

# **Quality of Employment report**

## **Country report for Finland**

**Prepared for the Task Force on the Measurement of the  
Quality of Employment**

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## *Introduction*

Finland can be described as a Nordic welfare state with a large public sector and high employment rate for women (69 % vs. 59.1 % in EU27), and relatively high employment rate for men (73.1 %). The latest figures of LFS show that the gender employment gap – already the narrowest among EU27 countries – has further narrowed due to the economic crisis impacting especially 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 % of all employed in 2008 vs. 18.2 in EU27), not even among women (18.2 % vs. 31.1 % 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 to one the widest gender gaps in temporary employment in the EU.

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

In the last ten, fifteen years Finland has undergone drastic economical changes. In the early 1990's the country was gripped by a deep economic recession, followed by an unequalled boom in the end of 1990's. Since that, except for another 'mini-recession' in the early 2000s, the employment continued to grow and the unemployment to decrease until the end of 2008 (See Annex, Figure A1). However, this strong economic growth has brought along clear negative influence on working conditions of the employees 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 cope at work, with the underlying target to prolong working careers.

Labour market relations are established on tripartite basis in Finland. The central labour market organisations negotiate income policy agreements, which outline the framework for union-level agreements concerning the size of pay raises and social, pension and training benefits. The Government is active in supporting the process. Union-level collective agreements determine the minimum employment conditions such as provisions for pay, working time and annual leave.

This report aims at describing the quality of employment in Finland using the indicators agreed by the Task Force on the Quality of Employment<sup>1</sup>. The main data sources used for this purpose are Labour Force Survey (LFS) complimented by the Finnish Quality of Work Life Surveys (FQWLS), periodically conducted by Statistics Finland since 1977. In addition, the European Working Condition Survey (EWCS) is referred to, among others, as well as e.g. Structure of Earnings Statistics, Employment Statistics, Adult Education Survey and Statistics Finland's Statistics on Occupational Accidents and Labour Disputes.

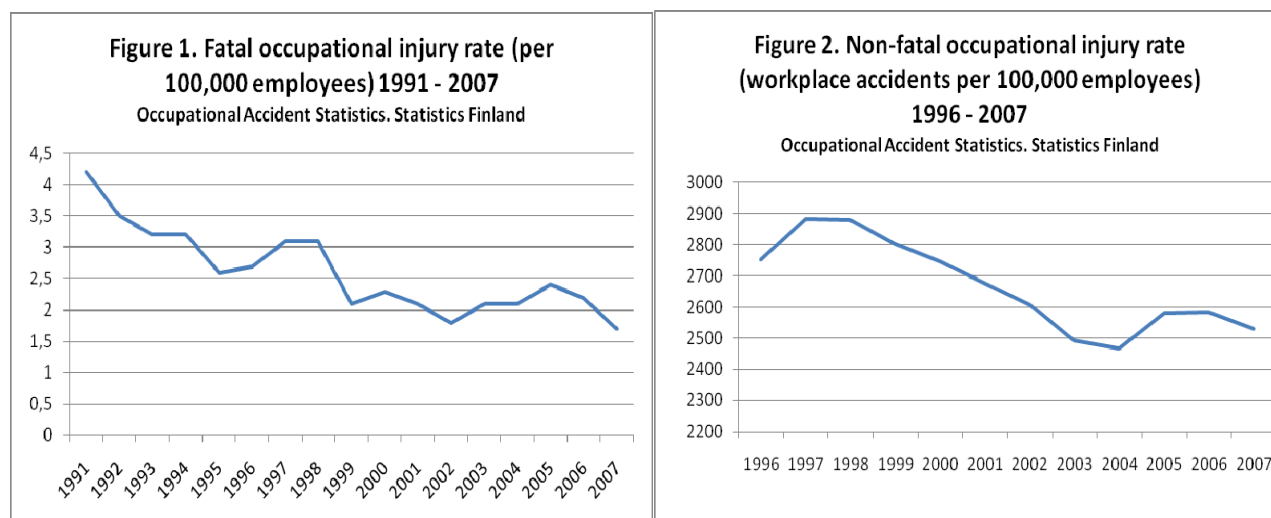
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<sup>1</sup> UNECE Task Force on the Measurement of Quality of Employment 'Statistical Measurement of Quality of Employment : Conceptual framework and indicators', September 2009

# 1. Safety and ethics of employment

## a) Safety at work

Reducing occupational accidents has been high on the political agenda in Finland for quite a while. Indeed, **fatal occupational injury rate** has decreased in the past ten years or so 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.)



Employees' *occupational insurance coverage* is 100 %, and statistics on accidents at work (for which insurance companies pay compensation) are comprehensive, contrary to many other EU countries<sup>2</sup>. However, the renewal of full cost responsibility resulted to the fact that more accidents were reported in 2005 than in 2004. Indeed, statistics before 2005 are not completely comparable with statistics from 2005 on (Figure 2). Nevertheless, it is evident that also the **non-fatal occupational injury rate** has clearly decreased in the past 10 years or so. The latest accident incidence rates (2,530 per 100,000 employees in 2007) as well as accident frequencies are displayed in 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 for reporting health problems seems to be high in Finland: the share of Finnish female workers experiencing one or more work-related health problem is well above (24.5 %) the EU27 average (8.6 %). However, among the Finnish workers with health problems the share of those experiencing limitations in normal daily activities is at about the EU27 level (to some extent 51 % and considerably 26 % vs. 50.1% and 22.3 % in EU27), and those for whom the problem results in sick leave is clearly below (43 %) the EU27 average (62 %). This gives reason to consider whether Finnish workers have a tendency to report smaller problems than many others, which again has implications to comparability.

<sup>2</sup> The data coverage for employees is exceptionally good, since all the employees are insured, employer gains financial benefit in reporting occupational injuries, and all of these reported accidents resulting in at least 4 days absence from work are registered. As regards self-employed (excl. farmers), the insurance is voluntary. Since all self-employed do not insure themselves but only insured accidents are registered, the data on the occupational injuries among self-employed is not comprehensive.

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

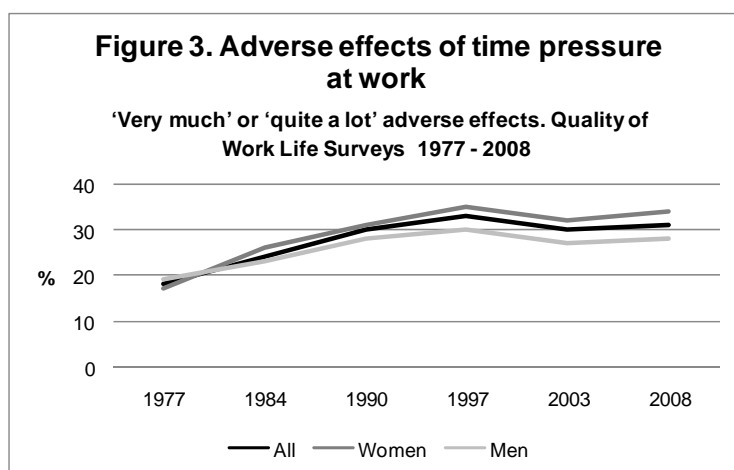
**Table 1. Work related health problems and hazardous exposure in the workplace**  
Share of workers (%)

	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 2007

The FQWLS include questions about threats and dangers wage and salary earners experience in their work environment. The results show a clear growth between 1984 and 1990 for all listed hazards at first, after which many of the hazards seemed to decrease and even out. However, the fear of contracting diseases and being subjected to violence have continued to increase through the 1990s and even beyond. While 11 % of employees in 1984 experienced subjection to physical violence as a hazard in their work, the respective proportion was 29 % in 2008. 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 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 effecting more female than male employees.



## b) Child labour and forced labour

The dimension of child labour and forced labour is not relevant in the context of Finland. It might be assumed that the Act on Young Employees, regulating the employment of children aged under 18, is quite well accomplished in Finland<sup>3</sup>.

<sup>3</sup> According to the Act on Young Employees, from the year the child turns 14 years, she/he can do some light work maximum 2 hours per school day or 7 hours on days off, 12 hours per week at most. During the school holidays, she/he can work at most half of the holiday period. The work should be something light which does not harm the child's health or development and does not disturb his/her school attendance. There

However, it would be possible to provide some data on ‘the other possible indicators’ for the young people aged 15 to 17 on the basis of register-based Employment Statistics, which includes information on taxation, as well as on the basis of LFS. For instance, according to the Employment Statistics, some 29 % of young people aged 15 had earned income in 2004, while the respective proportion for those aged 16 was 54 %, and 62 % for those aged 17. Among young people aged 15 to 17 with earned income for 2004, almost half (46 %) had been working during one month at the most and only 5 % during the whole 12 months. (Hulkko & Kartovaara 2007.)

### *c) Fair treatment in employment*

Statistics Finland provides statistics aggregated by gender. This logic also is used in this report. As regards foreign-born population, the proportion still is so small that it is almost impossible to provide information on the basis of Labour Force Survey (LFS) 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 considerable higher than among Finnish nationals. Nevertheless, the employment rate of non-nationals residents in Finland has grown from 42.3 % to 48.9 % or by 6.6 percentage points from 2000 to 2006. During the respective period, the employment rate of Finnish nationals grew by 2.5 percentage point respectively.

It is evident that occupational segregation by nationality exist. The most common professions among workers with immigrant background (defined as persons with some other mother language than the domestic languages Finnish, Swedish or Sami) were cleaners, shop sellers, motor vehicle drivers, waiters and construction workers in 2006. ([www.stat.fi](http://www.stat.fi)) (See also Annex tables A3 and A4.)

## *2. Income and benefits from employment*

### *a) 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 % 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, in EUR ,1995 - 2007**

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

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

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are limitations for work in the evenings; working at nights is prohibited. The child of this age can not agree on a work contract independently, but it is his/her guardian who does it on behalf of the child. Youngsters aged 15 to 17 are allowed to independently agree on work contract. They can be employed to permanent employment relationship under condition that they have completed the basic education syllabus. The daily working hours for youngsters aged 15 to 17 can not exceed 9 hours including overtime and they are not allowed to work after 10 p.m.

Table 3 displays the share of wage and salary earners with below 2/3 of median hourly earnings for employees 1995–2007. The national figures cover all employer sectors also before 2006 contrary to many other countries. 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 with below 2/3 of median hourly earnings , (%), 1995-2007**

	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: Structure of Earnings. 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 pay for nearly 90 % of wage earners. This system has the essential effects 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 the highest paid quintile has increased by almost 60 % from 1995 to 2007, the respective growth has been less than 50 % 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. EUR/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.

### *b) 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 h/month or at least 14 days/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 when the working hours or days are less than 35h or 14 days per month, a 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 the case of temporary employees with short contracts, who are paid holiday compensation.

There is no reliable information on the proposed indicator **average number of days paid annual leave used in the previous year**. Some information is available on the *number of days* a person has *right to*

*annual holiday*, using SES or Time Use Survey. Since this number basically depends on the length of 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<sup>4</sup>.

According to the Time Use Survey 2000, the Finnish employees have right to 30.6 weekdays of annual holiday a year, at the average, the median being 30 days.<sup>1</sup> Information on the calculatory amount of days that employees have right to annual leave is available also from the SES. The data covers only persons in employment in the last quarter of the year, in work organisations with a staff of at least 5 persons. All of these persons have not been employed during the whole year, with implications on the accumulation of their annual leave. Furthermore, the data is missing for a part of the employees (16 %). Inclusion of missing values in the calculation would provide notably low number of days. Excluding the missing values, the average number of days which an employee has right to paid annual leave was 26 days in 2007 (women 27, men 25 days).

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 during to illness or injury. In the case of an employment that has lasted less than a month, sick leave will be compensated with 50% of the normal wages.

