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1 General background

The World Day for Decent Work on 7th October offers a unique opportunity to sensitize the international community on crucial issues of Decent Work. Decent Work is defined as productive work for women and men in conditions of freedom, equity, security and human dignity. The origin of Decent Work, as a concept and agenda, goes back to initiatives of the International Labour Organisation (ILO) in 1999 and has since then met with worldwide attention. The dimensions of Decent Work are described as :

- (1) labour standards and fundamental principles and rights at work
- (2) employment opportunities
- (3) social protection
- (4) social dialogue

(ILO 2008)

The ILO emphasises the importance of establishing appropriate indicators to measure Decent Work objectively and evaluate the progress made. Internationally comparable data sets, not only for qualitative indicators (e.g. rights, perceptions, laws and social dialogue) but also quantitative indicators for labour market outcomes (e.g. employment and wages) are needed. These indicators should cover the multidimensional nature of Decent Work and in addition reflect country-specific circumstances and priorities as well.

This constitutes a complicated task and is a problem unsolved until now, as demonstrated by the ongoing discussions on how to define the set of indicators. The problem is still aggravated by the lack of suitable data, not only in developing countries but in some developed countries as well. Furthermore, some changes occur gradually, which makes collection of statistical data over a long period of time necessary.

However, as shown in the table 1, the WageIndicator database can contribute substantially to the evaluation and monitoring of Decent Work on a global level, thanks to the availability of internationally comparable indicators with relevance to the 'decency' of work.

Table 1: Statistical Indicators for Decent Work and indicators in the WageIndicator Database

Decent Work Indicators (ILO)	WageIndicator (35 countries)
<ul style="list-style-type: none"> ▪ Employment Opportunities ▪ Adequate Earnings and productive Work ▪ Decent Hours ▪ Stability and security of work ▪ Combining work and family ▪ Equal opportunity and treatment in employment ▪ Safe work environment ▪ Social Security ▪ Social dialogue and workers' representation ▪ Economic and social context of decent work 	<ul style="list-style-type: none"> ▪ Employment (occupations, sectors) ▪ Wages and additional payments ▪ Working hours ▪ Job satisfaction, satisfaction in general ▪ Gender issues and wages ▪ Combining work and family ▪ Working conditions ▪ Education, vocational training and training on the job ▪ Collective bargaining, workers representation and industrial relations ▪ Demographic questions and personal profiles

Source: ILO (2008): "Measurement of Decent Work": tripartite meeting of experts on measurement of decent work, 8-10 Sept. 2008 (TMEMDW/2008)/ILO-Geneva, 2008); www.wageindicator.org

The overview in table 1 makes clear that WageIndicator can provide data regarding several dimensions of Decent Work. At present (2008) WageIndicator is fully operational and/or has websites with an internationally comparable survey in 35 countries worldwide, a survey in which over 200,000 new visitors are presumed to participate each year.

This report is based on 342,000 observations (i.e. valid responses) from employees in 11 countries, contributed between 2006 and the first half of 2008. To a great extent the data is internationally comparable, though some questions are not posed in some countries. For this reason, not all of the 11 countries in this study are displayed in each of the graphs in the sections below. Respondents who never had a job, self-employed, own-account workers, freelancers, or family workers or those working for a family business have been excluded from the analysis mainly due to the (ir)relevance of the questions to their situation.

The analysis focuses on:

- (1) Collective coverage in the selected countries
- (2) Wage stability
- (3) Overtime and compensation
- (4) Physical and mental aspects of working conditions

The outcome in brief:

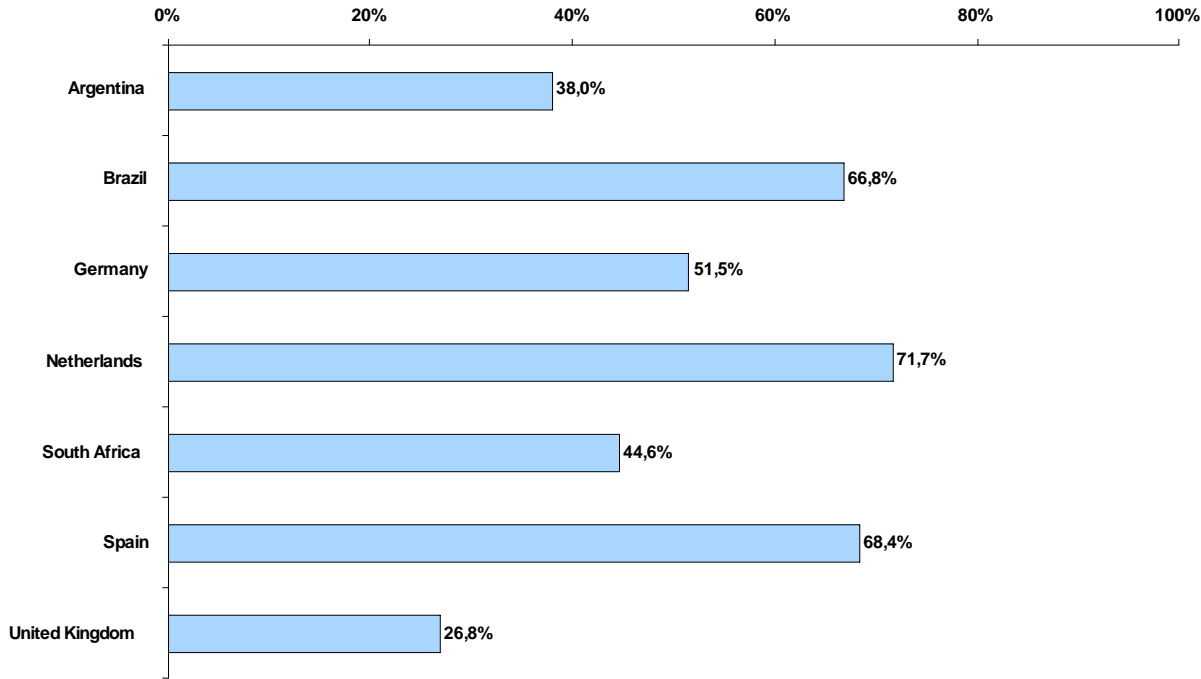
- The crucial issues of decent work concern not only so-called developing countries but developed countries as well.
- Workers with collective bargaining coverage are paid better than those without.
- Employees work more hours than agreed in their contracts and for the majority of workers overtime is not compensated for at all.
- Workers do not find their job very boring.
- Whether the employment contract is permanent or not, has a great effect on the perception of job (in)security.
- Country patterns regarding work related stress (mentally and physically exhausting) show no substantial differences.
- Unhealthy and dangerous working conditions do not seem to play a big role in the perceived job satisfaction.

