



Quality of work and employment:
A policy tool towards inclusive
and sustainable growth

12 April 2012, Brussels



Joint conference of the European Parliament and Eurofound

with the support of the **Group of the Progressive Alliance of Socialists & Democrats**

European Parliament – Brussels – Room PHS A1002

WELCOME and OPENING



Martin Schulz

President – European Parliament

Juan Menéndez-Valdés

Director – Eurofound

MORNING SESSION



Chair

Juan Menéndez-Valdés, Director – Eurofound

Keynote presentation

*Quality of work and employment in Europe: Issues and challenges
– main findings from the EWCS series*

Agnès Parent-Thirion, Senior Programme Manager Working
Conditions – Working Conditions and Industrial Relations Unit, Eurofound



Keynote presentation

Quality of work and employment in Europe: Issues and challenges – main findings from the EWCS series

Agnès Parent-Thirion, Senior Programme Manager Working Conditions
Working Conditions and Industrial Relations Unit – Eurofound

European Working Conditions Survey

Key features

- 5 waves: 1991, 1995, 2000, 2005, 2010
- EU and neighbouring countries
 - 5th EWCS (2010): 34 countries = EU27 + NO + ACC3 + IPA3
 - 43816 interviews (1000–4000 interviews per country)
- Surveying workers
 - employees and self-employed (aged 15+; LFS definition)
- ‘Face to face’ interviews in peoples’ homes (avg. 40 min.)
- Questionnaire
 - covers wide range of working conditions
 - developed with input of Eurofound stakeholders
 - translated into all languages (2010: 25 languages, 16 language variants)

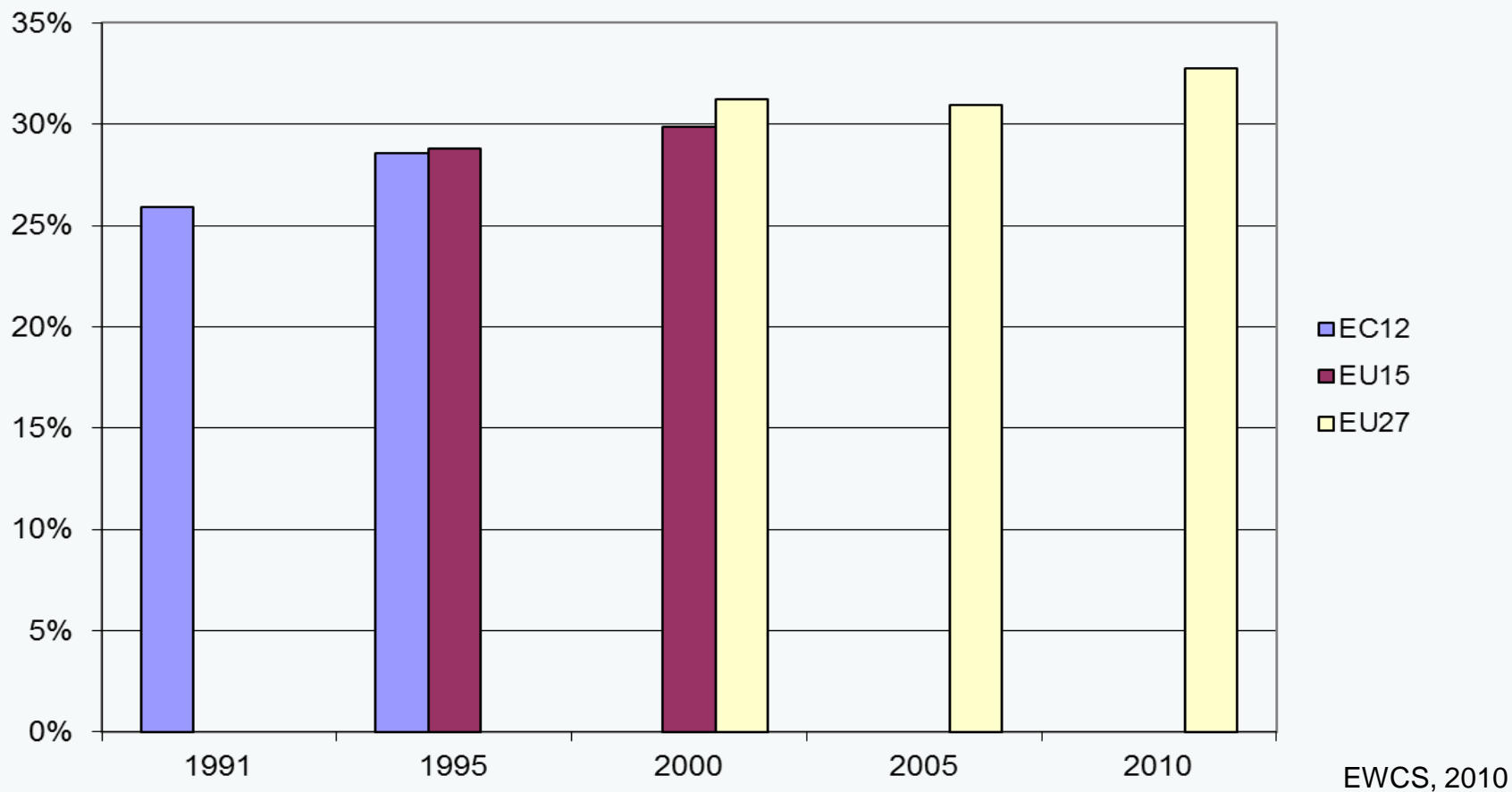
Job quality: levels to consider

Level of analysis	Examples of topics
The worker	Preferences, matching
The job	'Objective' or 'subjective'
The labour market	Unemployment and participation rates, transitions, etc.
The legal framework	Instruments limiting externalities, promoting good practice
The welfare state	Safety net, developing capacities

Principles for selecting job quality features

- Well-being of workers?
 - Dimensions with positive or detrimental effects on well-being
 - Poor well-being may limit capacity of workers to take up a specific job
- Performance of companies?
 - Direct and indirect effects – more evidence needed. Yet, much of the same dimensions. Win–win solutions are possible
- Gender equality?
 - Calls for gender mainstreaming, gender disaggregated data
- European social model?
 - Voice ? Worker participation?
- Other?

Proportion of women in supervisory positions EC12, EU15 and EU27, 1991–2010 (%)



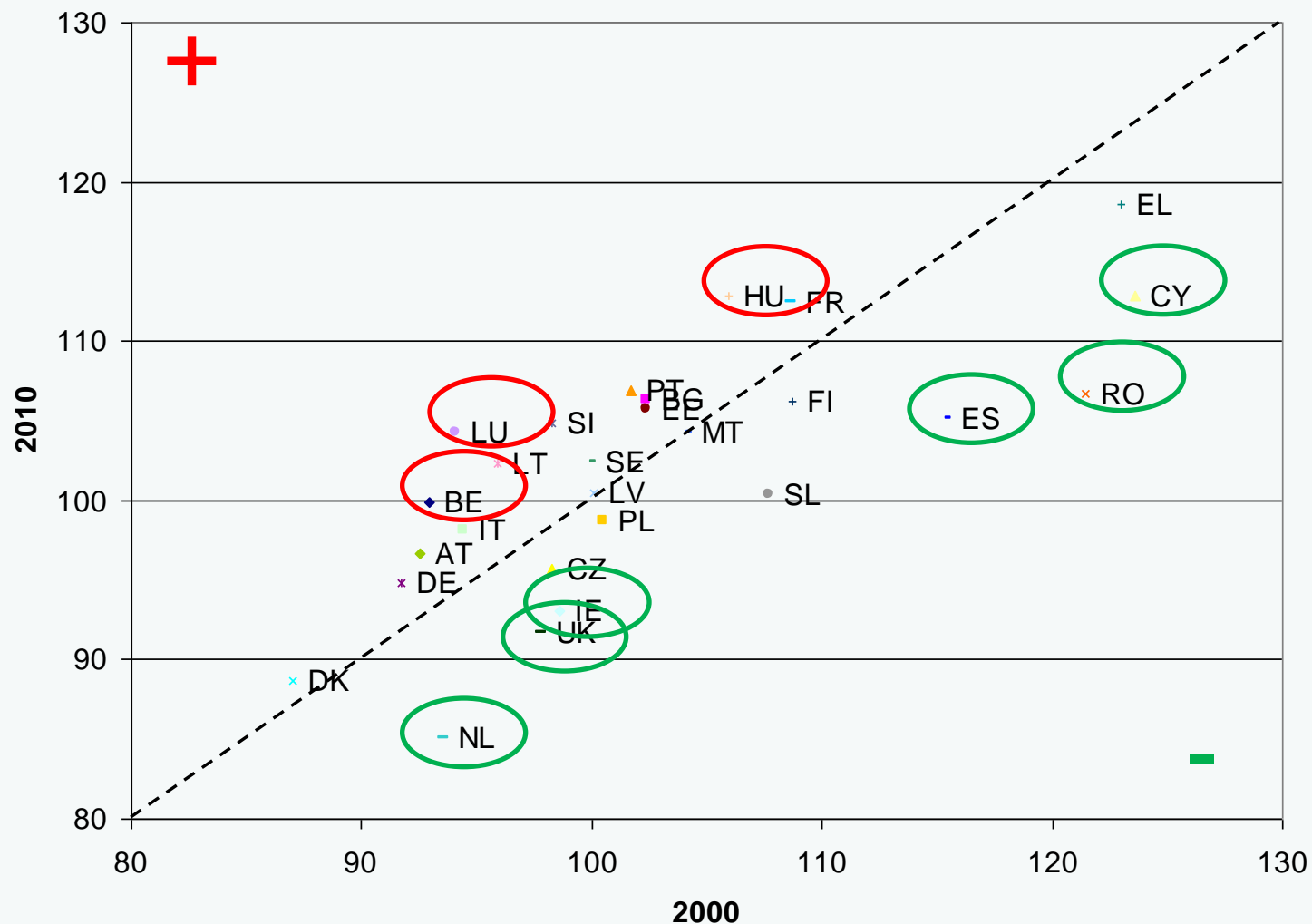
Well-being, earnings and job insecurity

		Poor general health (fair, bad, very bad)		Mental health at risk (WHO 5)		Absenteeism (>5 days)	
		men	women	men	women	men	women
Earnings from main paid job	low	24%	26%	20%	24%	19%	24%
	medium	22%	21%	20%	22%	26%	28%
	high	19%	18%	16%	20%	23%	24%
Good career prospects	no	25%	25%	22%	26%	24%	26%
	yes	12%	15%	11%	14%	21%	22%
Job insecurity	no	19%	20%	16%	20%	23%	25%
	yes	27%	31%	28%	31%	24%	25%

Safe working environment

		Poor general health (fair, bad, very bad)		Mental health at risk (WHO 5)		Absenteeism (>5 days)	
		men	women	men	women	men	women
Exposure to posture and movement-related risks	low	16%	17%	15%	19%	20%	23%
	high	25%	30%	20%	26%	25%	26%
Exposure to biological and chemical risks	low	17%	20%	15%	20%	19%	22%
	high	25%	28%	21%	26%	26%	28%
Exposure to ambient risks	low	16%	18%	14%	18%	19%	23%
	high	24%	30%	20%	28%	25%	26%

