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Comparative Report on the Social Effects of Foreign Direct Investment in five industries and seven EU countries – WIBAR-2 Report No. 6

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1 Introduction

In this report No. 6, we compare the outcomes presented in the first five WIBAR-2 reports on the social effects of foreign direct investment (FDI) in five industries: metal and electronics manufacturing; the retail industry; finance and call centres; information technology (IT), and transport and telecom. These comparisons include the sections 4 to 12 of these reports 1 – 5. The respective sections 2 and 3, covering the state of affairs of FDI and internationalization by host and home countries, are compared in report No. 7, concerning the AIAS Multinational Enterprise (MNE) Database, as much of these sections 2 and 3 has been based on this dataset.

As we elaborated in the reports 1 to 5, the WIBAR-2 project includes 12 EU member states, but the number of *WageIndicator* observations in Denmark, Italy and France were too few. Consequently, the analyses were performed for nine countries only. The five industry reports also contain a number of data for Hungary and Sweden. For the sake of comparison, in the actual report we have left this information out: a considerable number of the cells for these two countries would have been left blank. From here on, we compare wages and working conditions systematically for seven countries: Belgium, Finland, Denmark, the Netherlands, Poland, Spain and the United Kingdom.

Table 1 shows the number of observations in the five industries and seven countries. In total, analyses are based on the answers of 55,111 respondents. The number of observations in each cell is at least 200.

Table 1 *Number of observations by country and industry*

	BE	FI	DE	NL	PL	ES	UK	Total	Percent
Metal & electronics manufacturing	1,167	952	7,041	5,383	314	541	1,000	16,398	29.8%
Finance & call centres	828	207	1,581	3,626	559	413	1,304	8,518	15.5%
Transport & telecom	855	518	2,186	4,485	284	605	950	9,883	17.9%
Information Technology	1,214	694	1,393	3,292	588	1,329	1,034	9,544	17.3%
Retail	832	438	2,307	4,917	307	804	1,163	10,768	19.5%
Total	4,896	2,809	14,508	21,703	2,052	3,692	5,451	55,111	100.0%
Percentage	8.9%	5.1%	26.3%	39.4%	3.7%	6.7%	9.9%	100.0%	

In the next two sections we will deal with the characteristics of the firms in the five industries and 12 countries: their establishment size, locations, and ownership, covering the sections 5, 6 and 7 of the industry reports. In the sections 4 to 8 we compare the effects of FDI on wages, working conditions, working hours, training and industrial relations across industries and countries; they cover the sections 8 to 12 of the industry reports. We did not draw up

summary conclusions at the end of this report; for overarching conclusions we refer to our analytical report (WIBAR-2 report No. 8).

2 Establishment size

Table 2 is at the basis of a comparison of the median sizes of establishments across industries and countries.

Table 2 Median establishment size by country and industry

	BE	FI	DE	NL	PL	ES	UK
Metal & electronics							
MNE	859	1222	2030	1151	741	649	1094
No MNE	225	271	288	158	431	153	319
Med.size MNE : med. size no MNE	3.9	4.5	7.0	7.3	1.7	4.2	3.4
Finance & call centres							
MNE	1964	839	3204	2445	1071	663	2318
No MNE	435	545	1121	679	597	215	833
Med.size MNE : med. size no MNE	4.5	1.5	2.9	3.6	1.8	3.1	2.8
Transport & telecom							
MNE	450	1283	2674	1260	644	713	1520
No MNE	880	389	681	579	580	262	709
Med.size MNE : med. size no MNE	0.5	3.3	3.9	2.2	1.1	2.7	2.1
Information Techn.							
MNE	897	1755	2245	2218	999	911	2028
No MNE	388	237	216	619	344	186	428
Med.size MNE : med. size no MNE	2.3	7.4	10.4	3.6	2.9	4.9	4.7
Retail							
MNE	47	46	89	43	60	44	159
No MNE	5	15	18	23	18	5	32
Med.size MNE : med. size no MNE	9.4	3.1	4.9	1.9	3.3	8.8	6.0

In metal and electronics manufacturing, the largest median establishment size in MNEs is found in Germany, the smallest is Spain; in non-MNEs the largest median is the Polish and the smallest again the Spanish. Dutch MNE establishments in metal and electronics are on average 7.3 times as large as their domestic counterparts, Polish MNE establishments only 1.7 times (see row Med.size MNE : med. size no MNE).

Across MNEs in the finance and call centre industry, by far the largest median establishment size is found in Germany and the smallest in Spain; in non-MNEs the largest median is the German and the smallest again the Spanish. In this industry, size differences are somewhat smaller, but still varying from MNE establishments in Belgium being 4.5 as large as domestic establishments in , against 1.5 in Finland.

Across MNEs in transport and telecom the largest median establishment size is again and very clearly found in Germany and the smallest in Belgium; in non-MNEs the largest median, even nearly double that in Belgian MNEs, is found in Belgium and the smallest again is the Spanish one. Size differences are comparatively modest, reaching till median MNE establishments in Germany being 3.9 times as large as domestic German establishments.

Concerning establishment size, the IT MNEs show the largest medians in Germany, directly followed by the Netherlands. The largest median in non-MNEs is again the German one, the smallest that of Belgium. With 10.4, German IT displays the largest difference between MNE and domestic establishments across countries and industries

As was to be expected, the median size of retail establishments is much smaller than those in the other four industries. Across retail MNEs, by far the largest median size can be found in the UK, the smallest in the Netherlands. In the non-MNE retail firms, the largest median is again that of the UK, the smallest –only 5 employees– jointly those of Belgium and Spain. With 9.4 and 8.8 respectively, the size differences in retailing are also largest in the latter two countries.

It can be concluded that in four of five industries, MNEs show the largest median establishment sizes in Germany; only in retail the UK MNE establishments are largest. Both Spain and Belgium twice turn up with the smallest median MNE establishment size, and the Netherlands once. In the non-MNE firms, Germany twice shows the largest medians, and Poland, Belgium and the UK each once. If we calculate unweighted averages over the five industries, the ranking of median sizes in the MNE establishments across countries is as follows: 1. and largest Germany, 2. UK, 3. the Netherlands, 4. Finland, 5. Poland, 6. Belgium, and 7. Spain. The same ranking for the non-MNE establishment sizes is: 1. UK, 2. Germany, 3. the Netherlands, 4. Belgium, 5. Poland, 6. Finland, and 7. Spain.

Across industries and countries the median MNE establishment sizes are nearly always much larger than those of the non-MNE firms. The only exception is Belgian transport and telecom, where the median non-MNE establishment is nearly twice as large as the median MNE establishment. Across industries, the unweighted averages of the differences are largest in retail (5.3 average), closely followed by the IT sector (5.2), and at some distance by metal and electronics manufacturing (4.6), finance and call centers (2.9), and finally transport and telecom (2.3). Across countries, Germany shows the largest differences between MNE and non-MNE sizes (an unweighted average of 5.8), followed a large middle group headed by Spain (4.7) and followed by Belgium (4.1), Finland (4.0), the UK (3.8) and the Netherlands (3.7), whereas Poland clearly shows the smallest size differences (2.2).

