEGO), ILO and UNECE. Later, Mexico, Republic of Moldova and Ukraine

[2] Esteban Lozano, European Foundation for the Improvement of Living and Working Conditions. *Quality in work: Dimensions and Indicators in the Framework of the European Employment Strategy*, Working Paper no.2. UNECE/ILO/Eurostat Seminar on the Quality of Work, Geneva, May 11 to 13, 2005, p. 2.

[3] IBID, p. 2.

[4] See ILO. Measurement of decent work: Discussion paper for the Tripartite Meeting of Experts on the Measurement of Decent Work, Geneva, 8–10 September 2008, ILO, Geneva, 2008; and
ILO. Tripartite Meeting of Experts on the Measurement of Decent Work Geneva, 8- 10 September 2008. Chairperson's report, ILO, Geneva, 2008.

joined the Task Force. This document is the result of the work of the Task Force. It presents a proposal for a statistical framework on the quality of employment.

The goal of the statistical framework proposed in this document is to provide guidance to countries interested in the development of quality of employment statistics. It is hoped that this framework will be a useful tool for those who are interested to produce statistics on quality of employment indicators.

It is important to note that what is presented below should not be interpreted as a formal international recommendation that requires countries to produce statistics. The primary goal of this effort is to develop tools to measure and understand the quality of employment within a country, rather than facilitate international comparisons.

A. Design of the Framework

1. What is Quality of Employment?

What is quality of employment? What indicators ought to be used to assess such a concept? Neither question is easy to answer. How it is answered depends upon the perspective that one has. The European Foundation has identified three perspectives on the quality of work and employment: societal, corporate and individual.5 From a societal perspective, it may be desirable to have good quality of employment, since high quality employment is assumed to have social spin-offs. However not all aspects of the societal point of view would imply that quality of employment is positive. For example, although public employment generally represents high quality employment, large growth in this sector may not be desirable because it can burden government budgets.

From the corporate point of view, good employment might mean having hard-working, productive staff. Of course there is overlap between the corporate view and the views of the worker on what is high quality employment. However, what is in the interest of the employer is not always the same as that of the worker. So, while an employee might see high wages to his benefit, the employer may not see that attribute of the job as a positive one.

The proposed framework and its indicators are **primarily designed to measure quality of employment from the perspective of the individual or worker**. However, there is also some element of the social perspective built into this framework.[6] Because work is something that delivers a large variety of benefits and negativities to individuals and societies, and individual and societal tastes for what they want from work are equally varied. As a result, there is no one, single definition of what it means to be working in “good" employment.

This perspective affects the framework in a few ways. First, it prevents any development of an index of quality of employment, and as such, the Task Force strictly avoided moving the framework in that direction. Second, because quality of employment means many different things, it requires a varied and populous set of indicators. These indicators, in turn, will be interpreted differently by different people. Since for one person, changes in an indicator can mean good news, while for another it can be neutral or even negative. As a result, the framework will never yield a black and white picture of quality of employment, a reflection of the complexity of the issue being measured.

Since qualitative aspects of work are the subject of study, “access to employment” was a dimension considered, but determined to be outside the scope of the framework. However, one cannot forget the general labour market conditions when using the framework to produce analysis of the state of quality of employment in a country. To get a full picture of the labour market situation of a country, the framework on quality of employment should always be accompanied by regular indicators on employment and unemployment, for example unemployment and labour force participation rates. The conventional labour market indicators, in particular those that adequately reflect access to employment of certain vulnerable groups of population, are an essential piece of information for interpreting the results of the measurement of quality of employment. In turn, qualitative measures can assist in interpreting conventional indicators of employment and unemployment - certain qualitative aspects of the work available, for example, can result in lower labour market participation, especially for vulnerable groups like school-leavers, re-entrants or elderly.

[5] Greet Vermeylen, European Foundation for the Improvement of Living and Working Conditions. *Quality in work and employment in the European Working Conditions Survey*, Working Paper no. 4 UNECE/ILO/Eurostat Seminar on the Quality of Work, Geneva, May 11 to 13, 2005, p. 2.

[6] Note that also the ILO framework on decent work has both a societal and individual perspective.

2. The Quality of Employment Framework

In developing the framework, the following main principles have been used:

1) *The measurement of quality of employment should be comprehensive, with many elements and dimensions.*
2) *Not all aspects of quality of employment will be relevant for measurement in all countries. Each aspect of quality of employment should be sufficiently problematic within a country to justify measurement.*
3) *The measurement of quality of employment should have a transparent logical structure to be called a framework.*
4) *The statistics of quality of employment are designed to be feasible or practical for National Statistical Organizations (NSOs). While designed to draw from existing sources, countries may need to consider expanding the collection of statistics on quality of employment. Each aspect of quality of employment is designed to be technically feasible.*
5) *Use, wherever possible, internationally-accepted computational methodologies and definitions.*

The first and second principles ensure that comprehensive, varied indicators suggested in the framework will help measure quality of employment for workers in any economic sector, of any age, in any occupation, or status in employment and in any country. The framework is flexible enough to address the particular needs of any part of the world. Because it has been developed with a broad approach to the measurement of quality of employment, countries may not find all parts of the measurement framework to be applicable.

The third principle relates to the organization of the framework itself. A framework needs a clear structure. The structure chosen here is based on human needs from work. Employment or work can be viewed as an activity to meet human needs. This view offers a logical structure to the Quality of Employment framework and ensures all aspects of quality of employment are covered. Seven basic dimensions of quality of employment are proposed with indicators specified under each.

The fourth principle ensures practicality, producing simple indicators that can be produced using data collection programmes common in many countries, such as population censuses or household surveys (e.g. labour force surveys). This aims to facilitate ease of use, although it should be of lower priority in terms of a guiding principle for the framework – practicality is important, but simply choosing what is currently available would not be appropriate for statistical framework development. There are important aspects of quality of employment which are rarely measured by NSOs. For those aspects indicators are proposed where, in principle, measurement is considered to be feasible. All indicators in the Framework have been measured in at least one country, as reflected in the "Country Pilot Reports" commissioned by the Task Force.

The fifth principle relates this framework to the international standards now in place. There are two advantages that this brings to the framework – first, there is no point in any duplication in effort; second, this principle facilitates an evolution into an international standard, should the international community decide to proceed down that route.

The following seven dimensions are suggested:

1) **Safety and ethics of employment**
    a. Safety at work
    b. Child labour and forced labour
    c. Fair treatment in employment
2) **Income and benefits from employment**
    a. Income
    b. Non-wage pecuniary benefits
3) **Working hours and balancing work and non-working life**
    a. Working hours
    b. Working time arrangements
    c. Balancing work and non-working life
4) **Security of employment and social protection**
    a. Security of employment
    b. Social protection
5) **Social dialogue**
6) **Skills development and training**
7) **Workplace relationships and work motivation**
    a. Workplace relationships
    b. Work motivation

The structure of the framework is intended to reflect human needs that may be satisfied through employment. Human needs of health, safety and ethical behaviour are listed first. Work should also provide sustenance, so a dimension on income and benefits, naturally, is within the framework.

It is essential for most workers that in the pursuit of these rewards, work should not interfere in any major way with other human activities, in particular family life. Therefore working hours and balancing work and non-working life appear in the framework. Furthermore, for workers it is important that the sustenance from employment should not be volatile. Therefore the work security and social protection dimension has been included. It is generally acknowledged that working conditions are better secured via a good system of social dialogue. This normally involves both pecuniary as well as non-pecuniary rewards from work.

The next two dimensions describe many modern-day aspirations concerning the role of work, specifically aspects of work that provide opportunities for personal growth and work satisfaction. Personal growth is reflected in the dimension of skills development and training and covers both formal and informal training. The final dimension, workplace relationships and work motivation, covers those aspects of work which make workers feel good about their job, in other words aspects of work that provide job satisfaction. The employee-employer and inter-employee relationships are important to the development of healthy workplace cultures and job satisfaction. For instance, Canadian research suggests that issues of social dynamics in the work relationships are a key element to what makes a "good" job.[7]

The framework of Quality of Employment is designed to include survival aspects of employment as well as aspects that may appear more relevant to workers who are safe and well-fed. This makes the framework appropriate for countries in all stages of economic development, both for developing countries (or agencies concerned with their development) and developed countries. It should be noted that the sequence of the dimensions in no way indicates a level of importance or urgency. All dimensions are important. In order to have a good assessment of the quality of employment it is essential that all dimensions are covered.

[7] See Graham S. Lowe and Grant Shellenberg, "What's a good job? The Importance of Employment Relationships", *Canadian Policy Research Network Study* No. W05, Ottawa, 2001.

B. Defining the Dimensions of Quality of Employment

1. Safety and ethics of employment

The dimension on safety and ethics of employment can be defined as a group of indicators that provides general information on workplace injuries and deaths, and unacceptable forms of labour, such as forced labour or the worst forms of child labour, as well as unfair treatment like discriminatory or harassing work situations.

The issue of safety at work is certainly an important element of the quality of employment. Employment which is unsafe would be a bad form of work. However, the issue of workplace safety should not focus only on the most unsafe jobs. Risks of injury or death can exist across all types of work, and thus indicators of the safety of work are an important element of any quality of employment framework.

Child labour, forced or slave labour and trafficked Labour are forms of work that people around the world agree should be abolished universally. The forced labour sub-dimension is defined as those indicators that provide information on any "work or service that is extracted from any person under the menace of any penalty and for which the said person has not offered himself or herself voluntarily".[8] This includes such practices as slavery, bonded labour and involuntary labour resulting from human trafficking. It is felt that such forms of work should be monitored, even if the estimation of the scale of the problem quantitatively will be difficult.

The ILO in the International Programme on the Elimination of Child Labour (IPEC) has worked extensively in this area. The goal of IPEC is the prevention and elimination of all forms of child labour: the priority targets for immediate action are the worst forms of child labour, which are defined in the ILO Convention on the worst forms of child labour, 1999 (No. 182).[9] The ILO Statistical Information and Monitoring Programme on Child Labour (SIMPOC), which is the statistical arm of IPEC, provide statistics on the extent, characteristics and determinants of child labour. The 18th International Conference of

[8] See ILO. *Convention No. 29.*

[9] All forms of slavery or practices similar to slavery such as sale and trafficking of children, debt bondage and serfdom or compulsory labour, including forced or compulsory recruitment of children for use in armed conflict; the use, procuring or offering a child for prostitution, for production of pornographic performances, work which by its nature or circumstances, in which it is carried out, is likely to harm the health, safety or morals of children.

Labour Statisticians (24 November – 5 December 2008) adopted the Resolution concerning statistics of child labour, which contains concepts, definitions and methods of data collection on child labour, including its worst forms.[10]

The ethics of work dimension would not be complete without considering discrimination. Issues of discrimination are captured in the sub-dimension fair treatment in employment,[11] which is aimed at showing how fairly population groups or sub-populations are treated in employment. Particular attention should be paid to labour market conditions of women, various age groups, people of certain ethnic origins, people with physical or mental disabilities, indigenous populations and migrant populations.

The sub-dimension on fair treatment in employment is an exceptional case that requires a special approach. In order to assess the level of fair treatment in employment in principle all quality aspects should be considered for all of the meaningful demographic and social categories in the population. Rather than propose separate indicators for this sub-dimension, the recommendation of the Task Force is to produce as many quality of employment indicators as possible for the groups for which society might have concerns about their fair treatment, and compare those groups with each other or to the results for the general population. In this way, a thorough review of fair treatment can be given.

The approach to fair treatment advocated here was well-implemented in the country case studies prepared for the Meeting on the Measurement of Quality of Employment held in Geneva 14 to 16 October 2009. For many of the indicators, countries highlighted the important effects of sex and age on quality of employment. Additional important variables in these studies were immigrant/non-immigrant status and geographic region.

2. Income and benefits from employment

An obvious component of quality of employment is the income that people receive. The assumption of this dimension is that the higher the pay and other pecuniary benefits of the job, the higher the quality of employment. The concept of income is framed broadly to include not only income and earnings but also the benefits that an employer might provide (and pay for). People value the payment for their work, but they also consider the leave, the health coverage and other benefits provided by their work when asking themselves "what is a good job?"[12]

The sub-dimension, income from employment should provide information on any compensation paid to employees, or income from self-employment. This compensation may take the form of wages and salaries or other remuneration such as bonuses, commissions, gratuities, remuneration income in kind, taxable allowances, retroactive wage payments and stock options. This remuneration should be calculated on a "gross" basis – that is, before deductions such as contributions to income tax, employment insurance, pension funds etc. It should also cover non-wage pecuniary benefits such as supplementary medical, dental or pharmaceutical benefits.

3. Working hours and balancing work and non-working life

The number of hours worked and their scheduling is an important aspect of the quality of employment. It is important to work a substantial number of hours a week. Long hours or working unsocial hours can be very demanding for the worker. Finally, working hours have a strong relationship to balancing work with non-working life.

The number of hours worked is an important aspect of quality of employment. Excessively long or involuntary short hours of work can have a significant impact on human well-being.

In addition to the number of working hours, the timing or when the hours are worked is also relevant. A separate sub-dimension on working time arrangements is needed to show, for example, the days of the week or times of the day when persons work.

Employment should be convenient for balancing work and non-working life. In addition to the number of hours that people work per week, it is important that work schedules are compatible or convenient with

[10] ILO. *Resolution concerning statistics of child labo*ur. 18th ICLS, Report of the Conference, p. 56-66. Geneva, December 2008.

[11] Elimination of discrimination in respect of employment and occupation is part of the ILO's 1998 Declaration on Fundamental Principles and Rights at Work and covered by the Equal Remuneration Convention, 1951 (No. 100) and the Discrimination (Employment and Occupation) Convention, 1958 (No. 111).

[12] In a survey conducted on about 2,500 Canadians, over half of the respondents said that benefits were "very important" in a job, while over 6 in ten said that good pay was very important. Interestingly, the same survey compared what workers want in a job to what they feel they actually get. The largest "job quality deficits" were noted in pay, benefits and the related concept of advancement opportunities.

school schedules (if they have children), and that a schedule is regular and consistent. Being able to choose the schedule is also something of important as more and more employers offer flexible work arrangements. For work-life balance measures, particular attention should be paid to statistics of hours worked among mothers, given their continued dominant role in unpaid work and child care in most countries.

4. Security of employment and social protection

Most workers would like to know that they can count on stable, regular employment, with little or no period of lay-off.[13] Should the job either by its nature or type of contract be insecure, it would be important to know that there is some social protection for the worker.

Security of employment involves information on the degree of permanence and tenure of the work, status in employment, and informalization of employment. This should also give an idea of the degree of "flexicurity" of employment (a portmanteau of flexibility and security).

Social protection offered to workers is also an important aspect of quality of employment. Employment insurance (in some countries called unemployment insurance) coverage, pension coverage, and paid leave for maternity or parental leaves are examples of such social protection. Note that such protection should not be covered under the banner of pay and benefits.

5. Social dialogue

It is generally felt that it is a positive aspect of society if workers have the right to organize, to strike and to collectively bargain with employers. The degree to which this freedom exists, and the degree to which employed people are able enter into social dialogue with employers and governments, is generally seen as a positive aspect of quality of employment. The title of the sub-dimension, social dialogue, encompasses freedom association and the right to organize and bargain collectively. Social dialogue includes all types of negotiation, consultation or simply exchange of information between representatives of governments, employers and workers, on issues of common interest relating to economic and social policy.

[13] In the 2000 Canadian Policy Research Network-EKOS Research (CPRN-EKOS) Survey, good job security ranked with good pay as an important element of job quality.

6. Skills development and training

The dimension skills development and training contains indicators that show the degree to which workers are trained, and whether employed people are under or over-qualified for their work. Many workers engage in a job with expectations and aspirations to have an opportunity to further develop their skills and abilities. The job may offer training, which could be appealing to the worker, or it may offer experiences and opportunities that the worker sees as important to his or her professional or personal development.

This dimension of the quality of employment framework should focus on indicators of training, commonly seen as a positive aspect of any job. But skills are not just a function of the abilities and training of the worker, but also reflect the nature of the job itself. As a result, skills cannot be developed in a work environment where the employed person is over-qualified for the position.

7. Workplace relationships and work motivation

Workplace relationships and work motivating characteristics of the work is in addition to other factors very important to work satisfaction.[14] Not only does it improve work satisfaction, it improves work performance, leads to reduced turnover, higher morale and reduced absenteeism. Two sub-dimensions are distinguished: workplace relationships and work motivation. The first relates to the social characteristics of the work and the second comprises the more individual motivational characteristics.[15]

A modern-day concern is how well we get along with our co-workers. The sub-dimension on workplace relationships focuses on inter-employee dialogue and relationships, as well as communications between employee and their supervisors. The final element of the quality of employment framework is work motivation, a perhaps less-tangible aspect of employment quality. This dimension provides information on characteristics of employment which provide motivation and/or make the worker feel comfortable and taken seriously. It captures elements

[14] See Grahame S. Lowe, and Grant Shellenberg, "What's a Good Job? The Importance of Employment Relationships." *Canadian Policy Research Networks*, Study No. W05, Ottawa, 2001.

[15] S. E. Humphrey, J.D. Nahrgang and F.P. Morgeson. "Integrating motivational, social, and contextual work design features: A meta-analytic summary and theoretical extension of the work design literature". *Journal of Applied Psychology*, vol. 92 no. 5, 2007. p. 1332−1356.

of the work such as having valuable goals, competence, autonomy, and sufficient feedback from the work.

C. Moving from Dimensions to Indicators

The Annex Table shows how to parley the higher-level, conceptual discussion in the earlier parts of this report, into statistical indicators. Again, the goal is not to establish an international reporting requirement for National Statistical Organizations. For one thing, there is not sufficient detail provided in how to measure many of the indicators proposed below to suggest that international comparisons *should* be made. Instead, as stated earlier, the goal should be to provide assistance to countries which need or want to provide a comprehensive portrait of the quality of employment within the country. Further work would be required to provide the specifics of each indicator (precise definitions and collection methods), before meaningful international comparisons can be made.

The indicators being considered for the framework are suggested indicators for use by countries. During their development, the Task Force on the Measurement of Quality of Employment reviewed and agreed-upon this set of possible indicators for country use. Each has been through several rounds of development and review and has been applied by at least one country, including the set on child and forced labour, as well as the workplace relationships and work motivation variables. The latter were considered by the Task Force to be the most problematic.

The Framework and its indicators have been tested in a number of ways:

(i) Quality of Employment Country Pilot Profiles: Nine country profiles were prepared sponsored by the International Labour Organization, using funds provided by the European Union (specifically Canada, Finland, France, Germany, Israel, Italy, Mexico, Republic of Moldova and Ukraine). Authors of the reports were asked to produce interpretive analysis of each aspect of quality of employment, using the proposed indicators as determined during earlier meetings of the Task Force. Feedback reports and presentations provided to the fifth UNECE/ILO/Eurostat Meeting on the Measurement of Quality of Employment showed general support for the framework and its indicators. The indicators presented below reflect comments made at that meeting. The country profiles are published in this collective volume and are also available on the UNECE website (http://www.unece.org/stats/documents/2009.10.labour.htm).

(ii) The Validation Study: this study by ISTAT used Principal Component Analysis to test the completeness/redundancy and validity of the quality of employment indicators selected for analysis. It highlighted the relevance of indicators for the statistical framework suggested by the Task Force as well as provided evidence of the quality of employment indicators' applicability to the ILO framework of Decent Work. The Validation study is available on the UNECE website, mentioned above.

D. How to use the Framework

It is the view of the Task Force that the dimensions and sub-dimensions of the framework are comprehensive, reflecting all aspects of quality of employment. However further work and experiences are required on which indicators to use in each sub-dimension and on the exact definitions of the indicators. It was decided to take an empirical approach to achieve this. The first tests of the framework with the current state of indicators showed that it provides satisfactory results. Hence it is suitable for practical use. Countries are explicitly invited to test the framework and report on their experiences. After several rounds of these exercises, and a review and analysis of the findings, the framework's set of indicators can be revised.

Associated with the dimensions of the framework are a number of suggested indicators for country use. It is proposed that countries take on board all aspects of quality of employment, along with the suggested indicators, and decide for themselves which indicators are the most relevant and feasible. The indicators are not fully defined in many cases, but the nature of the indicator should be apparent from the description of the dimensions of the Framework. It is important to note that several of the proposed indicators are also indicators used by the ILO for measurement of Decent Work and in this framework have been clearly defined. These definitions can be used by countries choosing to implement the Quality of Employment Measurement Framework. (An ILO publication on the Decent Work Framework with its indicators and definitions will be available shortly).

The main purpose of the national use of the Quality of Employment framework is to provide a comprehensive picture of the quality of employment.

However, for the process of refining the indicators it would be helpful if each indicator were to be explicitly tested. Aspects to be tested are (i) the accuracy of the set of indicators per (sub) dimension, (ii) the most appropriate definition of indicator and (iii) the preferred data source.

Regarding accuracy, additional assessment is required on how comprehensively each (sub) dimension is portrayed by the set of indicators at hand. Are the right concepts included? This can work out both ways: Some suggested indicators may not give correct or useful information on the (sub) dimension, or an important indicator may be missing. If the subject of the indicator is in principle correct, the accuracy can be improved further by adopting the best definition. Finally, for each indicator the source that gives the most accurate and precise results should be found.

As noted above, the Quality of Employment Framework is designed to measure the qualitative aspects of employment of the persons at work but does not address access to employment. To re-emphasize, it is imperative when using the Quality of Employment Framework for analysis, that any review of the quality of employment should be accompanied by a review of standard quantitative measures of the labour market as well as other descriptive information, to set an appropriate context. This context may be framed for a country as a whole, as well as its geographic regions and demographic groups. Indicators on persons not working and data that relate the size of the workforce to the total population are essential for an analysis of the quality of the labour market as a whole. The framework is developed in order to extend the traditional description of the labour market indicators on the quantitative aspects like employment rate, activity rate and unemployment rate.

At the national level, the framework can be used to spot labour market trends. Apart from trends in the number of employed, one would be interested to see changes in kinds of employment. In cases of economic downturn, for example, it would be useful to know how the labour market adapts: through changes in the quantity of work or through changes in the quality of work, or both. Secondly, the framework is especially useful to identify groups with a good or bad labour market situation. For this many different subpopulations could be compared: sex, age categories, ethnic minorities, level of educational attainment, persons with a disability, regions, etc. This is possible if the indicators of the framework are measured separately for the categories in question, accompanied by a similar breakdown also for the quantitative indicators. Another possible application of the framework would be to use it to compare the quality of employment in different sectors of economic activity.

Another application which may lead to important comparisons between different categories of employed persons, at least for certain dimensions in the framework, is that of status in employment: employees; employers, own-account workers; contributing family workers and employees may face different issues with respect to issues of quality of employment. It is important to note that the Quality of Employment Framework aims at covering both persons in paid employment and the self-employed and for that reason many of the indicators are defined in terms of all employed persons. While some sub-dimensions of the framework are by definition more geared towards paid employees, countries should consider all status in employment categories in implementing quality of employment measures.

More work and analysis needs to be carried out in country-specific quality of employment profiles. It is hoped that countries will take this up as a follow-up to the fifth UNECE/ILO/EUROSTAT Meeting on the Measurement of Quality of Employment so that the currently suggested list of indicators could be extended accordingly wherever possible.

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ANNEX— Dimensions and indicators

Dimension	Suggested indicators
1. Safety and ethics of employment	
(a) Safety at work	▪ Fatal occupational injury rate (Workplace fatalities per 100,000 employed people) ▪ Non-fatal occupational injury rate (Workplace accidents per 100,000 employed people) ▪ Occupational disease contraction per 100,000 employed persons ▪ Share of employed persons working in "hazardous" industries and occupations (as defined by ILO) ▪ Share of employed persons who feel significant levels of stress on the job
(b) Child labour and forced labour	▪ Share of employed persons who are below the minimum age specified for the kind of work performed. ▪ Share of employed persons below 18 years of age in “hazardous” industries and occupations (as defined by ILO). ▪ Share of employed persons below 18 years working hours which exceed a specified threshold ▪ Share of children working in household chores which exceed a specified threshold of hours ▪ Share of employed or recently-employed migrant population who were deceived during recruitment to/by an employer (i.e. deceived by broken promises related to salary and deductions, working conditions, type of work, working place, living conditions, or employer) ▪ Share of employed or recently-employed migrants who felt they were forced or coerced during their employment (i.e. coerced by salary retention, unwilling provision of services, threat or application of violence, threat of denunciation to authorities, document confiscation, debt dependence)
(c) Fair treatment in employment	▪ FOR THE MEASUREMENT OF FAIR TREATMENT, STATISTICS SHOULD BE PRODUCED ACROSS ALL DIMENSIONS, FOR AS MANY INDICATORS OF QUALITY OF EMPLOYMENT AS POSSIBLE, FOR THE FOLLOWING GROUPS DEPENDING ON THEIR RELEVANCE In A COUNTRY: - Sex - Ethnic groups - Immigrants - Indigenous population - Persons with disabilities - Age groups - Geographic Regions

2. Income and benefits from employment	
(a) Income from employment	▪ Average weekly earnings of employed people. ▪ Low pay (Share of employed with below 2/3 of median hourly earnings) ▪ Distribution of weekly earnings (quintiles)
(b) Non-wage pecuniary benefits	▪ Share of employees entitled to annual leave ▪ Average number of days of annual leave employees are entitled to use per year ▪ Share of employees entitled to sick leave ▪ Average number of days of sick leave employees are entitled to use per year ▪ Share of employees with supplemental medical insurance plan
3. Working hours and balancing work and non-working life	
(a) Working hours	▪ Average actual hours worked per week per person ▪ Share of employed persons working 49 hrs and more per week ▪ Share of employed persons working less than 30 hours per week involuntarily ▪ Distribution of actual hours worked (quintiles) ▪ Share of employed persons working more than one job
(b) Working time arrangements	▪ Share of employed persons who usually work at night/evening ▪ Share of employed persons who usually work on weekend or bank holiday ▪ Share of employees with flexible work schedules
(c) Balancing work and non-working life	▪ Share of employed persons receiving maternity/paternity/family leave benefits ▪ Average actual hours worked per week per household ▪ Ratio of employment rate for women with children under compulsory school age to the employment rate of all women aged 20-49 ▪ Average duration of commuting from home to work
4. Security of employment and social protection	
(a) Security of employment	▪ Share of employees 25 years of age and older with temporary jobs ▪ Share of all employed persons who are unincorporated self-employed without employees ▪ Shares of employed persons 25 years of age and older with job tenure < 1 year, 1-3 years, 3-five years, ≥ 5years
(b) Social protection	▪ Share of employees covered by unemployment insurance ▪ Average weekly unemployment insurance payment as a share of average weekly wage ▪ Public social security expenditure as share of GDP ▪ Share of economically active population contributing to a pension fund
5. Social dialogue	
	▪ Share of employees covered by collective wage bargaining ▪ Share of enterprises belonging to employer organizations

6. Skills development and training	
	▪ Share of employees who received job training within the last 12 months ▪ Share of employees who received job training by type of job training (e.g. job-related, done on one's own initiative) ▪ Share of employed persons in high skilled occupations ▪ Share of employed persons who have more education than is normally required in their occupation ▪ Share of employed persons who have less education than is normally required in their occupation
7. Workplace relationships and work motivation	
(a) Workplace relationships	▪ Share of workers who feel they have a strong or very strong relationship with their co-workers ▪ Share of employees who feel they have a strong or very strong relationship with their supervisor ▪ Share of workers who feel they have been a victim of discrimination at work ▪ Share of workers who feel they have been harassed at work
(b) Work motivation	▪ Share of workers who are able to choose order of tasks or methods of work ▪ Share of employees who receive regular feedback from their supervisor ▪ Share of workers who feel they are able to apply their own ideas in work ▪ Share of workers who feel they do "useful" work ▪ Share of workers who feel satisfied with their work

CHAPTER II. Canada Pilot Report

Canada had a total population of 33.7 million in the fall of 2009, up from 30.4 million ten years earlier. Immigration continues to be an important contributor to population and labour force growth, and this is projected to continue in the coming decades.

The indicators presented in this report are based on annual averages from 2008. In 2008, 17.1 million Canadians were employed in the paid labour force, accounting for 63.6 per cent of the total population aged 15 or older. The share of the population with paid employment, i.e. the employment rate, was higher in 2008 than it had ever been previously. In part, this reflected the ongoing increase in the employment rate of women, which rose from 54.6 per cent to 59.3 per cent from 1999 to 2008.

The impacts of the global recession on the Canadian labour market were only starting to be evident towards the end of 2008. From September to December of that year, the national unemployment rate averaged 6.0 per cent, up from 5.5 per cent over the same period in 2007. However, the unemployment rate rose from 6.3 per cent in December of 2008 to 8.8 per cent in March of 2009.[16] Full-time employment dropped significantly as well, particularly in the goods-producing sector. Job quality measures that are sensitive to cyclical fluctuations should be interpreted in this context.

The unemployment rate stood at 6.1 per cent in 2008, up one percentage point from 2007, the year the rate fell to its lowest point in over three decades. The unemployment rate was higher for men (6.6 per cent) than women (5.7 per cent). From the early 1990s onwards, women's unemployment rate has been consistently lower than men's.

As the recession continued to unfold, men's unemployment rate rose 0.9 percentage points to 8.0 per cent in January 2009, compared with a 0.2 point increase for women, to 6.2 per cent. The large increase for men contributed to pushing the overall unemployment rate to 7.2 per cent in January from 6.6 per cent in the previous month. This increase in overall unemployment was the result of employment losses totalling 129,000 among workers age 15 years and over. While men's share in the workforce was 52 per cent, they accounted for nearly three-quarters (72 per cent) of the employment decline.

Among workers age 25 to 54 (the core age group), employment fell by 111,000 from December 2008 to January 2009, with men accounting for nearly two-thirds of the decline. Over the 12 months from January 2008 to January 2009, the decline in employment occurred in many industries with a high concentration of male workers, such as manufacturing, utilities, transportation and warehousing, and agriculture.

In contrast, many industries with a large concentration of women saw some employment growth—for example, health care and social assistance (5.1 per cent), accommodation and food services (2.9 per cent), other services (2.1 per cent), and finance, insurance, real estate and leasing (1.6 per cent). Women's share in these industries ranged from 55 per cent in the 'other services' category to 82 per cent in the health sector. The only exception was education, where women make up 66 per cent of the workforce, with an employment decline of 1.5 per cent.

At 67.8 per cent in 2008, the **participation rate** reached the highest level ever seen in 33 years—it stood at 61.5 per cent in 1976. While women's rate steadily climbed from 45.7 per cent to 62.8 per cent during the three-decade period, men's rate declined from 77.7 per cent to 72.9 per cent.

Total **actual hours** worked dropped throughout 2008, ending the year 1.2 per cent lower in the last quarter than in the same quarter of 2007. This was the largest year-over-year drop since 2001, the last time a slowdown hit the labour market. This decline in hours was mainly due to a shift toward hiring part-time workers in 2008. Both employees and the self-employed worked fewer hours over the year.

A. Safety and ethics of employment

1. Safety at work

As in many advanced economies, Canadian jobs are increasingly concentrated in the service sector as opposed to the goods-producing sector. In general, jobs in the service sector tend to be physically less demanding and have lower injury rates than those in the goods sector. Thus the long term shift of

[16] See Cansim. Table 282-0001: Labour Force Survey estimates, by sex and detailed age group; Canada; Unemployment rate; Both sexes; 15 years and over (rate).

employment to the service sector should contribute to the overall safety of jobs.

A recent study using workers compensation data from two Canadian provinces — British Columbia and Ontario — indicates that while the aggregate shift of jobs to the service sector does depress the injury rate, there have been significant declines in lost-time injury rates within both the goods-producing and service sectors.[17] So, while injury rates remain higher in the goods sector, they are falling faster than in services. For example, the injury rate in the goods-producing sector stood at 5.9 per 100 full-time equivalent workers in Ontario in 1990. By 2001, the injury rate in this sector fell by 53.9 per cent to 2.7. During the same period, the injury rate in services dropped 47.3 per cent, from 4.five to 2.4 per 100 full-time equivalent workers. Trends were similar in British Columbia.

Survey data are less specific in terms of the reason for absences. For example, Statistics Canada's Survey of Labour and Income Dynamics combines work-related injuries and illnesses. Even so, trends in survey data are similar to the workers compensation data: the rate of work-related absences lasting at least two weeks fell by about 50 per cent between the late 1980s and early 2000s.[18]

2. Child labour and forced labour

Child labour is not considered to be enough of an issue in Canada to merit the collection of statistical data. The Labour Force Survey and other labour-related surveys begin including individuals in the working-age population after their 15th birthday. A lack of employment opportunities for secondary and postsecondary students, particularly during the summer holiday period, receives more interest.

Forced labour is illegal and similarly is not the subject of any statistical activities. Anecdotes related to the sex trade do appear in the media from time to time.

[17] See F. Curtis Breslin, Peter Smith, Mieke Koehoorn and Hyunmi Lee. "Is the workplace becoming safer?". *Perspectives on Labour and Income*. Vol. 7, no. 7. July 2006. Statistics Canada Catalogue no. 75-001-XPE.

[18] See Katherine Marshall. "On sick leave". *Perspectives on Labour and Income*. Vol. 7, no. 4. April 2006. Statistics Canada Catalogue no. 75-001-XPE.

B. Income and benefits from employment

1. Income from employment

Income from employment is the single most watched job quality indicator in Canada. This is not just because it is the most readily understood, but also because it is strongly correlated to most other dimensions of job quality. Higher paid jobs tend to have better non-wage benefits, better working environments and provide the incumbent with more control over their job.

Overall earnings trends can be summarized by average weekly earnings. Average weekly earnings among all the employed stood at Can$783.09 in 2008 (Labour Force Survey). However, this number does not provide much information on its own. The most frequently posed question is whether jobs are improving over time (Table 1).

Table 1. Average weekly earnings, 2008

	Both sexes	Men	Women
All employees			
Average weekly earnings (Can$)	783.09	903.36	661.03
Low pay (per cent below half the median hourly earnings)	10.4	n.a.	n.a.
of which	100	38	62
Canadian-born			
Average weekly earnings (Can$)	786.92	907.73	664.92
Low pay (per cent below half the median hourly earnings)	10.5	n.a.	n.a.
of which	100	38.2	61.8
Landed immigrants			
Average weekly earnings (Can$)	771.31	889.65	650.0
Low pay (per cent below half the median hourly earnings)	9.8	n.a.	n.a.
of which	100	36.8	63.2

Source: Statistics Canada, Labour Force Survey.

Earnings trends are characterized by shorter term cyclical movements and longer term structural shifts. Robust job growth in the years before the late 2008 downturn created tight labour market conditions. Real weekly earnings (adjusted for inflation) increased by 4.4 per cent from 2005 to 2008.

Since Labour Force Survey data on earnings were first collected in 1997, Census data are used to look at longer term earnings trends. Focusing on full-year, full-time workers,[19] real earnings growth started to pick up in the first half of this decade, growing by 2.4 per cent from 2000 to 2005. In the 20 preceding years, real earnings declined by 2.2 per cent. So the 2000 to 2008 period represents the longest sustained period of earnings growth in the past quarter-century.

Earnings vary by class of worker, with full-time workers generally earning higher wages than part-time workers. In December 2008, full-time workers earned Can$23.39 per hour, while part-time workers earned Can$15.15 per hour—65 per cent of the full-time wage. The gulf between full-time wages and part-time wages reflects a number of factors: age, experience, education, industry and occupation, to name a few.

Overall averages give a rough sense of typical job quality, but provide no information on the number of relatively high-paid or low-paid jobs. The proportion of workers earning less than 50 per cent of the median wage is one of a range of indicators that can be used to identify low-wage workers: 10.4 per cent of workers fell below this line in 2008. A recent study using a different measure[20] suggests that the proportion of low-wage jobs has been quite stable since the early 1990s.

Earnings of women

Women have comprised an increasing proportion of the workforce in recent decades. In fact, since the recent recession has had a large impact on male-dominated industries—manufacturing, construction and natural resources—the number of female employees exceeded the number of male employees for the first six months of 2009.[21]

On an average weekly basis in 2008, women earned Can$661.03 compared to Can$903.36 for men. This gender gap in earnings does not account for differences in hours of work, the characteristics of the worker nor the characteristics of jobs.

Looking at hourly wages, women earned an average of Can$19.89 per hour in December of 2008 or 84 per cent of men's average earnings of Can$23.39. The earnings ratio is similar among full-time workers and actually reverses among part-time workers. This is due to the predominance of women among part-time workers in highly paid occupations.

Studies that control for many of the factors contributing to the gender earnings gap find that these factors still cannot explain the entire gap. One of the most comprehensive Canadian studies used the Workplace and Employee Survey (1999) to control for worker, job and workplace characteristics.[22] It estimated that women earned 92 per cent of what men earned after accounting for these factors.

The gender earnings gap also extends to the lower end of the earnings distribution. Women were more likely than men to earn less than half the median in 2008 (13 per cent versus 8 per cent), and as a result, women comprised 62 per cent of low-paid workers.

Immigrants earnings

More than one in five Canadians are landed immigrants and many more are the children or grandchildren of immigrants. In recent decades, immigration policy has focused on economic immigrants. Potential economic immigrants are rated on their potential for labour market success in Canada as measured by their education, job and language skills. As a result, recent immigrants are more than twice as likely to have a university degree as the Canadian-born population. Thus there is great interest in labour market outcomes, such as job quality indicators, for immigrants.[23]

Immigrant employees earned an average Can$771.31 per week in 2008, compared to Can$786.92 for their Canadian-born counterparts. Among all immigrant groups, very recent immigrants, those who had been in Canada for five years or less, had the lowest average weekly earnings (Can$642.57), followed by immigrants with five to ten years residency (Can$724.73) and established immigrants with residency of at least ten years (Can$813.51) (Table 2).

Earnings of established immigrants appear to be higher than those of Canadian-born, but when these earnings are compared on the basis of education level, immigrants are found to be underemployed and have

[19] Restricting the analysis to full-time, full-year workers controls for long-term structural shifts in classes of worker and a change in collection methodology in the 2006 Census.

[20] The proportion of full-year, full-time workers falling below two-thirds of the median earnings.

[21] Men still comprise roughly two-thirds of the self-employed so that women still account for less than half of all "employed."

[22] See Marie Drolet. "The Who, What and Where of Gender Pay Differentials". *The Evolving Workplace Series* No. 4. 2002. Human Resources Development Canada and Statistics Canada. Catalogue No. 71-584-MPE No. 4.

[23] For a more comprehensive review of immigrant job quality in Canada see Chapter III.

lower earnings than the Canadian-born.[24] Moreover, a number of studies show that convergence with Canadian-born earnings has been more prolonged in recent immigrant cohorts.[25]

Table 2. Average weekly earnings and incidence of low pay by period of immigration, 2008

	Average weekly earnings (Can$)	Low pay (per cent below half the median hourly earnings)
Total landed immigrants	771.31	9.8
Immigrants 0-5 years since landing	642.57	16.5
Immigrants 5-ten years since landing	724.73	11.7
Immigrants >ten years since landing	813.51	7.7
Canadian-born	786.92	10.5

Source: Statistics Canada, Labour Force Survey.

2. Benefits from employment

Labour regulation in Canada is shared between the federal government, the provinces and territories: employment practices and statutory benefits for some industries are federal responsibilities, while most come under provincial or territorial jurisdiction. In practice, most regulatory regimes are similar, but benefits tend to vary and be more affected by industry trends than regulatory regimes.

Share of employees using paid annual leave

Although paid vacation leave is a legislated benefit in all jurisdictions, utilization is less than 100 per cent since for most part-time employees vacation leave is paid out as a proportion of salary. Moreover, some full-time employees may opt to "cash out" vacation credits or accumulate them over several years, if allowed by their employer.

In 2005, three-quarters of employees (76 per cent) used paid vacation leave. More men than women did so (78 per cent versus 74 per cent).

A similar proportion of Canadian-born and immigrants used paid annual leave (76 per cent). However, among immigrants, 64 per cent of very recent immigrants (five years or less) used paid annual leave, compared with 77 per cent of recent and established immigrants (i.e. those who had been in the country for five years or more). Since paid leave increases with job tenure in many workplaces, very recent immigrants are perhaps less likely to have accumulated more than the base entitlement.

About three-quarters of both disabled employees (74 per cent) and non-disabled employees (76 per cent) used paid annual leave in 2008.

Average number of days of paid annual leave

Labour legislation typically mandates a minimum of 10 paid vacation days per year. In 2005, the average number of days of paid annual leave taken was 11.37 for all employees; 11.90 for men, and 10.89 for women.

The number of days used by Canadian-born employees and by immigrants was similar, except for very recent immigrants. Immigrants in the country for five years or less used 8.04 days, compared with 11.56 for those who had arrived earlier. Usage could be below statutory levels for two reasons. First, those in the country for less than a year have not accumulated full vacation credits. Second, recent immigrants have lower than average earnings and thus may be more likely to cash out some of their benefits.

Share of employees using sick leave

In 2005, about 40 per cent of employees used sick leave. More women than men used sick leave (43.8 per cent versus 34.8 per cent). A similar share of Canadian-born and immigrants used sick leave (39.3 per cent and 40.5 per cent respectively), but there was a wide gap among immigrants. Less than one-third (31.3 per cent) of very recent immigrants used sick leave, compared with 41.6 per cent of those who had been in the country for at least five years.

Medical, Dental and Life Insurance

According to the 2000 Survey of Labour and Income Dynamics, 62 per cent of all employees had supplemental medical, dental or life insurance through their employer. One half had all three types of insurance. Employer insurance coverage was significantly associated with higher paid jobs, union

[24] See Diane Galarneau, and René Morissette. "Immigrants' education and required job skills". *Perspectives on Labour and Income*. Vol. 9, no. 12. December 2008. Statistics Canada Catalogue no. 75-001-XIE.

[25] Marc Frenette and René Morissette. *Will They ever Converge? Earnings of Immigrant and Canadian-born Workers over the Last Two Decades*. Analytical Studies Branch Research Paper Series, 2003. Statistics Canada Catalogue no. 11F0019MIE – No. 215. Ottawa. p. 20

representation, longer tenure, larger firm size and permanent jobs.[26]

C. Working hours and balancing work and non-working life

1. Working hours

In the context of job quality, suitable working hours depend on the situation and financial needs of the individual. The standard full-time work week of 35 to 40 hours per week may be suitable to most prime age workers, but not suitable for full-time students or those transitioning to retirement. Part-time hours may suit students or seniors' needs, but would not provide an adequate income for most adults with dependent children. Long working hours may be related to job demands or financial need but can often result in personal stress or conflict with family responsibilities.

Average weekly hours per person

In 2008, Canadians worked an average of 36.1 **actual hours** per week in their main job, down from 36.5 in 2007. Employees worked 35.5 actual hours per week, down from 35.7 in 2007, while the self-employed worked 39.5 hours, down from 40.4. These decreases likely reflect the effects of the downturn since employers will usually start cutting back on employee hours as demand slackens before reverting to lay-offs.

The decline in hours worked was similar for men and women. Men's actual hours stood at 39.3 in 2008, down from 39.7 in 2007. Women worked 32.4 hours in 2008, down from 32.8 in 2007. Over the long term, working hours have been increasing for women and decreasing for men.[27]

Immigrants worked, on average, longer hours than the Canadian-born in 2008 (36.8 versus 35.9). Established immigrants worked 37.1 actual hours, while recent and very recent immigrants worked 36.3 and 35.8 respectively.

Work hours

In 2008, about 40 per cent of employees worked either short hours or long hours at their main job. One in seven employees worked 49 hours or more, while just over one in four worked less than 30 hours.

Over three-quarters (76 per cent) of employees working 49 hours or more were men. The majority (63 per cent) of those working less than 30 hours were women.

Cyclical trends were also apparent in the number of employees working long or short hours. The number of employees working 49 or more hours per week decreased by 1.5 per cent from 2005 to 2008, while the number working less than 30 hours increased by 10 per cent. The number of men working less than 30 hours per week increased 10 per cent, compared with 7 per cent for women during the 2005-to-2008 period.

About 14 per cent of immigrant employees worked at least 49 hours per week at their main job, similar to the rate of Canadian-born employees. However, more Canadian-born than immigrants employees worked less than 30 hours—26 per cent versus 23 per cent (Table 3).

Table 3. Long and short work hours, 2008

	All employees	Canadian-born	Immigrants
Percentage of employees working 49 hours or more per week	14.0	14.0	13.9
Percentage of employees working less than 30 hours	25.6	26.2	22.9
Percentage of employees working less than 30 hours involuntarily	6.9	6.1	10.9

Source: Statistics Canada, Labour Force Survey.

2. Working time arrangements

Shift work

Shift work comprises regular evening and night schedules, rotating shifts (those that change periodically from days to evenings or to nights), split shifts (two or more distinct periods each day) and a number of irregular arrangements.

According to the General Social Survey, there were more than 4 million (4,068,000) shift workers aged 19 to 64 in 2005: 28 per cent of all workers in that age

[26] See Katherine Marshall. "Benefits of the job". *Perspectives on Labour and Income*. Vol. 4, no. 5, May 2003. Statistics Canada Catalogue no. 75-001-XPE.

[27] See Jeannine Usalcas. "Hours polarization revisited". *Perspectives on Labour and Income* . Vol. 9, no. 3, March 2008. Statistics Canada Catalogue no. 75-001-XIE.

range.[28] The vast majority of shift workers (82 per cent) worked full time. Men were slightly over-represented among shift workers as they accounted for 57 per cent of workers on shift and 54 per cent of those working regular days.

Share of employees working weekends

According to the 2005 Workplace and Employee Survey, about 28 per cent of employees reported working on weekends. Women were more likely than men to work on weekends: 31 per cent compared with 25 per cent. This may be explained by a higher concentration of women in service industries where weekend work is relatively more prevalent.

While the share of immigrants working on weekends was lower than that of the Canadian-born (24 per cent versus 29 per cent), there was a significant gap between more recent and more established immigrants. Among immigrants in Canada for less than five years, 32 per cent worked weekends, compared with 23 per cent of those who were in Canada for five years or more.

Disabled employees were more likely to work on weekends than their non-disabled counterparts: 31 per cent compared with 28 per cent.

Share of employees with flexible work schedules

In 2005, nearly 37 per cent of employees reported working flexible schedules. Flexible work arrangements were reported more frequently by men that by women (39 per cent versus 34 per cent). While this is related to the higher proportion of men working in full-time jobs where such arrangements are more common, it is perhaps a mismatch in terms of responsibilities outside the workplace since women still perform the majority of housework and child care in dual income couples.[29]

The incidence of working flexible schedules was slightly higher among Canadian-born employees compared to immigrants (37.1 per cent versus 34.4 per cent). Among immigrants, a smaller percentage of very recent immigrants had flexible schedules (25.7 per cent) compared with 35.4 per cent of those who had been in the country at least five years.

[28] See Cara Williams. "Work-life balance of shift workers". *Perspectives on Labour and Income*. Vol. 9, no. 8, August 2008. Statistics Canada Catalogue no. 75-001-XIE.

[29] See Katherine Marshall. "Converging gender roles". *Perspectives on Labour and Income*. Vol. 7, no. 7, July 2006. Statistics Canada Catalogue no. 75-001-XPE.

3. Balancing work and non-working life

The potential for work and non-work time conflicts often increases when families have pre-school age children. In 2008, the participation rate of women aged 20 to 49 with children under six years of age stood at 67.1 per cent--ten percentage points less than the comparable rate for all women in that age group. The gap between the participation rates of mothers with pre-school children shrank considerably in the 1890s and 1990s but has levelled out in recent years.

Table 4. Working mothers of pre-school children, 2008

	Employment rate of all women age 20 to 49	Employment rate of mothers with children under age 6	Ratio of working mothers with children under age 6
Canadian-born	80.4	72.6	0.90
All immigrants	68.5	54.4	0.79
Immigrants 0-five years since landing	53.5	37.0	0.69
Immigrants 5-ten years since landing	64.2	54.5	0.85
Immigrants >ten years since landing	76.7	67.3	0.88

Source: Statistics Canada, Labour Force Survey.

The participation rate of mothers with young children varies significantly by immigration status. The participation rate for Canadian-born mothers of children less than six is 72.6 per cent. The comparative rate is 67.3 per cent among immigrants who landed more that ten years previously, and drops to 37 per cent among very recent immigrants. In other words, recent immigrant mothers of young children are much less likely to be in the labour market than more established immigrant mothers or Canadian-born mothers (Table 4).

D. Security of employment and social protection

1. Stability and security of work

In 2008, just under one-tenth of paid employees in Canada (9.1 per cent) worked in a temporary job–a job with a predetermined end date or jobs that end when

a specific project is completed. Temporary jobs include seasonal jobs; temporary, term or contract jobs; casual jobs and other temporary work.

Among paid employees, the incidence of temporary employment was slightly higher among immigrants than among individuals born in Canada, at 9.5 per cent and 8.8 per cent respectively (Table 5). Among immigrant employees, the incidence of temporary employment was higher among those who had been permanent residents in Canada for less than five years (at 16.1 per cent) than among those who had been permanent residents for five to nine or at least ten years (at 12.1 per cent and 7.4 per cent respectively).

Table 5. Temporary Employment, 2008

	Temporary employees (per cent)
Canadian-born	8.8
All immigrants:	9.5
Immigrants 0-five years since landing	16.1
Immigrants 5-ten years since landing	12.1
Immigrants >ten years since landing	7.4

Source: Statistics Canada, Labour Force Survey.

Among all paid employees in 2008, the incidence of temporary employment was slightly higher among women than men, at 12.7 per cent and 11.8 per cent respectively.

In 2008, just over half of Canadian employees (53 per cent) had job tenure of five years or more, while over one-third (35 per cent) had job tenure of less than 3 years.

2. Social protection

The vast majority of Canadian employees contribute to the Employment Insurance (EI) programme. In the event of job loss, the number of insured hours required to qualify for regular Employment Insurance benefits varies across regions in Canada, ranging from 420 to 700 hours, depending on the unemployment rate of the region. The higher the unemployment rate in a region, the lower the number of hours required to qualify for benefits in that region.

In 2008, over half a million of unemployed individuals (571,800) had contributed to the Employment Insurance programme and had a valid reason for their job separation. These were considered 'potentially eligible' for regular employment insurance benefits, and the vast majority of them (82.2 per cent) were eligible to receive regular EI benefits because they had worked sufficient hours in the previous 52 weeks. The hours required to qualify for benefits vary from 420 to 720 depending upon the regional unemployment rate.

Those who were considered 'potentially eligible' accounted for more than half (52.2 per cent) of all unemployed individuals. The remaining 47.8 per cent were 'not potentially eligible' for a variety of reasons, with the main reason being that they had not worked in the 12 months prior to unemployment. This particular group represented a little over one-quarter of the unemployed (25.5 per cent). Another 17.9 per cent of the unemployed had left their job for a reason not deemed valid by the EI program: they left their job voluntarily or they were dismissed for misconduct (Table 6).

Canada's Employment Insurance program also provides maternal and parental benefits. The number of women in Canada who had a child up to one year old increased 2.6 per cent to nearly 387,000 in 2008. Over three-quarters (77 per cent) of these women had insurable employment, while 23 per cent did not. More than half of the group without insurable employment had not worked in the previous two years.

Table 6. Employment Insurance (EI) eligibility, 2008

	Number	**Percentage of unemployed**
Unemployed[1]	**1 094 600**	**100.0**
Contributors	767 100	70.1
Non-contributors	327 500	29.9
Potentially eligible[2]	571 800	52.2
Not potentially eligible	522,800	47.8
Eligible as a proportion of EI contributors who had a job separation that met the program criteria.[3]	469 700	82.2

Source: Statistics Canada, Employment Insurance Coverage Survey.
[1]Average number of unemployed individuals for the months of March, June, October and December.
2Individuals who contributed to EI and had a valid job separation.
[3]Individuals who contributed to EI and had a valid job separation and enough hours of work to meet the EI program requirements.

In all, 88.1 per cent of mothers who had insurable employment received benefits in the form of maternity or parental benefits during their pregnancy, or after the birth or adoption of their child. These benefits were from either the EI program or the Quebec Parental Insurance Plan.

Public social security expenditures in Canada, including public retirement pensions, employment insurance and health care, accounted for 17.5 per cent of GDP in 2008.

Canada has a tiered retirement system. Old Age Security, a universal social transfer system based on the number of years of residency is available for people aged 65 and older. A Guaranteed Income Supplement is available for low income seniors. Virtually all workers are covered by the public retirement pension programmes, the Canada and Quebec Pension Plans. Funded by employee and employer contributions, full benefits replace approximately 25 per cent of the average industrial wage and may be collected at age 65. Receipt of benefits can be begun as young as age 60 with an actuarial-based penalty, or as late as age 70 with a premium. In 2008, the maximum monthly benefit was Can$885 per month and the average new benefit was Can$490 per month.

Employers may offer registered pension plans which they fund entirely or supplement with employee contributions. In 2007, 37.7 per cent of male employees and 38.8 per cent of female employed aged 17 to 64 in Canada belonged to a registered pension plan. Between 1987 and 2007, the pension coverage rate for men in this age group declined by 11.1 percentage points, while it increased by 4 percentage points for women.

Individuals may also save for retirement in tax-advantaged Registered Retirement Savings Plans (RRSPs). They may contribute up to 18 per cent of their previous year's earnings (minus an adjustment if they are part of a registered pension plan). Many employers offer group RRSPs as an alternative to registered plans, but no reliable source on the coverage of such plans is currently available. Overall, 31 per cent of eligible tax filers contributed to RRSPs in 2007 with a median contribution of Can$2,780.

E. Social dialogue

Union coverage

In 2008, just under one-third of employees (31.2 per cent) were unionized. The unionization rate for men stood at 30.8 per cent, down from 32.1 per cent in 2005, reflecting job losses in unionized sectors. For women, the unionization rate was 31.6 per cent, slightly down from 32.0 per cent in 2005. The gap between men and women widened by 0.8 percentage point from 2005 to 2008.

About one-third (32.9 per cent) of Canadian-born employees were unionized, compared with one-quarter (25.6 per cent) of immigrant employees.

Average number of days not worked due to strikes and lockouts

Time lost due to strikes and lockouts is ideally determined as a proportion of the work performed. Such rates require the combination of Human Resources and Social Development Canada data on days lost to work actions and lockouts with Labour Force Survey data on employment. This was most recently done for a 2006 study.[30]

Although rates are highly variable from year to year, time lost to strikes and lockouts has trended downwards in recent decades. In the 1980s, an average of 546 days per 1,000 employees was lost per year. The rate averaged 233 days per 1,000 employees in the 1990s and fell to 202 days from 2000 to 2005. However, the rate spiked up to 301 days per 100 employees in 2005, the highest level since 1997.

F. Skills development and training

Share of employees who received job training

According to the 2005 Workplace and Employee Survey, more than half of employees had received employer-provided training, including both classroom and on-the-job training, in the 12 months prior to the survey. The same proportion, 56 per cent, of both men and women received training.

Canadian-born employees were more likely to have received training than were immigrants: 56.9 per cent versus 51.4 per cent. Among immigrants, 60 per cent

[30] See Ernest Akeampong. "Increased work stoppages". *Perspectives on Labour and Income*. Vol. 7, no. 8, August 2006. Statistics Canada Catalogue no. 75-001-XPE.

of those who had been in the country for less than five years received job training compared to 50.4 per cent of those with more than five years in the country.

A similar share (56 per cent) of disabled and non disabled employees received training.

Share of employed persons in high-skilled occupations

Human Resources and Social Development Canada classifies occupations into five aggregate skill groups:

- Management
- Professional occupations - Skill level A
- Technical, paraprofessional occupations - skill level B
- Intermediate occupations - Skill level C
- Labouring and elemental occupations - Skill level D

Level A jobs are considered the most highly skilled and the assumed skill level moves downward to level D. Management jobs cross a number of skill levels but are sometimes combined with level A as their high level of pay may be assumed to be an indicator of the skills required.

Employees in professional occupations account for 17.1 per cent of all paid jobs, compared to 12.7 per cent of employees in skill level D occupations. Management jobs account for another 7.3 per cent. Combining managers and level A yields an estimate of one-quarter (24.4 per cent) of employees in "high-skilled" occupations. Employees in these two categories were at the top of the average weekly earnings distribution in 2008, at Can$1,321.36 and Can$1,110.69, respectively (Table 7).

Job-education mismatch

Estimates of how many workers have more or less education than is normally required for their jobs can be based on very rigid or somewhat more relaxed assumptions about the level of education required for a particular occupation.[31] For example, if occupation X usually requires a university degree then, under rigid

Table 7. Earnings by occupational skill level (wages in Can$)

	2007	2008 *(2008 per cent)*
Total, all occupations - All skills level		
Total employees, in thousands	14 251.4	14 496.2 ***(100)***
Average hourly wage rate	20.41	21.32
Average weekly wage rate	751.28	783.09
Management		
Total employees, in thousands	1 006.4	1 058.1 ***(7.3)***
Average hourly wage rate	31.93	33.25
Average weekly wage rate	1 272.73	1 321.36
Professional occupations – SL A		
Total employees, in thousands	2 405.6	2 473.2 ***(17.1)***
Average hourly wage rate	29.57	30.77
Average weekly wage rate	1 070.87	1 110.69
Technical, para-Professional occupations - SL B		
Total employees, in thousands	4 340.6	4 549.3 ***(31.4)***
Average hourly wage rate	20.72	21.52
Average weekly wage rate	786.42	815.29
Intermediate occupations – SL C		
Total employees, in thousands	4 655.5	4 576.3 ***(31.6)***
Average hourly wage rate	16.07	16.7
Average weekly wage rate	577.99	599.48
Labouring and elemental occupations - SL D		
Total employees, in thousands	1 843.2	1 839.3 ***(12.7)***
Average hourly wage rate	12.39	12.74
Average weekly wage rate	404.44	410.15

Sources: Statistics Canada, Labour Force Survey, and Human Resources and Social Development Canada.

assumptions, individuals must have a degree or they are considered 'undereducated'.

Less rigid assumptions allow for near matches. For example, someone with some university education (no

[31] See Diane Galarneau and René Morissette. "Immigrants' education and required job skills". *Perspectives on Labour and Income*. Vol. 9, no. 12. December 2008. Statistics Canada Catalogue no. 75-001-XIE.

degree attained) would not be considered 'undereducated' in an occupation that is assumed to require a university degree. Given the imprecise education requirements of many occupations, this more relaxed scheme is presented here. It indicates that 54 per cent of workers had an education level that matched their occupation.

This matching scheme also indicates that in 2008, 27.6 per cent of Canadian workers were 'over-educated'— they had higher levels of education than that assumed necessary for their occupation. Women were more likely than men to have more education than is normally required for their occupation: 29.9 per cent versus 25.6 per cent (Table 8).

The mismatch of education credentials and occupation is particularly high among the immigrant population. While one-quarter (25.5 per cent) of the Canadian-born workforce had more education than required, over a third of immigrants (36 per cent) were in this situation. The proportions of recent and very recent immigrants who could be classified as 'over- educated' were even higher: 41.6 per cent and 47 per cent32.3 per cent for established immigrants.

The other type of mismatch involves having less education than normally required for the job; 18.8 per cent of paid workers fall into this category. Women were less likely than men to have less education than normally required for the job: 17.1 per cent versus 20.4 per cent.

Canadian-born workers were more likely to have less education for the job, 19.7 per cent, compared with immigrants, 15.6 per cent. A lower share of recent, 11.5 per cent, and very recent immigrants, 10 per cent, had less education than required for the job. As for established immigrants, their rate of 17.8 per cent was closer to that of Canadian-born workers.

Table 8. Job - Education mismatch

	Both sexes	Men	Women
Percentage of workers who have <u>less</u> education than normally required for occupation			
All employed	18.8	20.4	17.1
Canadian-born	19.7	21.4	17.8
All immigrants	15.6	16.7	14.4
Immigrants 0-five years since landing	10.0	11.4	8.2
Immigrants 5-ten years since landing	11.5	12.4	10.4
Immigrants >ten years since landing	17.8	18.9	16.5
Percentage of workers who have <u>more</u> education than normally required for occupation			
All employed	27.6	25.6	29.9
Canadian-born	25.5	23.4	27.8
All immigrants	36.0	34.1	38.3
Immigrants 0-five years since landing	47.0	45.2	49.3
Immigrants 5-ten years since landing	41.6	39.9	43.8
Immigrants >ten years since landing	32.3	30.1	34.8

Source: Statistics Canada, Labour Force Survey.

G. Workplace relationships and work motivation

1. Job Satisfaction

One strategy for measuring work motivation is through questions on job satisfaction. Such questions have been included in several Statistics Canada surveys.

The main problem with using job satisfaction to measure work motivation is that it is highly correlated with other measures of job quality, particularly earnings. The answers might also be affected by an individual's state of mind, which could be correlated to non-work related factors.

A study using the 2002 Community Health Survey found that 92 per cent of workers were either somewhat satisfied or very satisfied with their jobs.[32] Although job dissatisfaction was inversely related to earnings and affected by personal characteristics such as self-rated health, it was also related to a measure of job stress. This suggests that subjective measures of job measures do pick up some of the intrinsic qualities of jobs and that more specific subjective questions on intrinsic qualities of interest to researchers or policy makers are likely to yield useful information.

[32] See Margot Shields. "Unhappy on the job". *Health Reports*, Vol. 17 No. 4, October 2006. Statistics Canada, Catalogue 82-003.

CHAPTER III. Canadian Immigrant Labour Market

A. Quality of employment for immigrants to Canada

What is quality of employment? To answer this question, this report will rely on a framework of employment quality[33] currently under development by a task force of statistical agencies and international agencies, including the United Nations and the International Labour Organization (see Employment Quality Framework, below, for details).

Recognizing that work is something that delivers a large variety of benefits and negativities to individuals and societies, and individual and societal tastes for what they want from work are equally varied, the framework used here is broad in nature, with many dimensions and indicators. This framework is primarily designed to measure quality of employment from the perspective of the *individual* or worker.

This report will use this framework to present data that sheds light on the similarities and differences in terms of employment quality between immigrant and Canadian-born workers. The report is intended to document the job quality for both immigrants and the Canadian-born in the Canadian labour market. There are no modelling or control measures used in this report to adjust for differences in length of job tenure, occupation or education which are known to be associated with some of these job quality indicators. While references to articles or sources that could be used to try to understand why any differences in immigrant and Canadian-born results may exist are provided, the report itself is not designed to answer these questions. However, an upcoming Statistics Canada report will examine these indicators and their various associative characteristics through more rigorous analytical modelling.

In many instances, data in this report will be presented based on the immigrant's time since landing: up to five years prior to their interview, more than five years to ten years prior and more than ten years. Data will be presented for employed persons of **core working-age** (i.e., those aged 25 to 54) and for older workers (aged 55 and over) separately. Most of the analysis, however, will focus on those of core working age.

Immigration data from the Labour Force Survey

Beginning in January 2006, five additional questions were added to the Labour Force Survey (LFS) to identify immigrants and to determine when they landed in Canada (year and month for those landing within the previous five years), and the country in which they received their highest level of educational attainment greater than high school. The questions are as follows:

- **In what country was ... born?**
- **Is … now, or has he/she ever been, a landed immigrant in Canada?**
- **In what year did … first become a landed immigrant?**
- **In what month?**
- **In what country did … complete his/her highest degree, certificate or diploma?**

Since these questions are in the LFS every month, analysts and researchers have a continuous data series they can use to monitor immigration employment patterns and trends.

General definitions:

Core working age: age 25 to 54 years. These individuals are more likely to have completed school and be available for full-time work and less likely to have entered retirement than those aged 15 to 24 or 55 and older.

Main job: unless otherwise specified, all references to a worker's 'occupation' or 'job' in this report refer to their main job, which is the one involving the greatest number of usual hours worked per week.

A complete list of definitions is found in Annex I.

1. Background

This report is the latest in a series of analytical reports on the Canadian immigrant labour market, using data from the Labour Force Survey (LFS) and other sources.

[33] See UNECE Task Force on the Measurement of Quality of Employment. *Introduction of the Conceptual Framework for Measuring the Quality of Employment. Statistical Measurement of Quality of Employment : Conceptual framework and indicators*. Note by the Task Force on the Measurement of Quality of Employment, ECE/CES/GE.12/2009/1, 2 September 2009. http://www.unece.org/stats/documents/ece/ces/ge.12/2009/zip.4.e.pdf
For its final version, see Chapter I of this publication.

The previous reports, based on data from 2006 to 2007, showed that immigrants who landed within the previous ten years had lower employment rates and higher unemployment rates than their Canadian-born counterparts. Immigrants who landed more than ten years before the time of the survey had rates that were generally comparable to the Canadian-born.

In one of the reports in the series, it was determined that immigrants aged 25 to 54 who were born in Southeast Asia– regardless of when they landed – or European-born who landed more than five years earlier had labour market outcomes that were comparable or better than the Canadian-born. Immigrants born elsewhere had generally lower employment rates and higher unemployment rates, regardless of when they landed.

In another report in the series, which analyzed the 2007 employment rates of immigrants aged 25 to 54 with postsecondary diplomas or degrees, it was found that those who landed within the previous five years had lower employment rates, if they obtained their postsecondary education outside North America or Europe. Immigrants with university degrees from Canada, United States or Europe and who landed in Canada more than five years earlier had comparable employment rates to Canadian-born university graduates.

The previous reports on the immigrant labour market have acknowledged that an immigrant's labour market experience goes beyond simply whether or not they are employed.

Difficulties for immigrants in the Canadian labour market

The difficulties that immigrants to Canada – particularly those who have landed more recently – face in finding employment or finding employment related to their background and experiences are well-documented.[34,35,36,37,38,39,40]

These difficulties can include, in no particular order: recognition of foreign credentials; comparative level of educational attainment; degree and length of experience abroad and within Canada; differences in quality of education in some countries; language barriers and related difficulties; varying strength of social networks; and knowledge of and information about the Canadian labour market. These issues are particularly relevant for those who have landed more recently.

Context for job quality

In order to contextualize the comparison of job quality characteristics between immigrants and the Canadian-born, it is important to understand any similarities or differences in general demographics, education levels and main-job occupation information.

Immigrant worker's age, period of landing, sex, size of the firm where they are employed, educational attainment, occupational group, among others, can (and often do) differ from the Canadian-born. Since these contextual variables have varying degrees of association with employment quality indicators discussed in this report, such as wages and non-wage benefits, job tenure and union coverage, they are presented in Annex II to allow for a better understanding of any differences. An upcoming Statistics Canada report will examine these indicators and their various associative characteristics through more rigorous analytical modelling.

2. Job quality framework

While wages are traditionally used to assess job quality, there are many more measures that can be used.[41,42] Work schedules and work arrangements, job

[34] See Diane Galarneau and René Morissette. "Immigrants: Settling for less?", *Perspectives on Labour and Income*. Vol. 5, no. 6, 2004. Statistics Canada Catalogue no. 75-001-XIE. p. 5–16. http://www.statcan.gc.ca/english/freepub/75-001-XIE/10604/art-1.htm (accessed January 22, 2008).

[35] See David A. Green and Christopher Worswick. *Earnings of Immigrant Men in Canada: The Roles of Labour Market Entry Effects and Returns to Foreign Experience*. Paper prepared for Citizenship and Immigration Canada. Vancouver, British Columbia. University of British Columbia, 2002.

[36] See Arthur Sweetman. *Immigrant Source Country Education Quality and Canadian Labour Market Outcomes*. Kingston, Ontario. Queen's University, School of Policy Studies, 2003.

[37] See Tina Chui and Kelly Tran. *Longitudinal Survey of Immigrants to Canada: Progress and Challenges of New Immigrants in the Workforce*. Statistics Canada Catalogue no. 89-615-XIE. Ottawa, 2005. http://www.statcan.gc.ca/pub/89-615-x/89-615-x2005001-eng.htm (accessed January 22, 2008).

[38] See Ana Ferrer and W. Craig Riddell. *Education, Credentials and Immigrant Earnings*. University of British Columbia, Department of Economics, 2004.

[39] Jeffrey G. Reitz. "Immigrant Employment Success in Canada, Part I: Individual and Contextual Causes". *Journal of International Migration and Integration.* Vol. 8, no. 1, 2007. p. 11–36.

[40] See Public Policy Forum. *Bringing Employers into the Immigration Debate Survey and Conference*. November 2004. http://www.ppforum.ca/common/assets/publications/en/bringing_employers_into_the_immigration_debate.pdf (accessed February 28, 2008).

[41] See Jane Lin. "Trends in employment and wages, 2002 to 2007". *Perspectives on Labour and Income*. Vol. 9, no. 9, September 2008. Statistics Canada, 2008.
Catalogue 75-001-XIE, p. 5-15 http://www.statcan.gc.ca/pub/75-001-x/2008109/article/10694-eng.htm

permanency, non-wage benefits, union coverage and formal and informal job training are some other employment quality characteristics.

This report uses the Framework for the Statistical Measurement of Quality of Employment currently being developed by a group of statistical agencies from a number of developed countries in Europe and North America, along with the International Labour Organization (ILO) and the United Nations (UN).11 The dimensions, and the statistical indicators nationally available for both immigrants and the Canadian-born, are presented in Table 1. 43

In this report, there are three main sources of data for the employment quality indicators: the Labour Force Survey (LFS 2008), the Workplace Employee Survey (WES 2005) and the Canadian Community Health Survey (CCHS 2003 and 2005). The detailed definitions of these indicators are found in Annex I.

B. Safety and ethics of employment

Proportion of immigrants with a work-related injury in either 2003 or 2005 were lower than non-immigrants

In 2005, 2.6 per cent of employed immigrants aged 25 to 54 had an activity-limiting workplace injury during the previous 12 months, which was lower than that of Canadian-born workers (3.9 per cent). This was little changed from 2003, with the percentages of workers reporting workplace injuries of 2.7 per cent and 4.2 per cent, respectively. Injuries data for 2003 based on occupational group are found in Annex III.

Among older workers, the pattern was similar: in 2005, 1.9 per cent of employed immigrants aged 55 and over reported an activity-limiting workplace injury during the previous 12 months, compared with 3.0 per cent of older Canadian-born workers.

Table 1. List of available quality of employment indicators

UN/ILO Quality of Employment Dimension[44]	Available Statistics Canada indicators
Safety and ethics of employment	• Proportion of employed who had a work injury
Income and benefits from employment	• Average hourly earnings • Wage distribution • Share of employees receiving non-wage benefits • Average length of paid annual leave
Working hours and balancing work and non-working life	• Average usual hours worked (main job, all jobs) • Share of employed working 50 or more hours of work per week • Share of employed working unpaid overtime • Share of employed in part time work and involuntary part time • Share of employed working more than one job (i.e., moonlighting) • Share of employees with flexible work schedules, including flexible hours, reduced workweek, compressed workweek
Stability and security of work, and social protection	• Share of employees in temporary jobs • Current job tenure
Social dialogue	• Share of employed with collective bargaining coverage
Skills development and training	• Share of employees receiving job training • Over-qualification
Workplace relationships and work motivation	• Share of employees satisfied or very satisfied with their job

Sources: Task Force on Measuring the Quality of Employment: Conceptual Framework (draft December 2008). STC indicators come from Statistics Canada sources.

[42] See Graham Lowe. "21st Century Employment quality: Achieving What Workers Want". *Canadian Policy Research Networks Research Report W 37*, September 2007.

[43] See UNECE Task Force on the Measurement of Quality of Employment. *Introduction of the Conceptual Framework for Measuring the Quality of Employment. Statistical Measurement of Quality of Employment: Conceptual framework and indicators*. Note by the Task Force on the Measurement of Quality of Employment, ECE/CES/GE.12/2009/1, 2 September 2009. http://www.unece.org/stats/documents/ece/ces/ge.12/2009/zip.4.e.pdf

[44] In the final version of the Framework, there were some changes at the dimension level. "Workplace relationships" was moved to the last dimension; "Life-long learning" was named "Training" and "Intrinsic nature of work" became "Workplace relationships and work motivation".

C. Income and benefits from employment

Of all employment quality measures, wages have been the most traditional analytical focus, at least in the Canadian context. Higher hourly wages are commonly associated with greater personal and collective socio-economic well-being. A number of Canadian studies, many based on Census data, have extensively studied earnings differentials between immigrants and the Canadian-born; four of them point to greater earnings for Canadian-born compared with immigrants, although the gaps often narrowed with increased time since landing.[45,46,47,48]

1. Wage-related indicators

Canadian-born employees aged 25 to 54 earned Can$2.28 more per hour than immigrants

In 2008, the average hourly wage of a core working age Canadian-born employee was Can$23.72, while the average hourly wage of a Canadian immigrant employee was Can$21.44 – a gap of Can$2.28 per hour (Table 2). A gap existed regardless of when the immigrants landed, but was widest with immigrants who landed within the previous five years (Can$5.04), and narrowest with immigrants who landed more than ten years before (Can$1.32).

The gap was wider for employees with university degrees. When comparing immigrants aged 25 to 54 with university degrees with their Canadian-born counterparts, there was a Can$5 hourly-wage gap in 2008 (Can$25.32 vs. Can$30.33). Although narrower, there was still a gap between university-educated immigrants who landed more than ten years earlier and Canadian-born degree-holders (Can$27.86 vs. Can$30.33).

Having worked at a current job for a relatively short period of time can mean lower wages compared with all employees. For example, Canadian-born employees aged 25 to 54 who have worked at their current job for no more than five years earned Can$2.36 less than Canadian-born employees of any job tenure (Table 2). When comparing Canadian-born employees and immigrant employees who landed within the previous five years, where both groups have job tenure of no more than five years, the gap in average hourly wages was Can$3.33, a smaller gap than for all Canadian-born and more recent immigrant employees with any job tenure (Can$5.04).Immigrant employees aged 55 and over had an hourly wage similar to Canadian-born.

In 2008, the average hourly wage of older immigrant employees was 63 cents lower than their Canadian-born counterparts (Annex IV). When looking at the results for older immigrants who landed more than ten years earlier, which comprise the overwhelming majority of older immigrant workers, the gap was negligible, at 12 cents per hour.

Higher share of immigrants were earning under Can$10 per hour than Canadian-born employees

Looking beyond average wages, looking at the wage distribution of employees provides further insight into the differences between immigrants and Canadian-born.

In 2008, the proportion of immigrants earning less than Can$10 per hour was 1.8 times higher than the Canadian-born (Figure 1). At the other end of the spectrum, there was a lower share of immigrants earning Can$35 or more per hour than the Canadian-born.

The largest gaps in wage distribution were between Canadian-born employees and immigrants who landed within the previous five years. In 2008, for example, the share of these immigrants earning less than Can$10 per hour was nearly three times higher than Canadian-born employees, and the share of these immigrant employees who landed more recently earning Can$35 or more per hour was much lower than the Canadian-born (Figure 1).

In 2008, even the shares of immigrant employees who landed in Canada more than ten years earlier and were earning less than Can$10 per hour was greater

[45] See Yuri Ostrovsky. *Earnings Inequality and Earnings Instability of Immigrants in Canada*. Analytical Studies Branch Research Series. No. 309, April 2008. Statistics Canada Catalogue No.11F0019MIE. http://www.statcan.gc.ca/pub/11f0019m/11f0019m2008309-eng.htm

[46] See Garnett Picot and Arthur Sweetman. *The Deteriorating Economic Welfare of Immigrants and Possible Causes: Update 2005*. Analytical Studies Branch Research Series. No. 262, June 2005. Statistics Canada Catalogue No. 11F0019MIE. http://www.statcan.gc.ca/bsolc/olc-cel/olc-cel?lang=eng&catno=11F0019M2005262

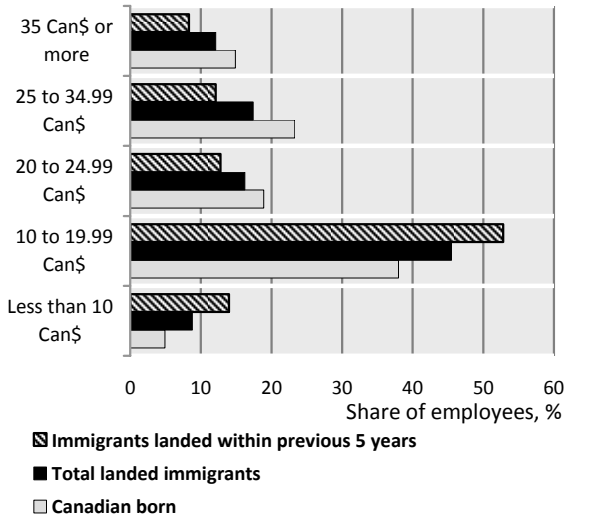
[47] See Abdurrahman Aydemir and Mikal Skuterud. *Explaining the Deteriorating Entry Earnings of Canada's Immigrant Cohorts: 1966-2000*. Analytical Studies Branch Research Series. No. 225, May 2004. Statistics Canada Catalogue No. 11F0019MIE. http://www.statcan.gc.ca/bsolc/olc-cel/olc-cel?lang=eng&catno=11F0019M2004225

[48] See Marc Frenette and René Morissette. *Will they ever converge? Earnings of immigrant and Canadian-born workers over the last two decades*. Analytical Studies Branch Research Series. No. 215, October 2003. Statistics Canada Catalogue No. 11F0019MIE. http://www.statcan.gc.ca/bsolc/olc-cel/olc-cel?lang=eng&catno=11F0019M2003215

than the Canadian-born, and the share earning Can$35 or more per hour was less than Canadian-born employees (Table 2).

Wage comparisons based on occupational groups are found in Annex III.

Figure 1. Average hourly wage distribution, employees aged 25-54, immigrants and Canadian-born, 2008



Source: Statistics Canada, Labour Force Survey.

2. Non-wage benefits

Non-wage benefits are measures of employment quality, as they relate to not only future personal benefits and family financial security (e.g., life insurance and pensions) but also to current health and well-being (e.g., dental care, supplemental medical coverage).

Share of immigrant employees with dental and extended health coverage similar to Canadian-born employees

In 2005, the share of immigrant employees with dental plans or supplementary medical coverage from their employer was similar to that of Canadian-born employees. This was true for immigrants regardless of their period of landing (Table 2) or broad occupational group (Annex III).

For other non-wage benefits, specifically pension plans and life insurance coverage, however, the share of immigrants with access to them through their employer was lower than their Canadian-born counterparts. In 2005, the gap between immigrant employees participating in an employer-sponsored pension plan and participating Canadian-born employees was 8.6 percentage points – 28.4 per cent vs. 37.0 per cent (Table 2). When comparing the Canadian-born with immigrants who landed more than ten years earlier, there was still a gap of 5.0 percentage points.

For employees with life insurance coverage from their employer, there was a gap of 8.1 percentage points; 56.9 per cent for immigrants and 65.0 per cent for the Canadian-born (Table 2). Even immigrant employees who landed more than ten years earlier had a lower rate of employer-sponsored life insurance coverage than Canadian-born employees.

Core working-age immigrant employees had slightly fewer annual vacation days in 2005

In 2005, core working-age Canadian-born employees were entitled to an average of 15.4 vacation days, slightly higher than the 14.2 days that immigrant employees were entitled to (Table 2). The vacation leave gap between the Canadian-born and immigrants who landed more than ten years earlier was even smaller, at 0.6 days.

Among older employees, the number of vacation days for immigrants was slightly higher than that of older Canadian-born workers, particularly those who landed in Canada over ten years before (18.1 days vs. 16.9 days; Annex IV). It is worth noting that the number of vacation days a worker is entitled to is strongly associated with current job tenure (for both Canadian-born and immigrants), an employment quality characteristic described in Section E.

D. Working hours and balancing work and non-working life

Working hours, whether they are excessively long or short, can have a significant impact on the well being of the individual and of the family. Working time arrangements, such as flexible schedules, are also important for assessing work-life balance.

1. Working hours

Immigrants worked, on average, slightly more hours each week than Canadian-born

In 2008, the average usual weekly hours worked by immigrants in their main job was 0.2 hours higher than that of Canadian-born workers (Table 3). The gap was

Table 2. Income and benefits from employment, Canadian-born and immigrants, Employees aged 25-54

	Canadian-born	Total landed immigrants	Immigrants, landed within previous five years	Immigrants, landed more than five to ten years earlier	Immigrants, landed more than ten years earlier
Average hourly wages[2] (Can$)	23.72	21.44[1]	18.68[1]	20.92[1]	22.40[1]
Average hourly wages, tenure five years or less[2](Can$)	21.36	19.64[1]	18.03[1]	20.00[1]	20.39[1]
Wage distribution, percentage earning					
Less than Can$10 per hour[2]	4.9	8.8[1]	14.0[1]	8.7[1]	7.3[1]
Can$10 to Can$19.99 per hour[2]	38.0	45.5[1]	52.8[1]	48.7[1]	42.4[1]
Can$20 to Can$24.99 per hour[2]	18.9	16.2[1]	12.8[1]	14.4[1]	17.7[1]
Can$25 to 34.99 per hour[2]	23.3	17.4[1]	12.1[1]	16.9[1]	19.0[1]
Can$35 or more per hour[2]	14.9	12.1[1]	8.3[1]	11.3[1]	13.5[1]
Employer-sponsored (per cent)					
Pension plan[3]	37.0	28.4[1]	15.2 [E,1]	20.6 [E,1]	32.0[1]
Life insurance[3]	65.0	56.9[1]	48.8 [1]	57.5	58.2[1]
Supplemental medical[3]	54.8	57.0	54.2	54.2	58.0
Dental coverage[3]	60.4	64.2	62.9	60.4	65.1
Days					
Vacation leave entitlement per year[3,4]	15.4	14.2[1]	12.4[1]	n.a.	14.8

Source: Statistics Canada, Labour Force Survey 2008.
[1] Significantly different from the respective Canadian-born value (p<0.05).
[2] Labour Force Survey, 2008.
[3] Workplace and Employee Survey, 2005.
[4] The data for "Immigrants, landed within previous five years" and "Immigrants, landed more than five to ten years earlier" has been grouped under "Immigrants, landed within previous five years".

wider for immigrants who landed more than ten years earlier. Older immigrants were even more likely to be working a longer average workweek than their Canadian-born counterparts (Annex IV). Those who landed more than ten years earlier were usually working, on average, 0.9hours more per week than older Canadian-born workers.