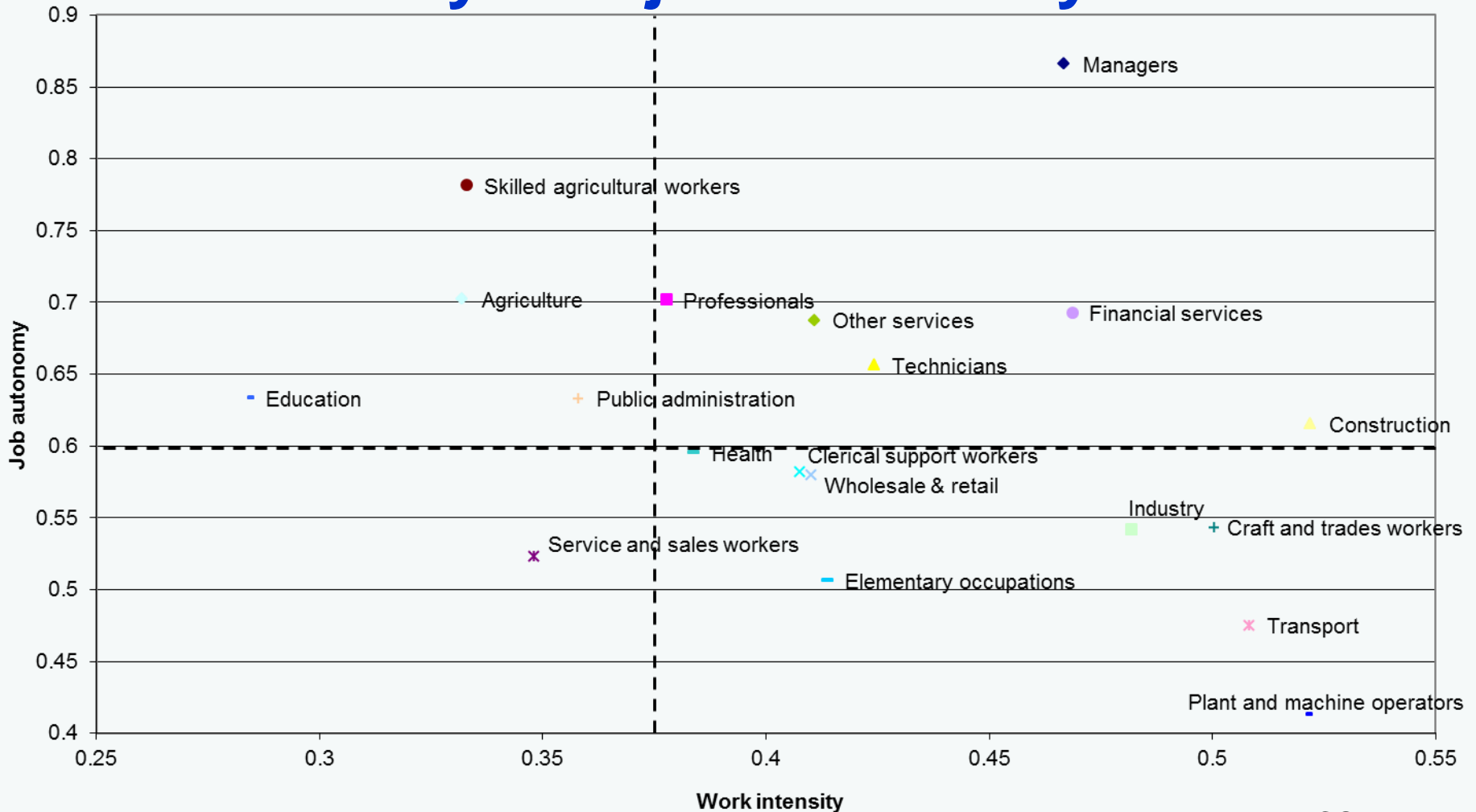
Change in exposure to physical risks (index) between 2000 and 2010, by country



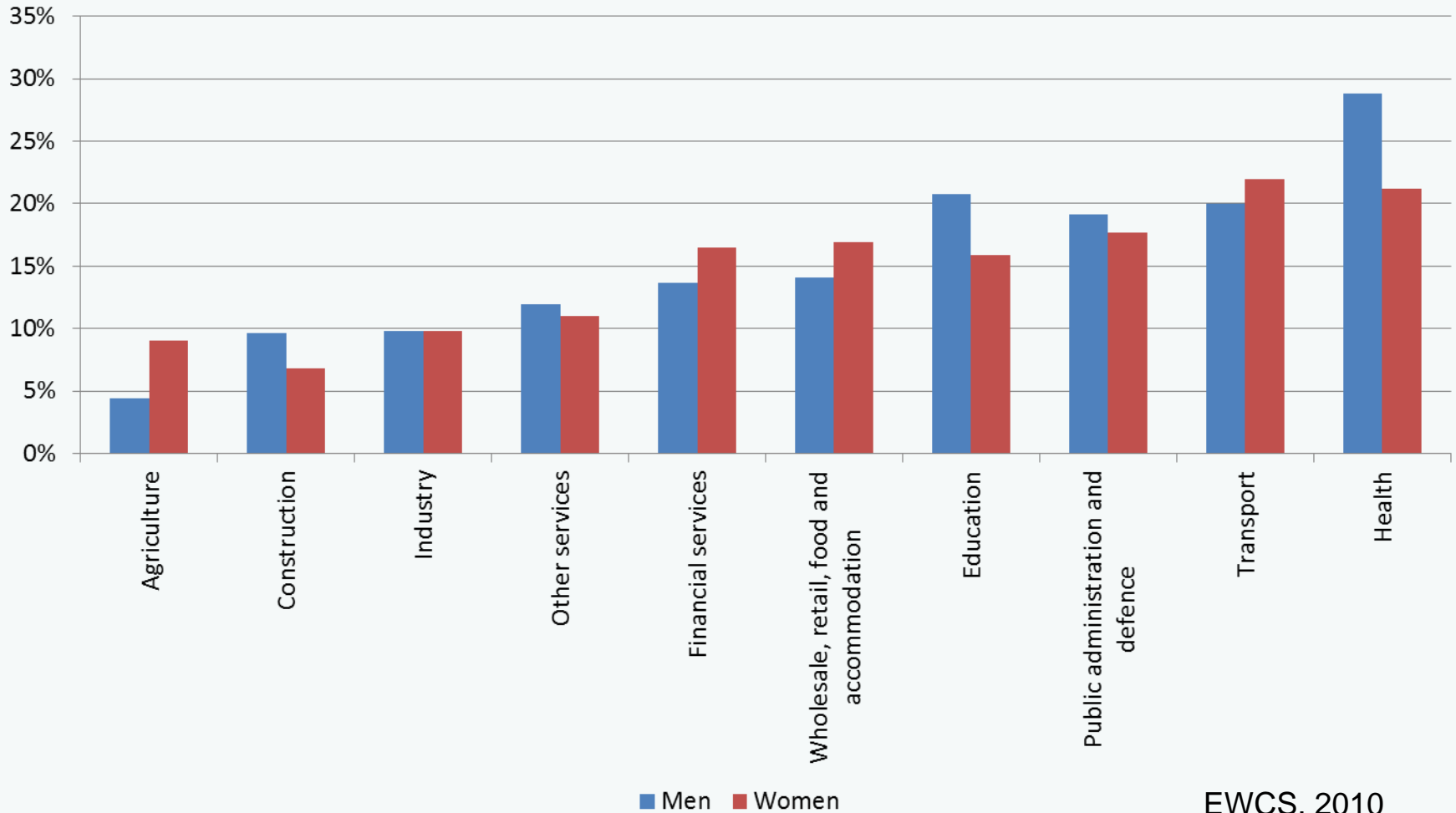
Trusting social environment

		Poor general health (fair, bad, very bad)		Mental health at risk (WHO 5)		Absenteeism (>5 days)	
		men	women	men	women	men	women
Was subjected to bullying or harassment	no	19%	21%	16%	20%	21%	23%
	yes	29%	30%	27%	32%	33%	32%
Participation in workplace changes	low	18%	20%	14%	17%	21%	24%
	high	23%	25%	22%	26%	27%	27%
Having a good manager	no	22%	24%	20%	24%	28%	28%
	yes	15%	16%	11%	14%	22%	24%

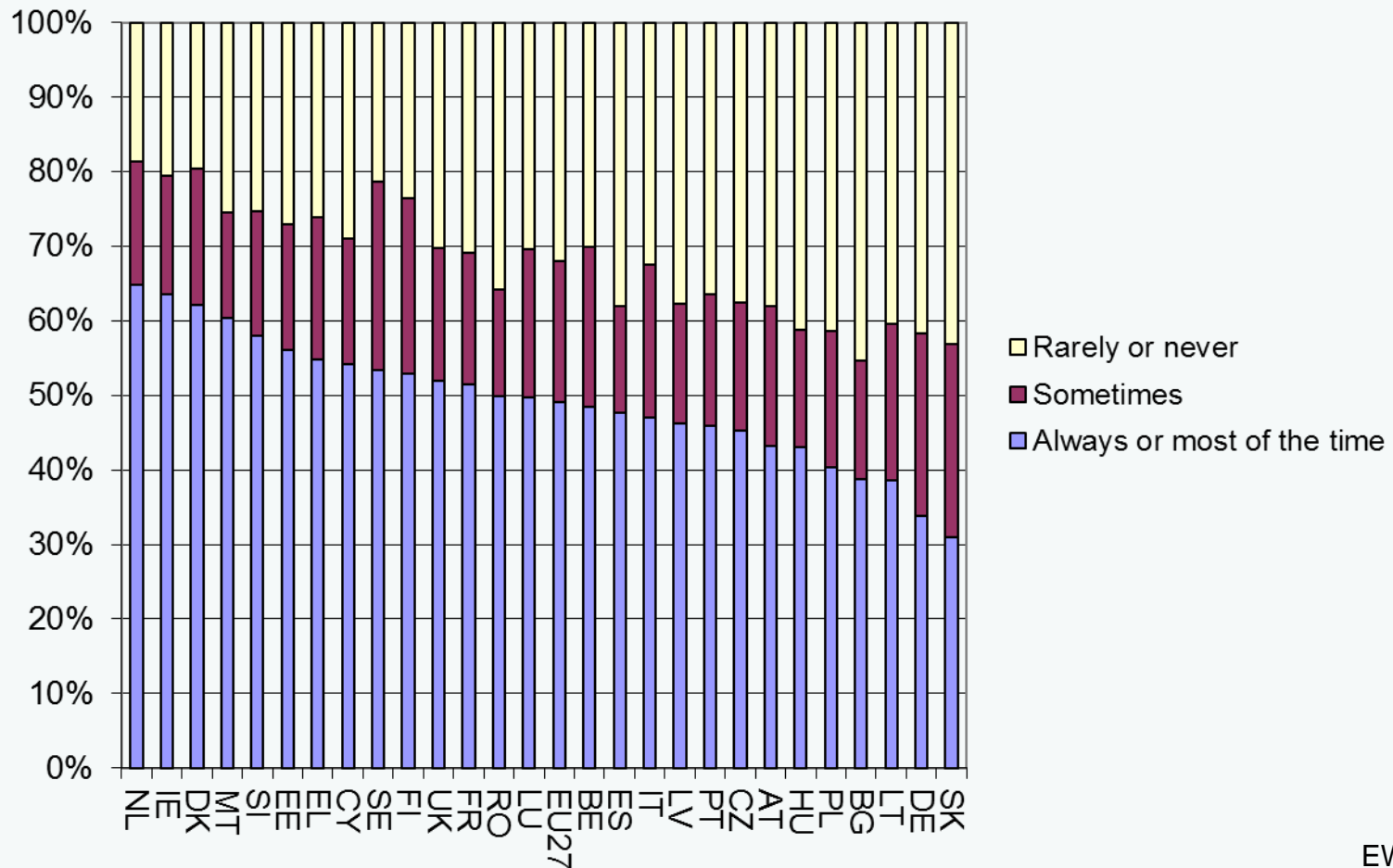
Work-related stress: Work intensity and job autonomy