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

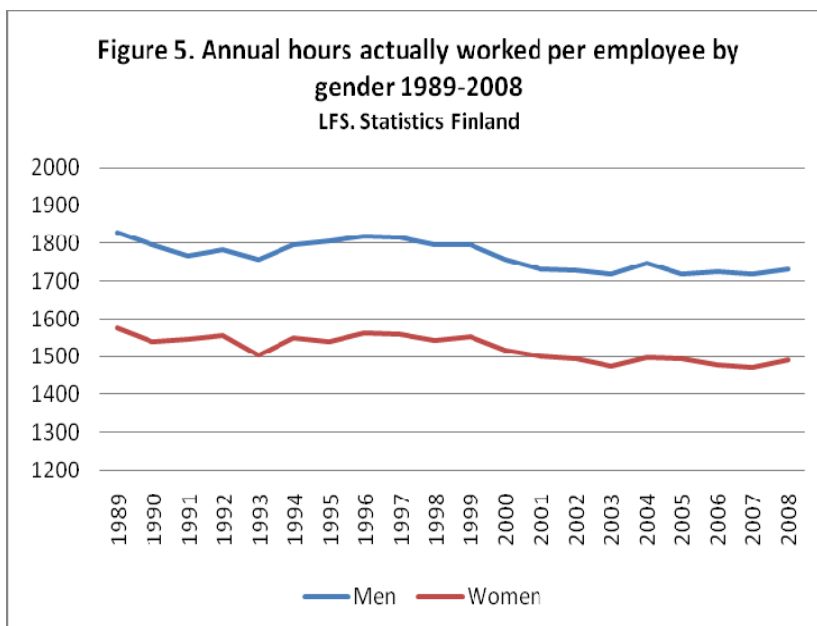
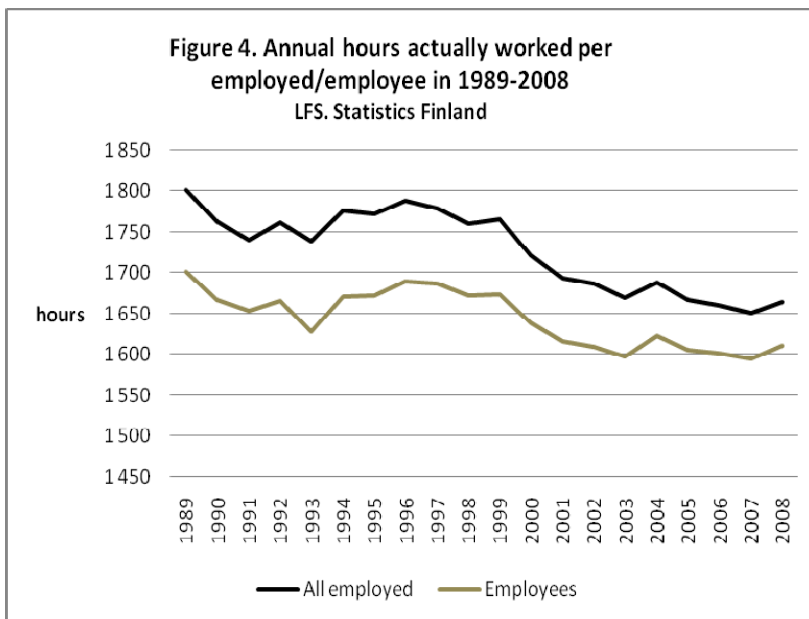
### 3. Working hours

The **average annual (actual) working hours worked per person** are relatively low in Finland in the European comparison. The overall trend in the past 20 years is decreasing, from about 1,800 hours per employed in 1989 to 1,664 hours per employed in 2008 (Figure 4). This applies to practically all the industries, although actual working hours in agriculture and forestry still are notable high, over 2,100 hours per employed 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 it makes a notable difference whether only the employees or the whole employed population is considered. Women work less hours than men do, 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 % of all employed) than men (8.9 %).

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<sup>4</sup> According to Annual Holiday Act, holiday leave accumulates 2 days (when employment has lasted less than 1 year) or 2½ days for each holiday credit month (equalling to 30 days of holiday per year). Outside the Act on Annual Holiday, some collective agreements may provide employees with longer annual holidays than otherwise stipulated by the Act. Many collective agreements also provide payment of holiday bonus which usually amounts to 50 % of 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.

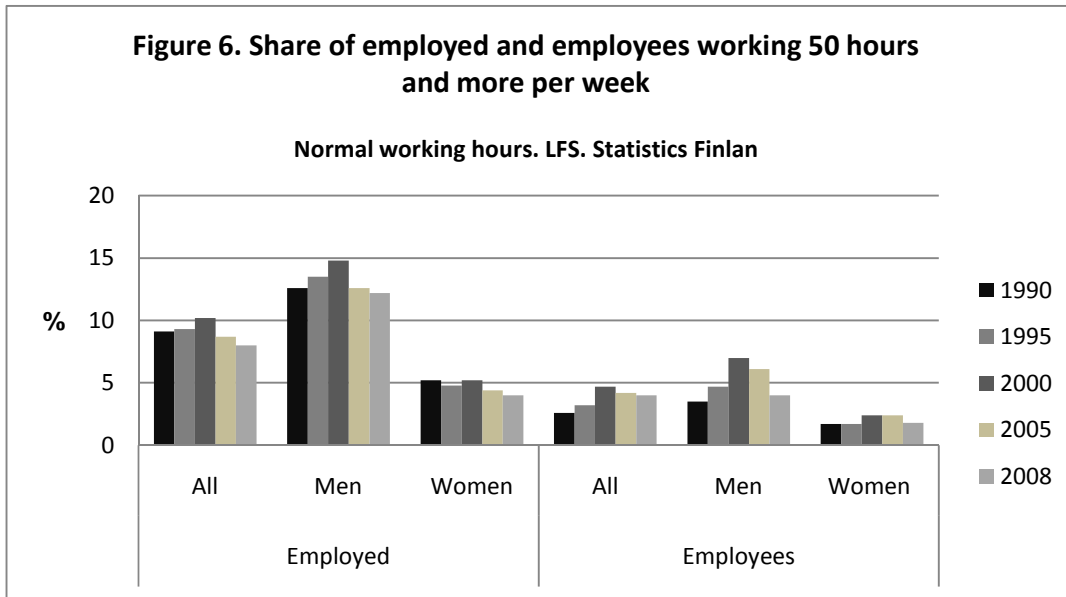




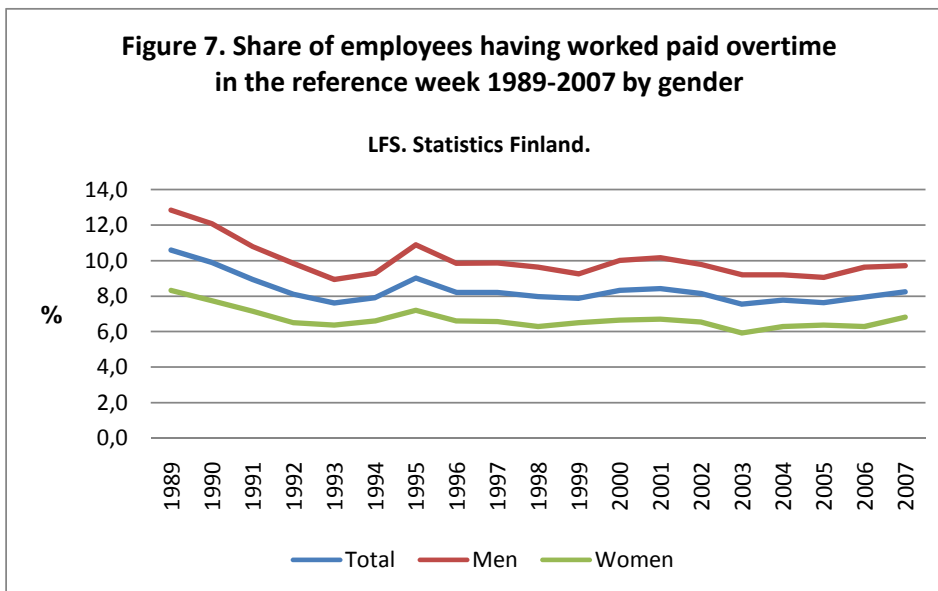
Although the annual working hours have decreased since the mid-1990s, a clear polarisation has taken place as regards the length of normal working hours. This is true also as regards gender, since there has been increase especially in the share of men working long hours, on the one hand, and in the share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

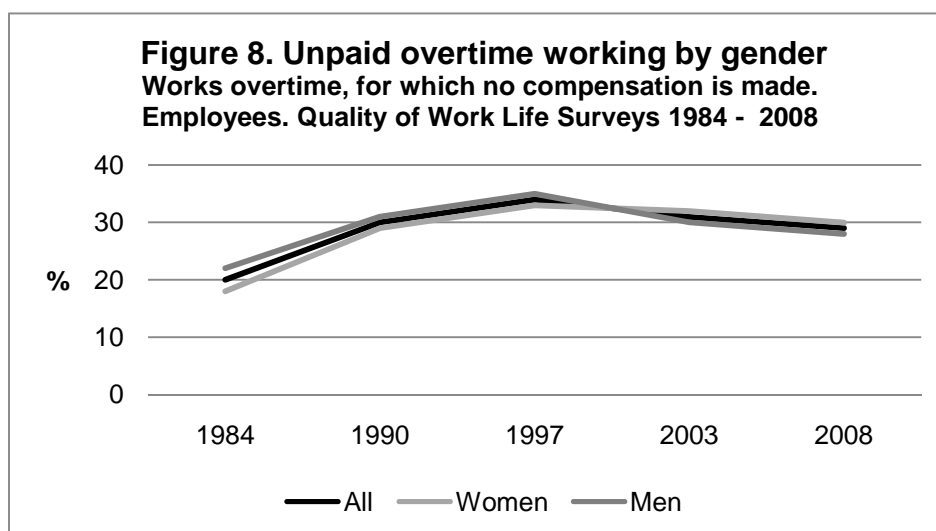
**The share of persons working 50 hours<sup>5</sup> and more per week** clearly increased during the 1990s, although it started to decrease again after the turn of the millennium (Figure 6). At the same time, the proportion of employees / employed persons working less than 30 hours increased in the 1990s from 6 % of employees (women 9 %, men 3 %) and from 7 % among all employed persons (women 10 %, men 4 %) in 1990 to 10 % of employees (women 13 %, men 6 %) and 10 % of employed (women 14 %, men 7 %) in 2000. In 2008, these figures still were more or less at the level of the year 2000.

<sup>5</sup> The proposed indicator is about 49 hours and more. In the Finnish LFS, classification of normal hours used in the basic tables breaks down by 50 hours, not by 49 hours.



Labour Force Survey 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 proportion of employees working overtime is strongly related to the economic fluctuations (Figure 7). The year 2008 is not included in the Figure 7 due to methodological changes in the LFS questionnaire in 2008 resulting to a breakdown in time series.





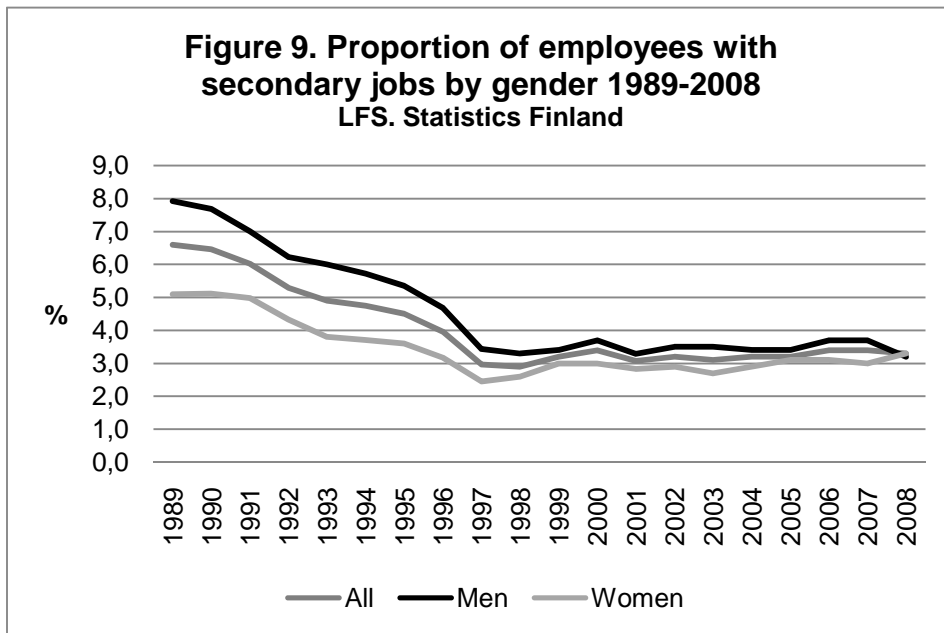
The FQWLS also provide information on overtime work since 1984. There is no specific reference time but respondents are asked, whether they work paid or unpaid overtime, and if so, how often. Inquired in this way, the share of people working overtime is well above the LFS figures. Overtime work (at least sometimes) that is compensated in money or time off has been getting more common (62 % in 1984 vs. 71 % in 2008). Men do *compensated overtime* work 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 with time off.

*Overtime work without compensation* increased in the 1980s and 1990s, but it has been getting less common in the 2000s (Figure 8). For women, working without compensation (to be specific, this sort of work should not be called "overtime work") is somewhat more common than for men. The type of overtime is strongly connected to socio-economic status. Blue-collar workers do compensated overtime work more often (78%) than others, and they are usually compensated in money. Upper white-collar workers do less (61%) 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 familiar to upper white-collar workers (50%).

