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**PROGRESS REPORTS**

Addendum

Report of the Fourth Seminar on the Measurement of the Quality of Work

Note by the secretariat

**INTRODUCTION**

1. Following the previous Seminar of 2005, the Fourth Seminar on the Measurement of the Quality of Work was held from 18 to 20 April 2007 in Geneva. The Seminar, jointly organized with International Labour Office (ILO) and the Statistical Office of European Commission (Eurostat), was attended by participants from Canada, Czech Republic, Denmark, Estonia, Finland, France, Greece, Hungary, Ireland, Israel, Italy, Kazakhstan, Republic of Korea, Lithuania, Poland, Portugal, Moldova, Netherlands, Russian Federation, Slovakia, Slovenia, Spain, Switzerland, Ukraine and United Kingdom. Eurostat and DG-Employment represented the European Commission at the Seminar. The ILO and the UNECE were present as well as an expert from the European Foundation for the Improvement of Living and Working Conditions. An expert from the Non-governmental Organization Women in Informal Employment: Globalizing and Organizing (WIEGO) also participated at the invitation of the UNECE secretariat.

2. Mr. Peter Morrison (Canada) was elected as Chairperson of the meeting.

## II ORGANIZATION OF THE MEETING

3. The Seminar covered two main topics. The first topic related to the review of the international conceptual framework on the measurement of quality of employment. It was prepared by the Task Force on the Quality of Work. The second topic focused on the use of statistical indicators in measuring various dimensions of work and employment quality, and also included the examination of certain countries' experiences.

4. The aim of the seminar was to shape the Conceptual framework proposed by the Task Force. The continuation of the work in this area was also discussed at the seminar.

5. All papers and presentations from the seminar are available on the UNECE website:  
<http://www.unece.org/stats/documents/2007.04.labour.htm>

## III SUMMARY OF THE DISCUSSIONS

### A. The framework

6. The Task Force presented a paper bringing together the existing frameworks for measuring quality of work established by the ILO (Decent Work), EU (Quality of Work) and the European Foundation for the Improvement of Living and Working Conditions (Job and employment quality) into a proposed common international framework – Quality of Employment. The ILO framework can be expressed as “Opportunities for Women and Men to obtain decent and productive work in conditions of freedom, equity, security and human dignity”. The EU framework as well as that of the Dublin Foundation is linked with the Lisbon agenda and focuses on “more and better jobs for all”. The meeting appreciated the work carried out by the Task Force in the preparation of the paper and thanked the Task Force members for their work.

7. The framework was organised hierarchically based on 11 dimensions and 53 indicators under the overarching 4 pillars of decent work. The discussion however focused on the 11 dimensions.

8. The meeting agreed that there were strong connections between dimensions IV and VI in the original framework (on “Asocial/unacceptable hours of work” and “Balancing Work and Family life” respectively), but dimension VI would be expanded to cover the whole work/non-work life balance rather than concentrate on family life. Second, it was agreed that skills development should be dealt with separately from the earnings component. Third, it was noted that a dimension dealing with job satisfaction and skill mismatch might be missing. Fourth, it was considered that the “Socio-economic context” was not a dimension of quality of employment, but rather the reference point for the understanding and analysis of the various dimensions. Fifth, it was noticed that the labels for dimensions I and II were not satisfactory. Dimension II refers to child labour and forced labour as defined by the

relevant ILO Conventions. Finally, there was a suggestion that consideration should be given to include more elements of “rights at work” in the framework, although this was not thoroughly discussed.

9. From the international perspective the overall concept of quality of work as defined by this framework would be best described by the title “Quality of Employment”. The seminar agreed that the following dimensions can serve as a starting point:

- 1) Access to employment,
- 2) Child labour and forced labour,
- 3) Income from employment,
- 4) Skill development and lifelong learning,
- 5) Hours of work and working time arrangements,
- 6) Flexicurity,
- 7) Balancing work and non-working life,
- 8) Fair treatment in employment,
- 9) Safe work,
- 10) Social protection in employment,
- 11) Social dialogue.