2 Collective bargaining

Collective bargaining is of major importance for wage setting. In general, bargaining coverage rates vary across countries to a great extent. National and even more so cross-national surveys rarely incorporate questions on collective bargaining coverage, despite its importance for wage setting and working conditions.

The WageIndicator web survey however does have questions on collective bargaining coverage itself, on opinions about collective bargaining coverage, trade union membership, and trade union activities. As shown in the graph 1, the Netherlands has the highest level of coverage, followed by Spain and Brazil. In Germany coverage is relatively low. The lowest rate is found in the United Kingdom.

Graph 1: Is the organisation covered by a collective agreement?

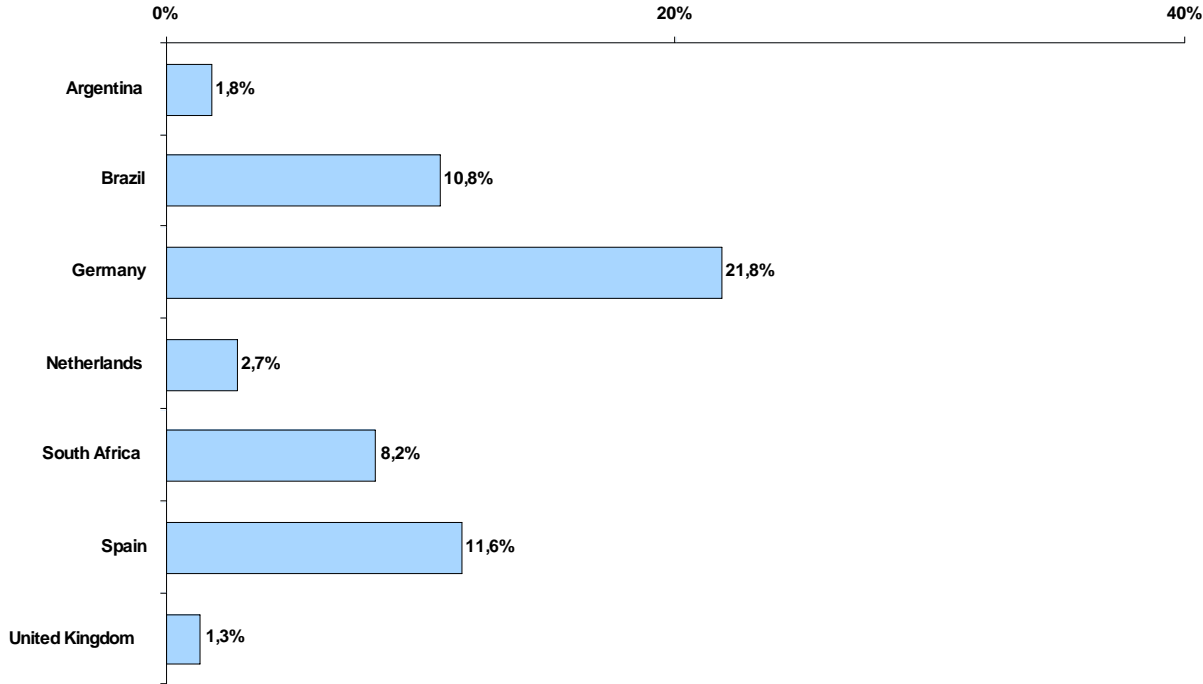


Source: Wage Indicator: 2006-2008, employees only.

Of particular interest is the notion of wage differences and the effects of collective bargaining. Graph 2 shows how much more workers do earn if their organisation is covered by collective bargaining. Apparently in all countries collective bargaining coverage has an impact on wages. The highest effect we observe in Germany, although coverage is pretty low, as shown in graph 1 above.

Graph 2: Collective agreement coverage and wage differences

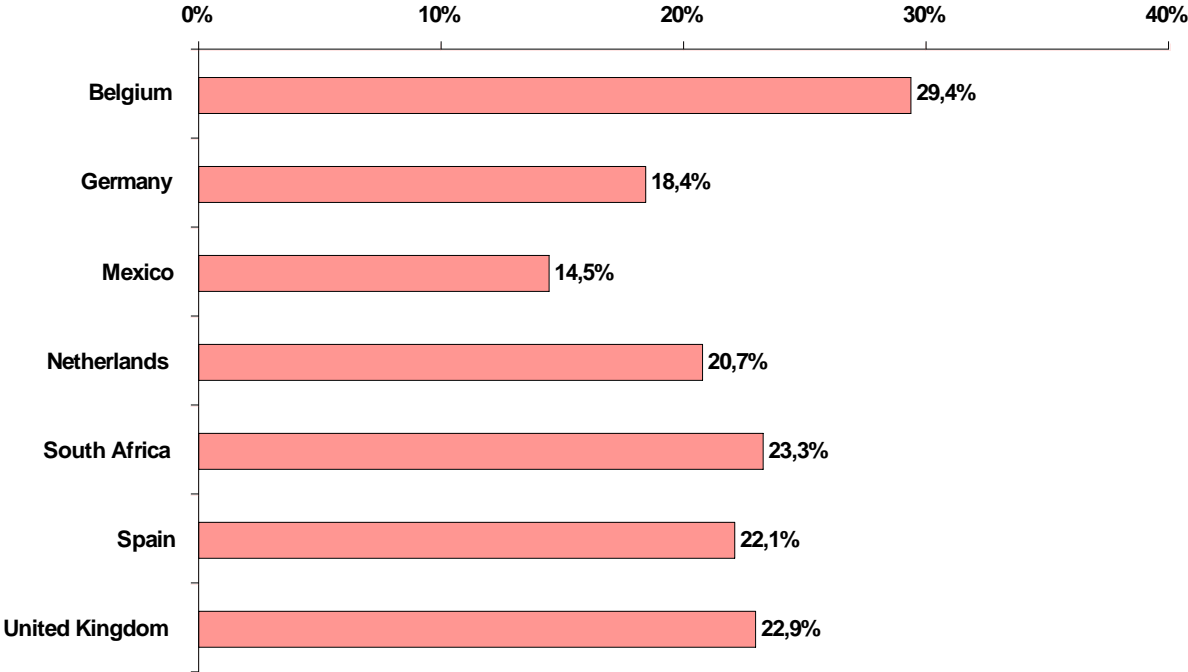
- hourly wages in national currency-



Source: Wage Indicator: 2006-2008, employees only.