It may be argued that it is not straightforward whether working overtime is a positive or a negative issue for the employee. In certain context it surely can be regarded as positive with implications to higher income. In this respect, it makes a difference whether overtime is compensated or not. According to the FQWLS 2008, altogether 15 % of wage and salary earners - women (17%) more often than men (14%) - state that they do more overtime than they would like to. Overtime work seems excessive especially when there is no compensation for working outside of normal working hours<sup>6</sup>.

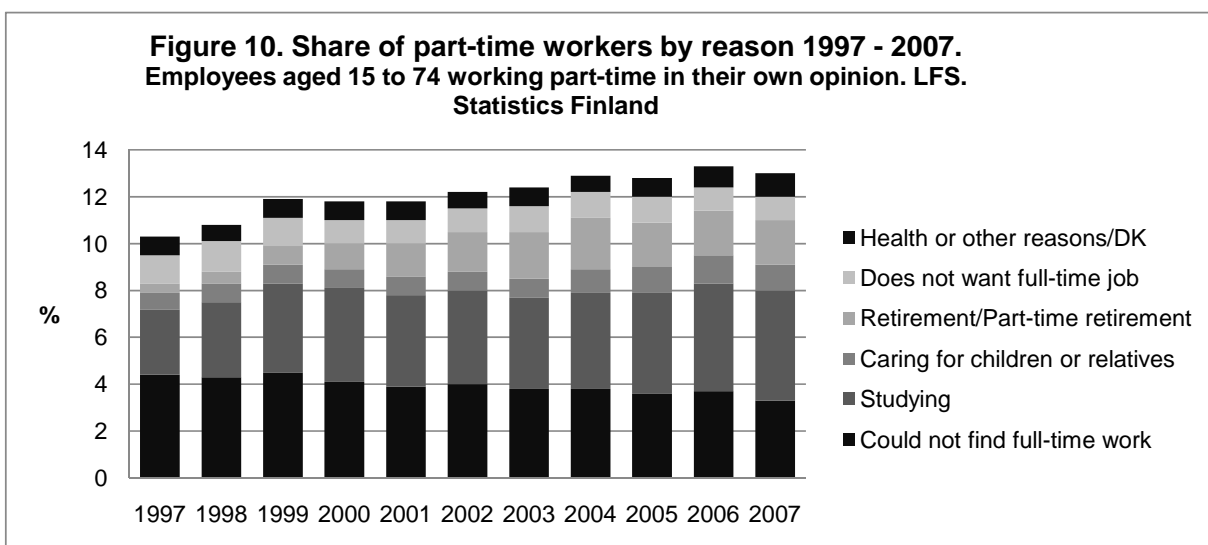
According to the Labour force Survey, the **share of employed working more than one job** clearly decreased in the beginning of the 1990s, and has remained at about 3 % after that (Figure 9). There is practically no gender gap in this respect. Secondary jobs are most typical for professionals, for whom these side-jobs probably are not an economical necessity.

<sup>6</sup> Out of those who do overtime work without compensation each week, 47 % feel that they are working more overtime than they would like to, while 38 % of those who are compensated for their weekly overtime feel this way.(FQWLS 2008).



Another proposed indicator in this dimension is the **share of employed persons working less than 30 hours per week involuntarily**. However, the definition for part-time work used in the LFS is not the time limit of 30 hours but respondents own perceptions about working 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.

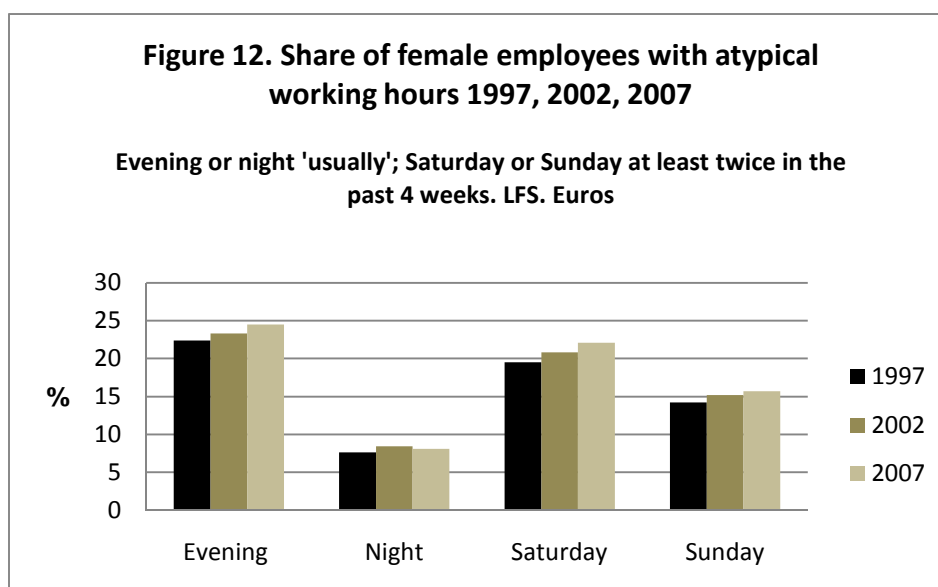
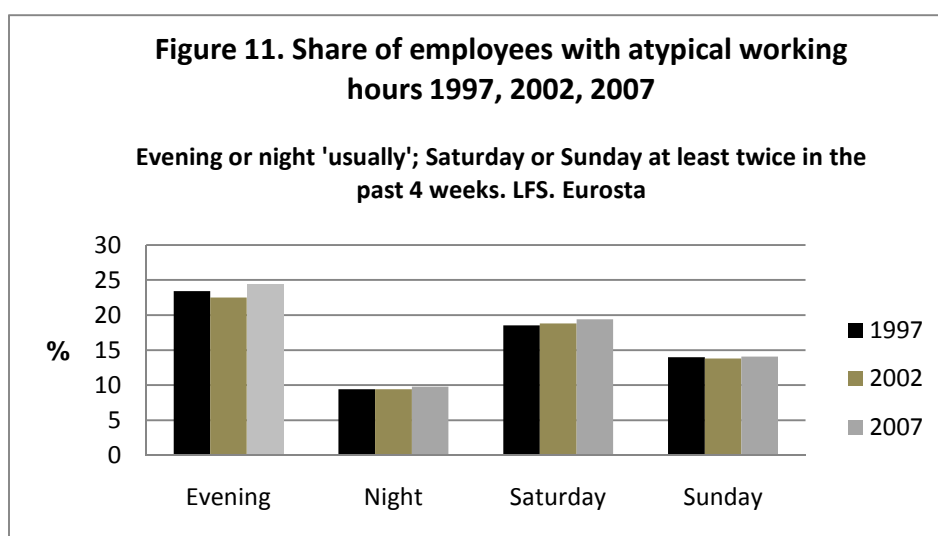
Part-time work is most common among students and aged employees on part-time pension. This also is reflected to the reasons for part-time work: studies are the most common reason – and increasingly so. Only one woman in ten working part-time gives care for children or relatives as the reason for part-time work. This share has barely changed in the past 10 years or so. The share of those working part-time due to the lack of full-time work among all part-time workers has significantly decreased in the past ten years or so, from over 40 % in 1997 to 25 % (women 27 %, men 22 %) in 2007. (Figure 10.)

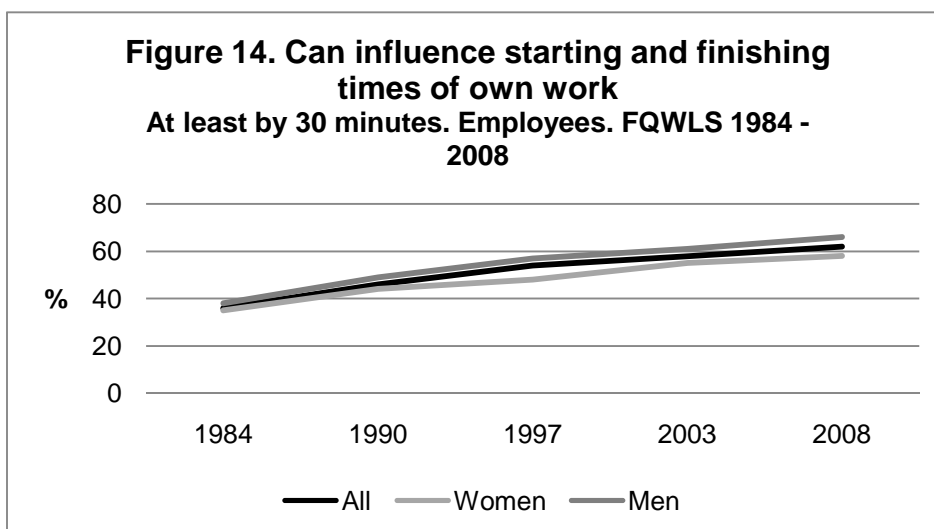
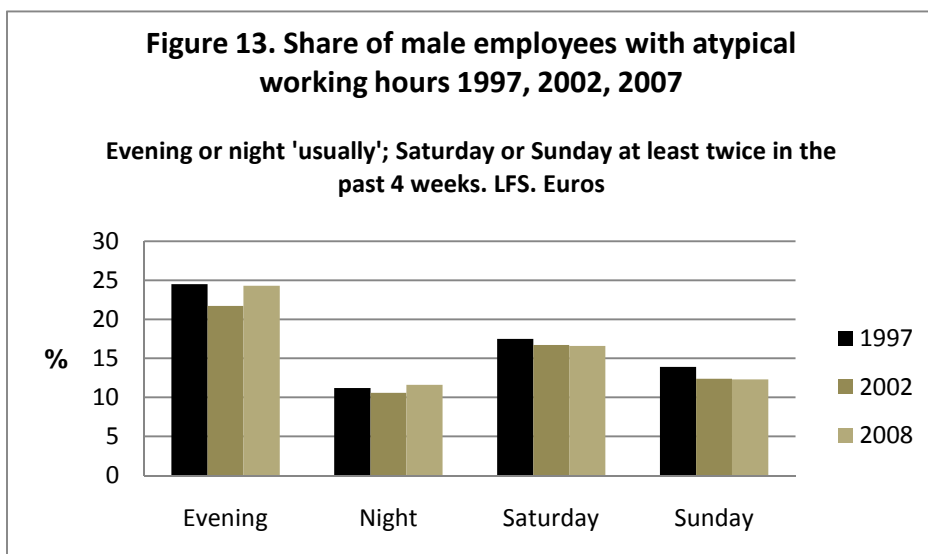


## b) Working time arrangements

Information on atypical hours can be drawn from the LFS. The 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.

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





The dimension on working hours 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 % of Finnish males and 52 % of females as against to 67 % of males and 71 % of females in the EU27 had fixed working schedule. The EWCS 2005 provides similar figures: fixed working times were the most uncommon among Finnish wage and salary earners (51%) (67 % in the EU27).

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 need to be flexible because of superior or tasks, fixed working hours may be seen as a more positive alternative as regards work-life balance (E.g. Pärnänen et al. 2005).

This duality of flexibility is taken into account in the FQWLS. The employees' possibilities for *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 FQWLS. Similarly, men report more often than women to be 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 *need to be flexible in working hours because of superior or tasks*. (Annex Figure

A3). The greater “employee-led” flexibility in male working hours compared with women’s working hours is a well-known phenomenon also elsewhere in the EU (Hardarson 2007).

### c) *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, in Finland it is 7 years. The length of maternity plus parental leaves totals to about 10 months, but only very few mothers return to work before the child is 12 months old. The right to public day care services is universal since the 1990s, but parents with children aged under 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 counted as outside labour force although they would have a job to return to<sup>7</sup>.

**Table 5. Ratio of employment rate for women with children under compulsory school age to the employment rate of all women aged 20 to 49. 2003-2007.**

	2003	2004	2005	2006	2007
Women with children	65.6	62.6	62.3	63.5	64.0
All women aged 20-49	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.

It is noteworthy that the *employment situation of single mothers* worsened compared to mothers in partnership after the economic recession in the 1990s. In 1990, the employment rate of single mothers was 87 % compared to 83 % of mothers in partnership (thus, the ratio was 1.05), but in 2000 the respective ratio had decreased to 0.87 (Hakovirta 2007). With the improved overall labour market situation, the ratio had increased to 0.95 by 2005 (Hulkko 2007).

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 % of employed women and 30 % of employed men had such responsibilities. The EWCS 2005 also provides similar information on the subject: in Finland 13 % of employees were caring for elderly or disabled relatives on weekly basis, which corresponds with the EU27 average. On the other hand, 35 % of employees had, if not weekly, at least to some extent these responsibilities, as against the EU27 average of 20 %.