Share of immigrants and Canadian-born working long work weeks in 2008 were similar

In 2008, nearly one in ten workers aged 25 to 54 (9.4 per cent of those born in Canada, 9.1 per cent of immigrants) usually worked 50 or more hours per week in their main job (Table 3). Immigrants who landed within the previous five years were the least likely (6.2 per cent) to work these long work weeks in 2008, while those who landed prior to 1998 were most likely (ten per cent).

There was also virtually no difference in the share of immigrants and Canadian-born working 15 or fewer hours (3.8 per cent vs. 3.6 per cent) in 2008.

Similar shares of immigrants and Canadian-born were multiple-job holders

Working at more than one job can be seen as a proxy indicator that the workers' main job may not be providing all the necessary economic benefits needed by the individual, leading them to find a second job to make ends meet. In a 1995 survey, nearly two-thirds (65 per cent) of Canadian moonlighters were doing so

Table 3. Working hours and work-life balance, Canadian-born and immigrants, Workers aged 25-54

	Canadian-born	Total landed immigrants	Immigrants, Landed within previous five years	Immigrants, Landed more than five to ten years earlier	Immigrants, Landed more than ten years earlier
Average usual hours per week, main job	38.1	38.3[1]	37.3	38.1	38.6[1]
Average usual hours per week, multiple job-holders only	47.7	50.0[1]	48.7	48.6	50.7[1]
Multiple-job holder, percentage	5.2	5.2	5.0	5.5	5.2
Worked any overtime, percentage	26.6	20.3[1]	17.9[1]	18.3[1]	21.6[1]
Worked 50 hour or more workweek, percentage	9.4	9.1[1]	6.2[1]	8.9	10.0
Part-time position, percentage	11.7	11.5	13.4[1]	11.5	11.0[1]
Why part time? percentage					
Childcare	23.3	19.0[1]	13.5[1]	25.2	18.9[1]
Going to school	6.4	11.3[1]	24.4[1]	15.0[1]	6.0
Personal preference	28.4	21.4[1]	13.2[1]	15.0[1]	25.9[1]
Involuntary	29.9	37.6[1]	41.0[1]	38.3[1]	36.4[1]
Percentage allowed to work reduced workweek[2,3]	6.0	6.7	F[3]	F	7.6
Percentage allowed to work compressed workweek[2,3]	7.3	4.8[1]	F	F	5.1[1]
Percentage allowed to work flexible hours[2,3]	36.1	35.2	28.1	28.4	37.6

Source: Statistics Canada, Labour Force Survey 2008.
[1] Significantly different from the respective Canadian-born value (p<0.05).
[2] Employees only (i.e., self-employed excluded).
[3] F stands for an estimate of which the coefficient is greater than 33 per cent.
[4] Workplace and Employee Survey, 2005.

to meet regular expenses, pay off debts, buy something special or save for the future.[49]

In 2008, employed immigrants were just as likely to be working at more than one job as those born in Canada (Table 3). There were few differences based on an immigrant's period of landing.

Immigrants with multiple jobs were working more total hours than their Canadian-born counterparts

While immigrants were as likely as the Canadian-born to be moonlighting, those that did were working longer hours in all their jobs compared with Canadian-born multiple-job holders. In 2008, immigrants who had more than one job were working an average of 50.0 hours, which was 2.3 hours per week more than Canadian-born multiple-job holders (Table 3). This gap was evident for all immigrants, regardless of when

[49] See J. Kimmell, and L.M. Powell. *Moonlighting Trends and Related Policy Issues in Canada and the United States*, Canadian Public Policy. Vol. XXV, No. 2, 1999.

they landed in Canada, but particularly for those who landed prior to 1998.

Share of immigrants working extra hours in their main job was lower than their Canadian-born counterparts

In 2008, 20.3 per cent of all immigrant employees aged 25 to 54 worked at least some overtime, lower than the share of Canadian-born employees (26.6 per cent); this lower share was present regardless of the immigrant's period of landing (Table 3).

For all employees who did work extra time, the share of immigrant employees who were paid for at least some of that extra time was slightly higher than that of their Canadian-born counterparts (48.9 per cent vs. 46.0 per cent).

2. Part-time work and involuntary part time

The majority of workers in Canada work full time in their main job. Those who work part time voluntarily do so for any number of reasons: they have family-related responsibilities, they are attending school or they have an illness or disability; these are choices meant to establish some degree of balance between work and family life or health. While most part-timers do so by choice, those that are part time involuntarily (i.e., they would like full-time work but cannot get it) represent an important indicator of employment quality.

Proportion of core-age immigrants working part time similar to that of Canadian-born workers

In 2008, a similar proportion of core working-age immigrants were working part time as employed Canadian-born (11.5 per cent vs. 11.7 per cent; Table 3). Among older workers, however, the share of immigrants working part time was lower than that of older Canadian-born workers (19.2 per cent vs. 23.7 per cent; Annex IV).

Higher share of immigrants were working part time involuntarily

Most core working-age workers in Canada who work part time do so voluntarily – whether out of personal preference, because they are attending school or because they have family-related responsibilities. However, some people who work part time do so involuntarily; they would like to have full-time hours but are unable to get them for a variety of reasons.

Among part-time workers, the share of immigrants who cited working part time involuntarily was higher than Canadian-born part-timers in 2008 (Table 3). While this gap persisted regardless of period of landing, it was narrowest for those who landed more than ten years earlier, but widest between those who landed within the previous five years and the Canadian-born (41.0 per cent vs. 29.9 per cent).

3. Flexible work arrangements

Flexible work arrangements were more prevalent among immigrant workers who landed more than ten years earlier

Providing workers with more control over their work schedules is thought to better enable them to meet their personal and family needs and indirectly contributes to productivity.[50] Work arrangements include, among other things, reduced work weeks, flexible hours or compressed work weeks.

The latest data on this subject for 2005, when about six out of every 100 employees aged 25 to 54 had made an agreement with their employer to work a reduced workweek; there was little difference in the proportion of Canadian-born or immigrants with such an arrangement (Table 3). Additionally, just over one-third of all core-working age employed workers – whether born in Canada or elsewhere – were working schedules with flexible hours in 2005.

Working a compressed work week, however, was less common among immigrant employees than Canadian-born in 2005, even if they landed in Canada more than ten years earlier (Table 3).

E. Security of employment and social protection

Employment quality can also be measured in terms of a person's stability and security of work. Two measures of this are the proportion of employees in temporary jobs, and the tenure of workers in their current job.

Temporary positions were more common for immigrants who landed more recently

Having a permanent position provides the job-holder with a certain measure of job security, which can contribute to their overall sense of well-being and economic stability. Temporary positions, conversely, are less secure and have a fixed duration.

[50] See L.. Duxbury and C. Higgins. *Work-life Conflict in Canada in the New Millennium. A Status Report*. Ottawa: Health Canada, 2003.

Table 4. Stability and security of work, Canadian-born and immigrants, Workers aged 25-54

	Canadian-born	Total landed immigrants	Immigrants, landed within previous five years	Immigrants, landed more than five to ten years earlier	Immigrants, landed more than ten years earlier
Job stability and security (per cent)					
Temporary position[2]	8.3	9.7[1]	16.0[1]	11.7	7.2[1]
Current job tenure					
12 months or less	16.1	21.1[1]	40.9[1]	23.3[1]	15.4
13 to 60 months	30.3	37.5[1]	51.3[1]	49.2[1]	30.6
61 to 120 months	21.4	20.2	4.9[1]	23.5	23.3
121 to 240 months	19.6	15.5[1]	2.3[1]	3.4[1]	22.4
241 months or more	12.6	5.7[1]	0.6[1]	0.7[1]	8.5[1]

Source: Statistics Canada, Labour Force Survey, 2008.
[1] Significantly different from the respective Canadian-born value (p<0.05).
[2] Employees only (i.e., self-employed excluded).

In 2008, a slightly larger share of immigrants was working in temporary positions than Canadian-born employees (9.7 per cent vs. 8.3 per cent; Table 4). The share of immigrants who landed within the previous five years in temporary positions was nearly double that of their Canadian-born counterparts, while the share of those who landed more than ten years earlier in temporary jobs was lower than Canadian-born employees.

Core-working age Canadian-born workers were more likely to have very long current job tenure, even when compared with immigrants who landed more than ten years earlier

Job tenure is considered to be another important aspect of job security. The longer one is working in a specific job for a specific organization, the greater the likelihood that other measures such as job permanency, wages and non-wage benefits may improve.[51,52,53]

By and large, job tenure gaps between immigrants and the Canadian-born are to be expected, as most immigrants have not been in Canada long enough to establish very long tenures with their current employer. In 2008, a greater proportion of employed immigrants aged 25 to 54 had job tenure of 12 months or less or 13 to 60 months than their Canadian-born counterparts, and a much smaller proportion of immigrants had job tenure of more than 20 years compared with the Canadian-born (Table 4).

On average, immigrant workers aged 25 to 54 had been at their current jobs for 2 fewer years than their Canadian-born counterparts (74.1 months vs. 103.1 months). The average length of job tenure differed widely by time since landing, ranging from 26.4 months for those who landed within the previous five years to 95 months for those who landed more than ten years earlier.

Only among those immigrants who landed in Canada 20 or more years earlier do we see job tenures that are higher for immigrants than Canadian-born. In 2008, immigrants who landed 20 or more years earlier make up over one-third of all core-working age immigrant workers. These long-term immigrants have both a greater share of job tenures of more than 20 years (14.0 per cent vs. 12.6 per cent) and longer overall average job tenures (112.3 months vs. 103.1 months) than the Canadian-born.

[51] Claudio Lucifora. 1991. "Job Tenure, Labour Mobility and Wage Profiles". *Labour: Review of Labour Economics and Industrial Relations*. Vol. 5, No. 3, p. 165-198.
[52] See Leora Friedberg, Michael T. Owyang and Tara M. Sinclair. *Searching for Better Prospects: Endogenizing Falling Job Tenure and Private Pension Coverage*. National Bureau of Economic Research Working Paper Series. Working Paper 11808, December 2005.
[53] See Katherine Marshall. "Benefits of the job". Perspectives on Labour and Income. Vol. 4, No. 5, 2003. Statistics Canada Catalogue no. 75-001-XIE. p. 5–12: http://www.statcan.gc.ca/bsolc/olc-cel/olc-cel?lang=eng&catno=75-001-X20031056515

F. Social dialogue

Generally speaking, social dialogue refers to the freedom and right to organize and bargain collectively. Collective bargaining coverage is an employment quality characteristic that is associated with other indicators mentioned in this report, including wages and non-wage benefits.[54,55,56] It is also associated with current job tenure and occupation.

Collective bargaining coverage more prevalent for Canadian-born employees

Union coverage among immigrant employees aged 25 to 54 in 2008 was lower than the Canadian-born regardless of period of landing (Figure 2). For example, the share of Canadian-born employees to have union coverage were nearly 1.5 times higher than immigrants as a whole, and was 1.3 times higher than immigrants who landed more than ten years earlier.

There was less of a difference in union coverage among older employees. In 2008, 37.7 per cent of older Canadian employees were covered under a collective bargaining agreement, compared with 34.4 per cent of immigrant employees who landed in Canada more than ten years earlier (Annex IV).

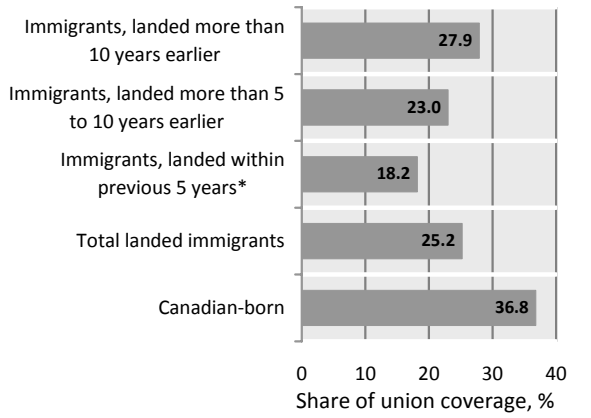
G. Skills development and training

Having access to training, whether informal or formal in nature, is considered an important job characteristic. Training not only provides the employee an opportunity to learn and develop, but may also improve their safety on the job.

Similar shares of immigrant and Canadian-born workers received on-the job training

In 2005, there was very little difference between the proportions of immigrants and Canadian-born employees receiving on-the-job training in the previous 12 months (Table 5).

Figure 2. Proportion of employees aged 25 to 54 covered by collective bargaining, Canadian-born and immigrants by period of landing, 2008



Source: Statistics Canada.

**The figure should be used with caution, as the coefficient of variation (CV) is between 16.5 per cent 33.3 per cent.*

However, core-aged employees who were born in Canada were more likely to have received classroom training than immigrants (40.6 per cent vs. 32.3 per cent); the gap was widest between the Canadian-born and immigrants who landed more than ten years before, as this group was least likely to have received classroom training in the previous 12 months.

Share of employed university-educated immigrants with more formal education than required for their occupation much higher than that of their Canadian-born counterparts

Comparing with what is normally required for the job to the education the employees have actually received, one can get a good idea of the degree to which some people are over-, or under-qualified for the job that they have. Human Resources and Social Development Canada (HRSDC) in conjunction with a consortium of academics, employers, unions and government officials created a matrix to determine what level of education is "normally required" for a particular occupational group.[57]

Other research has indicated that overqualification for all workers can be associated with age, full time/part time, union coverage, size of firm where the person is

[54] See Graham Lowe. "21st Century Employment quality: Achieving What Workers Want". *Canadian Policy Research Networks*. September 2007.

[55] See The Daily, Wednesday September 24, 2008. "Workplace and Employee Survey". http://www.statcan.gc.ca/daily-quotidien/080924/dq080924b-eng.htm (accessed on November 26, 2008)

[56] Tony Fang and Anil Verma. "Union wage premium", *Perspectives on Labour and Income*. Vol. 3, No. 9, 2002. Statistics Canada Catalogue no. 75-001-XIE. p. 13–19. http://www.statcan.gc.ca/cgi-bin/af-fdr.cgi?l=eng&loc=http://www.statcan.gc.ca/pub/75-001-x/75-001-x2002109-eng.pdf&t=Union per cent20wage per cent20premium

[57] See Human Resources and Social Development Canada. National Occupational Classification (NOC) Training Tutorial. April 2006. http//www5.hrsdc.gc.ca/NOC/English/NOC/2006/Tutorial.aspx (accessed on November 13, 2009).

employed, field of study and industry of employment. For immigrants, it can also be associated with institutional and language barriers; difficulties related to recognition of foreign credentials and experience; and a variety of incidental factors such as discrimination encountered by some immigrants. [58,59]

In 2008, over 3,000,000 workers in Canada aged 25 to 54 had a level of education that was higher than the normal requirements for the job. Over two-fifths (42.1 per cent) of immigrant workers in this age group had a higher level education for their job than normally required, while just over one-quarter (28.1 per cent) of Canadian-born workers were similarly over-qualified (Table 5). Regardless of period of landing, immigrants had higher shares of over-qualification compared with the Canadian-born.

In 2008, over 1,100,000 workers aged 25 to 54 who had a university degree were working in occupations whose normal requirements were at most a college education or apprenticeship. The share of immigrants with degrees who were over-qualified was 1.5 times higher than their Canadian-born counterparts (60.1 per cent versus 40.5 per cent; Table 5).

Over-qualification was particularly prevalent in 2008 among university-educated immigrants who landed within the previous five years; two-thirds were working in occupations that usually required at most a college education or apprenticeship (Table 5). Similar results were seen in recent research using the 2006 Census.[60] By period of landing, the share of overqualified in 2008 non-management workers was lowest among immigrants who landed more than ten years earlier (54.8 per cent); this was still nearly 1.4 times higher than that of the Canadian-born.

Shares of overqualified workers can vary by occupational group. These data, for both immigrants and Canadian-born with university degrees who are in occupations that usually require a lower level of education, are presented in Annex III.

H. Workplace relationships and work motivation

This dimension of employment quality aims to shed light on how workers feel about the work they are doing, irrespective of their wages, benefits or working conditions. One indicator available that can provide some insight is that of job satisfaction. Typically, job satisfaction has been fairly stable and positive in most national surveys going back to the 1970s.[61]

High job satisfaction for immigrants and Canadian-born, although being 'very satisfied' was more prevalent among Canadian-born employees

In 2005, most employees aged 25 to 54 reported very high levels of job satisfaction. Being satisfied or very satisfied in their job was reported by 91.9 per cent of Canadian-born employees and 89.4 per cent of immigrant employees.

However, the proportion of immigrants of core-working age reporting being 'satisfied' in their job was much higher and their share of being 'very satisfied' with their job was much lower than Canadian-born employees, regardless of their period of landing (Figure 3).

[58] See Chris Li, Ginette Gervais and Aurélie Duval. "The Dynamics of Overqualification: Canada's Underemployed University Graduates". *Analysis in Brief,* Statistics Canada, 2006. Catalogue No. 11-621-MIE Issue No. 039. http://www.statcan.gc.ca/pub/11-621-m/11-621-m2006039-eng.htm

[59] Galarneau and Morissette (2004), ibid.

[60] See D. Galarneau and R. Morissette. "Immigrants' education and required job skills". *Perspectives on Labour and Income.* Vol. 9, No. 12, 2008. Statistics Canada Catalogue no. 75-001-XIE. p. 5–18. http://www.statcan.gc.ca/bsolc/olc-cel/olc-cel?lang=eng&catno=75-001-X200811210766

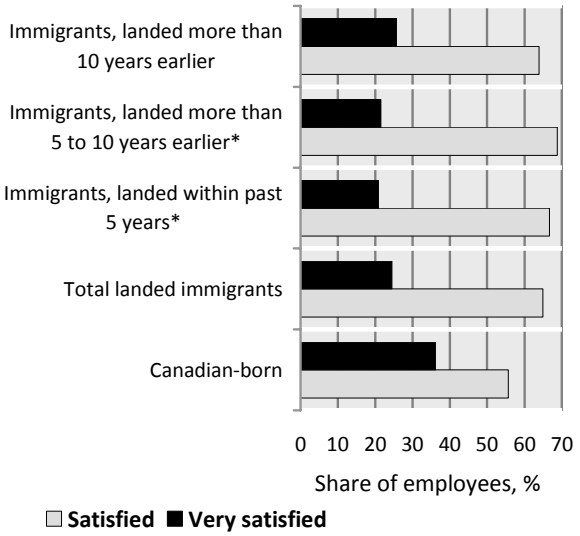
[61] Lowe, ibid. p. 51

Table 5. Skills development and training, Canadian-born and immigrants, Workers aged 25- 54

	Canadian-born	Total landed immigrants	Immigrants, landed within previous five years	Immigrants, landed more than five to ten years earlier	Immigrants, landed more than ten years earlier
(per cent)					
Received on-the-job training in past 12 months [2,3]	33.2	31.5	35.5	30.5	31.0
Received classroom training in past 12 months [2,3]	40.6	32.3[1]	38.4	36.2[E]	30.6[1]
Overqualified workers [4]	28.1	42.1[1]	55.7[1]	49.2[1]	36.3[1]
Overqualified university-educated workers [4]	40.5	60.1[1]	67.8[1]	62.9[1]	54.8[1]

Source: Statistics Canada, Labour Force Survey 2008.
[1] Significantly different from the respective Canadian-born value (p<0.05).
[2] Employees only (i.e., self-employed excluded).
[3] Workplace and Employee Survey, 2005.
[4] Non-management occupations.

Figure 3. Job satisfaction, employees aged 25 to 54, Canadian-born and immigrants by period of landing, 2005



Source: Workplace and Employee Survey (WES)
Figures for "Very satisfied" should be used with caution, as the coefficient of variation (CV) is between 16.5 per cent 33.3 per cent.

ANNEX I — Definitions of employment quality indicators

Safety and ethics of employment

Work injuries: The proportion of people who reported they received an injury at their place of work during the past 12 months. Occupational injury was defined as a "yes" response to the question "(Not counting repetitive strain injuries), were you injured in the past 12 months?" together with the response "working at a job or business" to the question, "Thinking about the most serious injury, what type of activity were you doing when you were injured?" Injuries sustained while commuting were not considered to be work injuries in this analysis. (Source: CCHS)

Income and benefits from employment

Average hourly wages: Average hourly wages of employees, in current Canadian dollars. Those whose main job is self-employed are excluded.

Wage distribution: The proportion of employees earning an hourly wage within a certain wage range.

Employees with non-wage benefits (percentage): Proportion of employees who have access to a dental plan, life insurance, supplemental medical coverage or pension plan through their employer. (Source: WES)

Working hours and balancing work and non-working life

Multiple-job holder (percentage): Proportion of employed workers who have more than one job; also referred to as "moonlighting".

Average usual hours per week: Average hours usually worked each week in the main job of employed workers. For those with multiple jobs, average hours are calculated for all jobs.

Worked unpaid overtime (percentage): Proportion of employees who worked at least some extra hours without pay during the survey reference week. Those who are self-employed in their main job are excluded.

Worked 50+ hour workweek (percentage): Proportion of employed workers who worked at least 50 hours during the reference week.

Part-time position (percentage): Proportion of employed workers who usually work less than 30 hours per week at their main job.

Involuntary part time: Among those employed workers working part-time in their main job, the share who were working part time involuntarily (i.e., because of business conditions but didn't look for full-time work because of business conditions but were looking for full-time work; or they could not find full-time work).

Reduced work week (percentage): Proportion of employed workers who have an agreement with the employer to work fewer hours every week. (Source: WES)

Compressed work week (percentage): Proportion of employed workers who work longer hours each day to reduce the number of days in the workweek. (Source: WES)

Flexible hours (percentage): Proportion of employed workers who work a certain number of core hours, but can vary the start and stop times as long as they work the equivalent of a full work week. (Source: WES)

Stability and security of work, and social protection

Temporary position (percentage): Proportion of employed workers whose current position is considered to be temporary, whether it be a short-term contract or seasonal in nature.

Current job tenure: the length of time (in months) in which the employee has worked for the specific employer (regardless of whether they held various positions for this employer over this time span).

Social dialogue

Union coverage (percentage): Proportion of employees who are members of a union or are covered by collective bargaining agreements in their main job. Those who are self-employed in their main job are excluded.

Skills development and training

Received classroom training (percentage): Proportion of employees who received any amount of classroom training in the previous 12 months. This training includes all training activities which have a predetermined format, including a pre-defined objective or specific content. The progress of the training may be monitored and/or evaluated. (Source: WES)

Received on-the-job training (percentage): Proportion of employees who received any amount of informal

training related to their job in the previous 12 months. (Source: WES)

Over-qualification (percentage): The number of non-management workers whose level of education is higher than what is normally required for their current occupation as a share of all non-management workers (e.g., those with university degrees who are working in occupations which usually only require at most a college education or apprenticeship, divided by all non-management workers with university degrees). This concept is sometimes referred to as "underemployment", "underutilization" or "education-to-job mismatch". The education-occupation matching process is based on a usual education-occupation matrix found on the Human Resources and Social Development Canada (HRSDC) website.[62]

Workplace relationships and work motivation

Job satisfaction (percentage): Proportion of employees answering the following question: Considering all aspects of this job, how satisfied are you with the job? Would you say that you are: satisfied; very satisfied; dissatisfied; very dissatisfied? (Source: WES)

[62] See Human Resources and Social Development Canada. National Occupational Classification (NOC) Training Tutorial. April 2006. http//www5.hrsdc.gc.ca/NOC/English/NOC/2006/Tutorial.aspx (accessed on November 13, 2009).

ANNEX II — Characteristics of employed population

Table A. Characteristics of employed population aged 25- 54, 2008

	Canadian-born	Total immigrants	Immigrants, landed within previous five years	Immigrants, landed more than five to ten years earlier	Immigrants, landed more than ten years earlier
Total employed, number	9 196 300	2 478 900	421 700	451 100	1 606 100
Sex distribution (per cent)					
Male	52.3	53.2	57.1	55.1	51.6
Female	47.7	46.8	42.9	44.9	48.4
Age distribution (per cent)					
Age 25 to 34	31.8	25.7	44.2	32.1	19.0
Age 35 to 44	32.5	38.1	38.8	45.6	35.8
Age 45 to 54	35.7	36.3	16.9	22.3	45.3
Highest level of educational attainment (per cent)					
High school or less	34.9	30.3	20.7	23.4	34.8
Postsecondary certificate or diploma	41.1	30.2	22.8	24.4	33.8
University degree	24.0	39.5	56.5	52.3	31.4
Immigrants with postsecondary education, diploma/degree received outside Canada	n.a.	53.2	89.1	76.7	34.3
Occupational share, main job (per cent)					
Management occupations	10.5	9.6	6.5	8.7	10.7
Business, finance and administrative occupations	19.5	18.3	15.8	16.4	19.5
Natural and applied sciences and related occupations	7.4	11.7	14.5	15.1	10.1
Health occupations	6.8	6.6	6.2	6.3	6.8
Occupations in social science, education, government service and religion	10.3	7.2	7.1	7.3	7.3
Occupations in art, culture, recreation and sport	3.1	2.5	2.2	2.5	2.6
Sales and service occupations	18.3	20.8	24.5	20.5	20.0
Trades, transport and equipment operators and related occupations	16.1	13.7	12.6	13.8	14.0
Occupations unique to primary industry	3.2	1.2	1.2	1.0	1.3
Occupations unique to processing, manufacturing and utilities	4.8	8.3	9.4	8.4	7.9
Firm size (per cent)					
Less than 100	32.8	34.9	38.4	36.8	33.3
100 to 500	14.4	16.2	17.1	16.8	15.7
More than 500	52.8	48.9	44.5	46.5	50.9
Labour market indicators, total population aged 25- 54 (per cent)					
Employment rate	84.1	77.4	66.6	74.9	81.7
Unemployment rate	4.6	6.8	11.0	7.5	5.4

Source: Statistics Canada, Labour Force Survey.

Table B. Characteristics of employed population aged 55 and over, 2008

	Canadian-born	Total immigrants	Immigrants, landed within previous five years	Immigrants, landed more than five to ten years earlier	Immigrants, landed more than ten years earlier
Total employed	1 893 300	736 100	19 000	33 400	683 700
Sex distribution (per cent)					
Male	55.1	56.5	56.3	63.2	56.1
Female	44.9	43.5	43.7	36.8	43.9
Highest level of educational attainment (per cent)					
High school or less	45.2	38.5	52.9	43.0	37.8
Postsecondary certificate or diploma	34.2	29.1	13.1	15.4	30.2
University degree	20.6	32.5	34.0	41.7	32.0
Immigrants with postsecondary education, diploma/degree received outside Canada	n.a.	56.5	94.0	92.7	54.1
Occupational share, main job (per cent)					
Management occupations	11.3	11.9	F[1]	7.4	12.4
Business, finance and administrative occupations	20.6	16.7	11.1	7.2	17.3
Natural and applied sciences and related occupations	4.4	6.6	F	7.2	6.6
Health occupations	6.6	6.2	F	F	6.4
Occupations in social science, education, government service and religion	8.8	8.7	F	12.0	8.6
Occupations in art, culture, recreation and sport	2.6	3.1	F	F	3.3
Sales and service occupations	20.6	22.2	36.8	28.8	21.5
Trades, transport and equipment operators and related occupations	15.9	12.8	F	12.7	12.9
Occupations unique to primary industry	5.7	2.8	F	F	2.6
Occupations unique to processing, manufacturing and utilities	3.6	9.0	18.3	16.0	8.4
Firm size (per cent)					
Less than 100	35.4	36.0	48.7	44.7	35.0
100 to 500	14.0	16.5	21.1	13.6	16.5
More than 500	50.6	47.6	30.2	41.7	48.5
Labour market indicators, total population aged 55 and over (per cent)					
Employment rate	32.8	32.1	29.2	32.7	32.2
Unemployment rate	4.9	5.4	15.2	10.7	4.8

Source: Statistics Canada, Labour Force Survey.
[1] *F stands for an estimate of which the coefficient is greater that 33 per cent*.

ANNEX III — Employment quality indicators, employed population aged 25 to 54 by occupation, 2008

Table A. Employment quality indicators, Canadian-born and immigrants by period of landing
Employed in management occupations aged 25- 54, 2008

	Canadian-born	Total immigrants	Immigrants, landed within previous five years	Immigrants, landed more than five to ten years earlier	Immigrants, landed more than ten years earlier
Income and benefits from employment					
Average hourly wage[2]	33.76	32.28[1]	29.82[1]	30.76[1]	33.07[1]
Average hourly wage, job tenure five years or less[2]	31.80	29.57[1]	27.88[1]	29.27[1]	30.40[1]
Wage distribution, percentage earning					
Less than Can$10 per hour[2]	1.4	2.3[E,1]	F	F	2.6[E,1]
Can$10 to Can$19.99 per hour[2]	19.4	24.7[1]	29.6[1]	30.9[E,1]	22.4[1]
Can$20 to Can$24.99 per hour[2]	12.5	10.7[1]	17.5[E,1]	7.6[E,1]	10.2[1]
Can$25 to Can$34.99 per hour[2]	23.8	22.8	13.9[1]	22.7[E]	24.4
Can$35 or more per hour[2]	43.0	39.6[1]	37.7[E]	37.3[1]	40.5[1]
Employer-sponsored (per cent)					
Pension plan[2,3,4]	35.3	19.8[E,1]	F	n.a.	24.3[E]
Life insurance[2,3,4]	71.2	55.4	64.5	n.a.	52.6[E]
Supplemental medical[2,3,4]	60.4	65.0	71.9	n.a.	62.8
Dental coverage[2,3,4]	67.9	74.4	78.8	n.a.	73.0
Vacation leave entitlement per year,[2,3,4] days	18.0	15.1[1]	14.6[1]	n.a.	15.3
Working hours and work-life balance					
Average usual hours per week, main job	41.6	43.0[1]	42.1	42.9[1]	43.2[1]
Average usual hours per week, multiple job-holders only	54.5	54.9	50.0	56.1	54.9
Multiple-job holder (per cent)	4.3	3.5[1]	F	F	2.8[E,1]
Worked any unpaid overtime (per cent)	40.2	33.1[1]	25.6[1]	22.4[1]	37.0[1]
Worked 50 hour or more workweek (per cent)	18.1	22.7[1]	17.4	21.7[1]	23.7[1]
Part-time position (per cent)	4.0	4.8[1]	F	F	4.6
Why part time? (per cent)					
Childcare	24.4	19.8[E]	F	F	F
Going to school	F	F	F	F	F
Personal preference	40.9	35.8[1]	F	F	41.1

Table A continues					
Involuntary	21.5	27.0[E,1]	F	F	F
Percentage allowed to work reduced workweek[2,3,4]	3.0[E]	F	F	n.a.	F
Percentage allowed to work compressed workweek[2,3,4]	3.5[E]	F	F	n.a.	F
Percentage allowed to work flexible hours[2,3,4]	3.5[E]	52.1	F	n.a.	59.9
Job stability and security (per cent)					
Temporary job[2]	2.3	3.0[E,1]	F	F	2.0[E]
Current job tenure					
1 to 12 months	11.0	11.8	24.5	16.4	8.7
13 to 60 months	27.7	35.7	59.8	49.8	28.7
61 to 120 months	21.6	23.6	9.3	27.5	25.0
121 to 240 months	24.2	20.4	F	F	26.4
241 or more months	15.5	8.6	F	F	11.2
Social dialogue (per cent)					
Union coverage[2]	11.1	7.4[1]	F	F	7.9[1]
Skills development and training (per cent)					
Received on-the-job training in past 12 months[2,3,4]	36.4	33.3	30.0	n.a.	34.4[E]
Received classroom training in past 12 months[2,3,4]	41.3	36.3[E]	54.7	n.a.	30.4[E]
Overqualified university-educated workers	n.a.	n.a.	n.a.	n.a.	n.a.

Source: Statistics Canada, Labour Force Survey.
[1] Significantly different from the respective Canadian-born value (p<0.05).
[2] Employees only (i.e., self-employed excluded).
[3] Workplace and Employee Survey, 2005.
[4] Data for "Immigrants, landed within previous five years" and "Immigrants, landed more than five to ten years earlier" have been grouped under the former category.

Table B. Employment quality indicators, Canadian-born and immigrants by period of landing, Employed in business, finance and administrative occupations aged 25- 54, 2008

Income and benefits from employment					
Average hourly wage[2]	21.43	20.55[1]	18.45[1]	19.22[1]	21.34[1]
Average hourly wage, job tenure five years or less[2]	19.94	19.13[1]	18.11[1]	18.53[1]	19.82
Wage distribution, percentage earning					
Less than Can$10 per hour[2]	2.6	3.4[1]	4.5[E,1]	3.4[E]	3.1[1]
Can$10 to Can$19.99 per hour[2]	46.5	51.8[1]	66.2[1]	60.0[1]	46.7
Can$20 to Can$24.99 per hour[2]	24.9	21.6[1]	12.9[1]	18.1[1]	24.4
Can$25 to Can$34.99 per hour[2]	18.8	16.0[1]	10.3[E,1]	13.8[1]	17.8
Can$35 or more per hour[2]	7.2	7.2	6.1[E]	4.8[E,1]	8.0
Employer-sponsored (per cent)					
Pension plan[2,3,4]	39.7	27.9[1]	F	n.a.	31.3
Life insurance[2,3,4]	71.8	66.2	64.7	n.a.	66.7
Supplemental medical[2,3,4]	58.1	63.1	66.6	n.a.	61.8
Dental coverage[2,3,4]	62.7	69.8	70.0	n.a.	69.8
Vacation leave entitlement per year[2,3,4] days	15.7	14.5[1]	11.8[1]	n.a.	15.4
Working hours and work-life balance					
Average usual hours per week, main job	36.1	37.1[1]	36.8[1]	36.8[1]	37.2[1]
Average usual hours per week, multiple job-holders only	44.8	49.5[1]	47.5[1]	49.2[1]	49.9[1]
Multiple-job holder (per cent)	5.1	4.9	3.7[E,1]	5.2[E]	5.1
Worked any unpaid overtime (per cent)	12.8	11.4[1]	9.3[E,1]	9.6[1]	12.3
Worked 50 hour or more workweek (per cent)	3.2	3.1	F	F	3.7[1]
Part-time position (per cent)	12.4	9.5[1]	10.3[1]	9.7[E,1]	9.3[1]
Why part time? (per cent)					
Childcare	30.3	28.2	F	28.9[E]	30.9
Going to school	5.0	9.5[1]	23.0[E,1]	F	F
Personal preference	31.6	25.7[1]	F	22.1[E,1]	30.0
Involuntary	20.9	26.1[1]	42.9[1]	F	22.1
Percentage allowed to work reduced workweek[2,3,4]	7.2	7.1[E]	F	n.a	8.8
Percentage allowed to work compressed workweek[2,3,4]	5.9	F	F	n.a.	F
Percentage allowed to work flexible hours[2,3,4]	28.9	24.2	26.2[E]	n.a.	23.5
Job stability and security					
Temporary job[2] (per cent)	6.3	8.1[1]	13.9[1]	11.2[1]	6.0
Current job tenure					
1 to 12 months	15.6	21.2	43.5	23.6	15.9

Table B continues					
13 to 60 months	30.6	35.6	50.5	50.4	29.0
61 to 120 months	21.1	21.1	3.2[E]	22.4	24.5
121 to 240 months	18.8	16.2	2.3[E]	3.4[E]	22.1
241 or more months	14.0	6.0	F	F	8.5
Social dialogue (per cent)					
Union coverage[2]	30.4	18.8[1]	14.4[1]	15.5[1]	20.6[1]
Skills development and training (per cent)					
Received on-the-job training in past 12 months[2,3,4]	34.1	30.3	37.3[E]	n.a.	27.7
Received classroom training in past 12 months[2,3,4]	35.8	28.9	36.3[E]	n.a.	26.2[1]
Overqualified university-educated workers	57.2	62.6[1]	70.0[1]	61.6[1]	59.8[1]

Source: Statistics Canada, Labour Force Survey.
[1] Significantly different from the respective Canadian-born value (p<0.05).
[2] Employees only (i.e., self-employed excluded).
[3] Workplace and Employee Survey, 2005.
[4] Data for "Immigrants, landed within previous five years" and "Immigrants, landed more than five to ten years earlier" have been grouped under the former category.

Table C. Employment quality indicators, Canadian-born and immigrants by period of landing, Employed in natural and applied sciences occupations aged 25- 54, 2008

	Canadian-born	Total immigrants	Immigrants, landed within previous five years	Immigrants, landed more than five to ten years earlier	Immigrants, landed more than ten years earlier
Income and benefits from employment					
Average hourly wage[2]	30.64	30.23	26.20[1]	31.04[1]	31.55[1]
Average hourly wage, job tenure five years or less[2]	28.12	28.48	24.94[1]	29.91[1]	30.14[1]
Wage distribution, percentage earning					
Less than Can$10 per hour[2]	0.6	F	F	F	F
Can$10 to Can$19.99 per hour[2]	16.5	18.3[1]	31.1[1]	14.3[1]	14.8[1]
Can$20 to Can$24.99 per hour[2]	17.2	19.0[1]	22.2[1]	18.9	17.6
Can$25 to Can$34.99 per hour[2]	34.3	33.1	29.1[1]	35.9	33.5
Can$35 or more per hour[2]	31.4	29.1[1]	16.9[1]	30.4	33.6
Employer-sponsored (per cent)					
Pension plan[2,3,4]	43.6	37.7	20.4[E,1]	n.a.	46.4
Life insurance[2,3,4]	80.6	70.0	76.1	n.a.	66.9
Supplemental medical[2,3,4]	67.6	73.5	73.4	n.a.	73.5
Dental coverage[2,3,4]	79.5	85.3	86.3	n.a.	84.8
Vacation leave entitlement per year[2,3,4] days	17.4	16.5	13.9[1]	n.a.	17.8
Working hours and work-life balance					
Average usual hours per week, main job	39.1	39.7[1]	39.3	39.6[1]	39.9[1]
Average usual hours per week, multiple job-holders only	50.6	51.6	55.7[1]	49.0[1]	51.0
Multiple-job holder (per cent)	3.6	3.8	3.5[E]	2.6[E,1]	4.3[E]
Worked any unpaid overtime (per cent)	18.4	15.7[1]	13.7[1]	14.1[1]	17.2
Worked 50 hour or more workweek (per cent)	6.2	5.7	3.4[E,1]	5.7[E]	6.6
Part-time position (per cent)	3.8	2.7[1]	F	F	3.5[E]
Why part time? (per cent)					
Childcare	21.3	F	F	F	F
Going to school	7.9	10.2[E]	F	F	F
Personal preference	37.1	22.5[E,1]	F	F	F
Involuntary	21.4	42.6[1]	F	F	40.9[E,1]

Table C continues					
Percentage allowed to work reduced workweek[2,3,4]	3.3	F	F	n.a.	F
Percentage allowed to work compressed workweek[2,3,4]	7.6	F	F	n.a.	F
Percentage allowed to work flexible hours[2,3,4]	48.6	50.7	35.7[E]	n.a.	58.2
Job stability and security (per cent)					
Temporary job[2]	5.5	6.0	9.0[E,1]	6.2[E]	4.7[1]
Current job tenure (per cent)					
1 to 12 months	13.7	22.4	39.8	21.9	16.1
13 to 60 months	33.2	42.6	50.9	51.8	35.6
61 to 120 months	23.4	20.5	6.7	24.1	24.1
121 to 240 months	19.2	10.8	F	F	18.0
241 or more months	10.4	3.7	F	F	6.2
Social dialogue and (per cent)					
Union coverage[2]	29.0	16.2[1]	10.0[E,1]	17.4[1]	18.2[1]
Skills development and training (per cent)					
Received on-the-job training in past 12 months[2,3,4]	45.0	39.7	39.5[E]	n.a.	39.9
Received classroom training in past 12 months[2,3,4]	49.6	39.2	46.4[E]		35.5[1]
Overqualified university-educated workers	25.5	30.0[1]	34.2[1]	36.7[1]	22.4

Source: Statistics Canada, Labour Force Survey.
[1] Significantly different from the respective Canadian-born value (p<0.05).
[2] Employees only (i.e., self-employed excluded).
[3] Workplace and Employee Survey, 2005.
[4] Data for "Immigrants, landed within previous five years" and "Immigrants, landed more than five to ten years earlier" have been grouped under the former category.

Table D. Employment quality indicators, Canadian-born and immigrants by period of landing, Employed in health occupations aged 25- 54, 2008

	Canadian-born	Total immigrants	Immigrants, landed within previous five years	Immigrants, landed more than five to ten years earlier	Immigrants, landed more than ten years earlier
Income and benefits from employment					
Average hourly wage[2]	25.78	23.28[1]	21.17[1]	22.21[1]	24.15[1]
Average hourly wage, job tenure five years or less[2]	23.57	22.15[1]	20.71[1]	21.26[1]	23.42
Wage distribution, percentage earning					
Less than Can$10 per hour[2]	1.9	2.5[E,1]	F	F	F
Can$10 to Can$19.99 per hour[2]	31.7	43.8[1]	51.5[1]	48.2[1]	40.5[1]
Can$20 to Can$24.99 per hour[2]	16.6	17.8	17.6[E]	17.2[E]	18.0
Can$25 to Can$34.99 per hour[2]	29.7	19.2[1]	15.2[E,1]	20.1[E,1]	20.0[1]
Can$35 or more per hour[2]	20.0	16.7[1]	11.9[E,1]	12.4[E,1]	19.3[1]
Employer-sponsored **(per cent)**					
Pension plan[2,3,4]	57.5	42.8	22.1[E,1]	n.a.	49.8
Life insurance[2,3,4]	70.6	63.4	62.5	n.a.	63.7
Supplemental medical[2,3,4]	50.9	55.5	44.4[E]	n.a.	59.3
Dental coverage[2,3,4]	61.4	67.3	66.9	n.a.	67.4
Vacation leave entitlement per year,[2,3,4] days	15.7	15.8	13.7	n.a.	16.5
Working hours and work-life balance					
Average usual hours per week, main job	34.6	35.9[1]	34.3	36.2[1]	36.2[1]
Average usual hours per week, multiple job-holders only	42.7	48.6[1]	50.2[1]	46.4	48.6[1]
Multiple-job holder (per cent)	7.4	11.6[1]	11.8[E,1]	9.3[1]	12.1[1]
Worked any unpaid overtime (per cent)	9.9	6.8[1]	7.2[E,1]	F	8.1[1]
Worked 50 hour or more workweek (per cent)	5.2	7.6[1]	F	8.0[E,1]	10.0[1]
Part-time position (per cent)	22.4	18.9[1]	23.9	17.5[1]	18.1[1]
Why part time? (per cent)					
Childcare	29.2	22.4[1]	F	F	20.6[1]
Going to school	5.4	10.2[E,1]	F	F	F
Personal preference	32.3	23.1[1]	F	F	31.5
Involuntary	22.9	34.4[1]	48.6[1]	34.4[E,1]	29.8[1]

Table D continues					
Percentage allowed to work reduced workweek[2,3,4]	4.2	8.8[E,1]	F	F	F
Percentage allowed to work compressed workweek[2,3,4]	33.4	21.7[1]	F	F	22.5[1]
Percentage allowed to work flexible hours[2,3,4]	24.1	36.1[1]	48.6[1]	39.8[E,1]	32.5[1]
Job stability and security **(per cent)**					
Temporary job[2]	7.9	10.2[1]	18.9[E,1]	12.4[E,1]	7.3
Current job tenure **(per cent)**					
1 to 12 months	11.5	16.9	41.0	20.8	10.1
13 to 60 months	29.1	36.5	50.5	48.6	29.9
61 to 120 months	22.7	23.9	5.9	26.2	27.7
121 to 240 months	21.3	16.4	F	F	23.2
241 or more months	15.4	6.4	F	F	9.2
Social dialogue (**per cent)**					
Union coverage[2]	67.2	54.8[1]	48.8[1]	43.8[1]	59.4[1]
Skills development and training **(per cent)**					
Received on-the-job training in past 12 months[2,3,4]	43.5	49.5	36.2	n.a.	54.0
Received classroom training in past 12 months[2,3,4]	59.4	56.8	35.7[E,1]	n.a.	63.9
Overqualified university-educated workers	17.2	38.2[1]	49.8[1]	42.1[1]	33.2[1]

Source: Statistics Canada, Labour Force Survey.
[1] Significantly different from the respective Canadian-born value (p<0.05).
[2] Employees only (i.e., self-employed excluded).
[3] Workplace and Employee Survey, 2005.
[4] Data for "Immigrants, landed within previous five years" and "Immigrants, landed more than five to ten years earlier" have been grouped under the former category.

Table E. Employment quality indicators, Canadian-born and immigrants by period of landing, Employed in social science, education, government service and religion occupations, aged 25- 54, 2008

	Canadian-born	Total immigrants	Immigrants, landed within previous five years	Immigrants, landed more than five to ten years earlier	Immigrants, landed more than ten years earlier
Income and benefits from employment					
Average hourly wage[2] (Can$)	28.30	26.00[1]	22.87[1]	24.19[1]	27.38[1]
Average hourly wage, job tenure five years or less[2] (Can$)	25.13	22.68[1]	22.44[1]	21.46[1]	23.35[1]
Wage distribution, per cent earning					
Less than Can$10 per hour[2]	1.9	5.6[1]	12.7[E,1]	5.9[E,1]	3.6[E,1]
Can$10 to Can$19.99 per hour[2]	22.6	32.1[1]	41.2[1]	36.2[1]	28.4[1]
Can$20 to Can$24.99 per hour[2]	17.2	16.3	14.4[1]	17.1[E]	16.6
Can$25 to Can$34.99 per hour[2]	32.8	22.9[1]	13.9[1]	21.2[1]	25.9[1]
Can$35 or more per hour[2]	25.6	23.1[1]	17.8[E,1]	19.7[E,1]	25.5
Employer-sponsored (per cent)					
Pension plan[2,3,4]	67.1	74.6	72.4	n.a.	75.5
Life insurance[2,3,4]	75.4	71.5	49.6[E,1]	n.a.	80.5
Supplemental medical[2,3,4]	65.2	74.7	64.9[E]	n.a.	78.7
Dental coverage[2,3,4]	63.4	67.9	62.7[E]	n.a.	70.1
Vacation leave entitlement per year,[2,3,4] days	19.3	22.0	17.8	n.a.	23.7
Working hours and work-life balance					
Average usual hours per week, main job	35.8	35.0[1]	32.5[1]	34.4[1]	35.8
Average usual hours per week, multiple job-holders only	43.5	41.4[1]	45.7	37.5[1]	42.1
Multiple-job holder (per cent)	6.9	7.8[1]	6.5[E]	11.4[E,1]	7.1
Worked any unpaid overtime (per cent)	34.9	25.6[1]	19.3[1]	17.0[1]	29.9[1]
Worked 50 hour or more workweek (per cent)	7.5	9.9[1]	5.7[E,1]	11.9[E,1]	10.4[1]
Part-time position (per cent)	14.6	20.5[1]	27.2[1]	23.5[1]	18.0[1]
Why part time? (per cent)					
Childcare	25.2	13.2[1]	F	F	15.6[E,1]
Going to school	9.7	21.6[1]	51.0[E,1]	23.5[E,1]	9.5[E]
Personal preference	25.8	20.1[1]	F	F	28.7
Involuntary	29.5	37.6[1]	24.6[E,1]	55.5[1]	35.9[1]
Percentage allowed to work reduced workweek[2,3,4]	5.2	F	F	n.a.	F
Percentage allowed to work compressed workweek[2,3,4]	3.6	F	F	n.a.	F
Percentage allowed to work flexible hours[2,3,4]	46.6	45.8[E]	35.8[E]	n.a.	49.9[E]

Table E continues					
Job stability and security (per cent)					
Temporary job[2]	14.8	25.0[1]	50.3[1]	34.9[1]	15.2
Current job tenure (per cent)					
1 to 12 months	13.2	20.7	40.7	22.6	15.1
13 to 60 months	30.2	37.1	48.5	49.5	30.7
61 to 120 months	25.6	20.6	8.6	20.9	23.5
121 to 240 months	21.5	17.3	F	6.6	24.4
240 or more months	9.5	4.3	F	F	6.3
Social dialogue (per cent)					
Union coverage[2]	64.2	47.3[1]	29.4[1]	45.2[1]	52.8[1]
Skills development and training (per cent)					
Received on-the-job training in past 12 months[2,3,4]	41.8	37.3[E]	38.8[E]	n.a.	36.7[E]
Received classroom training in past 12 months[2,3,4]	63.7	52.2	52.4	n.a.	52.1[E]
Overqualified university-educated workers	8.2	11.0	10.9[E]	14.2[E,1]	10.0

Source: Statistics Canada, Labour Force Survey.
[1] Significantly different from the respective Canadian-born value (p<0.05).
[2] Employees only (i.e., self-employed excluded).
[3] Workplace and Employee Survey, 2005.
[4] Data for "Immigrants, landed within previous five years" and "Immigrants, landed more than five to ten years earlier" have been grouped under the former category.

Table F. Employment quality indicators, Canadian-born and immigrants by period of landing, Employed in art, culture, recreation and sport occupations aged 25- 54, 2008

	Canadian-born	Total immigrants	Immigrants, landed within previous five years	Immigrants, landed more than five to ten years earlier	Immigrants, landed more than ten years earlier
Income and benefits from employment					
Average hourly wage[2] (Can$)	24.33	22.13[1]	19.49[1]	20.57[1]	23.21[1]
Average hourly wage, job tenure five years or less[2] (Can$)	22.73	21.29[1]	19.04[1]	21.32[1]	22.07[1]
Wage distribution, percentage earning					
Less than Can$10 per hour[2]	1.9	F	F	F	F
Can$10 to Can$19.99 per hour[2]	35.3	42.9[1]	52.4[1]	F	36.2
Can$20 to Can$24.99 per hour[2]	21.4	24.4	F	F	25.9[E]
Can$25 to Can$34.99 per hour[2]	27.2	18.9[1]	F	F	21.5[1]
Can$35 or more per hour[2]	14.2	10.2[E,1]	F	F	11.9[E]
Employer-sponsored (per cent)					
Pension plan[2,3,4]	37.0	31.5	F	n.a.	36.7
Life insurance[2,3,4]	65.4	52.3[E]	F	n.a.	57.4[E]
Supplemental medical[2,3,4]	56.5	62.3[E]	F	n.a.	69.2[E]
Dental coverage[2,3,4]	65.8	62.6[E]	F	n.a.	68.9[E]
Vacation leave entitlement per year,[2,3,4] days	14.8	14.4[E]	F	F	15.9[E]
Working hours and work-life balance					
Average usual hours per week, main job	35.1	34.9	38.7[1]	33.4	34.4
Average usual hours per week, multiple job-holders only	43.1	45.0	42.8[E]	42.5	46.5[1]
Multiple-job holder (per cent)	10.9	7.2[E,1]	F	F	6.5[E,1]
Worked any unpaid overtime (per cent)	19.1	16.1[E]	F	F	17.4[E]
Worked 50 hour or more workweek (per cent)	10.3	12.2[1]	F	F	11.6
Part-time position (per cent)	22.0	25.1[1]	19.2[E]	28.9[E]	25.4[1]
Why part time? (per cent)					
Childcare	20.5	22.7[E]	F	F	20.3[E]
Going to school	5.9[E]	F	F	F	F
Personal preference	27.9	26.3	F	F	23.9
Involuntary	35.6	36.5	F	F	42.6[E]
Percentage allowed to work reduced workweek[2,3,4]	4.2	F	F	n.a.	F
Percentage allowed to work compressed workweek[2,3,4]	6.8	F	F	n.a.	F
Percentage allowed to work flexible hours[2,3,4]	38.8	59.3[E]	F	n.a.	59.2[E]
Job stability and security (per cent)					
Temporary job[2]	16.7	16.4[E]	F	F	16.2[E]
Current job tenure (per cent)					

Table F continues					
1 to 12 months	18.3	17.2	F	27.1	15.0
13 to 60 months	34.6	34.8	62.1	37.4	27.9
61 to 120 months	21.4	21.5	F	28.3	22.8
121 to 240 months	17.5	19.3	F	F	24.0
241 or more months	8.3	7.3[E]	F	F	10.2
Social dialogue (per cent)					
Union coverage[2]	31.7	24.6[1]	F	F	30.7[E]
Skills development and training (per cent)					
Received on-the-job training in past 12 months[2,3,4]	24.0	F	F	n.a.	F
Received classroom training in past 12 months[2,3,4]	25.0	F	F	n.a.	F
Overqualified university-educated workers	36.2	41.8[1]	30.9[E]	38.5	46.7[1]

Source: Statistics Canada, Labour Force Survey.
[1] Significantly different from the respective Canadian-born value (p<0.05).
[2] Employees only (i.e., self-employed excluded).
[3] Workplace and Employee Survey, 2005.
[4] Data for "Immigrants, landed within previous five years" and "Immigrants, landed more than five to ten years earlier" have been grouped under the former category.

Table G. Employment quality indicators, Canadian-born and immigrants by period of landing, Employed in sales and service occupations aged 25- 54, 2008

	Canadian-born	Total immigrants	Immigrants, landed within previous five years	Immigrants, landed more than five to ten years earlier	Immigrants, landed more than ten years earlier
Income and benefits from employment					
Average hourly wage[2] (Can$)	17.41	14.46[1]	12.68[1]	13.56[1]	15.36[1]
Average hourly wage, job tenure five years or less[2] (Can$)	15.29	13.45[1]	12.42[1]	13.28[1]	14.11[1]
Wage distribution, percentage earning					
Less than Can$10 per hour[2]	16.4	24.2[1]	33.4[1]	26.5[1]	20.2[1]
Can$10 to Can$19.99 per hour[2]	53.6	59.3[1]	57.9[1]	61.8[1]	59.0[1]
Can$20 to Can$24.99 per hour[2]	13.6	9.2[1]	4.2[E,1]	7.6[1]	11.5[1]
Can$25 to Can$34.99 per hour[2]	10.7	5.2[1]	2.7[E,1]	2.8[E,1]	6.7[1]
Can$35 or more per hour[2]	5.7	2.2[1]	F	F	2.6[1]
Employer-sponsored (per cent)					
Pension plan[2,3,4]	21.8	18.8[E]	F	n.a.	20.9[E]
Life insurance[2,3,4]	44.0	31.0[1]	25.5[E,1]	n.a.	32.9[E]
Supplemental medical[2,3,4]	39.1	32.4	F	n.a.	36.5[E]
Dental coverage[2,3,4]	43.6	41.0	36.2[E]	n.a.	42.6
Vacation leave entitlement per year, [2,3,4] days	12.0	10.5	8.1[E,1]	n.a.	11.3
Working hours and work-life balance					
Average usual hours per week, main job	35.1	35.3	34.3[1]	35.1	35.7[1]
Average usual hours per week, multiple job-holders only	46.1	48.8[1]	46.2	48.1	50.0[1]
Multiple-job holder (per cent)	6.1	6.2	6.6	6.4	6.0
Worked any unpaid overtime (per cent)	9.6	4.8[1]	3.0[E,1]	2.6[E,1]	6.1[1]
Worked 50 hour or more workweek (per cent)	5.4	6.4[1]	4.7[E]	6.3[E]	7.0[1]
Part-time position (per cent)	21.1	22.4[1]	24.9[1]	22.8	21.6
Why part time? (per cent)					
Childcare	19.7	18.[1]	12.9[E,1]	28.9[1]	16.7[1]
Going to school	7.6	10.4[1]	21.2[1]	13.6[E,1]	5.4[E,1]
Personal preference	24.4	18.2[1]	14.9[E,1]	12.3[E,1]	21.3[1]
Involuntary	35.0	40.4[1]	42.0[1]	36.2	41.1[1]
Percentage allowed to work reduced workweek[2,3,4]	9.8	10.2[E]	F	n.a.	12.6[E]
Percentage allowed to work compressed workweek[2,3,4]	6.0[E]	4.0[E]	F	n.a.	4.7[E]
Percentage allowed to work flexible hours[2,3,4]	38.6	37.9	37.7[E]	n.a.	37.9

Table G continues					
Job stability and security (per cent)					
Temporary job[2]	7.6	10.0[1]	14.3[1]	10.2[1]	8.4[1]
Current job tenure (per cent)					
1 to 12 months	20.8	27.5	44.1	32.1	20.9
13 to 60 months	33.1	39.0	49.9	44.4	34.0
61 to 120 months	20.6	17.4	4.1[E]	21.3	20.5
121 to 240 months	16.9	12.1	1.7[E]	F	18.5
241 or more months	8.6	4.0	F	F	6.2
Social dialogue and (per cent)					
Union coverage[2]	28.7	21.9[1]	14.2[1]	22.2[1]	24.6[1]
Skills development and training (per cent)					
Received on-the-job training in past 12 months[2,3,4]	27.3	27.3[E]	29.6[E]	n.a.	F
Received classroom training in past 12 months[2,3,4]	31.0	24.9[E]	33.0[E]	n.a.	22.1[E]
Overqualified university-educated workers	100.0	100.0	100.0	100.0	100.0

Source: Statistics Canada, Labour Force Survey.
[1] Significantly different from the respective Canadian-born value (p<0.05).
[2] Employees only (i.e., self-employed excluded).
[3] Workplace and Employee Survey, 2005.
[4] Data for "Immigrants, landed within previous five years" and "Immigrants, landed more than five to ten years earlier" have been grouped under the former category.

Table H. Employment quality indicators, Canadian-born and immigrants by period of landing, Employed in trades, transport and equipment operators' occupations aged 25 to 54, 2008

	Canadian-born	Total immigrants	Immigrants, landed within previous five years	Immigrants, landed more than five to ten years earlier	Immigrants, landed more than ten years earlier
Income and benefits from employment					
Average hourly wage[2] (Can$)	22.58	20.42[1]	17.61[1]	19.08[1]	21.56[1]
Average hourly wage, job tenure five years or less[2] (Can$)	21.20	18.97[1]	17.35[1]	18.71[1]	19.88[1]
Wage distribution, percentage earning					
Less than Can$10 per hour[2]	1.9	5.4[1]	10.6[E,1]	5.7[E,1]	4.0[1]
Can$10 to Can$19.99 per hour[2]	38.2	46.4[1]	55.6[1]	56.0[1]	41.1[1]
Can$20 to Can$24.99 per hour[2]	23.0	19.8[1]	15.3[E,1]	16.4[E,1]	22.0
Can$25 to Can$34.99 per hour[2]	29.9	23.8[1]	16.7[1]	19.1[1]	27.0[1]
Can$35 or more per hour[2]	7.0	4.7[1]	F	F	6.0[1]
Employer-sponsored (per cent)					
Pension plan[2,3,4]	28.4	31.8[E]	F	n.a.	35.8[E]
Life insurance[2,3,4]	62.6	62.7	F	n.a.	70.7
Supplemental medical[2,3,4]	55.4	61.1	F	n.a.	68.5[1]
Dental coverage[2,3,4]	61.6	63.4	F	n.a.	70.8
Vacation leave entitlement per year,[2,3,4] days	14.1	12.7	10.5[1]	n.a.	13.3
Working hours and work-life balance					
Average usual hours per week, main job	42.0	42.0	41.2[1]	42.1	42.2
Average usual hours per week, multiple job-holders only	55.0	58.3[1]	52.9	57.1	59.5[1]
Multiple-job holder (per cent)	2.9	2.9	F	3.0	3.1
Worked any unpaid overtime (per cent)	3.8	3.6	F	3.9[E]	3.5
Worked 50 hour or more workweek (per cent)	15.6	16.7[1]	12.8[1]	17.6[1]	17.4[1]
Part-time position (per cent)	3.8	4.6[1]	5.6[E,1]	4.7[E]	4.3[1]
Why part time? (per cent)					
Childcare	9.8	F	F	F	F
Going to school	F	F	F	F	F
Personal preference	24.6	16.5[E,1]	F	F	19.0[E,1]
Involuntary	48.9	61.7[1]	71.3[E,1]	60.6[E]	59.0[1]
Percentage allowed to work reduced workweek[2,3,4]	3.1	1.4[E]	F	n.a.	1.6[E]
Percentage allowed to work compressed workweek[2,3,4]	11.7	7.9[E]	F	n.a.	7.6[E]
Percentage allowed to work flexible hours[2,3,4]	34.6	33.0[E]	F	n.a.	35.8[E]

Table H continues					
Job stability and security (per cent)					
Temporary job,[2]	10.3	9.4[1]	14.5[E,1]	11.5[E]	7.4[1]
Current job tenure (per cent)					
1 to 12 months	19.8	21.5	44.9	19.1	16.6
13 to 60 months	30.2	37.1	49.1	54.0	29.7
61 to 120 months	19.2	18.8	F	23.1	21.1
121 to 240 months	18.1	15.6	F	3.1[E]	22.4
241 or more months	12.8	7.0	F	F	10.2
Social dialogue (per cent)					
Union coverage[2]	41.8	31.1[1]	23.1[1]	28.4[1]	34.0[1]
Skills development and training (per cent)					
Received on-the-job training in past 12 months[2,3,4]	26.5	19.8[E]	F	n.a.	20.5[E]
Received classroom training in past 12 months[2,3,4]	40.2	34.7	F	n.a.	40.5[E]
Overqualified university-educated workers	100.0	100.0	100.0	100.0	100.0

Source: Statistics Canada, Labour Force Survey.
[1] Significantly different from the respective Canadian-born value (p<0.05).
[2] Employees only (i.e., self-employed excluded).
[3] Workplace and Employee Survey, 2005.
[4] Data for "Immigrants, landed within previous five years" and "Immigrants, landed more than five to ten years earlier" have been grouped under the former category.

Table I. Employment quality indicators, Canadian-born and immigrants by period of landing, Employed in occupations unique to the primary industry aged 25-54, 2008

	Canadian-born	Total immigrants	Immigrants, landed within previous five years	Immigrants, landed more than five to ten years earlier	Immigrants, landed more than ten years earlier
Income and benefits from employment					
Average hourly wage[2] (Can$)	21.15	16.26[1]	14.50[1]	16.72[1]	16.73[1]
Average hourly wage, job tenure five years or less[2] (Can$)	20.46	15.43[1]	14.60[1]	16.57[E,1]	15.45[1]
Wage distribution, percentage earning					
Less than Can$10 per hour[2]	8.0	16.9[E,1]	F	F	14.7[E,1]
Can$10 to Can$19.99 per hour[2]	41.8	58.3[1]	60.3[E,1]	56.1[E,1]	58.3[1]
Can$20 to Can$24.99 per hour[2]	18.0	10.9[E,1]	F	F	F
Can$25 to Can$34.99 per hour[2]	23.3	12.1[E,1]	F	F	15.0[E,1]
Can$35 or more per hour[2]	8.9	F	F	F	F
Employer-sponsored (per cent)					
Pension plan[2,3,4]	32.7	F	F	n.a.	F
Life insurance[2,3,4]	77.8	F	F	n.a.	F
Supplemental medical[2,3,4]	68.8	F	F	n.a.	F
Dental coverage[2,3,4]	73.0	F	F	n.a.	F
Vacation leave entitlement per year,[2,3,4] days	13.0	13.8	F	n.a.	13.8
Working hours and work-life balance					
Average usual hours per week, main job	48.4	44.7[1]	40.9[1]	43.7[1]	45.9[1]
Average usual hours per week, multiple job-holders only	66.5	60.1[1]	55.5[1]	58.4	61.2
Multiple-job holder (per cent)	6.3	5.2 [E]	F	F	F
Worked any unpaid overtime (per cent)	6.5	F	F	F	F
Worked 50 hour s or more workweek (per cent)	42.0	29.5[1]	F	F	33.3[1]
Part-time position (per cent)	7.9	8.8	F	F	7.8
Why part time? (per cent)					
Childcare	15.2	F	F	F	F
Going to school	F	F	F	F	F
Personal preference	36.5	F	F	F	F
Involuntary	2.2	F	F	F	F
Percentage allowed to work reduced workweek[2,3,4]	4.2	F	F		F

Table I continues					
Percentage allowed to work compressed workweek[2,3,4]	17.3	F	F	n.a.	F
Percentage allowed to work flexible hours[2,3,4]	35.2	F	F	n.a.	F
Job stability and security, per cent					
Temporary job,[2]	24.1	24.2	F	F	22.7[E]
Current job tenure (per cent)					
1 to 12 months	17.4	22.3	37.8[E]	F	17.2[E]
13 to 60 months	24.0	34.4	52.4	37.6[E]	29.1
61 to 120 months	16.4	17.8[E]	F	F	19.1[E]
121 to 240 months	19.0	19.0[E]	F	F	25.5
241 or more months	23.2	6.5[E]	F	F	9.1[E]
Social dialogue (per cent)					
Union coverage[2]	21.8	17.6[E,1]	F	F	23.1[E]
Skills development and training (per cent)					
Received on-the-job training in past 12 months[2,3,4]	36.1	F	F	F	F
Received classroom training in past 12 months[2,3,4]	58.0	F	F	F	F
Overqualified university-educated workers	100.0	100.0	100.0	100.0	100.0

Source: Statistics Canada, Labour Force Survey.
[1] Significantly different from the respective Canadian-born value (p<0.05).
[2] Employees only (i.e., self-employed excluded).
[3] Workplace and Employee Survey, 2005.
[4] Data for "Immigrants, landed within previous five years" and "Immigrants, landed more than five to ten years earlier" have been grouped under the former category.

Table J. Employment quality indicators, Canadian-born and immigrants by period of landing, Employed in occupations unique to manufacturing, processing and utilities aged 25-54, 2008

	Canadian-born	Total immigrants	Immigrants, landed within previous five years	Immigrants, landed more than five to ten years earlier	Immigrants, landed more than ten years earlier
Income and benefits from employment					
Average hourly wage[2] (Can$)	20.32	16.32[1]	14.10[1]	15.87[1]	17.17[1]
Average hourly wage, job tenure five years or less[2] (Can$)	17.36	14.69[1]	13.93[1]	15.25[1]	15.04[1]
Wage distribution, percentage earning					
Less than Can$10 per hour[2]	4.4	13.2[1]	20.0[1]	11.0[1]	11.7[1]
Can$10 to Can$19.99 per hour[2]	49.7	62.0[1]	67.0[1]	67.5[1]	58.7[1]
Can$20 to Can$24.99 per hour[2]	20.3	13.8[1]	8.7[E,1]	11.4[E,1]	16.1[1]
Can$25 to Can$34.99 per hour[2]	21.2	9.3[1]	4.2[E,1]	8.9[E,1]	11.1[1]
Can$35 or more per hour[2]	4.5	1.7[E,1]	F	F	2.3[E,1]
Employer-sponsored (per cent)					
Pension plan[2,3,4]	36.1	21.2[1]	16.3[E,1]	n.a.	22.8[1]
Life insurance[2,3,4]	70.0	63.3	53.0	n.a.	66.6
Supplemental medical[2,3,4]	62.0	54.6	63.0	n.a.	51.8
Dental coverage[2,3,4]	65.7	60.8	56.5	n.a.	62.0
Vacation leave entitlement per year,[2,3,4] days	16.1	14.4	16.0[E]	n.a.	13.9[1]
Working hours and work-life balance					
Average usual hours per week, main job	39.9	39.7[1]	39.2[1]	39.6[1]	39.9
Average usual hours per week, multiple job-holders only	53.7	57.9[1]	53.6	56.9	59.3[1]
Multiple-job holder (per cent)	2.8	3.6[1]	F	F	3.8[1]
Worked any unpaid overtime (per cent)	3.5	2.5[1]	F	F	2.6[E,1]
Worked 50 hour or more workweek (per cent)	4.0	2.9[1]	F	F	2.9[E,1]
Part-time position (per cent)	3.6	2.3[1]	F	F	1.9[E,1]
Why part time? (per cent)					
Childcare	F	F	F	F	F
Going to school	F	F	F	F	F
Personal preference	21.3	F	F	F	F
Involuntary	48.1	39.5[1]	F	F	F
Percentage allowed to work reduced workweek[2,3,4]	2.3[E]	4.8[E]	F	n.a.	F
Percentage allowed to work compressed workweek[2,3,4]	13.9	4.8[E,1]	F	n.a.	F
Percentage allowed to work flexible hours[2,3,4]	21.0	14.4[E,1]	F	n.a.	16.3[E]
Job stability and security (per cent)					

Table J continues					
Temporary job[2]	5.9	7.1[1]	13.6[E,1]	8.7[E,1]	4.5[1]
Current job tenure (per cent)					
1 to 12 months	12.9	18.2	42.5	18.7	10.5
13 to 60 months	24.1	35.3	54.5	50.1	24.9
61 to 120 months	21.4	19.8	F	24.2	24.3
121 to 240 months	24.1	19.2	F	5.5[E]	28.9
241 or more months	17.6	7.4	F	F	11.4
Union coverage[2]	43.3	25.8[1]	21.5[1]	22.9[1]	28.1[1]
Skills development and training (per cent)					
Received on-the-job training in past 12 months[2,3,4]	28.0	29.3[E]	31.9[E]	n.a.	28.5[E]
Received classroom training in past 12 months[2,3,4]	35.8	20.5[E,1]	F	n.a.	19.2[E,1]
Overqualified university-educated workers	100.0	100.0	100.0	100.0	100.0

Source: Statistics Canada, Labour Force Survey.
[1] Significantly different from the respective Canadian-born value (p<0.05).
[2] Employees only (i.e., self-employed excluded).
[3] Workplace and Employee Survey, 2005.
[4] Data for "Immigrants, landed within previous five years" and "Immigrants, landed more than five to ten years earlier" have been grouped under the former category.

Table K. People reporting work injury, by immigrant status, persons aged 25- 54 who worked in past year, Canada, 2003

	Non-immigrants	Immigrants
Occupational classification (per cent)		
Total	4.2	2.7[1]
Management occupations	2.5	2.7[E]
Business, finance, administration	1.9	F
Natural & Applied Sciences and Related Occupations	3.4	F
Health Occupations	3.2	3.1[E]
Occupations in Social Science, Education, Government Service & Religion	1.6	F
Occupations in Art, Culture, Recreation & Sport	F	F
Sales & Service Occupations	3.7	1.7[E, 1]
Trades, Transport & Equipment Operators & Related Occupations	9.7	7.5[E]
Occupations unique to Primary Industry	7.4	F
Occupations unique to Processing, Manufacturing & Utilities	8.0	5.8[E]

Source: Canadian Community Health Survey, Cycle 2.1, 2003.
[1] Significantly different from estimate for Non-immigrants (p<0.05; bootstrapped)

ANNEX IV — Employment quality indicators, employed population aged 55 and over, 2008

Table A. Employment quality indicators, Canadian-born and immigrants by period of landing, employed population aged 55 and over, 2008

	Canadian-born	Total landed immigrants	Immigrants, landed within previous five years	Immigrants, landed more than five to ten years earlier	Immigrants, landed more than ten years earlier
Income and benefits from employment					
Average hourly wage[2] (Can$)	23.26	22.63[1]	13.98[1]	18.28[1]	23.14
Average hourly wage, job tenure five years or less[2] (Can$)	19.54	19.17	13.29[1]	16.35[1]	20.03[1]
Wage distribution, percentage earning					
Less than 10 dollars per hour[2]	7.8	8.6[1]	32.8[1]	15.4[1]	7.4
10 to 19.99 dollars per hour[2]	40.4	43.6[1]	53.1[1]	58.4[1]	42.5[1]
20 to 24.99 dollars per hour[2]	16.1	14.3[1]	5.9[E,1]	F	14.8[1]
25 to 34.99 dollars per hour[2]	19.6	17.6[1]	F	5.2[E,1]	18.7[1]
35 dollars or more per hour[2]	16.2	16.0	F	F	16.6
Employer-sponsored (per cent)					
Pension plan[2,3,4]	35.2	38.8	F	n.a.	38.8
Life insurance[2,3,4]	59.8	67.4	F	n.a.	67.6
Supplemental medical[2,3,4]	49.2	57.2	F	n.a.	58.8
Dental coverage[2,3,4]	49.9	61.1	F	n.a.	61.7
Vacation leave entitlement per year,[2,3,4] days	16.9	17.9	12.4[E]		18.1
Working hours and work-life balance					
Average usual hours per week, main job	35.9	36.8[1]	37.4[1]	36.3	36.8[1]
Average usual hours per week, multiple job-holders only	46.3	48.6[1]	47.0	49.0	48.7[1]
Multiple-job holder (per cent)	4.4	4.1	F	2.3[E,1]	4.1
Worked any unpaid overtime (per cent)	13.2	11.3[1]	F	F	11.8[1]
Worked 50 hour or more workweek (per cent)	11.6	11.1	F	11.8[E]	11.1
Part-time position(per cent)	23.7	19.2[1]	24.6[E]	16.2[E,1]	19.2[1]
Why part time? (per cent)					
Personal preference	74.7	66.8[1]	F	46.2[1]	67.6[1]
Involuntary	14.6	18.3[1]	F	32.8[E,1]	17.7[1]
Other	10.7	14.9[1]	F	21.0[1]	14.7[1]
Percentage allowed to work reduced workweek[2,3,4]	3.0[E]	F	F	n.a.	F

Table A continues					
Percentage allowed to work compressed workweek[2,3,4]	3.5[E]	F	F	n.a.	F
Percentage allowed to work flexible hours[2,3,4]	3.5[E]	52.1	F	n.a.	59.9
Job stability and security (per cent)					
Temporary job[2]	11.4	8.7[1]	17.5[E,1]	17.6[E,1]	8.0[1]
Current job tenure (per cent)					
1 to 12 months	9.0	8.7	32.4	15.4[E]	7.7
13 to 60 months	17.41	19.2	47.2	38.0	17.5
61 to 120 months	16.0	18.0	10.4[E]	34.5	17.4
121 to 240 months	22.0	25.5	F	8.4[E]	27.0
241 months or more	35.6	28.6	6.4[E]	3.7[E]	30.4
Social dialogue (per cent)					
Union coverage[2]	37.7	33.1[1]	15.1[E,1]	19.3[E,1]	34.4[1]
Skills development and training					
Received on-the-job training in past 12 months[2,3]	24.6	26.8	F	F	26.2
Received classroom training in past 12 months[2,3]	31.1	33.3	F	F	34.7
Overqualified university-educated workers	38.5	48.6[1]	83.7[1]	61.4[1]	46.5[1]

Sources: Statistics Canada, Labour Force Survey (unless otherwise noted).
[1] Significantly different from the respective Canadian-born value (p<0.05).
[2] Employees only (i.e., self-employed excluded).
[3] Workplace and Employee Survey, 2005.
[4] Data for "Immigrants, landed within previous five years" and "Immigrants, landed more than five to ten years earlier" have been grouped under the former category.

CHAPTER IV. Finland Pilot Report

Finland can be described as a Nordic welfare state with a large public sector and a high employment rate of women (69 per cent vs. 59.1 per cent in EU27), and a relatively high employment rate of men (73.1 per cent). The latest figures of the LFS show that the gender employment gap – already the narrowest among EU27 countries – has further narrowed due to the economic crisis especially affecting male-dominated industries. However, the total fertility rate is relatively high and stable (1.85 in 2008), thanks to the well-established family policy schemes providing means for the reconciliation of work and family.

Part-time work is not very common in Finland (13.3 per cent of all the employed in 2008 vs. 18.2 per cent in EU27), not even among women (18.2 per cent vs. 31.1 per cent in EU27). On the other hand, temporary employment is above the EU27 average among women, while the opposite is true as regards men. This results in one the widest gender gaps in temporary employment in the EU.

Among the employed population, 5 per cent work in agriculture, 28 per cent in industry and a relatively large share, 69 per cent, in services. The educational standard of Finnish employees is considerably high. The share of the population with an immigrant background has traditionally been very low, while it is increasing. In August 2009, 3.4 per cent of the population aged 15 to 64 years had other than the Finnish nationality.

In the last ten or fifteen years, Finland has undergone drastic economical changes. In the early 1990s, the country was gripped by a deep economic recession, followed by an unequalled boom at the end of the 1990s. Since then, except for another 'mini-recession' in the early 2000s, employment has continued to grow and unemployment to decrease until the end of 2008 (See Annex, Figure A1). However, this strong economic growth has been accompanied with a clearly negative influence on the employees' working conditions in terms of growing time pressures, mental burdening, tougher competition and increasing uncertainties. On the other hand, multiple development programmes have been in progress in the Finnish work life since the late 1990s, aiming at improving the quality of work life and helping wage and salary earners to cope at work, with the underlying target of prolonging working careers.

This report aims at describing the quality of employment in Finland using indicators agreed by the Task Force on the Quality of Employment.[63] The main data sources used for this purpose are the Labour Force Survey (LFS), complemented by the Finnish Quality of Work Life Surveys (FQWLS) periodically conducted by Statistics Finland since 1977. In addition, such as the European Working Condition Survey (EWCS) is referred to, as well as e.g. Structure of Earnings Survey (SES), Employment Statistics, Adult Education Survey (AES) and Statistics Finland's Statistics on Occupational Accidents and Labour Disputes.

A. Safety and ethics of employment

1. Safety at work

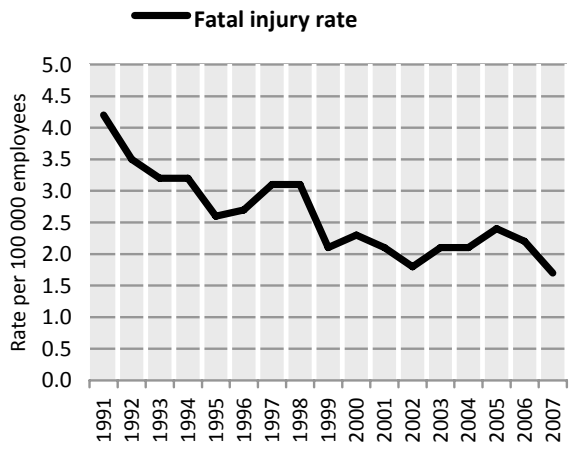
Reducing the number of occupational accidents has been high on the political agenda in Finland for quite some time. Indeed, the **fatal occupational injury rate** has decreased since the early 1990s from over 4 fatal injuries per 100,000 employees to less than 2 (Figure 1). (In the Annex, Table A1, the rate is also calculated as the average for a six-year-period, since the numbers of fatal injuries per year are small and thus especially subjected to random variation).

The employees' *occupational insurance coverage* is 100 per cent, and statistics on accidents at work (for which insurance companies pay compensation) are comprehensive, contrary to many other EU countries.[64]

[63] See UNECE Task Force on the Measurement of Quality of Employment. Introduction of the Conceptual Framework for Measuring the Quality of Employment. Statistical Measurement of Quality of Employment: Conceptual framework and indicators. Note by the Task Force on the Measurement of Quality of Employment, ECE/CES/GE.12/2009/1, 2 September 2009. http://www.unece.org/stats/documents/ece/ces/ge.12/2009/zip.4.e.pdf
For its final version, see Chapter I of this publication. Note that some dimensions were rearranged and/or renamed in the framework.

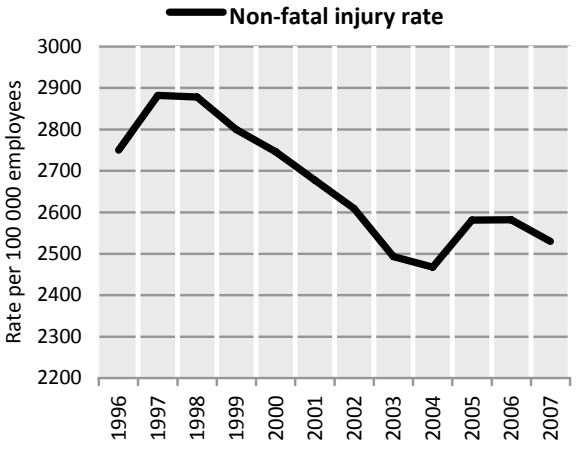
[64] The data coverage for employees is exceptionally good, since all the employees are insured, the employer gains a financial benefit from reporting occupational injuries, and all of these reported accidents resulting in at least 4 days' absence from work are registered. As regards the self-employed (excl. farmers), the insurance is voluntary. Since all self-employed workers do not insure

Figure 1. Fatal occupational injury rate (per 100,000 employees), 1991-2007



Source: Occupational Accident Statistic, Statistics Finland.

Figure 2. Non-fatal occupational injury rate (workplace accidents per 100,000 employees), 1996-2007



Source: Occupational Accident Statistics, Statistics Finland.

However, a reform of full cost responsibility resulted in more accidents being reported in 2005 than in 2004. Indeed, statistics from before 2005 are not completely comparable with statistics from 2005 on (Figure 2). Nevertheless, it is evident that the **non-fatal occupational injury rate** has also clearly gone down in the past ten years or so. For the latest accident incidence rates (2,530 per 100,000 employees in 2007) as well as accident frequencies (See Annex, Table A2).

Information for the indicator on the **share of employees working in 'hazardous' conditions** is available from LFS ad hoc 2007. The tendency to report health problems seems to be high in Finland: the share of Finnish female workers experiencing one or more work-related health problems (24.5 per cent) is well above the EU27 average (8.6 per cent). However, among the Finnish workers with health problems, the share of those experiencing limitations in their normal daily activities is approximately at the.