Poor social relationships: Subject to adverse social behaviour



Participation in improving work organisation or process



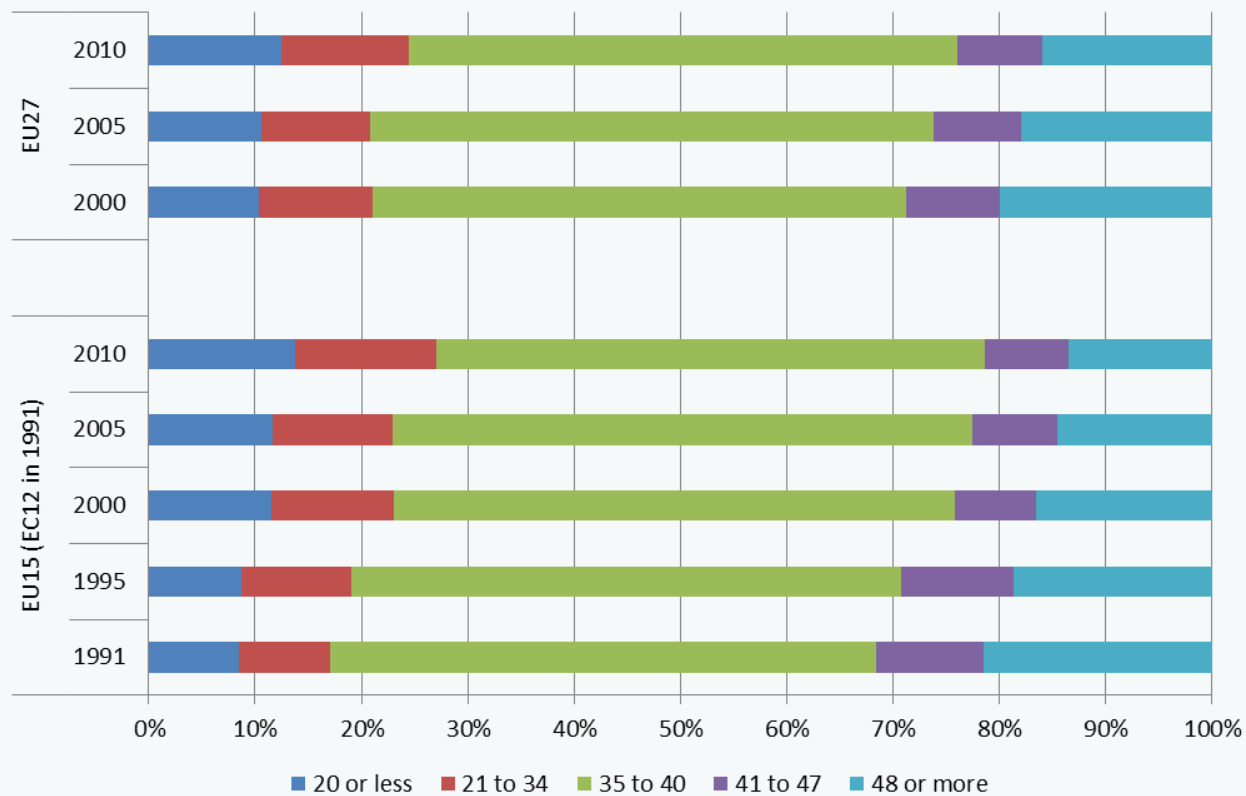
Well-being, skills development and intrinsic satisfaction

		Poor general health (fair, bad, very bad)		Mental health at risk (WHO 5)		Absenteeism (>5 days)	
		men	women	men	women	men	women
Received training paid for by employer	no	23%	24%	19%	23%	22%	23%
	yes	16%	19%	16%	21%	24%	27%
Job gives feeling of work well done	no	30%	37%	35%	45%	32%	30%
	yes	20%	22%	17%	21%	22%	24%
Scope for applying own ideas at work	no	25%	27%	24%	29%	29%	29%
	yes	19%	21%	16%	20%	21%	23%

Learning and developing on the job: Employer-paid training by country (employees)



Evolution of weekly working hours



Conclusions

- Quality of work and employment needs
 - Multidimensional, but there is a need to reduce the number of dimensions
 - Important to be clear about dimensions selected and criteria used for selecting these
- Suggested key dimensions to inform developments on job quality
 - Earnings
 - Prospects
 - Intrinsic job quality : skills use and development, trusting social environment, safe physical environment, acceptable work intensity
 - Working time quality
- Extent of differences between men and women reinforces need to develop gendered analyses and policies in relation to working lives
- Global progress slow on most indicators
- Differences can accumulate to create groups with significant risks
 - This calls for multidimensional policies , incorporating lifelong learning, working time and work–life balance, health and safety, pay and work organisation practices.
- Choices made today will impact on ability and willingness of workers to engage in paid work in the future

Merci

FIRST PANEL DEBATE

Quality of work and employment: current challenges

Quality of work and employment: current challenges



Moderator

David Foden – Head of Unit,
Working Conditions and Industrial Relations – Eurofound

Panellists

Ria Oomen Ruijten, MEP

Olle Ludvigsson, MEP

Philippe de Buck, Director General – BusinessEurope

Bernadette Ségol, Secretary General – ETUC

Jakob Jensen, Director, Danish Agency for Labour Retainment and
International Recruitment – Representative of Danish Presidency

Leila Kurki, President of the Employment, Social Affairs and
Citizenship section – EESC

Exchange with participants

MORNING SESSION



Closing keynote address

Koos Richelle, Director General, DG Employment,
Social Affairs and Inclusion – European Commission



AFTERNOON SESSION

Chair

Erika Mezger, Deputy-Director – Eurofound

Keynote address

Manuela Tomei, Director – Labour Protection Department
International Labour Organisation (ILO)

Eurofound highlights

Greet Vermeylen, Research Manager – Working Conditions
and Industrial Relations Unit – Eurofound

Keynote Address

Some facts about and policy responses to vulnerable work from around the world

Manuela Tomei

Labour Protection Department (ILO)

Outline



- ILO's response to the global quest for 'good work'
 - Decent Work Agenda and its monitoring strategy
- Global issues for the turbulent world of work
 - Inequality
 - Vulnerability

Global quest for ‘good work’: ILO’s response – Decent Work



- ILO’s Decent Work Agenda
 - Four strategic objectives: Standards, employment, social protection, and social dialogue
 - Emphasis on vulnerable workers
- Monitoring project: Decent Work Indicators
 - Covers both quantity and quality of employment (e.g, employment rates vs decent earning/stability and security of work)
 - Covers both regulatory framework and actual situation (e.g. maximum statutory hours vs proportion of workers working more than 48 hours)

ILO's strategies for data collection and measurements: Much is done but more has to be done .



- Statistical databases, including:
 - LABORSTAT
 - Key Indicators of Labour Market (KILM)
- Legal databases, including:
 - NATLEX
 - Employment Protection Legislation Database (EPLex)
 - Conditions of Work and Employment Database
- However, information on actual conditions of work is rather scant, especially in developing countries
 - To what particular risks are workers exposed at the workplace?
 - What regulatory framework would be effective in reducing such risks?

Filling the gap: ILO-Eurofound collaboration on Global Module of Working Conditions Survey



- ILO-Eurofound joint project
 - To better monitor changes in working conditions in developing countries
 - Adjustments to the European Working Conditions Survey
 - Multi-layered questions on informality (e.g. social security, types of contract/employment, types of enterprises)
 - Questions on workers' awareness of their legal entitlements (e.g. minimum wages)
 - Pilot testing: Tanzania, Mozambique, Zanzibar
 - Complex aspects of informality and vulnerability
 - Low level of legal awareness and its implications
 - Findings have been used as a basis for policy discussion and decisions



Quest for 'good work': How has ILO responded?



**National Profile of Working Conditions
in the United Republic of Tanzania**

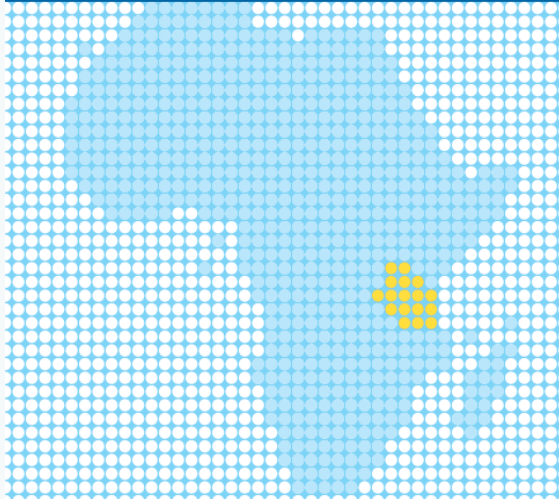


Figure 2.
Percentage of workers aware of their legal entitlements concerning
minimum wages, hours of work and maternity protection,
United Republic of Tanzania, 2009

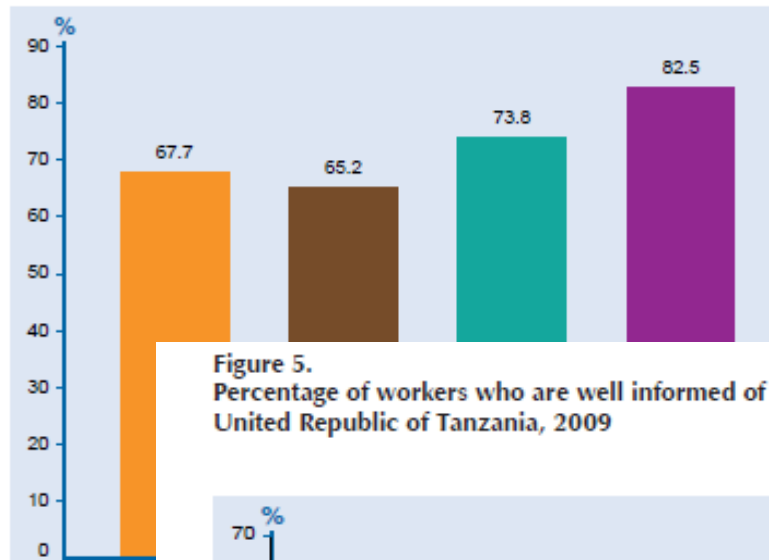
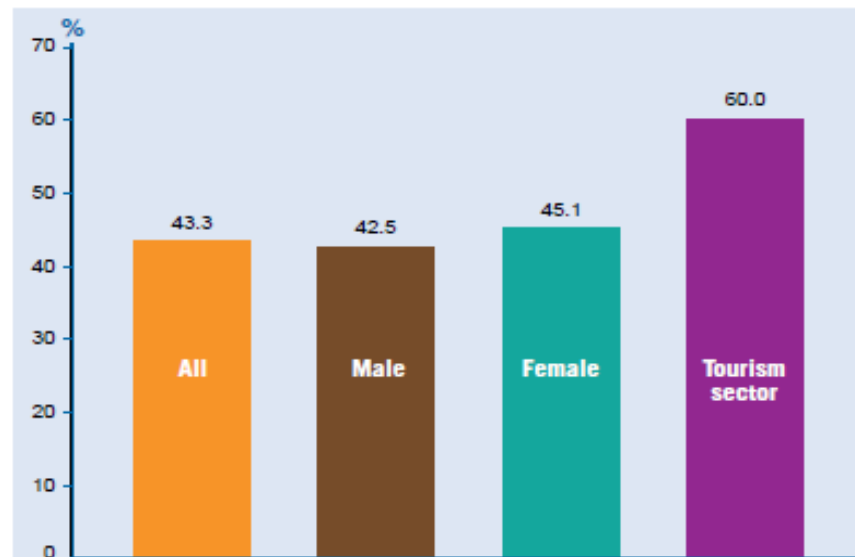


Figure 5.
Percentage of workers who are well informed of safety risks,
United Republic of Tanzania, 2009



Global issues – Inequality and vulnerability

Inequality, crises and the most vulnerable

‘In the wake of the current crisis there is an emerging view about the importance of growing inequality as one of the causes of global crises past and present.....it is vital to ensure that exit strategies are linked to a progressive recovery of the real economy and jobs and are fair in the shaping of the benefits and burdens of adjustment, especially in the protection of the most vulnerable.’

IMF(2010), ‘The human costs of recession’ in ILO-IMF, *The challenges of growth, employment and social cohesion*

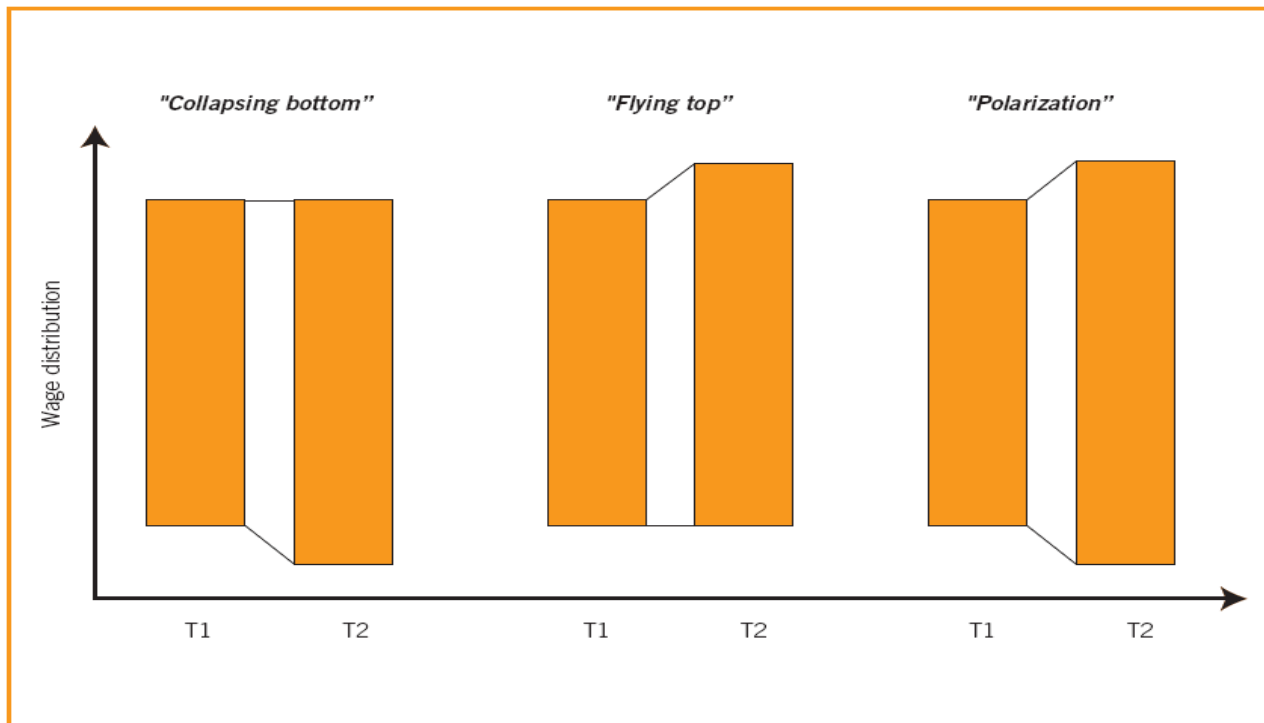


Quest for 'good work': How has ILO responded?