3 Locations and ownership of the firm

The *WageIndicator* web-survey includes a question whether the worker's firm has more than one location, and if so, if this is located in the country at stake or abroad. For the purpose of this report, we define a Multinational Enterprise (MNE) as a company that has one or more locations abroad (i.e. the answers on *Yes, throughout the country and abroad* combined with those on *Yes, but only abroad*). Table 3 presents an overview of the respective shares of workers (respondents) involved.

Table 3 Percentage of workers in MNEs in total respondents by country and industry

	BE	FI	DE	NL	PL	ES	UK	Ind. aver. (unw.)
Metal & electronics manufacturing	65	46	56	48	49	44	54	52
Finance & call centres	46	27	39	47	39	33	43	39
Transport & telecom	49	38	45	42	30	33	43	40
Information Technology	47	45	37	45	35	42	47	43
Retail	33	21	31	24	32	27	35	29
Country average (unweighted)	48	36	42	41	37	36	44	41

The table reveals that of all respondents, 41% identified themselves as working for a MNE ; the same percentage results if we attach the same weight to each country. Consequently, in total 59% works for a domestic firm.

Across industries, metal and electronics manufacturing shows the largest shares of workers in MNE establishments, both overall (an unweighted average of 52%) as well as in all seven countries at stake. The largest share in this industry as well as over five industries can be found in Belgium (65%). The IT industry shows up with the second largest share overall (43%) as well as in Finland, Spain and the UK, but with a somewhat lower ranking in Belgium, Germany, the Netherlands and Poland. Transport and telecom has the third largest share (40%), followed by finance and call centers (39%), with retail (29%) closing the ranks. The Finnish share of 21% MNE workers in retail is the lowest share we found across industries and countries.

Across countries, Belgium shows the largest shares of MNE workers in three industries (metal and electronics manufacturing, transport and telecom and, jointly with the UK, in IT), the UK in two industries (jointly with Belgium in IT, and in retail) and the Netherlands in one sector (finance and call centers). The smallest MNE shares can twice be found in Finland (finance and call centers, and retail), twice in Poland (transport and telecom and IT) and once in Spain (metal and electronics manufacturing).

Besides in location of the firm, we are also interested in firm ownership. Unfortunately, only three of seven countries have put a question in the *WageIndicator* web-survey on ownership of the firm of the worker. Yet, by way of exception we present the outcomes here. Three

categories have been distinguished: firms that are fully domestic-owned, firms that are partly domestic and partly foreign-owned, and firms that are fully foreign-owned. In order to create an indicator for ownership, we grouped the latter two categories into one category 'foreign owned', and compared their employment share with that of the fully domestic-owned. Table 4 shows the results.

Table 4 *Percentage of workers in foreign-owned firms among MNE workers, in retail by country(BE, NL, ES) and industry*

	BE	NL	ES	Ind. aver. (unw.)
Metal & electronics manufacturing	88%	58%	65%	70%
Finance & call centres	91%	44%	39%	58%
Transport	89%	59%	63%	70%
Information Technology	85%	61%	65%	70%
Retail	82%	53%	67%	67%
Country average (unweighted)	87%	55%	59%	67%

For Belgium the over-all share of MNE workers working for foreign-owned firms is by far highest, with an unweighted average for the five industries of 87%; against 59% for Spain and 55% for the Netherlands. Based on these figures, in total 42% of the Belgian respondents worked for foreign MNEs, with Belgium as host country, and only 7% in home country MNEs; this compares with respectively 21% and 15% for Spain, and 23% and 18% for the Netherlands.

Across industries, there is not much difference in the share of MNE workers working for foreign-owned firms; with 70%, three industries are completely at par, only finance and call centres and to a lesser extent retail show somewhat lower outcomes.

4 Wages

4.1 Comparison of wage levels

Table 5a presents a comparative overview of the outcomes of the *WageIndicator* web-survey concerning gross median hourly wages, for MNEs as defined earlier (a company that has one or more locations abroad) versus domestic firms, for the five industries and seven countries. The outcomes deliver a picture of the variations between national hourly wage levels, though they strictly spoken do not allow for purchasing power comparisons across countries (We did not use Purchasing Power Parities as these were not yet available, but current exchange rates instead). We based ourselves mainly on the *median* wages, although we also calculated average wages (not shown).

Table 5a *Median gross hourly wages by country and industry*

	BE	FI	DE	NL	PL	ES	UK
Metal & electronics							
MNE	16.37	16.01	20.48	17.61	6.47	10.55	17.46
No MNE	14.18	14.43	15.06	14.02	4.24	8.07	14.08
Total	15.54	15.12	17.98	15.40	5.01	8.88	16.09
Finance & call centres							
MNE	19.11	15.01	23.09	17.49	6.35	12.19	17.54
No MNE	14.04	12.68	18.00	14.88	4.85	9.12	14.20
Total	16.23	13.25	20.02	16.14	5.34	10.39	15.96
Transport & telecom							
MNE	14.43	13.68	17.18	13.36	5.77	8.54	15.20
No MNE	14.41	12.82	13.03	12.50	4.46	7.53	15.43
Total	14.43	13.21	14.56	12.83	4.79	8.04	15.29
Information Techn.							
MNE	17.28	18.67	20.65	18.60	8.66	10.39	21.28
No MNE	14.34	15.40	15.64	17.32	6.06	8.66	16.11
Total	15.80	16.98	17.32	17.78	6.50	9.24	18.48
Retail							
MNE	12.81	13.20	12.32	10.40	4.85	6.07	12.66
No MNE	12.09	13.23	10.00	10.03	3.70	5.39	10.75
Total	12.60	13.22	10.78	10.16	3.90	5.55	11.53

The highest median gross hourly wages in MNEs were on average paid in finance and call centers (unweighted average for seven countries: Euro 16.73), followed by the IT sector (average of Euro 16.50) and metal and electronics manufacturing (Euro 14.99), with transport and telecom (Euro 12.59) and especially retail (Euro 10.33) at the low end of the spectrum. The top of the ranking by industries of wages in domestic firms is somewhat different. Here, IT takes the lead (unweighted average Euro 13.36) followed by finance and call centers (Euro 12.46), but metal and electronics manufacturing (Euro 12.01), transport and telecom (Euro 11.45), and retail (Euro 9.31) mutually show the same ranking as concerning MNEs.