10. Participants accepted that the framework addressed the primary needs of policy users and that it lays the foundation for further work and refinement. The meeting acknowledged that the framework should be used across all countries irrespective of their state of development. It should be dynamic and that it will evolve as priority issues and policy agendas change.

B. The indicators

11. Comments were made on the list of 53 indicators. The seminar agreed that further work needs to be done in order to improve and validate the list of quality of employment indicators. The key points made during this discussion and to be followed up by the Task Force, are summarized in Annex.

#### IV FUTURE WORK

12. The participants agreed that more work is needed to further develop and test the framework and the list of indicators proposed by the existing Task Force. They also agreed that such a framework should provide a common set of indicators to measure quality of employment at national and international levels.

13. The meeting proposed the creation of a new Task Force with the following objectives:

- a) Prepare a work plan to undertake the tasks required;
- b) Refine the existing list of indicators taking into consideration the proposals made at the meeting highlighted above;
- c) Consider additional indicators including those for which data may not currently be available, as discussed at the meeting;

- d) Test the newly created list of indicators against a set of criteria to be developed by the Task Force;
- e) Define the context where the indicators should be used and develop a list of context indicators;
- f) Define for each indicator the level of disaggregation required (in terms of sub-population groups);
- g) Define measurement objectives, definitions, and methodology for each indicator;
- h) Develop a final list of indicators to be presented in two different ways:
  - i) as a list of indicators with a reference for each indicator to the dimension(s) it measures;
  - ii) as a list of dimensions with reference for each dimension to the relevant indicators;
- i) Produce an interim report to inform the eighteenth International Conference of Labour Statisticians (fourth quarter 2008) and others about the progress made.
- j) Explore the possibility of organizing a fifth seminar on this topic in 2009 to discuss the revised list of indicators.

14. The meeting proposed that the Task Force should report about its progress to the CES Bureau in February 2008.

15. The meeting also realized that the proposed plan requires a great deal of work. Therefore, in order to ensure that the outputs of the Task Force were delivered as planned, the meeting suggested that the Task Force should explore the possibility of obtaining extra resources either financial or “in-kind”.

16. The meeting proposed that the Task Force be chaired by Canada with the participation of interested countries, the European Commission, ILO and UNECE. Participants from the following countries and organizations expressed their interest in joining the Task Force: Finland, France, Israel, Italy, the Netherlands, the European Foundation for the Improvement of Living and Working Conditions and WIEGO. Other countries and organisations are also welcome to join the Task Force.

## **ADOPTION OF THE REPORT**

17. The participants adopted the report of the meeting at its closing session.

## Annex

### Record of discussion on the quality of employment indicators

#### The indicators

1. The seminar agreed that the initial list of 53 indicators proposed by the Task Force and organised along the eleven dimensions was a reasonable starting point but should be further developed. While the criterion of data availability is important for selecting indicators, the international framework may also contain desired indicators that represent the underlying dimension, even if those indicators cannot be implemented at present.
2. It was noted that many indicators should be broken down by classification variables such as status in employment, sex, age, education level, ethnicity, occupational groups, etc. The meeting also noted that some indicators can be linked to more than one dimension.
3. A general concern was expressed that for indicators on gaps between two groups, e.g, the two sexes, the observed results come from the combination of inherent factors whose effects on final results, in terms of gender equality and/or segregation by sex, should always be kept in mind and analysed where possible.
4. Furthermore, the meeting noted that many indicators refer to levels or comparative rates, while indicators on transfers and flows or changes over time are missing. There was unanimous agreement that the indicators should be able to measure quality of employment both in space, across countries or regions, and changes over time. The measures may relate to both individuals and households.

#### *Access to employment (changed from Employment opportunities)*

5. While the quality of the self-employment is an important consideration, the main concerns relate to lack of access to social protection rather than employment. It was thus discussed to move the two indicators relating to the self-employed from the dimension of “*Access to employment*” to the dimension “*Social protection in employment*”. It was suggested that the indicators in this dimension could be supplemented by transition or flow indicators for more precise information.
6. It was suggested that labour force participation rate is redundant in the presence of the employment-population ratio. Furthermore, the youth inactivity rate may overstate the inactivity, as for young people it is probably inaccurate to define studies as “inactivity”.
7. The inclusion of indicators of self-employment may not have relevance for the access to employment, but are instead more important as indicators relating to access to social protection through employment. It was proposed to move indicators on informal employment from socio-economic context to this dimension.