Also in the FQWLS 2008, the respondents were asked about their care responsibilities for adults or children outside their household. Little over one third (35%) of respondents had these responsibilities for adults and 15 % 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 old parents or in-laws, while caring for children outside own household applies especially to working grandparents. (Annex Figure A4).

<sup>7</sup> The practices of classifying women on family leave 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.

According to the FQWLS, about one in four employee feel that they *neglect 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 1990s. Upper white-collar workers most often (29 %) feel like they neglect home matters, and for parents of families with children, the proportion is clearly larger (32%) than with those who do not have children at home (18%).

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 mother and parental allowance immediately after either to mother or father for 158 days (approximately 26 weeks or a good 6 months). The paternity allowance is be 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 at most 90 % of the salary. The paternity allowance is at most 70 % of the income. The parental allowance is at most 75 % of the income for the first 30 days the mother uses as well as for the 30 first days the father uses, after which it is at most 70 % of the salary. The minimum allowance for those with no or very low income is EUR 22.04 in 2009.

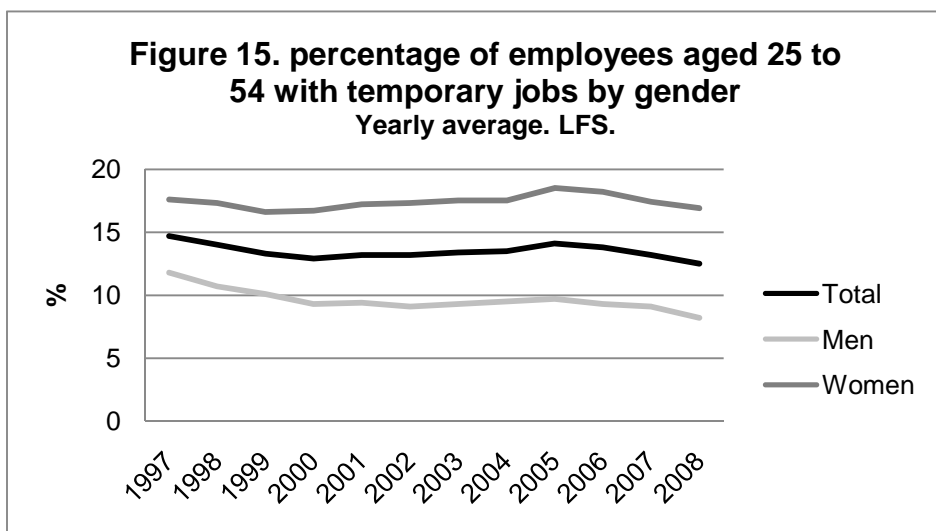
All of the entitled mothers take their maternity leave and practically all also take parental leave. In 2007, about 80 % of fathers used their right to paternity leave, but only about one in ten stayed on parental leave as well at least for a while. (Annex Figure A5.) Thus, in Finland the problem is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

## ***4. Security of employment and social protection***

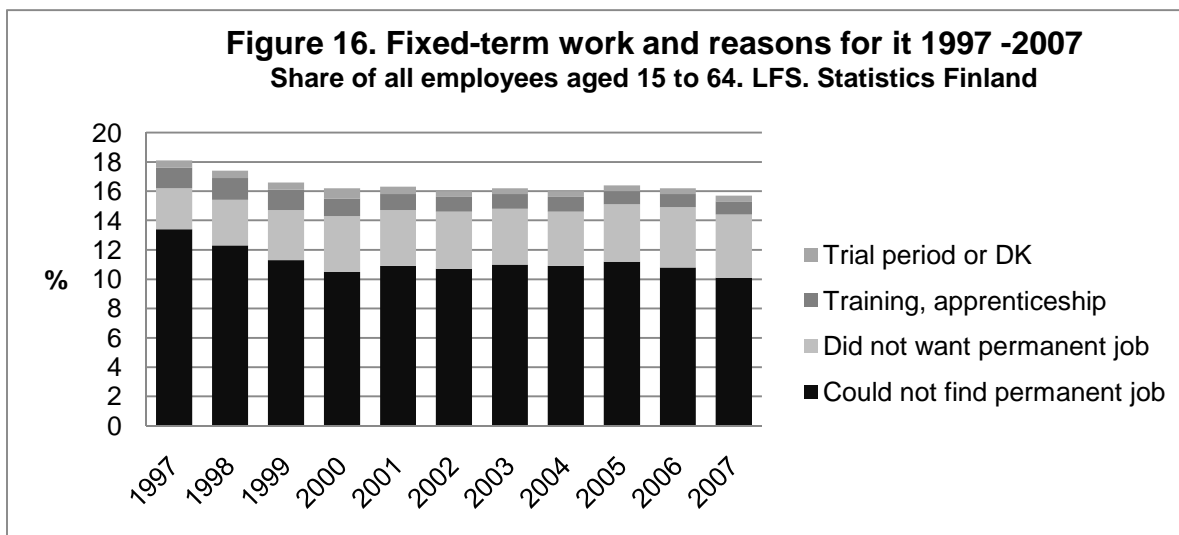
### ***a) Security of employment***

**The percentage of employees 25 years of age and older with temporary jobs** increased from the 1980s and reached its peak in 1997, after the deep economic recession. Since then, the proportion has gone gradually down especially as regards men (Figure 15). (The statistics of LFS are fully comparable only from 1997 on, but the FQWLS provide longer time series, see Annex Figure A6). The share of temporary workers is well above the EU27 average among women in Finland, but well below the average among men. This results to one of the largest gender gaps in fixed-term employment in the EU27, after Cyprus. As shown in the figures, the gender gap has been broadening over the past 10 years. Although temporary employment still is more common among young than older employees, the share of temporaries has increased notably among women aged 25-34 and 35-44 in the past two decades, while the share among youngsters aged below 25 has gone down at the level of 1990 (Annex Figure A7).



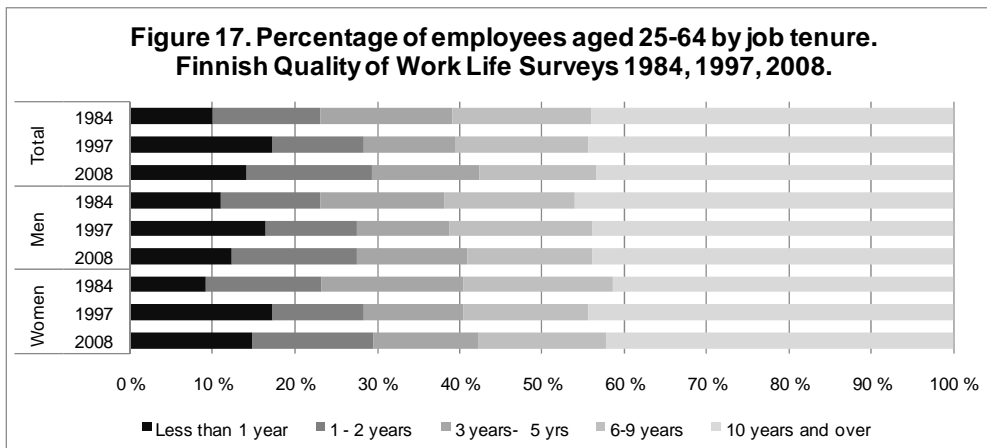


In relation to temporary work, the voluntariness to work on temporary basis should be taken into account. In this respect the situation has ameliorated in Finland in the past 10 years with the recovering of the economy: in 1997, altogether 74 % of fixed-term employees (women 77 %, men 69 %) worked in temporary contract due to the lack of permanent employment relationship and only 16 % (women 15 %, men 17 %) because they wanted themselves. In 2007, the respective figures were 64 (women 68 %, men 58 %) and 27 % (women 25 %, men 31 %). Still, women work in temporary jobs against their own wish more commonly than men do. The respective shares among all employees are displayed in Figure 16.



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 LFS<sup>8</sup>. It should be noted that the question here is not about the length of employment contracts but about the time by the same employer: e.g. a fixed-term employee with several short employment relationship in row during two years is presented here as someone with a job tenure of two years.

<sup>8</sup> FQWLS is conducted in connection to the LFS, and for this reason it also includes information from the LFS interview of the respondents



A certain polarisation has taken place in the past 25 years or so. Although the average length of job tenure has increased, there are more employees with tenure of less than one year in the 2000s than in 1980s. With the ageing of the labour force the very long tenures, above 20 years, have increased.

LFS (at least the Finnish one) does not provide information of the actual length of work contract for employees: it is only inquired in the interview i) since when the respondent has been uninterruptedly in the service of his/her current employer as well as ii) the estimated date of the end of the contract. The duration of temporary contract is calculated on the basis of these two dates. However, as noted above, there is no information 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)<sup>9</sup>.

When using information for LFS on the duration of temporary contract (neglecting the potentially successive contracts)<sup>10</sup> for the respondents of the FQWLS 2008, the share of temporary employees with a tenure of 12 months at most is only 55 %. This is the same share as the internationally comparable information for the last quarter of 2008 in LFS. When using the information given by these respondents during the FQWLS interview, where the *length of the current fixed-term employment relationship* is asked about, the respective proportion is 76 %.

Especially women not-so-young any more may have been working on succeeding temporary contracts for years. (See Annex Figure A8). Temporary employees may be considered as a vulnerable group in the sense that their often experience unemployment in-between their contracts. The risk of unemployment seems to have grown as regards female temporary employees when comparing years 1990 and 2008, while the opposite is true as regards men. (Annex Figure A9.)

## b) Social protection

All Finnish wage and salary earners are **insured by employment insurance schemes**. There exists a three-tier system of unemployment benefits. *The basic benefit* and the *earnings related benefit* are pay-

<sup>9</sup> According to the FQWLS 2008, 61 % of female temporary employees and 52 % male temporary employees had had at least two successive employment relationships by their current employer. As many as 28 % of females and 16 % of males had had at least five successive contracts in their workplace. For all these employees, the tenure is calculated as from the beginning of their first employment relationship in the LFS.

<sup>10</sup> FQWLS is conducted in connection to the LFS, and for this reason it also includes information from the LFS interview of the respondents.

able 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 43 weeks of work (min. 18 h/week) in the last 28 months. The condition to receive the earnings related benefit is additionally 10 months of voluntary contribution to an insurance fund. According to FQWLS 2008, 87 % of employees had such a voluntary insurance, for which the payment is deductible in taxation. *Labour Market Support* is aimed at first time entrants and recipients of re-entry to the labour market (after 500-days period of unemployment). The funding is gathered by social security contributions partly paid by employers, partly by employees themselves (a percentage of their gross earnings directly reduced from the salary).

As shown in Table 6 displays the **public security expenditure as share of GDP** was higher in the mid-1990s than some years before or after. This can be understood against the high unemployment in the early and mid-1990s increasing the social security expenses.

**Table 5. Public social security expenditure as share of GDP in 1990, 1995, 2000 and 2006**

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.

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 under the earnings-related pension Acts under which they have been insured<sup>11</sup>. Parallel to the employment pension scheme there is a national pension scheme, which guarantees a minimum income to persons, who have never had any earnings or whose employment pensions are very small.

## 5. Social dialogue and workplace relationships

The dimension entails an indicator on the **share of employees covered by collective wage bargaining**. In Finland, the collective agreements cover 71.9% of employees in the private sector. In addition, most of the rest 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 is 87.4 %. When also the public sector is included, where all employees are covered by collective agreements, 91.4 % of the employees in Finland were covered by collective agreements in 2004. (Ahtiainen 2007.)

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

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<sup>11</sup> The employment pensions are funded by funding collected from the employers and employees themselves. Employees aged 18 to 68 pay earnings-related employment pension contribution according to their earnings. Employees aged under 53 years pay 4.3 of their gross wage or salary, the older ones pay 5.4 %. The employment pension contribution is reduced from the gross income and it is not taxable. The employer pays 16 % 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.

