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Meeting on the measurement of quality of employment

14-16 October 2009, Geneva, Switzerland

**REPORT OF THE FIFTH MEETING ON THE MEASUREMENT OF QUALITY
OF EMPLOYMENT**

Note by the secretariat

I. INTRODUCTION

1. Following the Fourth Seminar on the Measurement of Quality of Work in 2007, the Meeting on the Measurement of Quality of Employment was held between October 14 and 16 2009 in Geneva. The Meeting, organized by the United Nations Economic Commission for Europe (UNECE) in cooperation with the International Labour Office (ILO) and the Statistical Office of European Communities (Eurostat), was attended by participants from Albania, Azerbaijan, Brazil, Canada, Croatia, Czech Republic, Denmark, Finland, France, Germany, Israel, Italy, Kazakhstan, Republic of Korea, Mexico, Poland, Republic of Moldova, Russian Federation, Serbia, Slovenia, Spain, Switzerland, The former Yugoslav Republic of Macedonia, Ukraine and the Statistical Office of Kosovo. Eurostat and DG-Employment represented the European Commission at the Meeting. The ILO, the United Nations Economic and Social Commission for Western Asia (UNESCWA) and UNECE were present as well as experts from the European Foundation for the Improvement of Living and Working Conditions and the European Central Bank (ECB). 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. Geoff Bowlby (Canada) was elected as Chairperson of the meeting.

II. ORGANIZATION OF THE MEETING

3. The Meeting focused on the review of the proposed conceptual framework for measuring quality of employment prepared by the Task Force on the Measurement of Quality of Employment. In addition to an overall presentation of the conceptual framework, there was a presentation on its least-developed component: “intrinsic nature of work,” a presentation on the validation study of the proposed indicators in the framework as well as reports on “country profiles” highlighting issues around implementing the framework with a focus on selected dimensions. These profiles were prepared by Canada, Finland, France, Germany, Israel, Italy, Mexico, Moldova and Ukraine.

4. The purpose of the Meeting was to reach a consensus on the general structure of the conceptual framework proposed by the Task Force. More detailed adjustments of the indicators within the framework and the way forward were also discussed at the meeting. The discussions on specific items were moderated by the representatives of Canada, Eurostat, ILO, UNECE and WIEGO.

5. All papers and presentations from the seminar are available on the UNECE website: <http://www.unece.org/stats/documents/2009.10.labour.htm>

III. SUMMARY OF THE DISCUSSIONS

A. The conceptual framework

6. The Task Force presented the paper “Statistical Measurement of Quality of Employment: Conceptual framework and indicators” which was at the core of the discussions to follow.

7. The framework is composed of seven dimensions and 30 main indicators. The dimensions and the indicators are equal in terms of their importance for and relevance to the measurement of quality of employment. The Task Force had proposed indicators for all dimensions except for the seventh dimension of Workplace relationships and intrinsic nature of work.

8. The Meeting agreed that the overall structure of the framework is comprehensive and adequate for the measurement of quality of employment. The country profiles demonstrated that the framework is applicable in many countries, at varying levels of economic development. The principal source of data is the Labour Force Survey in the countries although additional national and/or European and other international surveys on the characteristics of the labour market and administrative data sources are also used.

9. The Meeting agreed that there is a need for detailed metadata on the indicators including operational definitions, methodological guidelines and suggestions on data sources. The Meeting provided feedback in order to improve specific components of the framework, especially to further develop the dimension on Workplace relationships and intrinsic nature of work.

10. It was agreed that the indicators of quality of employment were distinct from the traditional labour market indicators, which are usually based on quantity or on access to employment. However, the latter provide the national context in which quality of employment

indicators should be interpreted. Other supportive information should also be included, for example, relevant legislation and other qualitative information, economic trends and the dynamics of the labour market in the country. Such information may be used to interpret the indicators of the framework, e.g. increase in temporary workers, to set the context for the overall analysis of quality of employment in the country.

11. The Meeting acknowledged that the current framework does not primarily aim to provide international comparisons but rather to analyse in depth quality of employment at the national level. It was suggested that in an effort to maintain a certain level of harmonisation across countries, the compliance of additional national indicators to the conceptual framework may be monitored.

B. The indicators

12. The Meeting acknowledged that the indicators should aim at all workers and employment in the broadest sense. Hence, the indicators should be revised to be also applicable to the self-employed, contributing family workers, own account workers in both formal and informal sector across all dimensions. The different needs of the high-income and, middle- and low-income countries were also revealed especially during the discussions on child labour, forced labour and informal employment. High-income countries expressed that youth employment is a more relevant issue than child labour and that informal employment does not affect an important share of their labour force while others were interested in including indicators related to these topics.

13. Regarding Incomes and benefits from employment, share of high earnings should be included as an indicator. Also, the use of sick leave is influenced, to a great extent, by the entitlement to it. Hence, sick leave entitlement is probably a better indicator for the framework.