Inequality is increasing in most countries, but in three different ways ...

About 75% of countries saw inequality increase before the crisis: ILO 2008

Figure 15 Growing inequality in different types: An illustration



Note: T1 refers to the initial condition, T2 refers to the new condition.

‘Below the lowest point’

The increase in the number of low-paid workers

The share of low-pay in selected G20 countries



Why the focus on low pay?

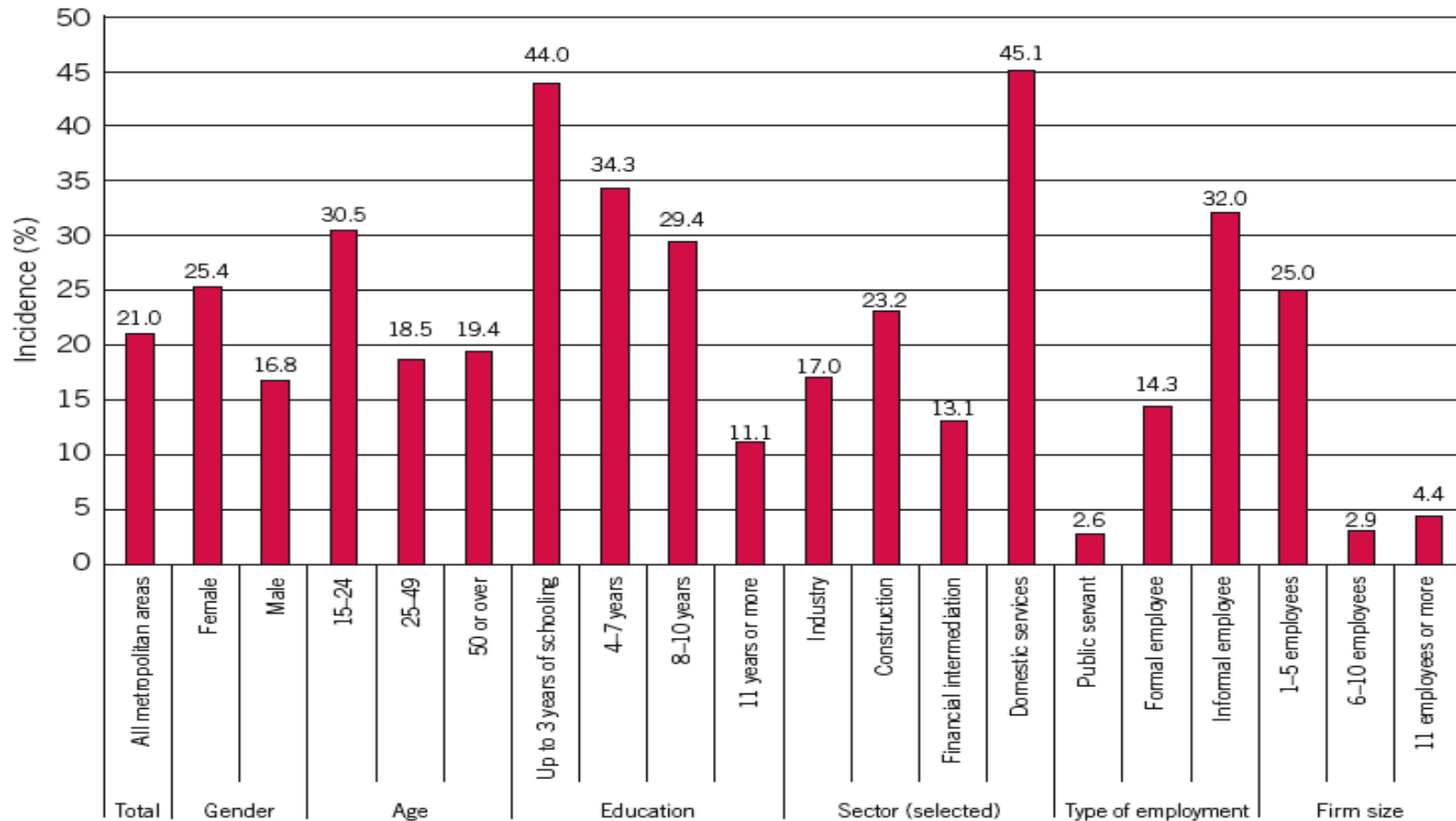


- Low pay is often combined with other aspects of poor-quality jobs
- Increases vulnerability to poverty
 - Low level of earnings
 - Volatility of earnings
- Shapes perceptions of societal fairness
- Impacts on the gender pay gap

Who are low-paid workers?

Young, female, rural and migrant (Brazil)

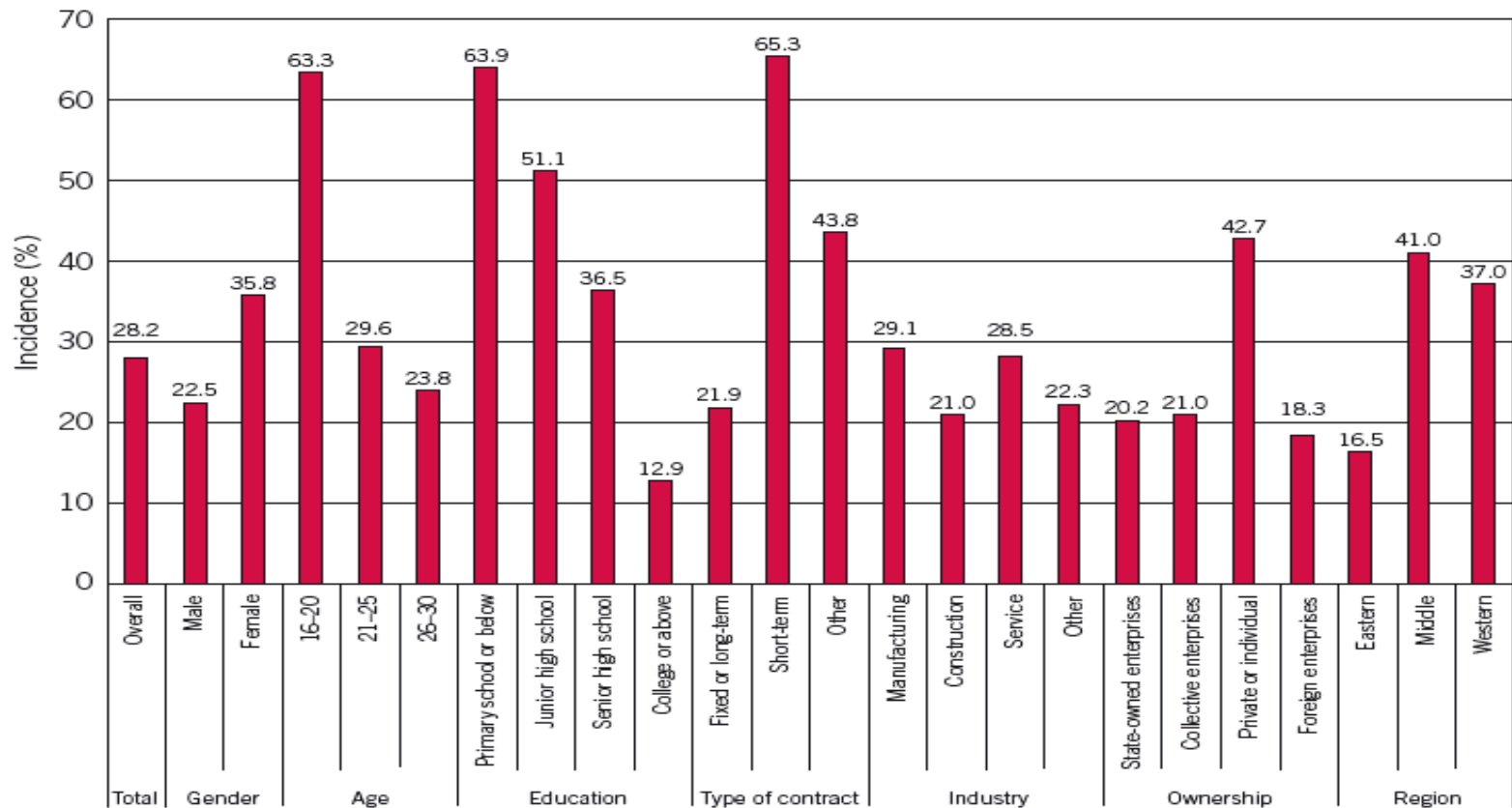
Panel A. Brazil (2009)



Who are low-paid workers?

Young, female, rural and migrant (China)

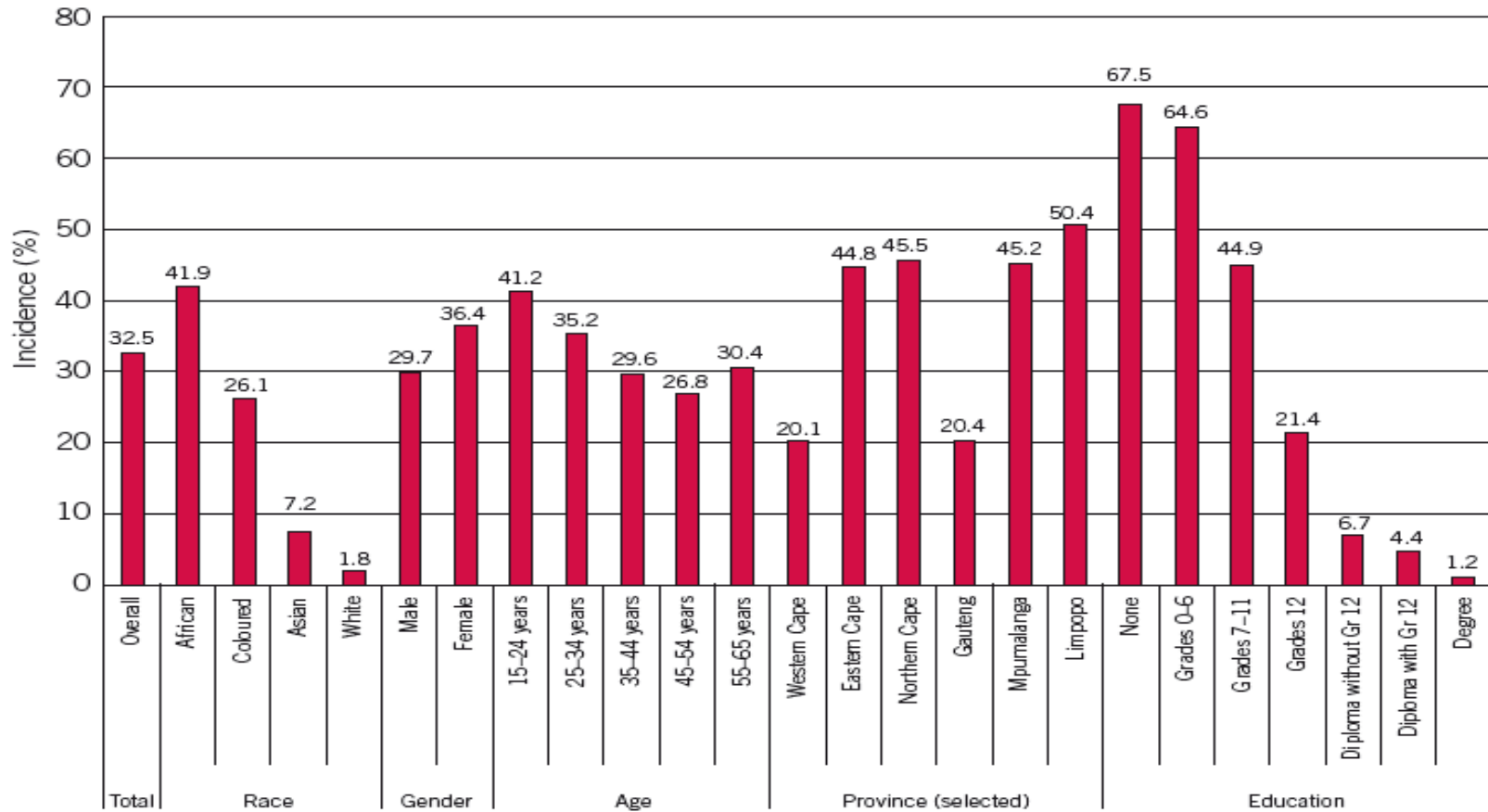
Panel D1. China (local workers, 2008)



Who are low-paid workers?