The following indicators were proposed to be included under this dimension:

1. Labour force participation rate (to be removed and considered for inclusion among socio-economic context indicators)
2. Employment-population ratio
3. Male-female labour force participation gap
4. Unemployment rate
5. Unemployment by level of education
6. Inactivity rate
7. Youth unemployment rate
8. Youth inactivity rate (to be reformulated: Youth non-student inactivity rate)
21. Time-related underemployment rate
50. Informal sector employment

***Child labour and Forced labour ( changed from “Unacceptable work”)***

8. The meeting noted that there is international consensus on certain types of work not being tolerable, such as the worst forms of child labour or forced labour. It is thus necessary to monitor the ratification and implementation of the relevant international conventions in the context.

The following indicators were proposed to be included under this dimension:

11. Children not in school by employment status (by age)
12. Children in wage employment or self-employment (percent by age)

***Income from employment (changed from Adequate earnings and productive work)***

9. It was noted that many of the proposed indicators do not permit the production of comparable statistics across countries, especially those with reference to absolute levels. It was suggested to complement the dimension with change indicators, such as transitions from one pay level to another.

10. It was proposed but not accepted by all that the dimension was defined too wide, as it would include unemployment benefits and other employment related income. Therefore, it was proposed to rename the dimension as “Income from current employment”.

11. It was also noted that indicators on absolute levels may not be comparable between countries. Furthermore, it was suggested that an indicator on labour costs could serve as an appropriate indicator on the earning capacity of jobs, as the lower the quality of work then generally the lower the costs to the employer.

The following indicators were proposed to be included under this dimension:

13. Inadequate pay rate (percent of employed below ½ of median hourly earnings)
  - 13a. Low hourly pay of employees
  - 13b. Wages of casual/daily workers
14. Average earning in selected occupations

- 15. Share of working poor in the employed population
- 16. Manufacturing wage indices

***Skills development (proposed new dimension)***

The following indicators were proposed to be included under this dimension:

- 17. Employees with recent job training (last 12 months)
- 18. Share of employed persons in high-skilled occupations
- 19. Percentage of working age population participating in education and training

***Hours of work and working time arrangements (changed from Decent hours o) and Balancing of work and non-working life (changed from Balancing work and family life)***

12. Excessive hours of work may not be an indicator that reflects quality of work as it ignores the voluntary choices of the individuals, either with regard to their particular job or their choice of profession. The meeting did not object to the indicators referring to employment rates by age and number of children. It was, however, noted that the level of education of the parents, and marital status may explain some of the differences. Furthermore, there is a connection between the level of salary, the length of the working time and number of children in the household, especially with regard to single-parent households.

The following indicators were proposed to be included under this dimension:

- 20. Excessive hours of work (share of persons working 49 hrs and more per week)
  - 20a. Hours actually worked
  - 20b. Annual hours worked per person
- 25. Ratio of the employment rate for women with children under compulsory school age to the employment rate of all women aged 20-49
- 26. Absolute difference in employment rates without presence of any children with the presence of a child aged 0-6, by sex

***Flexicurity (changed from Stability and job security)***<sup>[SB1]</sup>

13. There was a suggestion of replacing the “stability” in the label for the dimension with “flexibility”. The meeting, however, agreed that the measurement of temporary jobs should be refined, as temporary job contracts are not always considered negative, but reflecting the flexibility of the contractual relation.

The following indicators were proposed to be included under this dimension:

- 22. Percentage of employees with job tenure of less than one year
- 23. Percentage of employees with temporary jobs (to be reformulated as Percentage of employees with involuntary temporary jobs)
- 24. Percentage of casual/daily workers

### ***Fair treatment in employment***

14. The indicators on fair treatment in employment only referred to the gender, while there are other groups that may face discrimination in the labour market, such as ethnic groups, migrants, persons with disabilities and older workers. Furthermore, single indicators may not give valid information about inequality, unless choice of the workers is taken into account.