14. In terms of Fair treatment in employment, which is a sub-dimension of Safety and ethics of employment, the Meeting suggested disaggregating indicators by age groups as well as by sex, ethnicity, nationality, geographical region, etc. It was also pointed out that most indicators are averages, which may hide important inequalities and trends among different groups. A possible solution for this is to use distributional indicators to a greater extent. The Meeting agreed that Fair treatment in employment should be analysed in a cross-dimensional manner and reported in a special section of the country profiles.

15. With regards to the dimension Working hours and balancing working and non-working life, it was agreed that care for the elderly and for other incapacitated adults should be included in the formulation of indicators in addition to childcare. Furthermore, the issue of voluntariness of part-time work was raised. It was suggested to include underemployment as an indicator to take that into account. Another suggestion under this dimension was to include an indicator concerning shift work and commuting time.

16. For Security of Employment and Social Protection, job security for those who have permanent contracts should be integrated into the relevant indicators. Moreover, the share of public social security expenditure of GDP should be reconsidered as indicator since it is not informative in all cases because it depends largely on national social security systems.

17. The Meeting underlined that in the Social dialogue dimension, only associations of employees are taken into account. It was suggested to include indicators on entrepreneurial associations to give information on both sides of the issue.

18. The Meeting highlighted the need for developing the seventh dimension of the framework on Workplace relationships and intrinsic nature of work and especially for designing indicators on mental well-being and stress. Some guidance was given in which direction developments could aim at. It was suggested to move away from the subjective notion of intrinsic motivation of workers but rather try to capture more objective work motivational aspects of work.

19. The participants provided comments on the individual indicators of the framework. Further details on these discussions are provided in the Annex.

IV. FUTURE WORK

20. The current Task Force will end its work by the end of 2009 and has to submit its final report to the Conference of European Statisticians (CES) Bureau and CES.

21. The Meeting recommended:

- (a) Inclusion of the improved versions of the framework (to be finalized in consultation with the current Task Force members), the validation study and of the country reports in the Task Force Report;
- (b) Publication of a collected volume which includes the framework, the country reports and the indicator validation study;
- (c) Convening a meeting in two years. There was overwhelming support for another meeting from the participating countries. The discussion in the next meeting should center on:
 - (i) New and updated country profiles implementing the framework, including the work of Eurostat in this field;
 - (ii) Further refining of the list of indicators and their definitions.
- (d) Formation of an informal Organizing Committee by the UNECE, ILO, Eurostat, and Canada in order to organize the next expert meeting in two years and take on board any emerging issues regarding the conceptual framework, such as providing advice to countries in the implementation of the framework at the national level;
- (e) Further voluntary tests of the framework at the country level during the two years leading up to the next meeting;

- (f) Work towards more precise definitions for the indicators and computation methods in cooperation with the ILO based on the ongoing metadata compilation under the ILO's approach to measure decent work. It was also suggested that the quality of employment framework could be used for an in-depth qualitative analysis of relevant ILO decent work dimensions.

V. ADOPTION OF THE REPORT

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

ANNEX

RECORD OF THE DISCUSSION ON QUALITY OF EMPLOYMENT DIMENSIONS AND INDICATORS

Cross-cutting issues regarding the indicators

1. The meeting agreed that the conceptual framework based on the seven dimensions was adequate but some indicators under each dimension could be revised and expanded. An improved set of indicators should be presented in the report of the Task Force.
2. It was noted that many of the indicators in the current conceptual framework did not fully apply to the self-employed, contributing family workers and own account workers. The meeting requested that the indicators be made applicable to workers in the broadest sense with all forms of employment. Especially middle- and low-income countries were interested in covering informal employment in their case studies.
3. It was highlighted that most indicators are measured in averages, which conceal trends and polarization of indicators across sub-populations. It is hence advised to include more distributional indicators in order to depict the differences among groups based on gender, age, ethnicity, nationality, geographical region, etc., which would be more informative on the fair treatment aspect of Safety and ethics of employment. In terms of age, the suggestion was to have the following categories: young workers, prime age workers and old/senior workers.
4. Context information to interpret quality of employment variables
 - (a) The traditional *quantity*-based labour market indicators are essential for providing the context in which *quality* of employment indicators should be interpreted, e.g. employment and unemployment levels and rates. In addition, information on the general economic situation and labour regulations of the country at hand would be helpful in interpreting quality of employment indicators.
 - (b) Access to employment (or employment opportunities as it is called in the framework for measuring decent work) is logically not a part of the conceptual framework for measuring quality of employment. However, it is important to include indicators on access to employment, disaggregated by sub-populations in the background information on the labour market.
 - (c) In order to tackle the ambiguity of certain indicators (where the result could be positive or negative depending on the context), other indicators should be provided. For instance, in the case of increasing part-time work, reasons for it should be understood in order to judge whether it is a positive or a negative change. This kind of information will provide guidance on how to improve the validity of the indicators.