EU27 level (to some extent 51 per cent and considerably 26 per cent vs. 50.1 per cent and 22.3 per cent in EU27), and the share of those whose problem results in taking sick leave (43 per cent) is clearly below the EU27 average (62 per cent). The question of whether Finnish workers have a tendency to report smaller problems than many others arises here, again, with its implications for comparability.

According to the LFS ad hoc 2007, considerably high percentages of Finnish employees also report being exposed to factors affecting mental well-being; notably, while there is very little difference by gender at the EU level, in Finland women much more commonly than men report problems of this type.

The FQWLS also includes questions about threats and dangers wage and salary earners experience in their work environment. The results at first show a clear increase between 1984 and 1990 for all the hazards listed, after which the rates for many of the hazards seemed to decrease and stabilize. However, the fears of contracting diseases and being subjected to violence have continued to increase throughout the 1990s and beyond. While 11 per cent of the employees in 1984 experienced exposure to physical violence as a hazard in their work, this proportion in 2008 was 29 per cent. The fear or experiences of physical violence have become extremely common in the health care sector. A consequence of various risk factors being concentrated in certain occupations is that women and men are typically exposed to quite different types of risks in their work.

Another increasing hazard at work, according to FQWLS, is connected to time pressure. The increase in the *adverse effects due to time pressure* actually is one of the clear changes in the Finnish working conditions over the past few decades (Figure 3). It has become a problem affecting more female than male employees

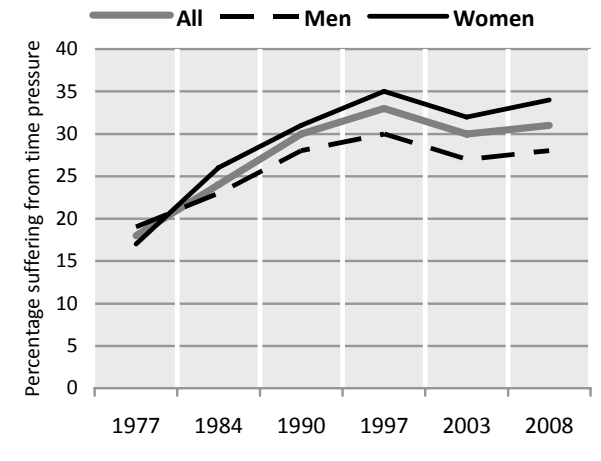
themselves and only insured accidents are registered, the data on the occupational injuries among the self-employed are not comprehensive.

Table 1. Work related health problems and hazardous exposure in the workplace, Percentage of workers

	Finland			EU27		
	Total	**Women**	**Men**	**Total**	**Women**	**Men**
Experiencing at least one work-related health problem	24.5	28.4	20.6	8.6	8.5	8.6
Exposed to factors affecting mental well-being	40.3	46.8	34.1	27.9	27.6	28.1
Exposed to factors affecting physical health	50.8	46.7	54.6	40.7	32.4	47.5

Source: LFS ad-hoc module, 2007.

Figure 3. Adverse effects of time pressure at work by gender "Very much" or "quite a lot" adverse effects, employees



Source: FQWLS 1977 – 2008.

2. Child labour and forced labour

The sub-dimension of child labour and forced labour is not relevant in the Finnish context. It might be assumed that compliance with the Act on Young Employees regulating the employment of children aged less than 18 is quite high in Finland.[65]

However, it would be possible to provide some data on 'the other possible indicators' for young people aged 15 to 17 on the basis of register-based Employment Statistics, which include information on taxation, as well as on the basis of the LFS. For instance, according to the Employment Statistics, 29 per cent of young people aged 15 had an earned income in 2004, while the corresponding proportion for those aged 16 was 54 per cent, and 62 per cent for those aged 17. Of young people aged 15 to 17 with earned income in 2004, almost one half (46 per cent) had been working during one calendar month at the most, and only 5 per cent over the full 12 months.[66]

3. Fair treatment in employment

Statistics Finland provides statistics aggregated by gender. This logic is also applied in this report.

As regards non-native population, their proportion remains so small that it is almost impossible to provide information on the basis of the Labour Force Survey aggregated by nationals/non-nationals. However, some information on the employment status of non-nationals is available from the register-based Employment Statistics. According to these statistics, the employment rate of non-nationals is considerably lower and their unemployment rate considerable higher than that of Finnish nationals. Nevertheless, the employment rate of non-national residents in Finland has gone up from 42.3 per cent to 48.9 per cent, or by 6.6 percentage points from 2000 to 2006. During this period, the employment rate of Finnish nationals grew by 2.5 percentage points.

It is evident that occupational segregation by nationality exists. The most common professions among workers with immigrant background (defined

[65] According to the Act on Young Employees, from the year the child turns 14, she/he can engage in some light work for a maximum of 2 hours per school day or 7 hours on days off, no more than 12 hours per week. During the school holidays, she/he can work at the most for one half of the holiday period. The work should be something light which does not put the child's health or development at risk or disrupt his/her school attendance. There are limitations to work in the evenings; working at night is prohibited. A child of this age cannot agree to a work contract independently, and it is his/her guardian who does it on behalf of the child. Young people aged 15 to 17 are allowed to independently agree to a work contract. They can be employed in a permanent employment relationship under condition that they have completed the basic education syllabus. The daily working hours for young people aged 15 to 17 may not exceed 9 hours including overtime and they are not allowed to work after 10 p.m.

[66] See Laura Hulkko and Leena Kartovaara. "Lasten työssäkäynti (Children at work)." *Suomalainen lapsi (Finnish Child). Population 2007*. Statistics Finland, Helsinki, 2007.

as persons with some other mother tongue than the national languages Finnish, Swedish or Sami) were cleaners, sales assistants, motor vehicle drivers, waiters and construction workers in 2006 (See Annex Tables A3 and A4).[67]

B. Income and benefits from employment

1. Income from employment

Table 2 displays the development of the **average weekly earnings of full-time employees** in Euros for 1995–2007. The gender pay gap has persistently remained at about 80 per cent in Finland since the mid-1990s, although a lot of work has been done to eradicate gender pay differentials.

Table 2. Average weekly earnings of full-time Employees by gender (EUR), 1995 – 2007

	1995	1998	2001	2004	2007
All	414	452	508	566	629
Men	464	503	562	623	698
Women	364	398	450	504	560

Source: Structure of Earnings. Calculated by Antti Katainen. Statistics Finland.

Table 3 displays the share of wage and salary earners with below 2/3 of the median hourly earnings in 1995–2007. Unlike in some other countries, the national figures include also public sector even before 2006. The proportion of low paid employees seems to have increased – especially among men – since 1995, which reflects the growing income disparities in Finland in the past 10–15 years.

Table 3. Share of employees by gender with below 2/3 of median hourly earnings, 1995-2007 (per cent)

	1995	1998	2001	2004	2007
All	5.07	4.95	5.52	5.23	5.73
Men	5.80	5.93	6.79	6.95	7.95
Women	4.03	4.00	3.99	3.62	4.10

Source: SES. Calculated by Antti Katainen. Statistics Finland

The indicator on the **share of employees paid at below minimum wage** is not relevant in Finland, where sector-specific collective agreements determine the pay for nearly 90 per cent of wage earners. This system has the essential effect of a genuine minimum wage system, although there is no Minimum Wage Act.

The distribution of wages by quintile displayed in Table 4 shows that the pay differentials between the highest and lowest paid quintile have notably increased since the mid-1990s. While the average pay of the highest paid quintile has increased by almost 60 per cent from 1995 to 2007, the corresponding growth has been less than 50 per cent in the lowest paid quintile. The hourly earnings include both full-time and part-time employees.

Table 4. Average hourly earnings of employees by quintiles, 1995-2007 (€/hour)

	des20	des40	des50	des60	des80
2007	11.33	13.17	14.20	15.46	19.54
2004	10.27	11.84	12.70	13.75	17.25
2001	9.30	10.69	11.48	12.42	15.58
1998	8.34	9.55	10.20	10.98	13.58
1995	7.67	8.77	9.36	10.06	12.34

Source: SES. Calculated by Antti Katainen. Statistics Finland.

2. Non-wage pecuniary benefits

The indicator on the **share of employees using paid annual leave in the previous year** is not very relevant in the Finnish context, since all the employees working at least 35 hours per month or at least 14 days per month are entitled to paid annual leave. The employer must keep annual holiday records of the employee's annual holidays and saved leave, and she/he is obliged under penalty of fine to see that the employee takes his/her holidays.

In case the working hours or days amount to less than 35 hours or 14 days per month, holiday compensation must be paid. Otherwise earned holiday leave can be replaced with compensation pay only in case the holiday cannot be given due to the ending of the employment. The problem of 'unused' annual leave may become relevant in case of temporary employees with short contracts, who are paid holiday compensation.

There is no reliable information on the proposed indicator of **average number of days paid annual**

[67] See Statistics Finland website at www.stat.fi

leave used in the previous year. Some information is available on the *number of days of annual holidays* a person has a *right to*, using the SES or Time Use Survey. Since this number basically depends on the length of the employment relationship (less or more than one year) and of the number of months worked during the previous year, it is questionable whether this information really is relevant in this context.[68]

According to the Time Use Survey 2000, the Finnish employees have a right to 30.6 weekdays of annual holiday a year, on the average, the median is 30 days.[69] Information on the calculated number of days of annual leave to which employees have a right is also available from the SES. The data cover only persons in employment in the last quarter of the year, in work organisations with a staff of at least 5 people. All of these have not been employed during the whole year, with implications for the accumulation of their annual leave. Furthermore, the data are missing for some of the employees (16 per cent). Inclusion of the missing values in the calculation would provide a notably low number of days. Excluding the missing values, the average number of paid annual leave days to which an employee has a right was 26 days in 2007 (27 days for women, 25 for men).

Another indicator proposed under this sub-dimension is the **share of employees using sick leave.** In Finland, after working for the same employer for at least a month, employees have the right to receive sick-leave pay while on sick leave due to an illness or injury. In case the employment has lasted less than a month, sick leave will be compensated with 50 per cent of the normal wages.

According to the LFS 2008, 5.0 per cent of female employees and 4.1 per cent of male employees (total 4.6 per cent) had been on sick leave in the reference week. Calculated on the basis of the information on the reference week, the yearly averages of sick days were 11.2 days for women and 9.3 days for men, or a total of 10.2 in 2008. In the FQWLS, the reference period is one year. According to data from 2008, 67 per cent of female employees and 62 per cent of male employees had been absent from work due to an illness at least once in the past 12 months.

[68] According to the Annual Holidays Act, 2 days (when employment has lasted for less than 1 year) or 2½ days of holiday leave is accumulated for each holiday credit month (equalling 30 days of holiday per year). Outside the Act on Annual Holidays, some collective agreements may provide employees with longer annual holidays than otherwise stipulated by the Act. Many collective agreements also provide for the payment of a holiday bonus which usually amounts to 50 per cent of the holiday pay. In many workplaces, this holiday bonus can also be taken as time off, if the employee so desires. In practice, for those with 30 days of annual holiday, this means up to 15 more days off.

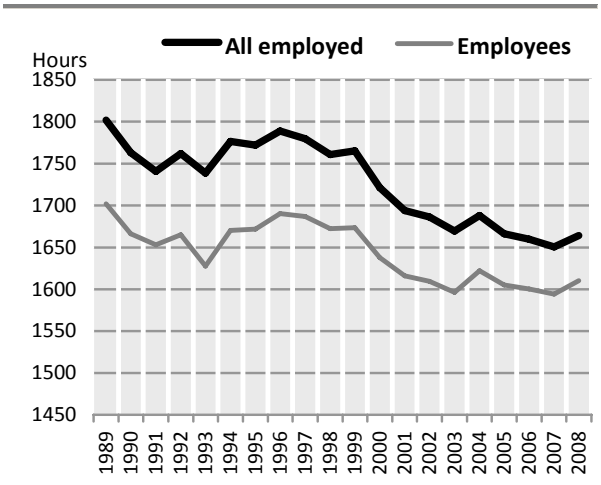
C. Working hours and balancing work and non-working life

1. Working hours

The **average annual (actual) working hours worked per person** are relatively low in Finland by European comparison. The overall trend in the past 20 years has shown a decrease from about 1,800 hours per those employed in 1989 to 1,664 hours per employed person in 2008 (Figure 4). This applies to practically all the industries, although the actual working hours in agriculture and forestry remain notably high, over 2,100 hours per employed person and 1,900 hours per employee in 2008. The shortest annual hours are to be found in the public and other services with slightly over 1,500 hours per year per person. It should be emphasised that there is a notable difference between employees only on the one hand, or the whole employed population on the other.

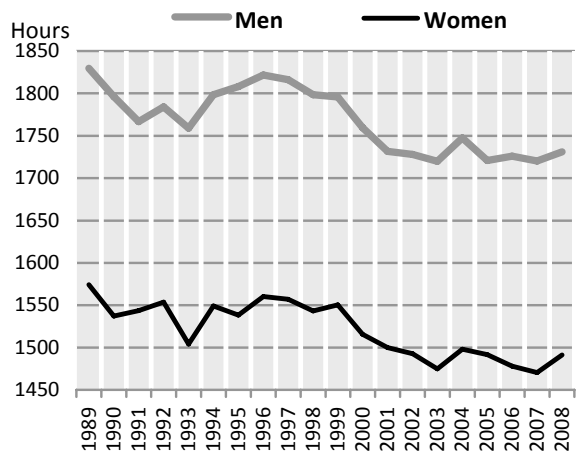
Women work fewer hours than men, as shown in Figure 5. The gender gap is more than 200 hours per year per person, mainly due to the larger share of part-time workers among women (18.2 per cent of all the employed) than men (8.9 per cent).

Figure 4. Annual hours actually worked per employed/employee, 1989-2008



Source: LFS, Statistics Finland.

Figure 5. Annual hours actually worked per employee by gender, 1989-2008



Source: LFS, Statistics Finland.

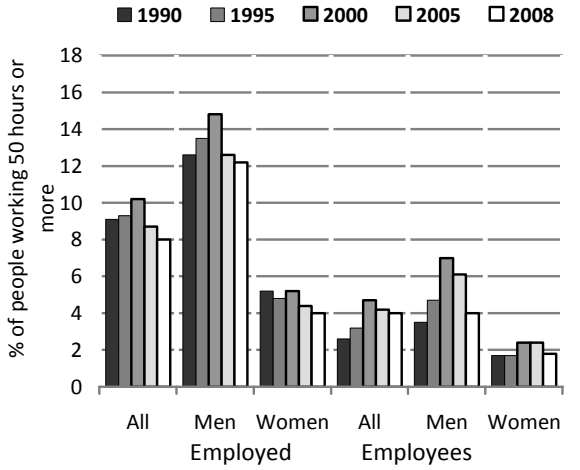
Although the annual working hours have decreased since the mid-1990s, a clear polarisation has taken place as regards the length of normal working hours. This is also true as regards gender, since there has been an increase especially in the share of men working long hours on the one hand, and in the share of women working short hours on the other.

The share of persons working 50 hours[70] or more per week clearly increased during the 1990s, although this share started to decrease again after the turn of the millennium (Figure 6). At the same time, the proportion of employees / employed persons working less than 30 hours increased in the 1990s from 6 per cent of employees (women 9 per cent, men 3 per cent) and from 7 per cent among all employed persons (women 10 per cent, men 4 per cent) in 1990 to 10 per cent of employees (women 13 per cent, men 6 per cent) and 10 per cent of the employed (women 14 per cent, men 7 per cent) in 2000. In 2008, these figures remained more or less at the same level as in 2000.

The LFS provides information on the 'other proposed indicator' regarding employees having done paid or unpaid overtime work in the reference week. Considering the long time series, it is obvious that the share of employees working overtime is high in proportion to the economic fluctuations (Figure 7). The year 2008 is not included in Figure 7 due to methodological changes in the LFS questionnaire in 2008 resulting in a break in the time series.

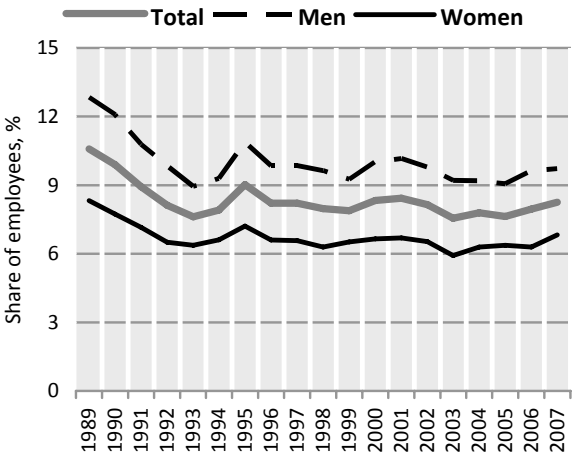
[70] The proposed indicator is about 49 hours and more. In the Finnish LFS, the breakdown point in the classification of normal hours used is 50 hours, not 49 hours.

Figure 6. Share of employed and employees working 50 hours and more per week by sex



Source: LFS, Statistics Finland.

Figure 7. Share of employees who worked paid overtime in the reference week by sex, 1989-2007

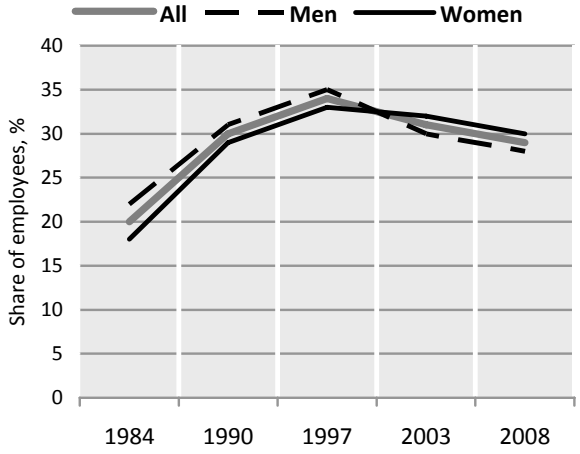


Source: LFS, Statistics Finland.

The FQWLS also provides information on working overtime since 1984. There is no specific reference time, but the respondents are asked whether they do paid or unpaid overtime, and if so, how often. When the inquiry is put in this way, the share of people working overtime is well above the LFS figures. Overtime (at least occasional) that is compensated in money or time off has been getting more common (62

per cent in 1984 vs. 71 per cent in 2008). Men do compensated overtime slightly more often than women, but the differences between the genders have clearly reduced a little over twenty years (Annex Figure A2). It is typical for men's overtime to be compensated (when it is compensated) in money, while women's overtime is compensated as time off. Working overtime without compensation increased in the 1980s and 1990s, but it has been getting less common in the 2000s (Figure 8) – however, to be specific, this sort of work should not be referred to as "overtime work".

Figure 8. Share of employees reporting unpaid overtime by sex



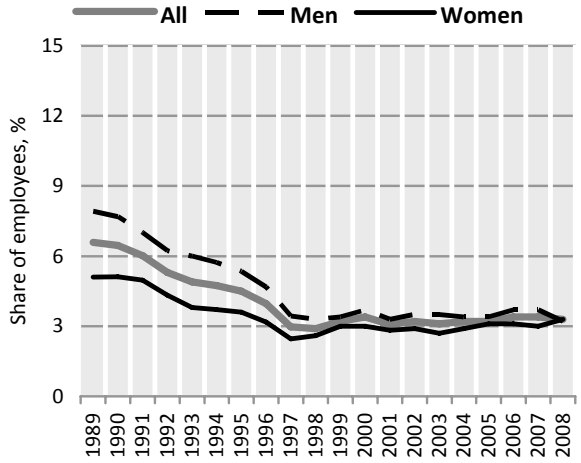
Source: FQWLS 1984 -2008, Statistics Finland.

The type of overtime is strongly connected to socio-economic status. Blue-collar workers are compensated for overtime work more often (78 per cent) than others, and they are usually compensated in money. Upper white-collar workers do less (61 per cent) compensated overtime than others, and they usually get compensation in the form of time off. On the other hand, working overtime without compensation is most common for upper white-collar workers (50 per cent).

It may be argued that the question of whether working overtime is a positive or a negative issue for the employee is not straightforward. In a certain context, it can surely be regarded as positive with implications for a higher income. In this respect, it makes a difference whether overtime is compensated for or not. According to the FQWLS 2008, a total of 15 per cent of wage and salary earners –women (17 per cent) more often than men (14 per cent) – state that they do more overtime than they would like to. Overtime work seems excessive especially when there is no compensation for working outside the normal working hours.[71]

According to the Labour Force Survey, the **share of the employed working more than one job** clearly decreased at the beginning of the 1990s, and has remained at about 3 per cent since then (Figure 9). There is practically no gender gap in this respect. Secondary jobs are most typical for professionals, for whom these side jobs probably are not a financial necessity.

Figure 9. Proportion of employees with secondary jobs by sex, 1989-2008



Source: LFS, Statistics Finland.

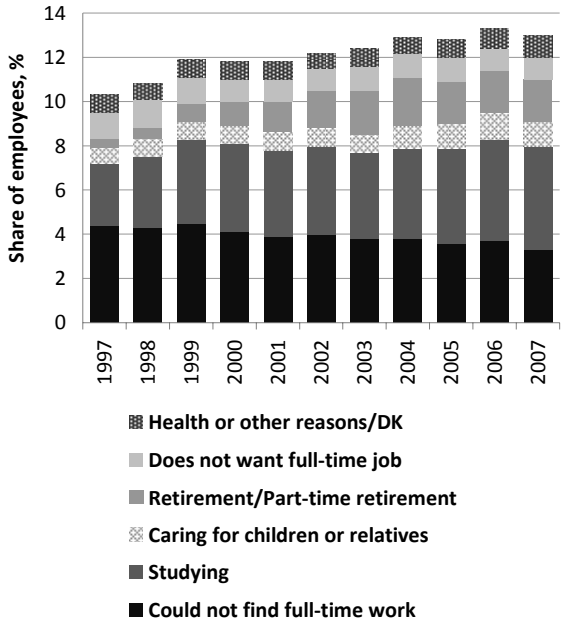
Another proposed indicator in this dimension is the **share of employed persons working less than 30 hours per week involuntarily.** However, the definition of part-time work used in the LFS is not the time limit of 30 hours but the respondents' own perceptions about whether they work part-time or not. The number of people who, by their own admission, work part-time is slightly larger than the number of people who work less than 30 hours per week.

Part-time work is most common among students and aged employees on part-time pensions. This is also reflected in the reasons for part-time work: studies are the most common reason – and increasingly so. Only one woman in ten working part-time indicates caring for children or relatives as the reason for part-time work. This share has barely changed in the past

[71] Out of those who do overtime work without compensation each week, 47 per cent feel that they are doing more overtime than they would like to, while 38 per cent of those who are compensated for their weekly overtime feel this way (FQWLS 2008).

ten years or so. The share of those working part-time due to a lack of full-time work among all part-time workers has significantly decreased in the past ten years or so, from about 40 per cent in 1997 to 25 per cent (women 27 per cent, men 22 per cent) in 2007. (Figure 10.)

Figure 10. Share of part-time workers by reason, 1997 - 2007



Source: LFS, Statistics Finland.

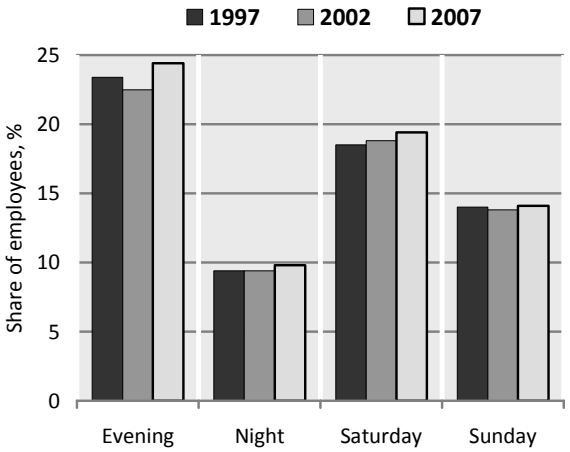
2. Working time arrangements

Information on atypical hours can be extricated from the LFS. Figures 11, 12 and 13 display the **shares of employees having worked 'usually' in the evening or at night** during the last 4 weeks. They also include the share of employees having **worked on Saturday or Sunday** at least twice in the past four weeks.

In the period from 1997 to 2007, working hours have become slightly more diversified in Finland, especially as regards women. The underlying reasons for changes in working hours are partly to be found in legislative changes concerning alcohol sales licences and opening hours of restaurants and shops around the turn of the millennium, which particularly affect female employment. As regards men, the share of those working atypical hours has rather decreased. However, the very latest figures for 2008 would show a decrease in every type of atypical hours.

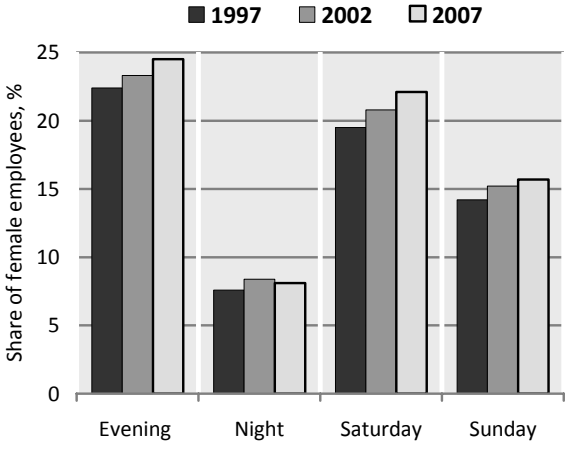
The sub-dimension on working time arrangements also includes an indicator on the **share of employees with flexible work schedules.** Compared with the rest of Europe, Finnish working times are very flexible. According to the LFS Ad hoc module on work organisation and working time arrangements in 2004, only 46 per cent of Finnish males and 52 per cent of females, as against 67 per cent of males and 71 per cent of females in the EU27, had fixed working schedules. The EWCS 2005 provides similar figures: fixed working hours were the most uncommon among Finnish wage and salary earners (51 per cent) (67 per cent in the EU27).

Figure 11. Share of employees with atypical working hours 1997, 2002, 2007
Evening or night 'usually'; Saturday or Sunday at least twice in the past 4 weeks



Source: LFS, Eurostat.

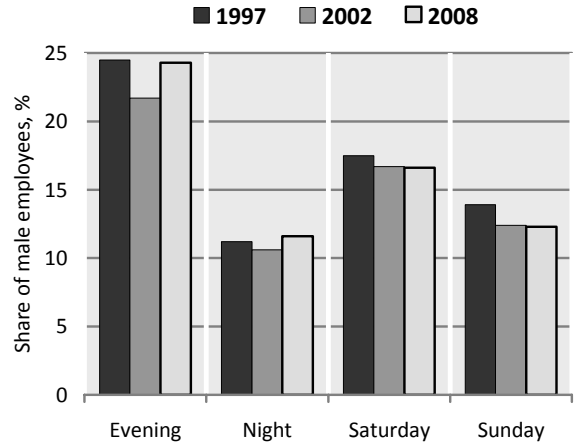
Figure 12. Share of female employees with atypical working hours 1997, 2002, 2007
Evening or night 'usually'; Saturday or Sunday at least twice in the past 4 weeks



Source: LFS, Eurostat.

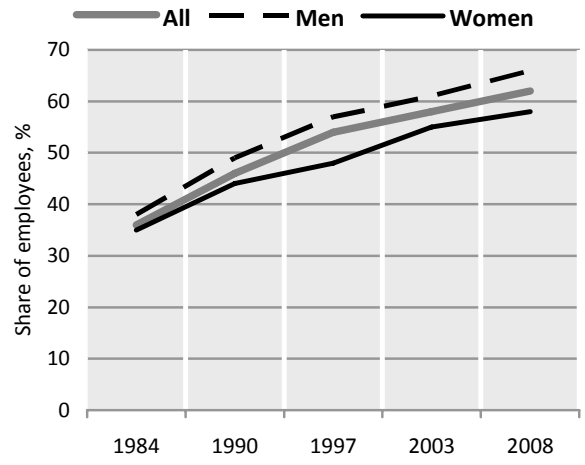
However, when discussing flexibility of working hours, it is important to consider whether the flexibility is (only) employer-led or (also) employee-led flexibility. If flexibility mainly means a need to be flexible because of one's superior or tasks, fixed working hours may be seen as a more positive alternative as regards work-life balance.[72]

Figure 13. Share of male employees with atypical working hours 1997, 2002, 2007
Evening or night 'usually'; Saturday or Sunday at least twice in the past 4 weeks



Source: LFS, Eurostat.

Figure 14. Can influence starting and finishing times of own work by gender



Source: FQWLS 1984 - 2008.

[72] See Anna Pärnänen, Hanna Sutela and Susan Mahler. *Combining family and full-time work*. European Foundation for the Improvement of Living and Working Conditions, 2005.

This duality of flexibility is taken into account in the FQWLS. The employees' possibilities of *influencing starting and/or finishing times of work by at least 30 minutes* are shown in Figure 14. Men have had better opportunities in this respect than women throughout the whole survey period of the FQWLS. Similarly, men more often than women report that they are able to *influence their working hours a lot or a quite a lot* and to *use flexible working hours sufficiently for their own needs*. However, there is no gender gap as regards the *need to be flexible in working hours because of one's superior or tasks.* (Annex Figure A3). The greater "employee-led" flexibility in male working hours compared with women's working hours also is a well-known phenomenon elsewhere in the EU.[73]

3. Balancing work and non-working life

The sub-dimension on Balancing work and non-working life includes a proposed indicator on the **ratio of employment rate for women with children under compulsory school age to the employment rate of all women aged 20 to 49**. The compulsory school age varies by country, being 7 years in Finland. The length of maternity plus parental leaves totals about 10 months, but very few mothers return to work before the child is 12 months old. The right to public day care services has been universal since the 1990s, but parents with children aged less than three years may also use home care allowance as an alternative to public day care and take care of their children at home with full job security. Women on maternity and parental leave with an employment relationship are defined as employed, but parents on home care leave are regarded as being outside labour force, although they would have a job to return to.[74]

It is noteworthy that the *employment situation of single mothers* deteriorated compared to mothers with partners after the economic recession in the 1990s. In 1990, the employment rate of single mothers was 87 per cent compared to 83 per cent of mothers with partners – thus, the ratio was 1.05). In 2000, the respective ratio had decreased to 0.87.[75]

[73] See Omar Hardarson. "The flexibility of working time arrangements for women and men". *Statistics in Focus, Population and social conditions* 96/2007. Eurostat, 2007.

[74] The practices of classifying women on family leave as in employment or outside labour force has varied across countries, which has made cross-country comparisons difficult. From 2008 on, the LFS should provide more comparable figures in this respect.

[75] See Hakovirta, 2007.

With the improved overall labour market situation, the ratio had increased to 0.95 by 2005.[76]

Table 5. Ratio of employment rate for women with children aged 0- 6 to the employment rate of all women aged 20- 49, 2003-2007

	2003	2004	2005	2006	2007
Women with children (per cent)	65.6	62.6	62.3	63.5	64.0
All women aged 20-49 (per cent)	75.0	73.9	73.3	75.8	76.8
Ratio	0.87	0.85	0.85	0.84	0.83

Source: LFS, Statistics Finland.

In addition to the fact that most wage and salary earners have families, very many also *have care responsibilities outside the household.* According to the LFS Ad hoc 2005, 42.7 per cent of employed women and 30 per cent of employed men had such responsibilities. The EWCS 2005 also provides similar information on the subject: in Finland, 13 per cent of employees were caring for elderly or disabled relatives on a weekly basis, which corresponds with the EU27 average. On the other hand, 35 per cent of employees had such responsibilities, if not weekly, at least to some extent, as against the EU27 average of 20 per cent.

In the FQWLS 2008, the respondents were also asked about their care responsibilities for adults or children outside their household. Slightly over one third (35 per cent) of the respondents had these responsibilities for adults, and 15 per cent had care responsibilities for children outside their household. Care responsibilities overlap somewhat: one in ten wage and salary earners have care responsibilities regarding both children and adults outside their household. Looking at the age distribution in Annex Figure A4, it becomes evident that caring for adults is mainly about middle-aged employees caring for their elderly parents or in-laws, while caring for children outside one's own household applies especially to working grandparents. (Annex Figure A4).

According to the FQWLS, about one in four employees feel that they *neglect their home matters because of their job.* This proportion has remained surprisingly constant since 1990, with a small temporary increase in 1997, along with the economic upturn in the late 1990's. Upper white-collar workers most often (29 per cent) feel that they neglect their home matters, and for parents of families with children, the proportion is clearly larger (32 per cent) than for those who do not have children at home (18 per cent).

The sub-dimension also entails an indicator on the **share of people receiving maternity/paternity/ family leave benefits.** In Finland, all employees are entitled to paid maternity or paternity leave, as well as to paid parental leave. The maternity allowance is paid for 105 working days (approximately 17–18 weeks) for a mother, and the parental allowance immediately after this either to the mother or the father for 158 days (approximately 26 weeks or around 6 months). The paternity allowance is paid for up to 18 weekdays, but it might be extended by a bonus of up to 12 days in case the father takes the last two weeks of parental leave. The paternity allowance period will be prolonged by two weeks in 2010.

Maternity, paternity and parental allowances are calculated on the basis of the parents' gross income. The maternity allowance for the 56 first days can be a maximum of 90 per cent of the salary. (In practice, in some collective agreements it is agreed that the employee is paid a full monthly salary for a certain part of the maternity leave.) The paternity allowance maximum is 70 per cent of the income. The parental allowance is a maximum of 75 per cent of the income for the first 30 days taken by the mother, as well as for the 30 first days taken by the father, after which it is at most 70 per cent of the salary. The minimum daily allowance for those with no or very low income is EUR 22.04 in 2009.

All mothers entitled to it take their maternity leave, and practically all also take parental leave. In 2007, about 80 per cent of fathers used their right to paternity leave, but only about one in ten stayed on parental leave as well, at least for a while. (Annex Figure A5.) Thus, in Finland the problem is not that the family leave system would not be ample, but rather the fact that men's take-up rates of family leaves are low (also when compared to other Nordic countries). In the 2000s, encouraging fathers to make a better use of their rights has been high on the political agenda. Sharing family leaves between the parents more equally would benefit the women's labour market position, but also promote fathers' parenthood and their equal position in the family.

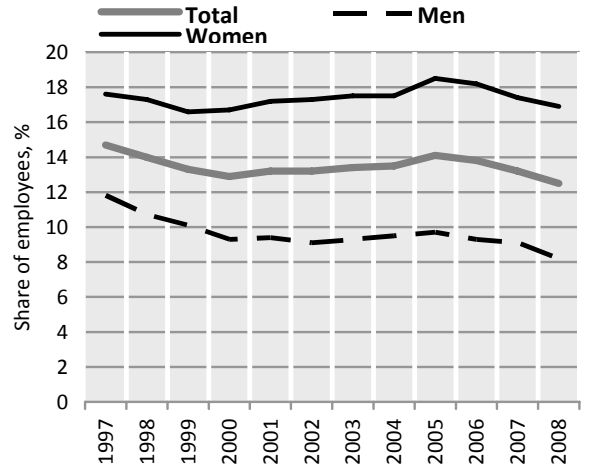
[76] See Laura Hulkko. "Lasten vanhemmat ja työ (Parents and work)". *Suomalainen lapsi (Finnish Child). Population 2007*. Statistics Finland, Helsinki, 2007.

D. Security of employment and social protection

1. Security of employment

The percentage of employees 25 years of age and older with temporary jobs increased from the 1980's and reached its peak in 1997, after the deep economic recession. Since then, this rate has gone down gradually, especially as regards men (Figure 15). (The statistics of the LFS are fully comparable only from 1997 on, but the FQWLS provides longer time series, see Annex Figure A6). The share of temporary workers is well above the EU27 average among women in Finland, while it is well below the average among men. This results in one of the largest gender gaps in fixed-term employment in the EU27, after Cyprus. As shown in the Figures, this gender gap has been widening over the past ten years. Although temporary employment still is more common among young than older employees, the share of temporary employment has increased notably among women aged 25–34 and 35–44 in the past two decades, while the share among young people aged below 25 has gone down to the 1990 level (Annex Figure A7).

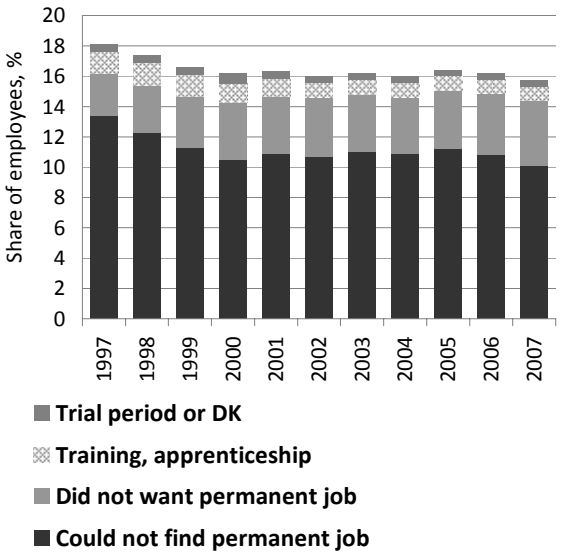
Figure 15. Percentage of employees aged 25-54 with temporary jobs by gender



Source: LFS, Statistics Finland.

In relation to temporary work, whether or not the employees *work on a temporary basis voluntarily or not* should be taken into account. In this respect, the situation has ameliorated in Finland in the past ten years with the economic recovery: in 1997, a total of 74 per cent of fixed-term employees aged 15 to 64 years (women 77 per cent, men 69 per cent) worked in temporary contracts due to the lack of a permanent employment relationship, and only 16 per cent (women 15 per cent, men 17 per cent) because they chose to do so. In 2007, the corresponding figures were 64 per cent (women 68 per cent, men 58 per cent) and 27 per cent (women 25 per cent, men 31 per cent). Still, women work in temporary jobs against their own wishes more commonly than men. The respective shares among all employees are displayed in Figure 16.

Figure 16. Fixed-term work and reasons for it 1997 - 2007, Share of all employees aged 15-64



Source: LFS. Statistics Finland

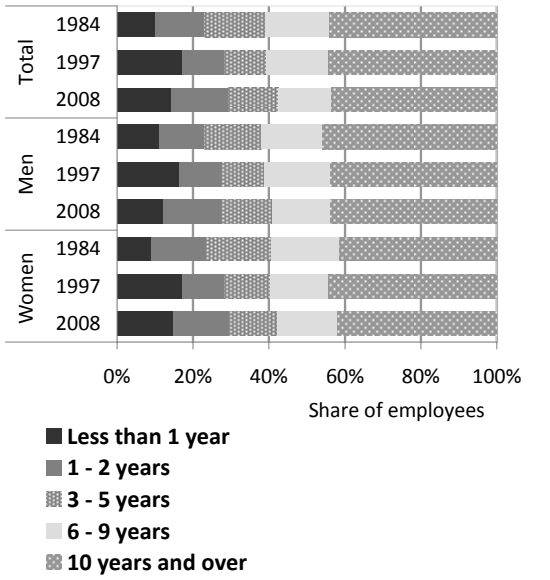
The indicator list included an indicator on **job tenure of employees 25 years of age and older.** Figure 17 displays the length of job tenure by the same employer for wage and salary earners in 1984, 1997 and 2008, according to the FQWLS, actually using information from the LFS.[77] It should be noted that this is not a question of the length of employment contracts but about the period worked for the same employer: e.g. a fixed-term employee with several consecutive short employment relationship during two years is presented here as someone with a job tenure of two years.

A certain polarisation has taken place in the past 25 years or so. Although the average length of job tenure

[77] FQWLS is conducted in connection with the LFS, and for this reason, it also includes information from the LFS interview of the respondents.

has increased, there are more employees with tenures of less than one year in the 2000s than in the 1980s. With the ageing of the labour force, the number of very long tenures exceeding 20 years has increased.

Figure 17. Percentage of employees aged 25-64 by job tenure and gender



Source: FQWLS 1984-2008.

The LFS (at least the Finnish one) does not provide information on the actual length of the employees' employment contracts: in the interviews, the survey only inquires about i) since when the respondent has been uninterruptedly in the service of his/her current employer as well as ii) the estimated end date of the contract. The duration of a temporary contract is calculated on the basis of these two dates. However, as noted above, there is no information on whether there has been only one or several successive contracts since the person started his/her (first) temporary contract at the workplace. The use of successive temporary contracts is very typical in Finland, especially in the public sector (although it is actually not legal, there are ways to get around it).[78]

When using the LFS information on the duration of temporary contracts (neglecting potentially successive contracts) for the respondents of the FQWLS 2008, the share of temporary employees with a contract of 12 months at the most is only 55 per cent.[79] This is the same share as in the internationally comparable data for the last quarter of 2008 in the LFS. If we use the information given by these respondents in the FQWLS interview when asked about the length of the current fixed-term employment relationship, the respective proportion is 76 per cent.

Especially ageing women may have been working under successive temporary contracts for years. (See Annex Figure A8). Temporary employees may be considered a vulnerable group in the sense that they often are afflicted by unemployment in-between their contracts. The risk of unemployment seems to have increased as regards female temporary employees when comparing years 1990 and 2008, while the opposite is true as regards men. (Annex Figure A9).

2. Social protection

All Finnish wage and salary earners are **insured by employment insurance schemes.** The system of unemployment benefits is three-tiered. *The basic benefit* and the *earnings related benefit* are payable to registered unemployed persons aged 17 to 64 years, who are available for and actively seeking for full-time work, and who fulfil the employment condition of having worked for 43 weeks (min. 18 h/week) in the last 28 months. An additional condition for receiving the earnings related benefit is 10 months of voluntary contributions to an insurance fund. According to FQWLS 2008, 87 per cent of employees had a voluntary insurance of this type, for which the payment is deductible in taxation. *Labour Market Support* is aimed at first time entrants and recipients of re-entry support to the labour market (after a 500-day period of unemployment). The funding is obtained from social security contributions paid partly by the employers, partly by the employees themselves (a percentage of their gross earnings directly deducted from the salary).

As shown in Table 6, the **public social security expenditure as share of GDP** was higher in the mid-1990s than some years before or after. The explanation for this was the high unemployment rate in the early and mid-1990s that increased the social security expenses.

[78] According to the FQWLS 2008, 61 per cent of female temporary employees and 52 per cent of male temporary employees had had at least two successive employment relationships with their current employer. As many as 28 per cent of females and 16 per cent of males had had at least five successive contracts in their workplace. For all these employees, the tenure is calculated in the LFS as from the beginning of their first employment relationship by their current employer.

[79] FQWLS is conducted in connection with the LFS, and for this reason it also includes information from the LFS interview of the respondents.

The list of proposed indicators includes an indicator on the share of economically active population contributing to a pension fund. This information is not relevant for Finland, since all employees and self-employed persons are covered under statutory earnings-related pension insurance and are entitled to a pension pursuant to the earnings-related pension Acts under which they have been insured.[80] Parallel to the employment pension scheme, there is a national pension scheme, which guarantees a minimum income for persons who have never had any earnings or whose employment pensions are very small.

Table 6. Public social security expenditure as share of GDP in 1990, 1995, 2000 and 2006 (per cent)

1990	1995	2000	2006
24.6	31.5	25.1	26.2

Source: Statistical yearbook on Social Welfare and Health Care 2008/ THL/Eurostat. Population and social conditions.

E. Social dialogue

This dimension entails an indicator on the **share of employees covered by collective wage bargaining.** In Finland, the collective agreements covered 71.9 per cent of employees in the private sector in 2004. In addition, most of the remaining private sector employees are covered by the collective agreements due to their general applicability. In this way, the share of private sector employees covered by the agreements was 87.4 per cent. Also including the public sector, where all employees are covered by collective agreements, 91.4 per cent of the Finnish employees were covered by collective agreements in 2004.[81]

Average number of days not worked due to strikes and lockouts is another proposed indicator on the list. The statistics on labour disputes describe labour disputes organised in Finland by employees or employers. Most labour disputes are strikes organised by employees. The number of labour disputes varies considerably per year; typically, disputes are connected to collective agreement bargaining processes. The peak in 2005 is due to a strike in the pulp and paper industry. Before 2005, a labour dispute of this extent had only taken place in the 1970s (Table 7).

F. Skills development and training

As regards the share of employed persons in high-skilled occupations, over 40 per cent of the employed in Finland are working in the ISCO88 groups 1, 2 and 3. In practice, the gender gap in the share of persons in these three occupational groups in total is very small, as shown in Table 8. However, men are more often employed in the occupational group 1 as legislators, senior officials and managers than women, while the opposite is true as regards group 3, Technicians and associate professionals.

At the European level, the **share of employees having received job training within the last 12 months** is available from the EWCS as well as from the Adult Education Survey. Finland is a country with a deep-rooted belief in the benefits of training: according to the EWCS 2005, Finland is in the lead in the participation in training paid for by the employer, with 55 per cent of the employees having participated in it in the past 12 months, against the EU27 average of 27 per cent. According to the AES (2005–2007), more than 40 per cent of the population aged 25 to 64 (including the unemployed and inactive) had participated in non-formal job-related education and training in the previous 12 months, as against the EU average of 25 per cent.

The FQWLS provide an opportunity to observe the increasing trend in participation in training paid for by the employer over the past 30 years (Figure 18). Participation in work training is very clearly tied to position and previous training. While 75 per cent of upper white-collar workers had participated in such training in the 2008 Survey, the respective share of blue-collar workers was only 39 per cent.

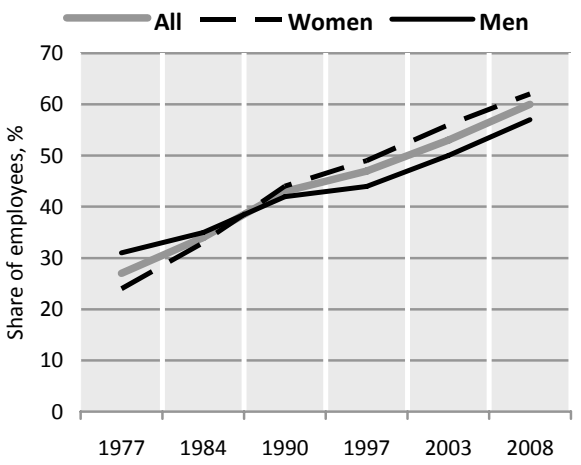
[80] Employment pensions are financed by funding collected from the employers and employees themselves. Employees aged 18 to 68 pay earnings-related employment pension contributions based on their earnings. Employees aged below 53 years pay 4.3 per cent of their gross wage or salary, and employees older than this pay 5.4 per cent. The employment pension contribution is deducted from the gross income and it is not taxable. The employer's contribution is 16 per cent of the earnings of the employee. A self-employed person has to insure his or her personal pension rights under the Self-Employed Person's Pensions Act.

[81] See Lasse Ahtiainen. "Työehtosopimusten kattavuus Suomessa vuonna 2004 (Coverage of collective agreements in Finland in 2004)". *Labour Policy Studies 328.* Ministry of Labour, 2007.

In order to provide information on the **share of employed who have more education than is normally required in their occupation**, the distribution of employed persons by educational level (ISCED 1997) is cross-tabulated with ISCO88 Classification, as proposed by the Task Force. According to the LFS figures in 2007, 18 per cent of the highly educated (ISCED codes 5 + 6) employed were employed in other ISCO groups than the first three ones.

The share of "over-educated" women was 21.6 per cent and that of men 14.5 per cent. At the level of the whole employed population, this would mean 9 per cent of employed women as against 4.5 per cent of employed men (total 7 per cent).

Figure 18. Participation in training paid for by employer by gender, last 12 months, employees



Source: FQWLS, 1977 – 2008.

Table 7. Labour disputes and number of days lost due to disputes, 2000- 2008

Year	Labour disputes	Employees	Lost working days	Per participation	Per 1 000 employees
2000	96	84 092	253 838	3.0	108.7
2001	84	21 715	60 652	2.8	25.6
2002	76	70 867	74 985	1.1	31.6
2003	112	91 866	66 136	0.7	30.0
2004	84	25 211	42 385	1.7	17.9
2005	365	106 796	672 904	6.3	280.3
2006	97	48 276	85 075	1.8	34.8
2007	91	89 729	94 579	1.1	40.0
2008	92	15 992	16 352	1.0	7.4

Source: Labour Dispute Statistics. Statistics Finland

Table 8. Share of employed persons in high-skilled occupations (per cent)

Year	Legislator, senior official, manager	Professional	Technician, associate professional	Total (share of employed)
All				
2008	10.0	18.1	16.1	44.2
2004	9.7	17.1	16.4	43.2
Women				
2008	6.2	19.0	20.4	45.6
2004	5.7	17.5	20.2	43.4
Men				
2008	13.6	17.2	12.2	43.0
2004	13.4	16.8	12.9	43.1

Source: LFS, Statistics Finland.

One of the main groups falling in this category is secretaries. They usually have 5A level qualifications, needed in their tasks. Still, the occupational group of secretaries is classified in the ISCO88 group 4. Another example of "overqualified workers" are policemen, who are required to have 5A level qualifications, but who are classified under the ISCO88 code 5. In these examples, the question is more about the outdated logic of ISCO88 classification than about employees being overqualified. When the new version of occupational classification, ISCO08, will be fully implemented, some of these problems will be solved. In any case, one should be very careful when using this method, especially in cross-country comparisons. As regards the **share of employed who have less education than is normally required in their occupation,** this indicator is even more complicated than the previous one.

The educational level of Finnish employees is significantly high by European comparison. The change in the **educational structure of wage and salary earners** has been considerable in the past three decades, as shown in Figure 19. Table 9 displays a more detailed structure of education for all the employed in the 2000s, where the overall higher educational level of women compared to men is also presented.

However, there are considerable differences between nationals and non-nationals. According to the register-based Employment Statistics 2005, 55.4 per cent of non-nationals as against 16.4 per cent of Finnish nationals in employment had basic level education only. Respectively, 21.1 per cent of non-nationals as against to 38.1 per cent of nationals had third-level level education.

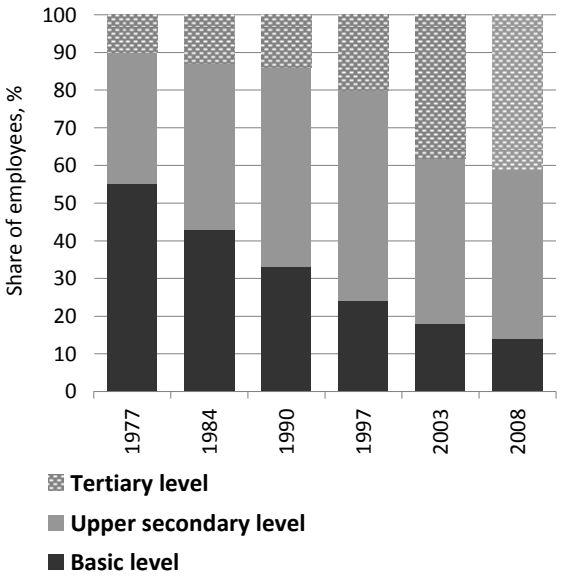
G. Workplace relationships and work motivation

1. Workplace relationships

Despite the difficulties in agreeing on the indicators for this dimension in the Task Force as well as in finding comparable data for those potential indicators, the dimension on workplace relations and work motivation is very important. At the same time, it might be argued that the importance of this dimension becomes the more acute and the better the other, more basic aspects of the quality of employment are realised.

Social relationships at the workplace have a significant effect on the quality of work life. According to the FQWLS 2008, 71 per cent of female employees say that relationships with colleagues have a positive effect on how much they enjoy their work, and 64 per cent of men agree with this. Well-functioning social relationships can also have an effect on the

Figure 19. Wage and salary earners by level of education



Source: FQWLS, 1977 – 2008.

Table 9. Employed persons (per cent) by level of education (ISCED 1997) and sex, 2000, 2005, 2007

Year	Isced 3	Isced 5	Isced 6	Isced 1-2
		All		
2007	45.7	35.7	1.1	18.0
2005	45.0	34.6	0.9	19.6
2000	42.3	33.0	0.8	23.9
		Men		
2007	48.6	30.3	1.2	19.9
2005	47.5	29.5	1.2	21.8
2000	44.2	29.1	1.0	25.7
		Women		
2007	42.5	41.6	0.9	14.8
2005	42.2	40.0	0.6	17.2
2000	40.3	37.4	0.5	21.8

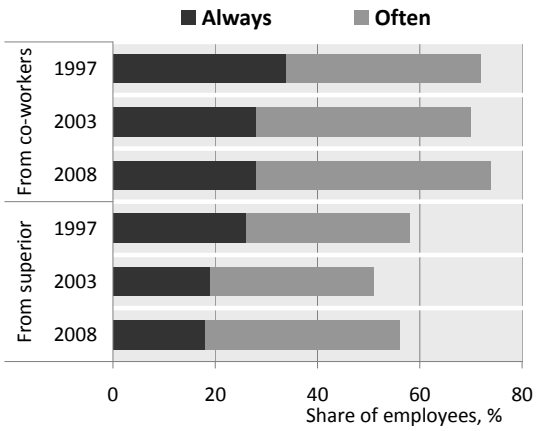
Source: LFS, Statistics Finland.

productivity of work: information gets passed along, and it is easy to ask for help from colleagues or superiors or to offer help and support when needed.

According to the EWCS 2005, the share of Finnish employees who feel that they can *get assistance from their colleagues* almost always when they ask for it (65 per cent) *or from their superior* almost always when asking for it (55 per cent) are well above the respective EU27 averages (47 per cent and 37 per cent). There is practically no gender difference in this respect. [82]

On the other hand, the national data (FQWLS) show a negative change in *encouragement from the work community* in the past ten years or so, at least as the proportion of employees who report receiving support and encouragement 'always' when they encounter difficulties in their work. This especially applies to the support from superiors. All in all, women report that they receive more support from their co-workers (33 per cent of women received it 'always' in 2008 vs. 21 per cent men) as well as support from their superior ('always' for 20 per cent of women vs. 16 per cent of men). (Figure 20) There has also been a slight decrease in the share of employees 'always' feeling that they are valuable members of their work community (Annex Figure A9).

Figure 20. Receives support and encouragement when work seems difficult, employees (per cent)



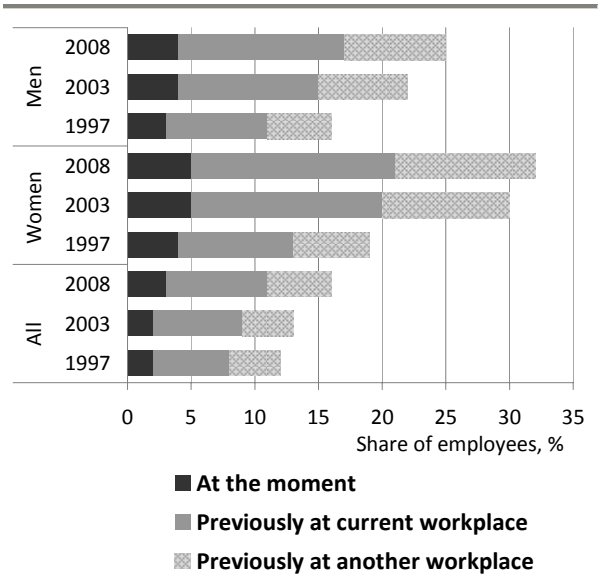
Source: FQWLS, 1997, 2003, 2008.

[82] See Hanna Sutela and Anna Maija Lehto. *Fourth European Working Conditions Survey: Qualitative Post-Test Analysis*. European Foundation for the Improvement of Living and Working Conditions, 2007. http://www.eurofound.europa.eu/publications/htmlfiles/ef07671.htm

At the same time, competitiveness and conflicts in the work unit have increased in the time span from 1984 to 2008. The FWQLS has inquired about the prevalence of *workplace bullying* since 1997. The share of employees having experienced bullying at least at some point in their work careers has increased (Figure 21), although at least part of the reported increase is most probably due to the growing awareness of the phenomenon since the late 1990s: bullying became an issue in public debate at the turn of the millennium. In 2003, mental harassment was even included in the Finnish Occupational Safety and Health Act.

The EWCS 2005 provides an even higher figure (17 per cent in Finland vs. 5 per cent in the EU27) as regards workplace bullying (over the past 12 months).

Figure 21. Has been personally subjected to workplace bullying by gender



Source: FQWLS, 1997, 2003, 2008.

However, questions on bullying, harassment and discrimination are very sensitive issues, where making international comparisons is especially difficult. Although a common original questionnaire is used across the countries (e.g. the EWCS), translations and cultural differences in the connotations of concepts used may produce bias in the results. Furthermore, wide cultural differences exist in awareness of these phenomena as well as in people's willingness to openly admit in a face-to-face interview to such things as having been subjected to bullying. In addition to awareness, cultural context also defines what kind of behaviour is socially more or less accepted or at least

tolerated and what is not. All this explains for example the somewhat astonishing results of the EWCS 2005 that *unwanted sexual attention* is notably more rare in such Southern European countries as Italy (0.9 per cent) and Spain (0.7 per cent) – where the culture is undeniably more chauvinist than in Northern Europe – than in the Nordic countries, which are widely recognised as leading countries regarding gender equality (Finland 2.1 per cent, Sweden 2.5 per cent, Denmark 2.8 per cent, Norway 3.4 per cent).

2. Work motivation

Work motivation is a concept close to self-actualisation and job satisfaction. Job satisfaction is believed to be an indicator of individual well-being and also of an individual's willingness to change jobs. However, the problem with broad interview data is that general questions about job satisfaction often produce heavily biased results: nearly everybody seems to be either very or quite satisfied with their current job.

This also applies to the EWCS data on the share of the employed *satisfied with their working conditions*. The EU27 average of those very satisfied or satisfied was 82.3 per cent in 2005, with relatively little variation between the countries. Finland scores a little above the EU27 average with 84.5 per cent. When only looking at those who are *very satisfied,* some national differences are revealed. This share of very satisfied employees varies in the EWCS 2005 from as low as about 10 per cent in Hungary and Lithuania to as high as 47 per cent in Denmark. Finland (20 per cent) scores slightly below the EU27 average (24 per cent).

However, it should be noted that the EWCS question refers to *working conditions,* not to the contents or perceived significance of work as such. Working conditions presumably are interpreted to cover also – maybe even predominantly – physical working conditions. In the examples given by the Task Force, it is emphasised that work motivation is something which may compensate for the less satisfactory physical factors of the working environment:' *People may choose to work with low pay, long hours, under unsafe working conditions etc., if the work has social significance or meaning to them*'[83].

The same dilemma with the general question is also seen in the FQWLS 2008 inquiring about *satisfaction with the current job*: while 89 per cent of employees report to be very satisfied or fairly satisfied, the share of those very satisfied is 25 per cent (26 per cent women, 24 per cent men). In order to go beyond the general question, the FQWLS 2008 also asked about *satisfaction concerning opportunities for development, appreciation of the respondent's professional skills, possibilities for influencing activities in the work community, social relationships at the workplace, and content of the job tasks. Satisfaction with superior's leadership method* was also inquired about in the context of questions on superiors. (Annex Figure A10).

Moreover, it should be noted that the factors increasing job satisfaction and decreasing job dissatisfaction are not always identical, as emphasised in the so-called two factors' theory by Herzberg.[84] According to this view, job dissatisfaction is associated with so-called hygiene factors referring to external working conditions, including pay. If problems connected to these 'hygiene' factors will be solved, job dissatisfaction is due to decrease. However, the mere elimination of these 'dissatisfiers' and the decrease of dissatisfaction does not result to job satisfaction. Job satisfaction is increased by motivation factors closely connected to the intrinsic content of the job. These motivation factors, 'satisfiers', consist of feelings of recognition, achievement, responsibility and advancement as well as of the work content itself – thus, the job satisfaction is linked to a sense of personal growth and of self-actualisation. A recent study based on FQWLS confirms the impact of motivation factors. Among employees who were very satisfied with their job, the satisfaction was strongly connected to feelings of one's job being significant and important, to development opportunities at work as well as to feeling of being a valued member of the work community.[85]

Regarding work motivation, the 'other possible indicators' included *feedback from the superior*. A good half (55 per cent 2008 vs. 53 per cent in 1997) of the Finnish employees report that they receive sufficient feedback from their superior on how well

[83] UNECE Task Force on the Measurement of Quality of Employment. *Introduction of the Conceptual Framework for Measuring the Quality of Employment. Statistical Measurement of Quality of Employment: Conceptual framework and indicators*. Note by the Task Force on the Measurement of Quality of Employment, ECE/CES/GE.12/2009/1, 2 September 2009, p. 12

.http://www.unece.org/stats/documents/ece/ces/ge.12/2009/zip.4.e.pdf

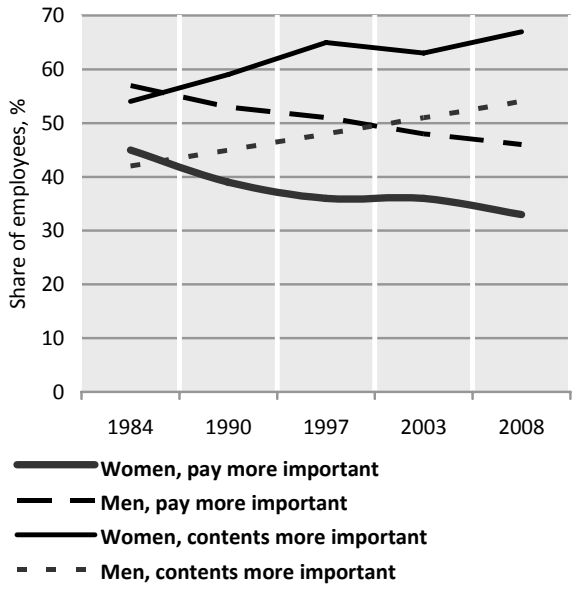
[84] See Frederick Herzberg. The Motivation to Work. John Wiley and Sons, New York, 1959.

[85] See Arto Miettinen. "Työhönsä erittäin tyytyväiset (The very satisfied with their work)". *Kaikilla mausteilla (With all the trimmings),* edited by Anna-Maija Lehto, Hanna Sutela and Arto Miettinen, Arto, Statistics Finland, Helsinki, 2007.

they have succeeded in their work. The share of those whose *superior rewards good work performance* had increased from 41 per cent in 1997 to 68 per cent in 2008.

Additionally, the FQWLS also provides interesting information on the importance of work motivation compared to such values as pay or career advancement, which often are considered significant predictors of job satisfaction. The results show that over time, the contents of work have bypassed the importance of pay in Finland. (Figure 22).

Figure 22. Pay or contents more important in work? Definitely or slightly more important
Employees by sex (per cent)



Source: Statistics Finland.

Furthermore, when employees are asked about the importance of career advancement on one hand, and the importance of good development opportunities at work on the other, the results show that good development opportunities are rated far higher than career advancement opportunities (Annex Figure A12). All in all, the share of employees who consider their own work very important and significant has grown over time, and is emphasised among women (Figure 23). Admittedly, it may be argued that these results reflect work life of a well developed country with a high educational level of employees.

Figure 23. Regards own work as very important and significant
Employees by sex (per cent)

Source: FQWLS, 1984-2008.

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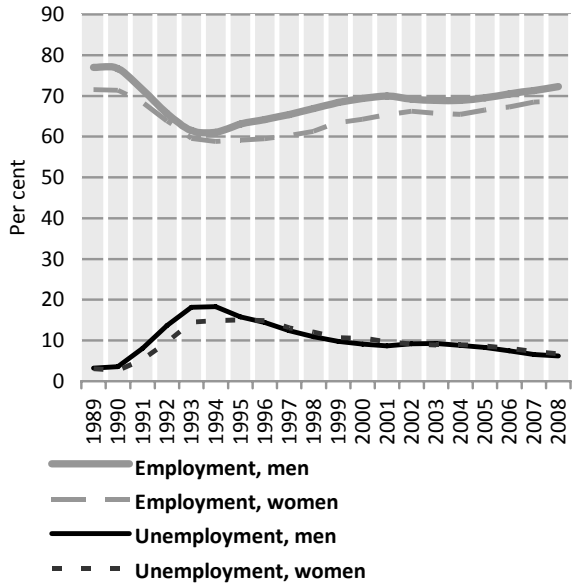
ANNEX

Figure A1. Employment and unemployment rates by gender 1989 – 2008



Source: LFS, Statistics Finland.

Table A1. Fatal injury rate (per 100,000 employees), annual average 1996-2001 and 2002-2007

Time period	Fatal injury rate/100 000 employees
1996-2001	2.52
2002-2007	2.04

Source: Occupational Accident Statistics. Calculated by Arto Miettinen, Statistics Finland

Table A2. Accident incidence rate and accident frequency by gender

2005		2007	
Accident incidence rate (per 100 000 employees)	Accident frequency (per one million hours worked)	Accident incidence rate (per 100 000 employees)	Accident frequency (/ one million hours worked)
Men			
3 844	22.3	3 748	21.8
Women			
1 344	9.0	1 343	9.1
Total			
2 581	16.1	2 530	15.9

Source: Occupational Accident Statistics, Statistics Finland.

Table A3. Occupational segregation on basis of citizenship, employees, 31.12.2005

	Finns	Russians	Estonians	Swedes	Somalis	Iraqis	Chinese	Turkish	British
Total	100	100	100	100	100	100	100	100	100
1 Legislators, senior officials, managers	5	2	1	6	0	0.4	2	0.6	7
2 Professionals	**17**	**15**	9	**19**	4	9	**32**	6	**47**
3 Technicians, associate professional	**18**	11	8	13	5	4	**21**	5	13
4 Clerks	9	5	4	6	6	2	4	3	4
5 Service and care workers, shop and sales workers	**17**	14	**16**	**19**	**24**	**37**	**20**	**56**	10
6 Skilled agricultural and fishery workers	1	2	7	0.4	0	0.4	0	0.1	0.2
7 Craft and related trades workers	11	14	**19**	12	5	9	1	7	7
8 Plant and machine operators and assemblers	10	13	**16**	10	8	9	1	7	4
9 Elementary occupations	9	**20**	**18**	9	**41**	**19**	14	14	6
X Unknown	2	4	3	6	7	9	5	2	3

Source: (Register-based) Employment Statistics, Statistics Finland.

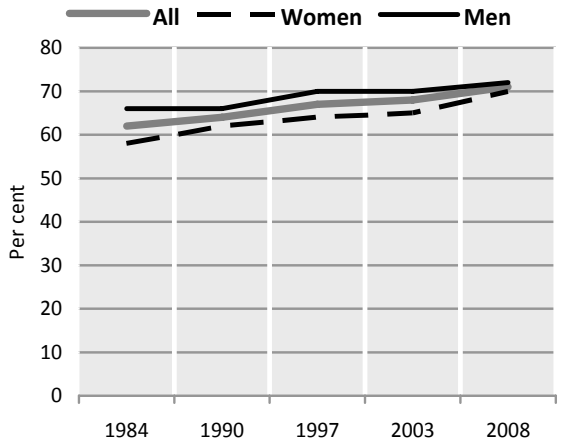
Table A4. Unemployment rate by selected citizenships, 2005

Citizenship	Unemployment rate in 2005
Iraq	64
Somalia	59
Islamic Republic of Iran	51
Morocco	49
Serbia and Montenegro	45
Vietnam	43
Former USSR/Russia	34
Sweden	15
Estonia	14
The UK	11
China	8
All foreigners	25
Total population	11[1]

Source: (Register-based) Employment Statistics, Statistics Finland

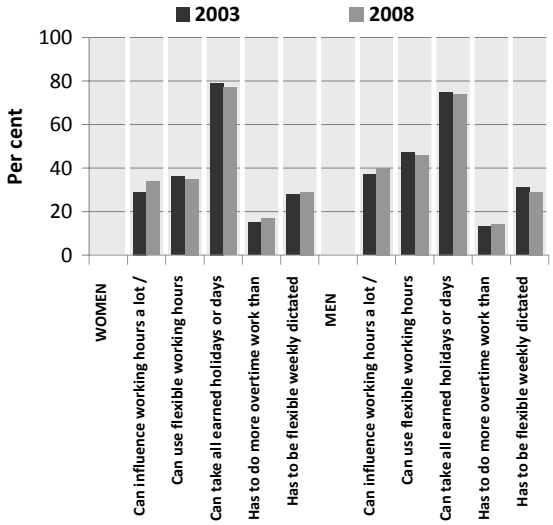
[1]Note: Due to different definitions and methods, the overall unemployment rate differs from LFS.

Figure A2. Paid overtime working



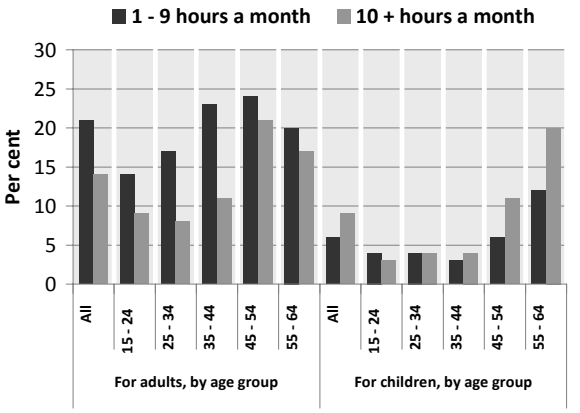
Source: FQWLS, 1984 - 2008.

Figure A3. Flexibility of working hours



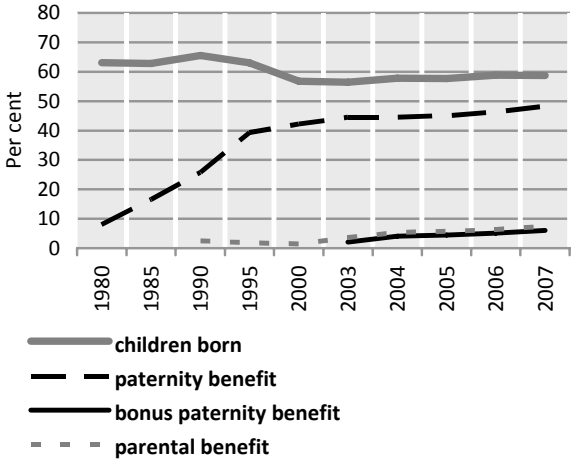
Source: FQWLS, 2003 and 2008.

Figure A4. Care responsibilities outside the household



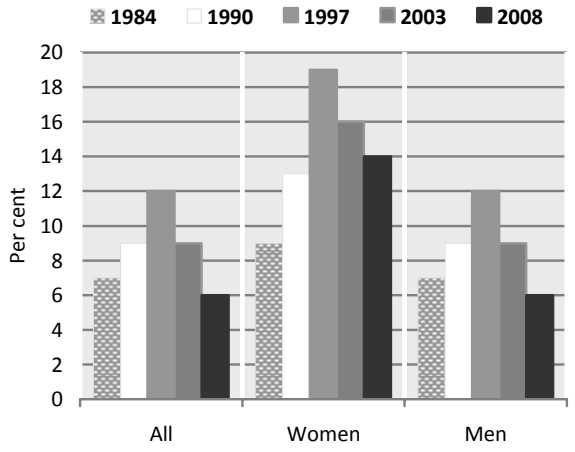
Source: Social Insurance Institution.

Figure A5. Children born and men receiving paternity/parental benefit in Finland 1980-2007



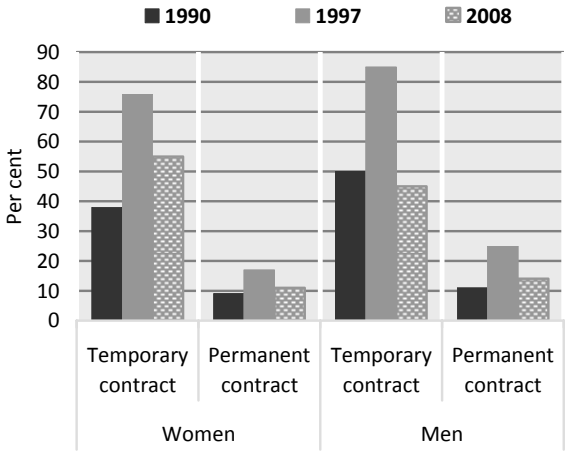
Source: Social Insurance Institute, Finland.

Figure A6. Share of fixed-term employees aged 25 and more by sex (percentage)



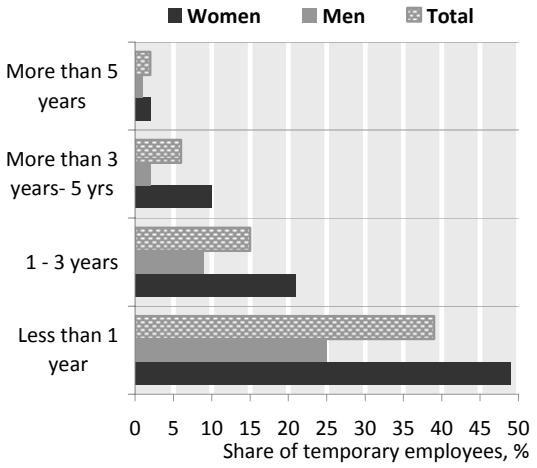
Source: FQWLS, 1984, 1990, 2997, 2003 and 2008.

Figure A8. Been unemployed in the past five years, employees aged 25 and over by sex and type of contract



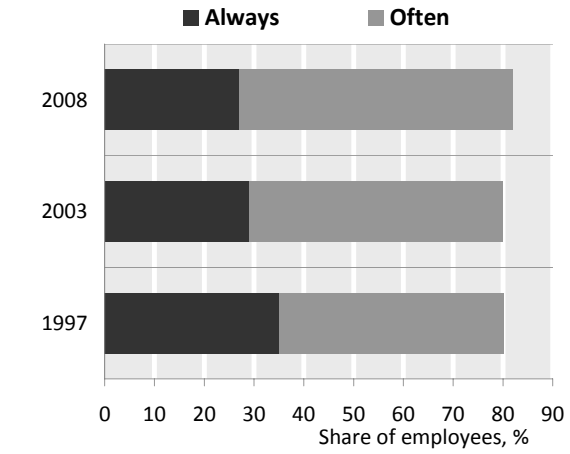
Source: FQWLS 1990, 1997 and 2008.

Figure A7. Percentage of temporary employees aged 25-64 by job tenure and gender



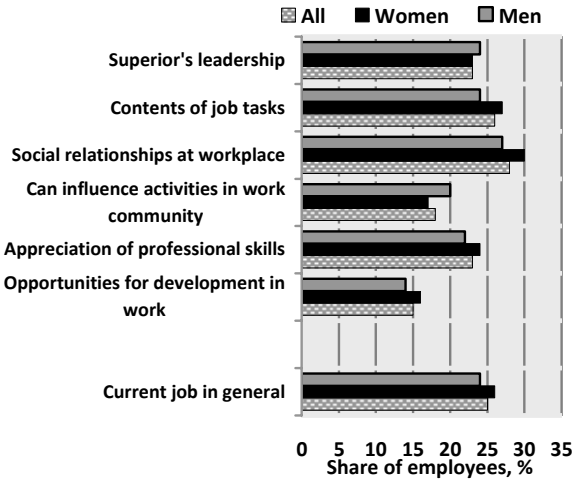
Source: FQWLS, 2008

Figure A9. Feels a valuable member of work community, Employees, percentage



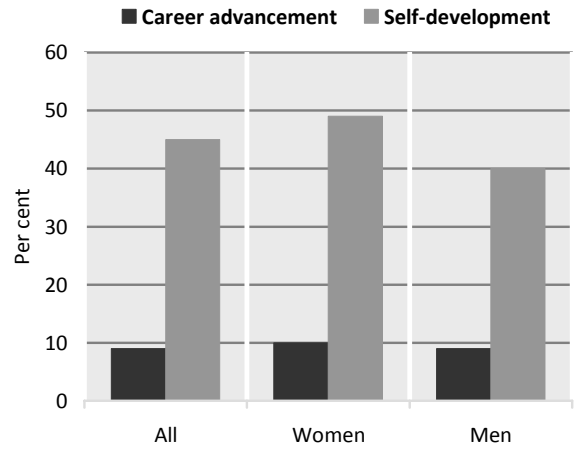
Source: FQWLS, 1997, 2003, 2008.

Figure A10. Satisfaction concerning different aspects of work, employees by sex, very satisfied



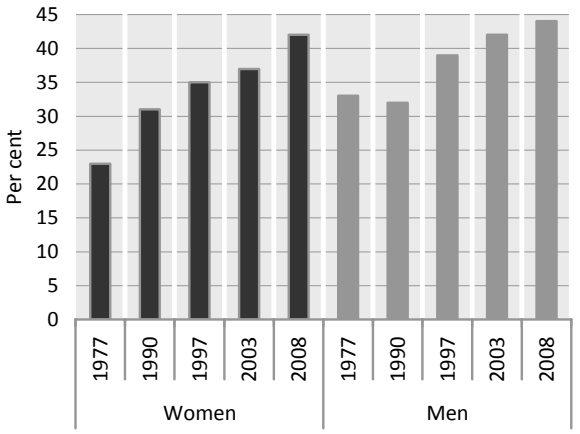
Source: FQWLS, 2008.

Figure A11. Importance of career advancement and self-development, very important, employees



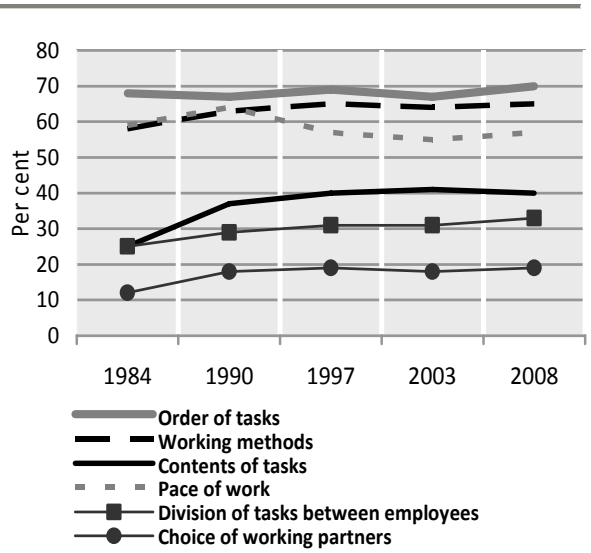
Source: FQWLS, 2008.

Figure A12. Good opportunities for development at work



Source: FQWLS, 1977-2008.

Figure A13. Opportunities for influencing own work, a lot or quite a lot, employees



Source: FQWLS, 1984-2008

CHAPTER V. France Pilot Report

The purpose of this report is to test the relevance of the conceptual framework and indicators proposed by the Task Force on the Measurement of Quality of Employment[86] and to describe the case of France using this framework and its indicators. Within each dimension and sub-dimension described in the conceptual framework, we will review the possibility of measuring and interpreting each of the *proposed* indicators (as well as some of the other *possible* indicators identified by the Task Force). Following this review, it will be possible to judge the "quality" of these indicators, to determine whether or not they are suitable in taking account of the French situation regarding the quality of employment. The resulting suggestions will be presented in a second report, including any proposals for the improvement of the indicators, or (sub-) dimensions to which they relate.

This report should also help clarify the ongoing discussions at the ILO on measuring and monitoring decent work in accordance with Resolution IV adopted by the 18th International Conference of Labour Statisticians, held in Geneva in November-December 2008.

A. Safety and ethics of employment

1. Safety at work

The rate of serious or fatal work accidents is monitored annually in France through the Caisse Nationale d'Assurance Maladie des Travailleurs Salariés (Cnam-TS) which covers about 19 million private non-farm employees out of a total of 23 million wage earners in France in 2008. After a period of sharp decline, these rates seem to have stabilized since the mid-2000s, remaining at a level slightly less than 4,000 per 100,000 employees for non-fatal occupational accidents with lost work time and around three per 100,000 for fatal occupational accidents (Table 1).

Table 1. Rates of accidents and occupational diseases, per 100,000 employees

Year	Fatal accidents	Non-fatal accidents	Occupational diseases
1998	4.7	4 480	116
2000	4.3	4 400	128
2002	3.9	4 300	179
2003	3.7	4 090	196
2004	3.6	3 950	210
2005	2.7	3 910	231
2006	3.0	3 940	238
2007	3.4	3 870	234
2008	3.0	3 740	239

Source : Caisse Nationale d'Assurance Maladie des Travailleurs Salariés (Cnam-TS), 1998-2008.

This latter rate is lower in France than the average rate for the countries of the European Union (EU) of 27, and even for the EU-15. Moreover, it appears to have declined faster than elsewhere because it was 15 per cent less than the EU average in 2000 and 42 per cent less in 2005.[87] On the other hand, for the rate of workplace accidents causing work time loss, which is more difficult to use for international comparisons, France is at a higher level than the EU-27. This indicator is decreasing in France but not as rapidly as that of other European countries.

Finally, the "share of employees working in hazardous conditions" is a national definition and is somewhat subjective because it is based on statements from employees in a survey of their working conditions conducted in 2005 (following surveys in 1984, 1991 and 1998). Anyone who answered "yes" to at least one of the following questions was considered as "exposed to occupational risk":

"At your work place, do you have to:

- Breathe fumes or dust?

- Come into contact with hazardous materials?

- Be exposed to infectious products?

[86] See *Introduction of the Conceptual Framework for Measuring the Quality of Employment*, Note by the Task Force on the Measurement of Quality of Employment, ECE/CES/GE.12/2009/1, 2 September 2009. http://www.unece.org/stats/documents/ece/ces/ge.12/2009/zip.4.e.pdf For its final version, see Chapter I of this publication.

[87] See "Compendium des indicateurs de suivi de la stratégie européenne pour l'emploi" (Compendium of Indicators for Monitoring European Employment strategy), updated by Eurostat on 29 July 2009.

- Endure risk being hurt or injured?

- Endure risk being in traffic accidents during work?"