Across the seven countries, the highest hourly wages were paid on average in Germany (unweighted average for five industries: Euro 16.13), followed by the UK (Euro 15.47). Belgium, the Netherlands and Finland were quite close, with average wages of Euro 14.92, Euro 14.46 and Euro 14.36 respectively. The Spanish average wage was Euro 8.42, the Polish average wage Euro 5.11. The ranking of MNE wages across countries remains the same, with Germany on top (average of Euro 18.74), followed by the UK (Euro 16.82), Belgium (Euro 16.00), the Netherlands (Euro 15.49), Finland (Euro 15.34), Spain (Euro 9.55) and Poland (Euro 6.42). The same holds for the ranking of wages in domestic firms. In this ranking the averages for the Northwestern European countries are quite near: Euro 14.35 for Germany, Euro 14.11 for the UK, Euro 13.81 for Belgium, Euro 13.75 for the Netherlands, and Euro 13.71 for Finland. The domestic firm average for Spain is Euro 7.75, that for Poland Euro 4.66.

Table 5b shows the ranking of wages by industry per country, as we calculated unweighted averages (=100) *per column* (=country). Regarding the five industries, Belgium and Finland show by far the most flat wage structures by industry, overall and both within the MNE and the domestic firm ranks, with differences between the best and the worst paying industries of about 30%. By industry, Poland has the most dispersed wage structure, with an overall difference of 57%, closely followed by Spain (56%). It is striking that, while the index for Polish MNEs in IT is 169, the same figure for domestic retail in Poland stands at only 64. Within the MNE ranks, the largest wage difference can be traced in Spain, within the ranks of the domestic firms the largest difference pops up in the Netherlands.

Table 5b *Median gross hourly wages by country and industry, unweighted average per column (total) = 100*

	BE	FI	DE	NL	PL	ES	UK
Metal & electronics							
MNE	110	111	127	122	127	125	113
No MNE	95	100	93	97	83	96	91
Finance & call centres							
MNE	117	105	143	121	124	145	113
No MNE	94	88	112	103	95	108	92
Transport & telecom							
MNE	97	95	107	92	113	101	98
No MNE	97	89	81	86	87	89	100
Information Techn.							
MNE	116	130	128	129	169	123	138
No MNE	96	107	97	120	119	103	104
Retail							
MNE	86	92	76	72	95	72	82
No MNE	81	92	67	69	72	64	69

We draw the reader's attention to deviations from the general ranking pattern, all to be allocated in the three higher paying industries. Within the MNE ranks, the IT sector pays on top in four countries: Finland, the Netherlands, Poland (very clearly!), and the UK. Finance and call centers is leading in Belgium and Germany, takes (jointly with metal and electronics manufacturing) the second position in the UK, but ranks only third in Finland, the Netherlands and Poland. In these three countries metal and electronics manufacturing ranks second.

Compared with the rankings of MNE wages, those of the wages in non-MNE firms show some remarkable differences. In Belgium transport and telecom gets the highest ranking, and finance and call centers only the fourth. In Finland the finance and call center industry is ranked lowest, even lower than transport and telecom as well as retail. Among the British domestic sectors, transport and telecom ranks second and metal and electronics manufacturing only fourth. In Germany, the industry rankings are exactly the same for MNEs and non-MNEs, while in the Netherlands, Poland and Spain they show only minor differences.

Table 5c shows the ranking of wages within industries across countries, divided between MNEs and non-MNE firms, based on the calculation of unweighted averages (=100) *per row* (=industry / MNE and non-MNE). Again, we have to emphasize that this wage comparison does not by any means imply a purchasing power comparison.

Within the ranks of the MNEs, in three industries the highest median hourly wages are paid in Germany (in metal and electronics manufacturing, finance and call centres, and transport and telecom), while the UK has the lead in IT and in retail. Among the median wages paid by the domestic firms, German wages again rank on top in metal and electronics manufacturing as well as in finance and call centers, but in transport and telecom the UK wages are highest. In the IT sector Dutch domestic firms show up with the highest wages and in retail this is clearly the case for Finnish domestic firms. In all rankings Spanish wages end up in sixth position and Polish wages in seventh.

Table 5c *Median gross hourly wages by country and industry, unweighted average per row = 100*

	BE	FI	DE	NL	PL	ES	UK
Metal & electronics							
MNE	109	107	137	117	43	70	116
No MNE	118	120	126	117	35	67	117
Finance & call centres							
MNE	121	95	146	110	40	77	111
No MNE	112	101	144	119	39	73	113
Transport & telecom							
MNE	115	109	136	106	46	68	121
No MNE	126	102	103	99	39	66	135
Information Techn.							
MNE	105	113	125	113	52	63	129
No MNE	108	115	117	130	45	65	121
Retail							
MNE	124	128	119	101	47	59	123
No MNE	130	142	107	108	40	58	115

Of course, the three preceding tables already imply a lot of indications about our major issue, the comparison of the levels of wages paid in establishments of MNE versus those in domestic-owned firms. Table 5d comprises core information about this subject: the differences between median gross hourly wages between the two, in percentages of the MNE wages.

Table 5d *Differences between median gross hourly wages in MNEs and non-MNEs, by country and industry*

	BE	FI	DE	NL	PL	ES	UK	Ind. aver. (unw.)
Metal & electronics	13.4%	9.9%	26.5%	20.4%	34.5%	23.5%	19.4%	21.1%
Finance & call centres	26.5%	15.5%	22.0%	14.9%	23.6%	25.2%	19.0%	21.0%
Transport & telecom	0.1%	6.1%	24.2%	6.4%	22.0%	11.8%	-1.5%	9.9%
Information Techn.	17.0%	17.5%	24.3%	6.9%	30.0%	16.7%	24.3%	19.5%
Retail	5.6%	-0.3%	18.8%	3.5%	23.7%	11.2%	15.1%	11.1%
Country average (unw.)	12.5%	9.7%	23.2%	10.4%	26.8%	17.7%	15.3%	16.5%

In these outcomes the wage premium that MNEs pay over domestic firms is nearly everywhere. The only two exceptions are Finnish retail, where median wages in domestic firms are 0.3% higher than in MNEs, and UK transport and telecom, where domestic firms pay 1.5% more.

Across the five industries and seven countries researched the wage premium is highest in metal and electronics manufacturing (an unweighted average of 21.1%), closely followed by finance and call centres (21.0%) and by the IT industry (19.5%). The retail industry follows at quite some distance (11.1%), and the premium is clearly lowest in transport and telecom (9.9%). Thus, the wage premium is considerably smaller in the two low-wage industries.

Again calculating with unweighted averages, Poland shows the largest country differences between MNE and non-MNE wages (26.8%), followed by Germany (23.2%). Three countries, Spain (17.7%), the UK (15.3%) and Belgium (12.5%), make up for the middle group, whereas wage premia are on average smallest in the Netherlands (10.4%) and Finland (9.5%). The largest wage differentials per country and industry can be found in Polish metal and electronics manufacturing (34.5%), followed by IT in Poland (30.0%), metal and electronics in Germany and finance and call centers in Belgium (both 26.5%).