Whether employees get their wages on a regular basis at fixed wage levels, or this varies with and depends on some other factors, would have a discernable impact on job satisfaction.

Graph 3: Wage varies from month to month



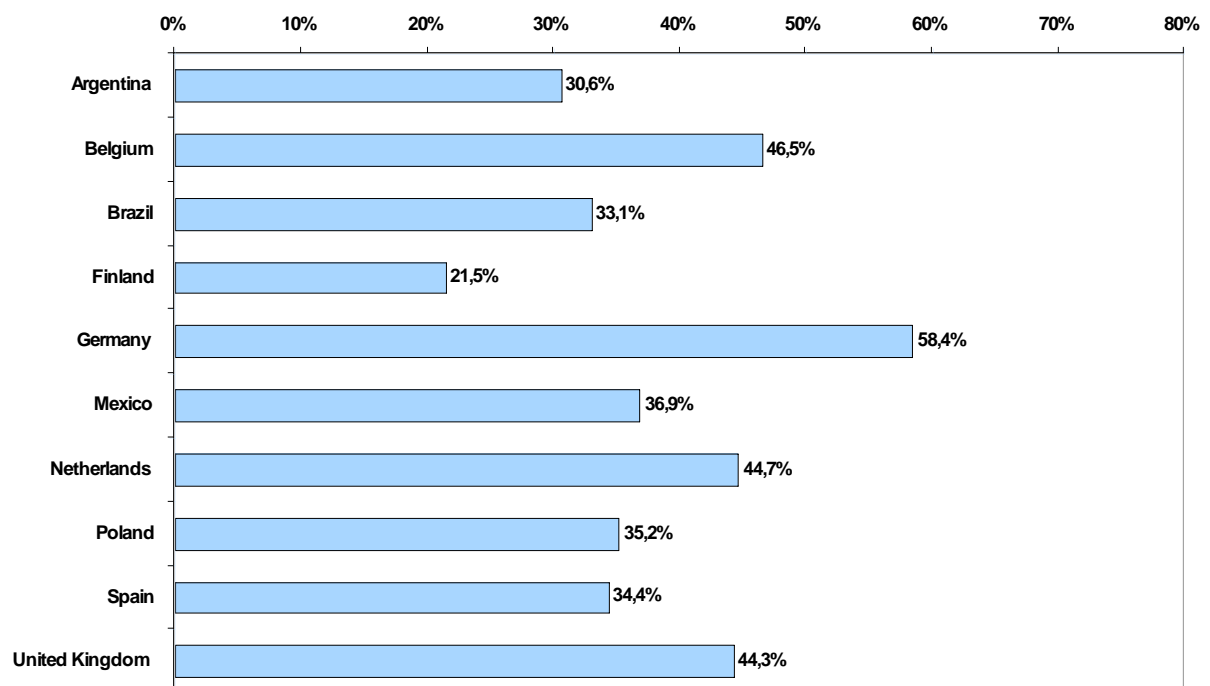
Source: Wage Indicator: 2006-2008, employees only.

The analysis shows that there is relatively high level of wage stability in the countries in question. On average only 1 in 5 asserts that their wages vary from month to month. Low levels we observe in Germany and interestingly enough in Mexico. In Belgium wages can be regarded as of a relatively erratic nature.

3 Working time

Working time is a fundamental element of the employment contract, defined as the period of time during which the worker is bound to carry out his activities or duties. The WageIndicator survey includes several questions with respect to working hours, contractual arrangements and questions related to part-time or full-time issues. 95% of the employees in the WageIndicator sample have indicated their employment contract to include a number of hours agreed with the employer. The first questions answered here are if the working hours agreed in the contract and real working hours differ, if so to which extent and how compensation is provided for.

Graph 4: Works usually the hours agreed by contract: no, I work more hours



Source: Wage Indicator: 2006-2008, employees only.

In Germany, 58,4% of the respondents state that their real working time differs from the contractual one. Similar high levels we observe in Belgium, the Netherlands and UK.

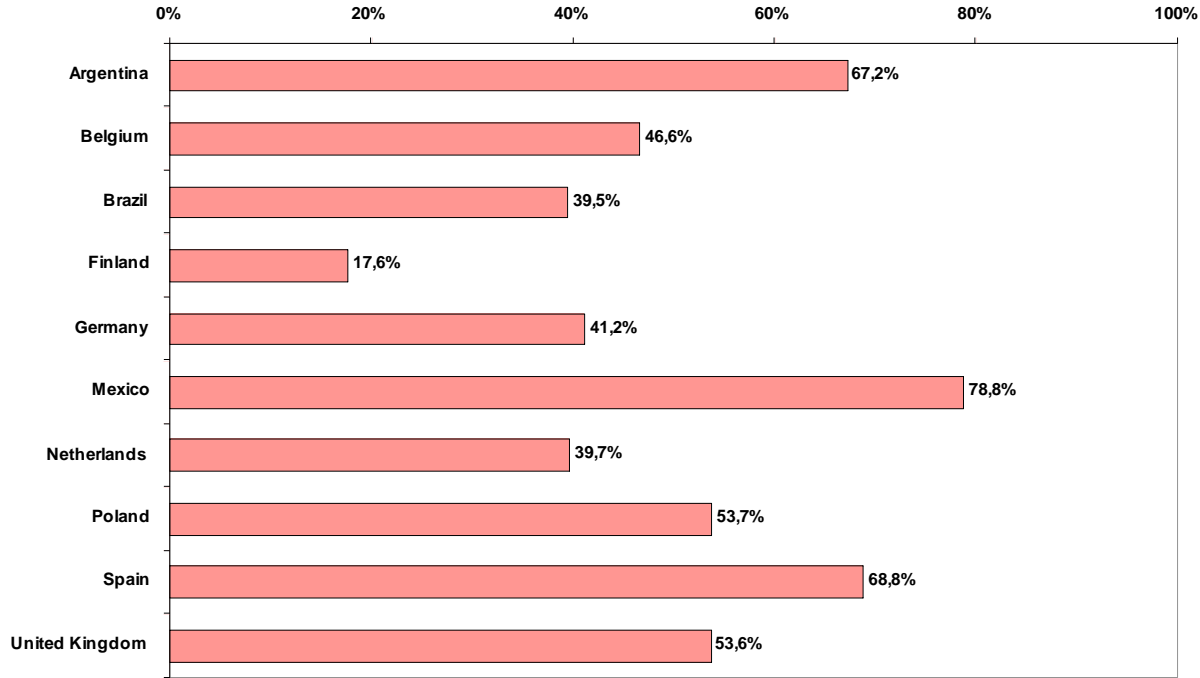
Are those workers paid for their overtime or are they compensated in some other way for the extra hours put in?