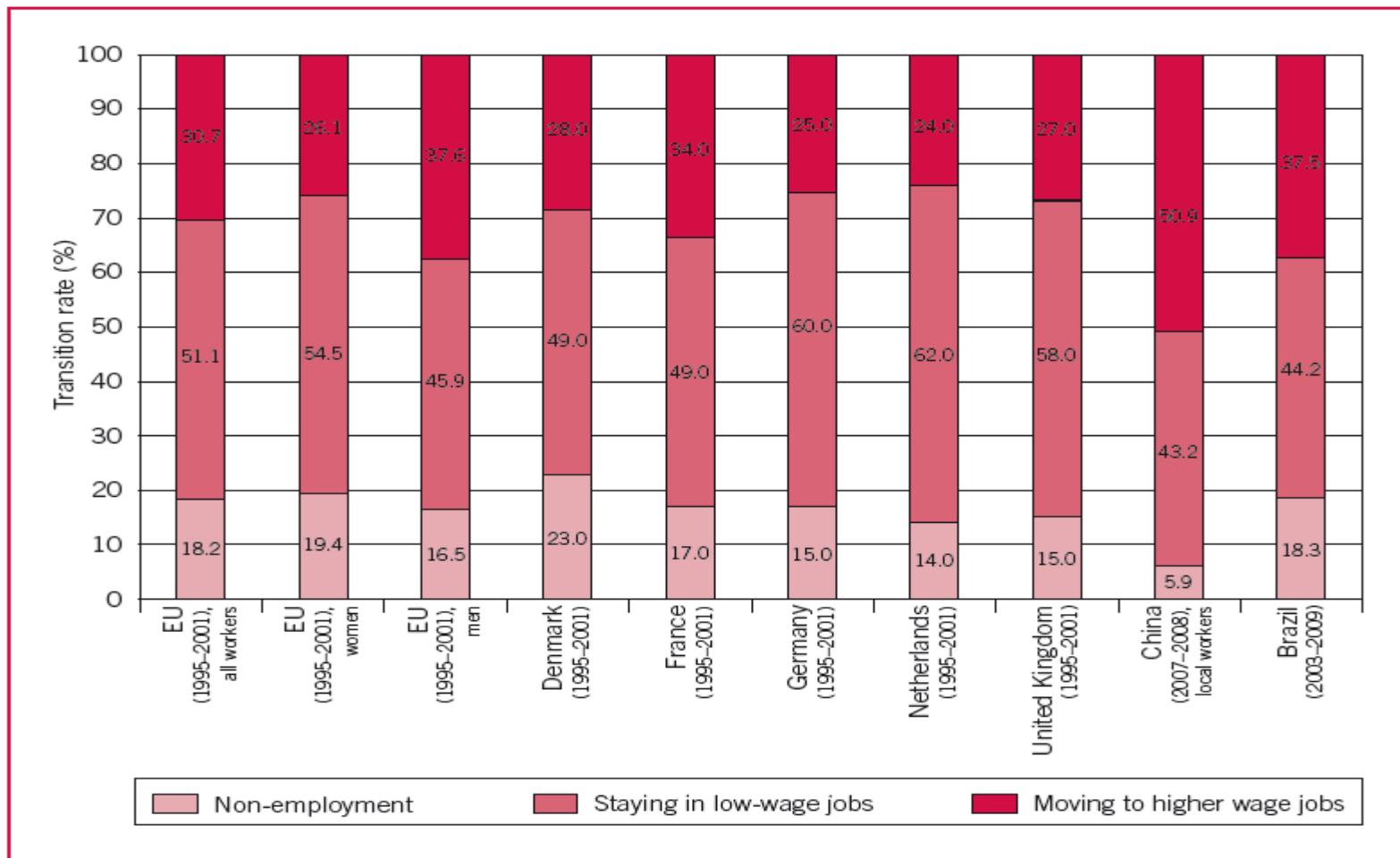
Young, female, rural and migrant (South Africa)

Panel C. South Africa (2007)



Low-wage job: transitory or dead-end job?

Figure 26 Predicted transition rates from low-wage jobs to higher wage jobs and non-employment in selected countries (in per cent)



Note: The figures refer to the estimated probability of changes in earning status (higher wage jobs or non employment) within the period of one year among low-wage workers.

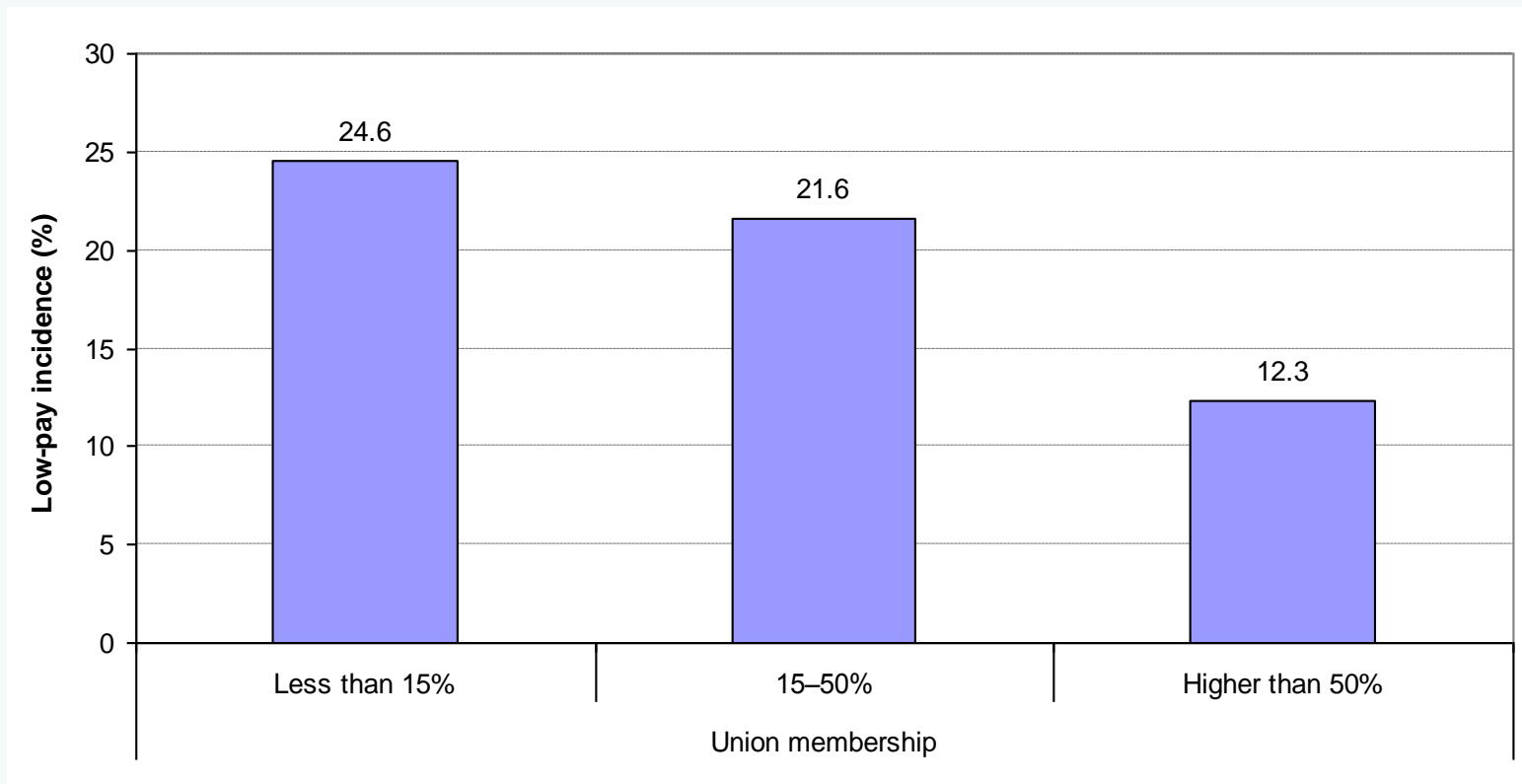
Sources: European Commission (2004); Mason and Salverda (2010); ILO estimates for China and Brazil.

Low-wage job: transitory or dead-end job?

- Where the incidence of low-wage work is high, the shares of low-wage workers progressing into higher paid work is smaller
- Women enter easily into low-paid jobs, but find it more difficult to move onto higher-paid jobs
- The risk of being unemployed or inactive after working in low-paid jobs is high for low-skilled young people and low-skilled women, e.g. domestic workers

Wage policies and institutions help low-paid workers:

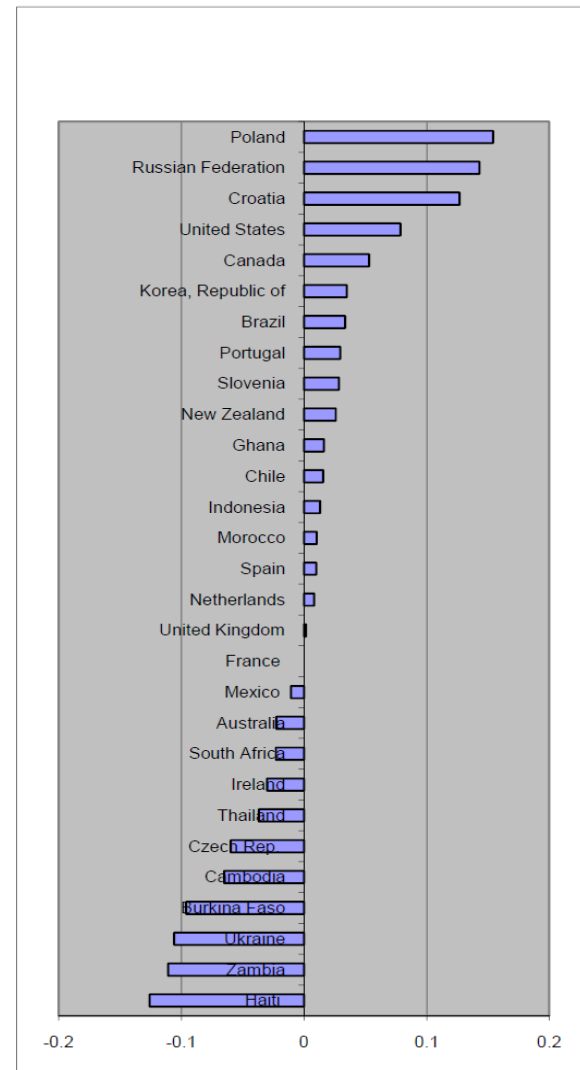
Unions matter, especially when the majority of workers are covered