Taking establishment size into account, the wage premium for working in MNEs is still near-dominant, yet on the whole to a lesser extent. Table 5e (next page) shows the wage differences for the three size categories we used, again for the five industries and seven countries. In 77 of 98 possible cases (there are seven empty cells), median gross hourly wages are larger in MNEs while in 21 cases they are larger in non-MNEs. Most exceptions from the 'MNE premium rule' can be found in the medium-sized category (ten), followed by the large establishments with eight and the small establishment category with only three exceptions.

Table 5e Differences between median gross hourly wages of workers in MNE and non-MNE firms, by country, industry and firm size

		BE	FI	DE	NL	PL	ES	UK
Metal & electronics								
Difference MNE-non-MNE	< 100 empl	13.2%	11.2%	19.3%	12.6%	22.4%	12.9%	19.3%
Difference MNE-non-MNE	100-500 empl	0.5%	5.0%	7.7%	5.5%	37.5%	20.8%	7.7%
Difference MNE-non-MNE	> 500 empl	-	-11.6%	9.4%	23.6%	20.0%	28.1%	9.1%
Finance & call centres								
Difference MNE-non-MNE	< 100 empl	11.6%	8.7%	18.0%	14.6%	28.6%	29.5%	-0.3%
Difference MNE-non-MNE	100-500 empl	-	-3.4%	11.6%	5.5%	-10.1%	-3.6%	8.1%
Difference MNE-non-MNE	> 500 empl	-15.4%	37.1%	19.5%	6.3%	4.4%	20.5%	17.2%
Transport & telecom								
Difference MNE-non-MNE	< 100 empl	0.1%	8.3%	25.1%	4.8%	29.2%	26.0%	15.4%
Difference MNE-non-MNE	100-500 empl	3.1%	-7.3%	10.4%	8.0%	2.2%	5.5%	-13.6%
Difference MNE-non-MNE	> 500 empl	-3.5%	-14.7%	21.7%	-0.2%	35.1%	-25.2%	-13.0%
Information Technology								
Difference MNE-non-MNE	< 100 empl	11.6%	8.7%	18.0%	14.6%	28.6%	29.5%	-0.3%
Difference MNE-non-MNE	100-500 empl	-	-3.4%	11.6%	5.5%	-10.1%	-3.6%	8.1%
Difference MNE-non-MNE	> 500 empl	-15.4%	37.1%	19.5%	6.3%	4.4%	20.5%	17.2%
Retail								
Difference MNE-non-MNE	< 100 empl	5.2%	-7.6%	14.6%	0.5%	20.8%	4.9%	15.4%
Difference MNE-non-MNE	100-500 empl	-0.2%	7.0%	11.7%	11.8%	8.1%	35.9%	-4.0%
Difference MNE-non-MNE	> 500 empl	-	-	20.2%	-2.2%	-	-	0.3%

As for countries, Germany does not show any exceptions from the 'MNE premium rule', the Netherlands and Poland show two exceptions, Spain shows three, the UK and Belgium four (but Belgium from 11 instead of 15 cases), and Finland is on top with six exceptions. As for industries, most exceptions (seven) can be found in transport and telecom, among which some considerable ones (a 25% wage gap in favour of Spanish domestic firms with 500 or more employees!). IT shows up with five exceptions, finance and call centers and retail both with four. Metal and electronics manufacturing shows the most consistent picture in favour of MNE wages, with only one exception on the rule.

In our research we gave special attention to the gender pay gap, defined as the difference between the median male and female gross hourly wages (divided by the male wage) at the cost of women. Table 5f (next page) shows that in 22 of 35 cases the gender pay gap is larger in MNEs than in domestic companies. In one case there is no difference and in 12 cases the wage position of women in domestic firms is more disadvantageous. As for industries, the latter is notably so in finance and call centres, in four of seven countries, and in the IT industry as well as in transport and telecom in three of seven countries.

As for countries, in Belgium and Germany three of five industries show a smaller gender pay gap on domestic firms, in Finland and Poland two, in the Netherlands and the UK each one, while in Spain MNEs consistently show a larger gap.

Table 5f Differences between median gross hourly wages of male and female workers in MNE and non-MNE firms, by country and industry

		BE	FI	DE	NL	PL	ES	UK
Metal & electronics								
MNE	difference m-f	18.3%	17.8%	14.3%	19.4%	8.9%	30.5%	23.2%
No MNE	difference m-f	6.6%	8.0%	16.7%	19.4%	1.2%	19.6%	20.3%
	Difference in %-pts	11.7%	9.8%	-2.4%	0.0%	7.7%	10.9%	2.9%
Finance & call c.								
MNE	difference m-f	33.7%	29.1%	18.4%	25.3%	10.9%	34.6%	16.4%
No MNE	difference m-f	27.2%	10.5%	23.8%	30.6%	25.0%	31.6%	17.0%
	Difference in %-pts	6.5%	18.6%	-5.4%	-5.3%	-14.1%	3.0%	-0.6%
Transport & telec.								
MNE	difference m-f	12.3%	3.5%	2.7%	15.2%	-3.5%	23.7%	8.3%
No MNE	difference m-f	21.7%	7.4%	1.0%	5.3%	0.0%	17.5%	4.9%
	Difference in %-pts	-9.4%	-3.9%	1.7%	9.9%	-3.5%	6.2%	3.4%
Information Techn.								
MNE	difference m-f	-11.1%	8.8%	14.4%	17.7%	36.5%	24.5%	22.4%
No MNE	difference m-f	2.9%	10.7%	22.4%	17.1%	33.3%	15.7%	8.5%
	Difference in %-pts	-14.0%	-1.9%	-8.0%	0.6%	3.2%	8.8%	13.9%
Retail								
MNE	difference m-f	1.1%	12.7%	16.1%	22.2%	36.0%	17.6%	23.8%
No MNE	difference m-f	12.6%	-0.9%	14.8%	15.4%	29.7%	8.6%	13.8%
	Difference in %-pts	-11.5%	13.6%	1.3%	6.8%	6.3%	9.0%	10.0%

In our final and analytical report (No. 8) we report on the outcomes of regression analyses that we carried out to have control for the influence of five factors, as far as they have been included in the *WageIndicator* questionnaire. These factors are, besides firm size and gender: working hours, work experience, and education.

4.2 Overtime compensation

Table 6 (next page) shows an overview for the differences between the percentages of workers receiving overtime compensation and working usually more hours than agreed in MNE and non-MNE firms, by country and industry, expressed in %-points.

In a large majority of cases, 25 out of 35, a lower share of workers receive overtime compensation in MNEs than their colleagues in domestic firms do. In one case MNEs and non-MNEs are at par, in nine cases workers in non-MNEs receive less frequently overtime compensation. In the transport and telecom sector MNEs pay less frequently overtime compensation in all seven countries. In metal and electronics manufacturing this is the case in six countries (the exception being Poland), in retail in five countries, in IT in four, and only in finance and call centers in a minority of cases i.e. in three countries.