The survey question about compensation includes the following answer options:

- overtime paid as normal hours
- normal hours plus overtime premium
- time-off in lieu of overtime hours
- partly paid, partly compensated with time-off in lieu
- not compensated.

Graph 5 shows the percentage of those working overtime whose hours are not compensated at all.

Graph 5: Overtime hours not compensated at all



Source: Wage Indicator: 2006-2008, employees only.

The share of not compensated overtime varies widely, from less than 17,6% in Finland to 39,7% in the Netherlands and over 78,8% in Mexico. Quite likely, this group consists mainly of professionals and the higher managerial layers, whose hourly salaries assume long working hours. But it may also apply to workers at the lower end of the labor market. The WageIndicator data set allows for a differentiated analysis with respect to occupation, sectors and educational groups for more detailed analysis in the future.

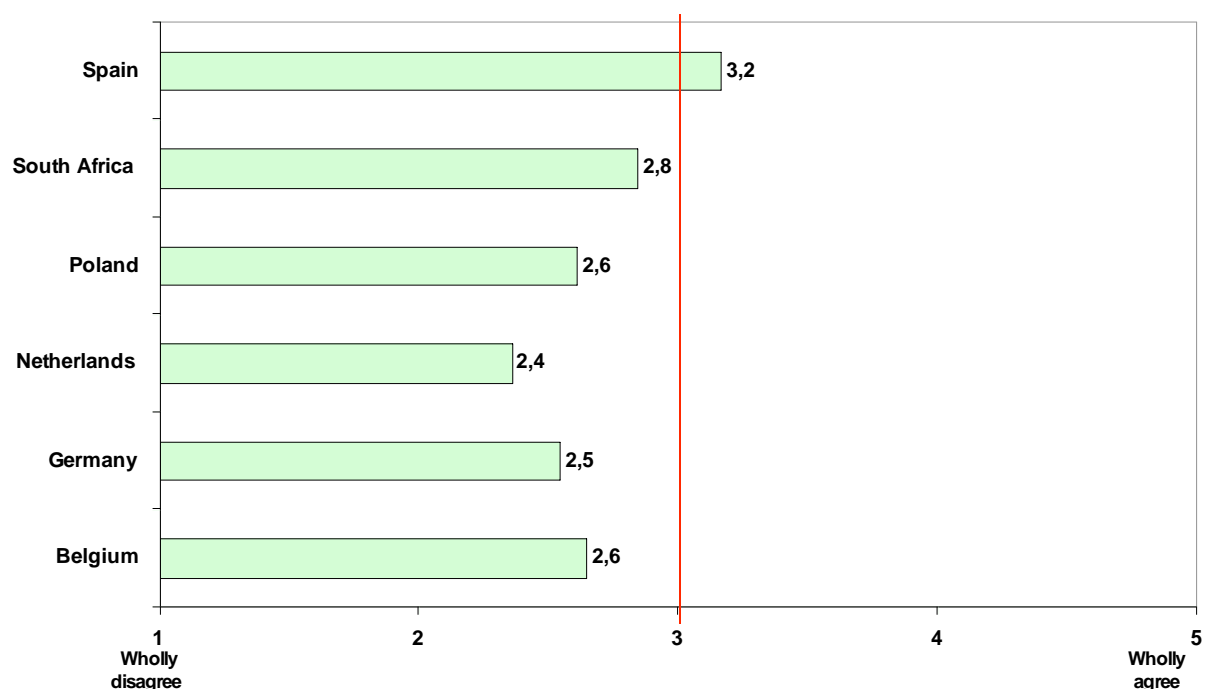
4 Job security

Although from an objective point of view -assuming that a temporary contract equals an insecure job position- job insecurity can be measured using the type of contract as a proxy variable, very little is known about perceived job insecurity. That is, what makes workers feel insecure in their work places? Or, in other words, what makes people worrying about the possibility of losing their jobs? The lack of data and the lack of trust of economists in subjective data explain the lack of research on this issue. Yet, continuous web surveys like WageIndicator make it possible to overcome these difficulties.

Using the WageIndicator data base, the perception of insecurity by workers can be evaluated by incorporating several explanatory factors such as:

- gender; age
- type of activity and occupation
- level of education
- type and duration of contracts
- the effect of family life,
- having a working partner or at least one child living at home, etc.