It is notable that in 2005 nearly 70 per cent of employees reported being exposed to at least one of these five risks in performing their jobs. Workers in precarious or unstable employment such as temporary workers or workers with permanent work contracts (Contrat à Durée Indéterminee (CDI)) but who are threatened with layoffs, were more deeply affected.

Linked to the growth of occupational hazards, the number of occupational diseases recognized by the Cnam-TS has increased sharply over the past 15 years because of greater awareness and recognition of the origins of various occupational diseases, but also because of the intensification of work and the delayed effects of exposure to asbestos. In addition it should be emphasized that these occupational diseases are subject to significant and persistent underreporting. Thus the National Institute of Health Surveillance estimates that each year between 11,000 and 23,000 new cases of cancer are attributed to occupational exposure while only about 2,000 are officially acknowledged.

2. Child labour and forced labour

France has no data on this sub-dimension. It is most likely that these forms of employment are not widespread and are extremely difficult to measure with traditional surveys on employment and working conditions. It should be noted that these surveys do not cover people below 15 years of age. As for the 15-17 year age group, the issue of child labour is taken into account under the previous dimension, as it concerns identifying those 15-17 year-olds, who work in dangerous conditions.

3. Fair treatment in employment

The conceptual framework for measuring the quality of employment does not provide clear indicators attached to this sub-dimension but encourages countries to determine the largest possible number of indicators relating to other dimensions of job quality for the different groups of people who may be victims of discrimination.

We have chosen to present here some key variables (average wages for all employees and rates of employment, temporary employment, underemployment and of unemployment) concerning women, immigrants and people with disabilities compared to the national averages for 2003 and 2008. Table 2 below shows that for these sub-populations there are indeed differences that are most often due to their identities but this does not necessarily mean that these groups are victims of discrimination. In order to justify this claim, one should at least take into account the characteristics of persons concerned in relation to the entire active population.

Table 2. Characteristics of disadvantaged groups on the labour market

	Year	Total	Women	Immigrants	Descendants of immigrants	Disabled people*
Employment rate (15-64 years)	2003	64.0	58.2	55.5	n.a.	36
	2008	64.9	60.4	58.6	60.9	35
Unemployment rate	2003	8.5	9.5	15.9	n.a.	16
	2008	7.4	7.9	13.1	9.7	19
Temporary employment rate	2003	11.4	13.2	13.3	n.a.	n.a.
	2008	12.1	13.5	15.1	13.4	n.a.
Underemployment rate	2003	4.9	8.0	6.9	n.a.	n.a.
	2007	5.6	9.5	8.9	6.1	n.a.
Average monthly wage (Euro)	2003	1 519	1 292	1 345	n.a.	n.a.
	2008	1 687	1 449	1 511	1 695	n.a.

**For disabled people, data are related to 2002 and 2007, years of ad hoc modules of French LFS*
Source: LFS, Insee, 2003-2008.

Regarding the gap between women and men, strong differences between the sexes have continued in spite of the increasing gender-mix of the labour market and women's higher level of professional skills. Although inequalities in the rates of employment, unemployment and labour force participation between women and men have decreased steadily over 30 years, they still exist and in some cases have even intensified at work. Women do not have the same occupations as men and they have different types of employment and follow different careers. In addition, there are growing differences among women themselves. The most educated have access to opportunities where the differences between men and women are diminishing, while many among the less skilled continue to pursue trades almost exclusively reserved for women, with low income and difficult working conditions.

Immigrants and foreigners are not synonymous: the first consists of foreigners, who were born abroad and are now living in France. It therefore includes those people who have acquired French nationality since their arrival. Conversely, it excludes those who are French by birth but were born abroad and are now living in France as well as foreigners born in France. In 2008, 3.7 million immigrants of working age were living in metropolitan France, which is nine per cent of the population aged 15 to 64 years. There are now more immigrant women than men: this reflects the cessation of labour-based immigration which, before 1974, attracted mostly men, and the growth of family reunification which brings more women. Thirty-five per cent of immigrants are from European countries, 31 per cent from North Africa and 14 per cent from another African country. Among immigrants aged 15 to 64 years, 59 per cent were employed in 2008, which corresponds to seven percentage points lower than among non-immigrants. This is essentially because of the weak participation of immigrant women in the labour market. In 2008, the unemployment rate of immigrants was over 13 per cent as compared to less than seven per cent for non-immigrants. This discrepancy is explained, but only in part, by differences in job structures and skills. It should be added that the issue of discrimination is often valid not only for immigrants but also for the children of immigrants. They are considered here to be non-immigrants but they can be differentiated in the findings of the French Labour Force Survey.

Information on the employment of disabled workers is more fragmented than that of other disadvantaged groups in the labour market. In particular, it only comes from occasional surveys and therefore is available only in some years. For instance, the most recent information on disabled workers is from a 2007 ad-hoc module of the European Labour Force Survey, while the preceding information is from 2002. Of about 39 million people of working age in 2007, 1.8 million reported to have an officially recognized disability giving them the right to benefit from the employers' obligation to hire disabled workers. Compared to the general population between 15 and 64 years of age, the proportion of males, older and less educated people is higher among those with officially recognized disabilities. The labour force participation rate of the disabled is much lower than that of the total population (44 per cent as compared to 71 per cent) but the gap is reversed for those below 25 years of age (59 per cent compared to 40 per cent). This is because, often, these young people have been disabled since childhood and have followed a shortened educational programme which has accelerated their entry into the labour market. In 2007, the unemployment rate for persons with disabilities was more than twice that of all people aged 15-64 years (19 per cent compared to eight per cent). The unemployment rate for persons with disabilities has increased compared to 2002 whereas it had declined slightly for the total population. Just over one third of persons with officially recognized disabilities were employed in 2007. For this subgroup, part-time work is more common than for the general working population (28 per cent compared to 17 per cent).

B. Income and benefits from employment

1. Income from employment

The available indicator which is the closest to the "average weekly wage" recommended by the Task Force is the net average annual salary of full-time employees of the private and semi-public sectors. In 2007, it was nearly €24,000 (€460 per week) and had increased by 0.5 per cent per year in constant euros between 2001 and 2007 (Table 3). Around this average, the distribution of wages among different occupational categories remains highly uneven: managerial and professional occupations earn an average of 2.7 to 2.8 times more than a worker or employee. In addition, men's wages exceed women's

wages by 23 per cent: €25,700 for the first compared to €20,800 for the second.

Table 3. Net average annual earnings of full-time employees

Year	2001	2003	2005	2007
Private and semi-public sectors	23 210	23 270	23 490	23 960
State employees	26 580	26 650	26 320	26 930

Sources: Insee, Déclarations Annuelles des Données Sociales (Dads) for private and semi-public sector; Insee, pay files for state employees, 2001-2007.

In addition, in 2007, 20 per cent of full-time employees earned less than €14,580 net per year, while at the other end of the scale, 20 per cent earned more than €28,584. Meanwhile, the median annual wage was €19,128 (Table 4).

Table 4. Distribution of net annual earnings of full-time employees, 2007

	Total	Men	Women
D1	12 996	13 476	12 348
D2	14 580	15 156	13 776
D3	15 960	16 644	14 916
D4	17 436	18 204	16 152
Median	19 128	19 980	17 604
D6	21 228	22 224	19 440
D7	24 048	25 380	21 876
D8	28 584	30 576	25 284
D9	37 956	41 376	31 944
D9/D1	2.9	3.1	2.6

Source : Insee, Dads, 2007.

In regard to state employees, the average annual net earnings (nearly €27,000 for full-time employment in 2007) are slightly higher than that in the private sector. This is primarily a structural effect of skills, unfavourable to the private sector, which employs a larger share of white collar and blue collar workers than the state civil service.

The share of employees (excluding those in temporary employment) who benefited from the increase in the minimum wage (salaire minimum de croissance (SMIC)) on 1 July 2007, the closest indicator to the number of employees receiving minimum wage, was 12.9 per cent in all non-farm enterprises. This proportion has increased between 1998 and 2005, mainly because of the significant increase in the minimum wage as a consequence to the regulations on the 35-hour work week. Over the following two years, however, the minimum wage declined as a result of revival of economic activity.

Finally, regarding the indicator of "low wages", i.e. the proportion of employees paid less than two thirds of the median hourly wage proposed by the Task Force, there was a decline of 3.6 percentage points from 1995 to 10.1 per cent in 2005. This proportion is relatively small for Europe. In 2005, the same share was only 8.5 per cent in Denmark but 21.7 per cent in the United Kingdom, 22.7 per cent in Germany and as big as 25 per cent in the United States. This relative advantage in France seems to be largely offset by the fact that the low-wage workers in France, who are often unskilled, have increasingly bad working conditions reflecting a significant intensification of work and insecure professional situations, particularly in terms of their work contracts which are not as well protected as suggested by aggregate indices of employment protection.[88]

2. Non-wage pecuniary benefits

The French Labour Force Survey asks workers with regular employment of more than 3 months which paid holidays (including seniority holidays, special leaves, long weekends and days off called "work time reduction days") they are entitled to and have taken in the previous year. It is thus possible to estimate each year the following two indicators proposed by the Task Force: the share of employees who took paid leave last year and the average number of leave days. We note that, apart from those who have recently been hired, nearly all employees in regular employment are entitled to a high number of holidays and this right is widely used. The legislation is relatively generous (since the early 1980s, workers in France have been entitled to five weeks of paid leave) and the reduction of working hours to 35 hours per week has frequently resulted in the accumulation of additional leave days. French employees have thus taken on average 6.5 weeks of paid holidays in 2008, without a significant change since 2003.

The French Labour Force Survey also provides information on the share of employees who took sick leave in the previous week. This share was 3.2 per

[88] See E. Caroli and J. Gautié (ed.), *Bas salaires et qualité de l'emploi: l'exception française?* 2009.

cent in 2008 and the average number of sick leave days taken was around seven for the year of 2008.

C. Working hours and balancing work and non-working life

1. Working hours

In 2007, the average annual hours of work for full-time employees (excluding teachers) in France was 1,680 hours compared to 1,650 hours four years earlier. This indicator is much higher for full-time self-employed workers at 2,560 hours due both to longer working days and a greater number of working days in the year (271 days compared to 212 days for wage earners). For a full-time employee, a usual working week is an average of 39 hours and 24 minutes over five days while for a self-employed worker it is approximately 55 hours spread over six days. This is highly above the 35-hour week, which is the legal length of the working week since 2002.

These averages are difficult to interpret in terms of the quality of employment. Are the working days/weeks too long or too short? It is almost impossible to answer this question without taking into subjective elements such as the wishes of those concerned. It is therefore necessary to supplement this information by distribution indicators. Ten per cent of full-time employees reported working hours greater than or equal to 48 hours per week, which is the statutory weekly maximum. However, for those managers and professionals and intermediate professions, whose working time is counted in days instead of hours, the share was 29 per cent.

On the other hand, 13.5 per cent of employees that they worked less than 30 hours per week in their main job in 2008 and the proportion of those who would wish to work more in this group was 30 per cent. At the aggregate level, the share of employees who are time-related underemployed is about six per cent while almost a third of part-time employees are in this situation.

2. Working time arrangements

In France, the proportion of the employed work force who usually works at night, i.e. between midnight and 5 a.m., is relatively big, at over seven per cent (Table 5). This is more the case for blue collar workers, especially skilled ones, than for other social groups. Like other forms of atypical working hours, night work has grown over the last two decades. In 2005, 22 per cent of men and 8 per cent of women, or 15 per cent of all wage earners, worked regularly or occasionally at night as compared to 18 per cent and 6 per cent respectively in 1991.[89] It should also be noted that evening work, i.e. work between 8 p.m. and midnight, is regularly carried out by over 16 per cent of the employed work force, encompassing almost all night workers. This indicator is also on an increasing trend.

Table 5. Share of employees who are working outside of usual working hours

	Year	Regularly	Occasionally	Never
Evening	2003	15.2	19.7	65.1
	2008	16.3	18.7	65
Night	2003	6.7	9.5	83.8
	2008	7.1	8.9	84
Saturday	2003	30.6	22.7	46.7
	2008	30.4	22.5	47.1
Sunday	2003	13.2	16.6	70.2
	2008	13.6	16.9	69.5

Source: LFS, Insee.

Saturday work, which concerns more than half of the jobs, has remained stable for 15 years but regular Saturday work (30 per cent of jobs in 2008) has increased at the expense of occasional Saturday work. Sunday work is growing, reaching 13.6 per cent of employees in 2008 for those, who regularly worked on Sundays and 16.9 per cent who worked on Sundays on an occasional basis. Weekend work is a strong feature of the work of employees in commerce and services.

In order to better grasp the concept of flexible work schedules, we refer to the proportion of employees who report having flexitime from one week to the next in the Labour Force Survey. This averaged at 20.6 per cent in 2008, but exceeded 35 per cent in transport and was around 27 per cent in services to individuals. In recent years, legislation has increased the number of individual or collective means to vary work hours from one week to another, e.g. loosening the constraints on the use of overtime, the possibility of postponing holidays or to renounce holidays in exchange for extra pay, flexitime, annualized working hours with alternating periods of high and low hours, etc.

3. Balancing work and non-working life

Having young children is a major obstacle to the employment of women. For women who are aged 20 to 49 years, the participation rate of mothers with at least one child below 3 years of age was 60.3 per cent

[89] See “Enquête Conditions de Travail (Working Conditions Survey)”.

compared to 76.3 per cent for all women in the same age group in 2008. It should also be noted that half of these working mothers of young children have part-time jobs. But when the last child reaches 3 to five years of age, i.e. just below the age of compulsory schooling, the labour participation rate of mothers goes up to almost 74 per cent. By comparison, the labour participation rate of fathers is not affected at all and remains at around 92.5 per cent, even exceeding the labour participation rate of all men aged 20 to 49 years at 89.6 per cent. These figures show that reconciling work and family is not a problem for men while it remains a serious question for mothers of young children probably due to the lack of child care services. The data available in France on maternity, paternity or parental leave are insufficient.

D. Security of employment and social protection

1. Security of employment

Temporary employment is defined here as all jobs (or job training programmes comparable to regular employment) which are for a limited time period in either private or public sectors (assistants, temporary replacements, fixed-term contract workers, etc.). The proportion of employees 25 years of age or older in this employment category was 9.5 per cent in 2008 and higher for women than for men (Table 6). Not all population subgroups are equally affected by temporary contracts. In addition to women, the temporary contracts concern those with less education or who are less skilled, particularly the young. The young are either still in initial training and cannot or do not want a long-term commitment to an employer, or, because of their lack of experience, they are obliged to go through a series of short-term contracts or job training programmes before being considered fit to sign a permanent contract. The indicator presented here overstates job security. It is also interesting to distinguish between employees who report working under such contracts involuntarily and those who have agreed to them voluntarily or because of the absence of better offers.

Similarly, distribution of employees by job tenure is somewhat distorted towards those with greater tenure when limiting the study to those over 25 years.

Table 6. Share of employees in temporary employment by age

	2003	2004	2005	2006	2007	2008
15-24 years	46.8	47.8	49.6	49.8	50.8	49.0
25 years or older	8.9	9.0	9.5	9.6	9.6	9.5
25-49 years	10.0	10.1	10.7	10.9	10.9	10.6
50 years or older	5.5	5.3	5.6	5.8	5.8	6.4
Total	12.9	12.9	13.6	13.7	13.8	13.5

Source: LFS, Insee.

Table 7. Job tenure of employees above 25 years old

	2003	**2004**	**2005**	**2006**	**2007**	**2008**
< 1 year	8.5	8.5	8.4	9.1	9.4	9.3
1-3 years	14.5	12.8	12.2	12.4	12.6	13.5
3-5 years	11.7	12.5	11.9	10.7	9.9	9.6
≥ 5 years	65.2	66.2	67.4	67.8	68.1	67.6
5-10 years	15.9	16.6	18.0	19.8	20.4	20.5
10-20 years	23.0	23.6	23.4	22.8	23.4	23.3
≥ 20 years	26.3	26.0	26.0	25.2	24.2	23.8
Total	100	100	100	100	100	100

Source: LFS, Insee.

Nevertheless, the survey can be better understood by restricting its scope to persons, who have acquired some tenure in employment. The data in Table 7 show a bipolarization of employees, between those with long tenure (more than five years) and those with very little tenure. This phenomenon deepens over time with the increasing average age of the workforce and the development of short-term forms of employment. In order to understand these developments, we must know the paths followed by employees pursuing their careers in the same company on one hand and by those on temporary contracts on the other, which may lead either to a steady job or to keeping them in recurrent unemployment

The indicators proposed as *possible* by the Task Force include indicators on the transitions accomplished by workers which seem particularly interesting from the standpoint of the dynamics to consider when assessing the quality of employment. However, these indicators are generally not easily measured nor used to make comparisons between countries. Transitions between temporary jobs in year (*n*) and other occupational situations in year (*n + 1*) are described in Table 8.

One out of two workers recruited through temporary employment agencies in year (*n*) is still on this type of contract the following year but one in five has found a steady job. The others are distributed among other forms of temporary employment (less than one in ten), unemployment (one in six) or inactivity. For other workers on fixed-term contracts (except subsidised jobs like apprenticeship), the probability of getting a permanent job is lower (one in seven or eight) and of leaving the job market a little higher. The most common situation in both cases is to remain in a precarious kind of employment, as evidenced by the high rate of unemployment among people, who had held a temporary job a year earlier (another indicator suggested by the Task Force). This rate was 15.5 per cent in 2008 for those recruited through temporary employment agencies and 16 per cent for those who were on fixed-term contracts in the previous year.

Table 8. Transitions between temporary jobs in year (n) and other occupational situations in year (n + 1) (per cent)

	Interim contract			Other temporary contract		
	2005	2006	2007	2005	2006	2007
Permanent	19.0	20.4	19.1	13.9	12.6	13.6
Interim	48.2	49.4	53.8	2.1	2.8	2.6
Other temporary job	10.7	8.8	7.8	60.1	62.0	60.3
Unemployment	16.7	16.2	14.8	16.3	14.6	14.6
Inactivity	5.4	5.2	4.5	7.5	8.0	8.9

Source: LFS, Insee.

2. Social protection

The proportion of employees insured under the unemployment insurance program in France is around 72 per cent but most other employees benefit from a very high degree of job security because they are employees belonging to one of the three governmental civil services: state, territorial or hospital. Furthermore, developments in this indicator reflect mainly those in employment structures. It is therefore not relevant for assessing employees' protection vis-à-vis the risk of losing their jobs. In this vein, it would be preferable to use indicators such as the share of unemployed receiving benefits, either among all job seekers (currently about 50 per cent in France, unemployment insurance and the national solidarity scheme combined), or among those who lost their jobs, or the average rate of benefits to the unemployed in comparison to their former salary.

The share of GDP devoted to public spending on social security is increasing in France because of increased spending on health and retirement linked to an aging population. It rose from 21.9 per cent in 1990 to 23.5 per cent in 2000 and 25 per cent in 2007 (10.9 per cent for the health sector, 12.1 per cent for retirement and two per cent for family aid programmes). The evolution of this indicator does not tell us much about the quality of employment. Even with this indicator it is difficult to judge the degree of social protection in France relative to that of its neighbours because it is based on the organization of different systems of protection.

Finally, the proportion of the workforce contributing to the retirement system is necessarily very high, since the only ones who do not contribute are those who work without being officially declared. Here again the indicator does not appear very relevant to measuring the quality of employment.

E. Social dialogue

This is one of the most difficult dimensions to grasp because here we are really in the qualitative field and because we are attempting to compare the industrial relations systems which differ from one country to another. However, there are many sources available. In France, we have the household survey and

especially the company survey of "Workplace Industrial Relations and Collective Bargaining" (Relations professionnelles et négociations d'entreprise) (the REPONSE Survey, the French equivalent of the English Workplace Employment Relations Survey (WERS)), and the collective bargaining annual reports established by the General Directorate of Labour of the Labour Ministry, which covers both the negotiations and agreements. This information, however, provides few quantitative indicators and must necessarily include a description of the regulatory or contractual context, and therefore of the system of actors and rules that structure their relations.

Two types of indicators have emerged:

(i) Indicators of participation or representation, such as the indicator proposed by the Task Force: employees covered by collective wage bargaining contracts for an economic activity or wage agreements on the company level;

(ii) Indicators on labour conflicts, such as the average number of days lost due to strikes or lock-outs, also proposed by the Task Force.

In the absence of more precise information, it was assumed that all collective bargaining agreements covering an economic activity include a wage scale and that, for companies or work places which have signed at least one company agreement for the year, it primarily concerns wages, respecting the annual obligation to negotiate in this area. The latest information available on comprehensive coverage by contract or company agreement for employees of the competitive non-agricultural sector is from 2004. It shows that their coverage has increased significantly between 1997 and 2004 from 93.7 per cent to 97.7 per cent of employees involved (Table 9). There are some remaining gaps in contractual coverage concerning activities with very few employees, such as intermediary associations.

The quality of the measurement of the average number of days lost due to strikes or lock-outs in France was inadequate until 2005, the year when the Labour Department ceased producing these statistics based on reports made by labour inspectors, but used instead the annual Activité et les Conditions d'Emploi de la Main-d'œuvre (ACEMO) survey on "Negotiation and Employee Representation" (Négociation et

Table 9. Share of employees covered by collective agreement, statute or set of company agreements by activity sector

Economic activity	Share of employees covered by collective agreement, statute or set of company agreements	
	1997	2004
Agriculture and food industry	97.1	99.0
Consumer goods industry	96.5	98.8
Automobile industry	99.1	99.9
Capital goods industry	97.9	99.3
Intermediate goods industry	97.7	99.5
Energy	93.8	99.1
Construction	96.6	98.7
Trade	94.3	98.4
Transports	96.6	99.4
Financial activities	94.5	98.7
Real-estate activities	93.4	98.2
Business services	91.6	97.4
Individual services	82.3	92.5
Education, health, social service	93.5	96.6
Associative activities	73.6	87.2
Total	93.7	97,7*

Source: Ministry of Labour, ACEMO Survey on Collective Agreements, December 1997 and December 2004

représentation des salaries). In fact the administrative source provided figures which were more and more underestimated, especially due to the increasing use of limited walkouts making the identification of work interruptions by the labour inspectors more difficult. Thus, for 2005 and excluding large national enterprises, transport and the three branches of the civil service, the administrative source captured only 216,700 days lost due to strikes while the survey of businesses counted 875,500. It is true that the first source only recorded local conflicts while the latter also covered those of a general character but this does not suffice to explain the differences between them. This is mainly due to deficiencies in identification of strikes by labour inspectors. The survey data do not, however, highlight the overall decreasing trend of the indicator since the 2005 figures are still well below the volume recorded by the administration during the 1970s, especially if one considers that the administrative source also underestimated the number of strike days at that time. However, recent

observations suggest a slight upturn in the number of strike days per 1,000 employees between 2006 and 2007 (Table 10), mainly due to the developments in the transport sector. Other indicators help in assessing the evolution of conflicts. The share of establishments over 20 employees, which have experienced a conflict increased between 1996–1998 and 2002–2004 (dates of the last two REPONSE surveys) from 21 per cent to 31 per cent.

Table 10. Average number of days lost due to strikes per 1,000 employees

Economic activity	2005	2006	2007
Industry	217	174	132
Construction	24	16	17
Trade	39	12	17
Transport	560	266	654
Other services	130	111	93
Total	164	117	128

Source: Ministry of Labour, ACEMO surveys on "negotiation and employee representation".

It remains to be considered how to interpret this indicator since the annual ACEMO survey mentioned shows a deepening relationship between the degree of collective bargaining, and therefore of social dialogue, and the presence of strikes. Of those companies where a strike had taken place in 2007, eight out of ten also declared that they had held collective bargaining negotiations. This relationship, primarily the result of the size of the enterprise - large firms combining collective bargaining and collective disputes - shows that these two modes are not contradictory forms of social relations in a company: employees may stop working to demand the opening of negotiations, to influence the ongoing discussions between representatives of employees and the employer, or to challenge the decisions taken at the end of a negotiation.

F. Skills development and training

The indicator concerning the proportion of workers employed in highly qualified trades implicitly refers to the ISCO classification (International Standard Classification of Occupations). As long as the 2006 revision, introducing the concept of supervisor, is not applied in the Labour Force Survey, data for France should refer to a specific national classification, the Professions and Socio-professional Categories (PCS). This means that “highly-skilled jobs” correspond to Group 3 of PCS, covering all managerial, professional and higher intellectual occupations (including self-employed intellectual professions). The share of these occupations in total employment was 16.2 per cent in 2008 (18.7 per cent among men and 13.4 per cent among women), up from the middle of the last century, as has been the case for all non-manual wage-earning professionals. From 2003 to 2008, the indicator rose 1.5 percentage points (by 1.1 percentage points for men and by 2.1 percentage points for women).

The share of employees, who received training over the last 12 months, is not available in France since the employment survey, like all workforce surveys in Europe, only focuses on the last 4 weeks. From 2003 to 2008, this proportion has changed little since it rose from eight per cent to 8.1 per cent (7.5 per cent for men and 8.7 per cent for women) which are relatively low levels in the European context. It has to be noted, however, that documented training programmes are not necessarily the same for all member states. The indicator is necessarily higher in northern European countries which have well-developed apprenticeship programs and combined work and job training schemes for the very young. In France, on the other hand, initial job training and employment are still largely disconnected.

Through a survey on continuous vocational training conducted in France in 2006, we have more precise data on the rate of access to continuous vocational training (professional or personal) over the last 12 months (Table 11). This overall rate, which was then 28 per cent for the self-employed and 44 per cent for employees, mainly depends on the characteristics of the business. Recent technological changes, the size of the company or the scope of its activities explain much of the propensity for professional training. The socio-economic group, linked to educational level, also determines the degree of use of professional training. Training for workers is half as frequent as and much shorter than that for managerial and professional employees.

The proportion of over-qualified (or under-qualified) employees, that is to say those who have a higher (or lower) level of training than that normally required for the position, is very difficult to measure because it requires an accepted grid of correlations between occupations and the qualifications needed. But there

are almost as many grids as authors of statistical analysis of "skill mismatch".

Table 11. Share of employed, who received job training within the last 12 months (per cent)

Individual characteristics	Employees	Self-employed
Socio-economic group		
Farmers	n.a.	21
Tradesmen, shopkeepers, heads of business	n.a.	21
Managers and higher intellectual professionals	60	59
Associate professionals	58	46
Services, sales and administrative employees	38	n.a.
Workers	28	n.a.
Level of diploma		
Above Bac + 2	64	53
Bac + 2 (Associate degree)	61	43
Baccalauréat or equivalent (high school diploma)	51	28
CAP, BEP*	36	20
BEPC, brevet**	37	13
Certificat d'études*** or no diploma	24	13
Total	44	28

Source: Insee, LFS, Module on Continuous Vocational Training, 2006.
**Vocational school diploma, **Middle school diploma, ***Primary school diploma.*

Moreover, it is not possible to match ISCO and the International Standard Classification of Education (ISCED). Hence, currently we cannot reveal where France stands in the European Union in this regard, as long as the Labour Force Survey does not have an appropriate method of analysis comparable to ISCO, revision 2006.

Finally, Table 12 shows, for information, the distribution of the employed population 25 to 64 years of age by education level. France has progressed in the recent decades and now stands at a relatively high level compared to the European average.

Table 12. Employed people aged 25 years or older by level of education (ISCED)

Level of education	1982	1992	2002	2008
Low (0-2)	54.9	40.3	29.2	24.0
Medium- inferior (3)	32.4	41.0	43.9	44.3
Medium-superior (4)	5.8	8.7	12.6	14.4
High (5-6)	6.8	10.0	14.4	17.3
Total	100	100	100	100

Source: LFS, Insee.

G. Workplace relationships and work motivation

1. Workplace relationships

The indicators suggested by the Task Force are all subjective indicators related to assessments that employees make of their work or employment. These work characteristics are often referred to as "psychosocial factors" to indicate that they involve the subjectivity of workers and are affected by their mental and psychological functioning. Unless we are able to have European surveys such as those conducted by the Dublin Foundation,[90] we cannot present here the results from national surveys with country-specific questions at the expense of international comparability.

In France, three questions on the relations with co-workers were included in a 2003 survey on the medical surveillance of risks (Surveillance Médical des Risques (SUMER), conducted in enterprises by volunteer occupational doctors. According to this survey, 86 per cent of employees surveyed agreed (or strongly agreed) "that their colleagues showed interest in them," 81.5 per cent said that they "were friendly" and 85.8 per cent said that they "helped them carry out their tasks".

The same survey reveals that 79.5 per cent of employees believed that "their supervisor paid attention to what they said" and 76.2 per cent thought that "their supervisor helped them accomplish their tasks."

[90] See ISTAT. *A Validation Study of the Quality of Employment Indicators"* prepared for Meeting on Measurement of the Quality of Employment (Geneva, 14-16 October 2009). Available at: http://www.unece.org/stats/documents/2009.10.labour.htm

Finally, those employees saying they had been harassed at their workplace can be seen in the SUMER 2003 survey through a series of questions. The conclusion from the data is that one employee in six considers himself to be subjected to hostile behaviour at work, claiming to be victim of lack of recognition at work (nine per cent), of disdain and contempt (seven per cent), or of personally humiliating attacks (two per cent). These difficult situations, to which unskilled workers are most vulnerable, may be a risk factor for their mental health.

2. Work motivation

The general remarks made above concerning the previous sub-dimension also apply here.

The share of all employees who believe they can apply their own ideas in their work is available from the following four questions taken from the SUMER 2003 survey:

"Do you strongly disagree / disagree / agree / strongly agree that:

- In your work you need to be creative*? (agree or strongly agree: 71.4 per cent)*

- In your work you can often make decisions for yourself? *(agree or strongly agree: 82.5 per cent)*

- In your work, you have very little freedom to decide how you do your job? *(disagree or strongly disagree: 75.7 per cent)*

- You have the possibility to influence the course of your work? *(agree or strongly agree: 76.3 per cent)*"

Similarly, the share of all employees who feel satisfied at their work can be estimated in the same survey by the percentage of employees who agree that "overall, they are satisfied with their work" (87.3 per cent in 2003).

CHAPTER VI. Germany Pilot Report

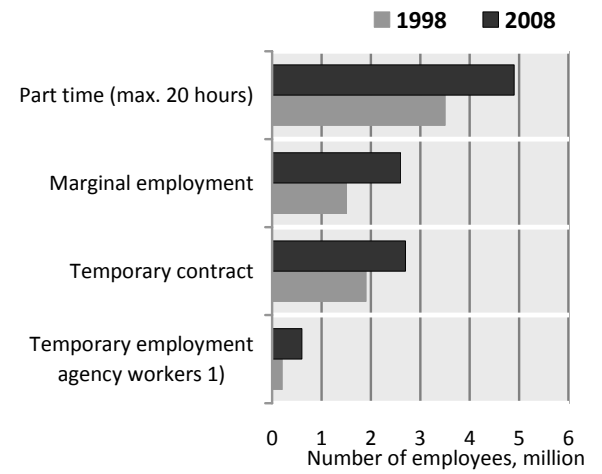
Over the last 15 years, the labour market in Germany has importantly changed regarding its structure. Together with an increase in the activity rate from 50 per cent in 1996 to 52.9 per cent in 2008,[91] new forms of employment have become established. Along with a decrease on employees in the standard type of employment – full-time work with permanent contract – the share of persons in non-standard types (usually also referred to as persons in atypical employment) of employment has significantly risen, also as a consequence of policies aiming at a decrease of unemployment.

The share of employees in atypical employment, i.e. employees working part-time up to 20 hours per week, being in marginal employment, working for temporary work agencies or having a temporary contract, has increased from 17.5 per cent in 1997 to 25 per cent in 2008. Over the same period, the share of own-account workers in all self employed increased from 48.8 per cent to 55.1 per cent. Following legal changes, the number of employees working through temporary work agency almost exploded: That alone caused an increase from 200 thousand in 1997 to 600 thousand in 2008.

The increase of these types of atypical employment might have helped to improve the employment opportunities of unemployed persons. At the same time the need for a differentiated analysis of the quality of employment became evident. New forms of employment often come along with deteriorations of their quality, such as downgraded conditions of work, decreased pay, atypical working hours, and limited access to social protection. Furthermore the question arises, how far these structural changes affect the quality of employment in standard forms of employment. The internationally agreed conceptual framework of the joint UNECE/ILO/Eurostat Task Force on the measurement of the quality of employment offers a unique opportunity to get a comprehensive overview on the developments of these on the German labour market.

[91] Statistisches Bundesamt, Fachserie 18, Reihe 1.5, Mai 2009, Table 1.11.

Figure 1. Types of atypical employment on the German labour market, 1998-2008[1]



Source: German Microcensus/LFS
[1]Overlapping groups; Persons aged 15-64, except students and persons in professional education.

Against this background, this report informs on the quality of employment in the German context and provides the Task Force with feedback for the improvement and finalisation of the indicator framework. The insights gained from this report should also be taken into consideration for the currently ongoing development of the indicator framework on decent work by the ILO.

The objectives of this report are

(1) to describe the quality of employment on the German labour market, applying the framework developed by the Task Force. The indicators chosen for this report are based on the list of proposed indicators as laid down in the Task Force paper dated July 2009, which was received by the Task Force on 10 August 2009.[92]

[92] *Statistical Measurement of Quality of Employment: Conceptual framework and indicators* by the UNECE Task Force on the Measurement of Quality of Employment Steering Committee, July 2009 version. For its final version, see Chapter I of this publication. As the report contains limited guidance regarding the definition and application of the indicators the calculation of the indicators was based upon the data availability, national practices as well existing practices in the European Statistical System (ESS).

(2) to identify areas, which are deemed relevant for quality of employment in the German context, but not yet (adequately) included in the Task Force list of proposed indicators. It will also try to identify indicators which are of limited relevance for Germany or which are redundant.

(3) to comment on important aspects of the operationalisation and definition of the indicators which are needed to adequately interpret the indicators.

The report is organised in seven analytical sections, one for each dimension of the Task Forces' conceptual framework. In order to enhance the international comparability of the results presented in this report, preference has been given to results from internationally harmonised sources that are published e.g. in the Eurostat online database or databases from international organisations. Only where such harmonised sources were currently not available, national sources have been used, with possible restrictions regarding international comparability. The results presented in this report refer to the most recent reference year for which data are available, usually the year 2008. Due to limitations of data availability as well as the tight budgetary constraints of the project, it was not possible to provide time series information for the entirety of the indicators.

A. Safety and ethics of employment

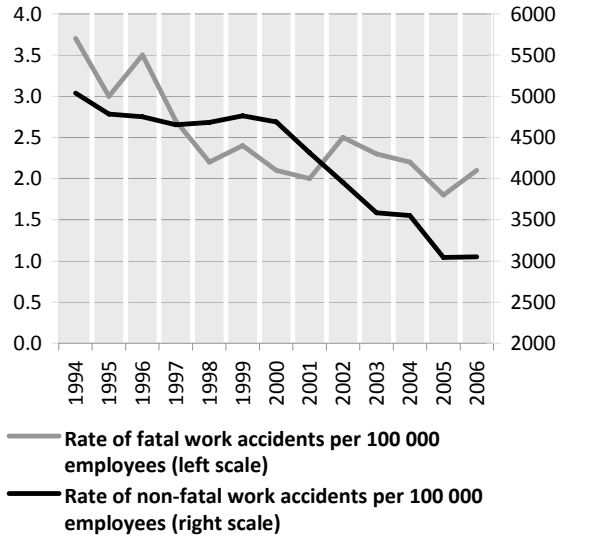
The indicators proposed by the Task Force in the dimension on safety and ethics of employment are largely available in Germany. Some reserves are, nevertheless, necessary in the case of child labour, which due to the strict enforcement of labour laws protecting children from work is considered not highly relevant in the case of Germany.

1. Safety at work

Working in Germany, also in international comparison, can be considered as very safe, with large improvements made over the last decades. The situation is well represented by the indicators proposed by the Task Force: According the results from the European Statistics on Accidents at Work (ESAW), in 2006 the fatal occupational injury rate was 2.1 workplace fatalities per 100,000 employees.[93] In comparison, the EU-15 average was 2.5 according to a preliminary estimation. Over the last ten years, the rate of workplace fatalities is decreasing in Germany, starting with a rate of more than three fatal accidents for 100,000 employees in the mid 1990s (figure 2).

A similar development can be found for the rate of non-fatal work accidents. In 2006, according to the ESAW, 3,048.6 accidents at work have been recorded per 100,000 employees.[94] From 1994 until 2006 the rate has dropped by nearly 40 per cent from 5,037.5 to 3,048.6. It should be noted that the both the results on fatal and non-fatal accidents at work stem from the administrative records of the German statutory accident insurance. This is less of a problem for fatal accidents (considering that death is a very serious event with a quite straightforward definition, at least in this context). Considering international comparisons of the results on non-fatal accidents the definitions and institutional context of the German statutory accident insurance system will be inherent in the results.

Figure 2. Accidents at work, 1994-2006



Source: European Statistics on Accidents at Work.

Another possible source on accidents at work is the 2007 ad hoc module of the Labour Force Survey. Compared to the ESAW, the LFS has the advantage to

[93] Data are available for NACE Rev. 1.1 industry branches A, D to H, J and K and thus excluding fishery, mining and quarrying, transport, storage and communication, public administration and defence, education, health and social work, other community, social and personal service activities as well as activities of households.

[94] These accidents refer to those that lead to a leave of at least three days for employees in NACE Rev. 1.1 branches A, D to H, J and K.

cover employed persons in all economic branches. The drawbacks (related to accidents at work) include that the ad hoc module is covering a sub-sample only and not carried out on a yearly basis. Furthermore, it should be noted that the LFS covers accidents at work as perceived by the respondents, which will conceptually differ from the statutory accident insurance data. According to the LFS ad hoc module, the rate of accidents at work was 2,382 per 100,000 employed persons in all industry branches.

The LFS ad hoc module at the same time provides some information regarding the share of employed persons working in hazardous conditions: Employed persons are being asked, whether they are exposed to factors that can adversely affect his/her well-being at the workplace. The module distinguishes selected factors concerning physical health and mental well-being. According to the results, in Germany in 2007, 11 per cent of the employed persons were exposed to factors that adversely affect their physical health (mainly to difficult work postures, work movements or handling of heavy loads, to chemicals, dusts, fumes, smoke or gases as well as to noise or vibration). 12.3 per cent of the employed persons were exposed to factors adversely affecting their mental well-being (in the large majority of cases to time pressure or overload of work, but for about one per cent employed also to harassment or bullying or even to violence or threat of violence). Again, the results from the ad hoc module have the drawback that they are not available on a yearly basis (the next EU-LFS ad hoc module on accidents at work and other work-related health problems being planned in 2013 only).

2. Child labour

Although of large concern in a global perspective, child labour is of limited relevance when analysing quality of employment in Germany. National laws strictly regulating economic activities of children together with the compulsory school attendance made economic activities of children a phenomenon of minor importance in Germany. For this reason, it was so far not considered necessary to set up official statistical programmes providing a detailed measurement of child labour. Given the illegal status of child labour and in particular its worst forms, such measurement would furthermore be very difficult to achieve, if feasible at all.

Nevertheless, some information regarding the economic activities of children can be obtained from the LFS. Information is however reduced to the target population of the LFS, namely persons aged 15 to 17 years. For this group, at least a part of the indicators proposed by the Task Force can be provided from the LFS.

In 2008, 1.1 per cent of the children aged 15 to 17 years usually worked more than 40 hours per week, which would then not be in line with the national legislation for labour protection of children (Gesetz zum Schutz der arbeitenden Jugend). An even higher share of the persons aged 15 to 17 years usually or sometimes works in the evening (three per cent) while night work is very rare. Due to some exceptions made by the national labour protection law (e.g. in the case of bakeries) and some slight deviations in the definition of "evening" (starting at 7 p.m. in the LFS and at 8 p.m. according to the labour protection law), it is however difficult to say whether this always indicates infringements of the law.

3. Fair treatment in employment

Fair treatment in employment is a cross-cutting dimension of quality of employment. In each of the other dimensions, treatment can be unequal for different population groups. Therefore the Task Force decided not to have a set of specific indicators on fair treatment in employment, but to mainstream the entire set of indicators as far as possible across specific population groups such as women, ethnic minorities, immigrants, indigenous population, and persons with disabilities. In Germany, ethnic minorities and indigenous population groups are usually no relevant categories for statistical reporting, at least not to the same extent as, e.g., in North America. Regarding persons with disabilities only little information is available regarding the indicators. In most cases a breakdown by sex, and in some cases nationality, can be provided.[95]

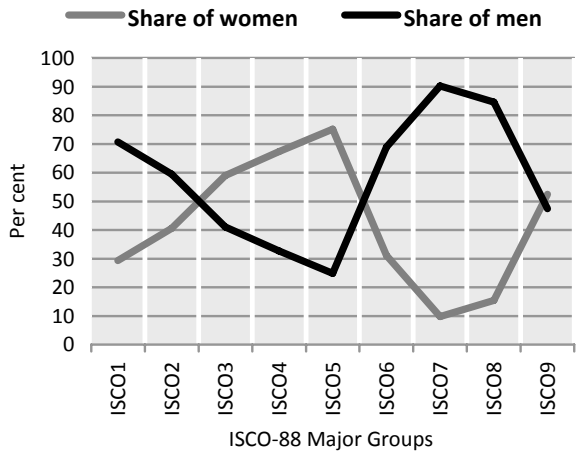
Fair treatment by sex

The employment situation of women has considerably changed over the last decades. The share of women in total employment increased from 43.2 per cent in 1998 to 46 per cent in 2008. Over the same time, the employment rate of women increased from 55.6 per cent to 65.4 per cent, whereas the employment rate of men "only" increased from 71.7 per cent to 75.9 per cent. Over the same period of time, occupational segregation also decreased, but remained at a

[95] Nationality was used as a proxy variable for immigration status in order to allow comparisons over time and across countries. Unfortunately, in contrast to the LFS in most other ESS countries, the variable country of birth is not a survey variable in the German LFS. A harmonised operational definition of migration status should be developed for international comparisons.

considerable level (see figure 3). The index of dissimilarity, calculated at the level of the ISCO-88 major groups, decreased from 42.9 per cent in 1998 to 38.9 per cent in the year 2008. Managerial and administrative occupations (ISCO-88 major group 1) are still largely male dominated: 4.5 per cent of the male employed, but only 1.9 per cent of the female employed occupy such posts, so that nearly three quarters of the managerial and administrative jobs are held by men.

Figure 3. Occupational segregation by sex
(Share of employed men and women in the ISCO-88 major groups, 2008)



Source: Labour Force Survey 2008.

The persisting differences in employment of men and women suggest that both sexes might differ also concerning quality of employment. The indicators proposed by the Task Force show that there are differences according to the sex of the employed persons, but that such differences vary largely according to the dimensions and sub-dimensions. Whereas no major differences could be found in dimensions 4, 5, 6 and 7, there are differences for the other dimensions (for the detailed results, please the devoted sections of this report):

- Dimension 1: According to the occupations predominantly carried out by men, accidents at work, particularly fatal accidents, are much more frequent for male employed persons. Similarly, men also work more often in hazardous conditions.
- Dimension 2: Strong differences can be found regarding the income from employment. Women generally receive lower salaries then men, and the low-pay rate of women is almost twice as high as that of the men. Regarding the non-monetary benefits from employment, which are often regulated by law or collective bargaining agreements, the differences nearly seem to disappear.
- Dimension 3: Similarly to the income, large differences also persist regarding the working time. Women do more often work part-time: In 2008, 44.9 per cent of the women, but only 8.4 per cent of the men worked part-time in Germany. Surprisingly, the involuntary part-time rates is showing a higher level for men (36.7 per cent compared to 19.5 per cent for the women), which indicates that one should not rely exclusively on that indicator to analyse differences between men and women as it ignores the fact that women often give up their employment for family reasons (but not necessarily "voluntarily"). Men also more regularly work for excessively long hours and in the night, while there are no differences regarding the share of male and female employed persons working on Saturdays and Sundays. Women do slightly less often have flexible working time arrangements. Women also much more often receive family leave benefits, although both sexes are equally entitled to such benefits.

Fair treatment by nationality

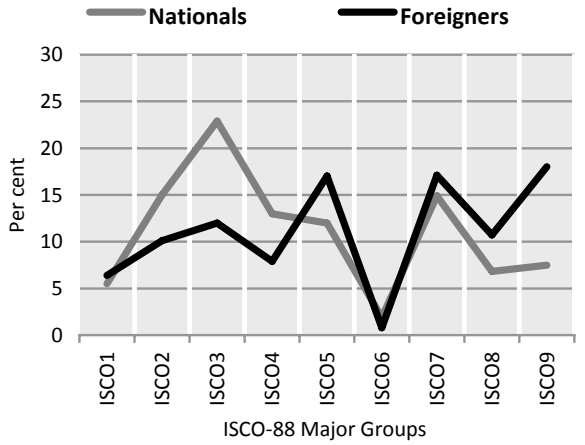
The labour market participation of persons with foreign nationality differs in many respects from that of German citizens.

The employment rate of foreigners, in 2008, was considerably lower than that of Germans (57.8 per cent for foreigners; 72.3 per cent for German citizens). There is also occupational segregation between German citizens and foreigners. The index of dissimilarity was 22.4 per cent in 2008, and thus considerably smaller than occupational segregation by sex. As shown in Figure 4 the largest differences can be found for the ISCO-88 major groups 2 and 3 (for which the share of Germans is almost twice as high as that of foreigners) as well as 8 and 9 (for which the inverse picture is given).

Regarding the indicators on quality of employment, unfortunately, only a part of the data is available with breakdowns by citizenship (not to speak of migration status). Therefore this report can at best provide a partial picture. One can guess that foreigners will be more frequently concerned by work accidents and a

higher low pay rate. However, only few indicators are available to comprehensively substantiate this statement.

Figure 4. Occupational segregation by citizenship
(Share of employed German citizens and foreign in ISCO-88 major groups, 2008)



Source: Labour Force Survey 2008.

B. Income and benefits from employment

Regarding the proposed indicators concerning the dimension on income and benefits of employment in Germany, income-related indicators are available from the European Union Structure of Earnings Survey (SES).[96] The indicators on non-wage pecuniary benefits from employment come from several different sources and need further discussion and harmonisation through definition.

1. Income from employment

Indicators on income are of high relevance as the monetary return will be one of the basic motivations for work. Although a good pay does not necessarily equal a decent job, it is still very likely to be one of the basic preconditions for job satisfaction. The receipt of a decent pay therefore is a crucial aspect of the quality of employment.

The prevalence of employees with low income in Germany is well represented by the indicators proposed by the Task Force: According to the results from the European Union Structure of Earnings Survey (SES), in 2006, the mean gross hourly earnings for all employees was €16.20. It has to be noted that – although the SES is an internationally harmonised survey available for all members of the European Statistical System (ESS) – international comparisons of gross earning might be misleading as they cannot (or at least not easily) take into account the effects of taxation and social insurance contributions as well as differences in purchasing power.

The low pay rate is considered a helpful indicator for the inequality of the income distribution. The focus on low pay is justified as low earnings are particularly problematic regarding quality of employment. The low pay rate should, as proposed by the Task Force, be calculated on the basis of gross hourly earnings (and not on the basis of the gross monthly earnings of full-time employees, representing the income distribution of full-time workers only), as only this permits to cover most types of non-standard employment in which low pay is of particular importance in Germany.[97] In its meeting in May 2009 the Task Force discussed two thresholds which are currently in use in international statistics: One half respectively two thirds of the median gross hourly earnings. In 2006, 20 per cent of all employees in Germany received less then 2/3 of median hourly earnings and 7 per cent less than half of it (low pay rates).[98]

Without further analysis in international comparison, it is difficult to decide for one of the two thresholds on the basis of empirical or statistical considerations. Looking at the cumulative income distribution (see Figure 5), one could argue that the 50 per cent threshold might show some advantages as the slope of the graph is lower at this point. A further consideration might be that most proposals for the introduction of a general minimum wage in Germany are around the 50 per cent threshold. Against this background, the Task Force should at least consider to make reference to both thresholds.[99] It should also be noted that the international comparable source chosen here (SES) cuts off employees of small enterprises, does (in Germany) not cover the industry branches A, B, L, O, P and Q and therefore will probably slightly underestimate the low-pay rate.

[96] SES 2006 covers enterprises with at least ten employees in economic activities C-O excluding L of NACE Rev.1.1.

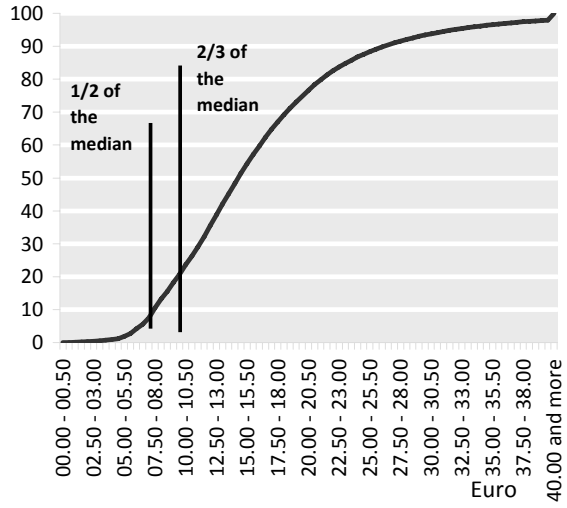
[97] See *Statistisches Bundesamt Niedrigeinkommen und Erwerbstätigkeit*. "Begleitmaterial zum Pressegespräch am 19, Frankfurt am Main". Wiesbaden, August 2009.

[98] The low pay rate shown here is calculated for employees aged 15-64 who are not currently in education or training.

[99] Another consideration could be the consistency with the at-risk-of-poverty rate widely used within the European Union, which has been set at 60 per cent of the respective equalized median net income (after social transfers).

The results on low pay already show that there is a marked difference in income of men and women. The indicator 'gender pay gap' is not included in the indicators proposed by the Task Force. Nevertheless, it is very important looking at this indicator, at least as complementary information on fair treatment in employment. The gender pay gap, calculated using an EU harmonised methodology and again based on the SES 2006, is 22.7 per cent for Germany. It should be noted that it differs largely between age groups and economic sector. There is hardly any pay gap (two per cent) in the lowest age group (younger than 25 years) and the highest pay gap can be found in the age group from 55-64 years (29.7 per cent). Looking into the industry branches, NACE sections E (Water supply; sewerage; waste management and remediation activities) and K (Financial and insurance activities) show the biggest gender pay gaps (about 30 per cent). The lowest pay gap can be found in NACE sections C (Manufacturing, six per cent) and I (Accommodation and food service activities, eight per cent).

Figure 5. Cumulative distribution of gross hourly earnings, 2006



Source: Own calculation from the national Structure of Earnings Survey 2006.

2. Non-wage pecuniary benefits

The proposed indicators on benefits from employment are of high relevance as they are a quantitative value of the quality of work that concern not only non-monetary benefits, but also touch topics as the work-life-balance and social protection. However, their calculation is not always straightforward in Germany and internationally harmonised sources are partly lacking.

Table 1. Share of employees with below 1/2 and 2/3 median hourly earnings (per cent)

	1/2 of median	2/3 of median
Total	7	20
Female	10	27
Male	5	14
Age		
15 – 24 years	23	52
25 – 34 years	8	22
35 – 44 years	5	15
45 – 54 years	5	16
55 – 64 years	7	19
Industry branch		
Mining and quarrying (C)	1	4
Manufacturing(D)	4	14
Electricity, gas and water supply (E)	1	2
Construction (F)	2	14
Wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods (G)	9	25
Hotels and restaurants (H)	27	62
Transport, storage and communication (I)	9	24
Financial intermediation (J)	1	3
Real estate, renting and business activities (K)	13	40
Education (M)	4	6
Health and social work (N)	5	15
Other community, social, personal service activities (O)	12	25

Source: European Structure of Earnings Survey 2006.

In the case of Germany there is no adequate source for the average days of used paid annual leave. Indicators that were proposed in previous papers of the Task Force such as the share of employees entitled to paid annual leave or to paid sick leave are easier to compile, but at the same time provide less information. In Germany, all employees are by law entitled to paid annual leave as well as to paid sick leave. There are national laws that regulate a minimum of 24 days of paid annual leave for full-time employees (Bundesurlaubsgesetz) and the entitlement to paid sick leave (Entgeltfortzahlungsgesetz) for all

employees. Nevertheless, some information on paid leave and sick leave can be obtained from the European Union Structure of Earnings Survey (SES) on the one hand and the volume of labour accounts ("Arbeitsvolumenrechnung"; total hours worked according to the European System of National Accounts) of the Institute for Employment Research (IAB) on the other hand.

There are two possible indicators on paid annual leave for Germany. Both indicators do not show whether the days of paid leave are actually being made use of. The first using the European Union Structure of Earnings Survey (SES) shows the average number of days of paid annual leave that is stated in the contract. For this indicator, it must be taken into account that Germany has a very high number of employees in part-time and marginal employment who are (proportionally) entitled to fewer days of paid annual leave. Full-time employees have an average annual leave of 28 days, part-time employees 18 days. The second data source available, the volume of labour accounts (Arbeitsvolumenrechnung) of the Institute for Employment Research (IAB), shows the average number of days of paid annual leave for employees including special paid leave like compassionate leave and maternity leave for a full-time equivalent (31 days).

The only available and reliable indicators on sick leave for Germany are the average number of days in sick leave per year per employee (7.3 days in 2008) or the share of sick employees in all employees. The share indicates that 3.3 per cent of all employees were on sick leave in 2008. Both indicators are based on calculations from the volume of labour accounts (Arbeitsvolumenrechnung) of the Institute for Employment Research (IAB). In both cases the registration of sick leave is registered by the health insurance only if an employee is sick for more than 3 working days.

C. Working hours and balancing work and non-working life

Besides the pay received, the time spent at work is another crucial basic factor of quality of employment. Here the indicators have to reflect two different situations that might be judged problematic regarding the quality of employment: Not being able to work as much as desired (which relates however rather to the availability of work than to its quality) on the one hand and working too much or at unusual times of the day on the other. The latter situation could, amongst others, have a negative impact on the work life balance. The indicators proposed by the Task Force reflect both situations and are key elements of a framework on quality of employment.

It has often been noted that, as a result of the number of days of paid annual leave as well as the high proportion of part-time workers, the number of annual hours worked per employee is quite low in Germany compared to other countries. Nevertheless, since a few years the number of annual hours worked is no longer decreasing at the same speed. In parallel, the share of workers working at unusual times of the day has been increasing since the 1990s.

1. Working hours

The indicator on average annual (actual) hours worked per person for Germany is based on the volume of labour accounts (Arbeitsvolumenrechnung) of the Institute for Employment Research (IAB), which applies the definitions for total hours worked according to the European System of National Accounts (ESA). Nevertheless, in order to allow for international comparisons, for the indicator framework it has be further clarified which definitions should be applied. For Germany there are at least three indicators that should be looked at (see table 2):

Table 2. Average annual (actual) hours worked per employed person / employee

	2000	2008
Total employment (full- and part-time)	1 473	1 429.6
Employees (full- and part-time)	1 372.8	1 325.2
Employees (full-time)	1 664.2	1 676.5

Source: estimations from the volume of labour accounts (Arbeitsvolumenrechnung).

The first issue to be discussed for this indicator seems to be the reference parameter: The average hours worked for all employed is by 104.4 hours bigger than for the employees only. This is a consequence of the fact that (at least in Germany) self-employed work more hours than employees and are less likely to be working part-time. Regarding the implementation of the indicator on an international level, the reference parameter should be clearly defined.

Another issue is the consideration of defining the reference parameter in terms of full-time and/or part-time employment. As, compared to other countries, Germany is a country with a high rate of part-time employment, the average number of hours worked is

lower just due to this reason. In an international environment it might therefore be advisable to define the indicator as the average hours worked of full-time employees. The comparison of the results for the years 2000 and 2008 makes clear that the decrease of the annual hours worked for all employees is at least in part due to an increase in part-time employment, whereas the average annual hours worked for full-time employees has even been slightly increasing.

The indicator of the annual hours worked per employee gives an impression of the average hours worked. However, it does provide only little information regarding the development of the share of employees working (largely) more than average or who do work less than they would like to. For these indicators, the Labour Force Survey (which is at the same time an important source of the volume of work accounts) offers further valuable insight: The Labour Force Survey (LFS) offers variables to calculate the indicators for international comparison, with a time-series and in several demographic sub-groups. The results for Germany in 2008 are as follows:

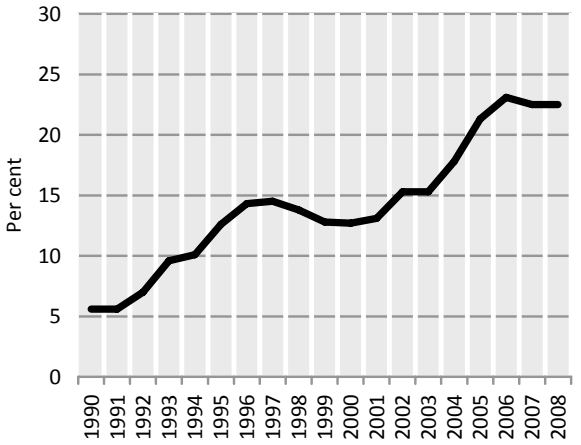
The share of employed persons working 49 hours and more per week shows a decrease from 10.5 per cent in 1998 to 9.5 per cent in 2008. Regarding employed people in non-managerial occupations only, the rate was 8.6 per cent in 2008. As there is an obvious difference in the hours worked by persons in managerial occupations it should be considered to propose two indicators on this issue.

The indicator on involuntary part-time needs further consideration. The Task Force proposed to indicate involuntary part-time for persons working less than 30 hours per week (using the definition proposed by the OECD). The results for Germany are taken out of the LFS-Database of Eurostat using a slightly different definition, which is at the same time more likely to suit international comparisons. The LFS asks the respondent whether he or she works full-time or part-time. In the context of the EU Labour Force Survey this information is used to distinguish the two groups instead of the number of hours worked. This approach offers the advantage of being able to take into account institutional differences in different countries which will have an impact on what is considered a part-time job. Considering an international implementation (at minimum effort and cost) the definition of this indicator should be revised.

Another aspect regarding involuntary part-time is the specification of what is considered "involuntary". Involuntary is referred only to the answer category "no full-time job found" in the LFS. It is very likely that, in Germany, there are persons working part-time for other reasons (like child care), but who would not necessarily claim to work part-time "voluntarily". Child care facilities, as an example, might not be available for every employed person. Persons caring for their children or other family members might tick this answer because that is the main reason for working few hours. But it may well be possible that they would like to work full-time if they had an opportunity to do so. Therefore the Task Force should consider including further reasons for working part-time in the indicator framework.

The results for Germany in a time series show that, irrespective the consideration in the last paragraph, the share of persons working part-time involuntarily is rising. In the last 18 years the share quadrupled from 5.5 per cent in 1990 to 22.5 per cent in 2008.

Figure 6. Share of employed persons aged 15-64 in involuntary part-time (in all employed persons working part-time)[1]



Source: Labour Force Survey 2008.
[1]2005: Break in time series due to methodological changes and new sampling design.

2. Working time arrangements

Apart from the working time in terms of hours, working time arrangements are another important factor. Regardless of the number of hours worked, it makes a difference whether the employee can decide when to start and to stop working, or even use working time banking or if work has to be carried out at night or during the weekend. The indicators on working time arrangements are all available from the yearly LFS or ad-hoc modules. This makes it easier to

compare the indicators internationally. Still, not all definitions in the EU-LFS are fully in line with those proposed by the Task Force. Furthermore, the definitions to be used for the calculation of the indicators need further specification.

The definitions that should be reconsidered are night and evening work as well as weekend and bank holiday. Furthermore it should be discussed which response items (usually, sometimes, never) should be chosen to calculate the indicator. We suggest to follow the explanatory notes of the EU-LFS which take into account that the definition of evening and night varies considerably in many countries. According to the explanatory notes "evening work" is considered as work carried out after the usual hours of working time in this Member State but before the usual sleeping hours. This implies the possibility of sleeping at normal times (whereas "night work" implies an abnormal sleeping pattern).

Concerning work on weekends the EU-LFS asks for Saturday and Sunday work, bank holidays being not included in Sundays. Therefore it should be considered to reduce the indicator to Sunday work only and not to include work carried out on bank holidays.[100]

In addition to these remarks on working time arrangements, it should be stated that it is not clear if the questions are only answered by the target population. It is not possible to identify persons who work in atypical hours as – for whatsoever reasons – they prefer to do so.

The results for Germany are shown in table 3. It can be clearly seen that there is a rise of work at late hours as well as work on weekends up to 2007, which is even stronger when compared to the situation in the early 1990s.

Flexible work schedules are a different aspect of working time arrangements as those often enable employees to combine working and non-working life in a more flexible way (Table 4). Unfortunately, for the indicator “share of employees with flexible work schedules”, the availability of data is considerably reduced: Suitable information is available from the EU-LFS ad-hoc module on work organisation and working time arrangements carried out in 2004.

[100] It should be noted that in the German LFS, different reference periods and response scales are being used compared to the other EU member states, which reduces international comparability (“In the last three months did you work at night […] usually, regularly, sometimes or never” compared to the LFS standard “In the last four weeks, did you work at night […] usually, sometimes or never”).

Table 3. Share of employed people aged 15- 64 working at evening/night or on weekends (per cent)

Year	Evening work	Night work	Saturday work	Sunday Work
1992	15.5	7.6	20.9	10.3
1997	18.5	7.0	22.7	11.3
2005	25.4	8.6	25.6	13.3
2006	26.6	8.9	26.4	13.5
2007	27.0	9.2	26.8	14.1
2008	27.3	9.0	26.4	13.8

Source: Labour Force Survey.
[1]Break in time series due to methodological changes and new sampling design.

Table 4. Share of employees aged 15- 64 years with flexible work schedules, 2004 (per cent)

Working time arrangements	
Fixed start and end of a working day	38.3
Staggered working hours, banded start and end	4.1
Working time banking with possibility only to take hours off	14.8
Working time banking with possibility to take full days off (besides taking hours off)	15.7
Start and end of working day varying by individual agreement	3.9
Determines own work schedule (no formal boundaries)	1.7
Other	1.8
No answer	19.8

Source: Ad-hoc module of the Labour Force Survey 2004.

Unfortunately, the module is implemented in larger intervals only, for the next time not before 2015. After all the most important question on flexible working time arrangements will be part of the 2010 ad hoc module on reconciliation of work and family life. A further drawback in the German context is the non response: As the survey response for the ad hoc module is voluntary in Germany, the non response rate is nearly 20 per cent (compared to only 5 per cent for the core of the LFS). Apart from this limited and irregular frequency, it has to be questioned what flexibility means in this context. The ad-hoc module has two questions on variable working hours considering 1) employees with variable working hours and 2) employees with the possibility to work variable hours in the reference week. As the second question refers to the reference week only and asks whether it was possible or not to take hours off, the first question

is clearly more appropriate for the indicator proposed by the Task Force.

The results for Germany show that as many employees work in flexible working hours as do in fixed working time arrangements (about 40 per cent each). 15.7 per cent of the employees enjoy the largest degree of flexibility, namely flexible start and end times in combination with working time banking and the opportunity to take entire days off. The results indicate that flexible working hours have been more common in Germany compared to nearly all other EU member states (except Denmark).[101]

3. Balancing work and non-working life

The results on working hours and working time arrangements already showed that the balance between working and non-working life is not balanced for some employed persons. The two following indicators proposed by the Task Force step deeper into the social aspect of working life. Unfortunately, these indicators are not straightforward regarding their calculation and are difficult to compare. Furthermore, they reduce non-working life to child care which is surely an important aspect but does not give a comprehensive picture regarding work-life-balance.

The ratio of the employment rate for women with children under compulsory school age to the employment rate of all women aged 20-49 years can be calculated on the basis of the LFS. The "indicators for monitoring and analysis" of the employment guidelines that have been introduced to follow the European Employment Strategy include an indicator that is close to the proposed indicator. It shows the difference of the employment rates (not the ratio). Although not currently available from the online database Eurostat also provided the ratio. The ratio of the German employment rates for women slowly increased during the last years from 0.71 to 0.81. Nevertheless, the ratio for women in still largely inferior to that of men (which is constantly above 1.1). To be able to calculate the indicator from the national datasets it would be necessary to give a complete definition of the variables to be derived.

The second recommended indicator, the share of men and women receiving family leave benefits, again, is dependent on national regulations. In Germany, maternity leave is regulated by law (Mutterschutzgesetz). Every mother is entitled to a paid leave of at least four weeks before and eight weeks after giving birth. Additionally men and women have the opportunity to take a period of paid family leave of up to fourteen months. The share of persons who make use of this paid family leave can be analysed on the basis of the German Microcensus (or else on the basis of administrative registers which are, however, not yet available for the same breakdown). Much more women then men take this opportunity as the results below show for 2008. Furthermore, women normally take the leave for much longer periods than men.

As it is obvious that generally younger persons take family leave, the scope of this indicator should be discussed in terms of age limitation. The results by age groups shown in table 5 are influenced by the fact that this type of family leave benefits was introduced in 2007. Consequently, parents of children born before 2007 do not belong to the beneficiaries of "Elterngeld". It should furthermore be noted that the relevance of this indicator is limited, at least as concerns international comparisons.

Table 5. Share of men and women with children below 18 years old receiving family leave benefits ("Elterngeld") (per cent)

Age group	Men	Women	Total
15-24 years	2.8	32.0	25.9
25-34 years	1.7	17.4	11.8
35 years and older	2.4	4.9	4.0
15-64 years	0.8	7.6	4.5

Source: German Microcensus 2008.

The indicators proposed are very much focussed on the balance of work and child care. Although being an important part of life, non-working life should yet not be reduced to child care. Therefore the share of employed people who feel time stressed should be considered as a further indicator, which, in the future, might be provided through Labour Force Surveys. Regarding further aspects of the balance of working and non-working life the average time used to get to work and back home should be considered as a further indicator.

[101] See Omar Hardarsson, "The flexibility of working time arrangements for women and men". *Statistics in Focus* 96/2007. Luxembourg: Eurostat. http://ep.eurostat.ec.europa.eu/cache/ITY_OFFPUB/KS-SF-07-096/EN/KS-SF-07-096-EN.PDF

D. Security of employment and social protection

For many employees, at least in Germany, stability of employment is probably nearly equally important to the level of pay or the time spent at the workplace. Employees with fixed-term contracts or working in temporary labour agencies typically have reduced employment security compared to those with open-ended contracts. Social protection refers to the security job holders have in case of illness, injury, old age, but also unemployment.

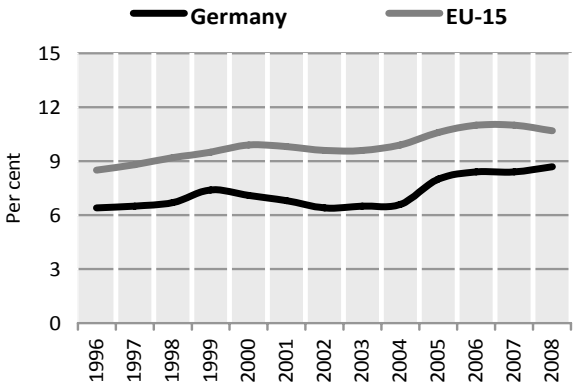
Regarding both employment security as well as social protection, Germany has reached a high level of protection compared to other countries. Nevertheless, important changes have taken place on the German labour market over the last 20 years. With the rise of the share of persons in atypical employment, the share of employed in less secure jobs and with reduced social protection has also been rising.[102] At least regarding temporary employed similar developments can be found in most European countries.

1. Security of employment

The share of persons with temporary contracts in all employees, has slightly risen since the mid 1990s in Germany, but is still clearly below the EU average. It increases from about 6.4 per cent in 1996 to 8.7 per cent in 2008 (EU-15: 8.3 per cent in 1996 compared to 10.7 per cent in 2008). Given the high level of protection of most open ended contracts in Germany, this is quite remarkable. As can be seen in figure 7, the increase is not steady. It has to be noted that part of the increase in the share of employees with a temporary contract is presumably due to methodological effects (as revisions of questionnaire design, sampling design and weighting scheme) connected to the introduction of a continuous LFS in Germany in the year 2005. These changes lead to improvements in capturing persons in marginal employment, which at the same time leads to a break in the time series.[103] Furthermore, the development of temporary employment is not only influenced by the economy and the labour market but is also directly connected to legal changes, at least in Germany. Looking at European figures on temporary employment the development in some countries seems to be connected to external factors as well. For Germany a legal change is clearly visible in 2001. Therefore it should be well taken into account that the comparison of temporary employment in an international context is not without difficulties and an indicator on this may be arguable.[104]

The proposed indicators on temporary employment are all available from the Eurostat LFS database for all members of the European Statistical System. Unfortunately, the LFS cannot differentiate all proposed durations of temporary contracts. The longest duration asked for is three years and more (instead of five and more proposed by the Task Force). It is reasonable to focus on persons employed aged 25 years and older only as, particularly in the case of Germany, many young people below this threshold are in apprenticeship or vocational training and have a temporary contract for the time of the apprenticeship.

Figure 7. Share of employees with temporary contracts, 1996-2008[105]



Source: Labour Force Survey.

It is interesting to see that the duration of temporary contracts is limited to one year in most cases (up to 60 per cent of all temporary contracts). Only a few contracts (about ten per cent) are based on more than

[102] It is sometimes argued that the rise of insecure and partially - protected types of employment helped to reduce unemployment and thus improved the situation of many persons otherwise unemployed. Such causality is, however, difficult to analyse with the available data sources and also beyond the scope of this report.

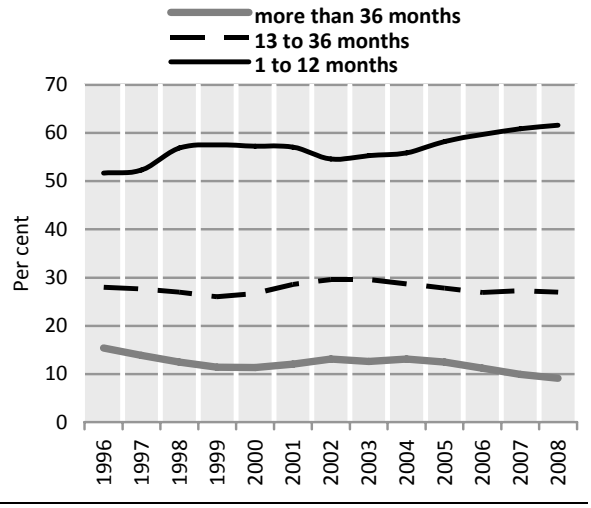
[103] T. Körner, and K. Puch. "Der Mikrozensus im Kontext anderer Arbeitsmarktstatistiken". *Ergebnisunterschiede und ihre Hintergründe. Wirtschaft und Statistik 7/2009*. p. 528-551.

[104] It should be noted that the interpretation of this indicator, to a considerable extent, depends on the institutional context. Whether an open-ended employment contract really offers a larger degree of employment security is connected to the employer's obligations concerning such type of contracts. Similarly, the legal conditions for agency workers vary a lot between countries and have been subject to important changes in the case of Germany.

[105] There is a break in the time series in 2005 due to methodological changes and a new sampling design.

three years. Over the last decade, the share of contracts lasting for up to one year has slightly been increasing, while the share of contracts of 13 to 36 months has been more or less stable and contracts of three and more years were decreasing.

Figure 8. Duration of temporary contracts, 1996-2008



Source: Labour Force Survey.
[1]Break in time series due to methodological changes and new sampling design.

Another possible indicator is the percentage of unincorporated self-employed. However, the notion of being self-employed and "unincorporated" is not clearly defined in the German context and its operationalisation in the LFS is far from straightforward. Looking at the purpose of the indicator the share of own account workers (self employed without employees) can be used as a proxy, whether unincorporated or not. A possible drawback of this indicator is that the group of own-account workers is very heterogeneous, e.g. regarding the income which in this case is an important aspect of employment security. The indicator can be gained from the Eurostat LFS database, too. The share of unincorporated self-employed in all employed was 5.7 per cent in 2008 and increased by 2.1 percentage points in the last fifteen years.

2. Social protection

Social protection, also within the context of the European Union, is largely regulated by national legislation. Therefore international comparisons are even more difficult than for other dimensions of quality of employment, even if the data stem from harmonised sources such as the LFS. Being covered by unemployment insurance has distinct meanings and indicates a different level of social protection in each country. Furthermore, even within one country, the national legislation on social protection can change over time, and in fact was changed several times in Germany since the early 1990s. Similar reservations apply to the coverage by statutory pension funds.

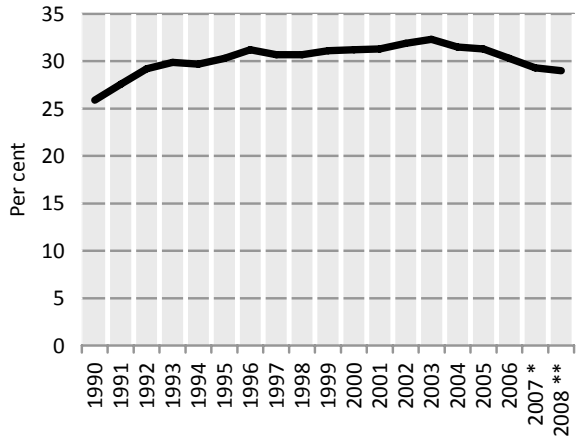
The indicators on social protection originate from different sources. The share of employees covered by unemployment insurance can best be calculated from the employment register of the Federal Labour Agency.[106] As according to the Federal Social Law (Sozialgesetzbuch) all employees who are subject to full social contributions are entitled to unemployment insurance. The indicator can be operationalised as the share of registered employed who are subject to full social insurance contributions in all registered employed. The share of employees[107] covered by unemployment insurance was 88 per cent in 2008, but decreased by two percentage points in the last eight years. This decrease is due to the increase of marginal employment which is subject to reduced social contributions (as well as reduced social benefits). The share of men covered by full social insurances is about 11 per cent higher then the share of women.

The share of economically active population contributing to a statutory pension fund can be gained from an analysis of the German Microcensus (which includes national additional variables to the LFS). The results for Germany have changed only slightly from 1998 (82.2 per cent) compared to 2008 (82.5 per cent). A bigger difference can be seen looking at the share of economically active women contributing to a statutory pension fund. Their share rose from 81.4 per cent to 84.3 per cent parallel to the rise of the share of employed women. At the same time, the share of economically active men contributing to a pension fund decreased from 83.1 per cent to 81.9 per cent, presumably as a consequence of the increase in marginal employment.

The public social expenditure as a share of GDP is estimated by the Federal Ministry of Labour and Social Affairs.[108] The public social expenditure since the early 1990s was about 30 per cent of the GDP, with a peak in the year 2003 (32.2 per cent) followed by a decrease to 29 per cent in 2008 (Figure 9).

[106] This indicator may be estimated indirectly using the question on status in employment in the LFS.
[107] Employees, excluding government officials.
[108] See "Bundesministerium für Arbeit und Soziales (BMAS)". *Sozialbericht 2009*. Berlin, 2009. http://www.bmas.de/coremedia/generator/33916/property=pdf/a101-09_sozialbericht_2009.pdf

Figure 9. Public Social Expenditure as a share of GDP, 1990-2008



Source: Bundesministerium für Arbeit und Soziales (BMAS), 2009: Sozialbericht 2009.
**Preliminary.*
***Estimated.*

As the Federal Ministry of Labour and Social Affairs notes, the decrease was mainly due to moderate increases in pensions (following the development of the wages), cost reductions in health insurance as well as increases in the GDP. Regarding questions of quality of employment, this indicator is very difficult to interpret and is also strongly influenced by the national social insurance legislation as well as short term economic trends. It is for instance closely linked to the GDP, so that one might argue that an increase in the indicator does rather indicate a situation of economic crises than an increase in quality of employment. In international comparison, in Germany, the social expenditure as share of the GDP is rather high. Higher level can only be found in Sweden, France, Belgium and Denmark.[109]

In the summary, the indicators on social protection at best provide a partial picture of this dimension. Possible changes in the social protection systems are not taken into account. Furthermore not all aspects of social protection are covered at all. For instance health insurance and occupational disability insurance are not taken into consideration. As noted above, international comparability is hampered by institutional differences, for instance in countries where social protection is not linked to employment but to a general tax-based system.

E. Social dialogue

The German system of industrial relations is often being characterised by its high degree of institutionalisation of the dialogue between employers and employees. Consequently, compared to other countries conflicts about wages and working conditions are often solved in a relatively consensual way. Furthermore all employees (except government officials) are entitled to strike in case of conflicts. This general situation can clearly be found in the indicators of the dimension.

First of all, the number of days not worked due to strike and lock-out are far below those of other countries (see table 6). In 2004 and 2005, no more than one day was lost per 1000 employees due to strikes and lock-outs. Nevertheless, in recent years there have been some more intensive strikes in particular industry branches. The last bigger strikes have taken place in 2006 in public administration and in 2007 where the engine drivers of the German railway went into strike for several weeks in a row. The indicator on strikes originates from information of the Federal Labour Agency and can be found in the Eurostat database on labour disputes. It should be noted that the indicator is based on information given by the employers, who are required to provide information on days not worked due to strikes and lock-outs. The statistics covers only establishments with at least ten employees and only strikes that last for at least one entire day. Furthermore, trade unions often claim that employers were reluctant to report all strike activity. These points have to be considered when interpreting the results; nevertheless, Germany remains a country with remarkably few strikes.

Wages and working conditions in Germany are largely regulated by law and collective agreements which leads to quite a high level of centralisation. Employees covered by collective wage bargaining have the opportunity to profit from the contracts fixed by the employers associations and the trade unions. The share of employees covered by collective wage bargaining therefore is a meaningful indicator in the German case and furthermore can be taken from the

[109] In 2006, gross expenditure on social protection accounted for 26.9 per cent of GDP in EU-27. See Antonella Puglia. *Statistics in Focus* 40/2009, Luxembourg. http://ep.eurostat.ec.europa.eu/cache/ITY_OFFPUB/KS-SF-09-040/EN/KS-SF-09-040-EN.PDF

Table 6. Average number of days not worked due to strikes and lockouts per 1,000 employees

Activity	2001	2002	2003	2004	2005	2006	2007	2008
Agriculture, hunting, forestry and fishing	0	0	0	0	0	0	0	n.a
Total industry (excluding construction)	3	32	22	6	2	11	5	n.a
Manufacturing	3	32	22	6	2	11	5	n.a
Construction	0	27	0	0	0	0	5	n.a
Wholesale and retail trade, repair; hotels and restaurants; transport, storage and communication	2	1	0	1	0	1	32	n.a
Financial intermediation; real estate, renting and business activities	0	4	0	0	0	0	0	n.a
Public administration and defence; education; health and social work; private households	0	0	0	0	2	43	0	n.a
TOTAL	1	9	5	1	1	12	8	4

Source: European Statistics on Labour Disputes.

SES. According to this source, the share of employees who receive a pay according to the collective wage agreement was 43 per cent in 2006.[110] This share covers those employers who are contractually obliged due to their membership in the employer's association. Actually, a certain share of employers grants their employees the pay laid down in the collective agreement voluntarily without being member of an employers association. Taking this group into account, the share of employees covered by collective wage bargaining is estimated to be at least 50 per cent.

The indicators proposed by the Task Force well represent the dimension of social dialogue in Germany between employers associations and trade unions (the so-called "Tarifpartner"), but omits the level of the local business units. In Germany, trade unions play a limited role in the local business units ("Betriebe"), but works councils are entitled to important rights regarding the social dialogue on the local level. The existence or inexistence of a works council can have important consequences for the actual working conditions and should be included as an indicator in order to grasp a complete picture. Unfortunately, currently the data availability is restricted in this area.

[110] The SES is carried out every four years. Please note again that the SES covers enterprises with at least ten employees in economic activities defined by sections C-O excluding L of NACE Rev.1.1.

F. Skills development and training

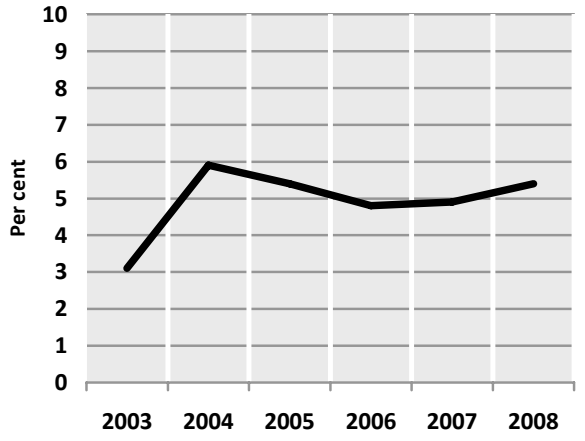
In the public debate, the importance of skills for quality of employment is being more and more pronounced. Questions of training and skill development have even become a topic in negotiations about collective bargaining agreements. Therefore, at least in Germany, the importance of this dimension is growing.

Fortunately, the LFS offers harmonised information on skills development and training by sex and age (and also further dimensions). The indicators can partly be taken straight from the Eurostat LFS database or can be taken out of the national LFS dataset. The share of employed persons in high skilled occupations, defined as employed persons working in occupations with ISCO-88 major groups 1 to 3, increased from 33 per cent in 1992 to 42 per cent in 2008. Looking into sex and age groups it can be seen that this increase took place in all age groups. Therefore it can be assumed that it is due to a growth in high skilled occupations itself which came along with structural changes in the German economy. Interestingly, the share of women in high skilled occupations is by four percentage points higher then the share of men. This result is due to a higher share of women in the group "Technicians and associate professionals" (ISCO-88 major group 3). ISCO-88 major groups 1 and 2, on the contrary, are characterised by a much higher share of men.