Year	Labour disputes	Employees	Lost working days	Per participator	Per 100,000 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					

## 6. Skills development and life-long learning

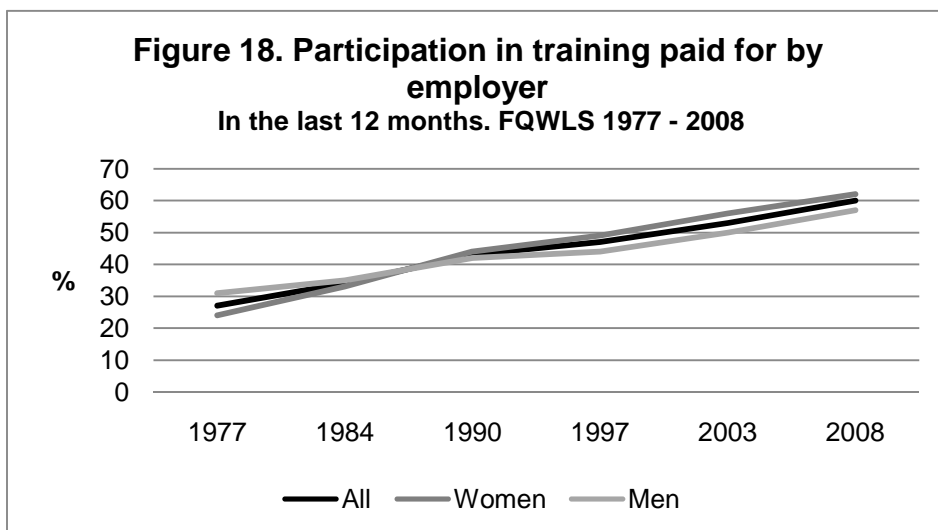
As regards the share of employed persons in high skilled occupations, over 40 % of the employed Finnish are working in the ISCO88 groups 1,2 and 3. There is practically very little gender gap in the share of persons in these three occupational groups altogether as shown in Table 8. However, men are more 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.

	Year	1 Legislators, senior officials and managers	2 Professionals	3 Technicians and associate professionals	Total 1,2,3 (Share of employed)
<b>All</b>					
	2008	10.0	18.1	16.1	44.2
	2004	9.7	17.1	16.4	43.2
<b>Women</b>					
	2008	6.2	19.0	20.4	45.6
	2004	5.7	17.5	20.2	43.4
<b>Men</b>					
	2008	13.6	17.2	12.2	43.0
	2004	13.4	16.8	12.9	43.1
Source: LFS. Statistics Finland.					

At the European level, **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 leads in the participation in training paid for by employer with 55 % of employees having participated in the past 12 months, as against the EU27 average of 27 %. According to the AES (2005–2007), more than 40 % of population aged 25 to 64 (including 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 %.

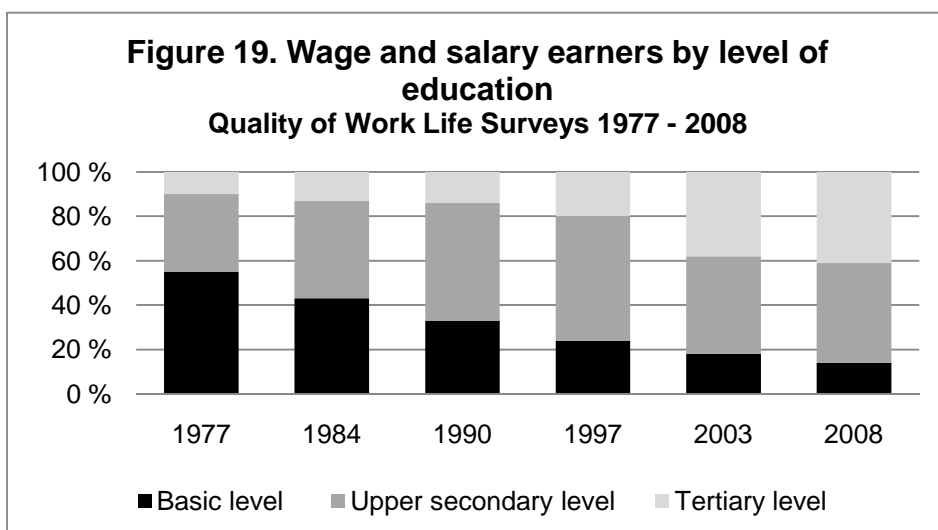
The FQWLS provide opportunity to see the increasing trend in participation in training paid for by the employer over the past 30 years (Figure 18). Participation in work training is very clearly tied to posi-

tion and previous training. While 75 % 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.



In order to give 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 % of 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 % and that of men 14.5 %. At the level of whole employed population, this would mean 9 % of employed women as against to 4.5 % of employed men (total 7 %). However, one should be very careful to use this method especially in cross-country comparisons. As regards the **share of employed who have less education than is normally required in their occupation**, it is even more complicated indicator than the previous one.

The educational level of Finnish employees is significantly high in 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 employed in the 2000s, where the overall higher educational level of women compared to men also shows.



**Table 9. Employed persons by level of education (ISCED 1997) 2000, 2005, 2007**

		Isced 3	Isced 5	Isced 6	Isced 1-2
<b>All</b>					
	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
<b>Men</b>					
	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
<b>Women</b>					
	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.					

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

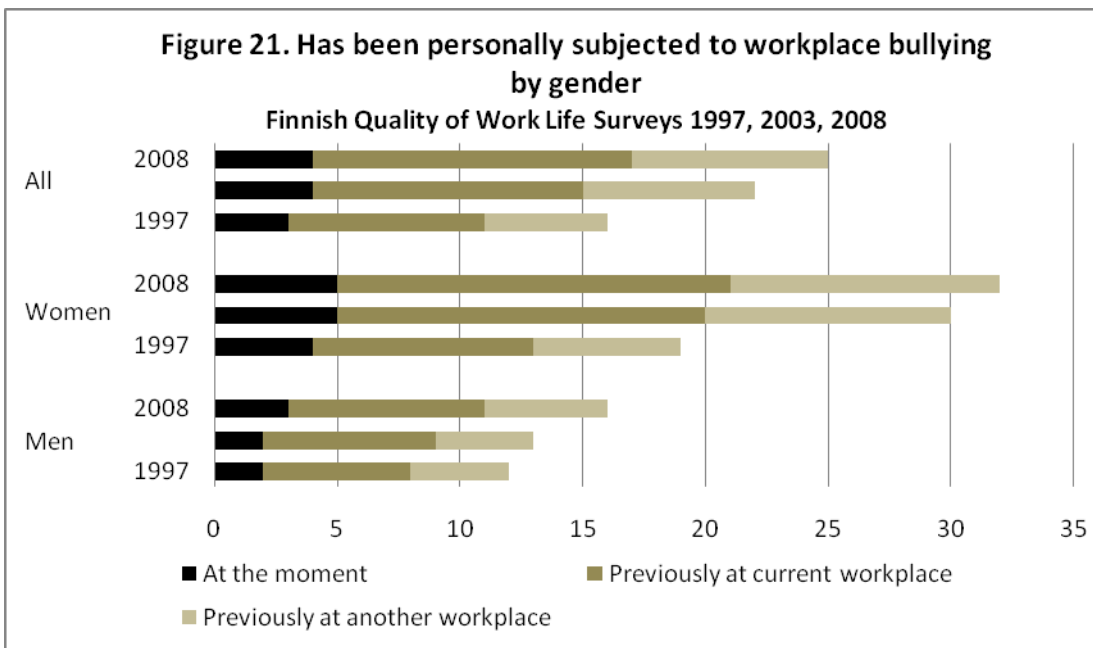
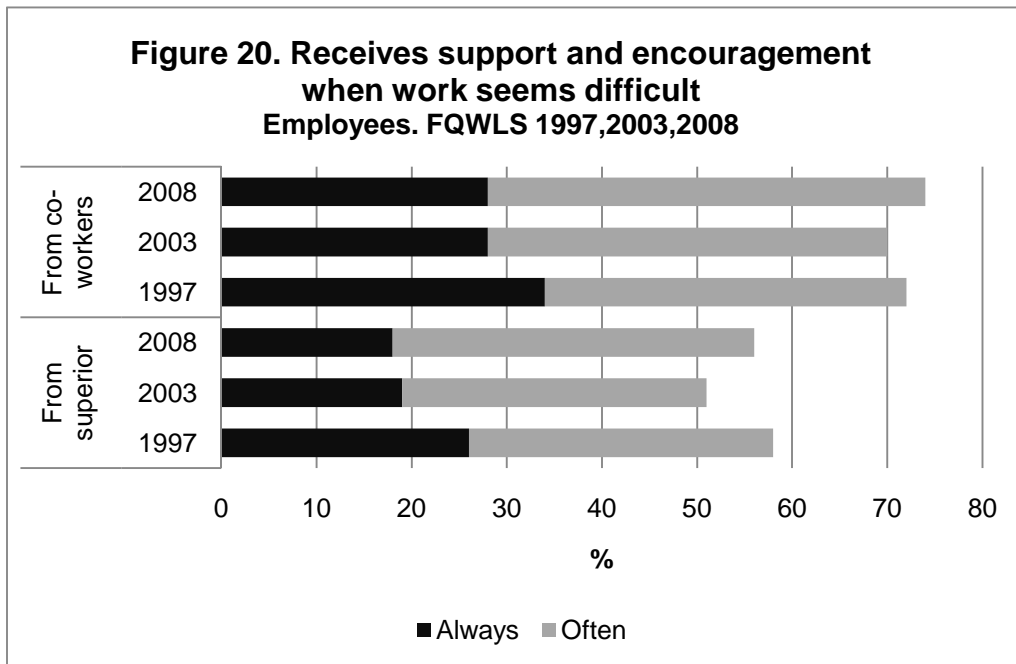
## 7. Workplace relations and intrinsic nature of work

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

The social relationships at workplace have a significant effect on the quality of work life. According to the FQWLS 2008, 71 % of female employees say in that relationships with colleagues have a positive effect on how much they enjoy their work, and 64 % of men agree with this. Well-functioning social relationships can have an effect also on the 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 feeling that they can get assistance from their colleagues almost always if they ask for it (65 %) or from their superior almost always when asking for it (55 %) are well above the respective EU27 averages (47 % and 37%). There is practically no gender difference in this respect. (Sutela & Lehto 2007.)

On the other hand, the national data (FQWLS) shows 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 their work seems difficult. This applies especially to the support from the superior. All in all, women report more support from their co-workers (33 % of women 'always' in 2008 vs. 21 % men) as well as support from their superior ('always' women 20 % vs. men 16 %). (Figure 20.) There has been slight decrease also in the share of employees 'always' feeling themselves as valuable members of work community (Annex Figure A9).



At the same time, competitiveness and conflicts in the work unit have increased in the time span from 1984 to 2008. The prevalence of **workplace bullying** has been asked in FWQLS since 1997. The share of employees having experienced bullying at least at some point of their work career has increased (Figure 21), although at least a 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 the 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 even a higher figure (17 % in Finland vs. 5 % at the EU27) as regards workplace bullying (over the past 12 months). However, questions on bullying, harassment and discrimination are very sensitive issues, where the international comparison is especially difficult. Although a common original questionnaire is used across countries (like in the EWCS), translations and cultural

differences in the connotations of concepts used may produce bias in the results. Furthermore, there exist wide cultural differences in the awareness of these phenomena as well as in the people's willingness to openly admit in a face-to-face interview such things as e.g. 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 notable more rare in such Southern European countries as Italy (0.9%) and Spain (0.7 %) – where the culture is undeniably more chauvinist than in Northern Europe – than in Nordic countries, which are widely recognised as leading countries regarding gender equality (Sweden 2.5 %, Finland 2.1%, Denmark 2.8 %, Norway 3.4 %).

## *b) Intrinsic nature of work*

Job satisfaction is believed to be an indicator of individual well-being and also of an individual's willingness to change jobs. The problem with broad interview data is that general questions about job satisfaction often provide heavily biased results: nearly everybody seems to be either very or quite satisfied with the current job.

This applies also to the EWCS data on the share of employed *satisfied with their working conditions*. The EU27 average of those very satisfied or satisfied was 82.3 % in 2005 with a relatively little variation over the countries. Moreover, it should be noted that the EWCS question refers to *working conditions*, not to the contents or experienced 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 intrinsic value of work is something which may compensate for the less satisfactory physical factors of 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'*<sup>12</sup>.

Having said this, Finland scores a little above the EU27 average with 84.5 % employed very or satisfied. When looking only at those *very satisfied* some country differences are revealed. This share of very satisfied employees varies in the EWCS 2005 from as low as about 10 % in Hungary and Lithuania to as high as 47 % in Denmark. Finland scores (20 %) slightly below the EU27 average (24 %).

The same pattern is seen in the FQWLS 2008. While 89 % of employees reports to be *very or fairly satisfied with their current job*, the share of those very satisfied is 25 % (26 % women, 24 % 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 superior. (Annex Figure A10).

Regarding intrinsic nature of work, the 'other possible indicators' included feedback from superior. A good half (55 % 2008 vs. 53 % in 1997) of the Finnish employees report that they receive sufficient feedback from their superior about how well they have succeeded in their work. The share of those whose superior rewards good work performance has increased from 41 % to 68 % from 1997 to 2008.