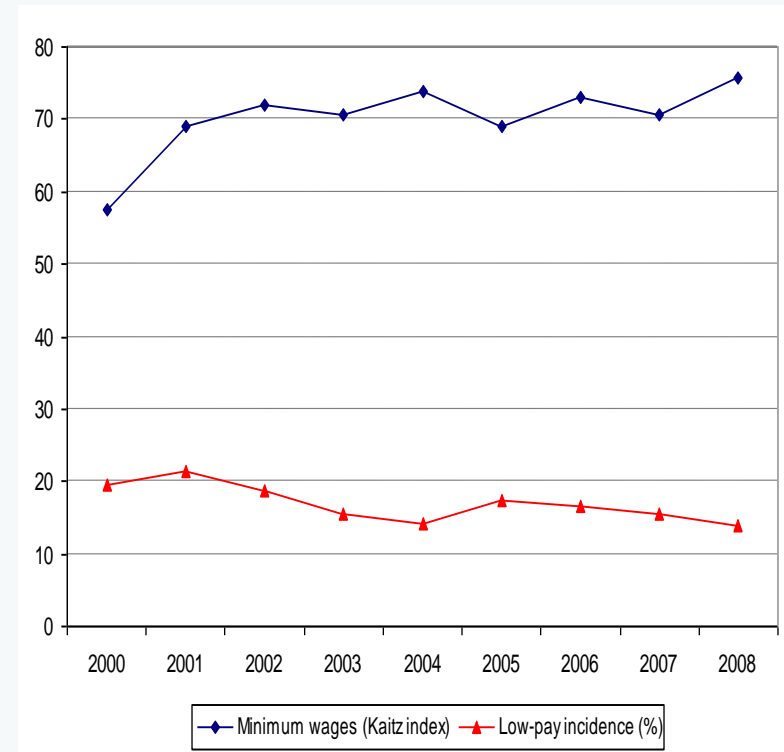
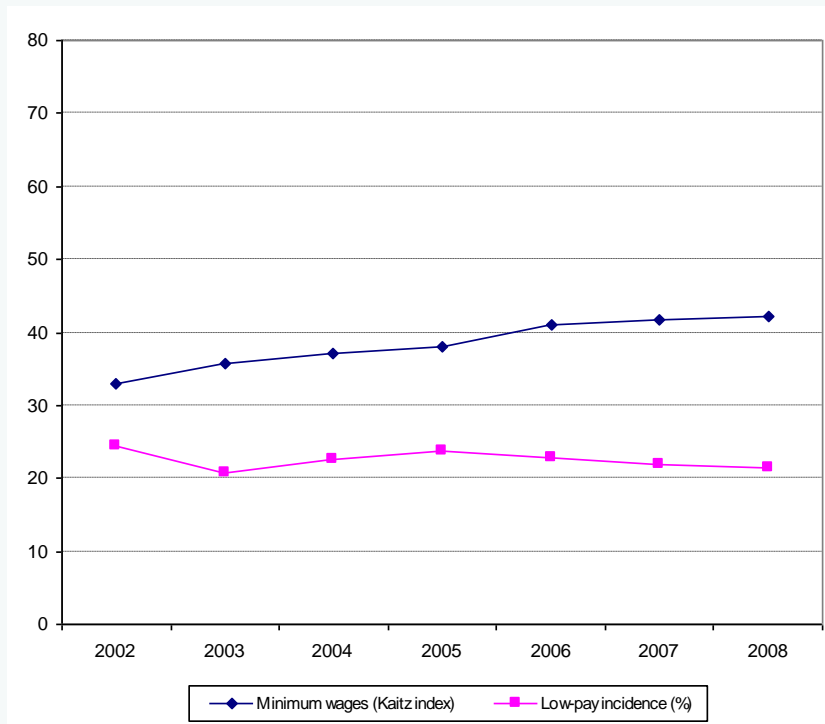
Policies and institutions help low-paid workers: Minimum wages matter

- As unions face challenges in reaching out to low-paid workers, minimum wages can play an important, complementary role.
- About half of the countries – including a majority of advanced countries – increased minimum wages in 2009, to implement medium-term objectives or to prevent deterioration in the purchasing power of the lowest paid workers during the crisis. This represents a departure from previous crises.

Figure 8. Changes in the real level of minimum wages, 2008



Policies and institutions help low-paid workers: Minimum wages matter too (Brazil and Chile)



Topping up low wages:

Disconnecting the nexus of low wage and poverty

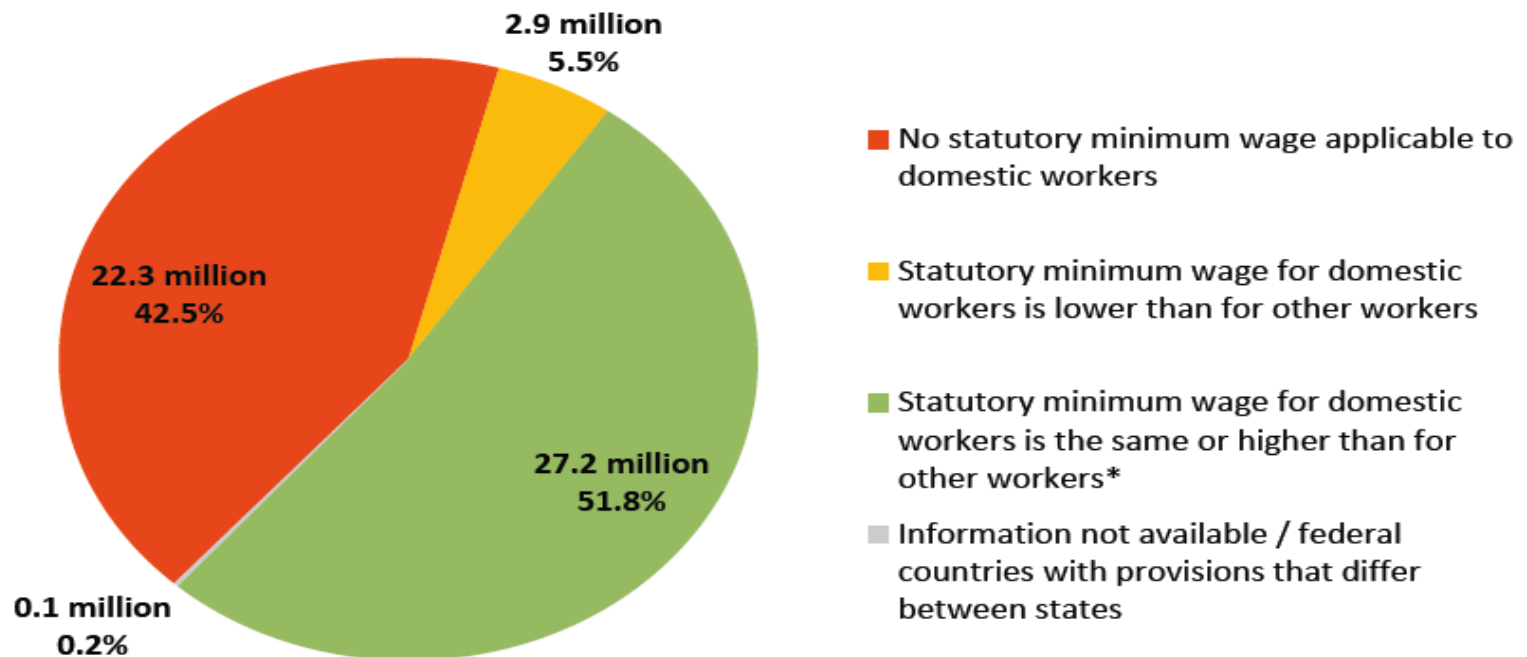
- ‘In-work benefits’, such as tax credits for low-paid workers, can complement wages policies. Examples include the ‘*earned income tax credit*’ in the US or the ‘*Prime pour l’emploi*’ in France. These schemes provide financial incentives to stay in the labour market.
- When fiscal capacity is limited, broader income transfer measures like ‘*Bolsa familia*’ in Brazil or the ‘*Child support grant*’ in South Africa may be used. They help to pay for education and break the inter-generational pattern of low education and low pay.

The case of domestic workers

- A large and growing (female) workforce – at least 55 million workers or 3.6% of the global wage employment
- Key element in households' strategy to cope with rising work– family tensions: a case of public policy failure
- Localised phenomenon with global ramifications – global care chains
- Heterogeneity in employment patterns, working hours and tasks involved
- Mostly unorganised, non-protected and informal

The legal vulnerability of domestic workers: Minimum wages

Figure 1. Minimum wage coverage for domestic workers

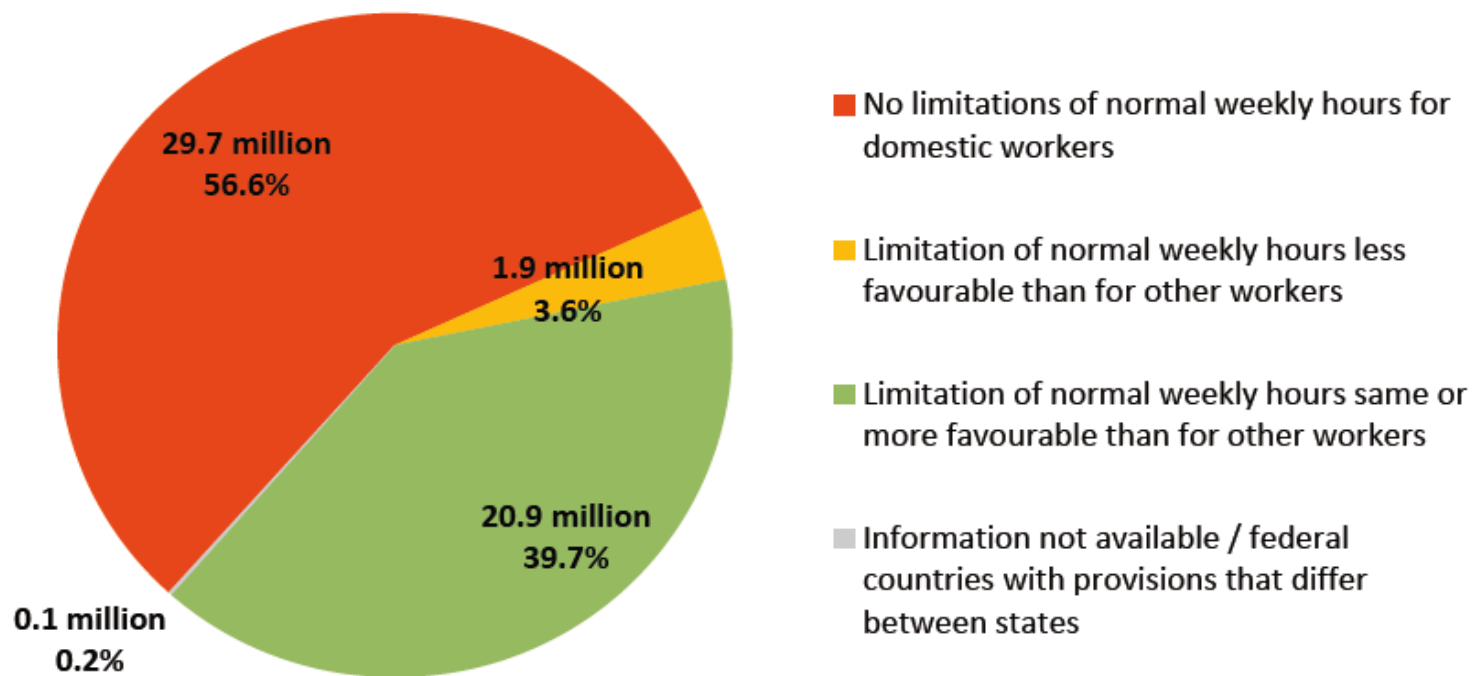


* Includes cases where comparison to benchmark minimum wage is not possible.

Source: ILO estimates based on data from official sources.