It could be argued that there is only a loose connection between high-skilled occupations and quality of employment and that the indicator is rather

one that describes the economy as a whole than quality of employment. Compared to the simple share of high-skilled occupations, the possibility of skill development is clearly a precondition for a high quality job. Regarding the proposed indicator "Share of employees who received job training within the last 12 months" data are available from the LFS, but only referring to training in the last 4 weeks (Figure 10). This short time period in which training has taken place might not fully cover the original aim of the indicator. Nevertheless, one should consider using the indicator based on four weeks, as this is the standard at least within the European Statistical System.[111] The results for received job training during the last four weeks are unsteady, but showing an upward trend from 3.1 per cent to 5.4 per cent in 2008.

Figure 10. Share of employees who received job training within the last four weeks



Source: Labour Force Survey.
[1]Break in time series due to methodological changes and new sampling design.

Anyway, for Germany it is possible to calculate the indicator also for the last twelve months using the additional national questions of the LFS (part of the German Microcensus): 5.3 per cent of all German employees received job training within the last four weeks in 2008. Most of the trainings that have taken place in the last four weeks are attended by employees aged 25-34 years. Women slightly more often participate in job training then men (5.8 per cent compared to 4.9 per cent). Looking into the Microcensus 2008 and referring to the twelve months reference period for receiving job training the result for all employees is 20 per cent and the age group with the biggest share stays the same. Also for the last twelve months, the share of women in job training is slightly higher than the share of men (20.8 per cent compared to 19.2 per cent). A further possible source is the EU Continuous Vocational Training Survey (CVTS). According to the CVTS 30 per cent of the employees participated in vocational training during 2005.

Another aspect of quality of employment is whether the skills fit with the occupation or whether there is a skill mismatch. Both situations, persons with more as well as less education, can be considered problematic. The indicator can easily be calculated when cross-tabulating highest educational attainment according to ISCED-97 and major occupational group according to ISCO-88.[112] Unfortunately, the methodological issues behind the indicator and the interpretation of the results are less straightforward than its calculation.[113]

The share of employed who have more education than is normally required in their occupation is between five and six percent over the last years (2008: 5.6 per cent). According to the discussions in the Task Force, the indicator is defined as the share of employed persons with level of education attained ISCED 5 or 6 that are working in occupations of the ISCO major

[111] For the construction of an indicator concerning job training it should be taken into account that both reference periods (four weeks and twelve months) have strengths and weaknesses. While it might be argued that four weeks is too short for a rather irregular event such as a training course, it is also true that valid yearly averages can still be obtained. The main difference from the indicator based on the last twelve months is that the level will be considerably higher and interpretation maybe slightly more straightforward. On the other hand, the biggest drawback of the indicator based on the last twelve months is that inevitably recall errors will occur as the time span seems to be too long for the respondents to correctly remember the exact date of training courses. International comparisons furthermore necessitate a detailed comparison of the respective national questionnaires used for data collection (e.g. effects due to the number response categories provided etc.).

[112] A similar indicator has been proposed by the ILO Working Group on Labour Underutilization. See ILO. *Beyond Unemployment: Measurement of Other Forms of Labour Underutilization*. Room document 13, 18th International Conference of Labour Statisticians, Geneva 24 November-5 December, 2008.

[113] In Germany, one of the major problems with this indicator is that the codification of occupations according to ISCO-88 is prone to errors. This is as much due to conceptual shortcomings of ISCO implementation in Germany as to the usual errors in coding operations (carried out during the fieldwork). Coding of occupations according to ISCO-88 is done through the national classification "Klassifikation der Berufe", dating from 1992. Unfortunately, the national classification and ISCO-88 do not fully match so that the results according to ISCO should be interpreted with some caution. However, fewer problems are observed if the analysis is restricted to the one-digit level.

groups 4, 5, 6, 7, 8, and 9. Astonishingly, men more often (around 7 per cent) have more education than is normally required than women (around 4 per cent). The results for Germany almost perfectly match with the averages for the EU-15 as well as EU-27 countries. The construction of the indicator is problematic as its theoretical maximum is defined by the share employed persons with highest level of education attained ISCED 5 or 6 (26 per cent in Germany). In other words, stating that 5.6 per cent of the employed persons have more education than is normally required in their occupation somehow masks the fact that 21.3 per cent of the employed with ISCED level 5 or 6 have more education than normally required. Therefore that Task Force should reconsider the calculation for the indicator.[114]

The opposite phenomenon, employed persons who have less education than is normally required in their occupation, occurs more often (2008: 17 per cent), but is at the same time even more problematic to interpret. In addition to the problems applying to the share of persons with more education than normally required the problem is that the results of skill development on the job and training cannot (at least not fully) be considered in calculating the indicators. Here women are more often in the situation to have less education than is normally required in their occupation (20 per cent compared to 14 per cent of male employees).

G. Workplace relationships and work motivation

The Task Force has not yet fully accepted the indicators on workplace relationships and work motivation. Nevertheless, these indicators are of great importance as they give insight in the quality of employment perceived by the employees. For many workers with decent working conditions and pay, a good understanding with the co-workers and a satisfying content of the job will maybe be most important in everyday life. Therefore it is important to keep the indicators in the framework despite the limited availability of data.

Unfortunately, there are no official statistics and hardly any surveys that cover this topic in a harmonised way. The European Working Conditions Survey (EWCS) provides harmonised data for several indicators for all European countries every five years. However, considering national results the sample size (about 1000 persons in most countries) of the national EWCS is quite small for countries with high population and will not allow differentiated analyses of different population groups. Sometimes national surveys from academic statistics deliver similar data with a slightly higher sample size but with no international harmonisation and comparability. Another aspect of these surveys is the context and purpose in which the questionnaire is developed and analysed.

There might be a possibility of a European wide survey on quality of employment regarding the employees' point of view. The European project "Measuring the Dynamics of Organisations and Work" (MEADOW)[115] has developed an employee survey that is currently in a quantitative pre-test in several European countries. As soon as an implementation of this survey is decided it is worth considering it as a source for the indicators.

For the reason of a lack of reliable data one should also consider to include data on indicators concerning workplace relationships and work motivation in (official) international harmonised surveys such as the LFS in order to receive reliable and comparable results. The Task Force might discuss these and further possibilities to improve the availability of data in this important area.

1. Workplace relationships

For Germany most indicators on workplace relationships were taken from the EWCS 2005. However, it should be noted that the questions do not all fit perfectly to the indicators suggested by the Task Force.[116]

The indicator on employees who feel they have a strong or very strong relationship with their co-workers can be generated by the questions on good friends at work taking the answers "I strongly agree" and "I agree". Considering this, 69 per cent of all employees have a strong relationship with their co-workers.

[114] The European Working Conditions Survey (EWCS) combines skill mismatch and training needs by asking whether the respondent "need[s] further training to cope well with my duties" (21.8 per cent for Germany compared to 13 per cent in EU-15) or "ha[s] skills to cope with more demanding tasks" (27.7 per cent for Germany compared to 34.8 per cent for EU-15). Both questions should be considered for further development of the LFS, as they might lead to more targeted results compared to the current definition of the indicators. For further details see European Foundation for the Improvement of Living and Working Conditions. *Fourth European Working Conditions Survey*. Luxembourg ,2007.

[115] For further information see: http://www.meadow-project.eu

[116] For further details regarding the following results, see European Foundation for the Improvement of Living and Working Conditions: *Fourth European Working Conditions Survey*. Luxembourg, 2007.

Concerning the indicator on a strong relationship with the supervisor there is no such question in any survey. The EWCS offers the share of employees who get assistance from their supervisor if they ask for it (59 per cent). In other surveys questions on satisfaction regarding the supervisor or talks/discussions with the supervisor are asked but, too, do not lead to the suggested indicator.

For the indicator on discrimination at work it may be worth looking into different kinds of discrimination. As shown in table 7, the EWCS asks differentiated if employees have been a victim of discrimination at work and gets different results for women and men as well as for the kind of discrimination.

Table 7. Share of employees (15- 64 years) who have been a victim of discrimination at work (per cent)

Discrimination linked to…	Male	Female	Total
Unwanted sexual attention	0.3	2.3	1.2
gender / sexual discrimination	0.1	1.6	0.8
Age	2.6	3.5	3.0
Nationality	0.6	1.5	1.0
Ethnic background	0.3	0.3	0.3
Religion	0.4	0.4	0.4
Disability	0.5	0.2	0.4
Sexual orientation	0.1	-	0.0
Any kind of discrimination	4.8	9.7	7.1

Source: European Working Conditions Survey 2005.

The indicator on harassment at work shows a similar pattern. 2.2 per cent male employees compared to 7.3 per cent female employees feel they have been a victim of bullying or harassment at work.

2. Work motivation

Concerning the indicators on work motivation the EWCS offers input, too. Nevertheless, one indicator is taken from a private national survey as it fits better to what the indicators wants to express.

According to the EWCS 2005 the share of employees who feel they do useful work is 77 per cent in Germany. The indicator is generated by the answers "almost always" and "often" of the question on the frequency of feeling to do useful work. There are hardly any differences between age groups and sex.

Concerning the indicator on received feedback the EWCS does not deliver the requested information. It only asks whether an employee has a strong relationship to his or her supervisor, if it is possible to get assistance or if there are talks/discussions with the supervisor. Therefore a national survey is used.
According to the results of the survey "Was ist gute Arbeit?"[117] (English: What is a good work?) 66 per cent of all employees receive regular feedback from their supervisor. There is a slight difference between men (68 per cent) and women (73 per cent) who feel they get feedback but hardly any difference in the age groups.

According to the EWCS again, the share of employees who feel they are able to apply their own ideas in work is 46 per cent. Men (49 per cent) more often apply their ideas at work than women (42 per cent). Regarding the age of employees it can be seen that only 30 per cent of the youngest employees aged 15-24 years can only apply their ideas compared to nearly 50 per cent of the older age groups.[118]

An indicator that summarises the situation at work and the working conditions states that 88 per cent of all employees are satisfied with their working conditions. The share differs in the age groups and, as table 8 shows, young (15-24 years) employees are not as much satisfied as their older colleagues.

[117] The survey *Was ist gute Arbeit?* was conducted in 2004 by an initiative called "New Quality of Work Initiative" (INQA) with a sample size of 5,388 interviews. For further details see Tatjana Fuchs. *Was ist gute Arbeit?* "Konzeption und Auswertung einer repräsentativen Untersuchung". Bremerhaven, 2006.
[118] It should be taken into account that the sample sizes of the youngest and oldest age groups are very small.

Table 8. Share of employees who feel satisfied with their working conditions

Age	Percentage
15 - 24 years	77.9
25 - 34 years	85.1
25 - 64 years	89.6
35 - 44 years	93.6
45 - 54 years	88.0
55 - 64 years	90.6
15 - 64 years	88.2

Source: European Working Conditions Survey 2005.

H. Conclusions

Two main results can be summarised looking at the research presented in this report. The *first* concerns the level of quality of employment in Germany, the *second* the quality of the framework and the indicators in the German context, i.e. their relevance and comprehensiveness within the German labour market.

(1) Looking at the results from the perspective of international comparison, one could summarise that quality of employment, in total, is excellent in Germany. Compared to other countries, working in Germany is rather safe, well paid and secure. The working time is flexible for a quite large share of employees. Furthermore the systems of social protection of industrial relations are both highly institutionalised and cover quite a large share of employees. Nevertheless, some weak points have to be mentioned as well: There are considerable differences in employment participation and earnings of women, who are also to a much higher degree engaged in child care related activities as their male co-workers. The time series presented in this report also suggest, that quality of employment in general has not further improved over last decade regarding most dimensions and is even in slight decline for some of them: This concerns for instance earnings (rising level of low pay rate), atypical working times (increasing share) and also employees with fixed-term contracts (rising share). Finally, with the increasing number of employees in non-standard employment the share of employees not fully covered by the social protection system is also in slight increase.

(2) The indicator framework proved to be quite relevant and comprehensive in the case of Germany. This is for instance true on the level of the dimensions and sub-dimensions, which are reasonably concrete and well structured. In contrast, the choice of the indicators could be further improved in some cases. Concrete recommendations are given in the Feedback report to the Task Force on the Quality of Measurement of Employment which is included as an annex. More generally, the indicators of the following dimensions do not fully display the situation in Germany appropriately. For instance:

Dimension 1: The indicators for fair treatment in employment should be reconsidered. Providing the entire set of indicators with breakdowns by sex has proven to be very useful. However, our analysis has shown that this approach cannot substitute a set of targeted indicators on fair treatment in employment. The Task Force should spend further work on this issue in order to adequately report the inequalities for men and women on the labour market. Similar remarks apply to the other population groups mentioned under the sub-dimension “fair treatment in employment”.

Dimension 2: As discussed in the Task Force, the income related indicators are based on the Structure of Earnings Survey (SES), which undoubtedly is the most accurate data source regarding gross earnings and is furthermore carried out in a harmonised way in the entire European Statistical System. However, the SES also has considerable drawbacks. These include the four yearly frequency and in particular the cut-off threshold of ten employees per local business unit which leads to the omission of a fairly large group of employees (more than 25 per cent of the employees in Germany). Furthermore, a number of industry branches are not included in the target population of the SES (around 10 per cent of the employees). Though referring to net earnings, the Task Force might consider using the income information obtained via the LFS instead. This, of course, has other conceptual (net instead of gross earnings) and methodological (measurement errors, item non-response etc.) drawbacks.

Dimension 3: The share of part-time employees is only partially represented by the indicators proposed. This might give a misleading picture, especially in a country with a high rate of part-time employees (like Germany). One should note that the indicator on involuntary part-time employment is problematic as it only covers respondents who said that the item “could not find a full-time job” was their main reason for working part-time. Persons who, e.g. state that they work part-time for the main reason “looking after children or incapacitated adults” are not included although one can probably not argue that such a main

reason is equivalent with working part-time "voluntarily". A possible remedy would be to add further reasons for working part-time. An additional indicator could be the share of employees working very few hours (e.g. less than 21 hours and maybe except persons with typical side-jobs such as students, pupils or pensioners). This indicator would also be complementary to the one on excessive hours of work. Regarding the balance of working and non-working life the average time used to get to work and back home should be considered as a further indicator.

Dimension 4: The indicators on employment security are not comprehensively representing the situation in Germany. Employees with fixed-term contracts are certainly a good indicator for persons with low security of employment. However, the remaining employees (with open ended contracts) exhibit remarkable differences regarding employment security which should be reflected by the indicators. Possible further indicators include the share of employees working for temporary employment agencies as well as the average time elapsed since the start of the main job or the share of employees who changed the employer over the last twelve months. All these indicators would be easily available from the LFS within the European Statistical System.

Dimension 5: Given the large institutional differences between countries, the indicators on social dialogue are not easily defined. In the German context, a drawback of the proposed indicators is that the social dialogue at the local business units is not reflected by the indicators at all. This is a problem as, at least in Germany, social dialogue at the local business units is legally quite distinct from collective wage bargaining (which is normally not taking place at the local units). Therefore, in the case of Germany the share of employees working in local business units with established works council would be essential. Unfortunately, no data are currently available for this indicator.

Dimension 6: The share of employed persons who have more respectively less education than is normally required in their occupation are important indicators and should be kept in the framework. However, the operationalisation chosen by the Task Force (via ISCO and ISCED codes) is not straightforward and raises many methodological questions. A separate, but targeted question on this issue, as used in the European Working Conditions Survey, would probably provide results that are easier to use. The precondition would be that such a question could be implemented in a harmonised way, e.g. in Labour Force Surveys.

Dimension 7: The dimension is an essential one and should be kept in the framework although the data availability is very poor today. The topic should be a candidate for an inclusion in Labour Force Surveys as a standard, at least on a multi-annual basis.

For the entire set of indicators, one has to conclude that the indicators are more appropriate for the situation of employees and less relevant for self-employed. We recommend discussing additional indicators, which better describe the quality of employment of the self-employed. For self-employed, partially different sub-dimensions will apply, such as the degree of entrepreneurial freedom, the dependency upon individual clients or the degree to which the work is carried out upon detailed instructions of the client.[119]

Finally, it has to be noted that a consistent application of the indicators in international comparisons requires much more precise definitions and calculation rules. Therefore the list of indicators should be supplemented by detail instructions regarding the preferred data source, the definition and the formula for the calculation of the indicator. Further efforts should be spent in this direction.

[119] See K. Kelleter, and T. Körner. "Does the LFS Keep Pace with the Self-Employed?" *Current Analytical Possibilities and Challenges*. Paper presented at the 4th International Workshop on the Methodology of the Labour Force Survey, Ljubljana, Slovenia, 14-15 May 2009.

CHAPTER VII. Israel Pilot Report

There are three measurement frameworks of quality of employment: the International Labour Organization (ILO) Decent Work framework; the European Commission Quality of Work Indicators; and a third framework used by the European Foundation for the Improvement of Living and Working Conditions (Eurofound) in its European Working Conditions Survey. These frameworks have similar characteristics which should be utilized in the development of an international standard on the measurement of qualitative aspects of work and labour.

This report presents economic aspects of the quality of employment. The framework for the Statistical Measurement of Quality of Employment and indicators developed by the UNECE Task Force on the Measurement of Quality of Employment (for its latest version, see Chapter I of this publication) provide the conceptual basis for this report.

The report relates only to available indicators, which have been developed according to the quality of employment Framework. There is neither a profound analysis in this report, nor international comparisons. We recommend that this be done separately .

The purpose of this report is to analyze quality of employment under the following dimensions:

1. Safety and ethics of employment
2. Income and benefits from employment
3. Work hours and balancing work and non-working life
4. Security of work and social protection
5. Social dialogue
6. Skills development and training

In the introduction of the report the main trends in Israel in 1998-2007 are presented. The report itself consists of eight sections: section A presents yearly trends in Israel, for the years 1998-2007; sections B-G present data for selected indicators of the dimensions mentioned above, for the years 1998-2007; section H concludes and indicates topics for future in-depth analysis, lists indicators for which we do not have data (Annex Table 17) and provides metadata on the indicators.

Dimension 7 (Workplace relationships and work motivation) is not included.

Regarding data availability, indicators were classified into three groups. The first group includes indicators for which there was comparative data. The second group of indicators was calculated according to a different definition from that given in the quality of employment framework. The third group contains indicators for which there was no available data (Annex Table 17).

The purpose of this report is to present the state of quality of employment in Israel between 1998 and 2007.

A. Main trends in Israel, 1998-2007

1. General data

The small and developed Israeli economy is essentially influenced by the world's economy. At the beginning of 2000 there was a rapid economic growth in Israel. Since October 2000 the growth rate decelerated due to three separate causes: 1) the global economic slowdown, 2) the decline in the American financial markets, and 3) the adverse effects of Palestinian Intifada.

The period between 2001 and 2003 was characterized by economic recession and Palestinian uprising. The recession was accompanied by a small increase in the size of the labour force and a significant increase in the unemployment rate; the number of immigrants who arrived during these years was insignificant (in the early 90's there was a massive influx of immigrants from the former Soviet Union in Israel; that influx slowed down during the late 90's); tourism also declined. As of the second half of 2003 the economy started to recover.

The period between 2004 and 2007 was characterized by a rapid and steady economic growth.[120] The growth during that period can be attributed to continuous improvement in the world economy; intensification of international trade; and stabilization of the security situation, except for the war in Lebanon (July-August 2007). During the same period the government's macro-economic policy was characterized by: reduction of the budget deficit; reduction of public debt and government expenditure; and an increase in

[120] The US mortgage crisis that began during the second half of 2007 had not yet influenced Israeli economic activity in that year.

domestic demand, which resulted in wage increases and a decrease in the unemployment rate.

2. Growth

Between 1998 and 2007, the GDP in Israel increased 62.1 per cent (in current prices, new sheqel (NIS)) and reached 673,552 million NIS in 2007 (Annex Table 2). This growth can be attributed to domestic demand; the growth in the world economy; Israel's fiscal policy; economic reforms; and the security situation.

GDP per capita is an indication of the country's standard of living. Israel's GDP per capita declined in 2001-2003, the period of economic slowdown. Since 2003, the GDP per capita has been rising and reached 93,808 NIS in 2007.

The growth rate of fixed capital formation decelerated from 22.6 per cent in 1998 to 16.4 per cent in 2006, and increased slightly to 17.1 per cent in 2007.

3. Labour market

During 1998-2007 the monthly average salary per employee increased from 5,914 NIS in 1998 to 7,749 NIS in 2007 (Annex Table 2).

The unemployment rate increased from 8.8 per cent in 2000 to 10.3 per cent in 2002 due to the economic slowdown which began in 2000 (Annex Table 3). Even though economic growth resumed in 2003, the unemployment rate edged up to 10.7 per cent that year. It began declining in 2004 and in 2007 the unemployment rate was at 7.3 per cent.

4. Inflation

Consumer Price Index (CPI) behaviour was not uniform during 1998-2007 (Annex Table 2). High price increases occurred during 2002, due to the lack of stability in financial markets (a decline in interest rates, exchange-rate depreciation, etc.). The CPI declined by 0.1 per cent in 2006 thanks to the weaker dollar and a drop in fuel prices, but it increased by 3.4 per cent in 2007.

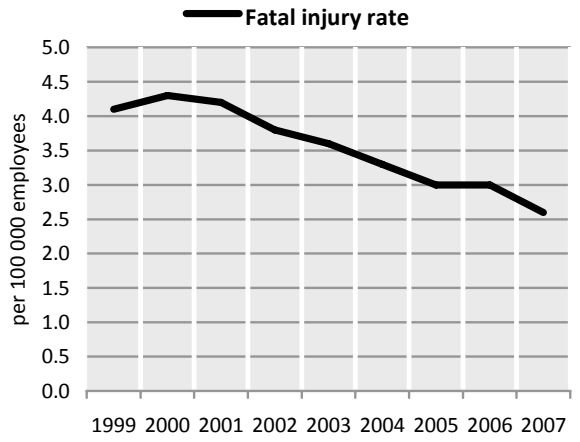
Note: Definitions and concepts used in this report are similar to definitions and concepts that were defined in the quality of employment framework (see Annex Table 1). Data sources for each indicator are listed in the Annex.

B. Safety and ethics of employment

1. Employment safety

Indicator 1: Fatal occupational injury rate

Figure 1. Fatal occupational injury rate, 1999-2007 (Workplace fatalities per 100,000 employees)

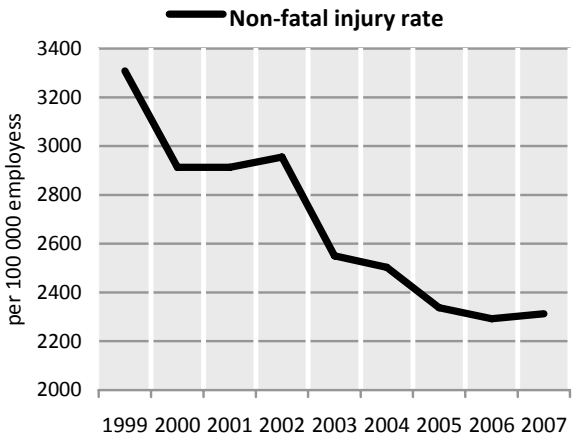


Source: Ministry of Industry, Trade and Labour.
Note: Only deaths resulting from accidents occurring during the same year.

The rate of fatal injuries declined steadily from 4.1 in 1999 to 2.6 in 2007, a decline of 36.5 per cent. (Annex Table 4).

Indicator 2: Non-fatal occupational injury rate

Figure 2. Non-fatal occupational injury rate, 1999-2007 (Workplace accidents per 100,000 employees)



Source: Ministry of Industry, Trade and Labour.
Note: Incapacity of three or more days.

The same decline was observed with respect to non-fatal occupational injuries, a decline of almost 30 per cent between 1999 and 2005. Between 2005 and 2007 no change was observed (Annex Table 4).

Indicator 3: Occupational injury insurance coverage

According to Israeli Law, occupational injury insurance covers all employed people (100 per cent, Annex Table 4).

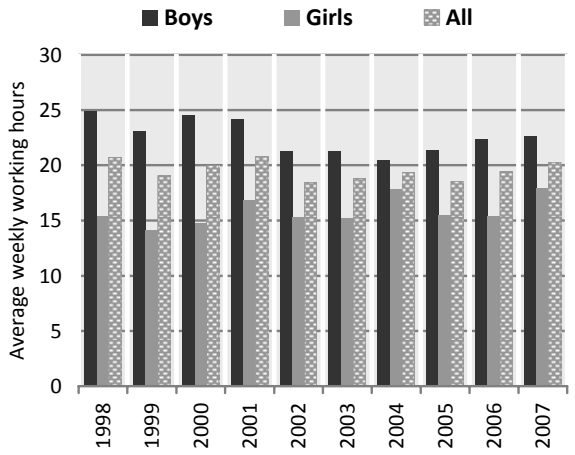
Source for indicator: Ministry of Industry, Trade and Labour.

2. Child labour and forced labour

Indicator 7: Children working: average weekly hours, by age and sex

This indicator was calculated according to a different definition than that given in the quality of employment framework (see Annex Table 5).

Figure 3. Average weekly working hours per young employed persons aged 15-17, by sex, 1998-2007



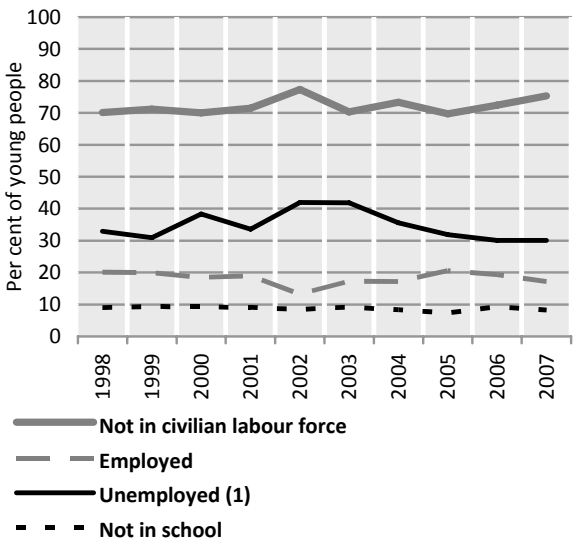
Source: Labour Force Survey.
Note: Excluding persons living outside localities (Bedouins in the South and others) and in institutions (permanent samples).

The average work hours of children aged 15-17 is approximately 20 hours a week: hardly any systematic trends have been observed during the years. Girls in this age group work fewer hours than boys (approximately 15 hours a week and 22 hours a week respectively). Note that this indicator refers only to children in the older age group – not those aged 5-14.

Indicator 8: Children not in school by employment status

The share of young people aged 15-17 not in school is stable, approximately 9 per cent. Most of them are not in the civilian labour force. The non- participation rates of these children increased from 70.1 per cent in 1998 to 75.4 per cent in 2007. At the same time, employment and unemployment rates declined from 20.1 per cent in 1998 to 17.2 per cent in 2007 and from 32.9 per cent in 1998 to 30.1 per cent in 2007, respectively (Annex Table 6).

Figure 4. Young people aged 15-17 not in school, by employment status, 1998-2007

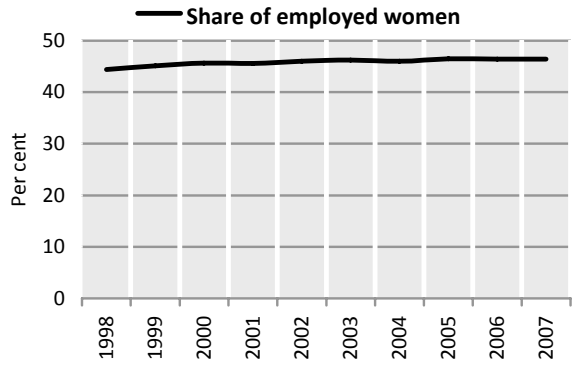


Source: Labour Force Survey.
Note: Excluding persons living outside localities (Bedouins in the South, others) and in institutions (permanent samples); (1) Unemployment rate was calculated as a percentage of the civilian labour force (employed and unemployed persons).

Indicator 9: Employed women as a share of total employment

The share of employed women increased from 44.4 per cent in 1998 to 46.4 per cent in 2007 (Annex Table 7)

Figure 5. Employed women as a share of total employment, 1998-2007

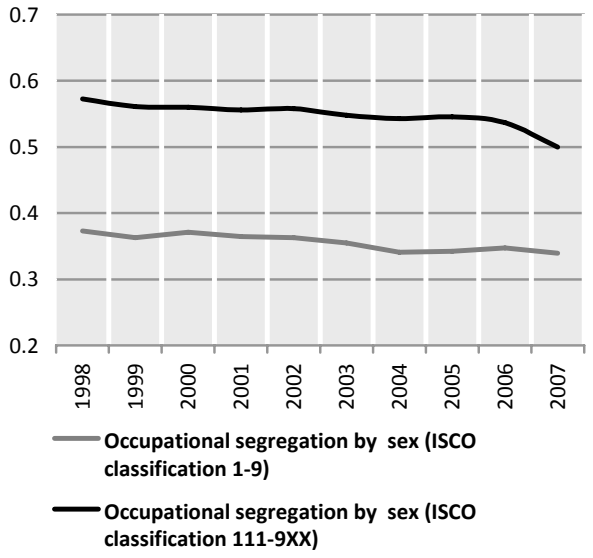


Source: Labour Force Survey.
Note: Excluding persons living outside localities (Bedouins in the South and others) and in institutions (permanent samples).

Indicator 10: Occupational segregation by sex

Occupational segregation is much more pronounced when measured in more detailed classification (3-digit). Using one digit occupational classification, the segregation level was approximately 0.36 and hardly changed during the years. Using 3 digits occupational classification, the segregation level was approximately 0.55 and declined to 0.50 in 2007 /Annex Table 7).

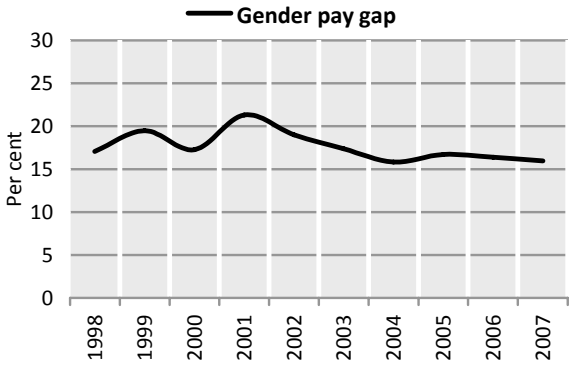
Figure 6. Occupational segregation by sex, 1998-2007



Source: Labour Force Survey.
Note: Excluding persons living outside localities (Bedouins in the South and others) and in institutions (permanent samples).

Indicator 12: Gender pay gap

Figure 7. Gender pay gap, 1998-2007



Source: Income Survey.

Women earn approximately 80 per cent of men's hourly earnings. Only small changes are observed over the years; in 1998 women's hourly earnings were 82.9 per cent of men's. This figure dropped slightly in 2001 to 78.7 per cent but increased by 2007 to 84 per cent (Annex Table 7).

C. Income and benefits from employment

1. Income from employment

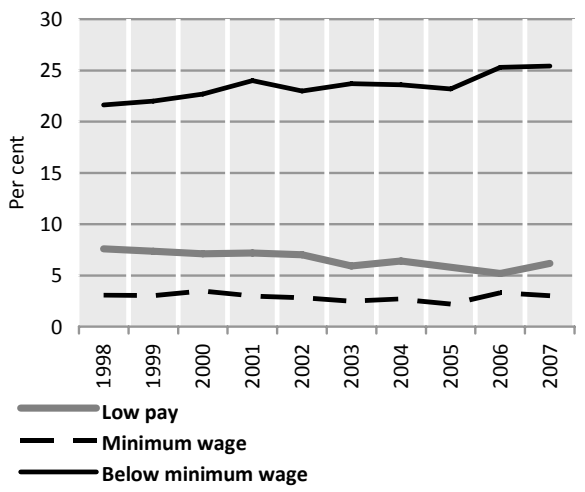
Indicator 13: Low pay (Share of employees with below ½ of median hourly earnings)

Indicator 14: Share of employees paid minimum wage (see note for Figure 8)

Indicator 15: Share of employees paid below minimum wage

The share of employees receiving low pay declined slowly from 7.6 per cent in 1998 to 6.2 per cent in 2007. The share of employees paid less than the minimum wage increased from 21.6 per cent in 1998 to 25.4 per cent in 2007. At the same time, the percentage of workers paid minimum wage was approximately only 3 per cent, and remained such throughout the years (Annex Table 8)

Figure 8. Income from employment, 1998-2007

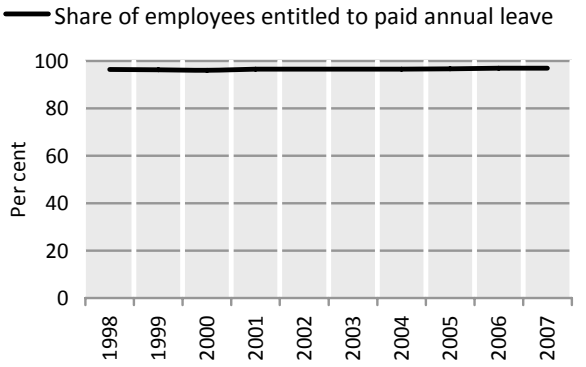


Source: Income Survey.
Note: Share of employees paid minimum wage (± 2SD) as percentage of all employees

2. Benefits from employment

Indicator 16: Share of employees entitled to paid annual leave

Figure 9. Share of employees entitled to paid annual leave, 1998-2007



Source: Ministry of Industry, Trade & Labour, Labour Force Survey.

The share of employees entitled to paid annual leave out of all employees was approximately 96.5 per cent and was stable throughout the years. It must be noted, that the Israeli annual leave law covers all employees except for small special groups of temporary workers (Annex Table 9).

Indicator 17: Average length of paid annual leave

The law guarantees full-time employees a minimum 14 days annual leave. Data is not available for calculation of the average length of paid annual leave taken by employees.[121]

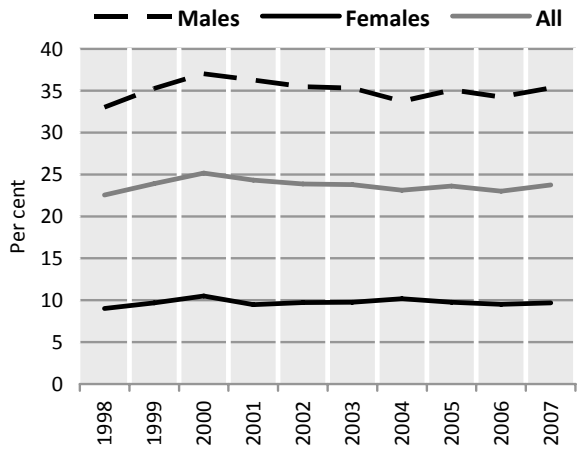
Source for this indicator: Ministry of Industry, Trade and Labour.

D. Working hours and balancing work and non-working life

1. Working hours

Indicator 18: Share of employed persons working 49 hours and more per week

Figure 10. Share of employed persons working 49 hours and more per week, 1998-2007



Source: Labour Force Survey.
Note: Excluding persons living outside localities (Bedouins in the South and others) and in institutions (permanent samples); not including those temporarily absent from work during the determinant week.

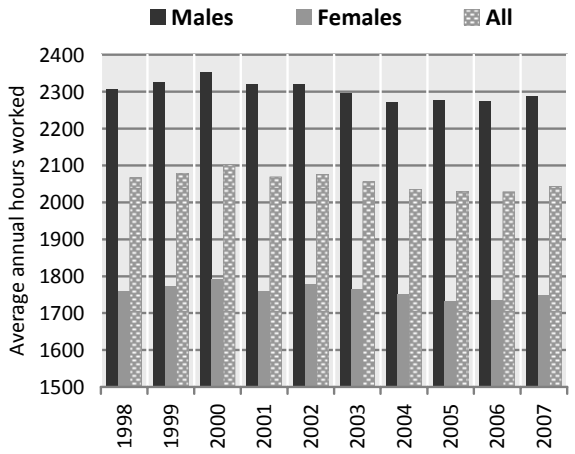
The share of employed persons working 49 hours and more per week was quite stable over the years- approximately a quarter of all employed persons each year. Men are much more likely to work 49 hours or more, approximately 35 per cent of them do so, whereas only approximately 10 per cent of all women work 49 hours or more per week (Annex Table 10).

[121] For more details see: http://www.moital.gov.il/NR/rdonlyres/6B4F37C1-6C08-41FE-835E-A08E31EC0867/0/12.pdf

Indicator 19: Average annual (actual) hours worked per person

The dynamics of average annual work hours differed throughout the period. It increased from 2,068 hours in 1998 to 2,102 hours in 2000 (an increase of 1.7 per cent). After that, it declined by 3.5 per cent and reached the level of 2,029 hours in 2006. In 2007 it slowly went up to 2,043 annual hours worked per person. Men work more hours than women by approximately 31 per cent. The gap between men and women remains stable throughout the years (Annex Table 10).

Figure 11. Average annual (actual) hours worked per person, 1998-2007



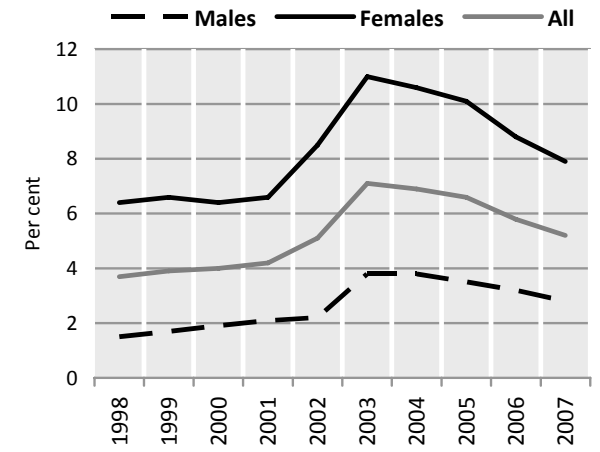
Source: Labour Force Survey.
Note: Excluding persons living outside localities (Bedouins in the South and others) and in institutions (permanent samples)

Indicator 20: Time-related underemployment rate

Indicator 21: Share of employed persons working less than 35 hours per week involuntarily

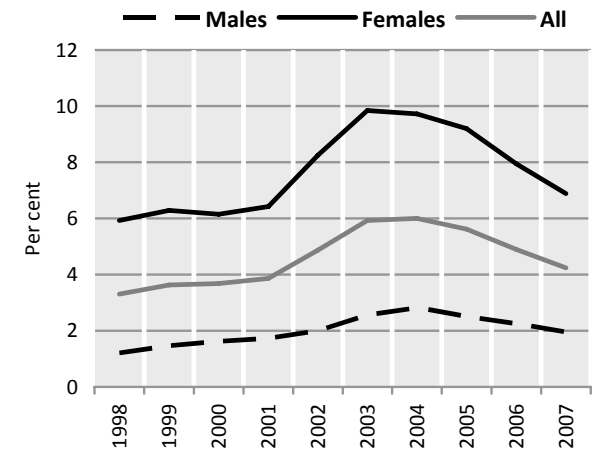
Most of the time-related-underemployed are persons working less than 35 hours per week involuntarily. The time-related underemployment rate slowly increased from 3.7 per cent in 1998 to 4.2 per cent in 2001; and more rapidly to 7.1 per cent in 2003 then slowly declined (to 5.2 per cent in 2007) (Annex Table 10).

Figure 12. Time-related underemployment rate, 1998-2007



Source: Labour Force Survey.

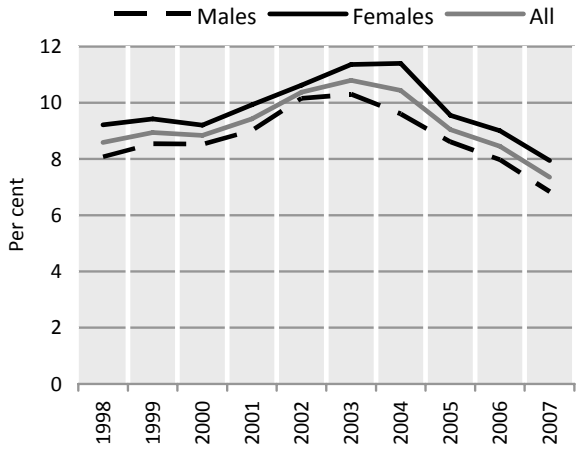
Figure 13. Share of employed persons working less than 35 hours per week involuntarily, 1998-2007



Source: Labour Force Survey.
Note: Excluding persons living outside localities (Bedouins in the South and others) and in institutions (permanent samples).

The same trend is observed for the share of employed persons working less than 35 hours per week involuntarily. It slowly increased from 3.3 per cent in 1998 to 3.9 per cent in 2001, increased almost twice that to 6.0 per cent in 2004, and slowly declined to 4.2 per cent in 2007. The similar picture can be observed for the unemployment rate.

Figure 14. Unemployment rate, 1998-2007



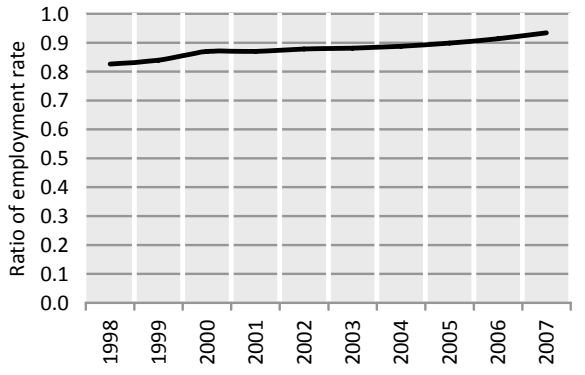
Source: Labour Force Survey.
Note: Excluding persons living outside localities (Bedouins in the South and others) and in institutions (permanent samples).

The increase of unemployment and underemployment was partly related to the crisis in the high technology sector in 2001-2003. The gap between men and women remained. The percentage of women exceeds the percentage of men underemployed.

2. Balancing work and non-working life

Indicator 24: Ratio of employment rate for women aged 20-49 with children under compulsory school age, to the employment rate of all women aged 20-49

Figure 15. Ratio of employment rate for women aged 20-49 with children under compulsory school age (0-4), to the employment rate of all women aged 20-49, 1998-2007



Source: Labour Force Survey.
Note: Excluding persons living outside localities (Bedouins in the South and others) and in institutions (permanent samples).

The share of women aged 20-49 with children under compulsory school age, out of all women aged 20-49, increased from 32.7 per cent in 1998 to 34.8 per cent in 2007 (an increase of 2 per cent) (Annex Table 11). On the other hand, the share of employed women aged 20-49 with children under compulsory school age, out of all employed women aged 20-49, increased from 27 per cent in 1998 to 32.5 per cent in 2007 (an increase of 5.5 per cent).

At the same time, the employment rate of women aged 20-49 with children under compulsory school age increased from 48.6 per cent in 1998 to 59.7 per cent in 2007, and the employment rate of all women aged 20-49 only increased from 58.8 per cent in 1998 to 63.9 per cent in 2007.

That rapid growth of the employment rate for women aged 20-49 with children under compulsory school age, compared with the growth of the employment rate for all women aged 20-49 was the reason for the increased ratio of employment rates between these two groups, from 0.8 in 1998 to 0.9 in 2007.

Indicator 25: Share of women receiving maternity/family leave benefits - women who can take whole days off for family reasons

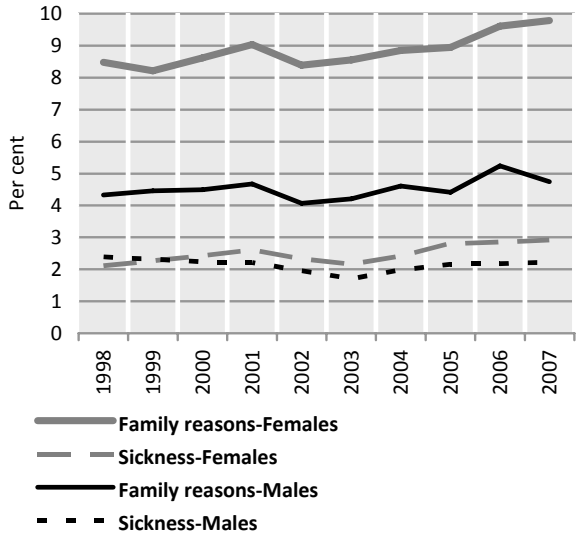
Indicator 26: Share of women receiving maternity/family leave benefits - women taking time off for family sickness or emergencies

Indicator 27: Share of men receiving maternity/family leave benefits - men who can take whole days off for family reasons

Indicator 28: Share of men receiving maternity/family leave benefits - men taking time off for family sickness or emergencies.

The share of men and women, who took time off over the last 12 months for sickness or emergency reasons, is very similar and very low, approximately 2 per cent to 3 per cent. On the other hand, taking days off for family reasons is high for women compared with men. Each year approximately 8.5 per cent of all women took days off in the last 12 months for family reasons, which increased to almost 10 per cent in 2007. For men the respective percentage hovers approximately 4 per cent to 5 per cent (Annex Table 12).

Figure 16. Share of women/men receiving maternity/family leave benefits, 1998-2007

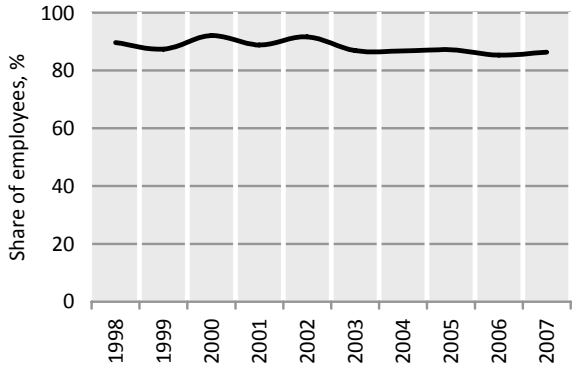


Source: Labour Force Survey.
Note: Excluding persons living outside localities (Bedouins in the South and others) and in institutions (permanent samples).

E. Security of employment and social protection

Indicator 31: Share of employees covered by unemployment insurance

Figure 17. Share of employees covered by unemployment insurance, 1998-2007

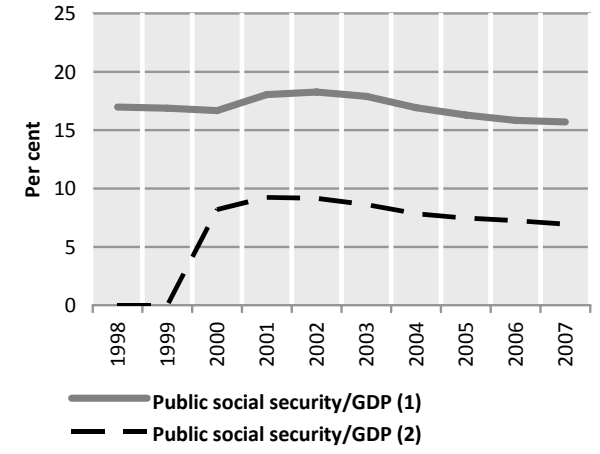


Source: National Insurance Institute.

The share of employees covered by unemployment insurance hovers at approximately 88 per cent and changes slightly due to changes in the unemployment insurance law over the years Annex Table 13).

Indicator 32: Public social security expenditure as share of the GDP

Figure 18. Public social security expenditure as a share of the GDP, 1998-2007



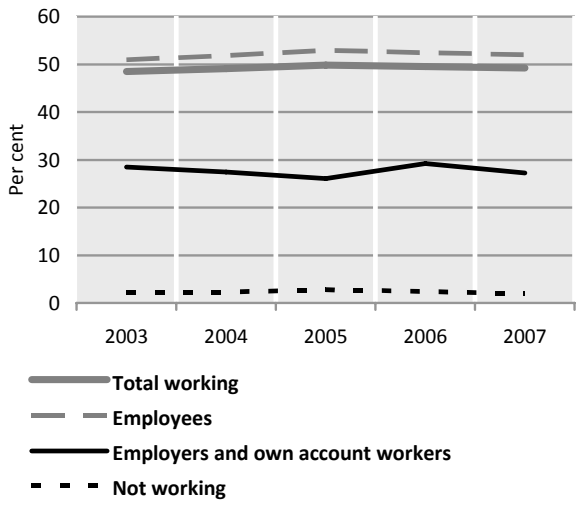
Source: Central Bureau of Statistics
Note: The classification of the functions of government (COFOG) is a classification used to identify the socio-economic objectives of current transactions, capital outlays and acquisition of financial assets by the general government and its sub-sectors.
(1) General government expenditure for social security and health by COFOG classification, as a share of the GDP
(2) National Insurance Institute cash benefits

The public social security expenditure as a share of the GDP is measured by two indicators; both show that the public social security expenditure as a share of the GDP increased between 2000 and 2001, but has declined steadily since then (Annex Table 13).

The share of employees who contribute to a pension fund, out of all employees, ranges from 51 per cent to 53 per cent. The share of employers and own account workers who contribute to a pension fund, out of all employers and own account workers, ranges from 26.1 per cent to 29.2 per cent (Annex Table 14).

Indicator 33: Share of economically active population contributing to a pension fund.

Figure 19. Share of economically active population contributing to a pension fund, 2003-2007

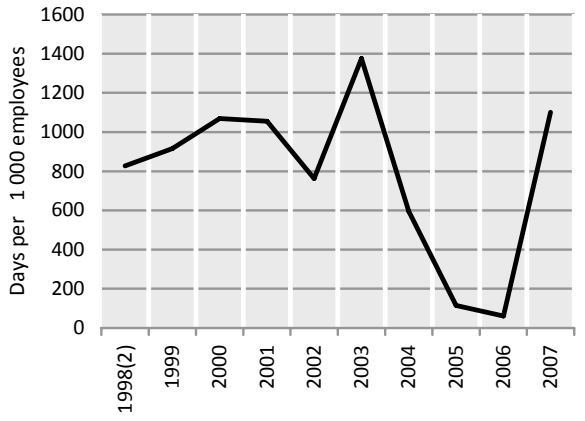


Source: Income Survey.

F. Social dialogue

Indicator 36: Rate of days not worked due to strikes and lockouts

Figure 20. Rate of days not worked due to strikes and lockouts (per 1,000 employees)[1], 1998-2007



Source: Work Relations Unit of the Ministry of Industry, Trade and Labour.
(1) Excluding slow-downs.
(2)Due to rearrangement, incompleteness in slow-downs data (partial strikes) may occur for this year.

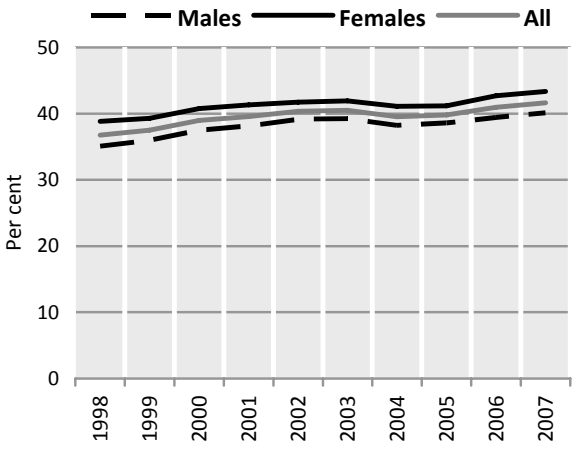
The data reveal that there is no consistent trend in the pattern of days not worked due to strikes and lockouts. That figure almost doubled between 2002 and 2003 due to strikes concerning wages and working conditions; but dropped sharply from 1375 days in 2003 to 62 in 2006, it peaked again to 1101 days in 2007, due to a teachers' union strike that lasted for 2 months (Annex Table 15).

G. Skills development and training

Indicator 38: Share of employed persons in high skilled occupations

The share of workers in high skilled occupations increased from 36.7 per cent in 1998 to 41.6 per cent in 2007. The share of women in these occupations was higher than the share of men, throughout the years (Annex Table 16).

Figure 21. Share of employed persons in highly skilled occupations

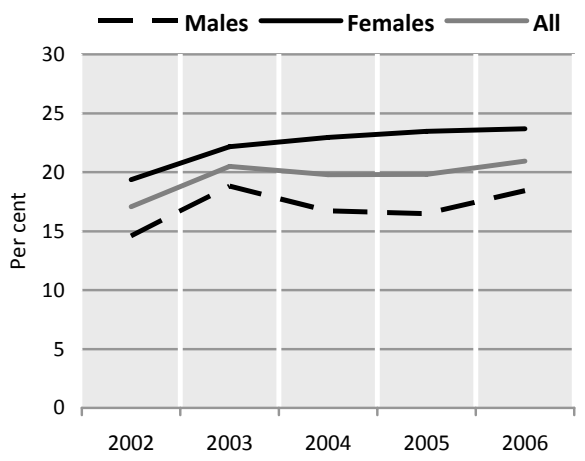


Source: Labour Force Survey.
Note: Excluding persons living outside localities (Bedouins in the South and others) and in institutions (permanent samples).

Indicator 39: Share of employees who received job training within the last 12 months

The share of female employees, who received job training, out of all female employees, grew steadily over the years; while the share of male employees who received job training, out of all male employees, declined between 2003 and 2005 and then rose again in 2006. Throughout the years women received more training than men (Annex Table 16).

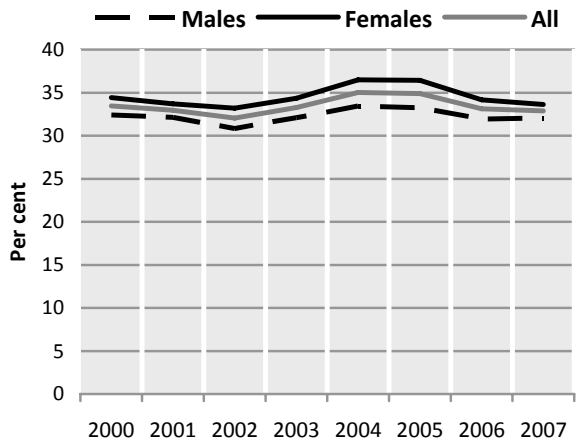
Figure 22. Share of employees who received job training within the last 12 months



Source: Social Survey.

Indicator 40: Share of employed persons who have more education than is normally required in their occupation

Figure 23. Share of employed persons who are overqualified



Source: Labour Force Survey.
Note: Excl. persons living outside localities (Bedouins in the South and others) and in institutions (permanent samples).

The share of workers who have more education than is normally required was approximately 33 per cent, and remained quite stable over the years. Among women, there is slightly higher percentage of those that are overqualified, than among men (Annex Table 16).

H. Conclusions

This report examined indicators of the Israeli labour market. Some of the indicators were complex and difficult to calculate. We classified the unavailable indicators into three groups (Table 1).

We reviewed the availability of the quality of employment indicators. For each indicator we collected the following information: availability, source, framework dimension, definition, and formula by which to calculate it. Regarding data availability, we classified the indicators in to three groups.

The first group includes indicators for which we had comparative data (Table 2). The second group of indicators was calculated according to a different definition from that given in the quality of employment framework (or where there was no definition). The third group contains indicators for which there is no available data (see also Table 1).

Recommendations:

There is neither an in depth analysis in this report nor international comparisons. We recommend that this be done separately.

Most of the indicators relate to employees (either by definition or by formula). We recommend developing indicators that also relate to employers and own account workers.

The analysis of the data collected in this report show the need for in depth analysis on several topics. For example, the trend of average annual hours worked per person (Indicator 19) does not fit the business cycle. It will be interesting to find reasons for this.

We recommend developing a composite index based on the indicators, which will reflect the level of the quality of employment for each country.

In order to obtain a more comprehensive picture of quality of employment, it is recommended that some indicators be analyzed by additional socio-demographic variables, such as ethnic origin, date of immigration, religion, etc.

Table 1. Unavailable indicators

N	Indicator	Will be available in new LFS questionnaire	Can be obtained from other government offices or administrative data	Data will not be available
4	Labour inspection (inspectors per 100,000 employees)		V	
5	Share of employees working in "hazardous" conditions	V	V	
6	Workplace expenditure on safety improvements as a share of total workplace labour costs			V
11	Occupational segregation by citizenship			V
22	Percentage of employed people who usually work at night/evening	V		
23	Percentage of employed people who usually work on weekends or on holidays	V		
29	Percentage of employees with temporary jobs	V		
30	Percentage of employees with job tenure of less than one year	V		
34	Share of employees covered by collective wage bargaining	V	V	
35	Union density rate	V	V	
37	Share of employees not covered by the strike law		V	

Table 2. Availability of indicators

N	Indicator	The data is available	Calculated according to the new definition	The data is unavailable
Dimension 1. Safety and ethics of employment				
1	Fatal occupational injury rate (Workplace fatalities per 100 000 employees)	V		
2	Non-fatal occupational injury rate (Workplace accidents per 100 000 employees)	V		
3	Occupational injury insurance coverage	V		
4	Labour inspection (inspectors per 100,000 employees)			V
5	Share of employees working in "hazardous" conditions			V
6	Workplace expenditure on safety improvements as a share of total workplace labour costs			V
7	Children working: average weekly hours by age and sex		V	
8	Children not in school by employment status		V	
9	Employed women as a share of total employment	V		
10	Occupational segregation by sex	V		
11	Occupational segregation by citizenship			V
12	Gender pay gap	V		
Dimension 2. Income and benefits from employment				
13	Low pay (Share of employees with below ½ of median hourly earnings)	V		
14	Share of employees paid minimum wage	V		
15	Share of employees paid below minimum wage	V		
16	Share of employees entitled to paid annual leave		V	
17	Average length of paid annual leave		V	
Dimension 3. Work hours and balancing work and non-working life				
18	Share of employed persons working 49 hours and more per week	V		
19	Average annual (actual) hours worked per person	V		
20	Time-related underemployment rate		V	
21	Share of employed persons working less than 35 hours per week involuntarily		V	
22	Percentage of employed people who usually work at night/evening			V
23	Percentage of employed people who usually work on weekends or bank holidays			V

Table 2: Availability of indicators (cont.)

N	Indicator	The data is available	Calculated according to the new definition	The data is unavailable
24	Ratio of employment rate for women with children under compulsory school age, to the employment rate of all women aged 20-49		V	
25	Share of women receiving maternity/family leave benefits - women who can take whole days off for family reasons	V		
26	Share of women receiving maternity/family leave benefits - women taking time off over the last 12 months for family sickness or emergencies	V		
27	Share of men receiving maternity/family leave benefits - men who can take whole days off for family reasons	V		
28	Share of men receiving paternity/family leave benefits - men taking time off over the last 12 months for family sickness or emergencies	V		
Dimension 4. Security of work, and social protection				
29	Percentage of employees with temporary jobs			V
30	Percentage of employees with job tenure of less than one year			V
31	Share of employees covered by unemployment insurance		V	
32	Public social security expenditure as a share of the GDP	V		
33	Share of economically active population contributing to a pension fund	V		
Dimension 5. Social dialogue				
34	Share of employees covered by collective wage bargaining			V
35	Union density rate			V
36	Rate of days not worked due to strikes and lockouts (per 1000 employees)	V		
37	Share of employees not covered by the strike law			V
Dimension 6. Skills development and training				
38	Share of employed persons in high skilled occupations	V		
39	Share of employees who received job training within the last 12 months	V		
40	Share of employed persons who have more education than is normally required in their occupation	V		
	Total	21	8	11

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The National Insurance Institute of Israel. http://www.btl.gov.il/Pages/default.aspx

ILO LABOURSTA, http://Laboursta.ilo.org/

ANNEX

Table 1. Dimensions and indicators

N	Indicator	Definition	Formula	Availability	Source
Dimension 1. Safety and ethics of employment					
a) Employment safety					
1	Fatal occupational injury rate (Workplace fatalities per 100 000 employees)	A fatal accident is defined as an accident which leads to the death of a victim within one year of the accident	Number of fatal accidents / Total employees* 100 000	V	Ministry of Industry, Trade & Labour
2	Non-fatal occupational injury rate (Workplace accidents per 100 000 employees)	Standardized incidence rate of accidents at work. Serious accidents at work are those resulting in more than 3 days' absence	Number of serious accidents at work / Total employees*100 000	V	Ministry of Industry, Trade & Labour
3	Occupational injury insurance coverage	This indicator consists of on the provision of injury insurance for the benefits for any worker who is injured or becomes ill related to their work activity. Benefits may include replacement of lost income, medical and rehabilitation costs, legal costs, and others	Percentage of employees covered by insurance	V	Ministry of Industry, Trade & Labour
4	Labour inspection (inspectors per 100 000 employees)	State's capacity to enforce safe work principles, laws and regulations, contributing therefore to prevention efforts	Number of labour inspectors per 100 000 covered workers, as an indication of the intensity of inspection effort where it occurs	X	
5	Share of employees working in "hazardous" conditions	People who declare that they are exposed to factors that can adversely affect their physical health (exposure to chemicals, dusts, fumes, smoke or gases; noise or vibration; difficult work postures, work movements or handling of heavy loads; risk of accident)		X	
6	Workplace expenditure on safety improvements as a share of total workplace labour costs			X	
b) Child labour and forced labour					
7	Children working: average weekly hours by age and sex	Average number of hours worked per week for child labourers 15 to 17 years old by age and sex	For person aged 15-17:Total hours worked per week/ Total employment*100 (excluding temporarily absent from work)	V	Labour Force Survey (LFS)

8	Children not in school by employment status	Young people aged 15-17 not in school by employment status	Persons aged 15-17 not in school by employment status: not in the civilian labour force, employed persons, unemployed persons / Total children aged 15-17	V	LFS
c) Fair treatment in employment					
9	Employed women as a share of total employment	Total employment (resident population concept - LFS)	Employed women/ Total employment *100	V	LFS
10	Occupational segregation by sex	Difference of share of employment for women and men applied to each occupation (1.ISCO classification 1-9. 2. ISCO classification 111-9XX)	2 indicators calculated: 1. For 1 digit level. 2. For 3 digit level. $\frac{1}{2}\sum_{i}^{n}\left\|\frac{Mi}{M}-\frac{Fi}{F}\right\|$	V	LFS
11	Occupational segregation by citizenship	Difference of share of employment for citizens and non citizens applied to each occupation (ISCO classification 1-9)	See occupational segregation by sex	X	
12	Gender pay gap	The gender pay gap in unadjusted form is defined as the difference between average gross hourly earnings of male paid employees and of female paid employees as a percentage of average gross hourly earnings of male paid employees. The gender pay gap is based on several data sources, including the European Community Household Panel (ECHP), the EU Survey on Income and Living Conditions (EU-SILC) and national sources	100 - (Average gross hourly earnings of female paid employees/Average gross hourly earnings of male paid employees)*100	V	Income Survey
Dimension 2. Income and benefits from employment					
a) Income from employment					
13	Low pay (Share of employees with below ½ of median hourly earnings)	Low pay (Share of employees with below ½ of median hourly earnings)	Share of employees with below ½ of median hourly earnings	V	Income Survey
14	Share of employees paid minimum wage	Employees paid minimum wage	Share of employees paid minimum wage	V	Income Survey
15	Share of employees paid below minimum wage	Employees paid below minimum wage	Share of employees paid below minimum wage (see calculation of minimum wage -indicator 15) $\pm 2SD$	V	Income Survey
b) Benefits from employment					

16	Share of employees entitled to paid annual leave	The definition was formulated from LFS variables and measured against entitlements in Israeli law. Employees eligible for paid annual leave were defined as: 1. All those who worked 4 months or more during the year.2. All those who worked less then 4 months during the year, due to illness or reserve army service. 3. All those who worked less then 4 months during the year and were absent from their work during the entire determinant week, due to illness, maternity leave, other leave, reserve army service, cutbacks (this reason has been included since 2003), strikes, illness of child or other family member	Number of employees entitled to paid annual leave/Total employees*100	V	Ministry of Industry, Trade & Labour+ LFS
17	Average length of paid annual leave	Not the average length of paid annual leave, but the minimum annual leave; i.e., the minimum number of annual holiday entitlements	Number of minimum days of annual leave, according to Israeli law	V	Ministry of Industry, Trade & Labour
Dimension 3. Work hours and balancing work and non-working life					
a) Work hours					
18	Share of employed persons working 49 hours and more per week	In line with ILO Convention No. 1, which specifies that hours of work per week should not exceed 48, the excessive hours indicator is defined here as the percentage of employed persons whose usual hours of work at all jobs are more than 48 hours per week	Employed persons working 49 hours and more per week / Total employment *100 (excl. temporarily absent from work)	V	LFS
19	Average annual (actual) hours worked per person	The definition of total hours worked is based on the European System of Accounts (ESA 1995). The indicator comprises the hours actually worked by all persons engaged in economic activity who perform some gainful activity as employees (wage earners, salaried employees, public officials, marginal part-time workers, soldiers), as self-employed persons or as unpaid family workers. This includes the hours worked by persons performing several jobs at the same time	Average weekly work hours per employed person*52/ Total employment (excl. temporarily absent from work)	V	LFS

20	Time-related underemployment rate	Time- related underemployment is defined as: employed persons in the reference week who 1) worked part time involuntarily or 2) worked less hours then usual due to economic reasons (reduction of employment post or labour dispute: strike or lock-out) or 3) were temporarily absent from their work because of economic reasons (reduction of employment post or labour dispute: strike or lock-out)	Number of persons in time-related underemployment /Total employment *100	V	LFS
21	Share of employed persons working less than 35 hours per week involuntarily	Share of employees and cooperative members who usually work part- time (less than 35 hours per week), and who sought additional or full-time work and did not find it	Employees working involuntarily part- time/ Total employment *100	V	LFS
b) Working time arrangements					
22	Percentage of employed people who usually work at night/evening	The concept of working arrangement should be strictly interpreted. Employed people who only occasionally work some atypical hours should be not included	Employed people who usually work at night and-or in evening/ Employed people *100	X	
23	Percentage of employed people who usually work on weekends or bank holidays	The concept of working arrangement should be strictly interpreted. Employed people who only occasionally work some atypical hours should be not included	Employed people who usually work on Saturday and on Sunday/ Employed people *100	X	
c) Balancing work and non-working life					
24	Ratio of employment rate for women aged 20-49 with children under compulsory school age, to the employment rate of all women aged 20-49	The employment rate is the share of employed women aged 20-49 with children aged 0-4, out of all women aged 20-49 with children aged 0-4. Data are reported according to the age of the youngest child living in the household. Children living outside the household are not considered	Ratio of employment rate for women aged 20-49 with children aged 0-4, divided by the rate of employment of women aged 20-49	V	LFS
25	Share of women receiving maternity/family leave benefits - women who can take whole days off for family reasons	Number of employed women aged 15-64 who can take whole days off for family reasons	(Number of employed women aged 15- 64: 1.All those who were temporarily absent from work whole week, due to family reasons. Or 2.All those who were temporarily absent from work for less than a week and 8 hours at least for family reasons) /Total women aged 15-64 employed*100	V	LFS

26	Share of women receiving maternity/family leave benefits - women taking time off over the last 12 months for family sickness or emergencies	Number of employed women aged 15-64 taking time off for family sickness or emergencies	(Number of employed women aged 15- 64 who were absent from work for family sickness or emergencies and were in one of the following groups: 1.All those who were temporarily absent from work whole week, due to family sickness or emergencies, or 2.All those who were temporarily absent from work for less than a week but worked at least 8 hours) /Total employed women aged 15-64*100	V	LFS
27	Share of men receiving maternity/family leave benefits - men who can take whole days off for family reasons	Number of employed men aged 15- 64 who can take whole days off for family reasons	(Number of employed men aged 15- 64: 1.All those who were temporarily absent from work whole week, due to family reasons. Or 2.All those who were temporarily absent from work for less than a week and 8 hours at least for family reasons) /Total men aged 15-64 employed*100	V	LFS
28	Share of men receiving paternity/family leave benefits - men taking time off over the last 12 months for family sickness or emergencies	Number of employed men aged 15- 64 taking time off for family sickness or emergencies	(Number of employed men aged 15- 64 who were absent from work for family sickness or emergencies and were in one of the following groups: 1.All those who were temporarily absent from work whole week, due to family sickness or emergencies, or 2.All those who were temporarily absent from work for less than a week but worked at least 8 hours) /Total employed men aged 15-64*100	V	LFS

Dimension 4. Security of work and social protection					
a) Stability and security of work					
29	Percentage of employees with temporary jobs	Employees with temporary contracts are those who declare themselves as having a fixed term employment contract, or a job which will terminate when certain objective criteria are met, such as completion of an assignment or return of the employee who was temporarily replaced	Employees with a temporary job/ total employment*100	X	
30	Percentage of employees with job tenure of less than one year	Employees with temporary contracts are those who declare themselves as having a fixed term employment contract or a job which will terminate in one year	Employees with job tenure of 0-12 months/ Temporary employees*100	X	
b) Social security					
31	Share of employees covered by unemployment insurance	Employees covered by unemployment insurance	Number of unemployment benefit claims approved by the National Insurance Institute/ Number of unemployment benefit claims submitted to the National Insurance Institute*100	V	National Insurance Institute
32	Public social security expenditure as a share of the GDP	The standard followed is the European System of Accounts (ESA 95). Annual national accounts comprise the main aggregates on annual national accounts, including: GDP and its components, employment, final consumption aggregates, income, saving and net lending/borrowing, exports and imports. Breakdowns exist for variables by economic activity (industries), asset types and final consumption purpose (COICOP).	Government expenditure on social security as a share of the GDP	V	CBS
33	Share of economically active population contributing to a pension fund	Economically active population contributing to a pension fund	Population aged 15 and over who contribute to public or private pension funds/ Total population aged 15 and over*100, by employment status	V	Income Survey
Dimension 5. Social dialog					
a) Social dialog					
34	Share of employees covered by collective wage bargaining			X	

35	Union density rate			X	
36	Rate of days not worked due to strikes and lockouts (per 1000 employees)	Rate of days not worked due to strikes and lockouts (per 1000 employees)	Days not worked due to strikes and lockouts/ Total employees*1000	V	Work Relations Unit at the Ministry of Industry, Trade and Labour
37	Share of employees not covered by the strike law			X	
Dimension 6. Skills development and training					
38	Share of employed persons in high skilled occupations	Share of employed persons in ISCO 1,2,3 occupations.	Employed persons in occupation ISCO88 1-2-3 /Total employment*100	V	LFS
39	Share of employees who received job training within the last 12 months	Share of employees who received job training within the last 12 months	Employees who received job training within the last 12 months/ Total employees*100	V	Social Survey
40	Share of employed persons who have more education than is normally required in their occupation	Employed persons aged 15 and over with a high level of education and working in unskilled occupations. Over- education indicates mismatch between demand and supply of skilled employment. Over- education reveals a waste of human capital for the economic system as a whole, whereas from an individual perspective it presumably turns into job dissatisfaction	Employed persons aged 15 and over with level of education ISCED97 5-6 and working in occupations ISCO88 4-9/Total employment with high level of education ISCED97 5-6*100	V	LFS

[1] *For indicators 1 and 2, see http://Laboursta.ilo.org/*
[2] *For indicator 17, see http://www.moital.gov.il/NR/rdonlyres/6B4F37C1-6C08-41FE-835E-A08E31EC0867/0/12.pdf*
[3] *For indicator 31, see http://www.btl.gov.il/laws/btlLaws.aspx?lawid=130433*
[4] *For indicator 32, see http://www.btl.gov.il/פרסומים/pub/Skira_shnatit/skira-2008/Documents/skira-2008.pdf http://www.iccr-international.org/foresight/docs/monitoring/Social%20Developments/Government%20expenditure%20on%20social%20protection.pdf*
[5] *For indicator 36, see Table 12.45 http://www.cbs.gov.il/reader/http://www.cbs.gov.il/reader/shnatonhnew_site.htm*

Table 2. Economic indicators

Indicator	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Gross Domestic Product (in current prices NIS million)	415 472	455 864	504 285	511 679	529 675	536 680	563 713	597 773	640 776	673 552
Gross Domestic Product per capita (NIS)	69 585	74 423	80 183	79 466	80 620	80 225	82 789	86 258	90 843	93 808
Fixed capital formation (percentage of GDP)	22.6	20.7	20.2	18.6	17.8	17.3	16.6	16.5	16.4	17.1
Average wage per employee job (NIS)	5 914	6 377	6 835	7 207	7 147	6 972	7 145	7 324	7 576	7 749
Consumer Price Index	8.6	1.3	0.0	1.4	6.5	-1.9	1.2	2.4	-0.1	3.4

Table 3. Civilian labour force characteristics by sex
Population aged 15 and over (Thousands and per cent)

	2007	2006	2005	2004	2003	2002	2001[2]	2000	1999	1998[1]
GRAND TOTAL	5 142.4	5 053.1	4 963.4	4 876.0	4 791.7	4 706.2	4 04.7	4 486.6	4 358.4	4 242.9
In civilian labour force	2 893.8	2 809.7	2 740.1	2 678.5	2 610.0	2 546.7	2 498.9	2 435.0	2 345.1	2 265.8
Not in civilian labour force	2 248.6	2 243.4	2 223.3	2 197.5	2 181.7	2 159.5	2 105.8	2 051.6	2 013.3	1 977.0
In civilian labour force	2 893.8	2 809.7	2 740.1	2 678.5	2 610.0	2 546.7	2 498.9	2 435.0	2 345.1	2 265.8
Employed	2 682.0	2 573.6	2 493.6	2 400.8	2 330.2	2 284.4	2 264.9	2 221.2	2 136.6	2 072.5
Worked full-time	1 712.8	1 641.0	1 595.1	1 541.3	1 536.1	1 527.5	1 478.6	1 499.5	1 430.2	1 370.5
Worked part-time	783.3	749.6	733.9	703.5	644.3	606.6	622.7	574.0	566.4	561.8
Temporarily absent from work	186.0	182.9	164.6	156.1	149.8	150.3	163.6	147.8	139.9	140.1
Unemployed	211.8	236.1	246.4	277.7	279.8	262.4	234.0	213.8	208.5	193.4
Worked in Israel during the last 12 months	93.2	100.3	106.8	114.3	125.3	133.2	126.9	106.2	113.0	105.6
Did not work in Israel during the last 12 months	118.6	135.9	139.6	163.5	154.5	129.2	107.1	107.6	95.5	87.8
MALES - TOTAL	2 504.3	2 459.5	2 414.6	2 370.8	2 328.6	2 286.2	2 236.3	2 178.4	2 116.2	2 059.9
In civilian labour force	1 546.7	1 502.2	1 464.8	1 436.8	1 400.3	1 376.3	1 357.1	1 323.4	1 284.9	1 255.7
Not in civilian labour force	-957.6	-957.3	949.8	934	928.3	909.9	879.2	855.0	831.3	804.3
In civilian labour force	1 546.7	1 502.2	1 464.8	1 436.8	1 400.3	1 376.3	1 357.1	1 323.4	1 284.9	1 255.7
Employed	1 441.9	1 383.6	1 339.9	1 300.3	1 257.6	1 238.0	1 236.1	1 211.7	1 176.2	1 155.2
Worked full-time	1 098.1	1 055.0	1 024.3	987.1	982.6	978.1	955.4	- 963.0	927.5	901.1
Worked part-time	273.7	256.0	252.5	250.8	217.8	198.0	213.3	187.7	186.3	193.5
Temporarily absent from work	70.1	72.6	63.2	62.4	57.2	61.9	67.4	61.1	62.4	60.7
Unemployed	104.8	118.5	124.9	136.5	142.8	138.4	120.9	111.7	108.8	100.4

Table 3 - continues	2007	2006	2005	2004	2003	2002	2001[2]	2000	1999	1998[1]
Worked in Israel during the last 12 months	46.3	49.8	56.4	59.3	66.0	72.1	68.6	58.6	62.9	58.7
Did not work in Israel during the last 12 months	58.5	68.7	68.5	77.2	76.8	66.3	52.3	53	45.9	41.7
FEMALES - TOTAL	2 638.1	2 593.7	2 548.7	2 505.2	2 463.2	2 420.0	2 368.5	2 308.2	2 242.1	2 182.9
In civilian labour force	1 347.1	1 307.6	1 275.3	1 241.7	1 209.7	1 170.4	1 141.8	1 111.6	1 060.1	1 010.2
Not in civilian labour force	1 291.0	1 286.10	1 273.5	1 263.5	1 253.5	1 249.6	1 226.6	1 196.6	1 182.0	1 172.7
In civilian labour force	1 347.1	1 307.6	1 275.3	1 241.7	1 209.7	1 170.4	1 141.8	1 111.6	1 060.1	1 010.2
Employed	1 240.1	1 190.0	1 153.7	1 100.5	1 072.6	1 046.4	1 028.8	1 009.5	960.5	917.2
Worked full-time	614.7	586.0	570.8	554.2	553.5	549.3	523.2	536.5	502.8	469.4
Worked part-time	509.5	493.6	481.4	452.7	426.5	408.7	409.5	386.3	380.1	368.4
Temporarily absent from work	115.9	110.4	101.5	93.7	92.6	88.4	96.1	86.7	77.6	79.5
Unemployed	107.0	117.6	121.5	141.2	137.1	124.0	113.0	102.1	99.7	93.0
Worked in Israel during the last 12 months	46.9	50.4	50.5	55.0	59.3	61.1	58.3	47.5	50.1	46.9
Did not work in Israel during the last 12 months	60.1	67.1	71.0	86.2	77.7	62.9	54.8	54.6	49.6	46.1

Table 3-continues (per cent)	2007	2006	2005	2004	2003	2002	2001[2]	2000	1999	1998(1)
GRAND TOTAL	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
In civilian labour force	56.3	55.6	55.2	54.9	54.5	54.1	54.3	54.3	53.8	53.4
Not in civilian labour force	43.7	44.4	44.8	45.1	45.5	45.9	45.7	45.7	46.2	46.6
In civilian labour force	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Employed	92.7	91.6	91.0	89.6	89.3	89.7	90.6	91.2	91.1	91.5
Worked full-time	59.2	58.4	58.2	57.5	58.9	60.0	59.2	61.6	61.0	60.5
Worked part-time	27.1	26.7	26.8	26.3	24.7	23.8	24.9	23.6	24.2	24.8
Temporarily absent from work	6.4	6.5	6.0	5.8	5.7	5.9	6.6	6.1	6.0	6.2
Unemployed	7.3	8.4	9.0	10.4	10.7	10.3	9.4	8.8	8.9	8.5
Worked in Israel during the last 12 months	3.2	3.6	3.9	4.3	4.8	5.2	5.1	4.4	4.8	4.7
Did not work in Israel during the last 12 months	4.1	4.8	5.1	6.1	5.9	5.1	4.3	4.4	4.1	3.9
MALES - TOTAL	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
In civilian labour force	61.8	61.1	60.7	60.6	60.1	60.2	60.7	60.8	60.7	61.0
Not in civilian labour force	38.2	38.9	39.3	39.4	39.9	39.8	39.3	39.2	39.3	39.0
In civilian labour force	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Employed	93.2	92.1	91.5	90.5	89.8	90.0	91.1	91.6	91.5	92.0
Worked full-time	71.0	70.2	69.9	68.7	70.2	71.1	70.4	72.8	72.2	71.8
Worked part-time	17.7	17.0	17.2	17.5	15.6	14.4	15.7	14.2	14.5	15.4
Temporarily absent from work	4.5	4.8	4.3	4.3	4.1	4.5	5.0	4.6	4.9	4.8
Unemployed	6.8	7.9	8.5	9.5	10.2	10.1	8.9	8.4	8.5	8.0
Worked in Israel during the last 12 months	3.0	3.3	3.9	4.1	4.7	5.2	5.1	4.4	4.9	4.7
Did not work in Israel during the last 12 months	3.8	4.6	4.7	5.4	5.5	4.8	3.9	4.0	3.6	3.3
FEMALES - TOTAL	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
In civilian labour force	51.1	50.4	50.0	49.6	49.1	48.4	48.2	48.2	47.3	46.3
Not in civilian labour force	48.9	49.6	50.0	50.4	50.9	51.6	51.8	51.8	52.7	53.7
In civilian labour force	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Employed	92.1	91.0	90.5	88.6	88.7	89.41	90.1	90.8	90.6	90.8
Worked full-time	45.6	44.8	44.8	44.6	45.8	46.9	45.8	48.3	47.4	46.5
Worked part-time	37.8	37.8	37.8	36.5	35.3	34.9	35.9	34.8	35.9	36.5
Temporarily absent from work	8.6	8.4	8.0	7.6	7.7	7.6	8.4	7.8	7.3	7.9
Unemployed	7.9	9.0	9.5	11.4	11.3	10.6	9.9	9.2	9.4	9.2
Worked in Israel during the last 12 months	3.5	3.9	4.0	4.4	4.9	5.2	5.1	4.3	4.7	4.6

Did not work in Israel during the last 12 months	4.5	5.1	5.6	6.9	6.4	5.4	4.8	4.9	4.7	4.6

[1] *Data are based on revised population estimates according to the findings of the Censuses of Population and Housing 1995. In 1998, a new weighting method was implemented.*
[2] *Based on new weighting groups.*

Table 4. Employment safety

(per cent)

N	Indicator	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
1	Fatal occupational injury rate (Workplace fatalities per 100 000 employees) [1]	-	4.1	4.3	4.2	3.8	3.6	3.3	3	3	2.6
2	Non-fatal occupational injury rate (Workplace accidents per 100 000 employees)[2]	-	3 308	2 913	2 913	2 955	2 551	2 503	2 337	2 293	2 313
3	Occupational injury insurance coverage	100	100	100	100	100	100	100	100	100	100

[1] *Only deaths resulting from accidents occurring during the same year.*
[2] *Incapacity of 3 days or more.*