As for countries, in the Netherlands and the UK MNEs consistently pay less frequently overtime compensation, in Germany and Spain this is so in four industries, in Belgium in three, and in Finland and Poland in a minority i.e. in only two industries.

Table 6 *Differences between percentage of workers receiving overtime compensation and working usually more hours than agreed in MNE and non-MNE firms (%-points), by country and industry*

		BE	FI	DE	NL	PL	ES	UK
Metal & electronics								
Receiving overtime compensation	difference MNE-non-MNE	-6%	-7%	-12%	-17%	5%	-12%	-6%
Usual more hours than agreed	difference MNE-non-MNE	3%	9%	4%	8%	27%	4%	5%
Finance & call c.								
Receiving overtime compensation	difference MNE-non-MNE	3%	6%	0%	-6%	10%	-3%	-3%
Usual more hours than agreed	difference MNE-non-MNE	17%	6%	5%	9%	-3%	1%	16%
Transport & telec.								
Receiving overtime compensation	difference MNE-non-MNE	-5%	-13%	-10%	-9%	-10%	-4%	-13%
Usual more hours than agreed	difference MNE-non-MNE	6%	2%	3%	6%	-1%	-16%	8%
Information Techn.								
Receiving overtime compensation	difference MNE-non-MNE	5%	7%	-1%	-2%	1%	-2%	-1%
Usual more hours than agreed	difference MNE-non-MNE	4%	4%	10%	5%	-2%	9%	12%
Retail								
Receiving overtime compensation	difference MNE-non-MNE	-10%	19%	-1%	-10%	-12%	4%	-4%
Usual more hours than agreed	difference MNE-non-MNE	14%	5%	12%	10%	-4%	1%	9%

On the other hand, usually working more hours than agreed, that is working overtime, is considerably more widespread in MNEs than in domestic firms. We found this in 30 of 35 cases, with two exceptions in transport and telecom and one each in finance and call centers, IT, and retail. If we confront these findings with those on receiving overtime compensation, it means that the MNE wage premium calculated over *weekly* or *monthly* wages for considerable groups of workers in MNE establishments may be smaller than that presented earlier for *hourly* wages. This holds if the difference between the percentages receiving overtime compensation is less than that between the percentages working overtime. We found this for 26 of 35 cases. Exceptions are for example Spanish transport and telecom, where workers in MNEs received 4% less overtime compensation but worked 16% less overtime, and Belgian IT, where workers in MNEs received 5% more overtime compensation and worked 4% more overtime. Combination of the results concerning overtime pay and hours worked the largest differences between hourly and weekly/monthly wages show the largest differences for the retail industry. We calculated that, following this reasoning, in Dutch retail the average weekly differential between MNEs and domestic firms would decrease 2%-points compared to the hourly difference; in Finnish retail the decrease would be 0.8%-pts, and in retailing in Belgium, Germany, Poland, Spain and the UK 0.2-0.3%-pts.

4.3 Performance-based pay

Table 7 shows an overview for the differences between the percentages of workers receiving performance-based pay in MNE and non-MNE firms, by country and industry, expressed in %-points. The table shows that in 90% of the cases (27 of 30) the incidence of performance-based pay is higher in MNEs than in domestic firms. Exceptions are the Finnish and German finance and call centers as well as Finnish IT.

Table 7 *Differences between percentage of workers receiving performance-based pay in MNE and non-MNE firms (%-points), by country and industry*

		BE	FI	DE	NL	PL	ES	UK
Metal & electronics								
receiving perform.-based pay	difference MNE-non-MNE	9%	4%	7%	6%	-	3%	3%
Finance & call c.								
receiving perform.-based pay	difference MNE-non-MNE	11%	-15%	-7%	8%	-	6%	3%
Transport & telec.								
receiving perform.-based pay	difference MNE-non-MNE	1%	2%	3%	1%	-	8%	3%
Information Techn.								
receiving perform.-based pay	difference MNE-non-MNE	11%	-2%	2%	6%	-	1%	0%
Retail								
receiving perform.-based pay	difference MNE-non-MNE	3%	3%	6%	6%	-	14%	3%

5 Job quality and working conditions

In the industry reports we have treated six issues under this heading: working in dangerous conditions; the incidence of work-related stress; whether the job level matches the educational level of the worker; internal promotion (opportunities for careering); the incidence of reorganizations, and finally job satisfaction and job security. In this comparative report we will leave out working in dangerous conditions; job and educational level, and job security, because our data on these subjects only covers three or four of seven countries.

Concerning the incidence of work-related stress, we have got information for five countries: Belgium, Germany, the Netherlands, Poland, and Spain. Table 8 (next page) shows the differences between scores on the four indicators of perceived work-stress we used, in MNE and non-MNE firms by country and industry. We indicate the differences in %-points. The reader should keep in mind that a negative sign indicates a lower stress level in MNEs and a higher in non-MNES.

Table 8 Differences between scores on work-stress related issues in MNE and non-MNE firms (%-points), by country and industry

		BE	FI	DE	NL	PL	ES	UK
Metal & electronics								
Finds job stressful	difference MNE-non-MNE	0.1	-	0	0.1	0	0	-
Work physically exhausting	difference MNE-non-MNE	0	-	-0.2	-0.3	0.1	-0.3	-
Work mentally exhausting	difference MNE-non-MNE	0	-	0	-0.1	0.2	-0.2	-
Finds job boring	difference MNE-non-MNE	0	-	0	0	0.1	0.1	-
Finance & call centres								
Finds job stressful	difference MNE-non-MNE	0	-	0	0	-0.1	-0.1	-
Work physically exhausting	difference MNE-non-MNE	0.1	-	0.1	0.1	-0.2	-0.1	-
Work mentally exhausting	difference MNE-non-MNE	0	-	1.0	0.2	-0.3	0.1	-
Finds job boring	difference MNE-non-MNE	0	-	1.0	0.2	0.3	0.3	-
Transport & telecom								
Finds job stressful	difference MNE-non-MNE	0	-	-0.2	0.2	0	-0.3	-
Work physically exhausting	difference MNE-non-MNE	-0.3	-	-0.8	-0.1	-0.3	-0.2	-
Work mentally exhausting	difference MNE-non-MNE	0.1	-	0.4	0	0	0	-
Finds job boring	difference MNE-non-MNE	-0.1	-	-0.1	-0.1	0.1	-0.1	-
Information Technology								
Finds job stressful	difference MNE-non-MNE	0.1	-	0	0.1	0.2	0.2	-
Work physically exhausting	difference MNE-non-MNE	-0.1	-	2.0	0.1	-0.1	0.1	-
Work mentally exhausting	difference MNE-non-MNE	0	-	1.0	0.1	0.1	0	-
Finds job boring	difference MNE-non-MNE	0	-	1.5	0	0.3	0.1	-
Retail								
Finds job stressful	difference MNE-non-MNE	0.2	-	0.2	0.3	0	0.2	-
Work physically exhausting	difference MNE-non-MNE	0	-	0	0.1	0.2	0	-
Work mentally exhausting	difference MNE-non-MNE	0.2	-	0.1	0.2	0.1	-0.1	-
Finds job boring	difference MNE-non-MNE	-0.1	-	0	0	0.2	-0.1	-