Graph 6: I worry about my job security

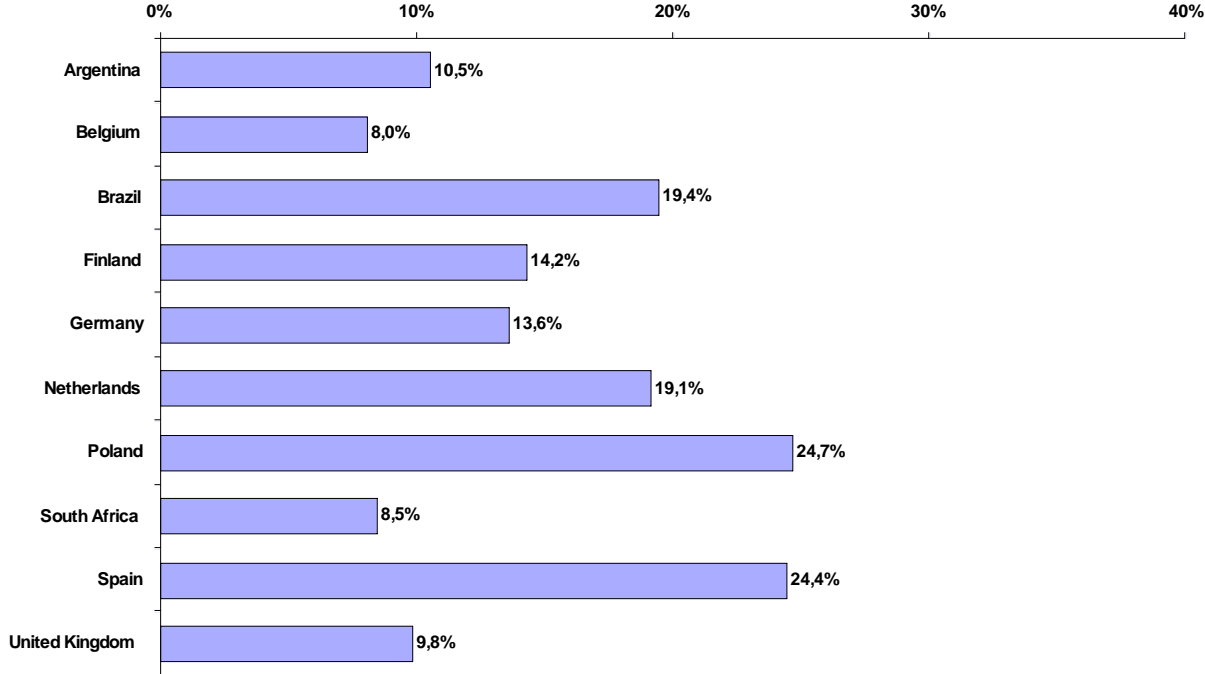


Source: Wage Indicator: 2006-2008, employees only.

As shown in graph 6, employees on average say to be only half sure of their jobs. Job insecurity and reasons behind it are - as indicated above - a multidimensional and controversial issue. With respect to Decent Work, job insecurity should be evaluated by means of several of the indicators which the WageIndicator data set provides.

It is often stated that the occurrence of permanent employment contracts is on the decline. As shown in graph 7 in 10 countries (out of the 11 countries surveyed) on average around 16% of employees do not have a permanent contract.

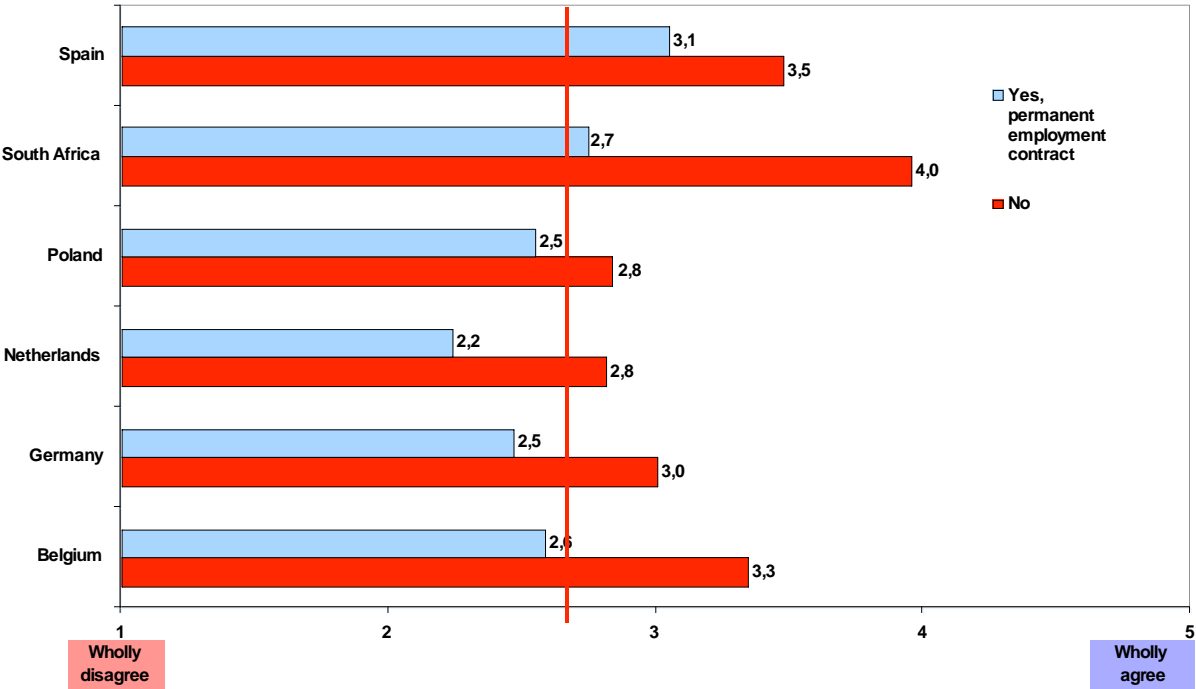
Graph 7: Workers without permanent employment contract



Source: Wage Indicator: 2006-2008, employees only.

Now we can combine the outcomes of graphs 6 and 7 to find out if the type of contract has any effect on the perception of job security.

Graph 8: Worries about my job security and permanent employment contract



Source: Wage Indicator: 2006-2008, employees only.