5. It was acknowledged that international comparability was not considered a priority when designing the conceptual framework and its indicators. More detailed work needs to be done at the country level in order to finalize the set of indicators. Once operational definitions and the methodological guidelines for the indicators are provided, the scope for cross-national harmonisation of the indicators will be improved. In addition, the Organizing Committee will be available for advice on the national implementation of the conceptual framework, which will ensure a certain level of uniformity across countries. On a related matter, it was noted that ISCO-08 –based classifications may not be applicable to all countries at the 4-digit level. If the classifications would be applied at the 2-digit level, however, this would have implications for the sample size.

6. The Validation Study: ISTAT agreed to prepare a revised version of the Validation Study (i) including an introduction that specifies the objective of the study and explains the methodology used in a way understandable to non-statisticians, (ii) clarifying better the relationships between the framework for measuring decent work and the conceptual framework for measuring quality of employment and (iii) providing recommendations as to which indicators, currently included in the conceptual framework, could potentially be used for cross-country comparisons, why and how.

7. Taking into consideration that Ukraine had participated in both the ILO pilot country programme on decent work profiles and the Task Force quality of employment profile exercise, the ILO representative suggested that Ukraine could prepare a comparative report on the linkages between the two frameworks. The Ukrainian participants and the meeting agreed with the ILO recommendation.

Discussions on specific indicators

Safety and ethics of employment

8. Child labour: The 18th International Conference of Labour Statisticians provided the definitions and methods of data collection to be used in measuring child labour. In the cases of high-income countries presented at the meeting, child labour was not of particular interest. Instead, the inclination of the more developed countries was to focus on youth employment under this dimension.

9. Mental stress from work: It was noted that the health aspect of safety at work was missing to a large extent. Currently, the conceptual framework covers only physical injuries and risks from employment. However, mental stress from work is becoming increasingly important for many employed persons. It was thus agreed to design indicators to measure such non-physical health problems related to work. There are two dimensions where this type of indicator could potentially be added: under 1a, Safety at work (where mental stress could be presented in addition to more tangible risks such as noise levels, etc.), or under 7a Workplace relationships (where the mental stress indicator could be presented in relation to harassment).

Income and benefits from employment

10. Paid annual leave: Instead of the use of paid annual leave, the entitlement to it seems to be a preferable indicator.
11. Sick leave: The entitlement to sick leave determines the use of it. Hence, the information on the number of days and the conditions under which one is allowed to take sick leave should be included in the framework.

Working hours and balancing work and non-working life

12. Part-time work: The discussion regarding this dimension centred on involuntary part-time work. The definition of involuntary part-time work foresees that the individual must be working less than full time and be available to work more hours and looking for additional work. Underemployment could be a candidate indicator to include.
13. It was noted that shift work was not included in the conceptual framework and that it should be integrated into the improved version.
14. Balancing work and non-working life: The meeting agreed to include caring for the elderly and other incapacitated adults in addition to childcare in the relevant indicator structures.

Security of employment and social protection

15. Job security for permanent employment: Currently, job insecurity is associated with having temporary employment in the conceptual framework. The meeting noted, however, that employees with permanent contracts are also increasingly at risk of losing their jobs. Hence, the improved version of the conceptual framework should take into account job security of those who have permanent contracts as well.
16. Unemployment benefit: It was highlighted that it is important to collect data on the duration and remuneration of unemployment benefit.
17. It was noted that the indicator public social security expenditure as share of GDP was not informative for measuring quality of employment. The indicators proposed under social protection were generally deemed insufficient.

Social dialogue

18. The meeting agreed to include enterprises belonging to employer organisations (weighted by employment rate) in addition to Trade Union membership in the conceptual framework. It was noted, however, some big companies would not be members of such associations so this indicator may not be relevant for all employers.
19. The meeting noted that it is not clear how the indicator on the average number of days not worked due to strikes and lockouts should be interpreted with regards to quality of employment and recommended that it be deleted. The number of trade unionists was suggested as an

alternative indicator.

Skills development and life-long learning

20. It was suggested to include an indicator on on-the-job training in the conceptual framework.

21. The meeting noted that education levels were not always easy to interpret, especially in the case of over-education. It was also highlighted that matching ISCO and ISCED is not a robust method for measuring under- and over-education, as the resulting indicator conveys the discrepancies between the classifications rather than the adequacy of education for the occupation at hand. Moreover, for certain occupations such as artists, it is not clear what level of education would be considered adequate or not.

Work place relationships and intrinsic nature of work

22. It was noted that an indicator on bullying at the workplace could be included in the conceptual framework, and some other indicators on mental well-being and stress at work should be considered.

23. The difficulty of measuring the intrinsic nature of work was highlighted throughout the meeting. It was noted, for instance, that people with similar jobs may give very different answers to the question whether they find their work useful. Instead of measuring the intrinsic nature of work, it was suggested that the characteristics of a job that make it interesting should be studied through more objective indicators, e.g. level of autonomy.

24. Including an indicator on job satisfaction was suggested. The meeting highlighted that days of absence from work or intention to change jobs could be more objective indicators of job satisfaction.

25. The meeting suggested renaming the dimension as “Work place relationships and work motivation.”

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