First it has to be noted that the differences are mostly quite small, or non-existing: a '0' indicating no difference pops up in 30 of 100 cases. Substantial differences can mainly be found for Germany, notably in transport and telecom and IT. The outcomes concerning three indicators, 'finds job stressful', 'work mentally exhausting' and 'finds job boring', point in the direction of higher stress levels in MNEs, though not very convincing. Out of 25 cases, 'finds job stressful' gives 11 times a higher level for MNEs, 4 times a lower level and 10 times no difference. For 'work mentally exhausting' these figures are 13, 4 and 8 respectively, and for 'finds job boring' 11, 6 and 8. Especially the 'finds job boring' outcomes are rather industry-specific: note for example that in four of five cases in finance and call centres the perceived stress-levels are higher in MNEs, while in four cases in transport and telecom they are lower. The outcomes for the fourth indicator, 'Work physically exhausting', slightly point at higher stress levels in domestic firms, with respectively 9 times a higher score in MNEs, 12 times in non-MNEs, and 8 times no difference. In transport and telecom physically exhausting work consistently scores higher in domestic firms, while in retail the results are indifferent or indicate a higher perceived level in MNEs.

As for countries, Spain shows the most outcomes with higher perceived work-stress in domestic firms (9 times), while for Poland (5 times, of which three in finance and call centres), Belgium (4), Germany (4, of which three in transport and telecom) and the Netherlands (4) these figures are considerably lower.

The second job quality issue we treat here concerns internal promotion. Table 9 provides the differences in percentages of workers reporting to have been promoted in the current firm, in MNE and non-MNE firms by country and industry. Again, all differences are indicated in %-points.

Table 9 *Differences in percentages of workers reporting to have been promoted in the current firm, in MNE and non-MNE firms (%-points), by country and industry*

		BE	FI	DE	NL	PL	ES	UK
Metal & electronics								
Has been promoted in current firm	difference MNE-non-MNE	17%	9%	10%	11%	-5%	2%	9%
Finance & call c.								
Has been promoted in current firm	difference MNE-non-MNE	17%	14%	9%	13%	11%	9%	15%
Transport & telec.								
Has been promoted in current firm	difference MNE-non-MNE	15%	-5%	13%	12%	3%	18%	7%
Information Techn.								
Has been promoted in current firm	difference MNE-non-MNE	14%	11%	14%	12%	9%	5%	19%
Retail								
Has been promoted in current firm	difference MNE-non-MNE	14%	4%	18%	8%	2%	4%	12%

The evidence is clearly and nearly univocally that the share of those reporting to have been promoted is higher in MNEs than in non-MNEs. There are only two exceptions on this rule in 35 cases: Polish metal and electronics manufacturing and Finnish transport and telecom. As for industries, the largest differences between the outcomes for MNEs and non-MNEs can be traced in finance and call centers (unweighted average 12.6%-points), followed by IT (12.0%-pts), transport and telecom (9.0), retail (8.9), and metal and electronics (7.6).

As for countries, the largest differences between MNEs and non-MNEs show up for Belgium (unweighted average 15.4%-points), followed by the UK (12.4), Germany (12.8), the Netherlands (11.2), Spain (7.6), and Finland (6.6). With 4.0%-points, the difference is clearly smallest for Poland.

The third job quality issue regards experiences with the incidence of reorganizations and respondents' expectations in this field. Table 10 (next page) exposes, in %-points, the differences between percentages of respondents reporting that organisations faced (at least one) reorganisation in the previous year, and percentages reporting to expect a reorganisation in the next 12 months, in MNE and non-MNE firms, by country and industry. Unfortunately we have got data on these subjects for only five respectively four countries.

Table 10 *Differences between percentages reporting that organization faced reorganisation, and percentages reporting to expect a reorganisation in the next 12 months, in MNE and non-MNE firms (%-points), by country and industry*

		BE	FI	DE	NL	PL	ES	UK
Metal & electronics								
Organisation faced reorganisation	difference MNE-non-MNE	15%	-	14%	12%	30%	-	12%
Reorganization expected in 12 m.	difference MNE-non-MNE	16%	-	18%	-	5%	-	8%
Finance & call c.								
Organisation faced reorganisation	difference MNE-non-MNE	15%	-	11%	20%	12%	-	9%
Reorganization expected in 12 m.	difference MNE-non-MNE	19%	-	15%	-	3%	-	7%
Transport & telec.								
Organisation faced reorganisation	difference MNE-non-MNE	0%	-	21%	9%	8%	-	10%
Reorganization expected in 12 m.	difference MNE-non-MNE	3%	-	26%	-	2%	-	13%
Information Techn.								
Organisation faced reorganisation	difference MNE-non-MNE	12%	-	18%	17%	21%	-	22%
Reorganization expected in 12 m.	difference MNE-non-MNE	13%	-	21%	-	6%	-	17%
Retail								
Organisation faced reorganisation	difference MNE-non-MNE	0%	-	8%	4%	-6%	-	10%
Reorganization expected in 12 m.	difference MNE-non-MNE	17%	-	9%	-	6%	-	13%

Concerning the first issue, experienced reorganizations, the evidence is again clear and near-univocal: workers in MNEs report more often than their colleagues in domestic firms that ‘their’ organisation faced reorganisation in the previous year. The only exception in 25 cases is retail in Poland. Moreover, in Belgium transport and telecom and retail show no difference in this respect between MNEs and non-MNEs. As for industries, the largest differences between the outcomes for both categories can be found in the IT industry (unweighted average 18.0%-points), followed by metal and electronics manufacturing (16.6%-pts) and finance and call centers (13.4), whereas the differences are much smaller in transport and telecom (9.6) and especially in retail (3.2). Germany seems to be the most ‘reorganisation-prone’ country (unweighted average 14.4%-points), but the differences with Poland (13.3), the UK (12.6) and the Netherlands (12.4) remain rather small; only Belgium (8.4) scores substantially lower.

Concerning the second issue, expected reorganizations, the evidence –be it here from four countries— is totally univocal: in all 20 cases workers in MNEs report more to expect a reorganisation in the next 12 months than those working in domestic firms. The differences in outcomes hardly differ across industries: IT scores an unweighted average of 14.3%-points, metal and electronics 11.8, retail 11.3, and finance and call centers as well as transport and telecom both 11.0. As for countries the differences are larger, with Germany on top

(unweighted average: 17.8%-points), followed by Belgium (13.6), the UK (11.6), and Poland (4.4).