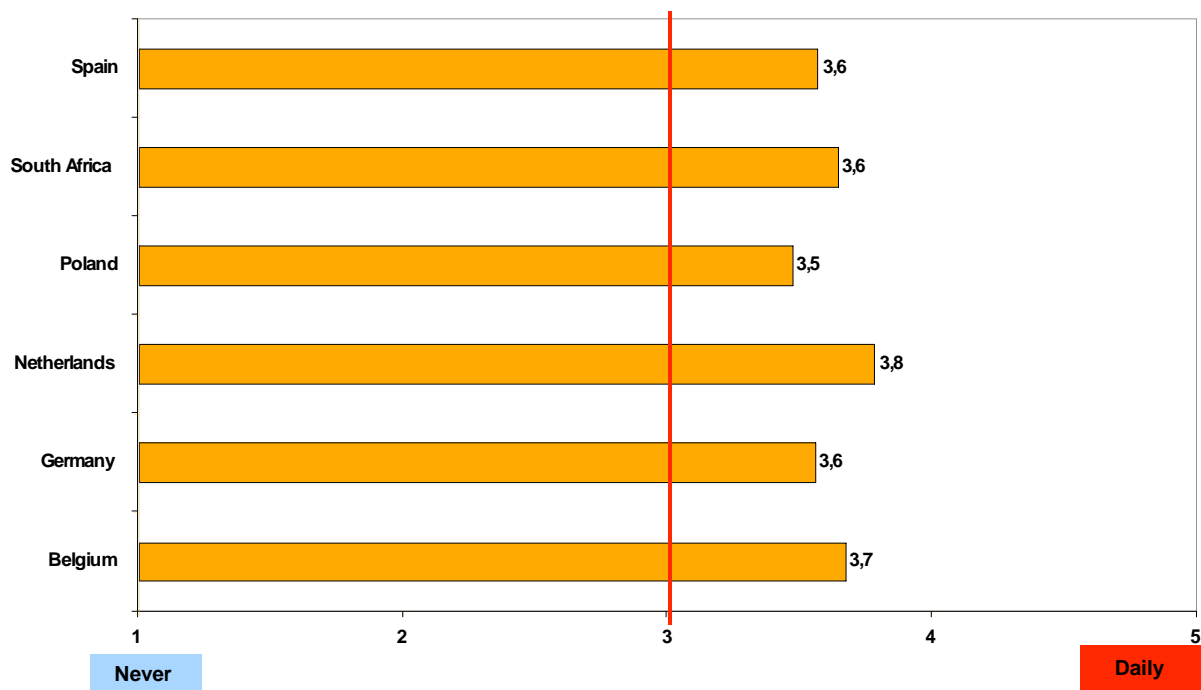
Obviously, there is a significant effect of the type of employment contract on the assesment of job security : in all countries workers without a permanent contract worry more about job security .

5 Work-related stress

Work-related stress can be described as a pattern of reactions occurring when workers are confronted with demands concerning their work that are not matched with their competencies and resources, and with which they have problems to cope. Such imbalances between work (job) demands and his/her competencies and resources, can cause emotional, cognitive, behavioural and physiological reactions. The long-term consequences on the worker in case of prolonged exposure may be serious.

The WageIndicator survey section on the quality of work has a question whether the work is physically and mentally exhausting. These variables are measured on a five-point scale, ranging from 1 = never to 5=daily.

Graph 9: Do you find your job stressful?

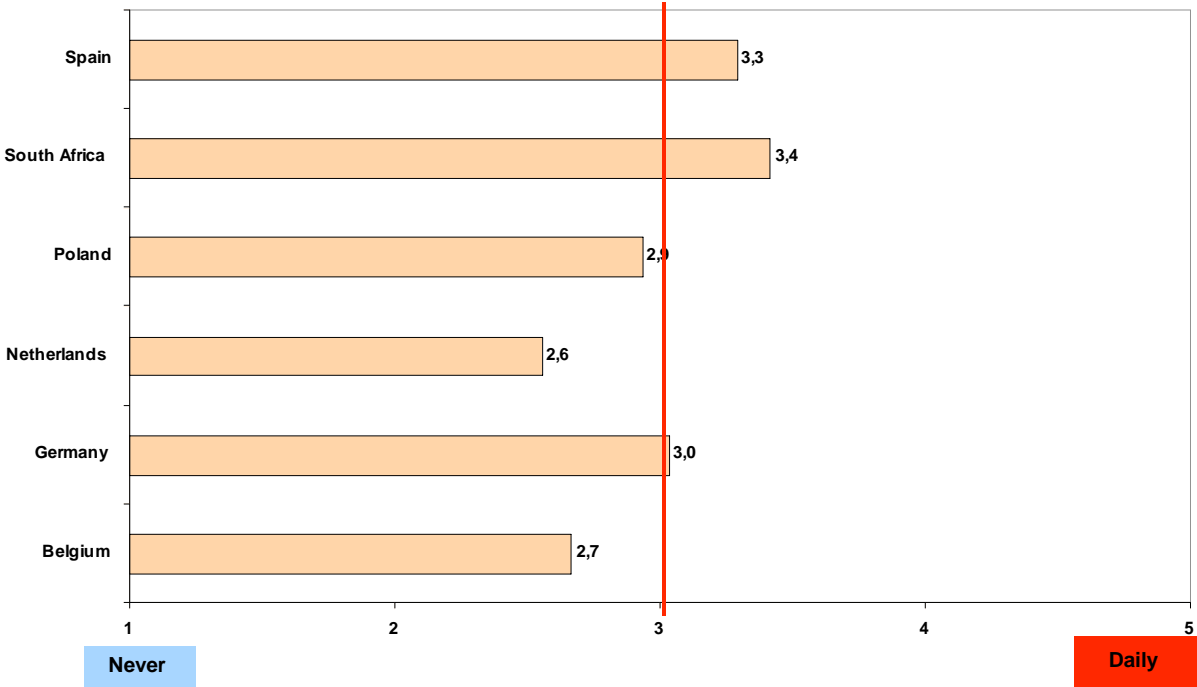


Source: Wage Indicator: 2006-2008, employees only.

In all countries the workers perceive their jobs as stressful. The values do not differ across countries that much.

From the WageIndicator survey some additional questions can be incorporated into the measurement of work-related stress.