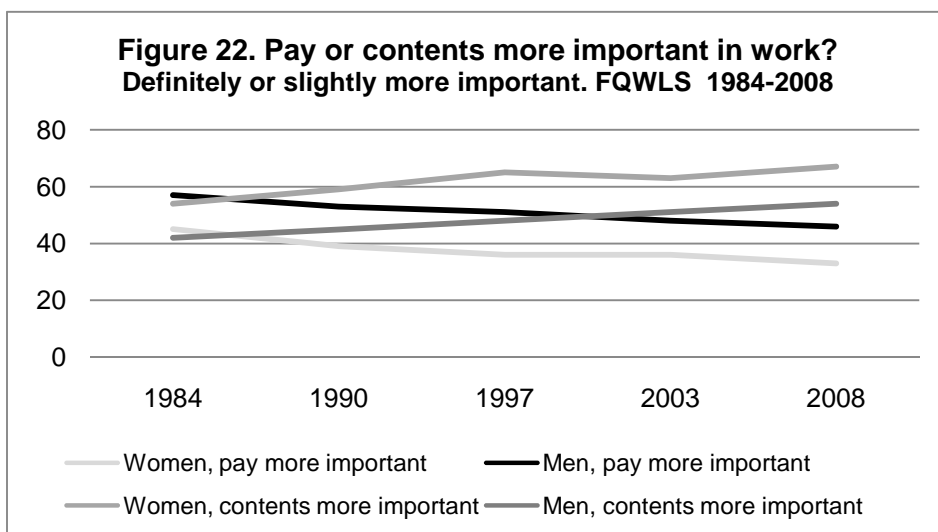
Additionally, the FQWLS also provide interesting information on the importance of the intrinsic nature of work compared to such values as pay or career advancement, which often are considered as signifi-

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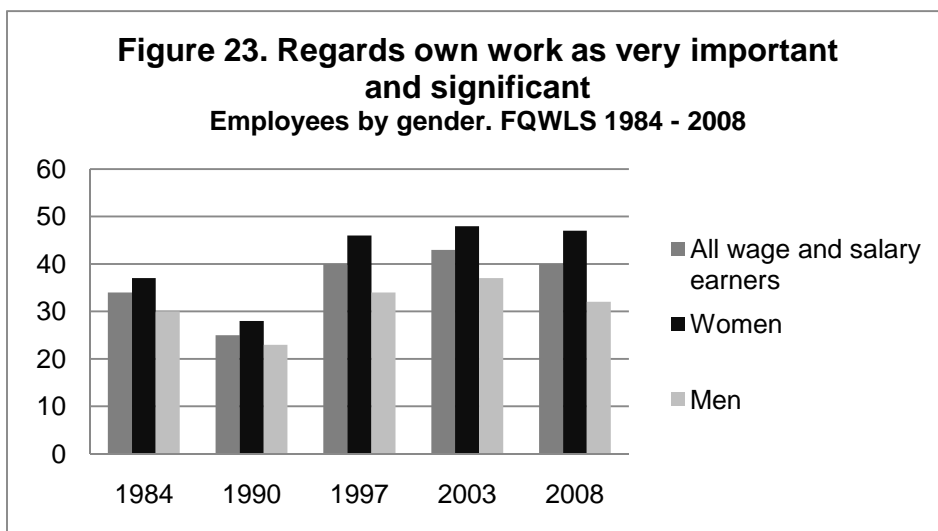
<sup>12</sup> UNECE Task Force on the Measurement of Quality of Employment 'Statistical Measurement of Quality of Employment : Conceptual framework and indicators', September 2009, p.12



cant predictors for job satisfaction. The results show that over the time, the contents of work have by-passed the importance of pay. (Figure 22).



Furthermore, when employees are asked about the importance of career advancement, on the 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 considering their own work as 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 high educational level of employees.



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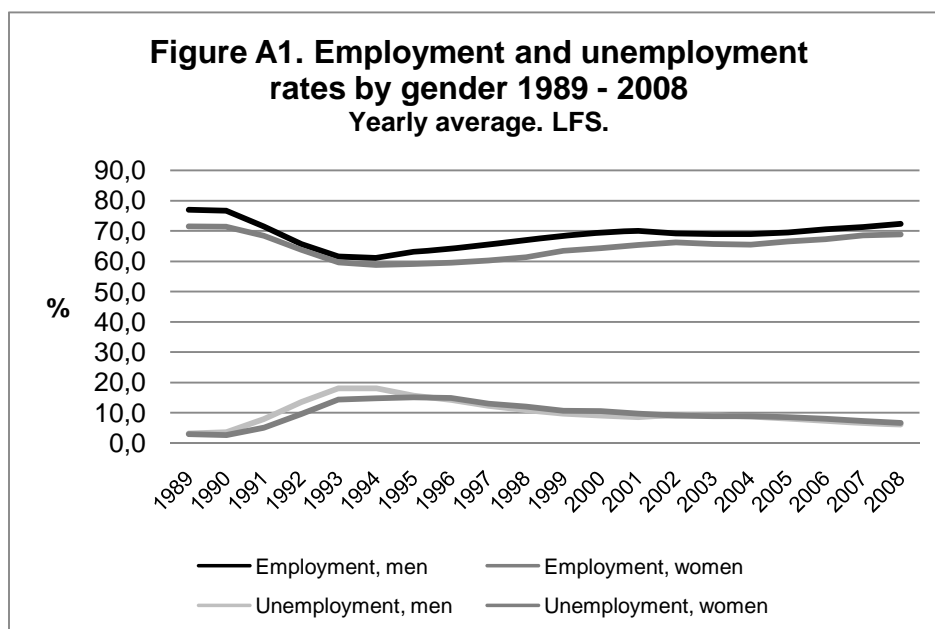
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## Annex 1

### Figures and tables



**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 sex, employees 2005 and 2007**

	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 (per 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

Note: The accident incidence rate and frequency are calculated from wage and salary earners' accidents at work resulting in at least 4 days' absence from work excl. fatal accidents at work and accidents of e.g. students and trainees. Commuting accidents not included.

Source: Occupational Accident Statistics. Statistics Finland.

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

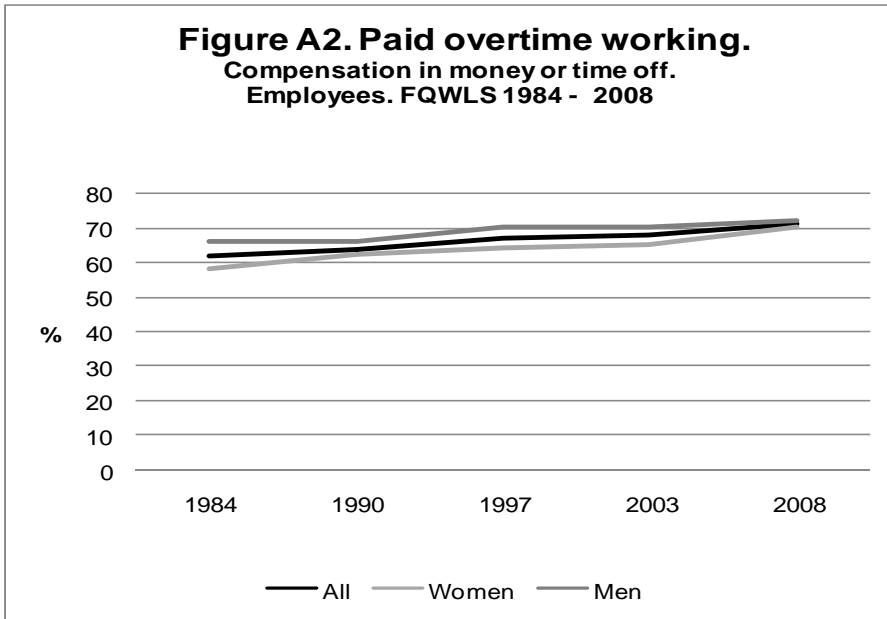
	Finns %	Russians %	Estonians %	Swedes %	Somalis %	Iraqis %	Chinese %	Turkish %	Brittish %
Total	100	100	100	100	100	100	100	100	100
1 Legislators, senior officials and mana	5	2	1	6	0	0.4	2	0.6	7
2 Professionals	<b>17</b>	<b>15</b>	9	<b>19</b>	4	9	<b>32</b>	6	<b>47</b>
3 Technicians and associate profession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

**Table A4. Unemployment rate by selected citizenships, 2005**

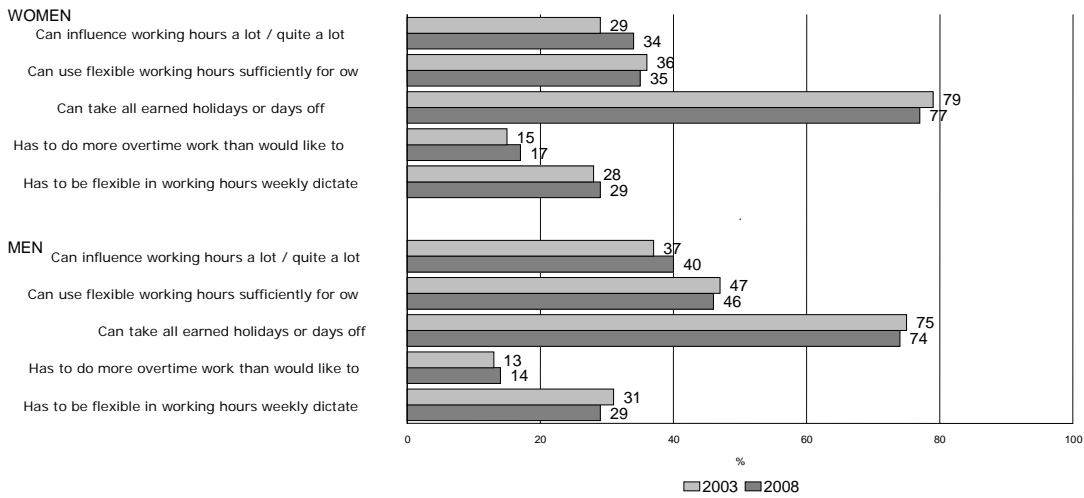
<b>Citizenship</b>	<b>Unemployment rate in 2005</b>
Iraq	64 %
Somalia	59%
Islamic Republic of Iran	51%
Morocco	49%
Serbia and Montenegro	45%
Vietnam	43%
Former USSR/Russia	34%
Sweden	15 %
Estonia	14 %
The UK	11 %
China	8 %
All foreigners	25%
Total population	11 %*

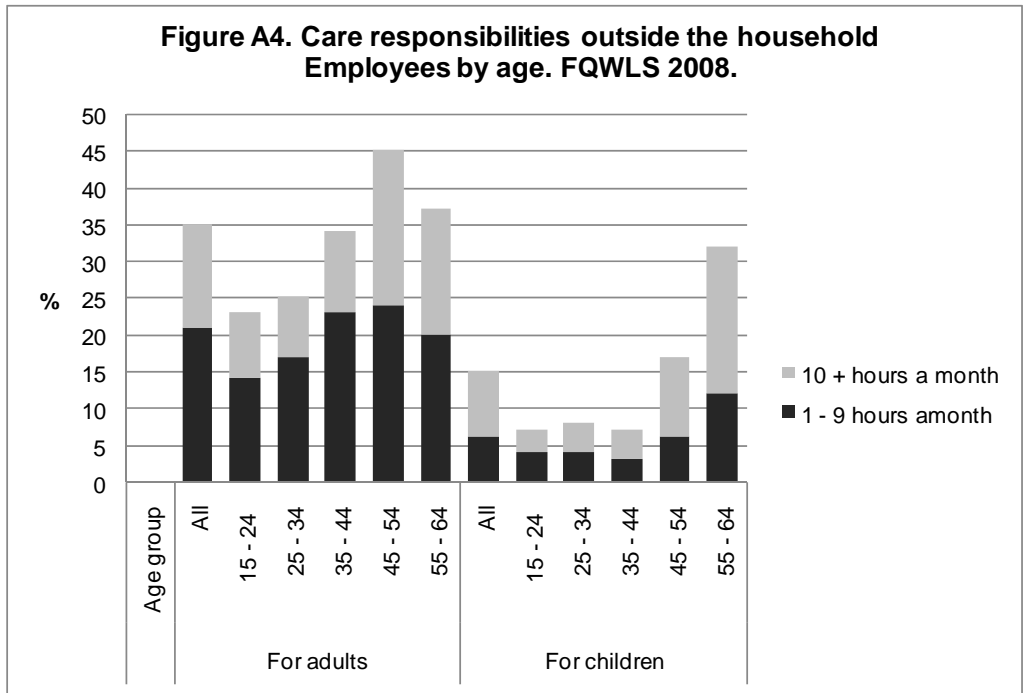
\*Note: Due to different definitions and methods, the overall unemployment rate differs from LFS  
Source: (Register-based) Employment statistics, Statistics Finland