The legal vulnerability of domestic workers: Weekly working hours

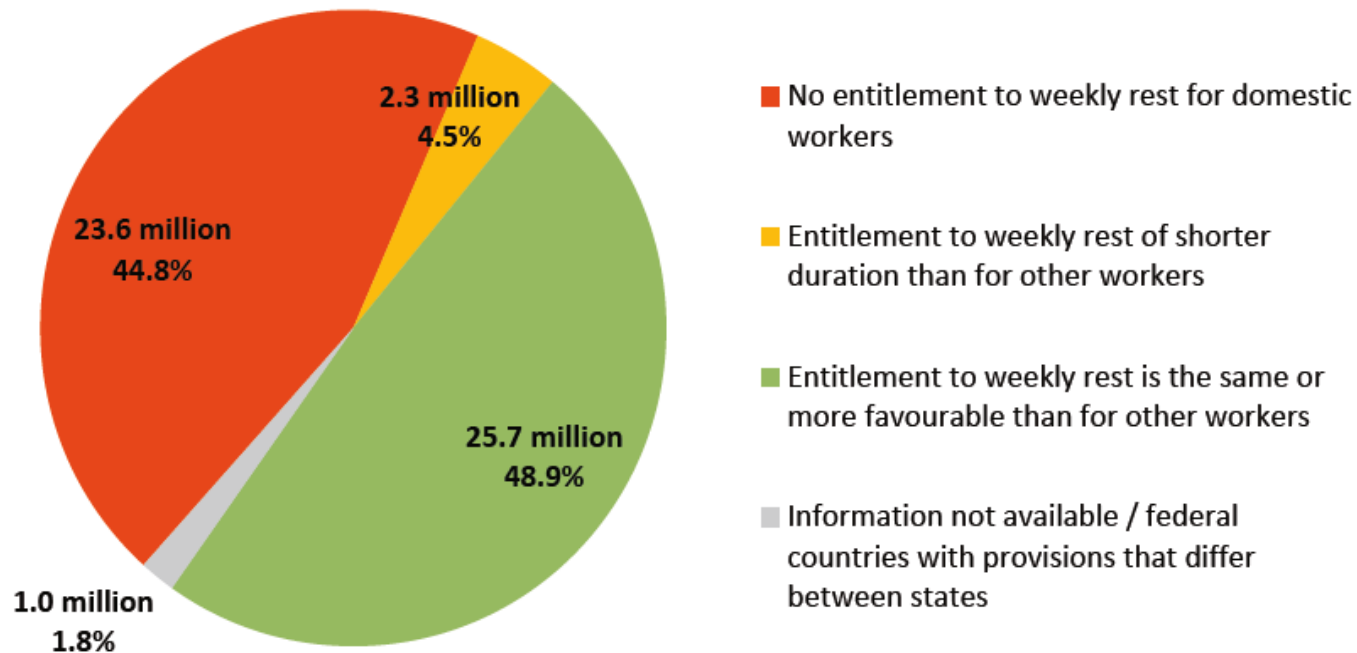
Figure 2. Limitation of normal weekly hours of work for domestic workers under national law



Source: ILO estimates based on data from official sources.

The legal vulnerability of domestic workers: Weekly rest

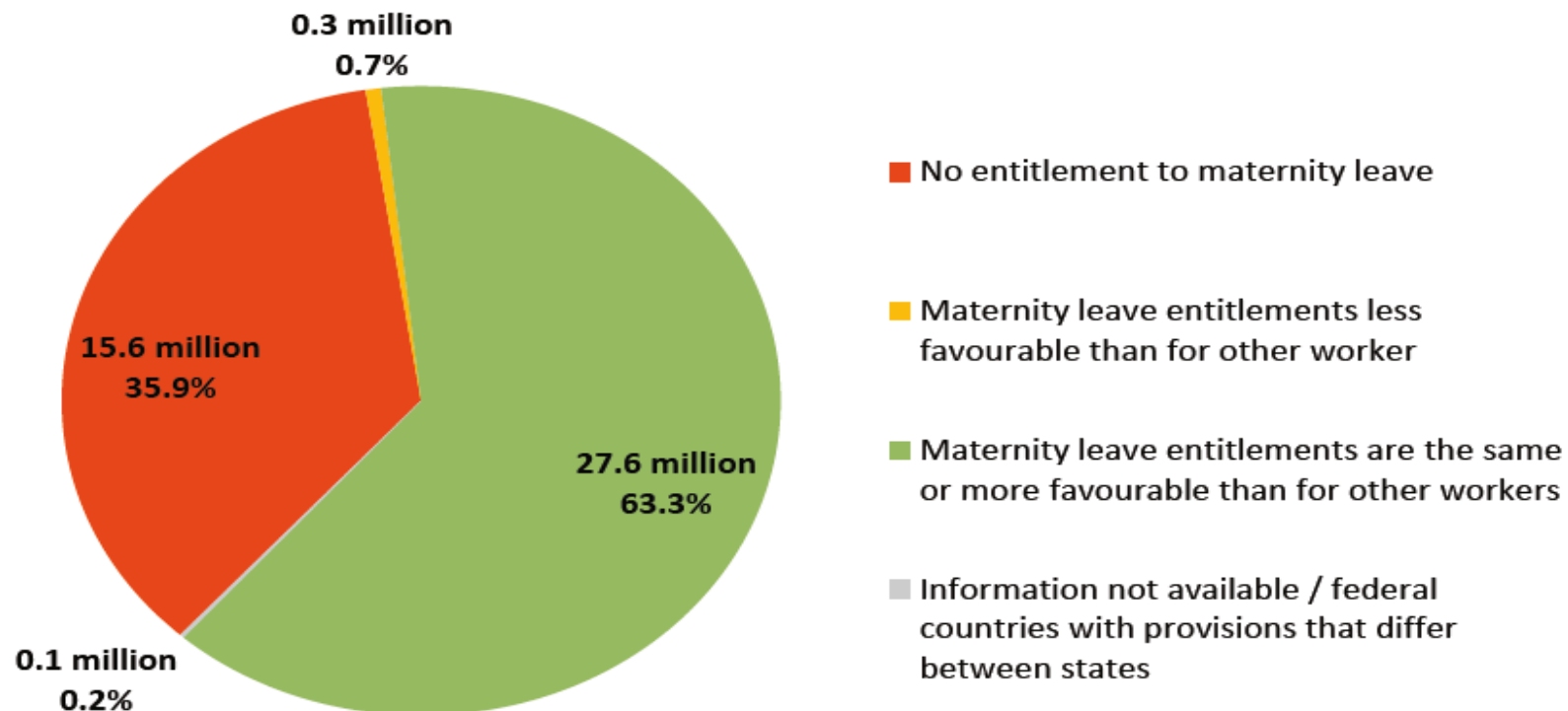
Figure 3. Entitlement to weekly rest (at least 24 consecutive hours) for domestic workers under national law



Source: ILO estimates based on data from official sources.

The legal vulnerability of domestic workers: Maternity leave

Figure 4. Entitlement to maternity leave for domestic workers under national law



Note: The figure only refers to female domestic workers.
Source: ILO estimates based on data from official sources.

The case of domestic workers

- State promotion of bargaining institutions in a low-paid industry (e.g. Wage council for domestic work – Uruguay)
- Alignment of minimum wages of domestic workers with those of other workers (e.g. Chile, Portugal)
- Introduction of a mandatory minimum wage and a standard employment contract (Switzerland)
- No negative effect on employment, and improvements in non-wage working conditions, specially hours of work (e.g. South Africa)

Minimum wages +

- State incentives/subsidies to encourage formalisation of domestic work (e.g. Brazil, France)
 - from ‘black’ to ‘grey’?
 - who benefits?
- Simplification of payment of social security contributions
- Legal recognition of domestic workers’ rights as workers (e.g. new ILO Convention No. 189 and Recommendation No. 201)

How to raise the status of low-paid workers: lessons and challenges from domestic work



- The importance of statutory regulation in the domestic work industry
- The importance of relying on a mix of policies: minimum wages, labour regulation and enforcement, public incentives
- Minimum wages: an entry point for addressing other aspects of quality of work
- Need for better-targeted incentives
- The challenge of ‘compatible flexibilities’ in respect of working hours
- Professionalisation and specialisation of domestic workers: yes, but how?

Quality of work and employment: current challenges

Eurofound highlights

Greet Vermeylen, Research Manager

Working Conditions and Industrial Relations Unit – Eurofound

Expanding current policy agenda towards sustainable and inclusive work

Why ?

- Ageing workforce, likely reduction of workforce size
- Increased participation of women in the labour market
- Increased individualisation
- Crisis puts pressure on public finances, social climate
 - Cumulative impact?

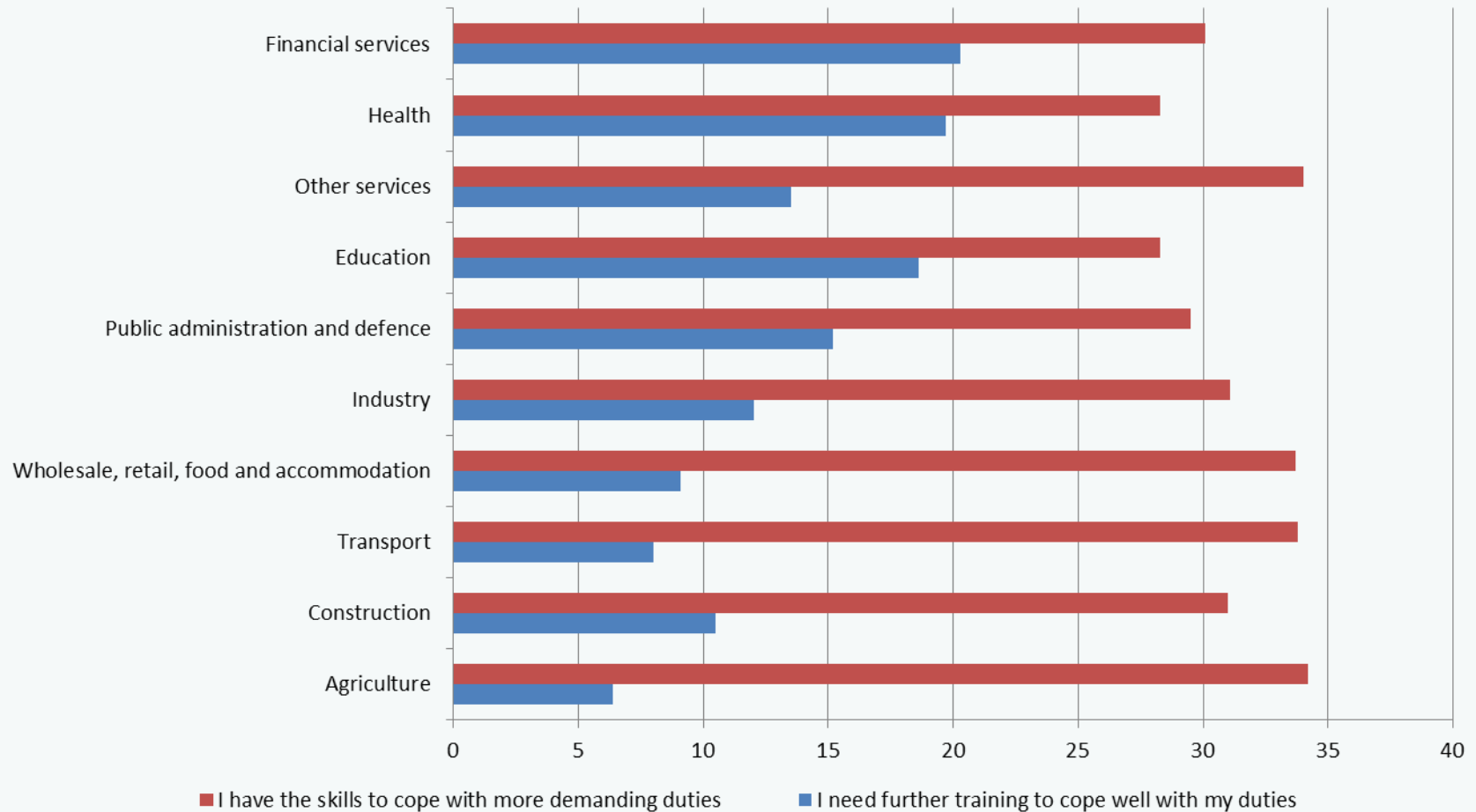
Sustainable and inclusive work

What?