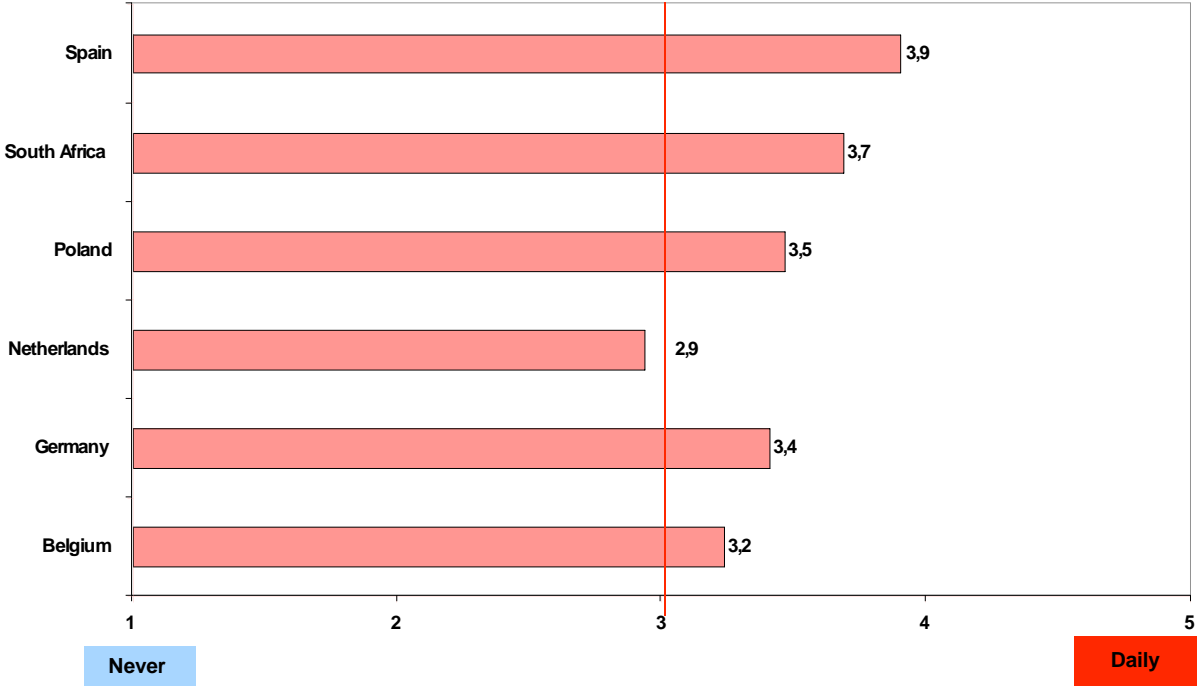
Graph 10: Work physically exhausting



Source: Wage Indicator: 2006-2008, employees only.

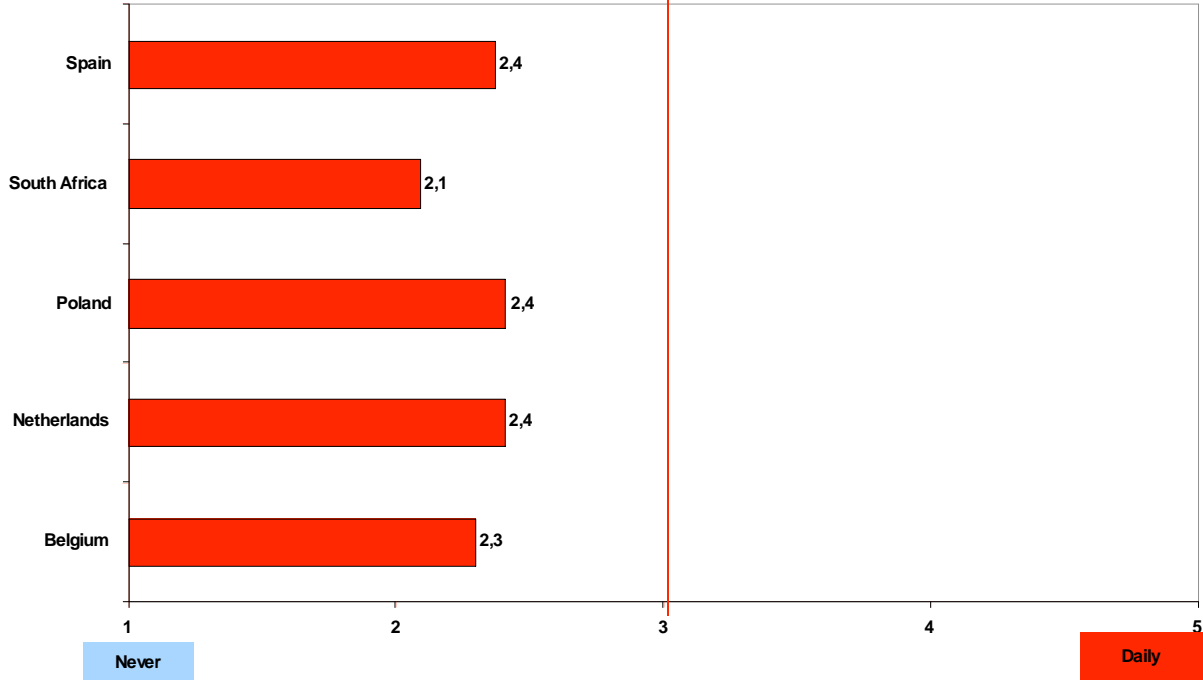
As regards work related stress (mentally and physically exhausting) countries show similar patterns. The mean values to the questions demonstrate that participants emphasize mental stress more than physical stress.

Graph 11: Work mentally exhausting



Source: Wage Indicator: 2006-2008, employees only.