**Figure A2. Paid overtime working.**  
 Compensation in money or time off.  
 Employees. FQWLS 1984 - 2008

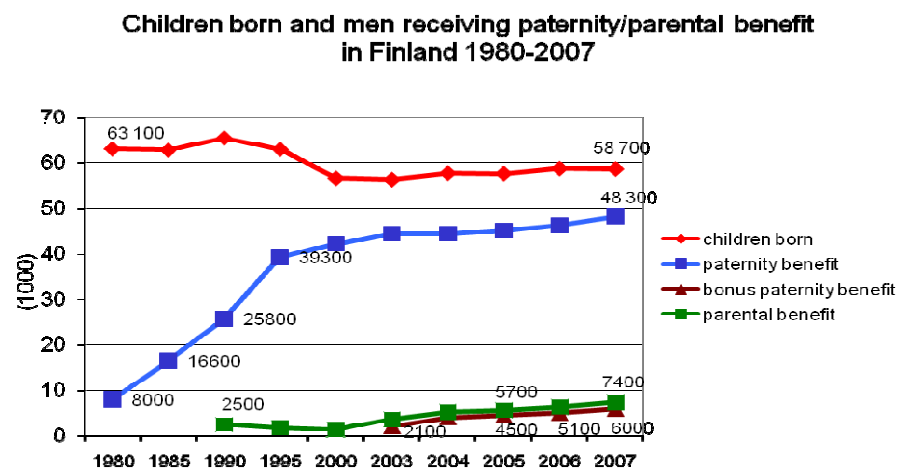


**Figure A3. Flexibility of working hours**  
 Quality of Work Life Surveys 2003 and a 2008



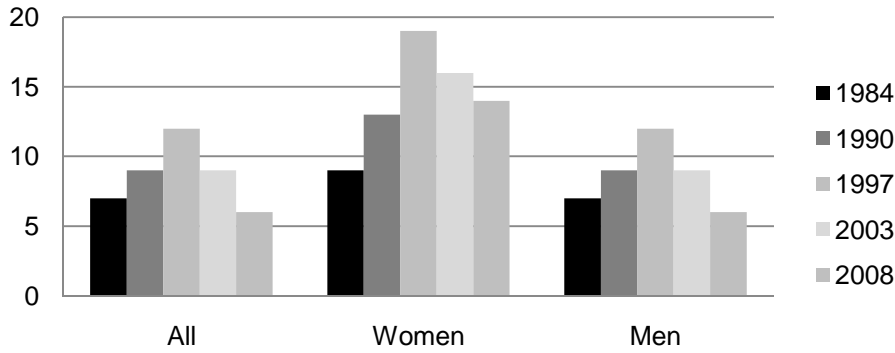


**Figure A5.**

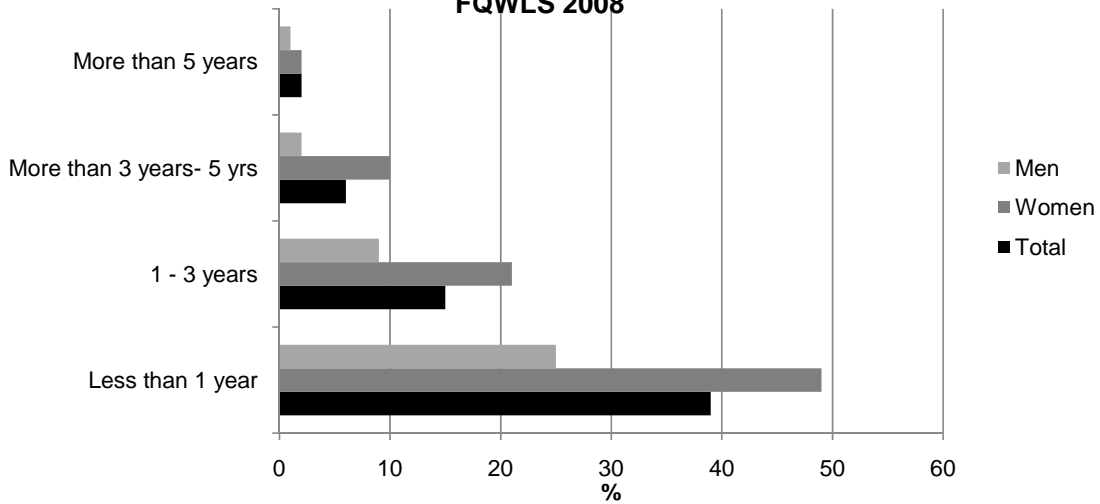


Source: Social Insurance Institute

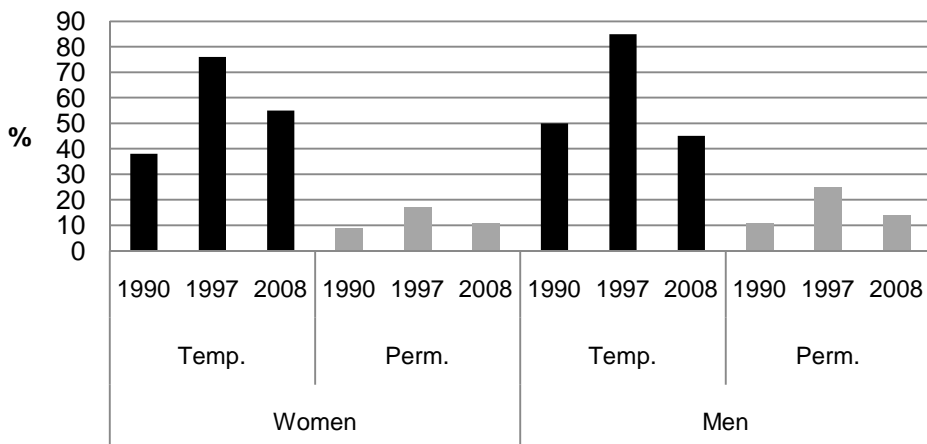
**Figure A6. Share of fixed-term employees aged 25 and more by gender  
FQWLS 1984, 1990, 1997, 2003 and 2008**



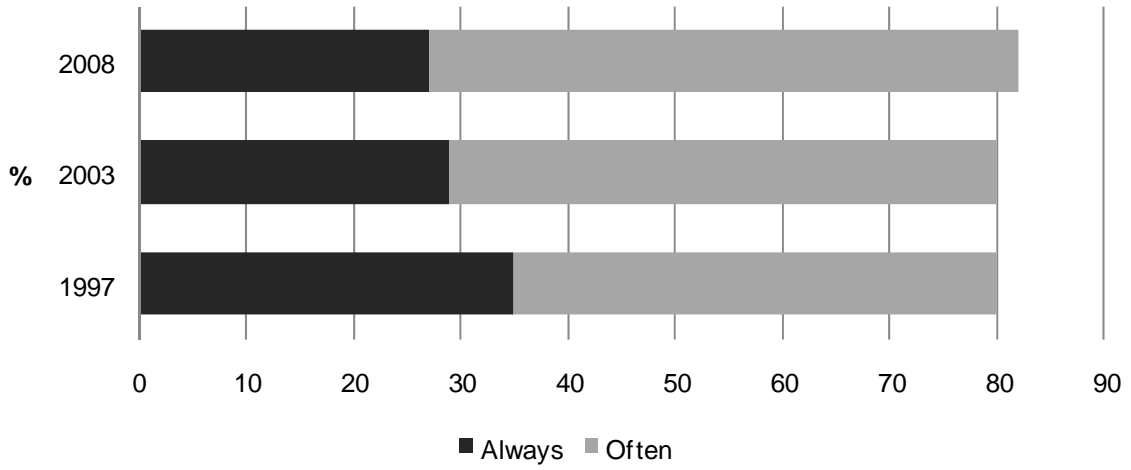
**Figure A7. Percentage of temporary employees aged 25-64 by job tenure.  
FQWLS 2008**



**Figure A8. Been unemployed in the past 5 years, employees aged 25 and over by sex and type of contract  
FQWLS 2008**

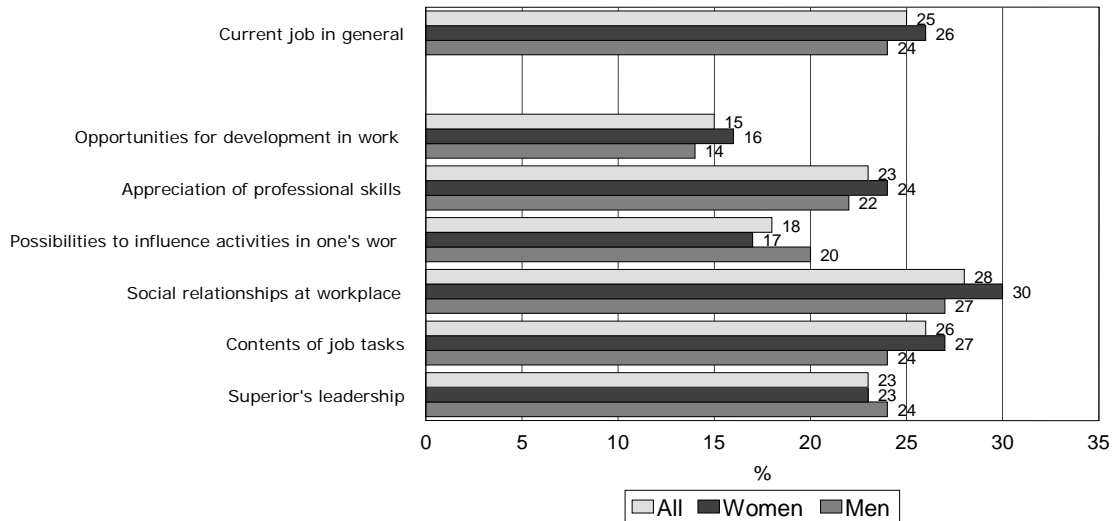


**Figure A9. Feels a valuable member of work community  
Employees. Finnish Quality of Work Life Surveys 1997,2003,2008**

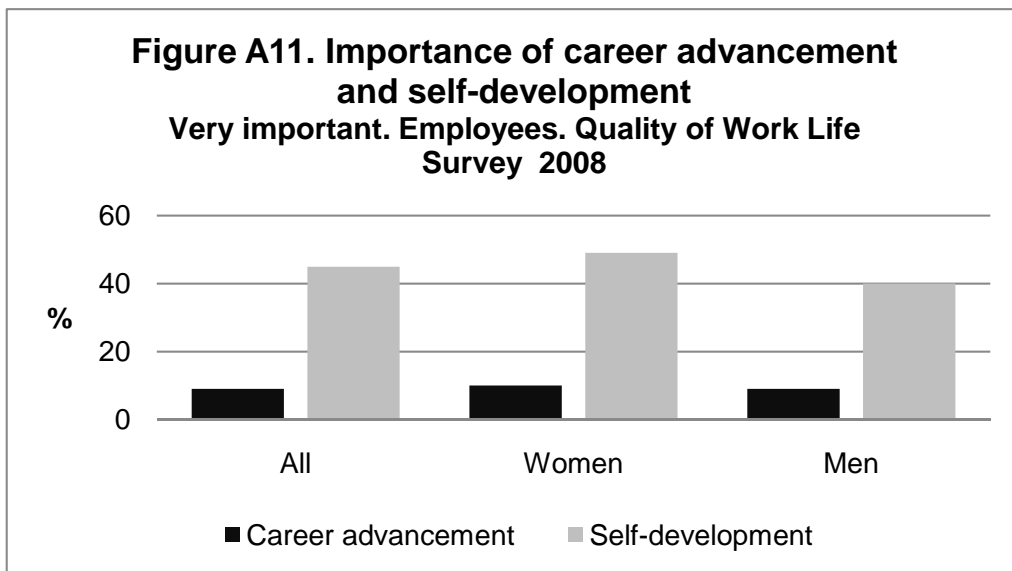




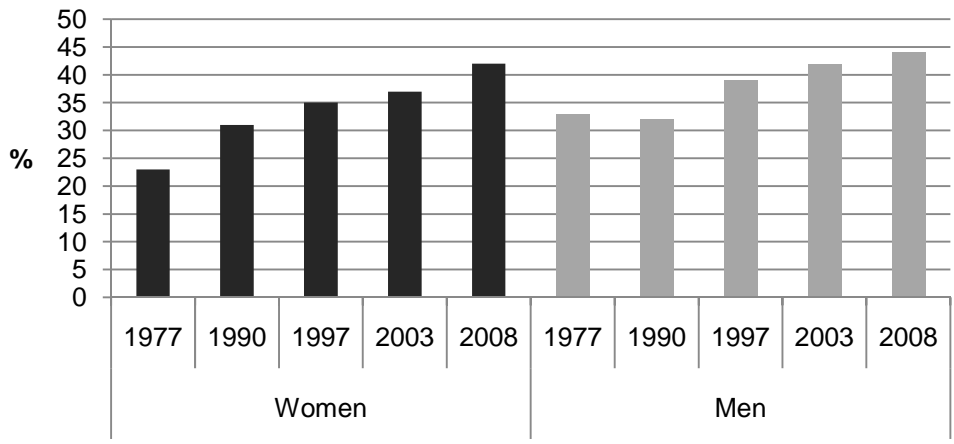
**Figure A10. Satisfaction concerning different aspects of work**  
*Very satisfied. Quality of Work Life Surveys 2008*



**Figure A11. Importance of career advancement and self-development**  
*Very important. Employees. Quality of Work Life Survey 2008*



**Figure A12. Good opportunities for development at work**  
Employees. Quality of Work Life Surveys 1977-2008



## *Annex 2*

### *Feedback on the Framework for measuring the quality of employment*

The proposed indicators help to give a nice overview on the Finnish working life. Indeed, the question is whether the picture given is almost too nice.