Of course, it is quite interesting to confront the outcomes concerning experienced and expected reorganisations. The results of this exercise turn out to be rather country-specific. In all five Belgian and German industries the differences in expectations are higher than those in experienced reorganisations. Thus, in these countries especially MNE workers are expecting reorganisations to a considerable degree. In Poland this works, except for retail, the other way round, as it does in the UK except for transport and telecom and telecom and retail.

Our last issue related to job quality concerns job satisfaction. Table 11 shows, again in %-points, the differences between the scores on job satisfaction in MNE and non-MNE firms, by country and industry. With the smallest majority of cases, 18 of 35, satisfaction scores for MNEs are higher, though in most cases the margins remain small. Six times non-MNEs show a higher score, and the results are at par in 11 cases. Metal and electronics manufacturing shows the highest scores for MNEs, followed by transport and telecom, retail, finance and call centers, and finally IT. As for countries, MNEs in Spain show the highest scores, and those in Finland and Poland the lowest outcomes.

Table 11 *Differences between scores on job satisfaction, ranging from 1=Not satisfied to 5=Satisfied, in MNE and non-MNE firms (%-points), by country and industry*

		BE	FI	DE	NL	PL	ES	UK
Metal & electronics								
Satisfaction with job	difference MNE-non-MNE	0.1	0.2	0.1	0.1	-0.1	0.2	0.1
Finance & call c.								
Satisfaction with job	difference MNE-non-MNE	0	-0.1	0	0.1	0.1	0	0
Transport & telecom								
Satisfaction with job	difference MNE-non-MNE	0.1	0	0.2	0.1	-0.1	0.4	0.1
Information Techn.								
Satisfaction with job	difference MNE-non-MNE	0	-0.1	0	-0.1	0.2	0.2	0
Retail								
Satisfaction with job	difference MNE-non-MNE	0	0.2	0.1	0	0	0.1	-0.1

6 Working hours

We limit ourselves in this comparative section to the one of the three issues treated under this heading in the industry chapters: the length of the working week. In section 4.2 we have already treated the incidence of overtime in relation with overtime compensation. We leave out the incidence of irregular hours because on this issue we can only use data from four countries as to divide between MNEs and non-MNEs. Table 12 (next page) projects in first

rows per industry, in %-points, the differences between percentages of workers usually working over 40 hours / week in MNE and non-MNE firms, by country and industry; in second rows it does so, in hours, with the differences between average usual working hours/ week in MNE and non-MNE firms.

Table 12 *Differences between percentages of workers usually working over 40 hours / week (%-points) and between average usual working hours/ week (hours) in MNE and non-MNE firms, by country and industry*

		BE	FI	DE	NL	PL	ES
Metal & electronics							
usual working hours > 40	difference MNE-non-MNE	7%	3%	3%	5%	11%	-2%
aver. usual working hrs	difference MNE-non-MNE	2.3	-1.2	0.8	1.1	0.6	0.2
Finance & call centres							
usual working hours > 40	difference MNE-non-MNE	9%	7%	13%	12%	5%	1%
aver. usual working hrs	difference MNE-non-MNE	1.7	1.5	2.4	4.0	1.8	-0.3
Transport & telecom							
usual working hours > 40	difference MNE-non-MNE	2%	4%	-3%	4%	10%	-10%
aver. usual working hrs	difference MNE-non-MNE	-0.4	-0.2	-2.1	1.6	0.1	0
Information Techn.							
usual working hours > 40	difference MNE-non-MNE	5%	2%	9%	7%	3%	9%
aver. usual working hrs	difference MNE-non-MNE	0.6	0.7	1.6	1.3	1.3	0.6
Retail							
usual working hours > 40	difference MNE-non-MNE	3%	-1%	6%	4%	-16%	-9%
aver. usual working hrs	difference MNE-non-MNE	1.5	0.7	1.6	2.7	-1.1	-2.1

The table indicates that in a large majority of cases MNEs show both a larger share of workers usually working over 40 hours per week and a longer average usual working week. Along both yardsticks there are eight exceptions to this rule in 35 cases, though they do not run fully parallel per country and industry. Concerning the share of those working long hours, retail shows most exceptions (four), followed by metal and electronics and by transport and telecom (both two). The figure for retail in Poland is remarkable, indicating a 16%-points lower share of workers with long hours in MNEs, and a working week on average 1.1 shorter in MNEs. Spanish retail figures go in the same direction.

Regarding the incidence of long hours, the difference between MNEs and non-MNEs is largest in finance and call centers (unweighted average 8.9%-points), followed by the IT sector (6.6%pts), metal and electronics (3.6), and transport and telecom (1.1). Retail shows the reverse outcome, with an incidence of long hours 2.0%-pts more in non-MNEs. Finance and call centers and IT do not show any country exceptions to the 'larger share of long hours in MNEs' rule. As for countries, the Netherlands pops up with the largest difference (unweighted average 6.6%-points), followed by Belgium and Germany (both 5.6%-pts), while Spain shows the reverse pattern with a 2.2%-pts larger incidence in domestic firms.

As indicated, the picture regarding the average usual working week shows a strong resemblance to the above, though transport and telecom has most exceptions (three) to the

rule that the working week is longer in MNEs. Transport and telecom is also the only industry across the seven countries showing a somewhat shorter working week in MNEs (unweighted average 0.1% hours less). In the other industries the seven-country working week average is clearly higher, till on average 1.1 hours in IT and 2.0 hours in finance and call centers. As for countries, the Netherlands again is on top with an average working week 2.1 hours longer in MNEs than in domestic firms, followed this time by Belgium and the UK, both with a 1.2 hours' longer week in MNEs. Again too, Spain shows the reverse picture, with a working week on average 0.4 hours shorter in MNEs.

7 Training

We limit our comparative treatment of training to the incidence and the duration of employer-paid or provided training, and leave out the other two issues treated in the industry chapters: the incidence and duration of self-paid training and the assessment of the importance that the respondents attach to training. Table 13 shows the differences between incidence (in %-points) and duration (in number of days) of employer-received training, in MNE and non-MNE firms by country and industry for six countries (The relevant question was not included in the Finnish questionnaire).