Table 5. Child labour and forced labour

(per cent)

N	Indicator	Sex	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
7	Young employed person aged 15-17: average weekly work hours, by age and sex	Boys	24.9	23.1	24.6	24.2	21.3	21.3	20.5	21.4	22.3	22.6
		Girls	15.4	14.1	14.8	16.8	15.3	15.2	17.9	15.4	15.4	17.9
		All	20.7	19.1	20.0	20.8	18.5	18.8	19.4	18.6	19.5	20.3

[1] *Excluding persons living outside localities (Bedouins in the South and others) and in institutions (permanent samples).*

Table 6. Children aged 15- 17 not in school, by employment status and sex

N	Indicator		Year									
			1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
			Thousands									
8	Young people aged 15 - 17	Males-total	137.7	140.4	143.2	146.1	146.6	147.1	147.8	149.3	150.4	151.8
		Females-total	143.9	147.5	150.8	153.8	155.0	156.1	156.8	157.9	158.5	161.0
		Total	281.6	287.9	294.0	299.9	301.7	303.2	304.6	307.2	308.9	312.9
	Young people aged 15 - 17 not in school, by employment status		Thousands									
		Not in civilian labour force	17.8	19.2	18.9	19.5	19.6	19.6	18.7	15.9	20.8	19.5
		Employed	5.1	5.4	5.0	5.2	3.4	4.8	4.4	4.7	5.5	4.5
		Unemployed	2.5	2.4	3.1	2.6	2.4	3.5	2.4	2.2	2.4	1.9
		Total	25.4	27.0	27.0	27.2	25.4	27.9	25.5	22.7	28.7	25.9
		Males-Not in civilian labour force	9.0	9.2	9.9	10.3	10.3	9.6	9.7	8.1	10.3	9.9
		Males-Employed	3.8	4.0	3.8	3.5	2.2	3.7	2.4	3.5	4.1	2.8
		Males-Unemployed	1.9	1.4	2.2	1.9	1.8	2.1	1.5	1.6	1.6	1.3
		Males-total	14.7	14.7	15.9	15.7	14.4	15.4	13.5	13.1	15.9	14.0
		Females-Not in civilian labour force	8.8	10.0	9.0	9.2	9.3	10.0	9.0	7.8	10.5	9.6
		Females-Employed	1.3	1.4	1.2	1.7	1.1	1.1	2.0	1.2	1.4	1.6
		Females-Unemployed	0.6	1.0	0.9	0.7	0.6	1.4	1.0	0.6	0.8	0.7
		Females-total	10.7	12.4	11.1	11.5	11.0	12.5	11.9	9.6	12.8	11.9
			Per cent									
		Not in civilian labour force	70.1	71.1	70.0	71.5	77.3	70.3	73.3	69.8	72.4	75.4
		Employed	20.1	20.0	18.5	19.0	13.2	17.3	17.2	20.6	19.3	17.2
		Unemployed[2]	32.9	30.9	38.3	33.6	41.9	41.9	35.6	31.9	30.1	30.1
		Not in school	9.0	9.4	9.2	9.1	8.4	9.2	8.4	7.4	9.3	8.3
		Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
		Males-Not in civilian labour force	61.1	63.1	62.1	65.7	71.9	62.3	71.8	61.6	64.5	70.8
		Males-Employed	25.9	27.4	23.8	22.3	15.5	24.2	17.4	26.4	25.7	20.2
		Males-Unemployed (2)	33.3	25.7	37.1	35.1	44.8	35.9	38.3	31.3	27.5	30.8
		Males-Not in school	10.7	10.4	11.1	10.7	9.8	10.5	9.2	8.8	10.6	9.2
		Males-total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
		Females-Not in civilian labour force	82.5	80.6	81.3	79.4	84.4	80.3	75.0	81.1	82.2	80.8

		Females-Employed	12.0	11.1	10.9	14.5	10.1	8.7	17.0	12.7	11.3	13.7
		Females-Unemployed[2]	31.6	42.7	41.8	29.8	35.5	55.7	32.1	33.0	36.6	28.8
		Females-Not in school	7.4	8.4	7.4	7.5	7.1	8.0	7.6	6.1	8.0	7.4
		Females-total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

[1] *Excluding persons living outside localities (Bedouins in the South and others) and in institutions (permanent samples).*
[2] *Unemployment rate calculated as a percentage of the civilian labour force (employed and unemployed persons).*

Table 7. Fair treatment in employment

N	Indicator	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
9	Employed women as a share of total employment	44.400	45.100	45.600	45.600	46.000	46.200	46.000	46.400	46.400	46.400
10	Occupational segregation by sex (ISCO classification 1-9)	0.373	0.363	0.371	0.365	0.363	0.355	0.341	0.342	0.347	0.340
10	Occupational segregation by sex (ISCO classification 111-9XX)	0.573	0.561	0.560	0.556	0.558	0.548	0.543	0.546	0.537	0.500
12	Gender pay gap	17.100	19.500	17.300	21.300	19.000	17.400	15.800	16.700	16.400	16.000

[1]*Excluding persons living outside localities (Bedouins in the South and others) and in institutions (permanent samples).*

Table 8. Income from employment

N	Indicator	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
13	Low pay (Share of employees with below ½ of median hourly earnings)	7.6	7.4	7.1	7.2	7.0	5.9	6.4	5.8	5.2	6.2
14	Share of employees paid minimum wage[1]	3.1	3.0	3.5	3.0	2.8	2.5	2.7	2.2	3.3	3.0
15	Share of employees paid below minimum wage	21.6	22.0	22.7	24.0	23.0	23.7	23.6	23.2	25.3	25.4

[1]*Share of employees paid at minimum wage is per cent of employees paid at minimum wage ± 2SD*

Table 9. Share of employees entitled to paid annual leave

(per cent)

N	Indicator	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
16	Share of employees entitled to paid annual leave	96.4	96.3	96.1	96.6	96.6	96.5	96.5	96.7	96.9	96.9

[1]*Excluding persons living outside localities (Bedouins in the South and others) and in institutions (permanent samples).*

Table 10. Work hours by sex

(per cent)

N	Indicator	Sex	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
18	Share of employed persons working 49 hours and more per week (1) (2)	M	33.0	35.3	37.0	36.3	35.5	35.3	33.7	35.1	34.2	35.4
		F	9.0	9.7	10.5	9.5	9.7	9.8	10.2	9.8	9.5	9.7
		All	22.6	23.9	25.2	24.3	23.9	23.8	23.1	23.6	23.0	23.7
19	Average annual (actual) hours worked per person[1]	M	2 305.7	2 326.0	2 352.5	2 318.2	2 320.8	2 295.3	2 269.8	2 277.6	2 273.4	2 285.9
		F	1 757.6	1 771.1	1 791.9	1 759.7	1 777.4	1 764.9	1 750.3	1 731.6	1 733.2	1 747.2
		All	2 067.5	2 079.5	2 102.4	2 069.1	2 075.8	2 056.1	2 035.8	2 030.1	2 028.5	2 042.6
20	Time-related underemployment rate[1]	M	1.5	1.7	1.9	2.1	2.2	3.8	3.8	3.5	3.2	2.8
		F	6.4	6.6	6.4	6.6	8.5	11.0	10.6	10.1	8.8	7.9
		All	3.7	3.9	4.0	4.2	5.1	7.1	6.9	6.6	5.8	5.2
21	Share of employed persons working less than 35 hours per week involuntarily [1]	M	1.2	1.5	1.6	1.7	2.0	2.6	2.8	2.5	2.3	2.0
		F	5.9	6.3	6.1	6.4	8.3	9.8	9.7	9.2	7.9	6.9
		All	3.3	3.6	3.7	3.9	4.9	5.9	6.0	5.6	4.9	4.2
	Unemployment [1]	M	8.1	8.5	8.5	9.0	10.2	10.3	9.6	8.6	8.0	6.8
		F	9.2	9.4	9.2	9.9	10.6	11.4	11.4	9.5	9.0	7.9
		All	8.6	8.9	8.8	9.4	10.4	10.8	10.4	9.0	8.5	7.4

[1] *Excluding persons living outside localities (Bedouins in the South and others) and in institutions (permanent samples).*

[2] *Not including those temporarily absent from work during the determinant week*

Table 11. Ratio of employment rate for women with children under compulsory school age to the employment rate of all women aged 20- 49

N	Indicator	Employed women										
24	Ratio of employment rate for women aged 20-49 with children under compulsory school age, to the employment rate of all women aged 20-49	Age of youngest child	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
		0-4	193.98	208.35	224.70	226.96	231.53	237.52	245.79	263.38	273.35	294.49
		5-17	254.49	247.09	248.73	255.29	255.53	252.21	256.48	262.75	263.21	267.15
		Without children	269.78	287.24	303.45	296.78	299.9	313.20	319.08	328.51	341.13	343.59
		All	718.25	742.68	776.88	779.02	786.96	802.93	821.35	854.64	877.69	905.22
		Total women										
		0-4	399.42	416.14	424.39	435.82	443.44	450.61	458.43	473.28	476.25	493.21
		5-17	381.59	372.87	376.01	382.14	377.94	382.98	384.41	384.46	383.55	385.14
		Without children	440.69	456.18	475.33	482.79	502.28	508.98	517.00	522.75	536.68	538.23
		All	1 221.7	1 245.19	1 275.73	1 300.75	1 323.67	1 342.57	1 359.83	1 380.49	1 396.48	1 416.59
		Employment rate										
		0-4	48.60	50.10	52.90	52.10	52.20	52.70	53.60	55.60	57.40	59.70
		5-17	66.70	66.30	66.10	66.80	67.60	65.90	66.70	68.30	68.60	69.40
		Without children	61.20	63.00	63.80	61.50	59.70	61.50	61.70	62.80	63.60	63.80
		All	58.80	59.60	60.90	59.90	59.50	59.80	60.40	61.90	62.90	63.90
		Ratio of employment rate for women aged 20-49 with children under compulsory school age, to the employment rate of all women aged 20-49										
			0.80	0.80	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90

Table 12. Balancing work and non-working life

(per cent)

N	Indicator	Sex	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
25	Share of women receiving maternity/family leave benefits - women who can take whole days off for family reasons	Females	8.5	8.2	8.6	9.0	8.4	8.6	8.9	8.9	9.6	9.8
26	Share of women receiving maternity/family leave benefits - women taking time off over the last 12 months for family sickness or emergencies	Females	2.1	2.3	2.4	2.6	2.3	2.2	2.4	2.8	2.9	2.9
27	Share of men receiving maternity/family leave benefits - men who can take whole days off for family reasons	Males	4.3	4.5	4.5	4.7	4.1	4.2	4.6	4.4	5.2	4.7
28	Share of men receiving paternity/family leave benefits - men taking time off over the last 12 months for family sickness or emergencies	Males	2.4	2.3	2.2	2.2	2.0	1.7	2.0	2.2	2.2	2.2

[1] *Excluding persons living outside localities (Bedouins in the South and others) and in institutions (permanent samples).*

Table 13. Social security

N	Indicator	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
31	Share of employees covered by unemployment insurance	89.7	87.4	92.0	88.8	91.6	86.8	86.7	87.2	85.3	86.3
32	Public social security expenditure as a share of the GDP[1]	17.0	16.9	16.7	18.0	18.3	17.9	16.9	16.3	15.8	15.7
32	Public social security expenditure as a share of the GDP[2]	n.a.	n.a.	8.2	9.2	9.2	8.6	7.8	7.5	7.3	7.0

[1] *General Government Expenditure for Social security and Health by COFOG classification as share of GDP*

[2] *Cash benefits of the National Insurance Institute. Public expenditure according to the Classification of the Functions of Government as a share of GDP: the indicator compares the expenditure of the general government sector by function with gross domestic product. The general government sector expenditure according to COFOG is classified in the following categories: (i) general public services, (ii) defence, (iii) public order and safety, (iv) economic affairs, (v) environmental protection, (vi) housing and community amenities, (vii) health, (vii) recreation, culture and religion, (ix) education and (x) social security. General government sector expenditure is determined on the basis of the Eurostat's methodology of the European System of National and Regional Accounts 1995 (ESA-95) which applies in all EU countries to allow high international data comparability. According to this methodology, the general government sector includes all institutional units which are other non-market producers whose output is intended for individual or collective consumption, which are financed by compulsory payments, and all institutional units that are principally engaged in the redistribution of national income and wealth. In addition to the four general government accounts (national and local budgets, the compulsory health insurance fund, and the pension and disability insurance fund), the general government sector also includes public funds, among them the Capital Company (the KAD) and the Slovenian Restitution Company (the SOD) as well as public agencies. The ESA-95 methodology is based on the accrual principle, which means that all revenues and expenditures are recorded at the moment when assets or liabilities occur rather than when they are paid.*

Table 14. Share of economically active population contributing to a pension fund

(per cent)

N	Indicator			2003	2004	2005	2006	2007
33	Share of economically active population contributing to a pension fund	Working	Total working	48.5	49.1	49.8	49.5	49.2
			Employees	51.0	51.8	53.0	52.4	52.0
			Employers and own account workers	28.5	27.4	26.1	29.2	27.2
		Not working		2.3	2.3	2.8	2.4	1.9

Table 15. Social dialogue

N	Indicator	1998[2]	1999	2000	2001	2002	2003	2004	2005	2006	2007
36	Rate of days not worked due to strikes and lockouts (per 1 000 employees)[1]	827	916	1 069	1 055	763	1 375	595	114	62	1 101

[1] *Excluding slow-downs*.
[2] *Due to rearrangement, incompleteness in slow-downs data (partial strikes) may occur for this year*.

Table 16. Skills development and training (per cent)

N	Indicator	Sex	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
38	Share of employed persons in high skilled occupations[1]	Males	35.1	36.0	37.5	38.1	39.2	39.2	38.2	38.6	39.4	40.1
		Females	38.8	39.3	40.7	41.3	41.7	41.9	41.1	41.2	42.7	43.3
		All	36.7	37.5	39.0	39.6	40.3	40.5	39.5	39.8	41.0	41.6
39	Share of employees who received job training within the last 12 months	Males	n.a.	n.a.	n.a.	n.a.	14.6	18.8	16.7	16.5	18.4	n.a.
		Females	n.a.	n.a.	n.a.	n.a.	19.4	22.2	23.0	23.5	23.7	n.a.
		All	n.a.	n.a.	n.a.	n.a.	17.1	20.5	19.8	19.8	21.0	n.a.
40	Share of employed who have more education than is normally required in their occupation (1)	Males	n.a.	n.a.	32.4	32.1	30.8	32.1	33.5	33.2	31.9	32.0
		Females	n.a.	n.a.	34.4	33.7	33.2	34.3	36.5	36.4	34.2	33.6
		All	n.a.	n.a.	33.4	32.9	32.0	33.3	35.0	34.9	33.1	32.9

[1] *Excluding persons living outside localities (Bedouins in the South and others) and in institutions (permanent samples).*

Table 17. The unavailable indicators

Dimension	N	Provisional Indicator (Fully accepted by Task Force for review)	Definition	Formula
Dimension 1. Safety and ethics of employment				
a) Employment safety	4	Labour inspection (inspectors per 100 000 employees)	State's capacity to enforce safe work principles, laws and regulations, deriving therefore to prevention efforts	Number of labour inspectors per 100 000 covered workers as an indication of the intensity of inspection effort where it occurs
	5	Share of employees working in "hazardous" conditions	People who declare to be exposed to factors that can adversely affect his/her physical health (exposure to chemicals, dusts, fumes, smoke or gases; noise or vibration; difficult work postures, work movements or handling of heavy loads; risk of accident)	
	6	Workplace expenditure on safety improvements as a share of total workplace labour costs		
c) Fair treatment in employment	11	Occupational segregation by citizenship	Difference of share of employment for national and no national applied to each occupation (ISCO classification 1- 9)	See occupational segregation by sex
Dimension 3. Work hours and balancing work and non-working life				
b) Working time arrangements	22	Percentage of employed people who usually work at night/evening	Concept of working arrangement should be strictly interpreted. Employed people only occasionally work on some atypical hours should be not included.	Employed people who usually work at night and-or in evening/ employed people *100
	23	Percentage of employed people who usually work on weekend or bank holiday	Concept of working arrangement should be strictly interpreted. Employed people only occasionally work on some atypical hours should be not included.	Employed people who usually work on Saturday and on Sunday/ employed people *100
Dimension 4. Stability and security of work, and social security				
a) Stability and security of work	29	Percentage of employees with temporary jobs	Employees with temporary contracts are those who declare themselves as having a fixed term employment contract or a job which will terminate if certain objective criteria are met, such as completion of an assignment or return of the employee who was temporarily replaced.	Employees with a temporary job/ Employees (or total employment)*100

	30	Percentage of employees with job tenure of less than one year	Employees with temporary contracts are those who declare themselves as having a fixed term employment contract or a job which will terminate by one year	Employees with job tenure 0-12 months/ Temporary employees*100
Dimension 5. Social dialogue				
a) Social dialogue	34	Share of employees covered by collective wage bargaining		
	35	Union density rate		
	37	Share of employees not covered by strike law		

CHAPTER VIII. Italy Pilot Report

Before presenting the study of quality of employment indicators in Italy, we should provide an overview of the labour market in the country. The analysis of the main indicators shows deep differences between the Italian and the European situations (Table 1).

Firstly, in Italy the employment rate is still substantially lower than the EU-27 average, especially for the female population. The labour market dynamics in the south of the country influenced this outcome to a great extent. Non-standard jobs (part-time and/or temporary) are less common in Italy than for EU-27 as a whole.

Although the Italian unemployment rate is lower than European average, the unemployed people have more difficulty to find a job, as pointed out by the higher percentage of long-term unemployment. Moreover, Italy presents a high inactivity rate, which is a high percentage of working age people who do not work nor are actively seeking a job.

To sum up, significant differences still remain with regard to both gender and territory, despite the progress made in the past years. As a matter of fact:

1) The female population has an employment rate and a percentage of employed persons lower than that of EU-27 (by about seven and five percentage points, respectively);
2) Even if the total unemployment rate is lower than the European average, the female unemployment rate is higher;
3) In the same way, Italian women's share in temporary jobs is higher than both Italian men and European women;
4) The differences between geographical areas are wide, to the extent that we may consider Italy as made up of two different countries. With respect to all indicators, the northern area shows values close to or even better than the European average, while the southern area lags behind.

Table 1. Main labour market indicators 2008 (per cent)

Indicator	EU-27	Italy			
		Total	North	Centre	South
Employment rate 15-64 years					
Male	72.8	70.3	76.2	73.0	61.1
Female	59.1	47.2	57.5	52.7	31.3
Total	65.9	58.7	66.9	62.8	46.1
Employed women	44.7	39.9	42.1	42.0	34.2
Part-time					
Male	7.9	5.3	4.6	5.8	6.0
Female	31.1	27.9	28.8	28.5	25.2
Total	18.2	14.3	14.8	15.3	12.6
Employees with temporary jobs					
Male	13.3	11.6	9.6	11.1	15.0
Female	14.9	15.6	13.2	15.3	21.8
Total	14.0	13.3	11.2	13.0	17.5
Unemployment rate					
Male	6.6	5.5	2.9	4.6	10.0
Female	7.5	8.5	5.2	8.2	15.7
Total	7.0	6.8	3.9	6.1	12.0
Unemployment rate, long-term					
Male	2.4	2.4	0.9	1.7	5.0
Female	2.8	4.1	1.9	3.4	8.9
Total	2.6	3.1	1.3	2.4	6.4
Inactivity rate, 15-64 years					
Male	22.0	25.6	21.5	23.4	32.0
Female	36.1	48.4	39.3	42.6	62.8
Total	29.1	37.0	30.3	33.1	47.6

Source: LFS 2008.

The indicators of quality of employment will be analyzed separately for each dimension. The only exception is the sub-dimension Fair treatment in employment, which is transversal across all the

dimensions and sub-dimensions.[122] Therefore, to the extent possible, we will calculate and present each indicator in the framework by sex, citizenship and geographical area.

Moreover, the analysis will look at changes over time in employment quality, as measured by the proposed indicators. In particular, time series from the Labour Force Survey (LFS) are available starting from 2004, when the continuous survey collecting information related to every week of the year started. At the time of writing the report, the most recent data referred to the first quarter of 2009 but we used annual data including 2008. With regard to others sources, we will look at time series for a maximum of ten years.

On the whole, as emerged at the joint UNECE/ILO/Eurostat Seminar on the Measurement of the Quality of Work in 2005, the LFS is the main source for measuring internationally comparable data regarding quality of employment indicators. Therefore, we used the LFS as much as possible to calculate the variables. Moreover, with regard to the indicators computed in the Italian LFS 2008, we estimated the sampling errors (coefficients of variation). All the indicators display insignificant sampling errors, showing that they could be properly estimated by the LFS (Annex I). When we refer to data from others sources, we will highlight the advantages and disadvantages.

First of all for each dimension we will review the data availability and source. Then, in the subsequent data for the various years will be examined and analyzed by sex, citizenship and territory.

A. Safety and ethics of employment

The major source on occupational injuries is INAIL (National Institute for Insurance against Occupational Accidents) which collects data referred to the workers covered by insurance.[123] INAIL covers almost all those for whom insurance is compulsory. INAIL statistics report data on compensated injuries due to all types of occupational accidents.

With regard to child labour, data on working conditions of people aged below 18 years are not available. However, the three indicators concerning young workers and child labour do not have particular relevance within the Italian context, since child labour for children aged less than 16 years is forbidden by national law. Furthermore, the phenomenon is very marginal in Italy. Partial information can be obtained using LFS. The share of persons aged 15 to 17 years in employment amounts to 2.3 per cent. Considering the threshold of at least 40 working hours per week, it is instead equal to 1.6 per cent.

Concerning the share of employees working in hazardous conditions, additional information comes from LFS 2007 ad-hoc module on accidents at work and work-related health problems.[124] This module provides data on people who declare to be exposed to factors that can adversely affect their physical health (exposure to chemicals, dusts, fumes, smoke or gases; noise or vibration; difficult work postures, work movements or handling of heavy loads; risk of accident). Information on the share of workers, who experienced one or more work-related health problems, may also be obtained from this module.

Occupational fatal injuries affect above all male workers, due to their frequent involvement in hazardous activity sectors such as buildings and industry. In recent years, a strong decrease has been observed in the level of fatal occupational injuries in the absolute and relative values: from 976 fatal accidents in 2003 to 744 in 2008 (Table 3).

[122] The most recent recommendation for the sub-dimension "Fair treatment in employment" of the Task Force was the following: rather than identifying specific indicators, it would be better to produce as many quality of employment indicators as possible disaggregated by gender, race, ethnic minority and by every other group for which there may be fair treatment concerns. UNECE Task Force on the Measurement of Quality of Employment. *Introduction of the Conceptual Framework for Measuring the Quality of Employment. Statistical Measurement of Quality of Employment: Conceptual framework and indicators*. September 2009.

[123] In Italy insurance against occupational injury is compulsory for all employees carrying out paid manual work on a permanent or casual basis in specific activities or processes. Non-manual workers in the public and private sectors are insured if they supervise manual workers, or if they use any type of electrical or electronic machinery on a regular basis. Self-employed workers in industry and agriculture, apprentices, family workers and members of cooperatives are also insured if they are manual workers in specific activities.

[124] Detailed information on module results is available at http://www.istat.it/salastampa/comunicati/non_calendario/20081229_01/ ;
European results have been published in Eurostat, *Statistic in Focus*, no. 63, 2009.
http://ep.eurostat.ec.europa.eu/portal/page/portal/product_details/publication?p_product_code=KS-SF-09-063 .

Table 2. Safety and ethics of employment indicators

Indicators	Source	Last data	Periodicity	Sex	Citizenship
Fatal occupational injuries rate (Workplace fatalities per 100 000 employees)	INAIL	2008	Annual	Yes	n.a.
Non-fatal occupational injuries rate (Workplace accidents per 100 000 employees)	INAIL	2007	Annual	Yes	n.a.
Employment of persons below the minimum age for the kind of work performed	n.a.	n.a.	n.a.	n.a.	n.a.
Employment of persons aged below 18 years in hazardous industries and occupations	n.a.	n.a.	n.a.	n.a.	n.a.
Employment of persons aged below 18 years for hours exceeding a specified threshold	n.a.	n.a.	n.a.	n.a.	n.a.
Employees working in hazardous conditions	LFS ad-hoc	II 2007	Five-yearly	Yes	Yes

Table 3. Fatal injury cases

Years	Absolute values			Standardized incidence rate of fatal accidents at work (rate per 100 000 workers)*
	Total	Men	Women	
2003	976	930	46	2.8
2004	930	889	41	2.5
2005	918	877	41	2.6
2006	987	945	42	2.9
2007	847	805	42	n.a.
2008	744	715	29	n.a.

*Source: ILO – Database Labourst*a and *European Statistics on Accidents at Work (ESAW).*

Also the rates on non-fatal injuries are decreasing moving from 4,179 in 1996 to 2,812 (per 100,000 in employment) in 2006. For this indicator gender differences are also relevant (table 4).

Further information come from the LFS 2007 ad-hoc module on accidents at work and work-related health problems according to which 45.6 per cent of male workers and 27.3 per cent of female workers are exposed to at least one risk factor. For all workers the share is 38.3 per cent. Italian figures are hardly lower than the ones for EU-27.

Table 4. Standardized incidence rate of accidents at work (per 100,000 workers)

Years	Male	Female	Total
1996	5 125	2 012	4 179
1997	5 006	1 992	4 089
1998	4 987	2 047	4 105
1999	4 932	2 093	4 067
2000	4 908	2 124	4 049
2001	4 802	1 811	3 779
2002	4 244	1 754	3 387
2003	3 993	1 716	3 267
2004	3 899	1 576	3 098
2005	3 534	1 558	2 900
2006	3 439	1 507	2 812

Source: European Statistics on Accidents at Work (ESAW.)

Industrial work in construction and agriculture is characterized by a greater exposure to hazardous conditions. Respectively 63.4 per cent and 54.3 per cent of workers involved in these sectors are under

such risk. Hazardous conditions concern also other sectors such as transport where 48.3 per cent, health where 45.5 per cent and manufacture where 44.7 per cent of workers work under hazardous conditions.

Furthermore, 18.2 per cent of workers overall declare to be exposed to negative factors affecting mental wellbeing. The rate is lower than for EU-27.

The ad-hoc module also reports information on people declaring work-related health problems suffered during the last 12 months besides accidental injuries and occupational diseases contraction per 100,000 employees. The number of persons, who suffered of occupational diseases in 2007, was equal to 2,797,000. The share over total employment is 6.9 per cent. The female share, on the other hand, was 6.3 per cent. Even in this respect, Italian results are better than the EU-27 average.

Table 5. LFS ad-hoc module 2007, main results
(per cent)

		Eu-27	Italy
Workers who experienced one or more work-related health problems	Men	8.6	7.4
	Women	8.5	6.3
	Total	8.6	6.9
Workers with work-related health problems who experienced limitations in normal daily activities	To some extent	50.1	60.6
	Considerably	22.3	7.7
Workers with work-related health problems resulting in sick leave	Sick leave	62.0	47.3
	Sick leave ≥ 1 month	27.0	16.7
Workers who are exposed to factors affecting mental wellbeing	Men	28.1	18.2
	Women	27.6	17.1
	Total	27.9	17.7
Workers who are exposed to factors affecting physical health	Men	47.5	45.6
	Women	32.4	27.3
	Total	40.7	38.3

Source: LFS, II quarter 2007 ad hoc module on accidents at work and work-related health problems

B. Income and benefits from employment

With regard to Dimension 2 "Income and benefits from employment", some information can be obtained from the Structure of Earnings Survey (SES), which is the main source of EU-wide harmonized structural data on gross earnings, hours paid and annual days of paid holiday leave.[125]

Table 6. Income and benefits from employment indicators

Indicators	Source	Last data	Periodicity	Sex	Citizenship
Average weekly earnings of employees	LFS	QI 2009	Quarterly	Yes	Yes
	SES	2006	Four-yearly	Yes	n.a.
Low pay (Share of employed with below 2/3 of median hourly earnings)	LFS	QI 2009	Quarterly	Yes	Yes
Share of employees using paid annual leave in the previous year	n.a.	n.a.	n.a.	n.a.	n.a.
Share of employees using sick leave	n.a.	n.a.	n.a.	n.a.	n.a.
Average number of paid annual leave days used in the previous year	SES	2006	Four-yearly	Yes	n.a.

Unfortunately, the data cover only employees in enterprises with at least ten employees excluding some National Classification of Economic Activities (NACE) branches (agriculture, fishing, public administration, private households and extra-territorial). On the other hand, since 2008, LFS collects data on monthly net salary of employees. In this case, all employees are included and cross-tabulations with

[125] SES is conducted every four years under Council Regulation (EC) no. 530/1999 concerning structural statistics on earnings and on labour costs, and Commission Regulation (EC) No 1738/2005 amending Regulation (EC) no. 1916/2000 regarding the definition and transmission of information on the structure of earnings.

many variables are possible. Therefore, we calculated the variables from both sources. In respect to the first indicator we calculated the variable mean monthly gross earning from SES and the variable mean monthly net salary from LFS (Tables 6 and 7).

Firstly, we observe a growth of the mean monthly gross earning: from €1,880 in 2002 to €2,099 four years later. Moreover, gender differences are evident in both years: on average females earn about 20 per cent less then males. Among other things, this may be related to the different incidence of part-time work and to occupational segregation by gender. The difference between national and non-national, populations instead, is mainly due to the higher number of non-national workers in non-skilled occupations (Table 8).

With regard to the second indicator of low pay, derived from LFS data, we observe higher values for women, non- national and in the South, confirming the indicator's relationship with disadvantaged working conditions. Regarding the third and fourth indicators, no specific information is collected. However, in Italy all regular employees are entitled to paid annual leave and to paid sick leave by national law. Differences exist about the length of both paid annual leave and paid sick leave.

Information on the average number of annual paid leave days comes from SES. There are no significant differences over time and by sex while the number of annual leave days varies across occupations, e.g. 22 days for International Standard Classification of Occupations (ISCO) 7 and 30 days for ISCO 2.

Table 7. Income and benefits from employment indicators

Variable	Year				
	2002	2005	2006	2007	2008
Average monthly gross earnings of employees,* €	€1 880	n.a.	€2 099	n.a.	n.a.
Average monthly net salary of employees,** €	n.a.	n.a.	n.a.	n.a.	€1 217
Share of employed with below 2/3 of median hourly net earnings,** per cent	n.a.	n.a.	n.a.	n.a.	10
Annual holiday,* days	26	n.a.	25	n.a.	n.a.

*Sources: * SES, 2002 and 2006; ** LFS, 2008*

Table 8. Income and benefits from employment indicators by sex, 2006 and 2008

Variable	Sex		Geographic area			Citizenship	
	Male	Female	North	Centre	South	National	Non- national
Average monthly gross earnings of employees*	2 271.0	1 865.0	n.a.	n.a.	n.a.	n.a.	n.a.
Average monthly net earnings of employees**	1 339.0	1 056.0	1 255.0	1 223.0	1 140.0	1 239.0	973.0
Share of employed with below 2/3 of median hourly net earnings**	8.5	12.0	6.9	9.6	16.2	8.9	21.6
Annual holiday*	25.0	25.0	n.a.	n.a.	n.a.	n.a.	n.a.

*Sources: * SES, 2006; ** LFS, 2008.*

Table 9. Working hours and balancing work and non-working life indicators

Indicators	Source	Last data	Periodicity	Sex	Citizenship
Average annual (actual) hours worked per person	NA	2009	Annual	n.a.	n.a.
	LFS	QI 2009	Quarterly	Yes	Yes
Share of employed persons working 49 hours or more per week	LFS	QI 2009	Quarterly	Yes	Yes
Share of employed persons working less than 30 hours per week involuntarily	LFS	QI 2009	Quarterly	Yes	Yes
Percentage of employed people who usually work at night/evening	LFS	QI 2009	Quarterly	Yes	Yes
Percentage of employed people who usually work on the weekend or bank holidays	LFS	QI 2009	Quarterly	Yes	Yes
Share of people with flexible work schedule	LFS ad-hoc	QII 2004	Five-yearly	Yes	n.a.
Ratio of employment rate for women with children under compulsory school age to the employment rate of all women aged 20-49	LFS	QI 2009	Quarterly	Yes	n.a.
Share of people receiving maternity/ paternity/family leave benefits	LFS ad-hoc	QII 2005	Five-yearly	Yes	n.a.

C. Working hours and balancing work and non-working life

Dimension 3 takes into account working time arrangements and balancing work and non-working life. All indicators can be obtained from LFS data (Table 9). In particular, the first indicator can be calculated both from National Accounts and LFS. The two indicators, share of people with flexible work schedule and share of people receiving maternity/ paternity/family leave benefits are available from the ad-hoc modules in 2004 and 2005 respectively. The other five indicators can be calculated from the quarterly LFS.

With regard to the indicator share of employed persons working less than 30 hours per week involuntarily' we calculated three variables: involuntary part-time (per 100 part-time), involuntary part-time (per 100 in employment) and time-related underemployment (per 100 in employment). Regarding the share of people receiving maternity/paternity/family leave benefits the estimated variables refer to persons entitled to receive the benefits, i.e. employees with children aged 0-7 years.[126]

The majority of the indicators remain constant over time (Table 10). The only exception is the incidence of involuntary part-time work that increases for both variables.

The average annual and weekly hours worked per person show a similar trend, being mostly stable. The use of the variable weekly hours worked per person obtained from LFS has the advantage of allowing cross-tabulations with socio-demographic and labour characteristics.

[126] Law 53/2000 integrated into Italian Law Council Directive 96/34/EC led to the introduction of significant changes in Italy. For instance, all working mothers with children aged up to eight years are entitled to apply for parental leave, whereas, previously, the children had to be aged three years or below; the length of parental leave has been increased from six to ten months; the employee is allowed to spread the time out to a certain extent (but not as a fully part-time option); there is now a provision for unpaid sick leave; fathers are entitled to apply for parental leave and, if they apply for at least three months, a further month is granted. However, payment rates for leave remain unchanged (30 per cent of wages), and are limited to six months of the leave period for children aged up to three years (previously up to one year old).

For what concerns long hours, we should always bear in mind the significant difference between employees and self-employed. Moreover, to improve the relevance of this indicator, it would be useful to consider also the involuntariness of the long hours. Others significant differences are revealed when considering the main socio-demographic characteristics (Table 11). Men are characterized by longer working hours while women have less frequently flexible work schedules. The incidence of involuntary part-time is higher for women than men if calculated on the total number of persons in employment. Conversely, it is lower when considering only persons employed part-time. This reflects the different incidence of part-time by gender. For both variables the values are higher for non-nationals compared to nationals.

Time-related underemployment only partially overlaps with involuntary part-time. In fact, the criteria used in the definition of time-related underemployment is based on hours worked,[127] while the distinction between part-time and full-time is based on the respondents' self-evaluation (especially for self-employed).

The variable ratio of employment rate for women aged 20-49 years with children aged 0-five years to the employment rate of women aged 20-49 years has significantly lower values for non-national women compared to Italian women (0.60 and 0.98 respectively). However, this indicator probably considers too wide an age group to highlight the problem of conciliation between working and non-working life. In fact, if limited to the age group 25-34, the rate decreases to 0.82.

Lastly, parental leave is taken above all by women and no significant differences are observed among geographical areas.

Table 10. Working hours and balancing work and non-working life indicators

Variable	Year				
	2004	2005	2006	2007	2008
Average annual (actual) hours worked per person	1 826	1 819	1 815	1 817	1 802
Average weekly (actual) hours worked per person*	34.7	34.9	34.9	34.9	34.6
Excessive hours of work	12.7	12.3	12.4	12.5	11.8
Excessive hours of work, employees	5.7	5.4	5.8	5.4	5.2
Excessive hours of work, self-employed	30.9	31.1	30.6	32.6	31.0
Involuntary part-time, as a share of part-time	35.7	38.4	36.8	38.5	40.3
Involuntary part-time, as a share of total employment	4.5	4.9	4.9	5.2	5.8
Share of time-related underemployment	n.a.	3.6	3.4	3.1	3.6
Share of those who usually work on Saturday and Sunday	12.9	12.7	12.3	12.3	12.8
Share of those who usually work at night	8.3	8.1	8.2	7.7	8.1
Share of people with flexible work schedule	33.7	n.a.	n.a.	n.a.	n.a.
Ratio of employment rate for women (20-49 years) with children (0-five years) to the employment rate of women (20-49 years)	0.92	0.92	0.92	0.93	0.93
Parental leave taken by employees (15-64 years), per 100 employees (15-64 years) with children (0-7 years)	n.a.	14.2	n.a.	n.a.	n.a.

*Source: LFS; *National Accounts.*

[127] According to 16th ICLS resolution in 1998, time-related underemployment refers to insufficient hours of work compared with an alternative employment situation where a person is willing and available to engage in. Operationally, it identifies employed persons who in the reference week were, are willing to work additional hours; were available to work additional hours; had worked less than a threshold relating to working time (40 hours in Italy).

Table 11. Working hours and balancing work and non-working life indicators, socio-demographic characteristics

Variable	Sex		Geographic area			Citizenship	
	Male	Female	North	Centre	South	National	Non national
Average weekly hours worked per person	37.80	29.80	34.60	34.20	34.80	34.60	34.90
Excessive hours of work	16.00	5.30	12.10	11.10	11.60	11.90	10.10
Excessive hours of work of employees	7.40	2.20	5.30	5.00	5.20	5.00	7.00
Excessive hours of work of self-employed	36.50	18.30	33.00	28.50	29.30	31.20	26.90
Involuntary part-time, as a share of part-time	49.80	37.60	30.00	42.60	60.90	37.90	62.90
Involuntary part-time, as a share of total employment	2.60	10.50	4.40	6.50	7.70	5.30	11.90
Share of time-related underemployment	3.40	3.90	3.20	3.70	4.20	3.30	7.00
Share of those who usually work on Saturday and Sunday,	13.10	12.20	11.40	13.20	14.90	12.60	14.70
Share of those who usually work at night	9.80	5.40	7.40	8.10	9.20	7.90	9.90
Share of people with flexible work schedule	36.00	30.60	34.00	32.90	33.80	n.a.	n.a.
Ratio of employment rate for women (20-49 years) with children (0-5 years) to the employment rate of women (20-49 years)	n.a.	n.a.	0.92	0.96	0.94	0.98	0.60
Parental leave taken by employees (15-64 years), per 100 employees (15-64 years) with children (0-7 years)	7.50	24.20	13.90	15.40	14.00	n.a.	n.a.

*Source: LFS, 2008; *LFS, ad-hoc module Quarter II 2004; ** LFS, ad- hoc module Quarter II 2005.*

D. Security of employment and social protection

Dimension 4 includes two sub-dimensions: i) Security of employment ii) Social protection. As regards the first sub-dimension, the two indicators can be obtained from LFS. Relating to the second sub-dimension, unfortunately information is available only for the first indicator public social security expenditure as share of GDP (Table 12).

As for temporary employment, we calculated both the incidence of temporary wage employment as a share of total number of employees, which is the measure usually adopted at European level, and the incidence of all kinds of temporary employment (i.e. including para-subordinate work) as a share of total employment.[128]

[128] The Italian survey collects data about the atypical self-employed without employees, a temporary freelancer called "collaboratore". This has been one of the main issues in the recent years in connection with the introduction of new employment typologies in Italy. In terms of autonomy at work, the "collaboratore" is often more similar to the temporary employee rather than the self-employed.

Table 12. Security of employment and social protection indicators

Indicators	Source	Last data	Periodicity	Sex	Citizenship
Percentage of employees aged 25 years and older with temporary jobs	LFS	QI 2009	Quarterly	Yes	Yes
Percentage of employees aged 25 years and older with job tenure (< 1 year, 1-3 years, 3-5 years, ≥ 5 years)	LFS	QI 2009	Quarterly	Yes	Yes
Public social security expenditure as a share of GDP	NA	2007	Annual	n.a.	n.a.
Share of employees covered by unemployment insurance	n.a.	n.a.	n.a.	n.a.	n.a.
Share of economically active population contributing to a pension fund	n.a.	n.a.	n.a.	n.a.	n.a.

Table 13. Security of employment and social protection indicators (per cent)

Variable	Year				
	2004	2005	2006	2007	2008
Temporary employment as a share of employment	10.7	11.0	11.8	11.9	11.9
Temporary employees as a share of employees	11.8	12.3	13.1	13.2	13.3
Temporary employees as a share of employees aged 25 years and older	9.7	10.1	10.8	10.9	10.9
Share of employees aged 25 years and older and with job tenure <1 year	6.3	6.1	6.5	6.7	6.6
Share of employees aged 25 years and older and with job tenure 1-2 years	13.4	13.7	13.4	13.8	15.2
Share of employees aged 25 years and older and with job tenure 3-five years	17.9	19.1	17.0	15.8	15.1
Share of employees aged 25 years and older and with job tenure >five years	55.3	58.9	61.4	62.1	61.3
Share of temporary employees with job tenure <1 year	46.4	47.4	50.0	50.6	50.1
Public social protection expenditure as share of GDP*	18.0	18.1	18.1	18.2	n.a.

*Source: LFS, *National Accounts*

Moreover, we limited the indicator only to employees aged 25 years and older, as suggested by the Task Force.

All variables show an increasing trend over the five years considered (Table 13). Classifying job tenure of the last job in four categories (<12 months, 1-3 years, 3-five years, >five years) the results do not change considerably over time. However, understanding the relationships between job tenure and the quality of employment is not easy. For instance, being in the same job for a long time may imply work security, but at the same time it can also indicate few possibilities to find a better job. Considering temporary employees only, about half of them have job tenure shorter than one year.

Lastly, the public social protection expenditure as a share of GDP presents similar values for the four available years. However, it is important to highlight that the expenditure is mostly directed to old age (about 70 per cent of social protection expenditure) while only a little part is assigned to families and children and to unemployment (about six per cent and three per cent respectively).

As for socio-demographic characteristics, the incidence of temporary employment is higher for women, for non nationals and in the south of the country (Table 14). With regard to job tenure, fewer non-nationals - compared to Italians – have job tenure longer than five years. This is mainly due to the fact that the number of foreigners in Italy has increased over the last five years.

Table 14. Security of employment and social protection indicators (per cent)

	Sex		Geographical area			Citizenship	
	Male	Female	North	Centre	South	National	Non national
Temporary employment as a share of employment	9.6	15.4	10.4	12.3	14.5	11.7	14.3
Temporary employees as a share of employees	11.6	15.6	11.2	13.0	17.5	13.1	15.6
Temporary employees as a share of employees aged 25 years and older	9.0	13.4	8.7	10.4	15.7	10.7	13.4
Share of employees aged 25 years and older and with job tenure <1 year	6.4	6.7	5.7	6.5	8.2	6.1	11.4
Share of employees aged 25 years and older and with job tenure 1-2 years	14.1	16.6	15.2	15.0	15.3	14.1	26.9
Share of employees aged 25 years and older and with job tenure 3-five years	14.6	15.8	15.5	15.8	13.9	13.9	29.1
Share of employees aged 25 years and older and with job tenure >five years	62.7	59.6	62.2	61.7	59.4	64.1	31.4
Share of temporary employees with job tenure <1 year	49.5	50.8	47.7	48.3	54.2	50.0	50.9

Source: LFS, 2008.

E. Social dialogue

Social dialogue is a dimension related to the freedom of association and to the right to organize and bargain collectively. It is measured by two indicators: share of employees covered by collective wage bargaining and average number of days not worked due to strikes and lockouts (Table 15).

Both indicators are collected by Istat. The first comes from the Structure of Earnings Survey (SES); the second from the Wages According to Collective Agreements and Labour Disputes Survey (WACALD).

Table 15. Social dialogue indicators

Indicators	Source	Last data	Periodi-city	Sex
Share of employees covered by collective wage bargaining	SES	2006	Four-yearly	Yes
Average number of days not worked due to strikes and lockouts	WACALD	2007	Monthly	n.a.

In SES, the number of employees with national level or interconfederal agreement covers all NACE branches except agriculture, fishing, public administration, private households and extra-territorial organizations in enterprises with at least ten employees. The 10,352 million employees in these economic branches were all covered by collective wage bargaining in 2006 where women represented 42 per cent of total.

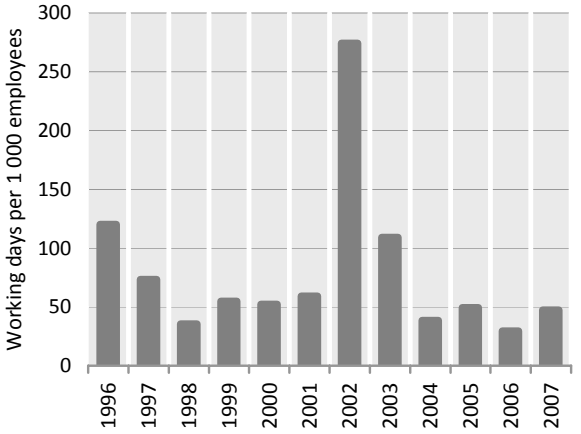
However, the LFS estimate for 2006 covers 16,915 million employees when all NACE branches are considered. There are no official statistics on the coverage of collective bargaining for all employees, but the Organization of Economic Cooperation and Development (OECD) estimated it as over 80 per cent in 2000.[129]

Other information on collective bargaining is collected by the WACALD survey, which provides monthly an index of wages according to collective agreements. This survey also provides information on the delays in renewing collective agreements.

[129] OECD. Employment Outlook. 2004

The number of working days lost for strikes and lockouts per 1,000 workers is calculated using the number of working hours lost for labour disputes collected monthly by WACALD survey.

Figure 1. Working days lost per 1,000 workers



Source: WACALD

Analyzing data from last years we observe a peak in the number of days lost in 2002. The reasons are twofold. First, 2002 was a year of heated disputes between one of the main trade unions Confederazione Generale Italiana del Lavoro (CGIL) and the government, which tried to reduce workers' guarantees in case of dismissal, even in companies with more than 15 employees[130] (Article 18 of Workers' Statute, law 300 of 1970). However, the high registered value is also ascribable to a technical change in data collection. Until 2002, the data covered strikes and lockouts for all reasons while since 2003 only labour disputes are taken into account. In 2002, the incidence of strikes due to non-labour disputes was 82.2 per cent.

Data on strike and lockouts based on labour disputes are strictly related to the renewal of collective agreement. Therefore, we face many difficulties in analyzing the data trend. It may be that the two proposed indicators are not adequate to describe the Italian context. It could be interesting to have information on the number of trade unionists, on participation rates to the elections of union representatives, on absences due to union activity, on

[130] In October 2002, there was a general strike for eight hours, which involved a large number of workers. In Rome there was a demonstration of about three million people.

Table 16. Skills development and training indicators

Indicators	Source	Last data	Periodicity	Sex	Citizenship
Share of employed persons in high-skilled occupations	LFS	QI 2009	Quarterly	Yes	Yes
Share of employees who received job training within the last 12 months	LFS	QI 2009	Quarterly	Yes	Yes
Share of employed who have more education than is normally required in their occupation	LFS	QI 2009	Quarterly	Yes	Yes
Share of employed who have less education than is normally required in their occupation	LFS	QI 2009	Quarterly	Yes	Yes

the number of workers involved in strikes and lockouts, etc.

Concerning collective bargaining, it should be noted that in Italy it takes place at two levels: at the industry level – the most important – and at the company or, sometimes, district level. It could be interesting to have some information on the share of workers covered by collective bargaining at the company or district level.

F. Skills development and training

Dimension 6 measures workers' qualification and skill development and in particular focuses on over- or under-qualification. All indicators proposed by the Task Force can be derived from LFS, which allows analyses by sex and citizenship (Table 16).

With regards to job training the Task Force proposes to measure it with reference to the last 12 months, with the undoubted advantage of considering a large time interval. The question posed by LFS, instead, is limited to the four weeks preceding the interview. Our variable is thus built on the LFS reference period.

A second problematic aspect concerns under-education, since a clear definition is still lacking at the international level. What is under-education? Which are the characteristics to be considered as under-educated? How should the indicators be computed? Therefore, while the efforts should be directed towards establishing a commonly shared operational definition of under-education, the indicator is excluded from the analysis at this stage. On the other hand the concept of over-education is more clearly defined and it presents fewer problems in variable building.[131]

The picture of skills development and training is that of overall stability over time; only slightly increasing or decreasing trends are detectable for some variables (Table 17).

The percentage of employment in occupation classified as ISCO 1 to 3 increases, for instance, by less than one percentage point. However, this trend is a result of a more remarkable increase – particularly up to 2007- of the share in ISCO 3 occupations, of a moderate growth of the share of employment in ISCO 2 occupations, and lastly of a decrease in the percentage of employed in ISCO 1 occupations.

The percentage of employed persons, who received some form of job training in the four weeks preceding the interview, is substantially stable over the time period considered, 2005 being the only year registering a value below four percent.

A gradual increase is observed with respect to the proportion of over-educated workers. Among the persons in employment with educational level Isced 5-6, the percentage of those with more education than is normally required in their occupation grew from 11.7 per cent in 2004 to 14.9 per cent in 2008. This is attributable to the fact that the labour offer for high-skilled occupations is not adequate to meet the improvement of the population's education level.

[131] We used a simple definition of over-education, identifying the overqualified people according to the level of education on the basis of ISCO guidelines for major groups of occupations. We classify as over-educated any person with an Isced level 5-6 in major occupational groups 4 to 9.

Table 17. Skills development and training indicators (per cent)

Variable	Year				
	2004	2005	2006	2007	2008
Share of employment in high-skilled occupations (ISCO 1)	9.1	8.9	8.6	8.3	8.2
Share of employment in high-skilled occupations (ISCO 2)	10.1	9.9	9.6	10.0	10.4
Share of employment in high-skilled occupations (ISCO 3)	19.6	19.6	21.4	22.0	21.1
Share of employment in high-skilled occupations (ISCO 2-3)	29.7	29.5	31.1	32.0	31.5
Share of employment in high-skilled occupations (ISCO 1-3)	38.8	38.4	39.7	40.2	39.6
Share of employed people job training last 4 weeks	4.5	3.9	4.2	4.2	4.6
Share of overeducated employment	11.7	13.4	13.8	13.9	14.9

Source: LFS.

Gender differences do exist also in relation to workers' qualification and skill development, although they are less remarkable compared to other aspects of employment (Table 18). The percentage of women in occupations of the first major ISCO occupational group is lower than that of men; however, the female share of employed in ISCO 2 and 3 significantly exceeds the figures for men. Women are involved in training to a higher extent than men, as the indicator on job training received in the last four weeks highlights. Also a bigger share of women are over-educated than men with tertiary education.

At geographical level, only the South presents a situation slightly diverging from the national picture. The proportion of employed in ISCO 1 occupations is slightly higher compared to the other areas; that of employed in ISCO 3, conversely, is lower. The share of employed persons, who received job training decreases from 5.2 to 3.3 percent as we move from north to south. Over-education seems to affect the employed population of the Centre to a greater extent than in the other areas of the country.

Table 18. Skills development and training indicators by socio-demographic characteristics (per cent)

	Sex		**Geographic area**			**Citizenship**	
	Male	**Female**	**North**	**Centre**	**South**	**National**	**Non national**
Share of employment in high-skilled occupations (ISCO 1)	9.1	6.8	7.8	7.9	9.0	8.6	3.3
Share of employment in high-skilled occupations (ISCO 2)	9.4	11.8	9.6	11.3	11.1	11.0	1.9
Share of employment in high-skilled occupations (ISCO 3)	18.3	25.4	23.0	21.2	17.5	22.4	4.7
Share of employment in high-skilled occupations (ISCO 1-3)	36.8	44.0	40.4	40.3	37.7	42.1	9.9
Share of employment in high-skilled occupations (ISCO 2-3)	27.7	37.2	32.6	32.5	28.6	33.5	6.6
Share of employed people job training last 4 weeks	4.0	5.6	5.2	4.9	3.3	4.8	1.7
Share of overeducated employment	12.1	17.6	15.6	17.5	11.3	12.3	61.3

Source: LFS, 2008.

However, the most outstanding difference is in the values registered for national and non-national citizens. Non-nationals are under-represented in the first 3 major ISCO occupational groups. Not even ten percent of foreign workers are employed in occupations classified in ISCO 1 to 3, versus nearly 40 percent of Italian workers employed in the same occupational groups. The figure reported by the indicator of over-education is even more striking: more than half of the foreign population with tertiary education has an inadequate employment situation.

G. Workplace relationships and work motivation

With regard to dimension 7 "Workplace relationships and work motivation" there are not indicators fully accepted by the Task Force. As a matter of fact, this dimension is the hardest to measure, as it involves subjective evaluations of one's own job. Some of the indicators suggested by members of the Task Force can be calculated from The European Working Conditions Survey (EWCS), carried out by the European Foundation for the Improvement of Living and Working Conditions.[132]

The recurring nature of the survey gives a picture of working conditions throughout Europe over the last period. However, with a sample of only 1,000 respondents in each country, the survey does not allow detailed analyses of working conditions referred to particular groups within specific European countries.[133] As a whole, in 2005 job satisfaction is lower in Italy compared to that in EU-27: 76 per cent of respondents claim that they are satisfied or fairly satisfied with their job, compared to 82 per cent in EU-27. Also considering the specific aspects of job, the share of satisfied workers in Italy is inferior to that in EU-27 (Figure 2).

Figure 2. Satisfaction with specific aspects of job, percentage 2005

Source: EWCS.

In Italy, there is also a Quality of Work Survey carried out by the Institute for the Development of Vocational Training (Istituto per lo Sviluppo della Formazione Professionale dei Lavoratori, Isfol) in 2006. The survey questionnaire is based on the EWCS questionnaire. It contains several questions about specific aspect of job satisfaction. Unfortunately, also its sample size is low.[134] Therefore, it is difficult to understand if observed differences in the values over time and/or by some socio-demographic characteristics are due to real changes rather than to sample errors.

In addition to data from EWCS, information for Italy may be obtained from the Multipurpose Survey which annually collects information on different aspect of daily life. The sample consists of 24,000 households, living in 900 Italian municipal areas. The questionnaire has a question on satisfaction at work. Even if based on only one question, it is interesting to analyze how the level of satisfaction varies on the basis of interviewees' characteristics. For instance, Table 19 shows that level of satisfaction is higher for managers and professionals and is lower for workman and apprentices.

[132] European Foundation for the Improvement of Living and Working Conditions is an autonomous EU agency with a tripartite Governing Board based in Dublin. Every five years, the Foundation conducts a survey to study working conditions in Europe. The survey has so far been carried out four times: in 1990/91, 1995/96, 2000 (extended to cover the ten new member states and Bulgaria, Romania and Turkey in 2001/02) and 2005 (31 countries). http://www.eurofound.europa.eu/docs/ewco/4EWCS/ef0698/annexes.pdf

[133] In Italy 1,005 interviews were conducted.

[134] The survey featured multi-stage random sampling, based on computer-assisted telephone interviews (CATI) with a sample of 2,000 workers, including employees and self-employed persons.

Table 19. Satisfaction at work by sex and position in the profession, 2009 (per cent)

Position in the profession	Employed people									
	Males					Females				
	Very satisfied	Quite satisfied	Not very satisfied	Not at all satisfied	Don't know	Very satisfied	Quite satisfied	Not very satisfied	Not at all satisfied	Don't know
Managers, professionals, entrepreneurs	23.7	57.1	13.3	2.0	3.9	24.0	56.3	13.3	3.5	2.9
Executive, clerks	18.3	61.4	13.1	3.3	3.9	17.6	62.8	14.0	2.3	3.3
Workman/woman, apprentices	12.2	57.3	21.9	4.0	4.6	13.7	54.7	23.0	5.1	3.5
Self-employed, collaborator in the family business	14.1	56.2	20.8	4.0	5.0	12.2	62	16.7	5.1	4.1
Total	16.2	58.2	17.8	3.5	4.4	16.6	59.8	16.7	3.5	3.4

Source: Istat, Multipurpose Survey, 2009.

Another important aspect related to this dimension could be the number of workers, who in their job have been victims of any kind of harassment. Istat has conducted for the first time in 2008-2009 a specific ad-hoc module focused on mobbing (harassment at work or bullying at work), inserted in the Multipurpose Survey on Citizens' Security to be carried out every five years. The sample consists of 60,000 households. Through this module information on the frequency and the intensity of any kind of harassment at work or contempt suffered by the interviewees (people aged 15-74 years, who work or have worked with other people) is collected. Victims were asked about causes, consequences and results of their experience. An indicator that could be built from this source is the ratio of people who have been harassed or humiliated to the total of the interviewed. Indicators could refer to three different periods: the whole work experience, the last three years or the last 12 months previous the interview.

H. Conclusions

The empirical analysis of Quality of Employment in Italy highlights that in the majority of cases the indicators proposed by the Task Force are available: only eight of the 30 fully accepted indicators are not computable. Specifically, the following were not available:

1) Employment of persons who are below the minimum age specified for the kind of work performed;
2) Employment of persons below 18 years in designated hazardous industries and occupations;
3) Employment of persons below 18 years for hours exceeding a specified threshold;
4) Share of employees using paid annual leave in the previous year;
5) Share of employees using sick leave;
6) Share of employees covered by unemployment insurance;
7) Share of economically active population contributing to a pension fund;
8) Share of employed who have less education than is normally required in their occupation.

The first three indicators, however, have only a modest relevance within the Italian context since child labour is forbidden by law. On the other hand, youth inactivity rate in Italy has been increasing in the recent years, as pointed out by the considerably big share of people in their thirties that have never worked.

With respect to the two indicators concerning non-income benefits, share of employees using paid

annual leave in the previous year and share of employees using sick leave, we believe that they are not exactly the most adequate measures. Rather, it would be more interesting to know how many workers are entitled to paid annual and sick leave, and the number of leave days they are entitled to in one year.

The sixth indicator, share of employees covered by unemployment insurance is of great relevance, above all in a period of general deterioration of labour market characterized by rising unemployment rates. Unfortunately, we do not have official information on this in Italy. This year, the Bank of Italy attempted to estimate the number of employees not covered by unemployment insurance. In 2008, they were about 1,600 workers, i.e. 9.4 per cent of employees. However, the government contested this result without providing further explanation. Besides unemployment insurance, another instrument to protect workers from unemployment is the Cassa Integrazione Guadagni, or Wages Guarantee Fund (financed by companies and the state and administered by the National Institute of Social Insurance). In situations of dramatic decrease of economic production, this fund compensates up to 80 per cent of the pay of employees lost due to lay offs or short-term work. The Cassa Integrazione Guadagni enabled the reduction of the number of dismissals during the current deterioration of labour market.

With regards to the seventh indicator, share of economically active population contributing to a pension fund, both its operational definition and its relationship with the quality of employment are not clear.

Lastly, for the indicator share of employed who have less education than is normally required in their occupation, the main problem is the lack of a common operational definition rather than data availability. Furthermore, a more attentive discussion on its actual relevance and on its meaning would be necessary.

Considering the available indicators, LFS is confirmed as the main source of data: 16 indicators can be obtained from this survey. Moreover, the insignificant sample error of the variables from LFS confirms the robustness of its estimates. In this respect, we should always pay attention to the source we use. Unofficial data sources are often based on samples of a limited size, which may be less reliable in terms of the robustness of estimates. Moreover, differences between official and unofficial sources also exist with respect to standard definitions and to the data collection methodology.

On the whole, the seven proposed dimensions are sufficient to describe the different aspects of quality of employment in Italy. However, further work remains to be done. Firstly we should produce clear operational definitions for the final list of indicators. Then, with specific respect to Italy, more attentive considerations on the figures for the self-employed will prove very useful. In fact, this category is very heterogeneous as it includes also the *collaboratori*, who are atypical freelancers and whose attributes are more similar to those of temporary employees rather than of the self-employed.

Another aspect that deserves particular attention is the relationship between the general labour market situation and the quality of employment. In this respect time series may provide significant results, as they may highlight the trends in the quality of employment associated to improvement or the worsening of labour market conditions. Besides past trends, it will be particularly interesting to analyse the quality of employment indicators in 2009, which has witnessed a general deterioration of labour market conditions. In the first quarter of 2009, for instance, temporary employment has decreased in Italy. Far from implying a transformation of temporary contracts into permanent contracts, this is rather attributable to an overall reduction of employment levels. Therefore the decrease of temporary employment cannot be interpreted as an improvement of the quality of employment.

Lastly, the dimension regarding fair treatment in employment, proposed by the Task Force as a transversal dimension (thus presenting all indicators disaggregated by sex and citizenship) proved to be very effective to describe the Italian context. Age also may be added to address the issue of fair treatment in employment. In addition, as well known and further proven by our study, a country like Italy, characterized by a marked north-south divide, requires an analysis disaggregated by geographical areas to highlight the existence of several and distinct “labour markets” with their specific traits.

ANNEX

Quality of employment: coefficient of variation of LFS indicators, 2008

	Total	Sex		Geographic al area		
		Male	Female	North	Centre	South
Dimension 2. Income and benefits from employment						
Inadequate pay rate	2.10	2.81	2.53	4.13	5.18	2.61
Dimension 3. Working hours and balancing work and non-working life						
Excessive hours of work	0.91	0.94	2.11	1.20	2.37	1.62
Excessive hours of work of employees	1.71	1.79	3.93	2.29	4.09	3.22
Excessive hours of work of self-employed	0.92	0.96	2.37	1.22	2.53	1.54
Involuntary part-time as a share of part-time	1.05	1.67	1.21	1.95	2.32	1.17
Involuntary part-time as a share of total employment	1.32	2.37	1.47	2.25	2.91	1.85
Average weekly hours worked per person	0.13	0.13	0.23	0.16	0.27	0.30
Share of time-related underemployment	1.70	2.19	2.41	2.59	4.18	2.58
Share of those who usually work at night	1.12	1.23	2.21	1.76	2.63	1.64
Share of those who usually work on Saturday and Sunday	0.98	1.12	1.37	1.49	2.14	1.57
Dimension 4. Security of employment and social protection						
Temporary employees as a share of employees	0.94	1.28	1.20	1.47	2.12	1.44
Temporary employees as a share of employment	0.96	1.31	1.22	1.49	2.17	1.48
Share of temporary employment	0.88	1.24	1.10	1.32	2.11	1.37
Share of those with job tenure <1 year	1.13	1.57	1.29	1.93	2.44	1.59
Temporary employees as a share of employees aged 25 years and older	1.20	1.10	1.20	1.50	1.20	1.50
Share of employees aged 25 years and older and with job tenure less 1 year	1.10	1.70	1.90	1.60	1.10	1.90
Share of employees aged 25 years and older and with job tenure 1-2 years	1.90	1.00	1.10	2.80	1.90	1.50
Share of employees aged 25 years and older and with job tenure 3-five years	1.90	0.90	1.10	2.80	1.90	1.50
Share of employees aged 25 years and older with job tenure >five years	0.20	0.70	0.70	0.20	0.20	1.20
Dimension 6. Skills development and training						
Share of employment in high-skilled occupations (ISCO 1-3)	0.47	0.57	0.56	0.66	1.12	0.81
Share of employment in high-skilled occupations (ISCO 2-3)	0.54	0.69	0.64	0.75	1.31	0.93
Share of employment in high-skilled occupations (ISCO 1)	1.19	1.35	1.77	1.77	2.81	1.86
Share of employment in high-skilled occupations (ISCO 2)	1.12	1.33	1.44	1.71	2.71	1.61
Share of employment in high-skilled occupations (ISCO 3)	0.66	0.88	0.81	0.88	1.72	1.15
Share of overeducated employment	1.90	3.06	2.37	2.76	3.69	3.36
Share of employed people job training last 4 weeks	1.32	1.80	1.77	1.77	3.02	2.46

CHAPTER IX. Mexico Pilot Report

The idea of using labour data to analyze the quality of employment could not be more attractive for labour statisticians in a country with the complexity and characteristics of Mexico. Currently, Mexico has almost 108 million inhabitants with a labour force of 46 million facing one of the most severe economic crises ever. Mexico has been hit by serious economic shocks again and again now for a third of a century. Amongst the fifteen biggest economies (in terms of GDP) in the world Mexico will possibly see the sharpest GDP fall in 2009. The puzzling aspect is that the unemployment rate -even with the additional impact of the AH1N1 virus on the economy- remains one of the lowest amongst the Organization of Economic Cooperation and Development (OECD) nations. It is true that Mexico's unemployment rate has doubled in a matter of months but it remains at 6.3 per cent as of August 2009 whereas it is 9.7 per cent in the US and nearly 18 per cent in Spain. Even amongst Latin American countries Mexico's unemployment rate is relatively low. Take for example Brazil, which is one of least affected countries in the region by the recession with a forecasted growth of about four per cent this year: the unemployment rate for July is 8.5 per cent.

Mexico has a robust, up-to-date and conceptually solid Labour Force Survey[135] well established within its statistical system so the explanation has nothing to do with the method of measurement be it sample design, the concepts adopted or the way they are implemented. The standard explanation of Mexico's exception in this regard has pointed out to the absence of national unemployment insurance[136] (Brazil has a six-month one) as well the buffer effect of both a large informal sector and large migration flows. Indeed during many years before the current US recession, the country transferred- by means of migration- part of its labour pressure to the US so a big share of the unemployed or about-to-be-unemployed labour force simply crossed the border. In this sense the interpretation suggests that the unemployment rate is a result rather than a cause of the migration phenomenon. This is the effect of having a labour market where the supply is national while the demand is international.

Despite this, it is interesting to see at present that even though migration flows have experienced a significant decrease due the simple fact that the recession started in the US in the first place and that the size of the informal sector is comparable between Mexico and Brazil, the unemployment rate of the former has not sharply increased. It suggests, for the first time, that the conventional explanation of the buffer effect might be overestimated after all or in any case has been not enough. In other words, there is something else behind this situation.

Conventional economic theory says always the same of a market of any kind: either it adjusts its prices or it adjusts its quantities. It seems that in most OECD countries due to labour rigidities the adjustments are made in the level of employment. In the case of Mexico the story has been quite different. In a country, which has experienced in the past high inflationary levels without ever implementing a salary indexation policy (as it was once the case for both Argentina and Brazil) the minimum wage has lost 72 per cent of the purchasing power compared to 1976. If it is really the case that nowadays only a small fraction of the employed earns the minimum wage, the adjustment made in Mexico's labour market is revealed. However, the current situation demands once again something more in order to understand the low unemployment rate. Although wages had always had been adjusted with a considerable lag with respect to the price levels in the country, it is also true that inflation has not been significant for most part of this decade, and even less during the present recession.

So it seems that a hidden variable is out there. Maybe the notion of labour market prices ought to be expanded to include precisely the subject of the framework. It is time to start thinking in terms of the quality of employment and with it the trade-offs

[135] Mexico's Labour Force Survey is known as ENOE: *Encuesta Nacional de Ocupación y Empleo*, conducted on a continuous basis nationwide with quarterly samples of 120,260 dwellings where a bit less half a million people live. The questionnaire design takes into account the ILO/ICLS recommendations on identifying labour force and unemployment (13th ICLS,1982); informal sector employment (15th ICLS, 1993); informal employment as a more encompassing concept (17th ICLS, 2003) as well those on time-related underemployment (16th ICLS, 1998). In all its features, ENOE follows closely the ILO guidelines set in the *Purple Book: Employment, Unemployment and Underemployment: An ILO manual on concepts and methods*. Geneva, Second Edition, 1992.

[136] A public-sponsored unemployment insurance has been adopted only in the nation's capital, Mexico City.

between quantities and quality adjustments. Therefore, it might be that in Mexico—perhaps as no other country with an economy of similar size—the adjustment has been on the qualitative aspects above anything else. The challenge of course is to find the set of indicators that reflect more accurately and more consistently this fact and this is why the topic of quality of employment is of paramount relevance. In this country just to be employed alone does not mean that people can wade in the socioeconomic quagmire.

In what follows, the report tries to adjust its contents as closely as possible to the structure and order of both the "Proposal for Country Reports on the Quality of Employment" as well the "Statistical Measurement of Quality of Employment: Conceptual framework and indicators" sent on 2 September 2009.

A. Safety and ethics of employment

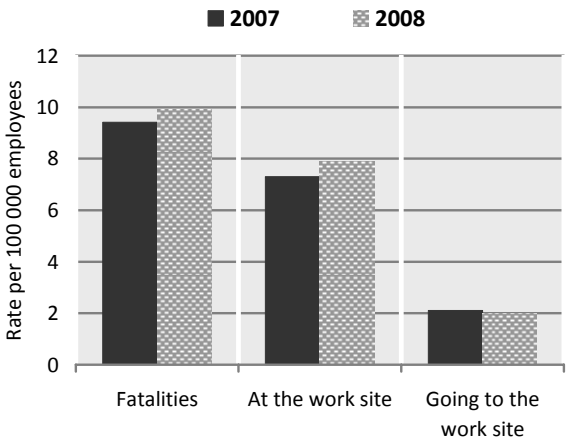
1. Safety at work

Despite the fact that the number of paid employees covered by social security decreased by 1.14 per cent in 2008 compared to 2007 (about 164,000 workers less) the number of fatalities per 100,000 employees increased by 5.2 per cent rising from 9.41 in 2007 to 9.90 in 2008. Specifically, the fatal occupation injury rate at the work site went up from 7.3 to 7.9 while the rate for those incidents that took place when going to work decreased from 2.11 to 2.00 (Figure 1). Therefore, clearly increasing number workplace accidents were behind the rise in the number of fatalities as a result of occupational injuries.

The non-fatal occupation injury rate went from 3,120 per 100,000 employees in 2007 to 3,555 per 100,000 employees in 2008. The rate of non-fatally injured by workplace accidents in the last year was 2,883; the incidence of injuries on the way to the workplace was 646 per 100,000 workers and the rate of workers affected by workplace related diseases was almost 26 per 100,000 employees (Figure 2).

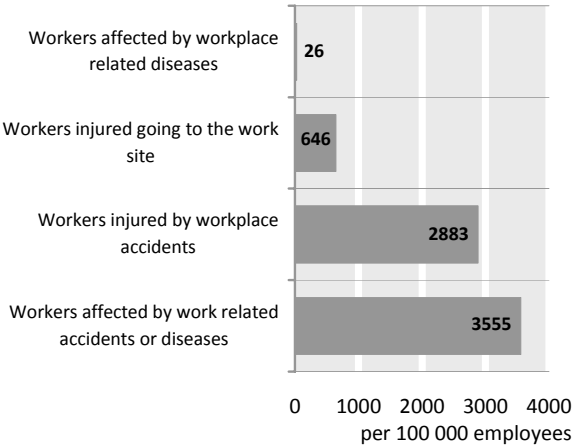
All these rates show an increase compared to the previous year so it seems quite plausible to think that many enterprises in anticipating the effects of the economic recession in the United States on Mexico reduced costs including those related with safety at work. Unfortunately there is no data to confirm this, but the direction that all the information consistently points to makes this conclusion almost unavoidable.

Figure 1. Fatal occupation injury rate, per 100,000 employees



Source: Instituto Mexicano del Seguro Social (IMSS) and Ministry of Labour (STPS).

Figure 2. Non-fatal occupation disease and injury rate, per 100,000 employees



Source: Instituto Mexicano del Seguro Social (IMSS) and Ministry of Labour (STPS).

The data source is the Mexican Institute of Social Security (IMSS) which not only collects both workers and employers contribution to social security but also provides healthcare for all those affiliated through a network of hospitals and clinics widely around the country. The data is updated twice a year and is reliable at its broad categories. The problem, however, has to do with coverage because these statistics refer only to employees with a formal link to formal economic units. In other words, if the employee works in the informal sector, as it is understood by the 15th ICLS, 1993 or participates in the processes of formal

economic units without a formal labour attachment (a concern of the Seventeenth ICLS, 2003) there is not an equivalent statistic on the situation of an important part of the labour force unprotected by social security. Employees operating in the informal sector and informally in formal economic units amount to 13 million in the second quarter of 2009 or 45 per cent of total paid workers. This is the percentage of paid employees for whom we do not have data on occupational accidents or diseases.

To have an idea of the total number of employees that might be working in hazardous conditions or those working at a level of risk that is above average, it is better to take a look at the information provided by ENOE, which, as any other household survey of its kind, provides the widest panorama possible. Using International Standard Classification of Occupations (ISCO) and considering all employees working on physical tasks and/or with machinery and equipment, and those in freight transportation as well in construction industry, it is estimated that between a third and 40 per cent of all of Mexico's paid employees operate with a certain level of risk every day. The share was 39.4 per cent in 2005 and went down to 37.1 per cent in 2009 (second quarters, Table 1). However, this decrease might not bear any interpretations of improving labour conditions. It rather points out to the structure of employment and to the fact that as industries of tradable commodities are more affected by the recession while employment share rises in tertiary activities, which demand less physical work.

Table 1. Share of employees working in hazardous conditions (per cent)

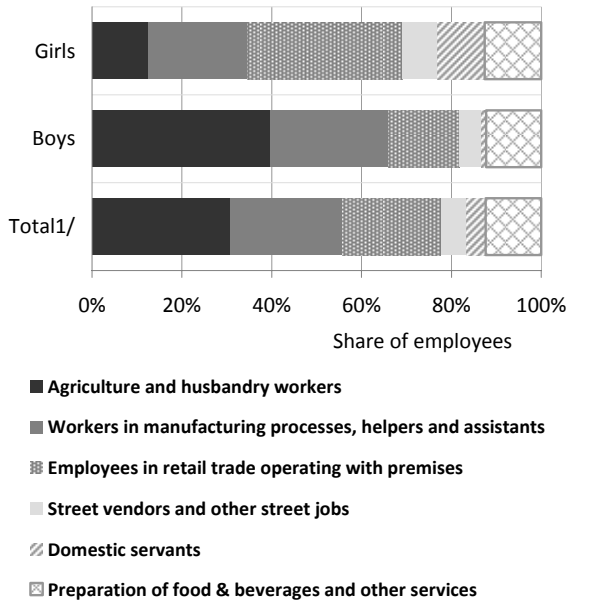
Quarter II/ Year	Total	Men	Women
2005	39.36	51.70	18.12
2006	39.02	51.36	17.92
2007	38.60	51.38	17.07
2008	38.58	51.46	16.77
2009	37.10	50.18	14.94

Source: INEGI, STPS, Encuesta Nacional de Ocupación y Empleo (ENOE).

2. Child labour and worst forms of child labour

Mexico is a country of about 29.2 million individuals aged between 5 and 17 years; 3.6 million are engaged in some kind of work either as a wage earner or as a contributing family member. About 31 per cent operate in agriculture and husbandry activities; 25 per cent are workers, helpers or assistants in manufacturing processes; 22 per cent are employees in retail trade operating with premises; 12 per cent participate in preparation of food beverage and other services; four per cent are paid domestic servants and; six per cent work either as street vendors or doing other streets jobs. Of the total 3.6 million, 2.4 million are boys, 1.2 million girls. The latter concentrate mostly in retail trade operating with premises (35 per cent) while the former in agriculture and husbandry (40 per cent). The share of girls in street activities is eight per cent while only five per cent of boys work in the streets (Figure 3).

Figure 3. Child labour by sector, 2007

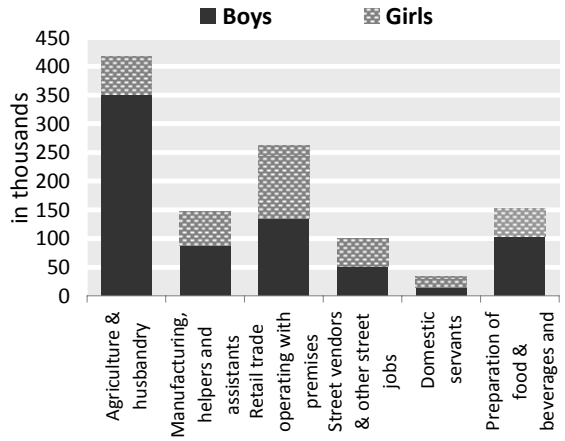


Source: INEGI, STPS, Encuesta Nacional de Ocupación y Empleo (ENOE), Módulo de Trabajo Infantil, 2007.
**There is a total population of 29,203,394 individuals aged between 5-17 years, out of which 3,647,067 are engaged in some sort of economic activity.*

The federal labour law of Mexico establishes in Article 22 that the minimum legal age to work is 14 years and below 16 years of age, the individual needs a written consent of her/his parents in order to participate in an economic activity. Amongst the 3.6 million of children working, 1.1 million (744,488 boys and 368,992 girls) are below the legal age, i.e. they are aged between 5 and 13 years. Agriculture and husbandry prevail with 37.4 per cent of the underage child workers, most of

them being boys. It is worth mentioning that more than 100,000 children aged between 5 and 13 years are working in the streets (Figure 4).

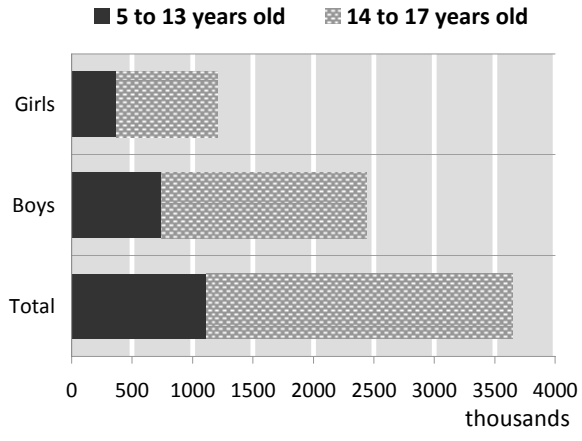
Figure 4. Child labour below the minimum legal age



Source: INEGI, STPS, Encuesta Nacional de Ocupación y Empleo (ENOE), Módulo de Trabajo Infantil, 2007.

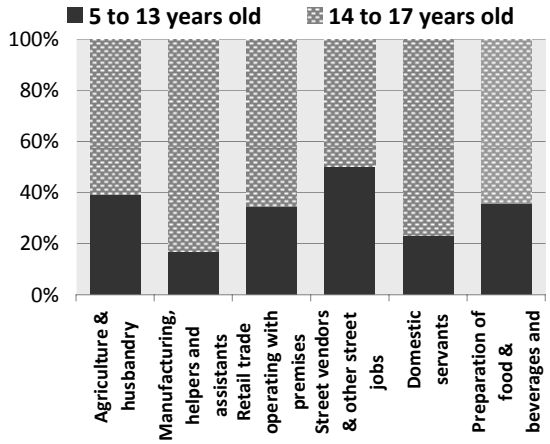
The 1.1 million below the legal age represents 31 per cent of the total (3.6 million, Figure 5). The subgroup has its lowest share in manufacturing processes (17.1 per cent versus 82.9 per cent of those aged 14-17 years) while more than half work in the streets (Figure 6).

Figure 5. Child labour below 18 years of age, boys and girls



Source: INEGI, STPS, Encuesta Nacional de Ocupación y Empleo (ENOE), Módulo de Trabajo Infantil, 2007.

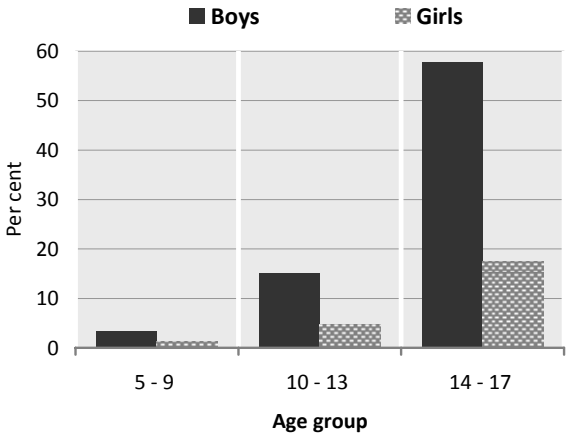
Figure 6. Child labour below 18 years of age, by industry



Source: INEGI, STPS, Encuesta Nacional de Ocupación y Empleo (ENOE), Módulo de Trabajo Infantil, 2007.

Taking the group as a whole (5-17 years of age) and after classifying those activities considered more risky, we see that 40 per cent are engaged in hazardous activities, which is slightly higher than for all employed. The share of those engaged in such activities goes up with age and more boys than girls are exposed. Therefore, the proportion gap is more visible for the 14-17 age group (Figure 7).

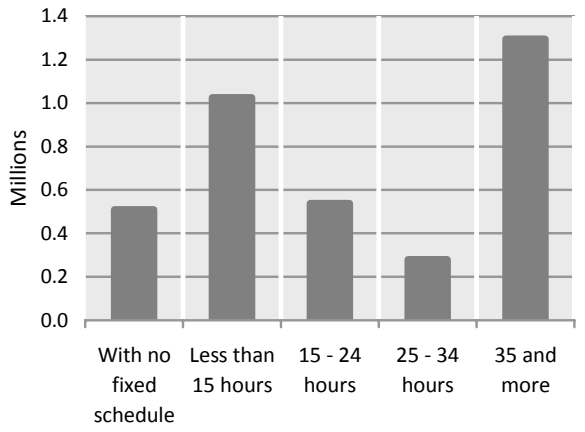
Figure 7. Employment in hazardous industries and occupations below 18 years of age



Source: INEGI, STPS, Encuesta Nacional de Ocupación y Empleo (ENOE), Módulo de Trabajo Infantil, 2007.

The average weekly hours worked also go up, as expected, with age. Hence, the average of weekly working hours for those aged 5-9 years is 9.9; for 10-13 is years is 11.9 and finally for those aged 14-17 years the average weekly hours goes up to 15.4 (Figure 8). Of the total 3.6 million, 280,000 works 25 to 34 hours a week and almost 1.3 million work more than 35 hours. In other words, 1.6 million (44 per cent of employed children) work more than 24 hours in a week while one million (28 per cent) work less than 15 hours. It is worth mentioning that within this last group most children actually work less than six hours a week, so they are enough to pull down the averages observed for each age group.