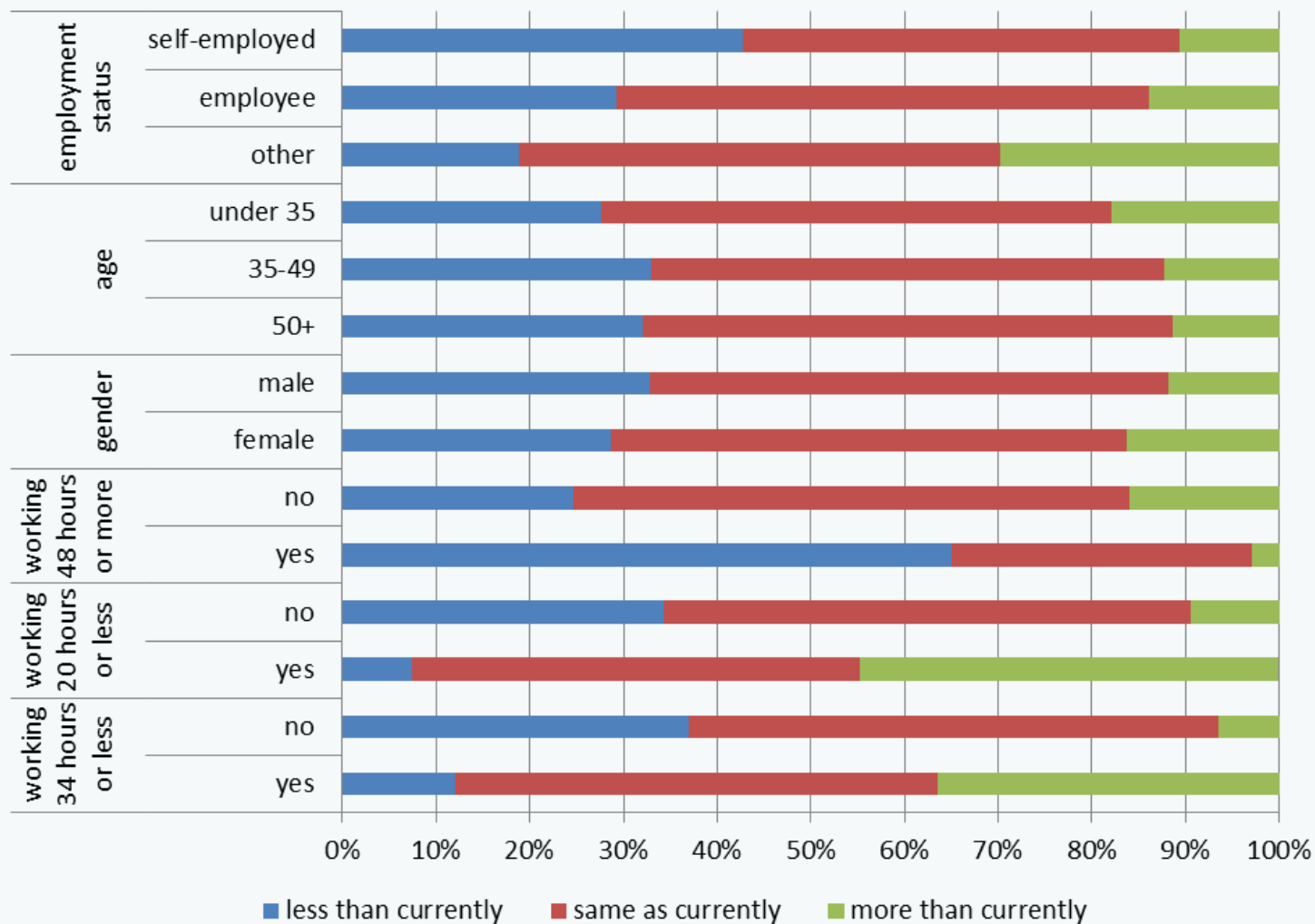
Narrow or broad agenda ... covering possibly

- Having a job
- Being fit for the job
- Having marketable and relevant skills
- Being able to combine work with non work (care, etc.)
- Being motivated to work

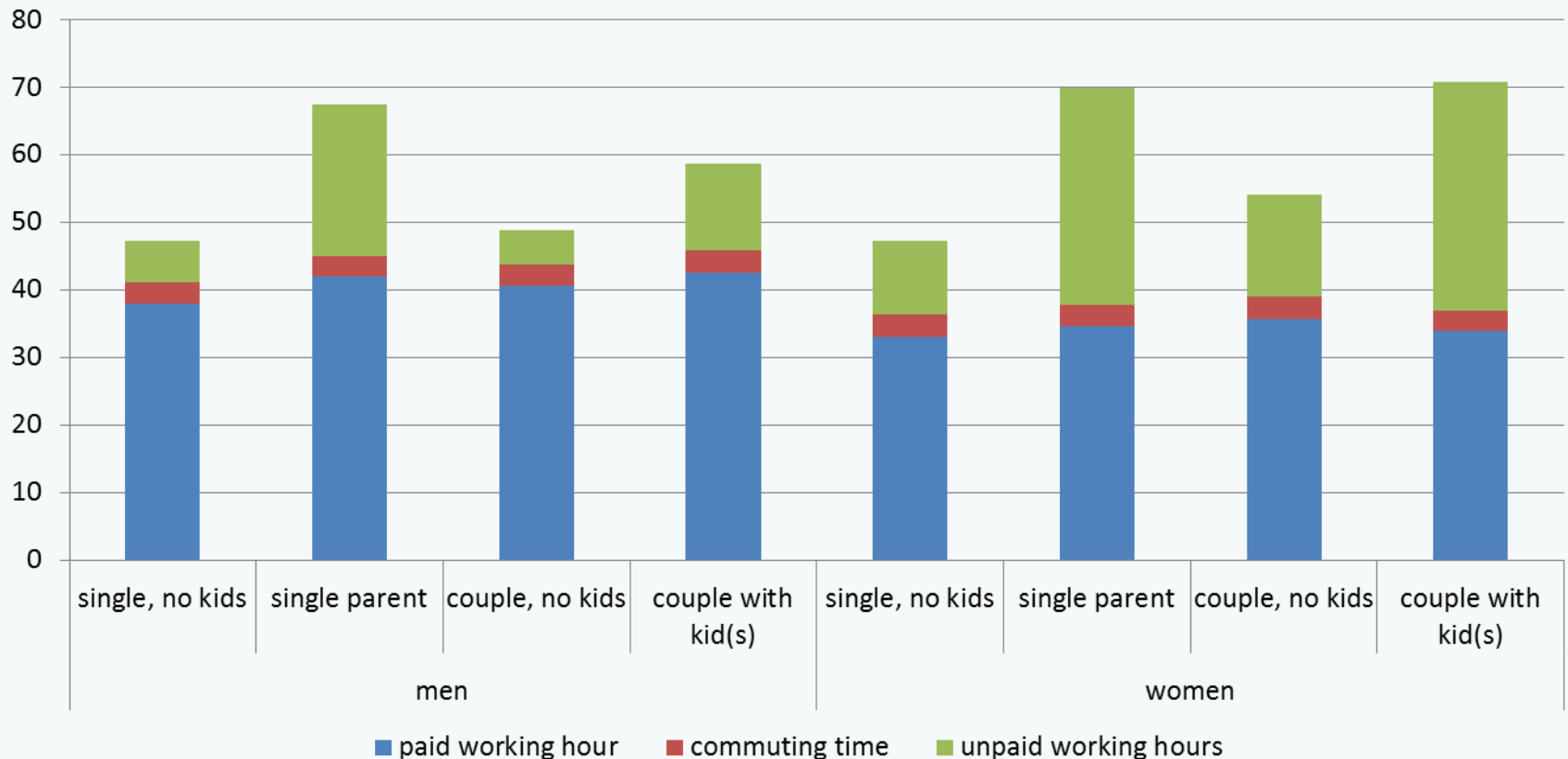
Skills and duties match by sector



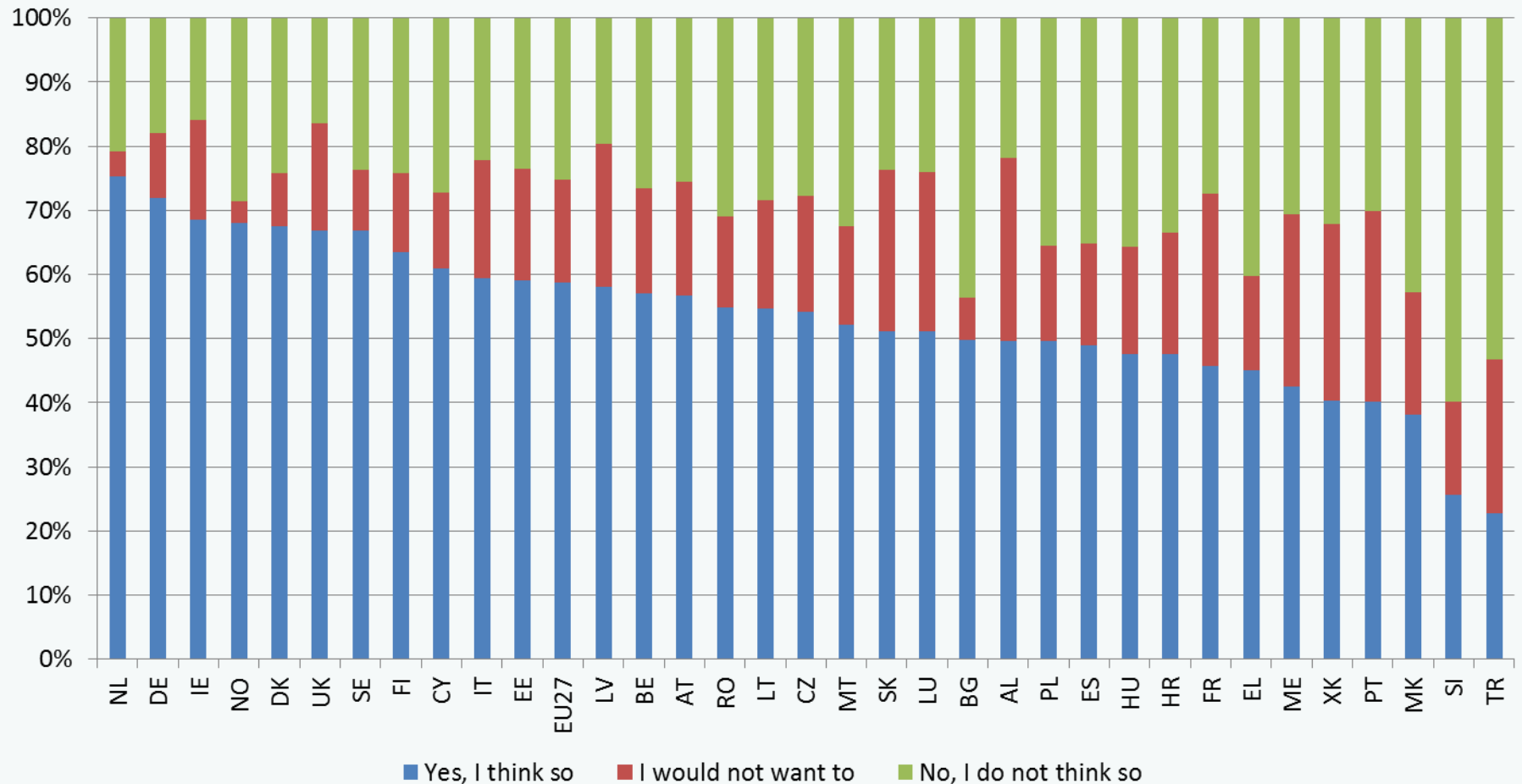
Working time preferences



Total number of working hours (by household composition)



Able and willing to do same job at 60?



Job sustainability and working conditions

		Male	Female			Male	Female
Autonomy	Low	48	46	Posture related index	Low	77	69
	High	72	67		High	39	35
Work intensity	Low	64	61	Job offers possibilities for career development	Low	49	49
	High	51	50		High	66	64
Worker participation	Low	46	47	Work life balance	Poor	47	42
	High	70	65		Good	62	62
Work well done	Rarely/ Never	43	44	Learning new things	Low	49	49
	Usually/ Always	63	60		High	63	60

Conclusions



- A sustainable, inclusive work agenda could be broad or narrow
- Win–win arrangements should be promoted
 - Previous research has found associations between worker well-being and performance of companies and workplace innovation
- Changes in institutional frameworks and policies could support the development of this agenda
- Good work may well be one of the keys for smart, inclusive and sustainable growth



SECOND PANEL DEBATE

**Towards a wider agenda:
sustainable and inclusive work**

Towards a wider agenda: sustainable and inclusive work



Moderator

Jean Lambert , MEP

Panellists

Jutta Steinruck, MEP

Thomas Händel, MEP

Armando Silva, Director, Employment and Social Legislation, Social Dialogue
- DG Employment, Social Affairs and Inclusion - European Commission

Dr Christa Sedlatschek, Director, EU-OSHA

Tom Bevers, Chair of the Employment Committee (EMCO) Indicator Group

Commentators

Denis Pennel, Managing Director, European Confederation of Private
Employment Agencies (Eurociett)

Stéphane Coigné, Coiffure EU - Secretariat Economic Affairs

Józef Niemiec, Deputy Secretary General, ETUC

Conny Reuter, Secretary General, SOLIDAR

Exchange with participants

AFTERNOON SESSION



Closing address

Pervenche Berès, MEP – Chair of the Employment and Social Affairs Committee

Closing remarks of the conference

Erika Mezger, Deputy-Director – Eurofound

Jean Lambert, MEP