Table 13 *Differences between incidence and duration of employer-received training, in MNE and non-MNE firms by country and industry*

		BE	FI	DE	NL	PL	ES	UK
Metal & electronics								
Received training from employer	difference MNE-non-MNE (%-points)	24%	-	27%	16%	22%	20%	17%
No of days received from employer in last year	difference MNE-non-MNE	2.3	-	2.1	1.7	3.9	2.2	1.5
Finance & call centres								
Received training from employer	difference MNE-non-MNE (%-points)	6%	-	5%	10%	12%	16%	14%
No of days received from employer in last year	difference MNE-non-MNE	2.1	-	0.4	1.9	1.2	2.2	1.0
Transport & telecom								
Received training from employer	difference MNE-non-MNE (%-points)	8%	-	22%	11%	20%	20%	12%
No of days received from employer in last year	difference MNE-non-MNE	-0.1	-	1.9	1.1	5.3	5.0	5.4
Information Techn.								
Received training from employer	difference MNE-non-MNE (%-points)	7%	-	23%	13%	12%	27%	15%
No of days received from employer in last year	difference MNE-non-MNE	1.3	-	2.4	2.2	1.5	0.6	0.6
Retail								
Received training from employer	difference MNE-non-MNE (%-points)	31%	-	12%	17%	30%	27%	15%
No of days received from employer in last year	difference MNE-non-MNE	3.6	-	1.3	1.8	1.4	3.6	4.8

From the table it clearly emerges that both the incidence and the duration of employer-received training is higher in MNEs than in non-MNEs. Belgian transport and telecom is the only exception, with the number of training days received a tiny bit shorter in MNEs, but in all other 59 cases the advantage is univocally with those working in MNEs. Moreover, these advantages are substantial, especially concerning the incidence of employer-received training.

As for industries, the difference in the incidence of training in favour of MNEs is largest in the retail industry (unweighted average 22.0%-points), followed by metal and electronics manufacturing (21%-pts), IT (16.2), transport and telecom (15.5), with finance and call centres (10.5) at the bottom. Yet, the ranking changes if we compare the differences in the duration of training. Then, transport and telecom is on top, with 3.1 days in favour of MNEs, followed by retail (2.8 days), metal and electronics (2.3), and finance and call centers and the IT industry (both 1.5). Combining both yardsticks, retail comes first.

As for countries, Spain takes the first position, followed by Poland. In Spain, MNEs provide training for on average (unweighted) 21.0%-points more workers than domestic firms, with on average 2.7 hours more; for Poland these figures are 19.2%-pts respectively also 2.7 days. The Northwestern European countries remain at some distance: Germany with 17.8%-pts difference and 1.6 days more, Belgium with 15.2%-pts and 1.8 days, the UK with 14.6%-pts and (a high score of) 2.6 days, and finally the Netherlands with 13.4%-pts and 1.7 days more.

8 Industrial relations

In this last section we return to the three core issues in industrial relations we reported about per industry: the incidence of trade union membership (union density); collective bargaining coverage, and the incidence of workplace employee representation. Table 14 (next page) shows the differences between percentages of scores on these three issues in MNE and non-MNE firms by country and industry, all expressed in %-points. The reader should take notice that the data on union density regard the seven countries, those on collective bargaining coverage five countries (excl. Finland and Poland), and those on employee representation six countries (excl. Finland).

Table 14 Differences between percentages being member of a trade union covered by a collective agreement, with employee representation, in MNE and non-MNE firms by country and industry

		BE	FI	DE	NL	PL	ES	UK
Metal & electronics								
Member of trade union	difference MNE-non-MNE	-1%	3%	7%	-1%	1%	1%	8%
Covered by collective agreement	difference MNE-non-MNE	17%	-	35%	-6%	-	17%	15%
Employee representation	difference MNE-non-MNE	33%	-	43%	40%	8%	23%	22%
Finance & call centres								
Member of trade union	difference MNE-non-MNE	-4%	3%	-1%	2%	-1%	2%	4%
Covered by collective agreement	difference MNE-non-MNE	28%	-	8%	20%	-	12%	15%
Employee representation	difference MNE-non-MNE	32%	-	11%	30%	11%	20%	15%
Transport & telecom								
Member of trade union	difference MNE-non-MNE	-13%	-3%	5%	-4%	-6%	1%	-4%
Covered by collective agreement	difference MNE-non-MNE	2%	-	26%	-6%	-	12%	1%
Employee representation	difference MNE-non-MNE	11%	-	35%	22%	-9%	19%	7%
Information Techn.								
Member of trade union	difference MNE-non-MNE	0%	2%	3%	0%	1%	5%	2%
Covered by collective agreement	difference MNE-non-MNE	18%	-	16%	16%	-	17%	-4%
Employee representation	difference MNE-non-MNE	23%	-	40%	38%	-3%	27%	10%
Retail								
Member of trade union	difference MNE-non-MNE	0%	-16%	3%	2%	0%	6%	7%
Covered by collective agreement	difference MNE-non-MNE	36%	-	31%	2%	-	25%	5%
Employee representation	difference MNE-non-MNE	27%	-	31%	32%	4%	37%	15%

Of the three industrial relations issues, the figures on union density are least in favour of workers in MNEs over non-MNEs. In 22 of 35 cases union density is higher in MNEs than in domestic firms, in two cases they are at par and in 11 cases union density is lower in MNEs. These last cases are concentrated in transport and telecom, where in five of seven countries density is higher in domestic firms, sometimes considerably, up to 13%-points in Belgium. In the finance and call centre industry this is the case in three countries, in metal and electronics in two, in retail on one. In three Belgian industries union density is higher in domestic firms; in Finland, the Netherlands and Poland this is the case in two industries, in the UK in one industry.

Collective bargaining coverage shows a more positive picture for workers in MNEs. There are only three exceptions to the rule that coverage is higher in MNEs than in domestic firms: Dutch metal and electronics and Dutch transport and telecom, and IT in the UK. The difference in favour of MNEs is largest in retail (unweighted average 19.8%-points), followed by finance and call centers (16.6%-pts), metal and electronics (15.6), IT (12.6) and transport and telecom (7.0). As for countries, Germany shows the widest difference (unweighted average 23.2%-points), followed by Belgium (20.2), Poland (16.0), the UK (6.4), and the Netherlands (5.2). One should be aware that all these averages do hide widely dispersed outcomes per country and industry.

Of the three issues, concerning workplace employee representation MNEs show the largest advantage for workers compared to domestic firms. In 11 cases this advantage even goes up to 30%-points and more. In only two cases employee representation was more widespread in domestic firms: in Polish transport and telecom and in the Polish IT sector. Regarding industries, metal and electronics has the largest difference in favour of MNEs (unweighted average 28.2%-points), with retail ranking second (24.3%-pts), IT third (24.2), finance and call centers fourth (19.8) and transport and telecom (14.2) last. As for countries, the Netherlands shows the largest average difference (32.4%-points, unweighted), with Germany (32.0) as runner-up, Belgium and Spain both ranking third (each 25.2), and the UK (6.4) and Poland (2.2) clearly in the lower ranks.

Calculated over the three industrial relations issues, IT and retail show the clearest advantages for workers in MNEs, with both only one negative sign and the highest averages. Transport and telecom shows the least advantageous picture, with seven (of 18) negative cases and the lowest averages. Metal and electronics manufacturing and finance and call centres take the middle positions.

Over the three issues, Spain is the only country with only differences in favour of MNEs, followed by Germany with one negative sign. In the Netherlands (4 of 15 negative cases), Poland (4 of 10) and Finland (2 of 5), MNEs show their advantages for workers in industrial relations aspects least clearly. Belgium and the UK take positions in between.

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