Figure 8. Employed individuals below 18 years of age working more than 24 hours per week



Source: INEGI, STPS, Encuesta Nacional de Ocupación y Empleo (ENOE), Módulo de Trabajo Infantil, 2007.

The data source is a special module of the Mexican Labour Force Survey (ENOE) conducted as a second phase interview once ENOE has identified the households with at least one child in the age group of study. All the information refers to the fourth quarter of 2007. The next round of this module is going to take place in the fourth quarter 2009 so it is planned to be conducted on a biannual basis. It is important to mention that this strategy has a limitation specifically in capturing children working in the streets, as the unit of observation is the household. In other words, if the child is homeless, he or she would not be observed by this method.

3. Fair treatment in employment

In Mexico, 55.3 million women live, 41.4 million of whom at or above the legal working age (14 years). Amongst them 17.1 million are in the labour force. The share in total employment has registered an increase during the last five years going from 36.6 per cent in 2005 to 37.5 per cent in 2009 (second quarters). The change is not negligible considering that this is a structural indicator, which tends to remain stable over a number of years. The increase in the share of women in wage jobs has been smaller going from 37.4 to 38.2 during the same period (Figure 9).

Figure 9. Share of women in employment (per cent)

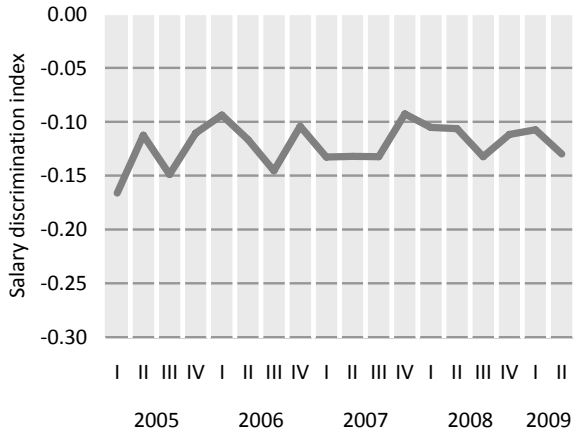
Source: INEGI, STPS, Encuesta Nacional de Ocupación y Empleo (ENOE).

Inequality undoubtedly is an issue. For instance, in Mexico, educational attainment is higher for women (9.5 school years or slightly above junior high school on average) than for men (8.9 years in average) while the hourly earnings amongst wage workers is practically the equal. Hence, educational returns seem not to be fully reflected in the labour market. The salary discrimination index that interplays with both indicators (educational attainment and remuneration for both men and women) posts negative values making it clear that educational return is not effective for women and a breaking point in this regard is not perceivable during the last five years (Figure 10).

In Mexico the unemployment rate normally has been higher for women than for men. The recession, as it affected more deeply activities such as construction and automobile industry, where more men than women are involved, changed this balance. If nowadays men's unemployment rate is higher, it does not hold for all the age groups, especially those aged between 14 and 29 years. Women's unemployment rate reaches 10.4 per cent versus 9.7 per cent for men

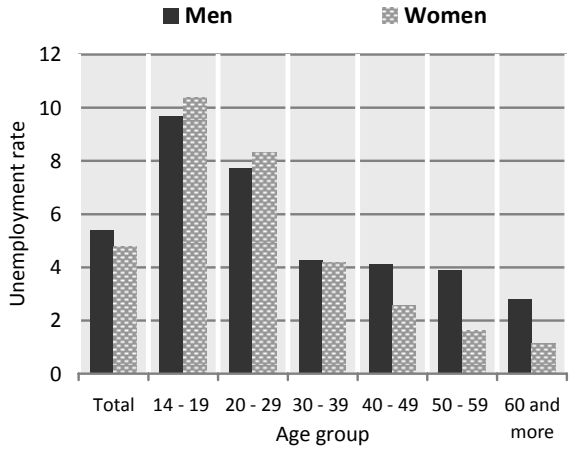
for the age group 14-19 years while it is 8.3 per cent and 7.7 per cent, respectively, for the age group 20-29 years (Figure 11).

Figure 10. Salary discrimination index



Source: INEGI, STPS, Encuesta Nacional de Ocupación y Empleo (ENOE).

Figure 11. Unemployment rate, by age and sex

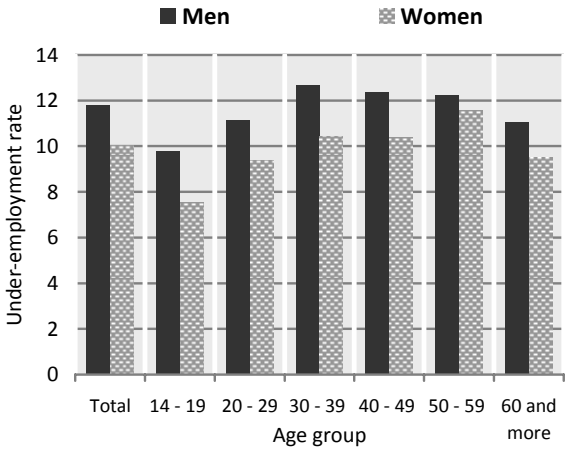


Source: INEGI, STPS, Encuesta Nacional de Ocupación y Empleo (ENOE), Quarter II, 2009.

The rates are almost the same for the next age group (30-39 years) and decrease from then on with age for both sexes however more sharply for women than for men. This suggests that women have fewer opportunities to be reintegrated into the labour market, as years go by so they tend to stop being an active job seekers from the age of 40 years onwards. On the other hand, it might mean also that because fewer women are household heads, the social pressure to be a breadwinner is less acute.[137] Of course the two explanations are not mutually exclusive.

Time related underemployment shows less variation. It affected a bigger proportion of men (11.8 per cent of employed men) than women (10.1 per cent of employed women) across all age groups (Figure 12). The main difference from unemployment rate is that instead of being bigger for the younger strata, the higher levels of underemployment rate are registered for those aged 30-59 years. Women in particular seem to be affected at 50-59 years suggesting that they are hanging onto bad jobs—if they already have one—rather than trying to change jobs.

Figure 12. Underemployment rates, by age and sex



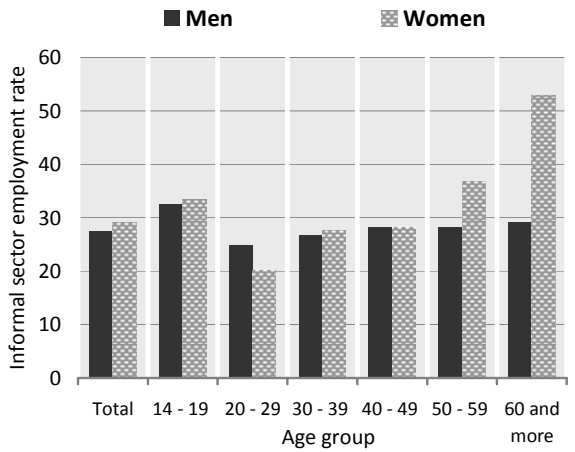
Source: INEGI, STPS, Encuesta Nacional de Ocupación y Empleo (ENOE), Quarter II, 2009.

Taking a look at the gender and age composition of the informal sector highlights that there is a bigger proportion of women (29.2 per cent) than men (27.5 per cent) in this kind of activities (Figure 13). With the exception of age group 20-29 years, a bigger share of women than men participates in the informal sector across all age groups. Nevertheless it is remarkable how the share grows with age for women. Amongst women aged above 59 years, 53 per cent of those employed are in the informal sector. Thus the combination of gender and age is decisive in the demographic configuration of this survival strategy. It

[137] Mexico has about 27.8 million households. Taking them as the unit of analysis, we see that 17 per cent of households are headed by females. Amongst the household heads, the unemployed holds the same share while that of the unemployed is slightly smaller. Nineteen per cent of the households in the informal sector are headed by females.

suggests also that the informal sector has become the last resort for many women at a time when the alternative is to leave the labour market. The segmentation of choices becomes more polarized with age and gender.

Figure 13. Informal sector employment rate, by sex



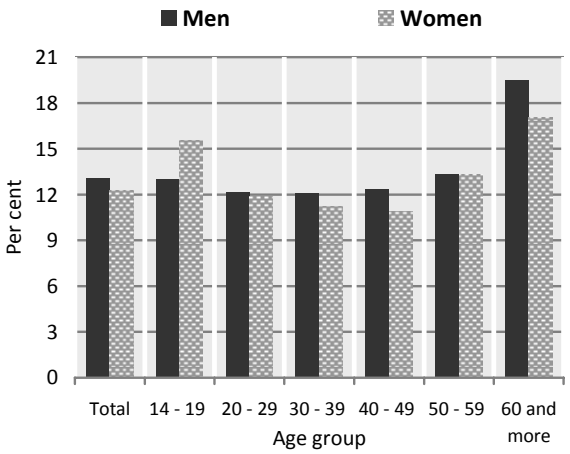
Source: INEGI, STPS, Encuesta Nacional de Ocupación y Empleo (ENOE), Quarter II, 2009.

However if we take the percentage of those employed and working—either as dependent or independent workers—more than 35 weekly hours and earning no more than two minimum wages,[138] it seems that the correlation is higher for age than gender. If it is the case that women have more disadvantages in this regard than men in the younger age group of 14-19 years with a higher proportion in that situation (15.5 per cent of women compared to 13 per cent for men) the balance is reversed but without a sharp difference in the rates for the age groups between 20 to 49 (Figure 14). The rates increases for both men and women aged 50 years and above and even from 60 years onwards men are affected at a higher degree than women. The fact that many cases are related with agriculture activities in rural areas may be explained by the changing demographic structure as a result of migration, which has left older people in charge of farms, etc.

Before elaborating further on aging population, one indicator about women worth considering is single mothers with children (widows, divorced, separate or single) as a share of all women in the labour force.

[138] Two monthly minimum wages are 3,000 Mexican pesos that equal $225 or about € 157.

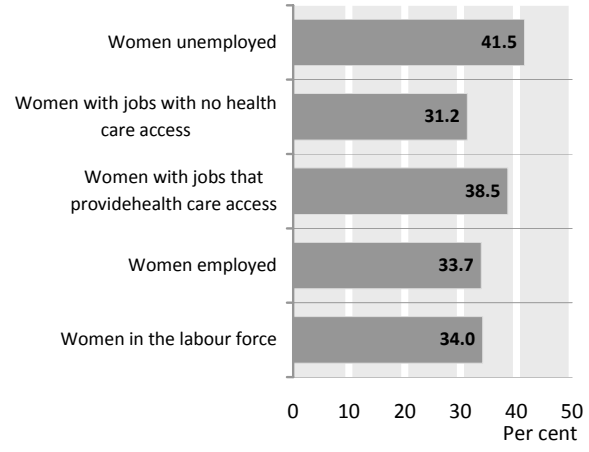
Figure 14. Men and women working more than 35 hours per week and earning below the minimum wage



Source: INEGI, STPS, Encuesta Nacional de Ocupación y Empleo (ENOE), Quarter II, 2009.

Slightly above one third of all women in the labour force is in this situation. The share goes up to 41.5 per cent amongst those unemployed (Figure 15). On the other hand, 31.2 per cent of working women without health insurance are single. These are the kind of vulnerable situations to focus on from a gender perspective.

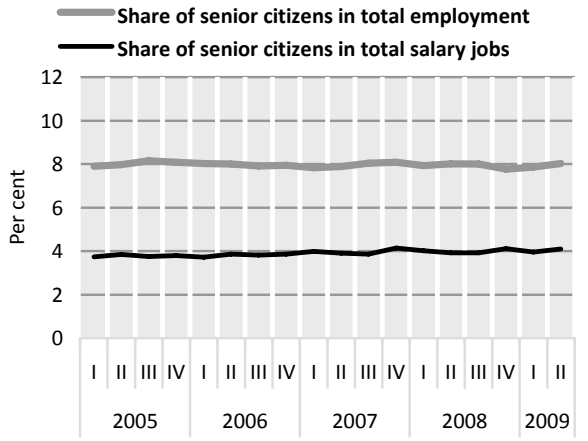
Figure 15. Single mothers in the labour force, (per cent)



Source: INEGI, STPS, Encuesta Nacional de Ocupación y Empleo (ENOE), Quarter II, 2009.

Currently, about 10.6 million individuals aged 60 or older are living in Mexico with 3.5 million of them in the labour force. During the last five years their share in total employment remained at around five per cent without significant statistical changes. Their share of salary jobs was even smaller: 4.1 per cent in 2009 (Figure 16).

Figure 16. Senior citizens in employment and with salary jobs

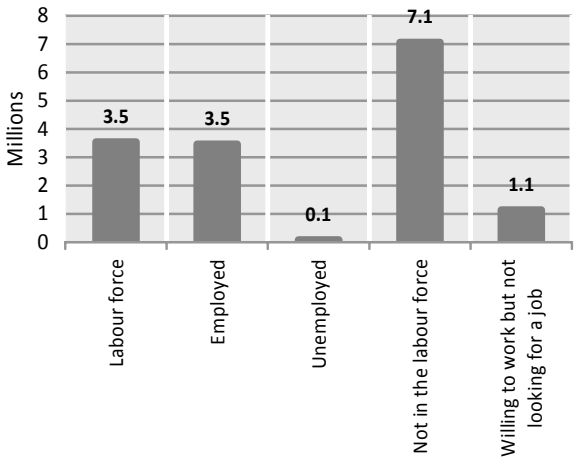


Source: INEGI, STPS, Encuesta Nacional de Ocupación y Empleo (ENOE), Quarter II, 2009.

Most of senior citizens are out of the labour force (about 7 million); however, it is important to note that about 1.1 million of them, although not active job seekers, are willing to work if an opportunity came up (Figure 17). This is another way to confirm how this demographic group assesses its chances in a labour market they perceive as hostile to their needs and aspirations. To have an age perspective is as necessary as to have gender perspective in describing fair treatment in employment in Mexico.

The source of all this information is ENOE, which guarantees the availability of all this data for every each quarter. As regards other disadvantaged groups such as ethnic minorities and persons with disabilities, the sample design of a conventional LFS does not normally guarantee their representation and robust estimations based on a sufficient number of unbiased observations. In the case of ethnic groups, there are more than sixty in the country each with its own dialect and specific geographical distribution dispersed in a territory of about two million square kilometres. In the case of people with disabilities, the most efficient sampling is one based on a directory rather than to sample a given area. The updating these directories however have proven to be the biggest challenge in order to implement specific surveys targeting this group.

Figure 17. Senior citizens in Mexico



Source: INEGI, STPS, Encuesta Nacional de Ocupación y Empleo (ENOE), Quarter II, 2009.

B. Income and benefits from employment

1. Income from employment

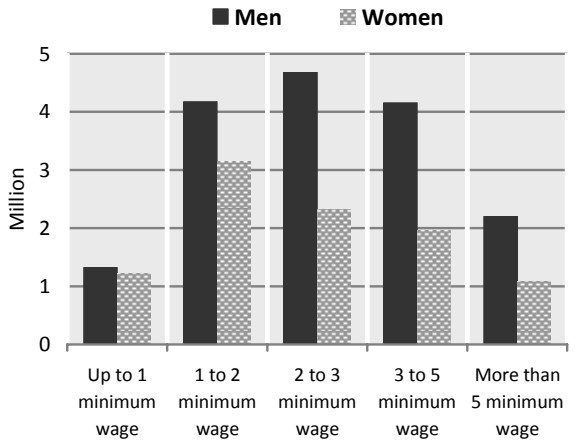
Because of the characteristic lag of minimum wage adjustments[139] in relation to inflation in Mexico, of total paid employees (that is not including contributing family members and apprentices) nowadays only 9.7 per cent are paid minimum wage or less (Figure 18). Most workers earn between one and two minimum wages (27.9 per cent) or between two to three minimum wages (26.7 per cent). It is worth noting that the shares by sex vary at all levels, so for those earning less than one minimum wage, 51.8 per cent are men, 48.2 per cent women while of those earning more than 5 minimum wages, 67.1 per cent are men.

Taking the median as a reference for all employed, it can be observed that the proportion earning two thirds of it went down from 21.6 per cent of all employed in 2005 to 18.6 per cent in 2009 (second quarters). The respective shares for employees went

[139] There are three minimum wages in Mexico depending on the geographical area. The average is about $112 a month or €78.

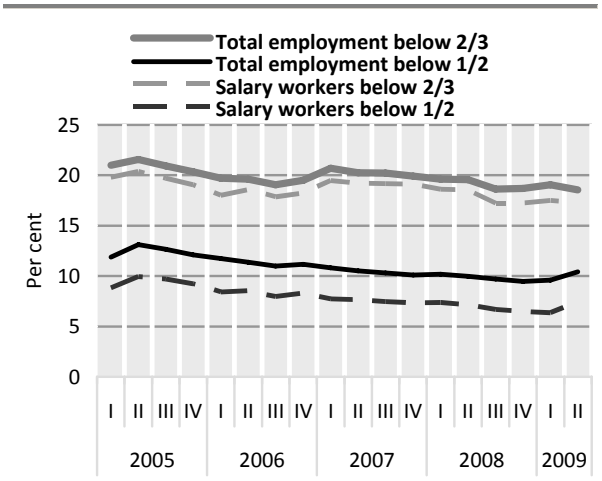
down from 20.4 per cent to 17.3 per cent during the same period (Figure 19).

Figure 18. Income from employment



Source: INEGI, STPS, Encuesta Nacional de Ocupación y Empleo (ENOE), Quarter II, 2009.

Figure 19. Share of employed earning below the median hourly wage



Source: INEGI, STPS, Encuesta Nacional de Ocupación y Empleo (ENOE).

What this may imply is that the first phase of the recession in Mexico has hit most severely those jobs corresponding to the first rungs of the ladder rather than suggest that everybody has been moving up the income scale (that might be the case between 2005 and 2008). If we focus on those earning below half of the median, we see that the share of all employed is higher than that of the employees, which highlights a higher correlation between self employment and poverty.

2. Non-wage pecuniary benefits

It seems that in the last years the variable more prone to be adjusted, rather than cash earnings, has been non-wage pecuniary benefits. An example of this can be seen in the share of employees with paid annual leave. Besides the fact that this benefit is in no way widely extended, the coverage has dropped from 55.4 per cent of employees in 2005 to 54.6 per cent in 2009. The drop has been an event specific of this year. The share of employees with paid sick leave is almost the same, if slightly lower (Table 2). Considering the time period, the drop observed in 2006 seems to be more a statistical issue, while that in 2009, once again reflects the adjustments of the labour market.

Table 2. Non-wage pecuniary benefits, Quarter II

Q2/Year	Share of employees with paid annual leave	Share of employees with job that pays sick leave
2005	55.4	54.2
2006	55.1	53.6
2007	56.3	54.9
2008	55.3	54.5
2009	54.6	53.6

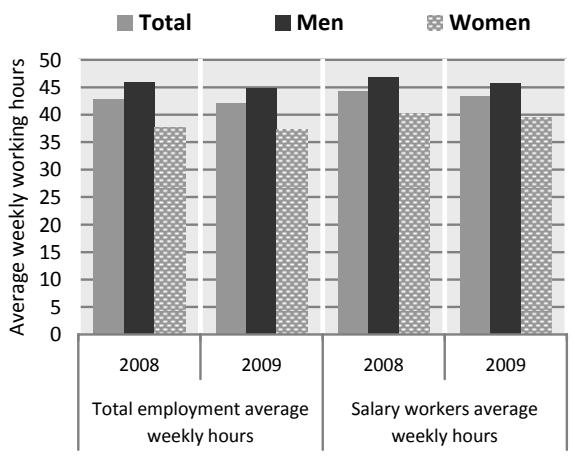
Source: INEGI, STPS, Encuesta Nacional de Ocupación y Empleo (ENOE).

C. Working hours and balancing work and non-working life

1. Working hours

The average weekly actual hours worked in Mexico during second quarter 2009 were 42.1; a drop compared to 42.9 registered in 2008. The decrease is more visible for men whose average weekly actual hours moved down from 46 hours to 44.9 hours. The drop was sharper for salary workers by almost an hour on average and even more for male salary workers: down from 46.9 hours to 45.7 (Figure 20).

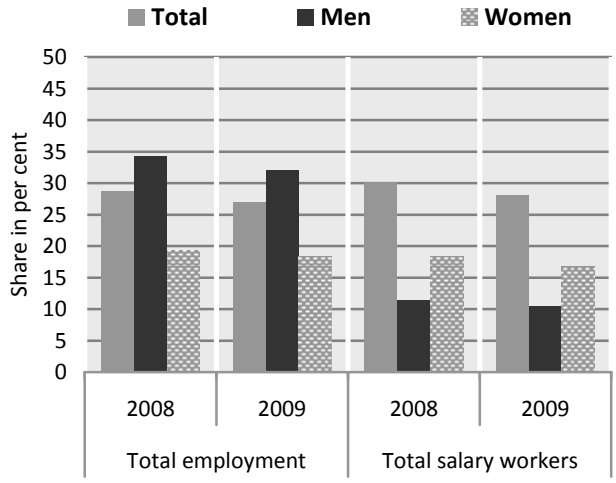
Figure 20. Average weekly working hours



Source: INEGI, STPS, Encuesta Nacional de Ocupación y Empleo (ENOE), Quarter II 2008, 2009.

Behind these changes in averages were changes in the same direction of the share in total employment working 49 hours a week or more with a decrease from 28.6 per cent in 2008 to 26.9 per cent one year latter (second quarters) and a steepest drop as well in the case of salary workers (30.1 per cent to 28.1 per cent, see Figure 21).

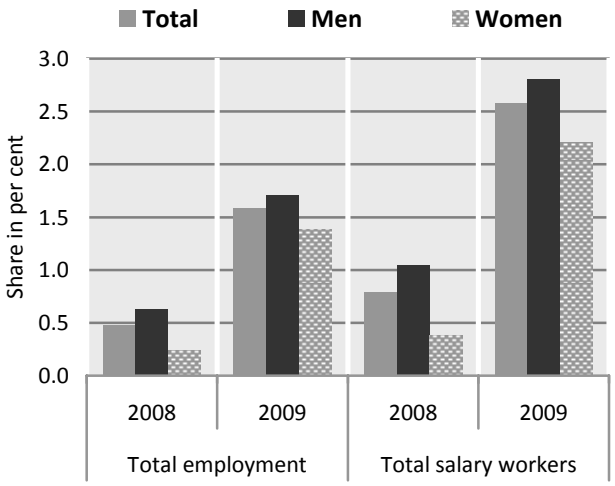
Figure 21. Workers working 49 hours or more (per cent)



Source: INEGI, STPS, Encuesta Nacional de Ocupación y Empleo (ENOE), Quarter II 2008, 2009.

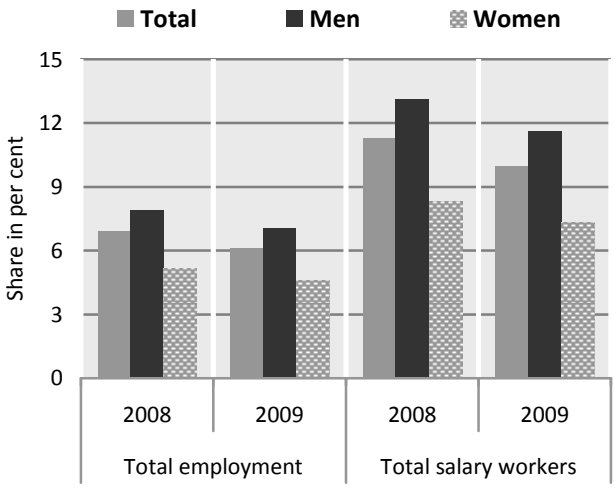
On the other hand, there was an increase in the share of those working less than 30 hours a week involuntarily from 0.8 per cent to 2.6 per cent which has contributed to the increase in the underemployment rate. Thus regarding these indicators the message is mixed. Changes in the lowest part of the spectrum (less than 30 hours a week, Figure 22) are unambiguous: linked directly with the recession it ought to be read as lower quality of employment. However, a decrease in the share of those who work more than 49 hours could be misread as an improvement, which is in fact a sign of a falling level of economic activity. A similar phenomenon is observed when the share of employed persons working more than one job is taken (Figure 23).

Figure 22. Workers working less than 30 hours per week



Source: INEGI, STPS, Encuesta Nacional de Ocupación y Empleo (ENOE), Quarter II 2008, 2009.

Figure 23. Share of workers with more than one job



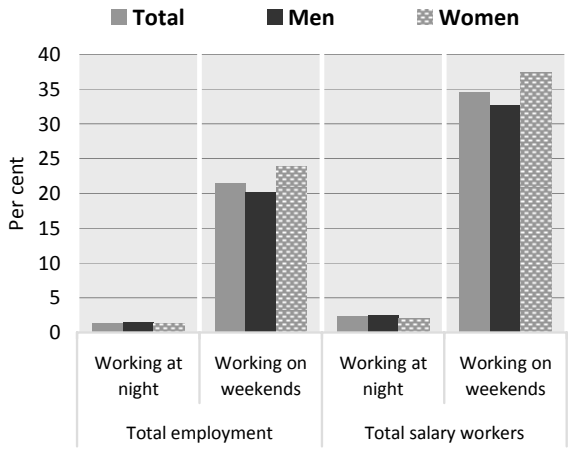
Source: INEGI, STPS, Encuesta Nacional de Ocupación y Empleo (ENOE), Quarter II 2008, 2009.

The share of all employed working more than one job went down from 6.9 per cent in 2008 to 6.1 per cent in 2009 while amongst salary workers the fall was from 11.3 per cent to 10 per cent. Once again the reason behind what it is observed may have to do with the fact that part-time jobs were the first discarded during crises leaving a deceptively better-off panorama.

2. Working time arrangements

The share of total salary workers working at night is of 2.3 per cent; a sharp contrast with those whose activity extends at least one of the days of the weekend (Saturday in most of the cases) being more than a third (34.6 per cent, Figure 24). Both proportions have slightly dropped in the recent years so in terms of intertemporal analysis there is once again a risk to misread this as an employment improvement. To interpret these changes as an improvement, there should to be a consistent trend; any isolated changes would mean something else.

Figure 24. Working time arrangements

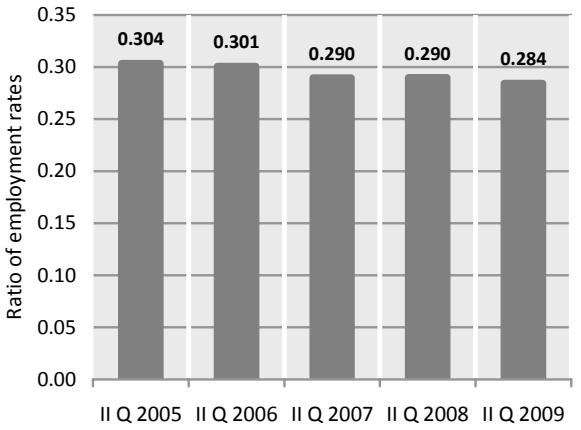


Source: INEGI, STPS, Encuesta Nacional de Ocupación y Empleo (ENOE), Quarter I, 2009.

3. Balancing work and non working life

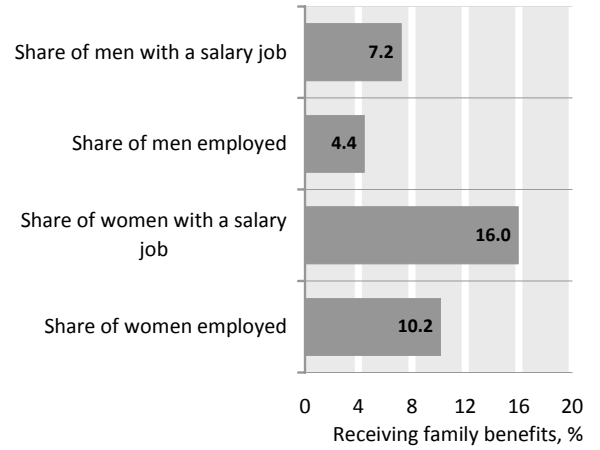
The rate of women with children compared to those aged 20-40 years shows a smooth decrease during the last five years (Figure 25). In 2009 less than three in ten women have children below four years of age. Sixteen per cent of female salary workers receive family leave benefits while for men this share remains at 4.4 per cent. As is the case with other benefits, they diminish in 2009 after having remained stable over the recent years (Figure 26).

Figure 25. Ratio of employment rates of women with children under compulsory school age to the employment rate of all women aged 20-40



Source: INEGI, STPS, Encuesta Nacional de Ocupación y Empleo (ENOE), Quarter II 2005-2009.

Figure 26. Share of workers receiving family leave benefits



Source: INEGI, STPS, Encuesta Nacional de Ocupación y Empleo (ENOE), Quarter I, 2009.

The source of all indicators mentioned regarding both dimensions 2 and 3 is the Mexican LFS (ENOE). Some of them can be obtained for any given quarter while others especially those related with subdimensions 3b and 3c are obtained just annually, as those issues are addressed in the long ENOE questionnaire implemented once a year.

D. Security of employment and social protection

1. Security of employment

The percentage of employees aged 25 years or older with temporary jobs can be split in two categories. The main one refers to salary workers who are without a written contract representing more than 40 per cent of those workers. The other category consists of those with a written contract but for a limited time period. This second group is around eight per cent of salary workers. The lowest share was recorded in the second quarter of 2009 after a downward trend over 2006-2007 (Table 3). However, the decrease in 2009 reflects different factors because as it is well known during a recession, temporary jobs are the first to be lost. The brief increase in 2008 may be a sign of the labour market anticipating the troubles in the horizon.

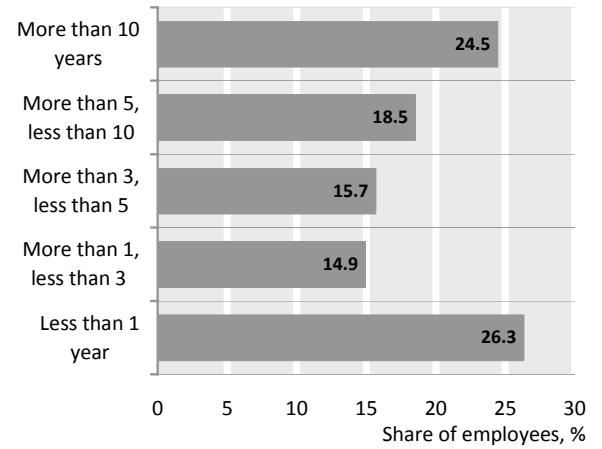
Table 3. Employees aged 25 years or older with temporary jobs (per cent)

Quarter II/Year	Without a written contract	With a written temporary contract
2005	41.5	8.0
2006	42.1	8.0
2007	40.9	8.5
2008	41.9	8.1
2009	40.5	8.1

Source: INEGI, STPS, Encuesta Nacional de Ocupación y Empleo (ENOE).

The structure shown by job tenure highlights a segmented labour market—even for salary workers—with rigidities on one hand and extreme flexibility on the other. Thus, on one hand, 24.5 per cent of all employees have been in their current job for at least ten years (more often than not, this is the case of employees in the public sector and public institutions as well as of unionized workers); on the other hand, 26.3 per cent have been in their current job less than a year (Figure 27). The latter reflects a labour market where high turnover is the rule, as employers try to avoid workers attaining seniority with the corresponding rights and benefits. Certainly, this is possible in part because the tasks concerned are simple enough with a strong presence of non-agricultural micro businesses. However, the phenomenon covers more sectors than that.

Figure 27. Share of employees according to job tenure, 2009

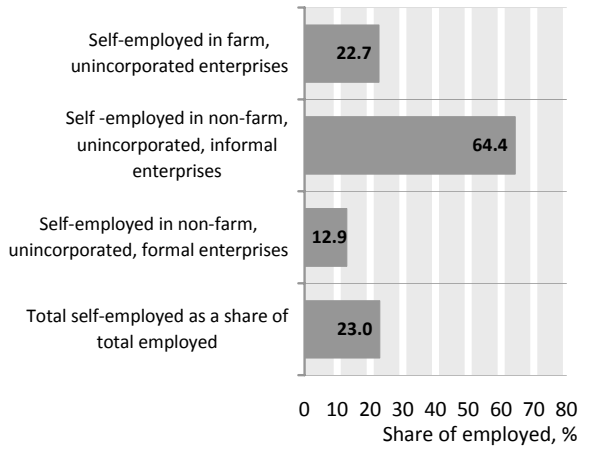


Source: INEGI, STPS, Encuesta Nacional de Ocupación y Empleo (ENOE), Quarter I, 2009.

In Mexico there are about 10 million individuals, who can be classified as own account workers.[140] They represent 23 per cent of all employed (Figure 28). Of these 10 million, 64.4 per cent conduct non-farm, unincorporated informal sector activities; 22.7 per cent work in farm, unincorporated enterprises and the remaining 12.9 per cent are heads of non-farm, unincorporated formal enterprises.[141] A slightly decreasing trend of the share of own-account workers was interrupted in 2009. In order to interpret this indicator, it is important to distinguish informal and formal sectors. For instance, it might not be positive that the share of informal own-account workers increases while it is desirable that the share of formal own-account workers increases.

[140] As they are defined according to the International Classification of Category in Employment (ICICE). 15th ICLS, Geneva, January 1993.
[141] This means that they are registered businesses but without a complete set of accounts.

Figure 28. Share of unincorporated self-employed



Source: INEGI, STPS, Encuesta Nacional de Ocupación y Empleo (ENOE), Quarter II, 2009.

2. Social protection

In Mexico, there is no national unemployment insurance. Currently, unemployment insurance is available in the capital of the country only. This may partly explain the low social security expenditure as a share of GDP. This share has moved up from 1.1 per cent in 1994 to 1.9 per cent in 2008 reaching its highest point in 2002 (2.3 per cent) (Table 4). Social security expenditures as a share of programmed public budgetary expenditures, on the other hand, went from 6.8 per cent in 1994 up to 12.3 per cent in 2004 remaining at 12 per cent in 2008 (Figures 29a and 29b). A problem with this indicator is its interpretation.

Figure 29a. Public social security expenditure as share of GDP

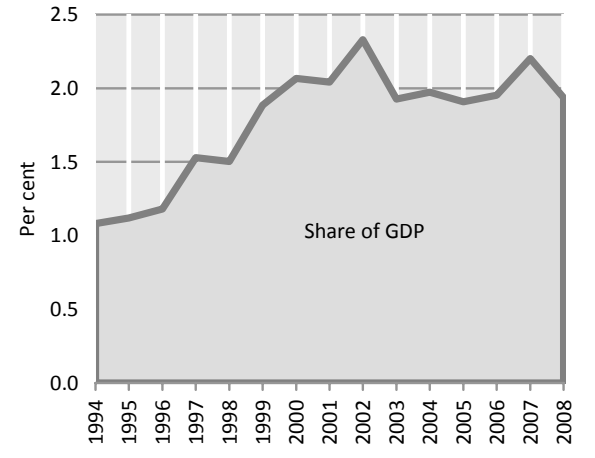
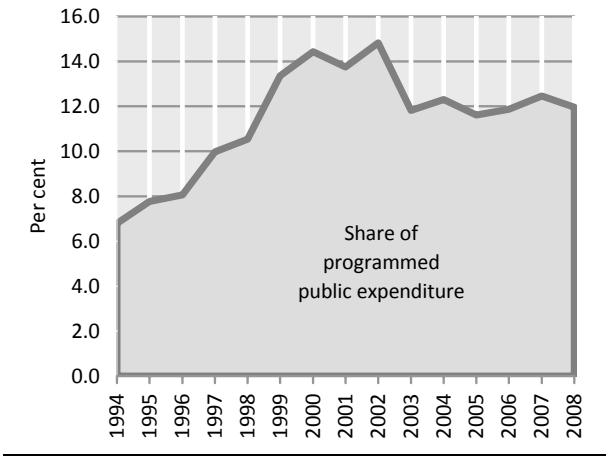


Figure 29b. Public social security expenditure as share of programmed public expenditure



Source: INEGI

Table 4. Annual public social security expenditure

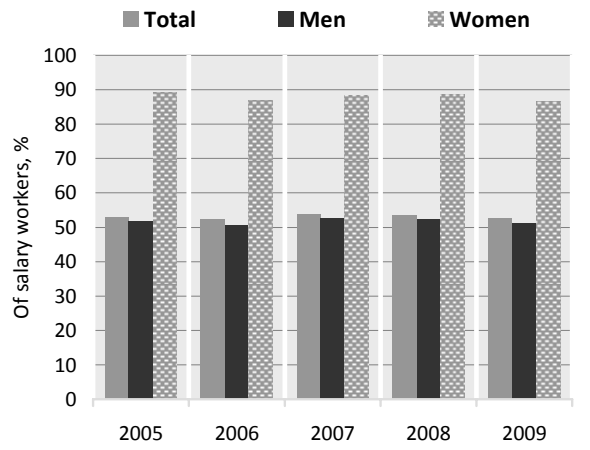
Year	Share of GDP	Share of programmed public expenditure
1994	1.1	6.8
1995	1.1	7.8
1996	1.2	8.1
1997	1.5	10.0
1998	1.5	10.5
1999	1.9	13.4
2000	2.1	14.4
2001	2.0	13.8
2002	2.3	14.8
2003	1.9	11.8
2004	2.0	12.3
2005	1.9	11.6
2006	2.0	11.9
2007	2.2	12.5
2008	1.9	12.0

Source: Cuenta de la Hacienda Pública Federal; SHCP v Poder Legislativo Federal

The share of salary workers contributing to a pension fund is below 53 per cent in 2009 manifesting a fall after the preceding two years (Figure 30). This is consistent with the decreasing shares of other type of benefits mentioned above. In other words, all trends

seem to point to the benefits being used as an adjustment variable for a stressed labour market.

Figure 30. Share of salary workers contributing to a pension fund



Source: INEGI, STPS, Encuesta Nacional de Ocupación y Empleo (ENOE), Quarter II, 2005-2009.

All the data for this dimension comes from ENOE except the information on social security expenditures, which are provided by the Congress Commission on the Public Account.

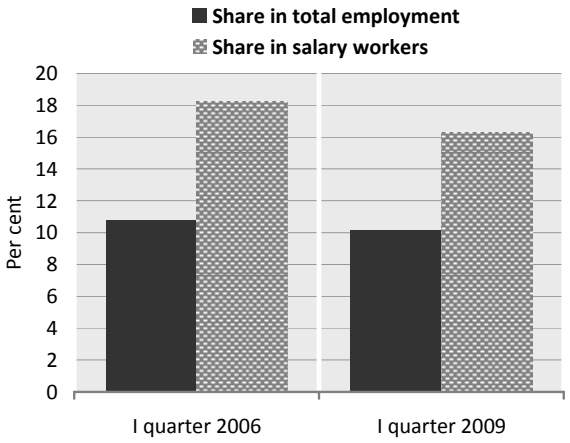
E. Social dialogue

1. Share of employees covered by collective wage bargaining

Under the Mexican law the number of unionized workers equals those covered by collective wage bargaining. What is observed is that the share in 2009 was 16.3 per cent of all employees compared to 18.2 per cent in 2006 (Figure 31). Of the 4.3 million unionized employees more than a half are above 40 years of age. This suggests a generational gap in that this interlocution modality is becoming rare or less available for the young generations entering the labour market.

The number of days not worked due to strikes and lockouts was of 1.1 million worker days (the number of workers engaged in labour conflicts multiplied by the number of working days lost) in 2008; most of them being concentrated during the first part of that year (Table 5).

Figure 31. Share of employees covered by collective wage bargaining



Source: INEGI, STPS, Encuesta Nacional de Ocupación y Empleo (ENOE), Quarter I, 2006 and 2009.

Table 5. Worker days lost due to strikes and lockouts

Month	2008	2009
Jan	22 155	0
Feb	481 921	205 415
Mar	40 256	59 027
Apr	72	26 866
May	40 272	1812
Jun	158	5 856
Jul	85 525	0
Aug	190 500	n.a.
Sep	164 833	n.a.
Oct	0	n.a.
Nov	8 077	n.a.
Dec	89 814	n.a.

Source: Ministry of Labour (STPS), Dirección General de Investigación y Estadisticas del Trabajo, based on data provided by the Federal Board on Labour Conflicts and Conciliation.

In the period leading up to July 2009 we see a decreasing trend, which is not surprising given the recession and increasing unemployment there is less room for this kind of strategies. It is not clear how this indicator ought to be interpreted within the proposed framework: is it positive or negative to go on a strike?

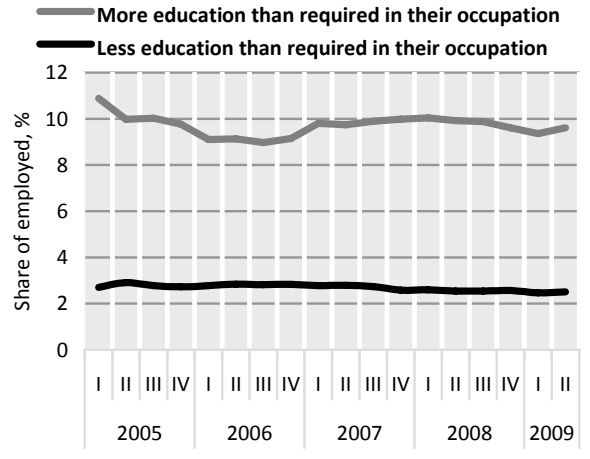
Are conflicts a sign of deterioration of labour relations or on the contrary a sign that both a collective voice and resolution can come about? Does a drop in the days lost mean more efficiency or willingness to find a solution? Neither as a level nor as a trend is there an unequivocal interpretation on this regard.

The source of unionized workers is updated once a year by through the long ENOE questionnaire. The information on worker days lost is updated on a monthly basis by the Ministry of Labour (Secretaría del Trabajo) based on data from the Federal Board on Labour Conflicts and Conciliation.

F. Skills development and training

The share of employed who have a higher level education than is normally required in their occupation went from almost ten per cent in 2005 down to 9.6 per cent in 2009 (second quarters) reaching its lowest point at 9.1 per cent in 2006 (Figure 32). It is premature to infer whether there is a trend but it is rather surprising that in 2009 the share is lower than those registered for the two previous years. On the other hand, there is a downward, albeit smooth, trend for the share of employed, who have less education than is normally required in their occupation. The interpretation of this trend is not straightforward in the economic recession of 2009.

Figure 32. Skills development and training



Source: INEGI, Encuesta Nacional de Ocupación y Empleo (ENOE), 2005-2009.

Both indicators are obtained from ENOE and can be updated each quarter. It is also possible to get the share of persons in high skilled occupations; however, there may be a need for classifying occupations at four-digit level for a more in-depth analysis. A definition in this regard definitively is needed. In order to collect information on employees receiving job training within the last 12 months ENOE included a second phase module during the third quarter in 2009. At this time, the module is still being implemented hence the data are not yet available. It is worth mentioning that this module is going to be conducted every two years.

G. Workplace relationships and work motivation

1. Workplace relationships

Mexico's LFS (ENOE), through its annual long questionnaire, addresses issues such as harassment, personal conflicts and discrimination at work if they have caused the quitting of a job. Hence, information on how many employees have been subjected to harassment, conflict of discrimination is not available as such.

As a proportion of the labour force, the figures are too low so the level information is more telling. In 2009 about 38,800 persons quit their jobs because they were harassed at work (Table 6). Of these 22,146 of them were women, most of them aged between 14 and 19 years. This may mean that they quit because they have fewer family responsibilities at that age. Those, who quit because of a direct clash with bosses or superiors, are nearly 447,300 cases with 303,740 men. Employees who have quit due to discrimination at work (gender, ethnicity, age, sexual preference) are more evenly distributed by sex: 38,623 men versus 34,924 women. The shares are about the same in 2009 as in 2006.

2. Work motivation

Mexico's statistical system does not yet have any data in this regard. However, if it is kept in mind that ENOE has been designed as a core LFS with thematic modules attached to it, the topic could be addressed as a second phase interview.

Table 6. Workplace relationships and work motivation

Quarter I / Year	Quit job due to harassment			Quit job due to conflicts with boss/ superior			Quit job due to discrimination at work		
	Total	*Men*	*Women*	*Total*	*Men*	*Women*	*Total*	*Men*	*Women*
2006	37 551	11 602	25 949	356 339	253 300	103 039	70 355	39 866	30 489
2009	38 791	16 645	22 146	447 252	303 740	143 512	73 547	38 623	34 924

Source: INEGI, STPS, Encuesta Nacional de Ocupación y Empleo (ENOE), Quarter I, 2006 and 2009.

H. Conclusions

Because Mexico's labour market has been so often compared to other OECD countries, especially in terms of its labour market adjustments, it is almost like a Laboratory to study the effects of these adjustments on quality of employment. Many indicators are analyzed within the context of the current economic recession. Methodologically speaking this allows distinguishing what set of indicators is consistent and what others could be misleading given specific circumstances. Thus, indicators such as all those considered in dimension 1 (Safety and ethics of employment) and particularly all those related to non-pecuniary benefits as well as social protection behave as expected in an environment of both labour and economic stress. This is not the case, however, for indicators that at first seems to be basic such as those related with income and hours worked. For instance, a downward trend before an economic crisis may mean something different during the crisis, e.g. people working more than 49 hours a week, percentage of employees with temporary jobs etc. On the other hand, there are other indicators which seem to be unique independent of any context, e.g. share of employed that have less education than is normally required in their occupation.

There are other indicators that once obtained surely have an unequivocal or unambiguous meaning. The trouble is the definitions needed to obtain are not yet available, e.g. is there a basic understanding amongst countries of what is and what is not social security expenditures or which are those skilled occupations?

Of course economic analysis is not everything; it is clear that there are dimensions and indicators beyond the economic sphere. For instance, fair treatment in employment, skills development, training or workplace relationships and work motivation demand to be seen from a wider perspective. Especially for fair treatment in employment, age and seniority seem just as relevant as gender.

Finally, the problem is not in the availability of the indicators but rather in their interpretation: is the news that they convey good or bad? Hence, this landscape of indicators is interesting but quite heterogeneous. The matter is not only what they describe but how they ought to be understood. In this vein, the normative aspect of the framework might be the next layer to build.

CHAPTER X. Republic of Moldova Pilot Report

The aim of the given report is to present a general overview of the quality of employment in the Republic of Moldova based on the indicators proposed by the Task Force.

The report will focus on the following aspects:

a) identification of available indicators;

b) identification of sources that offer good quality data;

c) analysis of the labour market trends in respect of the dimensions and indicators suggested in the Framework, and of some additional indicators which we consider to be relevant for the country.

The analysis of the qualitative changes occurring on the labour market is becoming more and more important from users' viewpoint and has become one of the activity priorities set by the National Bureau of Statistics (NBS) for developing and improving labour statistics over the recent years.

Labour Force Survey (LFS) is the source for the majority of the indicators developed by the Task Force and analyzed below. In Moldova, the LFS has been revised and started to offer new indicators as from 2006. That is why the comparable time series include only the last three years, 2006-2008.

A. General background of the situation on the Moldavian labour market - main trends and tendencies

The labour market of Moldova is characterised as follows (2008):

The number of the economically active population (1303 thousand persons) slightly decreased in 2008 as compared to the previous year. There was a drop in unemployment, while the number of the employed population remained virtually the same (Table 1).

The population employed in economy amounted to 1251 thousand persons (in 2007, respectively 1247 thousand). During 2004-2008, the employment declined by 4.9 per cent.

The number of unemployed amounted to 52 thousands in 2008, the lowest level over the last years. The same trend was observed for unemployment rate.

Labour migration continues to be an acute problem for the country, affecting 11 per cent of the total population aged 15 and over. Unattractive labour conditions and low salaries remain to be the factors that determine labour migration for Moldovans.

Table 1. Main labour market indicators, 2006-2008

	2006	2007	2008
Activity rate, 15-64 years	50.9	49.7	49.4
Employment rate, 15-64 years	47.1	47.1	47.3
Females	45.7	46.2	46
Males	48.6	48.1	48.7
Share of women among employed, 15-64 years	50.0	50.3	49.9
Underemployment rate, 15-64 years	8.4	8.0	6.9
Females	8.1	7.6	6.8
Males	9.2	8.8	7.3
Unemployment rate, 15-64 years	7.6	5.2	4.1
Females	5.9	4.0	3.5
Males	9.2	6.5	4.7
Inactivity rate 15-64 years	49.1	50.3	50.6
Females	51.5	51.9	52.3
Males	46.5	48.5	48.8

Source: National Bureau of Statistics, Labour force survey.

The number of persons employed in non-agricultural activities is on the rise: it increased 2.9 per cent in 2008 (if compared to 2007); and 10 per cent over the last five years (2004-2008).

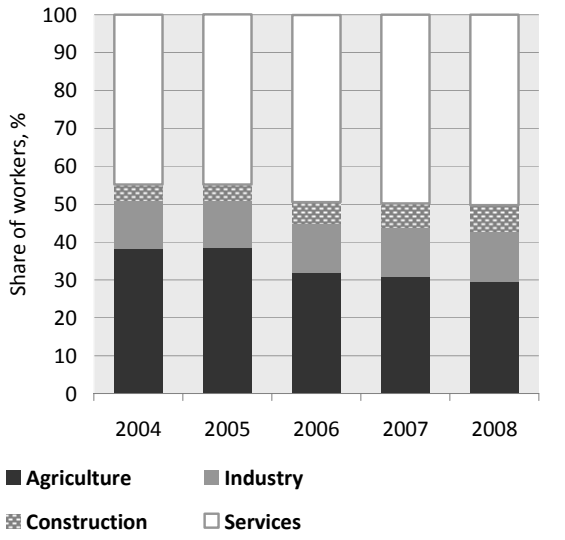
The number of population employed in agriculture, in turn, is on decline (-4.9 per cent in 2008 as against 2007, and -27 per cent as against 2004).

The persons employed within population's auxiliary households continue to dominate in agricultural

activities, the main occupation being *the production of agricultural products for own consumption*.

The analysis of employment by economic sectors in 2008 showed that every 2nd person was working in *services*, every 3rd person – in *agricultural activities*, and every 8th person was engaged in *industry* (Figure 1).

Figure 1. Employment by economic sectors



Source: National Bureau of Statistics, Labour Force Survey.

B. Safety and ethics of employment

1. Safety at work

We have the following indicators: a) fatal occupational injury rate (workplace fatalities per 100,000 employees), b) non-fatal occupational injury rate (workplace accidents per 100,000 employees), and c) share of employees working in "hazardous" conditions.

The following indicators are to be found under the "other possible indicators": a) occupational injury insurance coverage: number of employees who benefit from individual insurance for workplace accidents and professional diseases as percent of the total number of employees; b) workplace expenditure on safety improvements: these expenses may be related to the total costs for labour force.

Under "hazardous" conditions, we have the following indicators: a) number of employed exposed to negative impacts on their health at the workplace, as share of total employment; b) number of employees who work in unfavourable/hard work conditions (working in conditions inconsistent with sanitary and hygienic norms,[142] performing hard manual work; working in premises inconsistent with job safety requirements; operating with equipment inconsistent with job safety requirements) as share of total employees.

Sources of data in the field of safety of work:

- Annual statistical survey in enterprises on *Work protection,* and
- *Labour force survey* in households.

The following situation is registered for the "safety at work" sub-dimension on labour market in Moldova:

The number of employees-victims of workplace accidents registered in 2008 dropped by 19 per cent as against 2006, and by 9 per cent as against 2007. The number of workplace fatalities registered in 2008 decreased by a quarter as compared to 2007, but increased by 5 per cent as compared to 2006. The similar dynamics was observed for the fatal occupational injury rate and non-fatal occupational injury rate. At the same time, the average number of temporary work incapacity per person who suffered from an accident increased from 35 days in 2006 up to 38 days in 2008 (Table 2).

Table 2. Accidents at work

	2006	2007	2008
Non-fatal occupational injury rate per 100 000 employees	82.0	71.0	66.0
Fatal occupational injury rate per 100 000 employees	4.7	7.1	5.3
Days of work incapacity per employee	35.0	37.0	38.0

Source: National Bureau of Statistics, Work protection survey (in enterprises).

[142] This refers to employees, who work under high level of noise, high level of vibration, lighting deviating from set norms, concentration of gas or dust at workplace that exceeds the maximum admissible limits, work environment temperatures with deviations from set norms, high level of relative air humidity, air with inadmissible movement speed, high level of ionization, other dangerous and/or harmful factors.

Over the years, the highest level of workplace accidents rate stays registered in industry and construction (respectively 154 and 136 cases of fatal and non-fatal workplace accidents per 100,000 employees in 2008).

According to the enterprises survey, the share of employees involved in unfavourable/hard work conditions was 3.2 per cent in 2006 and 2007, and 3.7 per cent in 2008. The majority of these persons is employed in work conditions inconsistent with sanitary and hygienic norms - 93 per cent (gas, dust, noise, temperatures, etc. exceeding the admissible norms), followed by those performing hard manual work (6 per cent).

On the other hand, according to the households' statistics, one in eight employed persons of 15-64 years old considers that she/he is exposed to some factors that have a negative impact on his/her health at workplace. The share of such persons in total employment decreased from 15.9 per cent in 2006 to 12.4 per cent in 2008. Analyzing separately the impact of these factors, we can state the following: 4 in 5 persons say they are negatively exposed to physical factors at their workplaces, one third – to psycho-physiological factors, and one in five persons indicated chemical factors. If compared to 2006, there was a decrease by 11.3 p.p. for the share of physical factors, while at the same time the share of persons indicating a negative exposure to psycho-physiological factors increased 9.1 p.p. (Table 3).

In line with the legislation in force, all persons employed on the basis of individual work contracts, as well as all persons authorised to work on their own must be insured under the social insurance public system, of which insurance for professional diseases and work accidents is a component. At the same time, taking into consideration the fact that about one third of employed people are in informal employment[143], in reality not all persons who work have such insurance. According to the LFS data, 92.2 per cent of respondents consider that the employer pays the compulsory social insurance contributions for them, thus we may assume that these persons are insured in case of work accidents and professional disease. The level of this indicator has slightly decreased from 92.9 per cent in 2006 to 92.2 per cent in 2008.

Table 3. Hazardous conditions

	2006	2007	2008
Number of employees working in hazardous conditions (conditions inconsistent with sanitary and hygienic norms; performing hard manual work; working in premises inconsistent with job safety requirements; operating with equipment inconsistent with job safety requirements) as share of total employees, per cent	3.2	3.2	3.7
Of which (per cent):			
Working in conditions inconsistent with sanitary and hygienic norms, per cent	91.0	90.7	93.0
Performing hard manual work, per cent	8.3	8.2	5.9
Employed population exposed to dangerous/ harmful factors as share of total employment, per cent	15.9	13.7	12.4
Of which (one person could be exposed to more than one factor), per cent:			
Physical factors	92.9	85.6	81.6
Chemical factors	19.3	19.1	20.9
Psycho-physiological factors	27.2	32.4	36.3
Biological factors	2.6	2.3	2.9

Source: National Bureau of Statistics, Labour force survey and Work protection survey (in enterprises).

During 2006-2008, the costs for labour protection measures by enterprises have been increasing annually by an average of 17 per cent. However the ratio between these expenses and overall labour costs remained unchanged over these years (1:100).

[143] The notion of "informal employment" covers broadly the employed persons, who do not benefit from social protection.

2. Child labour and forced labour

Child labour

In the Republic of Moldova, labour legislation prohibits employment of persons under 15 years old.

A number of sources, however, mention numerous times that child labour phenomenon (especially in agricultural activities) is widespread in Moldova, because poor families are dependent on the contributions brought by these children to household budgets, child labour being a priority when it comes to education. Frequently child labour makes up for migrant parents' household tasks.

At the same time, there were no representative official studies carried out until recently for the given purpose.

The official statistical survey on *Child Labour* has been launched during the fourth quarter of 2009, as an ad-hoc module to LFS, in compliance with ILO/IPEC/SIMPOC methodology and with their technical assistance. We hope for this survey to offer an answer to the question whether child labour is a real issue in Moldova, to what extent it is spread, and what are its main characteristics. According to the survey methodology, we shall obtain all indicators suggested by the Task Force to measure child labour. The analysis of these indicators will allow us to decide which of them are relevant for Moldova.

Forced labour

We have the following indicators for the given sub-dimension: a) labour deceived migrants as share of total labour migrants; b) labour exploited migrants as share of total labour migrants; c) forced/coerced migrants as share of total labour migrants.

Source of data in the field of forced labour: *Labour Force Survey* in households, ad-hoc module on *Labour Migration* (2008).

Remark: The main goal of the survey was to obtain some additional characteristics about the persons **who left abroad for work or looking for a job (labour migrants)**. [*Task Force note:* in that it reflects the work conditions outside Moldova. However some findings might be indicative also for situation on domestic labour market.]

Another goal of the survey was to test the statistical tools (in our case LFS) as a possible data source, which would allow assessing some aspects regarding forced labour / trafficking in human beings (taking into account the fact that in majority of cases we have irregular labour migration of our citizens abroad).[144] The methodology[145] to be used was developed by ILO Special Action Programme to Combat Forced Labour (ILO/SAP-FL) and was tested in a number of countries from the entire world, including in the Republic of Moldova (the methodology is presented in Annex to this report). It is important to mention that we took part in testing indicators, that there are no statistical standards that would be adopted/ recommended at the international level, and that only one segment of population served as target group for the survey: labour migrants.

According to the *Labour Force Migration* survey, an estimated number of migrants amounts to 318.3 thousands (11 per cent of the total population aged 15 and over), of which 72.4 thousand (or 22.7 per cent - one in five migrants) were on the territory of the Republic of Moldova during the survey time (majority of them remaining in the country only on temporary basis). The following estimations were made based on the assumption that the answers given by the migrants found in the country represent the situation of all migrants and applying the ILO/SAP-FL methodology (forced labour and trafficking are estimated using a combination of these three elements - deception, exploitation and coercion).[146]

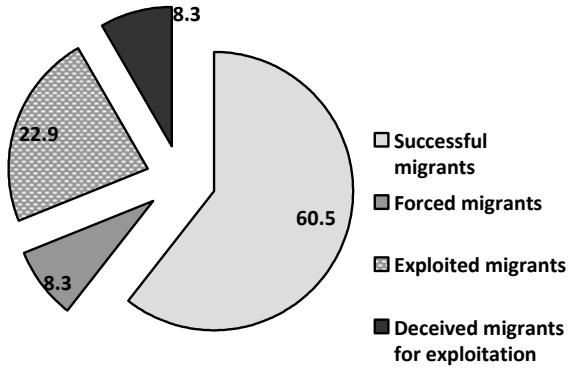
[144] These activities were launched in the framework of the "Elimination of human trafficking from Moldova and Ukraine through labour market-based measures" project, financed by the European Commission through the Attaining Energy-Efficient Mobility in an Ageing Society (AENEAS) programme and the Government of Ireland and implemented by the International Labour Organisation and International Centre for Migration Policy Development (ICMPD), Vienna. ILO/SAP-FL experts and national consultants were involved in these activities. These experts were responsible for developing the methodology to estimate, analyze and present the results of the survey under the forced labour chapter. The responsibilities of NBS were limited to collecting, processing and validating the information. The database was provided to experts for analysis. The final report is in the works.

[145] According to the ILO/SAP-FL methodology forced labour and trafficking are estimated using a combination of these three elements: deception, exploitation and coercion. Exposure to the risk of deception, exploitation or coercion is determined by a complex of factors, the individual characteristics of migrants and the history of emigration.

[146] See NBS and Ministry of Labour, Social Protection and Family. "Analytical Report on Labour migration and the risks of migration in Republic of Moldova (draft)".

About 60.5 per cent of the total number of migrants were successful migrants (migrants who were not deceived, exploited or forced, or the ones who experienced migration to an extremely small extent); 22.9 per cent were exploited migrants; the migrants deceived for exploitation purposes and the forced migrants (the cases of forced labour and trafficking for exploitation purpose) accounted for 8.3 per cent each, respectively (Figure 2).

Figure 2. Migration risks



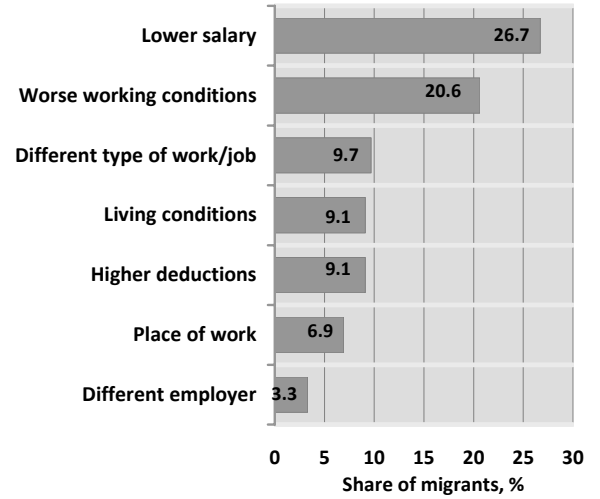
Source: National Bureau of Statistics, Labour force survey, ad-hoc module on Labour migration (2008).

The subject of **deception** can be present in different aspects of the agreement between the migrant and the employer/mediator at the time of recruitment. Seven items were included in this case in order to calculate the incidence; they concern three aspects: salary amount and deductions from it, living and employment conditions (including the type of work), and the owner/employer.

The incidence of preventive agreement violation mostly is made by granting a lower salary and worse working conditions. One in four (26.7 per cent) migrants received a lower salary than the promised one, and almost one in five migrants (20.6 per cent) worked in worse conditions (Figure 3).

Exploitation is characteristic for the largest number of migrants. There are different forms of exploitation and a wide range of issues, but exploitation in the form of lack of social protection has a big incidence. Almost nine out of ten migrants (85.5 per cent) are employees who work without a contract, and have no medical or social insurance.

Figure 3. How migrants were deceived



Source: National Bureau of Statistics, Labour force survey, ad-hoc module on Labour migration (2008).

The following forms of exploitation have a significant impact: delayed remuneration and lower salary (41.6 per cent migrants), violation of labour laws of the host country by employer (39.8 per cent) or excessive working hours or days (32.9 per cent) (Table 4).

Table 4. Forms of exploitation (per cent)

Lack of social protection (contract, social and health insurance, etc.)	85.5
Low salary or delayed remuneration	41.6
Violation of labour laws of the host country by employer	39.8
Excessive working hours or days	32.9
Work performed in risk conditions (lack of protection)	10.8
High/unexpected deductions	6.9
Poor work conditions	4.9
Poor living conditions	1.3

Source: National Bureau of Statistics, Labour force survey, ad-hoc module on Labour migration (2008)

The phenomenon of **forced labour and coercion** through violence is manifested through two basic forms. Most of the migrants are forced/constrained by retaining earnings (15.1 per cent migrants), and forced to provide labour services, which the migrant doesn't want to provide (13.6 per cent). Threat is applied to a

significant number of migrants, whether violence (4.5 per cent) or denunciation to the authorities (3.6 per cent) and 3.1 per cent were isolated, restrictions were applied (Table 5).

Table 5. Forms of compulsion/coercion (per cent)

Salary retention	15.1
Forced to provide unwilled services	13.6
Violence threat	4.5
Denunciation to the authorities threat	3.6
Isolation, restrictions, pursuance	3.1
Documents confiscation	2.0
Debt dependence	2.0
Application of violence	1.4
Dependence on employer	1.3
Forced to do illegal activities	0.6
Threat to apply violence to family members	0.0

Source: Labour Force Survey, ad-hoc module on Labour migration (2008), National Bureau of Statistics.

3. Fair treatment in employment

The share of women in total employment, as well as in paid employment is virtually equal to that of men. At the same time, female employees have a higher share than men in non-agricultural activities (in 2006-2008 - 54-55 per cent). There was a slight increase of female share among part-time employees (from 51.1 per cent in 2006 up to 53.5 per cent in 2008). Gender employment rate gap registered during the same period -1.9 p.p. and -2.9 p.p. (Table 6).

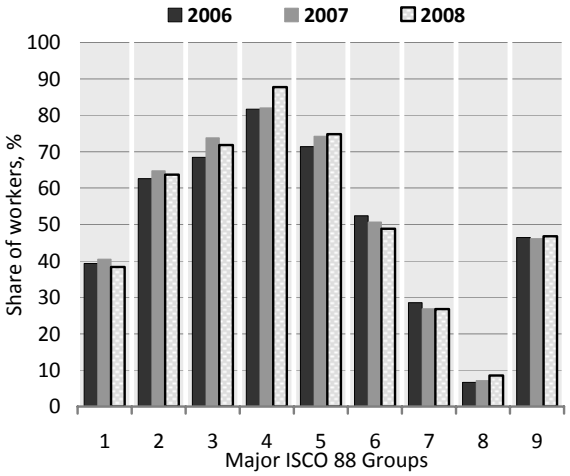
Table 6. Female share of employment

	2006	2007	2008
Employed women as share of total employment (15-64 years) (per cent)	50.0	50.3	49.9
Share of women in total employees (15-64 years) (per cent)	51.5	52.5	52.1
Gender employment rate gap (15-64 years), (percentage points)	-2.9	-1.9	-2.7
Share of women in part-time employees (15-64 years) (per cent)	51.1	52.7	53.5

Source: National Bureau of Statistics, Labour force survey

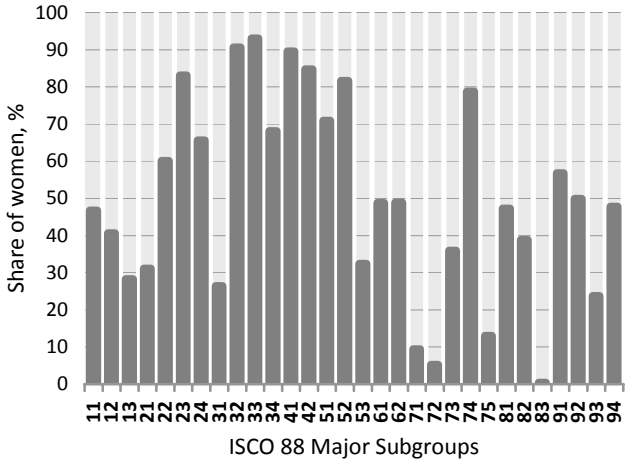
The analysis of the distribution by occupations (ISCO-88) reveals that men dominate in the major groups 1, 7 and 8 (with shares between 60 per cent and 90 per cent). Women dominate in the major groups 2, 3, 4 and 5 (with shares between 60 and 90 per cent). There are no notable differences between women and men in the major groups 6 and 9 (shares of about 50 per cent) (Figures 4 and 5).

Figure 4. Gender segregation by occupation groups



Source: National Bureau of Statistics, Labour Force Survey.

Figure 5. Gender segregation by occupation subgroups, 2008



Source: Labour Force Survey, National Bureau of Statistics.

C. Income and benefits from employment

1. Income from employment

We have data for the following indicators: "monthly earnings of employees" (not "weekly"), "share of employees with below 2/3 of median monthly earnings" (not hourly); share of employees paid at below minimum wage; and distribution of wages by quintile.

Sources of data in the field of income from employment:

- *Labour Force Survey* in households;
- Monthly/annual statistical survey in enterprises on *Number and earnings of employees*.

The quality of employment if assessed by the *income from employment* sub-dimension is rather poor in Moldova.

In spite of annual increases of 20-22 per cent registered for the average monthly earnings in 2006-2008, the level of earnings remains too low to offer a decent living to employees and their families. There are noticeably differences between the earnings level in public and private sectors (the level of wages in public sector is at 69 per cent of the wage level reported in private sector), as well as for the labour remuneration for men and women (women's salary is 70 per cent of men's salary in non-agricultural activities).

In the case of one in four employees, the earnings level for 2008 was below 2/3 of the median monthly earnings. The indicator remained at the similar level as in previous years (Table 7).

The number of employees with remuneration under the set level of minimum wage is extremely small in Moldova. In fact, the size of the minimum wage is very low if compared to the real needs (in 2008, the minimum wage was 400 MDL or 38.5 USD per month).

The observed dynamics of inequality in earnings during the last three years reveals a slight increase in the inequality level as the share of wages of the most inferior quintile declined from 6.1 per cent in 2006 to 5.5 per cent in 2008. At the same time, the share of wages earned by the most superior quintile has increased from 41.5 per cent to 44.4 per cent, respectively. The disparity between the first and the fifth quintiles is rather big (5.5 per cent and 44.4 per cent, respectively) (Table 8).

Table 7. Income from employment

	2006	2007	2008
Average monthly earnings of employees, MDL	1697	2065	2530
Average monthly earnings of employees, USD	129.2	170.2	243.5
Share of employed with below 2/3 of median monthly earnings, per cent	27.6	25.4	26.1
Share of employees paid at below minimum wage, per cent	0.0	0.6	0.2

Source: National Bureau of Statistics, Labour force survey and Survey on Number and earning of employees.

Table 8. Distribution of wages by quintile

Quintile	2006	2007	2008
Total	100	100	100
Quintile 1	6.1	6.0	5.5
Quintile 2	11.2	11.4	10.7
Quintile 3	17.0	16.9	16.3
Quintile 4	24.2	23.7	23.2
Quintile 5	41.5	42.1	44.4

Source: National Bureau of Statistics, Labour force survey.

Relevant indicators for Moldova

In 2008, about one in five employed persons (18.5 per cent) stated that she/he would like to change her/his situation at workplace due to the unsatisfactory level of remuneration (income-related inadequate employment[147]). The majority of these persons wished for a higher level of remuneration per hour. The share of such respondents in total employment increased from 12.7 per cent in 2006 to 14.9 per cent in 2008. The rest of respondents willing to change their situation at the workplace were ready to work additional hours for a higher income. Their share in total employment fell from 5.1 per cent in 2006 to 3.6 per cent in 2008 (Table 9).

[147] According to the Resolution concerning the measurement of underemployment and inadequate employment situations, adopted by the 16th ICLS. Geneva, October 1998.

Table 9. Income-related inadequate employment

	2006	2007	2008
Income-related inadequate employment as share of total employment, per cent	17.8	17.2	18.5
Wish to have a higher remuneration per hour, as share of total employment, per cent	12.7	13.9	14.9
Wish to work more hours for a higher income, as share of total employment, per cent	5.1	3.3	3.6

Source: National Bureau of Statistics, Labour force survey

2. Non-wage pecuniary benefits

Unfortunately, currently we do not have any of the Task Force proposed or other possible indicators for the sub-dimension "non-wage pecuniary benefits".

Relevant indicators for Moldova

So as to be able to make the analysis of the situation on the labour market under this dimension, we can use the available indicators regarding: a) share of employees benefiting from paid annual leave and b) share of employees benefiting from sick leave.

Source of data: *Labour Force Survey* in households.

According to respondents' statements, the share of employees benefiting from paid annual leave increased from 83.8 per cent in 2006 up to 86.9 per cent in 2008. There was, as well, an increase registered for the share of employees who were sure that they would obtain from employers a payment for the non-worked time when being sick or injured: from 84.7 per cent in 2006 up to 87.2 per cent in 2008 (Table 10).

Table 10. Non-wage pecuniary benefits

	2006	2007	2008
Share of employees benefiting from paid annual leave, per cent	83.8	85.5	86.9
Share of employees benefiting from sick leave, per cent	84.7	85.8	87.2

Source: National Bureau of Statistics, Labour force survey.

D. Working hours and balancing work and non-working life

1. Working hours

We have the following proposed indicators: a) average annual (actual) hours worked per person/employee; b) share of employed persons working 49 hrs and more per week (total); c) share of employed persons working less than 30 hours per week involuntarily.

We also have the following other possible indicators: a) share of employees working overtime (paid or unpaid); b) share of employed working more than one job; c) average weekly (actual) hours); d) distribution of hours by quintile.

Sources of data in the field of working hours:

- *Labour Force Survey* in households (actual hours worked during one week), and
- Monthly statistical survey in enterprises on *Number and earnings of employees (*actual hours worked during one month).

The situation on Moldova's labour market as regards the "working hours" sub-dimension is the following:

The average number of actually worked hours by a person amounted to 2028 hours in 2008 (estimation based on LFS). There was no substantial change in hours actually worked during the last three years. On the other hand, the average number of worked hours by employees, calculated based on enterprises survey, amounted to 1776.3 hours per person in 2008, which was 12.4 hours more than in 2007, but 2.3 hours less than in 2006 (Table 11).

The share of persons who worked 49 hours and more a week accounted for 8.9 per cent during the last year. This indicator registered a drop over the previous years (10.3 per cent in 2007 and 12.5 per cent in 2006). The excessive working hours are registered more frequently among employers (16 per cent of total employers) and somewhat less among employees (9 per cent) and self-employed (8.4 per cent). Men work more excessive hours as compared to women.

The share of employed persons working less than 30 hours per week in 2008 accounted for 17.8 per cent, including involuntary cases – 5.3 per cent. Over the last three years the share tended to rise: 17.1 per cent, and 4.9 per cent respectively in 2006, and 17.4 per cent and 5.0 per cent respectively in 2007. At the same time, enterprises survey shows that in 2008, due to the administrative initiative, 2 per cent of

employees were transferred to daily or weekly part-time work (as a consequence of the economic crisis).

The share of persons who worked more than 40 hours per week in 2008 accounted for 28.9 per cent, of which one third stated that they usually work more than 40 hours, and one in five persons stated that the wish to earn more was the main reason for working longer working hours. The indicator registered a drop as compared to the previous years: 30.9 per cent in 2007 and 31.8 per cent in 2006.

The share of persons with secondary activities is low in Moldova, registering 2.6 per cent in 2008, 3.0 per cent in 2007 and 3.3 per cent in 2006.

In 2008, the estimated average duration of the working week was 39 hours per employed person; it remained virtually unchanged from the previous years.

Table 11. Working hours

	2006	2007	2008
Average annual (actual) hours worked per person	2 028.0	1 976.0	2 028.0
Average annual (actual) hours worked per employee	1 779.0	1 764.0	1 776.0
Percentage of employed persons working 49 hours and more per week	12.5	10.3	8.9
Percentage of employed persons working less than 30 hours per week, total	17.1	17.4	17.8
of which involuntarily	4.9	5.0	5.3
Percentage of employees working overtime (paid or unpaid)	31.8	30.9	28.9
Percentage of employed working more than one job	3.3	3.0	2.6
Average weekly (actual) hours	39.0	38.0	39.0
Average weekly (actual) hours for full-time employment	40.0	40.0	39.0
Average weekly (actual) hours for part-time employment	23.0	21.0	21.0

Source: National Bureau of Statistics, Labour force survey and Survey on Number and earning of employees

The distribution of the weekly working hours by quintiles reveals a rather small disparity: the most inferior quintile registering 9.8 per cent of the total number of hours as compared to 28.4 per cent in a case of the most superior quintile. During the last three years there was a slight decline for the inferior quintile.

Table 12. Distribution of hours by quintiles

Quintiles	2006	2007	2008
Total, per cent	100.0	100.0	100.0
Quintile 1	10.2	10.2	9.8
Quintile 2	18.1	18.2	18.2
Quintile 3	21.6	21.7	21.8
Quintile 4	21.8	22.0	21.8
Quintile 5	28.3	28.0	28.4

Source: National Bureau of Statistics, Labour force survey

Relevant indicators for Moldova

The number of *time-related underemployed persons*,[148] i.e. persons who during the period of reference had a work, but worked in reality less hours within all activities than the set threshold (40 hours), and wished to work additional hours and were available to start the work in the next two weeks accounted for 86.7 thousand, or 6.9 per cent of all employed persons (in 2007 – 8.0 per cent, in 2006 – 8.4 per cent) (Table 13). The phenomenon of underemployment is mainly spread in rural areas – 73.9 per cent of total underemployed persons in 2008, no change from the last year.

The volume of time-related underemployment accounted for 31.1 thousand full-time (daily) programmes, which could have been worked and wished to be worked by the employed persons (in 2007 - 36 thousand, in 2006 - 34 thousand). The rate of the volume of time-related underemployment (the ratio between the volume of time-related underemployment and the potential time for work of employed persons) accounts for 2.5 per cent (2.9 per cent in 2007 and 2.7 per cent in 2006).

[148] According to the Resolution concerning the measurement of underemployment and inadequate employment situations, adopted by the 16th ICLS. Geneva, October 1998.

Table 13. Time-related underemployment

	2006	2007	2008
Time-related underemployment as share of total employment, per cent	8.4	8.0	6.9
Volume of time-related underemployment, thousand full-time daily work programmes)	34.0	36.0	31.1
Rate of the volume of time-related underemployment, per cent	2.7	2.9	2.5

Source: National Bureau of Statistics, Labour force survey

2. Working time arrangements

We partially have the following proposed indicators: a) percentage of employed people /employees who usually work at night/evening; b) percentage of employed people/employees who usually work on weekend; c) share of employees with flexible work schedules.

Source of data: *Labour Force Survey* in households, ad-hoc module on *Work organization and working time arrangements* (2007).

The situation on Moldova's labour market as related to this sub-dimension of the "quality of employment" is the following:

52 per cent of employees have atypical jobs (work performed during evenings, night-time, on Saturdays and Sundays). One in two persons (46 per cent) with an atypical job stated that such a job is convenient for his/her personal life. The possibility to work during evenings, night-time and during week-ends is mostly appreciated by the employees who set their work programmes based on a mutual agreement with the employer.

The share of employees who usually work at night/evening accounted for 17.3 per cent in 2007. Taking into account the persons who work at night/evening only sometimes, the share reaches 29 per cent. The work at night (in between 22 p.m. - 06 a.m.) and evening (in between 18 p.m.-22 a.m.) is more characteristic for men than for women (19 per cent as compared to 14 per cent for the work in evenings and 12 per cent as compared to 6 per cent for the work at night). It is mainly the employees who have informal jobs and the young persons of 15-24 years old who work at night and in evenings.

28 per cent of all employees work habitually during week-ends. If we take into account also the persons who work in week-ends occasionally, then the share reaches 49 per cent. It is men who work more frequently during week-ends (31 per cent as compared to 25 per cent of women) (Table 14). Majority of employees who work on Saturdays (50 per cent) and Sundays (35 per cent) are engaged in such activities as trade and hotel services. It is namely the employees who have informal jobs who mostly work during week-end.

The majority of employees (84 per cent) have fixed hours for starting and finishing the working day. About 16 per cent of employees have flexible/variable work programme, of which 8.9 per cent have variable start and end of the working day for an interval of 1-2 hours, with nevertheless fixed total number of hours of the working day. Almost 5 per cent of employees have the possibility to set their working programme based on individual agreements with the employer.

Table 14. Working time arrangements

	2007	Including	
		Women	Men
Percentage of employees who usually work at night/evening	17.3	15.1	19.8
Percentage of employees who usually work on weekend	28.0	25.4	31.0
Percentage of employees with flexible/variable work schedules	16.0	13.5	19.5

Source: National Bureau of Statistics, Labour force survey, ad-hoc module on Work organization and working time arrangements (2007).

3. Balancing work and non-working life

We have the following indicators for the respective dimension: a) ratio of employment rate for women with children under compulsory school age to the employment rate of all women aged 20-49; b) share of people receiving maternity/paternity/family leave benefits; c) ratio of the employment rate for single

women with children under compulsory school age to the employment rate of married women aged 20-49.

Sources of data:

- *Labour Force Survey* in households;
- Administrative source, National House of Social Insurance.

In 2008, the ratio of the employment rate of women of 20-49 years old with at least one child of pre-school age (under 6 years old) to the employment rate of all women of 20-49 years stood at 0.79, similar to the level of the previous year (in 2007 – 0.78) (Table 15).

The ratio of the employment rate for single women with children under compulsory school age to the employment rate of married women aged 20-49 in 2008 was 0.61.

The share of persons receiving monthly maternity/paternity benefits for (under 3 years old) child care in the total number of persons who took child care leave for under 3 years old children increased from 38.5 per cent in 2006 up to 41.7 per cent in 2008.

Table 15. Balancing work and non-working life

	2007	2008
Employment rate of women aged 20-49, per cent	53.00	52.40
Employment rate of women aged 20-49 with children under compulsory school age, per cent	41.4	41.40
Employment rate of women aged 20-49 without children under compulsory school age, per cent	56.80	56.10
Ratio of employment rate for women aged 20-49 with children under compulsory school age to the employment rate of all women aged 20-49	0.78	0.79
Ratio of the employment rate for single women with children under compulsory school age to the employment rate of married women aged 20-49	n.a.	0.61
Share of people receiving maternity/paternity/family leave benefits	39.60	41.70

Sources: National Bureau of Statistics, Labour force survey and National House of Social Insurance.

E. Security of employment and social protection

1. Security of employment

We have some data for the following proposed indicators: a) percentage of employees 25 years of age and older with temporary jobs; b) percentage of employees 25 years of age and older with job tenure (< 1 yr).

We have, as well, some data for the other possible indicators: a) transition from temporary jobs into other labour status; b) percentage of employed who are unincorporated self-employed.

Source of data in the field of security of employment: *Labour Force Survey* in households.

The situation on Moldova's labour market as related to employment security sub-dimension is the following:

The majority of employees are employed based on individual work contracts. The share of such employees has increased during the last three years: 87.7 per cent in 2006, 88.5 per cent in 2007 and 89.6 per cent in 2008 (Table 16). As well, the majority of employees work based on work contracts (or verbal agreements) concluded for undetermined period of time (94 per cent).

Over the last three years, the decline in the share of employees employed for a fixed-term was observed: it dropped from 7.1 per cent in 2006 to 5.5 per cent in 2008 for the age group of 25 years old and over. The majority of persons among the employees with fixed-term work contracts are persons employed for one year or less. The share of such persons among the temporary workers has been increasing: from 70.6 per cent in 2006 to 87.4 per cent in 2008.