It is true, that Finland is doing really well regarding many of the listed indicators also in international comparison; the importance of further developing quality of work life is widely recognised in Finland, as means to lengthen work careers and improve productivity. However, in the recent debate on the quality of work life in Finland, the main problems are focused on the increase in mental burdening and time pressure at work, as well as on growing insecurity. Sticking only to the indicators proposed by Task Force, there is a risk that these kinds of problems will not be very well presented. It is important to include aspects relating to mental well-being in the sub-dimension of safety at work, in relation to the share of employees working in 'hazardous' conditions.

As regards insecurity, the prevalence of temporary work is taken into account under the sub-dimension of security of employment. However, the fact that also many employees in open-ended contracts feel threat of unemployment, dismissals and temporary lay-offs – especially currently, at the time of the economic crisis – does not really come up with the listed indicators. Furthermore, many indicators tend to measure averages only. They may hide aspects of polarisation or segmentation of labour markets..

Data availability is quite good for practically all of the indicators of relevance in the Finnish context. Furthermore, for many indicators, internationally comparable data can be complemented by national data sources allowing a more nuanced picture on the phenomena in question and sometimes also more possibilities to build trends. The most important data source in this respect is the Finnish Quality of Work Life Surveys, extensive face-to-face interviews conducted by Statistics Finland since the 1970s.

Indeed, recognising the wide problems and restrictions included in cross-country comparisons – more in relation to some of the indicators, less in relation to others – it is also important to recognise that the listed dimensions and indicators can be a useful tool to assess the quality of employment at the national level. This applies especially to countries where there are no established measurements of quality of employment so far.

Taking this into account, it becomes even more significant to look at trends in development whenever possible. All in all, it is important to recognise the dynamic nature of quality of work life. Furthermore, trends can be very revealing not only at the national level, but also as regards cross-country comparisons: two countries may seem to 'score' at the same level according to the cross-sectional information on a specific indicator, but in one of the countries this may only be the result of a worsening trend in this specific aspect of quality of work life, while in the other, the question is rather about improvement in this respect. This adds another viewpoint to the assessment of the measured state of play. Naturally, the potential breaks in time series should be taken into account.

As regards the list of indicators, I would like to make the following remarks:

#### **1. Safety and ethics of employment**

The fatal injury rate is quite straightforward indicator of high relevance. As regards the non-fatal injury rate, the questionable comparability of the indicator – even when drawn from the common database of ESAW – should not be forgotten. Differences in the data collection methods – from insurance companies' registers to special surveys – are wide between countries, resulting to variation in the coverage and reliability of the data. Moreover, the Finnish experts on occupational injuries prefer to use the occupational injury frequency (the number of injuries per a million hours worked). In this way, the actual exposure to risks in different sectors becomes visible, adjusted for e.g. varying share of part-time work, actual length of working hours or number of days off in different sectors.

It is important to see that the sub-dimension on safety at work covers more than physical hazards only, which are more linked to traditional male-dominated sectors. Also mental burdening and adverse effects of time pressure should be considered. Moreover, it would be important to make visible the increasing prevalence or threat of violence at work. These aspects make up increasing hazards especially for (growing) female-dominated interactive service sectors.

At the same time, it should not be forgotten that the information on experienced hazards is subjective. There most probably are cultural differences in responding, also due to the awareness of hazards. As always, when using comparative data, the possibility of artefacts e.g. due to differences in translation should not be forgotten. For instance, looking at the LFS Ad hoc module 2007 on accidents at work and work-related problems, it seems very odd that the share of workers exposed to factors affecting mental well-being is as high as 63 % in Netherlands, while in the neighbourhood country Belgium, the respective proportion is only 15 %.

As to child labour and forced labour, the sub-dimension is not relevant in the Finnish context, although I recognise its relevance at the global level. It would be possible to provide statistics on the participation of youngsters aged 15 to 17 in the labour market, but I am not sure what would be the relevance to quality of employment. The vast majority of youngsters of this age are at school or studying, and they mainly work a little to earn some pocket money.

As regards the sub-dimension of fair treatment in employment, I am happy about the proposed solution to rather to assess all of the dimensions from this viewpoint than to stick to some 'artificial' indicators on the very complex and large issue. I'm especially happy with the disappearance of the indicator on gender segregation in the labour market from the list: I support the view that the problem is not in the segregation as such but in its consequences.

Nevertheless, at least gender-aggregated statistics should be provided for all of the indicators if only possible, and given the polarisation tendencies in the labour market, it would be good to take into account also e.g. socio-economic groups. It is of importance to consider also ethnic minorities and people with immigrant background, although these definitions are not very straightforward. Do we define 'immigrants' on the basis of nationality or country of birth, and what about second or third generations of immigrants? Moreover, in most of the European countries it is not allowed to gather data in the official statistics on the basis of ethnicity (which, again, is a very ambiguous concept).

However, to make the fair treatment aspect more visible in the country reports, it might be worth considering, whether there would be place, at the end of the reports, to give some concluding remarks or assessment of the realisation of fair treatment in the given country.

## **2. Income and benefits of employment**

The average weekly earnings should include only full-time employees. As regards low pay, in the Finnish context the below 2/3 of median earnings is a far more sensible indicator than the previously proposed indicator on below 1/2 of median earnings, which would concern less than 1 per cent of employees. Distribution of wages by quintile seems to be a useful indicator, revealing, in the Finnish context, the widening pay differentials over time.

There seems to be not much internationally comparable data on the average number of days paid annual leave used. For instance, the Structure of Earnings statistics is only about the calculatory number of days persons have right to such leave, not about the actual use. If this is something which we would like to measure, the name of the indicator should be changed.

I am not sure about the interpretation of the 'share of employees using sick leave'. Differences between countries or over time can be due to demographic structure or existence/non-existence of sick leave systems.

Regarding annual paid leave and sick leave, I would be informative to give information about whether and what kinds of leave systems exist in a given country.

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

Average annual hours should be given for all employed/self-employed and employees separately, because the difference between these the groups are wide.

At least if using Labour Force Survey as the main data source, the question about working involuntarily short hours should be focused to part-time employees (by their own definition) and no to the limit of 30 hours.

As regards flexibility of working hours or work schedule, the concept is somewhat ambiguous. If only possible, it would be good to look at the flexibility of working times from the point of view of employees' opportunities to influence this flexibility: whether the flexibility is employee-friendly/employee-led/negotiated flexibility (employee's possibility to use flexible arrangement for one's own needs) or whether it is employer-led/non-negotiated flexibility dictated solely by employer's need.

I fully agree that it would be important to make visible the impact of parenthood on employment in a given country. The definition 'children under compulsory school age' is worth keeping, since the compulsory school age also varies by country. However, if using the indicator on ratio of employment rate of women with children under compulsory school age to the employment rate of all women aged 20 to 49, one should take into account that practices of defining family leave takers as employed or outside labour force may vary by country. From 2008 on, there seems to be a more harmonised way in the LFS to do the classification: among persons in family leave, only those on maternity or paternity leave, those absent from work for less than three months as well as those (whose absence has lasted longer than three months) who receive salary or earnings-related allowance amounting to at least half of their normal salary are counted as employed. Other kinds of family leave takers are counted outside of labour force. Of course, the ratio is impacted by the family leave system itself. For instance, in Finland the employment rate of mothers with very young children is considerably low – even internationally – , not due to lack of child care services but due to opportunity to have a long family leave with full job security. As regards mothers with children aged 4 and over, their employment rate is even higher than that of all women aged 25 to 39 years and very high in international comparison.

Regarding the share of people receiving maternity/paternity/family leaves, it remained unclear for me, out of which population this share should be calculated from. It probably makes not much sense to calculate it from all people/employed/employees, since the share would be dependent on such demographic aspects as fertility rate, age structure of the population etc. I am not very sure about the usefulness of this indicator as it is now; at least it would be good to complement it by making some reference whether there exist and what kind of family leave system and at what level the leave is compensated. Admittedly, these systems may be very multifaceted.

All in all, I have the feeling that the balancing work and non-working life should be better covered in the final list. It is worth considering whether care for other people in need should be added to the indicators.

### **4. Security of employment and social protection**

I am quite happy about the rather political concept of 'flexicurity' having disappeared from the list.

It is good to look at the temporary jobs only for those aged 25. However, I think it would be very important to add to these indicators the share of those temporary employees who work on temporary basis due to lack of permanent job, information available from LFS.

The aspect of (increased) insecurity in open-ended contracts is not taken into account at the moment. It would be important to have it included, if only data available. At least for the European countries there always is EWCS, including a statement of 'I might lose my job in six months'.

When using the indicator on job tenure of temporary employees, one should remember that the LFS information on the duration of employment does not always equal to the actual length of a given temporary contract (see Dimension 4a in the report). Especially in countries where the use of successive temporary contracts is common, like in Finland, the information might be very different depending what is meant by job tenure.

Regarding the public social security expenditure, it is very difficult to interpret the significance of the figures especially in cross-country comparison. The whole social security system and differences in demographic structure impact these figures.

## **6. Skills development and life-long learning**

This is a very relevant dimension measuring the quality of employment, covering much broader field than just training. The existence or non-existence of skills development opportunities does not only reflect type and quality level of the job, but they also are directly linked to opportunities to strengthen one's employability.

The educational structure of employed population/employees would be good to keep in this dimension. The background education has an elementary connection with practically all the other indicators under this dimension. All sorts of development at work tend to accumulate by background education.

It would be good to keep the reference time of 12 months as regards work-related training, whenever possible. The LFS information on participation in training during four weeks produces so low percentages that they probably are subject to random variation. Information on job-related training in the past 12 months is available at the EU level from EWCS, from Adult Education Survey and from ISSP2005. The data of CVTS is not that useful in this respect, since it only covers private sector companies and their provision of training.

The proposed way of defining persons with more education than normally required in their occupation has limitations especially when used in cross-country comparisons. There are considerable differences in (formal) competence requirements for specific occupations across countries, and there also are differences as regards which tasks or jobs are included in different occupational categories.

It would be even more complicated to try to figure out the share of employed with less occupation than is normally required in their occupation. The EWCS 2005 includes a question, where the respondent is asked to choose the option which would best describe his/her skills at work: I would need further training to cope well with my duties; My duties correspond well with my present skills; I have the skills to cope with more demanding duties. In fact, respondents find it quite hard to respond to this kind of question, since the alternatives are not exclusive, and in some jobs – like in the ICT-sector – it goes almost without saying that one should constantly update and develop one's skills in order to cope at all, which is not a sign of being underqualified. (Sutela & Lehto 2007.)

## **7. Workplace relationships and intrinsic nature of work**

There is no LFS data for this dimension. However, possible cross-country data sources at the European level are EWCS as well as ESS, and another good, a more global source is ISSP (2005 module on Work Orientation). On the other hand, the existence of national surveys or other type of national data relating to this dimension could almost be considered as a kind of proxy of the level of basic quality of employment in a given country or time: it might be argued that only when the 'survival aspects' relating to quality of employment are more or less in order, it becomes relevant to measure the well-being at work as well, not only the realisation of safety, labour rights and adequate pay.

At the national level, this applies to the FQWLS as well. Since the beginning of the Survey system in 1977, psychological and social aspects of working conditions have been gaining increasingly place in the questionnaire.

Despite the Task Force's difficulties to agree on the indicators or this dimension or the limitations of data in case of many countries, it is important to keep this dimension in the list and to develop it further.

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