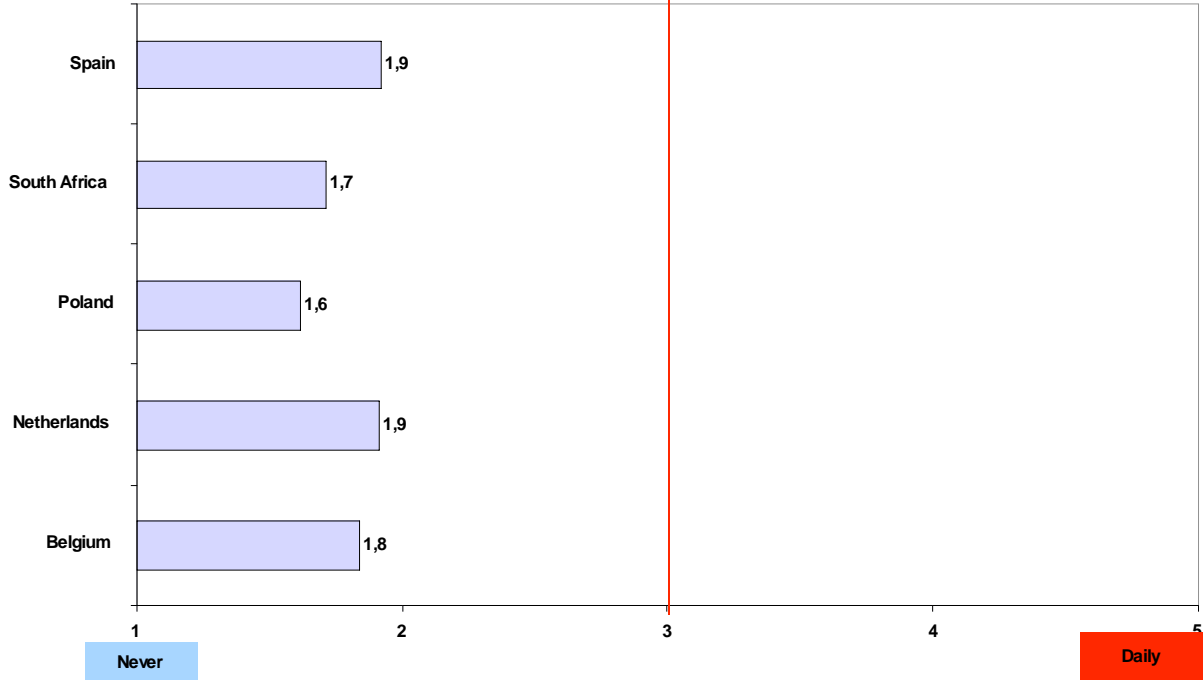
Graph 12: Work in unhealthy conditions



Source: Wage Indicator: 2006-2008, employees only.

With respect to dangerous and unhealthy working conditions, the data is only available for a few countries. As the number of survey participants increases, it is expected that for more countries, especially the so-called developing countries, such analysis will be possible. Unhealthy and dangerous working conditions do not seem to play a big role in the perceived job satisfaction.

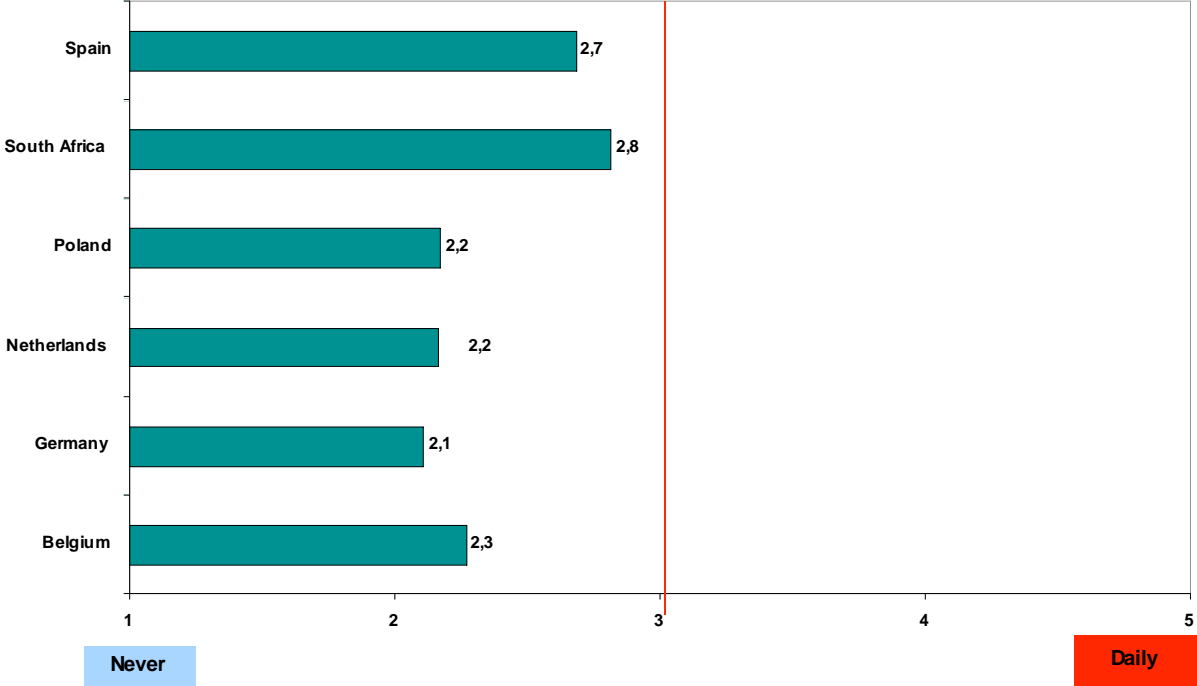
Graph 13: Work in dangerous conditions



Source: Wage Indicator: 2006-2008, employees only.

Many of the workers may find their jobs mentally or physically exhausting or even stressful, but only few regard it as boring.

Graph 14: Finds job boring



Source: Wage Indicator: 2006-2008, employees only.

6 WageIndicator data and Decent Work

In conclusion: WageIndicator can contribute internationally comparable data, relevant to Decent Work.

WageIndicator collects its data through a permanent and voluntary web survey.

Its ultimate aim is to cover the whole labour market, providing salary checks for free on the level of occupations. By now (2008) it targets several somewhat differing groups in the labour markets of 35 countries: employees, self-employed, unemployed, youth, women, civil servants etc.

Over recent years it has built up a substantial, growing and dynamic data base, open to the research community. The survey data, cleaned for extreme and odd values, is released every quarter.

In 2007 in total almost 160,000 persons completed the survey. Over 200,000 completed surveys are expected in 2008.

Though the data are from a volunteer survey, and therefore not representative for the labour force in a country, increasing Internet access makes a future true reflection of the national working population a realistic promise.

In the web survey, wages are asked similarly across countries. Its data pertain to working conditions, rights at work, collective bargaining issues, working time, social security in the workplace, availability of and access to a social security system, social dialogue. In those terms it has a relevant contribution to make for monitoring and evaluating Decent Work in its 4 main dimensions and national labour market environments, as well as cross-country .

For more information, please consult

- www.wageindicator.org → Publications → 2008.
- www.DecentWorkCheck.org