The situation of persons (employees) with temporary jobs has developed over a year in the following way: 2 persons in 5 continued to have temporary jobs (39.2 per cent), or obtained permanent jobs (38.9 per cent); 6.7 per cent became self-employed; 0.5 per cent obtained the unemployment status and 14.7 per cent became economically inactive.

About one third of employed persons are unincorporated self-employed.

Table 16. Security of employment (per cent)

	2006	2007	2008
Share of employees 25 years of age and older with temporary jobs	7.1	6.4	5.5
Of which, share of employees with job tenure < 1 year	70.6	71.2	87.4
Transition from temporary jobs into other labour status:			
Temporary jobs	n.a.	100	39.2
Permanent jobs	n.a.	n.a.	38.9
Own account workers	n.a.	n.a.	6.7
Unemployed persons	n.a.	n.a.	0.5
Inactive persons	n.a.	n.a.	14.7
Share of employed who are unincorporated self-employed, as share of total employment	32.9	33.3	32.0
Share of employees employed on the basic of working contract	87.7	88.5	89.6

Source: National Bureau of Statistics, Labour force survey

2. Social protection

We have the following indicators for the given sub-dimension: a) share of employees covered by unemployment insurance; b) public social security expenditure as share of GDP; c) share of economically active population contributing to a pension fund. In case of other possible indicators, we have the following: average monthly unemployment insurance payment as a share of average monthly wage.

Sources of data in the field of social protection:

- Labour Force Survey in households;
- National Accounts;
- Administrative source, National House of Social Insurance;
- Administrative source, National Employment Agency.

In line with the legislation in force, all persons who work must to be insured under the public social insurance system, and insurance in case of employment is part of it. Taking into consideration the informal employment phenomena, according to LFS data, 92.2 per cent of respondents consider that the employer pays for them all the compulsory social insurance contributions, thus we can consider that these persons are insured in case of unemployment.[149] In the last three years, the value of the indicator slightly declined (from 92.9 per cent in 2006 to 92.2 per cent in 2008).

The public social security expenditures as share of GDP has risen during the period of observation: from 11.5 per cent in 2006 to 12.6 per cent in 2008 (Table 17).

Table 17. Social protection (per cent)

	2006	2007	2008
Share of employees covered by unemployment insurance	92.9	92.6	92.2
Public social security expenditure as share of GDP	11.5	12.3	12.6
Share of economically active population contributing to social insurance system (including pension fund)	79.8	90.2	n.a.
Average monthly unemployment insurance payment as a share of average monthly wage	28.0	26.5	26.0

Sources: National Bureau of Statistics, Labour force survey and National accounts and administrative sources, National House of Social Insurance and National Employment Agency.

The share of the economically active population who contribute to the social insurance system (including pension fund) has increased significantly: 79.8 per cent in 2006 and 90.2 per cent in 2007. Women contribute more than men to the social insurance budget.

In spite of the fact that the unemployment allowance increased in 2008 by 40 per cent as compared to 2006, and by 20 per cent as compared to 2007, it remains below 30 per cent of the average wage in the economy (26 per cent in 2008). The average level of unemployment allowance (Table 18) covers currently

[149] This situation is analogical to that of insurance for work accidents and professional diseases.

half of the average costs necessary for vital needs. At the same time, the share of persons who actually received the unemployment assistance accounts for about 10 per cent of the total number of registered unemployed persons. Thus, it is obvious, that this allocation does not ensure significant financial support to unemployed persons.

Table 18. Unemployment allowances, wages in national economy, and subsistence minimum (average values in MDL)

	2006	2007	2008
Unemployment allowance	474.8	548.1	658.6
Average wage	1 697.0	2 065.0	2 530.0
Subsistence minimum	935.1	1 099.4	1 368.1
Minimum wage	200.0	400.0	400.0

Sources: National Bureau of Statistics, Survey on Number and earning of employees and National Employment Agency.

Relevant indicators for Moldova

Informal employment phenomenon is a specific feature of labour market. According to the national definition,[150] a person is considered to be informally employed in case when he/she does not benefit from social protection or other rights in compliance with labour legislation. Although there is a decreasing trend registered for this indicator over the last years, the share of persons informally employed remains to be rather high – one in three employed persons (35.1 per cent in 2006, 33.6 per cent in 2007 and 31.1 per cent in 2008). Informal employment is characteristic for self-employment (69 per cent of total informal employment), private sector (99.7 per cent of total informal employment), agriculture (63 per cent of total informal employment). When excluding the agricultural activities, informal employment would account for 16.6 per cent of the total employment in non-agricultural activities.

Employees represent about one third (31 per cent) of the total informal employment, at the same time 14.2 per cent of the total employees had an informal job (Table 19). One in ten persons is employed in informal sector (10.9 per cent). Without agriculture, this indicator is lower, 6.6 per cent.

Table 19. Informal employment and employment in the informal sector (per cent)

	2006	2007	2008
Informal employment as share of total employment	35.1	33.6	31.1
Informal employees as share of total employees	17.8	15.9	14.2
Employment in the informal sector as share of total employment	10.0	10.4	10.9

Source: National Bureau of Statistics, Labour force survey

F. Social dialogue

Unfortunately, currently we do not have the proposed indicators and other possible indicators for the "social dialogue" sub-dimension.

There are no official statistics and no administrative data regarding the work collective contracts. At the same time, the Labour Force Survey respondents are asked if they are members or not of trade-unions. The share of trade-union members in the total number of employed persons changed as follows: 27.8 per cent in 2006, 26.9 per cent in 2007 and 25.4 per cent in 2008.

There are no official statistics/administrative data regarding strikes either. Labour legislation regulates employees' right to strike so as to defend their professional interests or social and economic nature. At the same time, according to the law, certain categories of workers cannot participate in strikes (employees from telecommunication system, water and energy supply systems, employees for air traffic ruling services, public servants, etc.). The classifier of units, sectors, and services the employees of which cannot take part in strikes (according to the law) is approved by the Government after consulting with the employer's organisations and trade-unions.

G. Skills development and training

We have the following indicators for the given dimension: a) share of employed persons in high skilled occupations; b) share of employees who received job training within the last 12 months;

[150] According to the Guidelines concerning the statistical definition of informal employment, adopted by the 17th ICLS, November-December, 2003.

Table 20. Skills development and training

	2006	2007	2008
Share of employed persons in high skilled occupations (ISCO 1-3, aged 25-64), per cent	30.8	29.1	29.6
Share of employees who received job training within the last 12 months, per cent	8.1	9.4	10.2
Share of employed who have more education than is normally required in their occupation (aged 15-64), per cent	13.6	13.6	13.3
Share of employed who have less education than is normally required in their occupation (aged 15-64), per cent	2.9	3.3	3.9
Share of employed persons by Level of Education, per cent:			
Pre-primary	0.0	0.1	0.1
Primary	1.0	0.7	0.5
Lower secondary education	16.2	15.8	15.5
Upper secondary education	44.5	46.1	46.6
General secondary education (college)	17.3	17.3	16.8
Higher education	21.0	20.1	20.7
Persons on skill-related inadequate employment as a percentage of the employed, per cent	1.6	1.8	2.0

Sources: National Bureau of Statistics, Labour force survey and Vocational training survey (in enterprises).

c) share of employed who have more education than is normally required in their occupation; d) share of employed who have less education than is normally required in their occupation.

Under the other possible indicators, we have partial data for "share of employed persons by level of education" (but we cannot disaggregate this indicator down to sub-groups level).

Sources of data in the field of social protection:

- *Labour Force Survey* in households;
- Annually survey in enterprises on *Vocational training*.

The situation on Moldova's labour market as related to the given dimension is the following:

The share of persons employed in high skilled occupations (ISCO, 1-3, aged 25-64) stayed at the same 30 per cent level over several years. One in two persons out of this occupational segment has intellectual or scientific occupations (group 2).

In line with the statistics obtained from enterprises, one in ten employees benefited from job professional training during the previous year. The share of such persons in total number of employees covered by the survey is increasing (from 8.1 per cent in 2006 up to 10.2 per cent in 2008) (Table 20).[151]

One in six persons considers that the job he/she holds does not correspond to his/her field of education (17.2 per cent). This share remained at the same level during last three years. The majority of them (¾) have a higher educational level than the one required for their occupation (13.3 per cent of total employment) and one fourth have a lower educational level than the one required for their occupation (3.9 per cent of total employment). At the same time, the main reason for 8.4 per cent of persons willing to change the situation at their workplaces is the wish to use adequately their skills/qualifications (6.8 per cent in 2006 and 7.9 per cent in 2007). The inadequate employment as related to qualification registered 2 per cent last year. [152]

The structure of employed population by education level did not suffer any modification over the time. Nearly one in two persons has upper secondary education (46.6 per cent), one in five persons has higher education (20.7 per cent), one in six persons has general secondary education/college (16.8 per

[151] The survey covers about three quarters of the total number of employees and half of the total number of persons employed in national economy.

[152] According to the *Resolution concerning the measurement of underemployment and inadequate employment situations*, adopted by the 16th ICLS. Geneva, October 1998.

cent), or lower secondary education (15.5 per cent).

H. Workplace relationships and work motivation

Currently we do not have the given proposed indicators. We consider it important to develop in future the respective statistics in Moldova.

I. Conclusions

This report represents an attempt to assess the situation on the labour market in respect of the quality of employment, using for this purpose the indicators developed by the Task Force, given that they are currently available for Moldova. This exercise allowed us to make an inventory of the existing statistics regarding the proposed statistical framework on Quality of Employment, and to undertake first analysis of the indicators in regard to their need and relevance for Moldova. When analyzing the relevance, it is very important to consult the persons who are responsible for the development, evaluation and monitoring of labour force policies.

The report actually is more like a fact-finding study of the situation based on different dimensions. Nevertheless, we are able to provide some findings based on quality of employment indicators' analysis.

The situation on the labour market regarding the quality of employment is not a favourable one in Moldova. More active and adequate measures are needed for some dimensions/sub-dimensions so as to improve the quality of employment: first of all, regarding the *income from employment*; *working time arrangements*, *social protection (informal employment phenomenon)*, etc.

At the same time, certain positive trends (improvement of indicators) are visible for some sub-dimensions, although the evolution of these trends over the period of last three years is very slow. These would be: *safety at work*, *fair treatment in employment* (as related to women's situation), *working hours* (time-related underemployment), and *skills development*.

So as to have a more comprehensive analysis in future, the indicators should be disaggregated by sex, age group, area, etc. It is necessary, as well, to implement in practice the missing indicators, and of course to develop and use, as widely as possible, the data from the administrative sources.

When talking about labour market policies in Moldova, we should formulate well-defined objectives for improving the quality of employment in the first dimensions/sub-dimensions, and gradually to tend to obtain performance in such dimensions as workplace relationship and work motivation.

ANNEX — Statistical measurement of forced labour

Background

Labour migration represents one of the main socio-economic problems in the Republic of Moldova, being a consequence of poverty and, at the same time, a key strategy to cope with. The phenomenon of labour migration has a direct impact on national labour market. Therefore the management of the labour migration impact on labour market is one of the Priority Directions of the National Employment Strategy for 2007 – 2015. The National Bureau of Statistics (NBS) has an important role in monitoring and evaluating labour market policies.

In this context, NBS has initiated and launched a household survey on Labour Migration, as a complementary module to the existing Labour Force Survey.

At the same time, as result of the "Technical consultation on forced labour indicators, data collection and national estimates", held during December 13-14, 2006, in Geneva by the ILO, as well as based on the activity of the EC Project "Elimination of Trafficking in Human Beings in Moldova and Ukraine through labour market based measures", the Republic of Moldova has been selected, together with other 6 states, as a country where the ILO will test the methodology for collecting data on the proportion, particularly of the irregular migration.

Taking into consideration the fact that labour migration of Moldavian citizens in the majority of cases is occurring in irregular conditions, it was considered to incorporate in the survey some aspects related to forced labour of migrant workers.

According to ILO expert's suggestions, we have added supplementary questions in the *Labour Migration* questionnaire, which would allow estimating some aspects of forced labour. (The objective was to include a set of questions related to the conditions of work of labour migrants so as to derive estimates on forced labour and trafficking among labour migrants).

Proposed methodology

According to the ILO/SAP-FL methodology, forced labour and trafficking are estimated using a combination of the following three elements: deception, exploitation, and coercion. Exposure to the risk of deception, exploitation or coercion is determined by a complex of factors and the individual characteristics of migrants and of the history of emigration.

Deception concept

Deception represents the cases when a person was forced to work, to provide services that were not part of the initial agreements, and to which a person didn't originally agree. This concept also includes aspects of life and living conditions which were not agreed with the migrant by employer or any other person who mediated the departure and employment abroad. The difference between the situation/conditions promised by the employer/mediator at the time of recruitment and the real situation of the migrant will be used as a landmark feature in giving meaning to the concept of deception.

To calculate the incidence in this case, seven items concerning three aspects were included: salary amount and deductions from it, living and employment conditions (including the type of work), and the owner/employer (Table 1).

Concept of exploitation

According to the definition used in this study, exploitation is characterized by an excessive amount of work, poor remuneration, poor working conditions and a high level of violence. In fact, to characterize exploitation some basic indicators expressing decent work were used.

Concept of coercion / coercion through threat

As definition, the concept of coercion / coercion through threat includes all the procedures applied by the employer or recruiter to require someone to work contrary to the will of the victim or to prevent the departure from the working place (Table 2).

The methods applied in this case may be both, physical and psychological. Also this concept includes salary retention, as a way to prevent the employee to leave working place, when the salary is necessary to ensure this leave.

According to the applied treatment model, each element of the forced labour components (deception, exploitation and coercion) is assigned points, and the amount of the obtained points served as basis for distributing the migrants in the group of "success" migrants (migrants that were not deceived, were not exploited or forced) and the group of migrants with "forced labour" experience. The level 4 of the indicator was taken as baseline for distributing the migrants depending on the obtained scores. If a migrant obtained a coefficient lower than 4, he/she was considered to be a "success" migrant, but if a migrant obtained a score over 4 points, he/she was treated as a person exposed to *deception* or *exploitation* or *coercion* (Table 3).

Table 1. Deception concept

Element	The question from the questionnaire through which the element is determined	The coefficient assigned in case the conditions are met
1. Deceived about conditions of work	1.1. Working conditions were worse	2
2. Deceived about housing and living conditions	2.1. Other accommodation conditions than the ones promised by the employer	2
3. Deceived about the nature of the job, location or employer	3.1. The type of work/job was different from the one promised	4
	3.2. Location of workplace was different	
	3.3. Another employer than the one promised	
4. Deceived about wages/earnings	4.1. Unforeseen or higher deductions from the salary	2
	4.2. Salary was lower	

Table 2. Concept of exploitation

Element	The question from the questionnaire through which the element is determined	The coefficient assigned in case the conditions are met
1. Bad living conditions	1.1. Forced to accept accommodation from a third party	2
2. Excessive working days or hours	2.1. Weekly rest day(s)?	2
	2.2. Excessive working hours/days	
	2.3. Forced to work hours/days of excessive paid work	
3. Hazardous work	3.1. Hazardous work without protection	2
4. Low or no salary	4.1. Payment for overtime work?	2
	4.2. Lower salaries than the ones paid to natives	
	4.3. Forced to work hours/days of excessive unpaid work	
5. No respect of labour laws or contract signed	5.1. Long-term/permanent employee without written contract	2
	5.2. Delayed payment	2
6. No social protection (contract, social insurance, etc.)	6.1. Health insurance?	2
	6.2. Paid sick leave?	
	6.3. Contributions to pension fund?	
	6.4. Compensation for work accidents?	
	6.5. Unemployment insurance?	
	6.6. Paid annual leave?	
	6.7. Refusal of sick leave	
7. Very bad working conditions	7.1. Violence from employer/colleagues/customers/clients	2
8. Wage manipulation	8.1. Unforeseen or higher deductions from the salary	2

Table 3. Concept of coercion/coercion through threat

Element	The question from the questionnaire through which the element is determined	The coefficient assigned in case the conditions are met
1. Forced into illicit/criminal activities	1.1. Forced to commit illegal activities	2
2. Forced tasks or clients	2.1. Forced to accept a job he/she did not wanted	2
	2.2. Forced to fulfil tasks he/she did not wanted	
	2.3. Forced to provide sexual services	
	2.4. Forced to move away from one employer to another one without consent	
	2.5. Placed in this job without own consent	
3. Confiscation of documents	3.1. ID documents (travel tickets) confiscated	4
4. Debt bondage	4.1. Loan or advance was imposed or falsified	4
	4.2. Unforeseen debts to be paid back to other persons	
5. Isolation, confinement or surveillance	5.1. Limitation of the freedom to move and communicate	4
6. Threat of denunciation to authorities	6.1. Threats of deportation/denunciation to authorities	2
7. Threats of violence against victim	7.1. Threats against	2
8. Violence on family (threats or effective)	8.1. Threats against to family	2
9. Violence on victims	9.1. Physical/sexual violence	2
10. Withholding of wages	10.1. Forced to stay at the working place for a longer period of time, waiting for the salary to be paid	2
	10.2. Salary withheld/Non payment of wages	
11. Dependency on exploiters	11.1. Forced to accept	2

CHAPTER XI. Ukraine Pilot Report

Among the Commonwealth of Independent States (CIS) and other transition economies, Ukraine is one of the few which has an exceptionally rich range of statistical tools measuring various dimensions of socio-economic processes affecting its population in general as well as monitoring and evaluating the national social policy programmes, in particular.

Thus, in addition to the conventional data collection instruments (e.g. population census, labour force survey, labour cost survey, administrative records, etc.) the State Statistics Committee of Ukraine (SSCU) has at its disposal the following special tools generating a wide range of data on flexicurity[153] and an array of indicators measuring the qualitative aspects of employment.

1. Enterprise Labour Flexibility and Security Survey (ELFS).
2. People's Security Survey (UPSS).
3. Labour Force Survey (LFS) based Modular Decent Work Survey (UMDWS).

Ukraine is one of the first countries in Central and Eastern Europe where the Enterprise Labour Flexibility and Security Surveys were launched, and ten such surveys have been conducted since 1994.

Essentially, ELFS examines the process of employment creation, labour utilization, job structure, working conditions, gender segregation and labour relations at the enterprise or establishment level.[154] More specifically, the survey investigates:

- Problems of *labour utilisation* and the more efficient utilisation of workers;
- *Main mechanisms of, and obstacles to, skill formatio*n and the effective utilisation of skills;
- *Labour recruitment practices* employed by the enterprises, and the considerations, which motivate these practices;
- *"Labour segmentation"* within and across enterprises. In other words, examining the opportunities and restrictions on labour mobility within firms;
- *Patterns of labour turnover* and their implications for productivity, and the factors that determine the rate of labour turnover;
- *Labour flexibility in its various dimensions* and the extent of these practices in different types of firms and sectors;
- The *role of labour legislations* in determining recruitment practices, skill development, and the level and structure of employment;
- *Gender preferences* in recruitment, work conditions and opportunities for advancement;
- *Labour relations mechanisms* (trade unions, collective bargaining, etc.) in operation, and their impact on dynamism of establishments.

Also, Ukraine is one of the first countries where the International Labour Organization (ILO) sponsored UPSS was launched within the ambitious and comprehensive ILO Programme on socio-economic security in the world of work. Since 2000, four UPSS rounds have been conducted. This survey is a unique statistical tool designed to measure the following labour-related forms of security:[155]

- Basic needs security;
- Income security;
- Labour market security;
- Employment security;
- Job security;
- Work security;
- Skills reproduction security;
- Representation security.

Of these, the last two stand out as being at the crux of security that should encourage legitimate risk-taking

[153] Flexicurity refers, in general terms, to a balanced combination of labour flexibility and socio-economic security.
[154] See ILO. Enterprise Labour Flexibility and Security Surveys (ELFS): A technical guide. Geneva, 2004.
[155] See ILO. People's Security Surveys (PSS): A Manual for training and implementation. Geneva, 2004.

and innovations while promoting society and social solidarity.[156]

Further, like in the earlier cases, Ukraine was a pioneering country to test and apply the ILO methodology on measuring various dimensions of decent work.

The above exercise had the following two phases:

1. Participation in the ILO's early developmental work and testing of the decent work statistical indicators (2001-2004), when the UMDWS was conducted and results were discussed at the national tripartite seminar.
2. Current work with the ILO is to test a comprehensive approach to the measurement of decent work during 2009 by preparing decent work profile of Ukraine. This work is based on the Decent Work Framework endorsed by the 18th International Conference of Labour Statisticians (ICLS).[157] The zero draft profile for Ukraine was used a preliminary basis for discussion at a tripartite National Consultation Workshop for Ukraine, held on 15 and 16 September 2009 in Kiev.

Finally, Ukraine has been actively participating in the joint UNECE/ILO/EUROSTAT Seminars on the Measurement of Quality of Work held in 2007 and 2009; and joined the UNECE Task Force on the Measurement of Quality of Employment established in 2008.

The objectives of this report are to:

1. Describe the quality of employment on the Ukrainian labour market, applying the framework developed by the UNECE Task Force. The indicators chosen for the paper are based on the list of indicators as proposed in the framework prepared by the Task Force on the measurement of quality of employment;[158]
2. Identify areas, which are relevant for quality of employment in the Ukrainian context and identify indicators, which are of limited relevance for Ukraine;
3. Provide feedback to the Task Force on the Measurement of Quality of Employment.

When writing this paper, the authors have largely drawn on the experience gained during the years of collaboration with the ILO and the UNECE in measuring decent work and qualitative aspects of employment.

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A. Developments in the labour market of Ukraine

Labour market is an integral part of the economic and social system of which the functioning and development are influenced by market economy laws and relevant administrative and legislative decisions. Therefore, under a growing globalisation of the world economic space, the increase in the quality of labour force in general and employment in particular has become a crucial pre-condition to secure sound competitiveness of the national economy.

During the last two decades, employment in Ukraine has changed. Thus, after a notable decrease between 1989 and 1999, it stabilized thereafter and a small but steady increase was observed between 2002 and 2008[159] (Figures 1a and 1b).

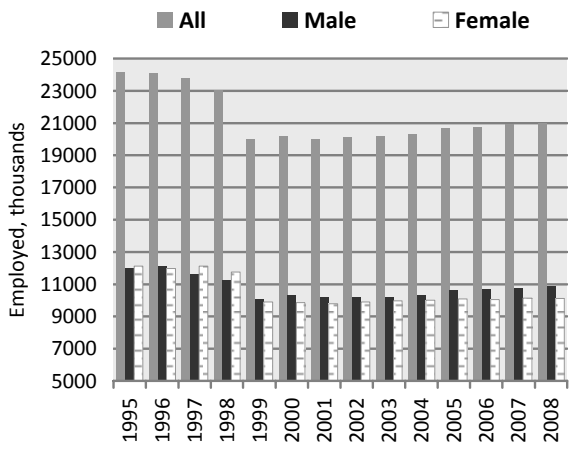
[156] See ILO. Economic security for a better world. Geneva, 2004.

[157] See ILO. "Resolution on further work on the measurement of decent work". *Report of the 18th International Conference of Labour Statisticians*. Geneva, December 2008.

[158] See UNECE Task Force on the Measurement of Quality of Employment. Introduction of the Conceptual Framework for Measuring the Quality of Employment. Statistical Measurement of Quality of Employment: Conceptual framework and indicators. Note by the Task Force on the Measurement of Quality of Employment, ECE/CES/GE.12/2009/1, 2 September 2009. http://www.unece.org/stats/documents/ece/ces/ge.12/2009/zip.4.e.pdf

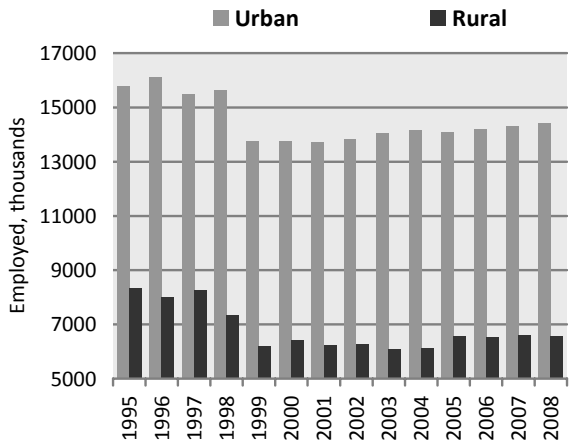
[159] The data refers to employed persons aged 15-70 years, who were employed as employees or self-employed and worked for at least an hour during a reference week as well as persons temporarily absent from work due to specific reasons.

Figure 1a. Employment by sex



Source: State Statistics Committee of Ukraine

Figure 1b. Employment by urban and rural areas

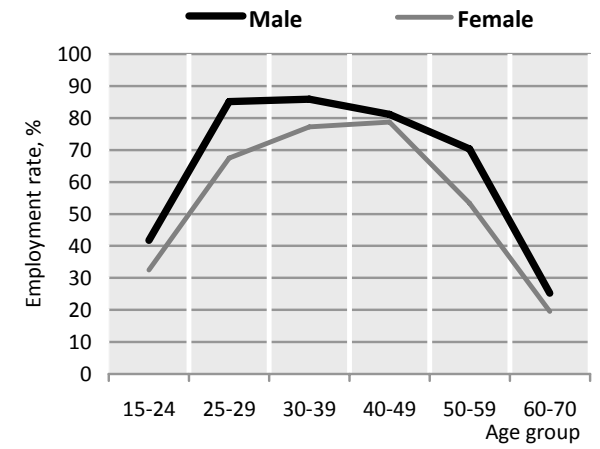


Source: State Statistics Committee of Ukraine.

While the female employment rates were somehow lower than those of males, the gender-specific employment rates were practically equal in the age groups of 40-49 and 60-70 years (Figure 2).

According to the results of the Household Sample Survey of the Economic Activity of Population of Ukraine conducted in 2008, the number of employed aged 15-70 years was 21 million or 50.3 per cent of the total population in this age group.

Figure 2. Employment rates by sex and age group



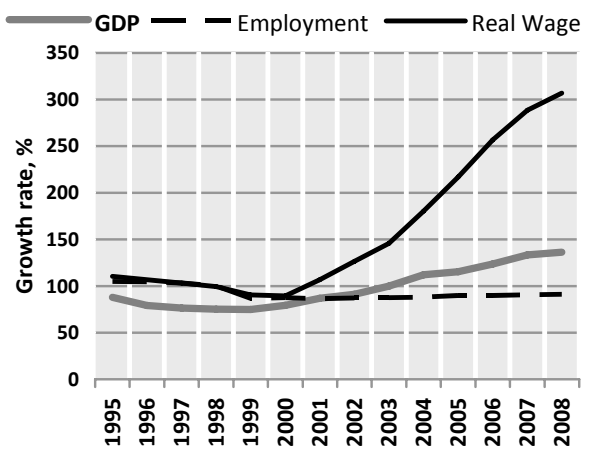
Source: State Statistics Committee of Ukraine.

The enterprise statistics collected from large- and middle-sized establishments showed that the number of workers employed there fell by 237,000 and stood at 11.4 million persons. Besides, 327,300 workers had secondary employment outside their main workplace, and 268,200 worked with temporary contracts which provided them with less guarantee of employment and much reduced or no social security schemes. The above and other facts indicate that the Ukrainian labour force is losing its relative quality advantages which it used to have vis-à-vis other countries in the region.

Employment growth in the service sector was due to important changes in the traditional structure of Ukrainian labour force where as a result, since 2002, the number of employees has been continuously decreasing. Thus, the average number of wage earners at the agricultural enterprises engaged in hunting and related services fell by 10.2 per cent and of those engaged in manufacturing by three per cent. At the same, the number of persons employed in commerce and trade has increased by 8.4 per cent, in hotels and restaurants by seven per cent and in real estate operations by 2.6 per cent. Between 2000 and 2008, the number of ILO-unemployed fell from 2.7 million to 1.4 million and the ILO unemployment rates shrunk form 11.6 per cent to 6.4 per cent during the same period.

The GDP growth rates, employment and real wages presented in Figure 3, among other things, shows that the proportion of wages in GDP continues to be small. This is, for the most part, due to the inefficient economy, heavily biased towards processing industries and labour-intensive productions.

Figure 3. Macroeconomic dynamics, growth rates



Source: State Statistics Committee of Ukraine.

B. Quality of Employment: Ukrainian perspective

As rightfully stated in the Task Force paper, "quality of employment is an issue of importance to many. Nobody wants bad working conditions for themselves, and all but a few would want to eradicate the worst forms of work and labour for others".[160]

What is quality of employment? What indicators ought to be used to assess such a concept?

The European Foundation has identified three perspectives on the quality of work and employment: societal, corporate and individual.[161] From a societal perspective, it may be desirable to have a high quality of employment, since it is assumed to have social spin-offs. However, not all aspects of the societal point of view would imply that quality of employment is positive. For example, although public employment generally represents high quality employment, large growth in this sector may be undesirable because it can burden government budgets.

From ILO's perspective, the quality of employment is about security of tenure and prospects for career development; it is about working conditions, hours of work, safety and health, fair wages and returns to labour, opportunities to develop skills, balancing work and life, gender equality, job satisfaction and recognition and social protection. It is also about freedom of association and having a voice in the workplace and the society. Finally, it is about securing human dignity and eliminating discrimination, forced labour, human trafficking and forms of child labour, especially in its worst forms.

These qualitative aspects of work and labour are largely covered by the concept of decent work defined by ILO and endorsed by the international community, as "opportunities for women and men to obtain decent and productive work in conditions of freedom, equity, security and human dignity".[162]

The framework proposed by the Task Force and its indicators are primarily designed to measure quality of employment from the perspective of the individual or worker. More specifically, the following seven dimensions are suggested:

1) Safety and ethics of employment
    (a) Safety at work
    (b) Child labour and forced labour
    (c) Fair treatment in employment
2) Income and benefits from employment
    (a) Income
    (b) Non-wage pecuniary benefits
3) Working hours and balancing work and non-working life
    (a) Working hours
    (b) Working time arrangements
    (c) Balancing work and non-working life
4) Security of employment and social protection
    (a) Security of employment
    (b) Social protection
5) Social dialogue
6) Skills development and training

[160] See UNECE Task Force on the Measurement of Quality of Employment. Introduction of the Conceptual Framework for Measuring the Quality of Employment. Statistical Measurement of Quality of Employment: Conceptual framework and indicators. Note by the Task Force on the Measurement of Quality of Employment, ECE/CES/GE.12/2009/1, 2 September 2009. http://www.unece.org/stats/documents/ece/ces/ge.12/2009/zip.4.e.pdf

[161] European Foundation for the Improvement of Living and Working Conditions. *Quality in work and employment in the European Working Conditions Survey*. UNECE/ILO/Eurostat Seminar on the Quality of Work, Geneva, May 11 to 13, 2005, p. 2.

[162] ILO. *Decent work: Report of the Director-General*. International Labour Conference, 87th Session. Geneva, 1999.

7) Workplace relationships and work motivation

   (a) Workplace relationships

   (b) Work motivation

From the Ukrainian perspective and based on our experience gained through the collaboration with ILO, the quality of employment framework should be used for an in-depth analysis of the qualitative aspects of the relevant dimensions of decent work.

The Task Force's quality of employment framework, its dimensions and indicators are discussed in a greater detail below.

1. Safety and ethics of employment

The dimension on safety and ethics of employment can be defined as a group of indicators that provides general information on workplace injuries and deaths, and unacceptable forms of labour, such as forced labour or child labour, as well as unfair treatment like discriminatory or harassing work situations.

This quality of employment framework suggests the following sub-dimensions and sets of indicators underpinning them.

Safety at work

Hazardous conditions

It should be noted that the number of persons whose working conditions do not satisfy the required sanitary-hygienic norms is steadily decreasing. However, this happens not due to higher investments of employers to the improvement of working conditions of their workers but because recent years have witnessed the shut-down of a large number of coal mines. This has resulted in the notable reduction of number of coal miners from 322,400 in 1999 to 220,300 in 2008.

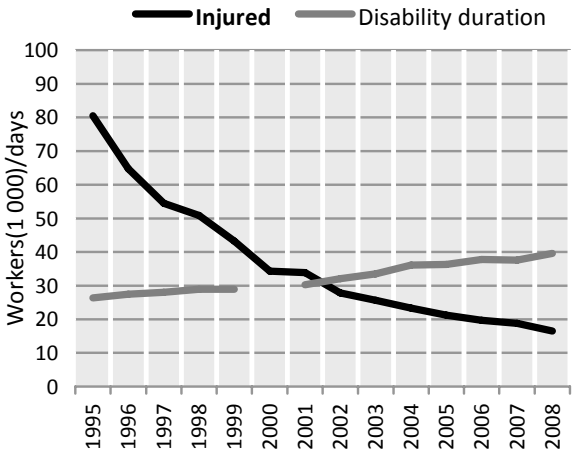
At the beginning of 2008, the largest number of workplaces with hazardous conditions of work was concentrated in metal processing industries (695,900) and in particular in metallurgy and metal workplaces (241,500). However, the highest proportion of hazardous workplaces was in the coal mining and peat production (76.3 per cent), and 55.5 per cent of such workplaces were in metallurgy.

Females are much less prone to work in hazardous working conditions. In 2008, the share of women working in hazardous conditions was 16.8 per cent while that of men was 34.2 per cent. The following hazardous factors have revealed to be similar for women and men: noise, infrasound and ultrasound, hazardous chemical substances and adverse microclimate of the work place.

Occupational injuries

Occupational injuries are largely influenced by conditions of work. Since 1997, there has been a steady decrease of occupational injuries in Ukraine. However, while the number of persons with occupational injuries has been decreasing, the number of days lost due to occupational injuries has been growing at a similar rate (Figure 4).

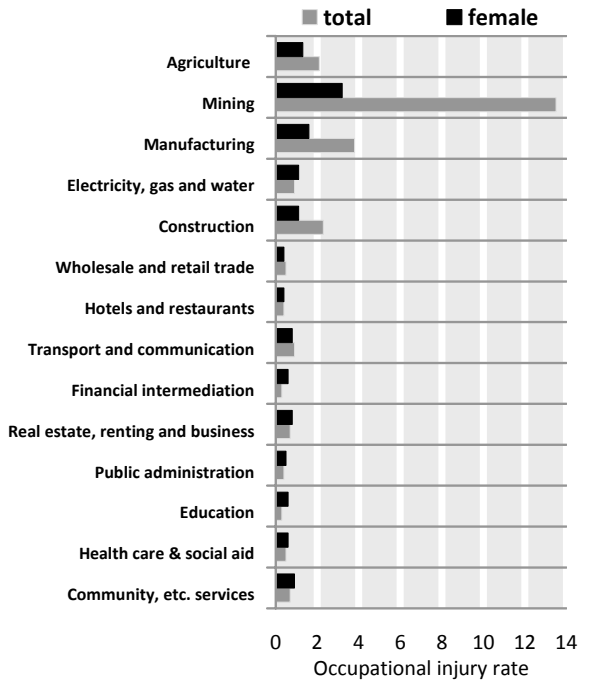
Figure 4. Number of persons with occupational injuries and days lost due to occupational injuries



Source: State Statistics Committee of Ukraine.

The fatal occupational injury rates were also decreasing from 21 in 1995 to seven per 100,000 employees in 2008. The majority of occupational injuries occurred in mining and processing industries. The following industries are considered to be the most dangerous in Ukraine: coal mining, tobacco and textile industries (Figure 5).

Figure 5. Occupational injury rate by industries (per 100,000 employees)



Source: State Statistics Committee of Ukraine.

The main causes of occupational injuries are violation of labour and production discipline (17.1 per cent of total injuries, in particular 22.8 per cent in mining and 20.1 per cent in processing industries), violation of safety requirements when using equipment, machines and mechanisms (15.1 per cent, in particular 25.5 per cent in processing industries) and violation of technological process (8.9 per cent, in particular 18.5 per cent in mining industries).

The majority of fatal injuries (56.1 per cent) take place at private enterprises. The figure was 13,700 in 2006, including 1,200 fatal injuries, i.e. 8.9 per cent of total fatal injuries. While there were 21.1 fatal injuries per 100,000 employed at private enterprises, there were 16.3 such injuries at the state enterprises and seven per 100,000 employed at communal enterprises.

The main causes of occupational injuries at private enterprises are similar to those, which determine occupational injuries in the economy as a whole: violation of labour and production discipline (18.0 per cent), violation of safety requirements when using equipment, machines and mechanisms (20.3 per cent).

Child labour and forced labour

The framework suggests the following indicators for this sub-dimension:

- Employment of persons who are below the minimum age specified for the kind of work performed;
- Employment of persons below 18 years in designated hazardous industries and occupations;
- Employment of persons below 18 years for hours exceeding a specified threshold;
- Indicators of deceptive recruitment;
- Indicators of coercive recruitment;
- Indicators of recruitment by abuse of vulnerability.

While currently statistics are not collected for the above indicators, the SSCU can collect them on special request. In fact, a full-fledged Child Labour Survey was carried out in Ukraine with technical and financial support of ILO in 1999.

As for the current situation with child labour and forced labour, the following is proposed as a general information note on this sub-dimension.

Child trafficking

The problem of trafficking children for forced labour, including begging, is not covered by current legislation. Therefore, an analysis of official data and legal practice does not give the full picture of trafficking of children.

The major factor contributing to child trafficking in Ukraine is poverty. Low earnings are the reason why people look for additional sources to increase their income, through secondary employment and/or by forcing their children to work.

The children, who fall victim to human trafficking are generally aged between 13 and 18 years. Most of them are girls trafficked into sexual exploitation, responding to the demand. Boys are mostly used as cheap labour for unskilled jobs or to peddle drugs among teenagers. Before their involvement in trafficking, one third of the children combined school with work. Children are generally lured into trafficking, both domestic and cross-border. Half of the children are trafficked to Russia and Moldova; the rest are smuggled to urban areas in the CIS. Many of the children, who are trafficked across borders were priory trafficked inside country. The data available in Ukraine show that children trafficked across borders

were exploited in street-vending, domestic labour, agriculture, dancing, as waiters/waitresses, or to provide sexual services.

Trafficking of migrant workers

The volume of trafficked labour migrants is not known. The available estimates are fragmentary. The destination countries for both trafficked and non–trafficked migrants are the same: Russia, Turkey, Italy, Greece and Hungary.

Women are more at risk of being trafficked than men, particularly for the purpose of sexual exploitation. Of trafficked migrants, 64.2 per cent are women. Male trafficked victims of forced labour are on average 35 years old. Inhabitants of rural areas and small town citizens are trafficked more often than others due to a more difficult labour market situation.

According to the special research data, none of the trafficked victims of forced labour considered their pre-migration situation satisfactory. There is an important lack of official information about migration. Therefore, potential migrants are at the risk of receiving false information which increases their vulnerability to abuse, exploitation and forced labour.

Fair treatment in employment

In the authors' view, indicators presented in Table 1 are relevant for this sub-dimension. The table was constructed in conjunction with the preparation of the Decent Work Profile for Ukraine.

Table 1. Equal opportunity and treatment in employment

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Occupational segregation by sex (Index of Dissimilarity)[1, 2]	n.a.	0.46	0.47	0.46	0.45	0.46	[0.28]*	0.43	0.44	0.45	0.46
Female share of employment in ISCO-88 major group 1 (legislators, senior officials and managers)[1, 3]	n.a	38.60	36.70	37.40	38.40	39.60	[43.10]*	38.20	38.30	39.40	38.60
Gender Wage Gap[4]	25.80	27.60	29.10	30.30	30.70	31.30	31.40	29.10	27.20	27.10	24.80

Source: State Statistics Committee of Ukraine, Household Survey on Population Activity in Ukraine and enterprise surveys.

**…*

[1]Data for the years 1999-2003 were revised according to the methodology used from 2004 onwards and the demographic structure of the population as obtained from the All-Ukrainian census of 2001. Data for 2004 are not consistent with the remaining time-series.

[2]The Index of Dissimilarity is calculated as ID = ½ Σ|Wi/W – Mi/M|, where Wi stands for female employment in occupation i, W for total female employment, Mi for male employment in occupation i, and M for total male employment. Based on ISCO-88 major sub- groups (i.e. 2 digit-level). The index ranges from 0 to 1, with 0 meaning no segregation or spatial disparity, and 1 being complete segregation between the two groups.

[3]An unusually large share of total employment (10 per cent) is concentrated in ISCO-88 major subgroup 12 (corporate managers).

[4] Based on average monthly wages of employees in current Ukrainian Hryvna from enterprise surveys. The gender wage gap is a measure for the difference between the wages of female and male workers, expressed as a percentage of men's wages. Positive values mean that women's wages are lower than those of men.

** Series break due to the shift from quarterly to monthly surveys.*

Table 2. Low pay in Ukraine, 2000-2008

	2000	2001	2002	2003	2004	2005	2006	2007	2008
Low pay (Share of employed with below 2/3 of median hourly earnings) (per cent)	26.2	26.7	28.2	26.6	28.5	28.4	26.5	29.5	29.2

Source: State Statistics Committee of Ukraine.

2. Income and benefits from employment

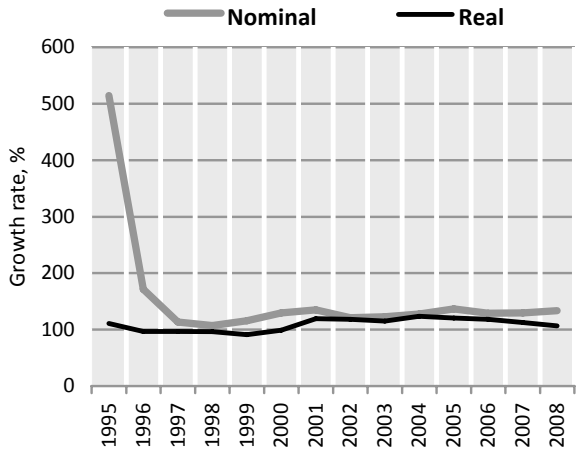
An obvious component of quality of employment is the income that people receive. Income must be taken broadly. The assumption of this dimension is that the higher the pay and other pecuniary benefits of the job, the higher the quality of employment. In addition to income and earning, the benefits that an employer might provide (and pay for) are an important aspect of quality of work that should not be ignored.

A number of additional indicators currently used the State Statistics Committee to measure different qualitative aspects of the income form employment are illustrated below.

Nominal and real wage growth

After a dramatic fall occurred in 1995, the nominal wages showed timid but generally steady growth followed by a less pronounced growth of real wages (see Figure 6).

Figure 6. Nominal and real wage growth (as percentage of that in the previous year)

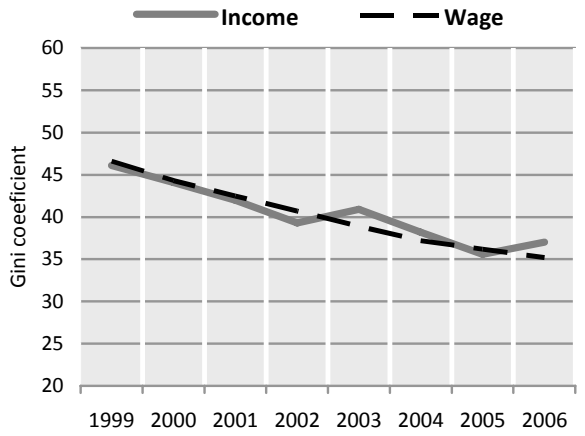


Source: State Statistics Committee of Ukraine.

Population differentiation by income and wage

Since 1999, there have been several changes in Gini-coefficients ratio dynamics (Figure 7).

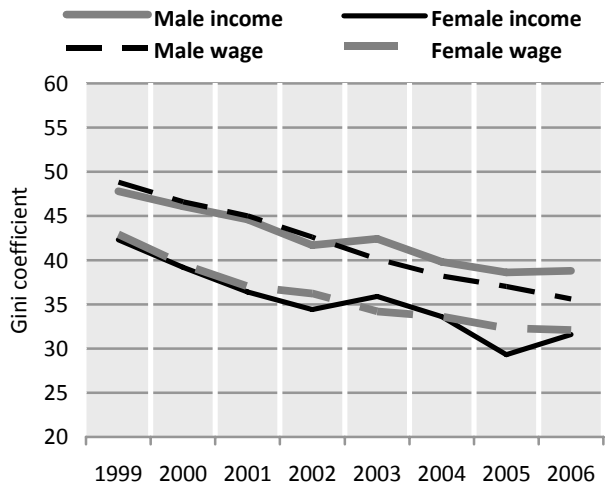
Figure 7. Population differentiation by income and wage, Gini-coefficient



Source: State Statistics Committee of Ukraine.

The economic revival, which was observed in some economic branches (mainly metallurgy, chemistry, mining and construction) during 2000-2006, led to growing inter-sectoral wage imbalances between women and men. Notably, while the wage increase took place mostly among employees of more successful enterprises and sectors, female workers were concentrated in other economic sectors and could not benefit from economic growth as their male colleagues. As a result, income and wage inequality became more pronounced. Some improvement of the situation was observed in 2005-2006 (Figure 8).

Figure 8. Population differentiation by income, wage and sex, Gini-coefficient



Source: HHS; State Statistics Committee of Ukraine.

However, as can be seen in the above figure, income and wage differentiation was more significant among males.

Working poor

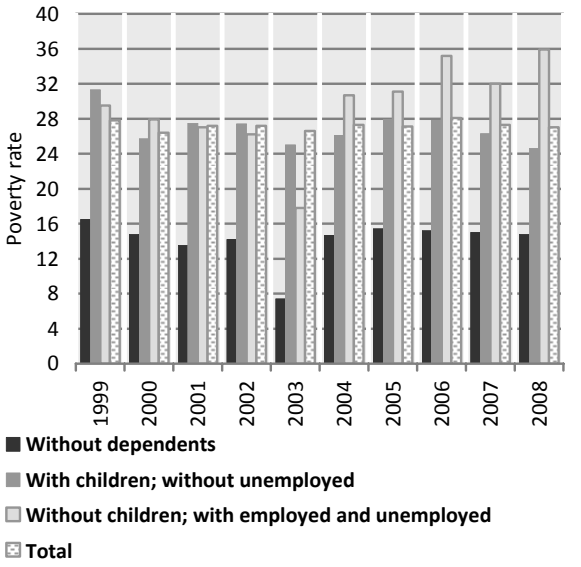
As a result of low wages and insignificant social transfers, poverty is rather wide-spread among the employed population. Obviously, families without dependants, i.e. children and unemployed adults, are much better off. They are indeed not considered to be poor by Ukrainian standards (Figure 9).

Non-wage pecuniary benefits

The Task Force's framework proposes three indicators to measure this dimension of quality of employment: (a) share of employees using paid annual leave in the previous year; (b) average number of days of annual leave used in the previous year; and (c) share of employees using sick leave.

While the Ukrainian data show positive results for the first indicator, they reveal a negative trend with respect to the second one (Table 3). The latter may partially be explained by the growing number of persons working long hours (49 hours and more), as discussed later in this report. The third indicator, on the other hand, showed uneven behaviour during the whole period of 1998-2008

Figure 9. Poverty rates by type of household



Source: State Statistics Committee of Ukraine.

3. Working hours and balancing work and non-working life

Working hours is a key characteristic for the worker. It is important to work a substantial number of hours a week. Long hours or working unsocial hours can be very demanding for the worker. Finally, working hours have a strong relationship to balancing work with non-working life.

Therefore, the Task Force included this aspect as a dimension of quality of employment with the following indicators:

- Average annual (actual) hours worked per person
- Share of employed persons working 49 hours or more per week (involuntarily? unpaid overtime, non-managerial only)
- Share of employed persons working less than 30 hours per week involuntarily

While the State Statistics Committee find the indicators proposed fully relevant, the section below goes beyond the indicators proposed by the Task Force.

Table 3. Non-wage pecuniary benefits[1]

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Share of employees using paid annual leave in the previous year	77.9	77.8	79	81.4	82.2	84.2	85.1	86.8	85	85.1	86.3
Average number of days of annual leave used in the previous year	25	24	24	24	23	23	23	23	23	23	22
Share of employees using sick leave	41.8	43.1	44.7	44.5	45.9	49.2	48.6	51.1	47.8	48.6	47.2

Source: State Statistics Committee
[1]Establishment survey data

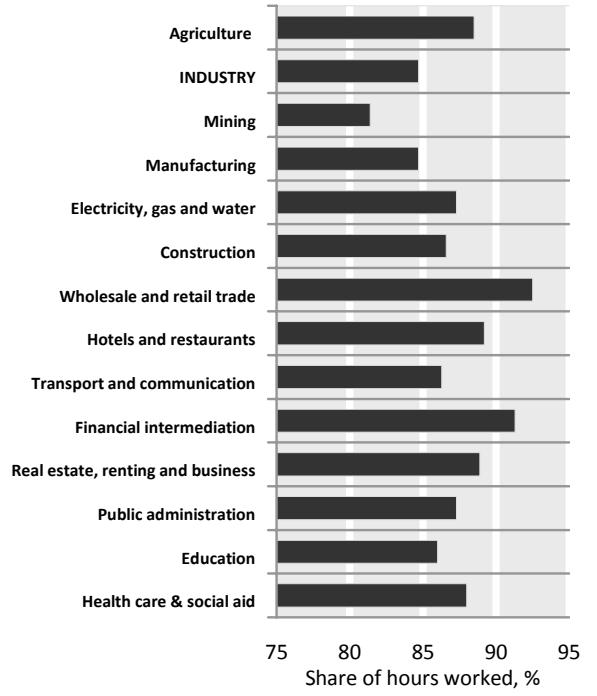
Working hours[163]

The statutory duration of the working week in Ukraine is 40 hours. During 1997-2006, the normative duration of annual working time in the national economy of Ukraine grew from 1,479 to 1,922 hours per employed. The longest working hours were observed in manufacturing (2,008 hours), production and distribution of gas, electricity and water (2,009 hours) and construction (1,994 hours); the smallest duration of working time was observed in education (1,699 hours) and in communal, social and personal services (1,834 hours). Figure 10 shows working time by industries.

The data collected by SSCU revealed that between 1999 and 2003, the share of employed persons, who work long hours (more than 40 hours per week), remained relatively stable at around nine per cent. When a new time-series were launched in 2004, the rate fluctuated around 13 per cent and slightly climbed to 13.5 per cent in 2008. During the whole period (1999-2008), the share of persons working long hours was considerably higher among men than among women.

The analysis of persons, who worked excessive hours, by status in employment demonstrated that the large majority of them were employees (79.9 percent in 2008), followed by own-account workers, excluding persons working on private agricultural plots (14.3 percent). A few economic activities account for the majority of workers working excessive hours. In 2008, these were wholesale and retail trade, repair of motor vehicles, personal goods and household appliances; hotels and restaurants (400,800 workers), followed by construction (231,300 workers) and industry (117,300 workers). Between 1999 and 2008, the number of workers in construction, who worked excessive hours increased almost twofold and there was also a substantial increase in industry. The overall analysis of long hours of work showed that the most important reason for working excessive hours was the desire to increase earnings.

Figure 10. Hours worked as a share of total working time, 2006 (per cent)



Source: State Statistics Committee of Ukraine.

[163] This section is based on findings of the draft *Decent Work Profile for Ukraine (draft)*.

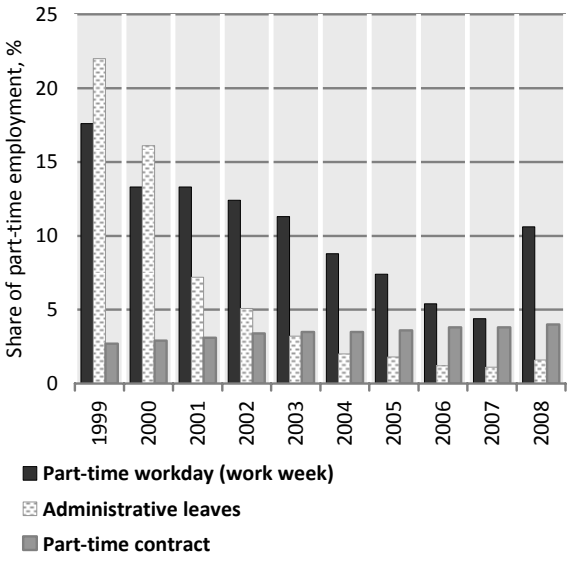
Whereas some workers work in excess of the legal maximum-hours threshold, others work fewer hours than they would like to. This is often conceptualized in terms of time-related unemployment, and measured through the labour force survey. For Ukraine, information is collected from enterprises on workers, who were in involuntary underemployment. i.e. they were available to work full time, but worked short hours at the initiative of the employer. During 1995-2009, the evolution of the share of employees on short hours has witnessed two major periods of upheavals during the severe problems of the Ukrainian economy that culminated in the late 1990s, and more recently in the current financial and economic crisis.[164]

Thus, the share of persons in time-related underemployment tripled between 1995 and 1997 and continued to grow until 1999 when it reached 17.6 per cent. Beginning in 2000, this percentage started to fall and in 2007 reached its historically lowest point of 4.4 per cent. However, in 2008, it shot up to 10.6 per cent and continued its ascent up to 16.5 per cent in the first six months of 2009. In other words, currently virtually every sixth employee in Ukraine works fewer hours than he or she is available for and would like to. Most of these persons worked in construction, mining and quarrying, and machine building industry. These are industries which have been most hit by the world financial crisis.

It should be noted that most part-time employment is involuntary in Ukraine. Though the scale of the involuntary part-time employment has significantly decreased since 2001, it remains quite high as compared to western economies.

Involuntary administrative leave has been used by employers in Ukraine as kind of a guise of time-related underemployment. It continues to be applied, reflecting a decline in labour demand and is accepted by employees as an alternative to unemployment (Figure 11). According to the LFS results, the majority of part-time employed were forced to accept this type of work arrangement, as they were unable to find a full-time job elsewhere. It is evident that administrative types of leave present a form of hidden unemployment.

Figure 11. Type of part-time employment as a share of total employment (per cent)



Source: State Statistics Committee of Ukraine.

The analysis of this dimension of quality of employment leads to the following conclusions. Between 2004 and 2008, some progress was made in Ukraine in improving working conditions by decreasing the share of persons with excessive hours of work. The most important improvement was observed for women while the percentage of men working excessive hours continued to grow. Young people represented the most vulnerable group among men and the second largest among women working excessive hours. The number of employees working long and excessive hours largely outnumbered that of own-account workers.

The biggest share of persons working excessive hours was found in wholesale and retail trade, repair of motor vehicles, personal goods and household appliances, hotels and restaurants, and construction. While the former benefited from some progress in terms of improved working conditions, persons employed in construction continued to suffer from considerable overtime. From 1995 to 2007, substantial progress was made in reducing the number of persons in time-related underemployment. However, in 2008, hit by the world financial crisis, the economy of Ukraine began to stumble and the share of these persons increased almost 2.5-fold over the year.

[164] See *Decent Work Profile for Ukraine (draft)*, Chapter on Social and economic context for decent work.

Table 4. Balancing work and non-working life

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Share of population inactive due to family responsibilities (care of children and other family members), percentage	n.a.	6.2	8.2	10.8	10.8	10.6	11.2	13.3	14.5	14.9	15.7
Male	n.a.	1.6	2.3	4.7	5.2	5.4	3.9	3.6	5.6	6.2	6.2
Female	n.a.	9.3	12.3	15.1	14.8	14.2	16.2	19.7	20.3	20.5	21.7
Share of children enrolled in pre-school education, percentage	n.a.	39.0	40.0	41.0	48.0	49.0	50.0	51.0	53.0	54.0	57.0
Fertility rate, per woman	1.2	1.1	1.1	1.1	1.1	1.2	1.2	1.2	1.3	1.3	1.5

Source: State Statistics Committee of Ukraine, based on Household Survey on Population Activity in Ukraine.

Working time arrangements

The quality of employment framework includes the following indicators in this sub-dimension:

Percentage of employed people who usually work at night/evening

- Percentage of employed people who usually work on weekend or bank holiday
- Share of employees with flexible work schedules

SSCU does not produce these indicators. However, relevant statistics can be collected on special request.

Balancing work and non-working life

The Task Force proposed the following indicators to measure this sub-dimension.

- Ratio of employment rate for women aged 20-49 with children under compulsory school age to the employment rate of all women aged 20-49
- Share of people receiving maternity/paternity/family leave benefits

While SSCU does not produce these indicators, a set of substitute indicators are suggested in Table 4.

Security of employment and social protection

Most workers would like to know that they can count on stable, regular employment, with little or no period of lay-off. Should the job either by its nature or type of contract be insecure, it would be important to know that there is some social protection for the worker.

Therefore, social protection offered to workers is also an important aspect of quality of employment. Unemployment insurance coverage, pension coverage, and paid leave for maternity or parental leaves are examples of such social protection.

The quality of employment framework includes the following core indicators to measure this dimension:

- Percentage of employees 25 years of age and older with temporary jobs
- Percentage of employees 25 years of age and older with job tenure (< 1 yr, 1-3 yrs, 3-5 yrs, ≥ 5yrs)
- Share of employees covered by unemployment insurance
- Public social security expenditure as share of GDP
- Share of economically active population contributing to a pension fund

Based on the above premise, and using additional country-specific indicators, the authors have come up with the following analysis of this dimension in Ukraine.

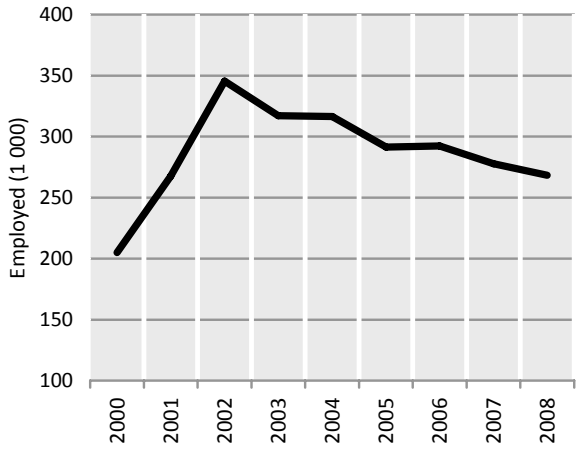
Security of employment

A labour agreement or a contact without limit of time is the main form of employment organization in Ukraine. Usually, only pensioners are employed with temporary labour agreements (with a possible extension of up to 1-2 years).

Depending on the characteristics of work, temporary labour agreements can vary by their duration. According to the data of 2008, the total number of persons with temporary contracts was some 268,200 persons; and they were mostly employed in secondary temporary jobs (Figure 12).

It should be noted that the decrease in the number of persons employed with temporary contracts took place mostly at the expense of agriculture where the number of such persons shrunk from 104,300 persons in 2002 to 39,700 persons in 2006, and of public administration where the figures for the same years were 31,900 and 17,200 persons, respectively. In contrast, there was a growth in the number of persons with temporary contracts in trade (from 15,300 to 19,100 persons) and in financial intermediation (from 10,400 to 18,100 persons).

Figure 12. Employed with temporary contracts (1,000 persons)

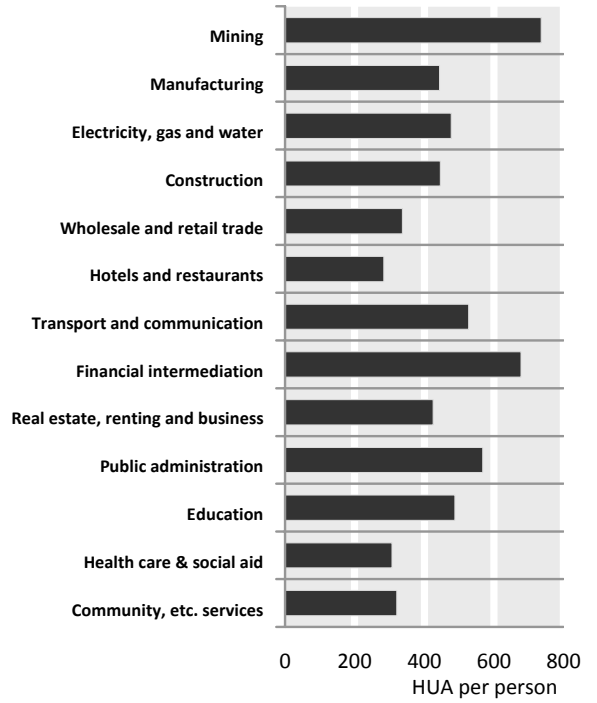


Source: State Statistics Committee of Ukraine.

Social protection

In 2006, monthly social security expenditures per employee amounted to Ukrainian Hryvnia (HUA) 462.9 (about €63). The highest expenditures (HUA 735.9) were observed in mining industries, which was due to the fact that a big share of contributions were allocated for social insurance on occupational injuries (HUA 125.9, i.e. 17.1 per cent of the total expenditures on social security), the lowest expenditures (HUA 284.1) were found in hotels and restaurants (Figure 13).

Figure 13. Monthly social security expenditures by industry and per person, 2006 (HUA)

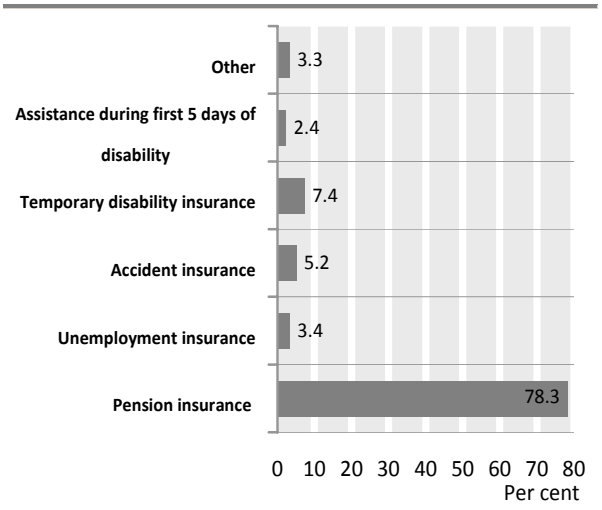


Source: State Statistics Committee of Ukraine.

Social security expenditures per employee were proportional to the size of an enterprise. While at enterprises with 10-49 employees, the monthly average social security expenditures were HUA 282.3, the corresponding expenditures at enterprises with 250-499 employees amounted to HUA 458.7, and at enterprises with 1,000 and more employees they rose up to HUA 610.8.

According to the national legislation, there are the following four 4 types of social insurance of employees: (i) unemployment, (ii) temporary disability, (iii) pension, and (iv) occupational injuries/accidents (Figure 14).

Figure 14. Distribution of social security expenditures



Source: State Statistics Committee of Ukraine.

It should be noted that the largest share of contributions to the Social Security Fund is paid by employers. In addition, employers pay benefits on temporary disability during the first five days of sick leave. Conversely, employees pay a small share of the contributions: between five per cent and 8.5 per cent, depending on their salaries and wages.

During 2000-2006, the average unemployment benefits increased in both nominal and real terms. However, their ratio to average wage dropped during the same period from 23.3 per cent to 21.3 per cent (Figure 15).

In 2001-2006, , there was an increase of subsidies to employers for creating new jobs, which triggered the increase of their share from 1.1 per cent in 2001 to 8.8 in total expenditures of the Fund in 2006. As a consequence to the decrease of unemployment rates, the share of expenditures directly related to pecuniary support of the unemployed fell from 63.4 per cent in 2001 to 54.5 per cent in 2006 (Figure 15).

Table 5. Expenditures of Unemployment Insurance Fund

	2001	2006
Standard unemployment allowance	5 600	4 970
Single-paid unemployment allowances to start own business activity	260	290
Allowances during professional training or re-training	260	190
Welfare	210	10
Banking services	30	10
Professional training and re-training	340	350
Public works	90	220
Subsidies to employers for creating additional jobs	110	880
Information services and consultancies related to job placement	90	180
Development of information network for unemployed	490	190
Compensations to the Pension Fund related to the early retirement of unemployed	90	180
Creation of new jobs for employees dismissed due to closing of mines	490	190
Administrative expenses	1 780	1 920

Source: State Statistics Committee of Ukraine; Social Security Department, ILO

Table 6. Social security

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Share of population above pension age benefiting from a pension (per cent)	89.6	89.4	89.0	88.8	89.4	90.5	91.2	93.9	93.7	93.8	95.0
Share of working age population affiliated to an old-age pensions scheme	n.a.	n.a.	40.9	38.8	46.4	42.9	43.1	43.2	43.6	43.5	n.a.
Public social security expenditure, as percentage of GDP	15.4	14.4	14.0	14.8	17.3	16.8	18.6	22.7	22.5	21.0	n.a.
By type											
Health care expenditure, as percentage of GDP	3.5	2.9	2.9	3.1	3.3	3.6	3.5	3.5	3.6	3.7	n.a.
Non-health care expenditure, as percentage of GDP	11.9	11.5	11.1	11.7	14.0	13.2	15.1	19.2	18.9	17.3	19.0
Average pensions/average wages (per cent)	34.1	34.1	30.0	26.9	32.6	29.6	30.9	39.2	39.1	35.4	41.6

Source: State Statistics Committee of Ukraine; Social Security Department, ILO

A set of additional indicators on this dimension quality of employment are give in Table 6.

4. Social dialogue

An important dimension of quality of employment is the extent to which workers can express themselves on work-related matters and participate in defining their working conditions. This can be channelled through a collectively chosen representative or involve direct interaction between the worker and employer. The ability of workers to organize freely to defend their interests collectively in negotiations with the employer is a pivotal element of democracy at the workplace and the effectiveness of social dialogue. In a more general sense, social dialogue is any type of negotiation, consultation or exchange of information between, or among, representatives of governments, employers and workers, on issues of common interest relating directly to work and related economic and social policies.

The following two indicators have been selected by the Task Force based largely on data availability and feasibility:

- Share of employees covered by collective wage bargaining
- Average number of days not worked due to strikes and lockouts

The authors would like to add the indicator on enterprises belonging to employers' organization in order to better reflect the workers' and employers' representation in social dialogue.

As Table 7 demonstrates, while the trade union membership has been gradually falling since 1999, the share of enterprises belonging to employers' organization more than doubled between 2004 and 2008. Similarly, the collective bargaining coverage steadily grew during the period of 1998-2008. This may have a direct correlation with the increase in collective bargaining coverage rate and reflect growing participatory efficiency of workers' and employers' organizations in the process of tripartite negotiations.

Table 7: Social dialogue, workers' and employers' representation

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Gross union density rate,percentage[1]	75.0	73.2	66.9	63.5	59.2	54.6	53.3	50.6	48.5	45.8	42.1
Enterprises belonging to employers' organization, per cent (weighted by employment)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	10.3	9.9	10.0	14.3	27.3
Collective bargaining coverage rate, per cent (formal sector)[2]	68.9	71.9	75.6	78.2	80.3	82.0	84.2	82.1	82.7	82.4	83.4
Average number of days not worked due to strikes	13.0	11.0	14.0	5.0	2.0	10.0	8.0	5.0	2.0	5.0	58.0

Source: State Statistics Committee of Ukraine, based on Annual Reports of Ukrainian Trade Unions and Federation of Employers of Ukraine.
1. The gross union density rate is calculated as the number of trade union members (including. students) over the number of wage and salaried workers, expressed as percentage.
2. The indicator is calculated on the basis of state statistical surveys, which cover business entities, public organizations, financial institutions and institutions funded through the state budget. The survey does not cover small businesses and the self-employed. The collective bargaining coverage rate is calculated as the number of employees in establishments covered by collective agreements over the total number of employees in establishments covered by the survey, expressed as percentage.

5. Skills development and training

The dimension on skills development and training proposed by the Task Force contains indicators that show the degree to which workers are trained, and whether employed people are under- or over-qualified for their work. Many workers engage in a job with expectations and aspirations to have an opportunity to further develop their skills and abilities. The job may offer training, which could be appealing to the worker, or it may offer experience and opportunities that the worker sees as important to his or her professional or personal development.

The following indicators are suggested for this element of the quality of employment framework:

- Share of employed persons in high skilled occupations
- Share of employees who received job training within the last 12 months
- Share of employed who have more education than is normally required in their occupation
- Share of employed who have less education than is normally required in their occupation

Out of the suggested four indicators, only indicator on the share of employees who received job training within the last 12 months is produced in Ukraine (Table 8).

Table 8. Skills development in Ukraine, 1998-2008

Year	Share of employees who received job training within the last 12 months
1998	5.7
1999	5.9
2000	6.5
2001	6.9
2002	8.0
2003	7.7
2004	8.3
2005	8.5
2006	8.6
2007	9.2
2008	9.0

Source: State Statistics Committee of Ukraine

Following from Table 8, it is possible to conclude that in spite of the fact that this indicator has demonstrated a steady growth over the past decade, it still remains low as compared to similar indicators in

countries with much higher investments in human capital.

6. Workplace relationships and work motivation

The final element of the quality of employment framework suggested by the Task Force is workplace relationships and work motivation. This dimension provides information on characteristics of employment which inherently satisfy the employed person. People may choose to work with low pay, long hours, under unsafe working conditions etc., if the work has social significance or meaning to them.

Stemming from the above, the following sub-dimensions and indicators measuring them are suggested:

Workplace relationships

- Share of employees who feel they have a strong or very strong relationship with their co-workers
- Share of employees who feel they have a strong or very strong relationship with their supervisor
- Share of employees who feel they have been a victim of discrimination at work
- Share of employees who feel they have been harassed at work

Work motivation

- Share of employees who feel they do "useful" work
- Share of employees who receive regular feedback from their supervisor
- Share of employees who feel they are able to apply their own ideas in work
- Share of employees who feel satisfied with their work

None of the indicators belonging to this dimension of the quality of employment is produced in Ukraine. However, the most relevant statistics could technically be collected on a special request.

C. Informal economy and self-employment

1. Informal economy

While the quality of employment framework proposed by the Task Force is quite comprehensive and suggests a wide range of indicators to measure multiple dimensions of quality of employment, the authors feel that such important aspects as employment in the informal sector and informal employment and self-employment have not been adequately covered. It should be noted that the above phenomena are widely spread in Ukraine and they generate both a feasible share of GDP and numerous jobs.

The earlier hopes that economic reforms and positive macroeconomic trends would automatically result in shrinking of the informal economy have proved to be overly optimistic. Nevertheless, some positive shifts could be observed.

Consequently, the informal economy is still large in Ukraine. It accounts for over 21 per cent of total employment (Table 9 and Figure 15) and it provides a secondary job for almost every second person employed in rural areas; 71.5 per cent of persons employed in the informal sector worked in rural areas. According to 2006 data, 48.6 per cent of persons employed in the informal economy were women.

The majority of employed in the informal economy are persons of working age. According to the 2006 data, they accounted for 79.7 per cent in informal employment, of whom 17.4 per cent were persons aged 15-24 years and 20.3 per cent were aged 40-49 years. Informal employment is more widespread among employers and the self-employed; around 96.7 per cent of those employed and classified accordingly.

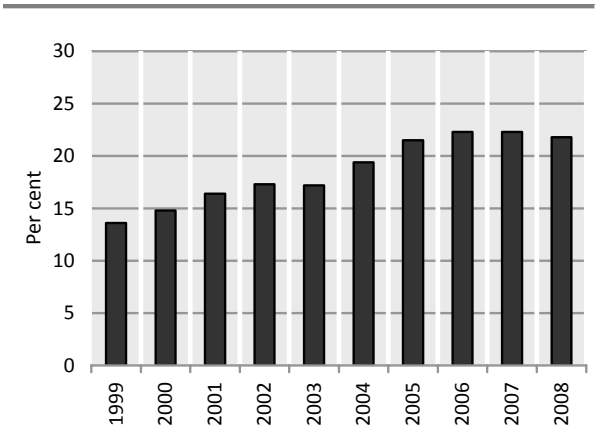
It should be noted that presently many employers avoid legal hiring under a different guise. For instance, they do not sign labour contracts with their employees as stipulated by legislation; they hide their real profits and wages of employees from tax inspectors and auditors (so-called envelop wages paid under a table), or they do not contribute to social insurance schemes through double-entry book-keeping, etc. High taxes are considered to be the main reason for the prevailing size of informal economy.

Table 9. Employment in the informal economy by industry

	2000	2001	2002	2003	2004	2005	2006	2007	2008
Total, thousands	2 985.0	3 276.0	3 484.0	3 461.0	3 939.0	4 436.0	4 623.0	4 661.0	4 563.0
As percentage of total employment	14.8	16.4	17.3	17.2	19.4	21.5	22.3	22.3	21.8
By industry									
Agriculture, hunting, foresting, fishing	71.1	73.2	74.4	73.1	70.2	72.0	71.6	70.5	65.7
Construction	4.7	4.4	4.7	5.9	6.1	6.9	7.7	9.0	12.1
Trade (incl. car services. repair services, hotels and restaurant business)	15.9	15.2	13.8	13.7	15.0	12.8	11.8	11.0	12.8
Transportation and communication	1.4	1.7	1.6	1.5	1.6	1.4	1.2	1.2	1.5
Other industries	6.9	5.5	5.5	5.8	7.1	6.9	7.7	8.3	7.9
Total (percentage)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: State Statistics Committee of Ukraine.

Figure 15. Employment in the informal economy as a share of total employment

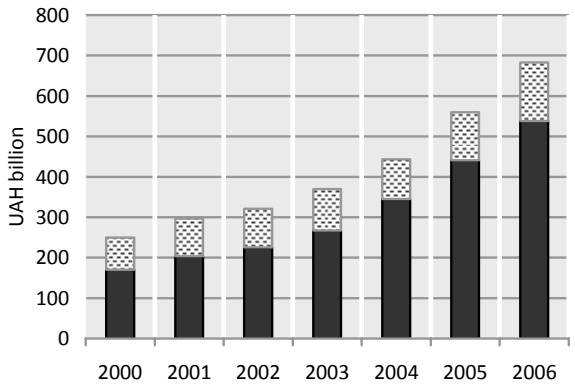


Source: State Statistics Committee of Ukraine.

As for the economic volume of informal economy, its share in GDP is constantly growing (Figure 16). Yet, according to expert estimates, informal income of the population is still much higher than the volume of informal production. This happens due to the fact that certain proportion of illegal income is considered to be legal and, therefore, included in the production accounts for intermediate consumption. As a result, it is included in final production costs.

Consequently, informal economy has become an organic component of the economic system in Ukraine and has assumed some systematic functions. Notably, it has served as a kind of a safety net which has permitted the absorption of an important part of shed or under-utilized labour and has allowed the generation of many self-employed jobs.

Figure 16. GDP in billion HUA



Source: State Statistics Committee of Ukraine.

2. Self-employment

The number of self-employed and their proportion in total employment have been steadily increasing. The economic growth of 2002-2006 did not change the trend. On the contrary, the number of self-employed continued to grow with the most striking increase being in rural areas.

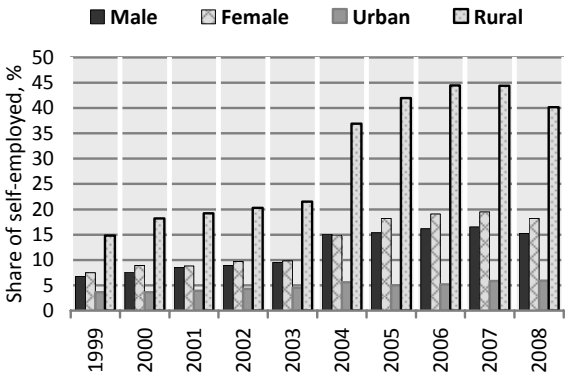
On one hand, the above was a direct consequence of low wages and a lack of decent jobs, and on the other, the process was stipulated by a quite favourable taxation policy for the self-employed. In 2002, the share of self-employed rural dwellers in total employment slightly dropped but was still at the level of 40 per cent (Figure 17). The decrease was due to the fall in the rural population of Ukraine in general and the beginning of economic, which fully struck Ukraine in 2009.

It should be noted that self-employment is mostly prevalent among persons, who are unable to find a good job, have low professional skill levels and, therefore are not competitive in the labour market.

D. Conclusion and recommendations

The objectives of preparing the quality of employment profile for Ukraine were twofold: firstly, to describe the quality of employment on the Ukrainian labour market, applying the framework developed by the UNECE Task Force; and secondly to provide feedback to the Task Force on the Measurement of Quality of Employment.

Figure 17. Self-employed as a share of total employed



Source: State Statistics Committee of Ukraine.

1. Quality of employment in Ukraine

In the relation to the first objective, the profile's major findings led it to conclude that while some progress has been made in improving quality of employment in Ukraine, a lot remains to done in order to be able to say that the Ukrainian labour market provides quality employment with quality jobs to the country's population.

The analysis below gives a succinct overview of the quality of employment in Ukraine.

2. Safety and ethics of employment

While the number of persons whose working conditions do not satisfy the required sanitary-hygienic norms has been steadily decreasing, the number of workplaces with hazardous working conditions remained high in the coal mining, peat production and metallurgy.

At the same time, while the number of persons with occupational injuries has been decreasing, the number of days lost due to injuries has increased. This was due to the fact that occupational injuries themselves became heavier. This situation was largely due to the fact that the main causes of occupational injuries were: violation of labour and production discipline (in particular in mining and processing industries), violation of safety requirements when using equipment, machines and mechanisms and violation

of technological process (in particular in mining industries).

Income and benefits from employment

The summary of low pay showed that hourly earnings of about one third of persons employed in Ukraine were below two thirds of median hourly earnings.

The economic revival, which was observed in some economic branches (mainly metallurgy, chemistry, mining and construction) during 2000-2006, led to the growing inter-sectoral wage imbalances between women and men. Notably, while the wage increase took place mostly among employees of more successful enterprises and sectors, female workers were concentrated in other economic sectors and could not benefit from the economic growth as much as their male colleagues. As a result, income and wage inequality became more pronounced.

While the Ukrainian data showed positive results on the share of employees using paid annual leave in the previous year, they revealed a negative trend with respect to the average number of days of annual leave used in the previous year. The latter may partially be explained by the growing number of persons working excessive hours.

Working hours and balancing work and non-working time

The analysis of this dimension of quality of employment revealed that between 2004 and 2008, some progress was made in Ukraine in improving working conditions by decreasing the share of persons with excessive hours of work. The most striking improvement was observed for women while the percentage of men working excessive hours continued to grow. Young people represented the most vulnerable group among men and the second largest among women working excessive hours. The number of employees working long and excessive hours largely outnumbered that of own-account workers.

The largest share of persons working excessive hours was found in wholesale and retail trade, repair of motor vehicles, personal goods and household appliances, hotels and restaurants, and construction. While the former benefited from some progress in terms of improved working conditions, persons employed in construction continued to suffer from considerable overtime. From 1995 to 2007, substantial progress was made in reducing the number of persons in time-related underemployment. However, in 2008, hit by the world financial crisis, the economy of Ukraine began to stumble and the share of these persons increased almost 2.5-fold over the year.

The involuntary administrative leave continues to be applied, reflecting a decline in labour demand, and is accepted by employees as an alternative to unemployment. The number of persons on leave initiated by administration has particularly increased during the second half of 2008 and first half of 2009, as a result of economic crises.

The substitute indicator on the share of population that is inactive due to family responsibilities (care of children or other family members) suggested by the authors to measure the balancing work and non-working life dimension revealed that between 1998 and 2008 the share of these persons grew almost three-fold.

Security of employment and social protection

The study shows that the decrease in the number of persons employed with temporary contracts took place mostly at the expense of agriculture where the number of such persons shrunk almost by one third. In contrast, the number of persons with temporary contracts increased in trade and in financial intermediation in particular, where it almost doubled.

The highest social security expenditures per employee were observed in mining and peat production, which was due to a large share of contributions to social insurance linked with occupational injuries. The above is consistent with the fact that highest occupational injury rates are in coal mines and peat production.

According to the report, while in 2006 the total expenditures of unemployment insurance fund remained unchanged compared to 2001, their structure underwent a number of changes. Thus, during the same period, the average unemployment benefits increased in both nominal and real terms, whereas their ratio to the average wage dropped.

At the same time, there was an increase of subsidies to employers for creating new jobs, which triggered the increase of their share in total expenditures of the Fund. As a consequence, due to the falling unemployment rates, the share of expenditures directly related to pecuniary support of the unemployed fell.

During 1998 and 2008, the share of population above pension age benefiting from pension fund increased by 11 per cent, which demonstrated a positive move in this sub-dimension of quality of employment.

Social dialogue

Statistics available show that while the trade union membership has been falling, the share of enterprises belonging to employers' organizations has been rapidly growing and almost doubled during the past four years. This may have direct correlation with the increase in collective bargaining coverage rate and reflect growing participatory efficiency of workers' and employers' organizations in the process of tripartite negotiations.

Skills development and training

Out of the four indicators suggested by the Task Force, Ukraine produces only the share of employees who received training within the last 12 months. The analysis of this sub-dimension showed that in spite of the fact that there was a steady growth of such employees over the past decade, their share still remains low as compared to similar indicators in countries with much higher investments in human capital.

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Measuring QUALITY of Employment

COUNTRY PILOT REPORTS

Quality of employment is an issue of importance to many. Nobody wants bad working conditions for themselves, and all but a few would want to eradicate the worst forms of work and labour for others. The issue of quality of employment extends beyond aspects of work that are illegal or regulated, to cover personal preferences, i.e. what workers want from their time spent at work.

The Conference of European Statisticians (CES) initiated the work on the measurement of quality of employment in the early 2000s with an aim to develop an internationally recognized set of statistical indicators that facilitates understanding of the qualitative aspects of employment from the point of view of the individual employee.

The present publication combines the 2009 version of the concept paper on building such set of indicators and its validation with country pilot reports from Canada, Finland, France, Germany, Israel, Italy, Mexico, Moldova and Ukraine. Although the conceptual structure for measurement itself is still work in progress, the publication is the first to address the measurement of quality of employment on the technical and empirical levels.