15. The indicator on occupational segregation was considered to be too loaded with judgement, whereas “occupational concentration by gender” would be more appropriate. Furthermore, it was suggested that an indicator on female share of employment may not provide much information on fair treatment in employment.

16. Indicators that simply show the differences between the genders may not tell the full story, as people always have free choice, contingent as it may be. Considering the gender differences in the ratio of employed persons to those who want to work may provide a more accurate picture than using all persons as a denominator. A similar approach could be used for indicators of part-time employment.

The following indicators were proposed to be included under this dimension:

27. Occupational segregation on the basis of gender (possible consideration for reformulation as: Occupational concentration on the basis of gender)
28. Female share of employment (to be removed as measurement of fair treatment in employment, but to be possibly considered for access to employment)
29. Ratio of the female share of employment in managerial and administrative occupations to the female share of non-agricultural employment
30. Ratio of women’s hourly earnings index to men’s for paid employees at work 15 hours and more

### ***Safe work***

17. Some questions were raised about the indicator on how the rate of hazardous occupations could be calculated.

The following indicators were proposed to be included under this dimension:

31. Fatal injury rate per 100,000 employees
32. Evolution of the incident rate (number of accidents per 100,000 persons in employment)
33. Labour inspection (inspectors per 100,000 employees)
34. Occupational injury insurance coverage
35. Hazardous occupations (rate)
36. Percentage of workers who feel their health or safety is at risk

### ***Social protection in employment (changed from Social protection)***



The meeting noted that items such as unemployment insurance, pension insurance and sickness protection were missing from the list of indicators. The dimension should also consider maternity/paternity leaves.<sup>19</sup> A question was asked whether a range of indicators concerning social protection in general should be included in this dimension. They would be perhaps better classified with the socio-economic context. The following indicators were proposed to be included under this dimension:

- 9. Share of self-employed workers in total employment
- 10. Share of wage employment in non-agricultural employment
- 37. Public social security expenditure (to be removed)
- 38. Social security coverage (for wage and salary earners)
- 39. Public expenditure on need-based cash income support (to be removed)
- 40. Beneficiaries of cash income support (to be removed)
- 41. Old age without pension (share of not economically active population 65 years old and over without pension)
- 42. Share of economically active population contributing to a pension fund
- 43. Average monthly pension
- 44. Share of employees who receive paid annual leave

***Social dialogue (changed from Social Dialogue and workplace relations)***

18. The indicators proposed for the social dialogue may not be well defined, in particular the penetration of employers' association for enterprises. It was proposed to retain the indicator on collective wage bargaining coverage rate. However, other indicators may suffer from problems of relevance to quality of employment or cross-country comparability. It was pointed out that organisation of the self-employed in business associations was a useful indicator of the quality of self-employment. Many speakers supported the premise that key data are to be accompanied with contextual information on the rights of workers.

The following indicators were proposed to be included under this dimension:

- 45. Union density rate (possible removal)
- 46. Collective wage bargaining coverage rate
- 47. Number of enterprises belonging to employer organisations (to be reformulated as Number of self-employed persons belonging to business associations)
- 48. Strikes and lockouts (per 1,000 employees) (to be removed)
- 49. Rate of days not worked due to strikes and lockouts (per 1,000 employees)

***Socio-economic context***

19. It was proposed that the socio-economic context should also include information on the freedom of association, as well as on workers' rights. Interpretation of the indicators of quality in employment is impossible without such indicators. Para. 8 on page 2 of the current Report discusses the new approach to be taken to context variables.

The following indicators were proposed to be included under this dimension:

51. Working poor (to be reformulated to Poverty)
52. Growth in labour productivity, measured as change in the levels of GDP of the employed population per hours worked (in percent)
53. Income per employed person (PPP)

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[SB1]I was under the impression that we did not use Flexicurity as a title because many delegates were unsure as to its meaning and likelihood to be misinterpreted.