

# MEASURING QUALITY OF EMPLOYMENT

The UNECE/ILO/Eurostat framework and its implementation as  
statistical output

Thomas Körner, Federal Statistical Office Germany



# Overview

- **The importance of quality of employment**
- **The UNECE/ILO/Eurostat framework**
  - History
  - Dimensions
  - Indicators
- **The indicators as statistical output**
  - The problem of normativity
  - 50 indicators at a glance?
- **Conclusions**

# The importance of quality of employment

## Impact on quality of life, e.g.

- Material well-being
- Time use
- Safety and health
- Identity and self-actualisation

## Growing heterogeneity of employment types

- Structural economic changes: Global competition, digitalisation, financialisation, deregulation etc.
- Atypical employment

## International standards

# The UNECE/ILO/Eurostat framework

## 2000-2010: Series of UNECE seminars and a Task Force

- Input from ILO (Decent work), EU Commission, and Eurofound
- Pilot studies in 15 countries

## 2010: Conference of European Statisticians (CES)

- Endorsement of seven dimensions of quality of employment and a list of potential indicators
- Need for further experiences and specification

## From 2012: UNECE Expert Group

- Review of conceptual structure
- Revision of indicator list
- Development of indicator definition sheets
- Finalisation by 2015

# Principles of the framework

Transparent, logical structure

Quality of employment from the perspective of the worker

Multidimensionality

Use of international standards

Technical feasibility

Combination of „objective“ and „subjective“ indicators

Flexibility for national adaptations

# Dimensions and sub-dimensions of QoE



# An example from the list of indicators

## Sub-dimension 4a – Security of employment

4a1	Percentage of employees 25 years and older with fixed term contract
4a2	Precarious employment rate (experimental)
4a3	Percentage of employed persons over a certain age (e.g. 25 years) by years of tenure at the current employer
4a4	Percentage of employed persons who are own-account workers
4a5	Percentage of self-employed workers with only one client
4a6	Informal employment rate (experimental)
4a7	Perceived job security (e.g. percentage of employed persons who state that they might lose their job in the next six months)
4a8	Percentage of persons employed via a temporary employment agency
4a9	Percentage of employees without formal contracts

# Good jobs – bad jobs?

It is not the task of statisticians to make value judgements about types of employment

Still: some choices unavoidable to select and specify indicators

Approach taken by the Expert Group:

- Take into account international standards about work that should be abolished
- Make use of results of international research on quality of working life
- Provide differentiated interpretation guidelines
  - What does an increase of an indicator signify?
  - Further aspects to be considered for the interpretation of the indicator?



# Example: Percentage of employed persons usually working 49 hours or more

**ILO convention no. 1**

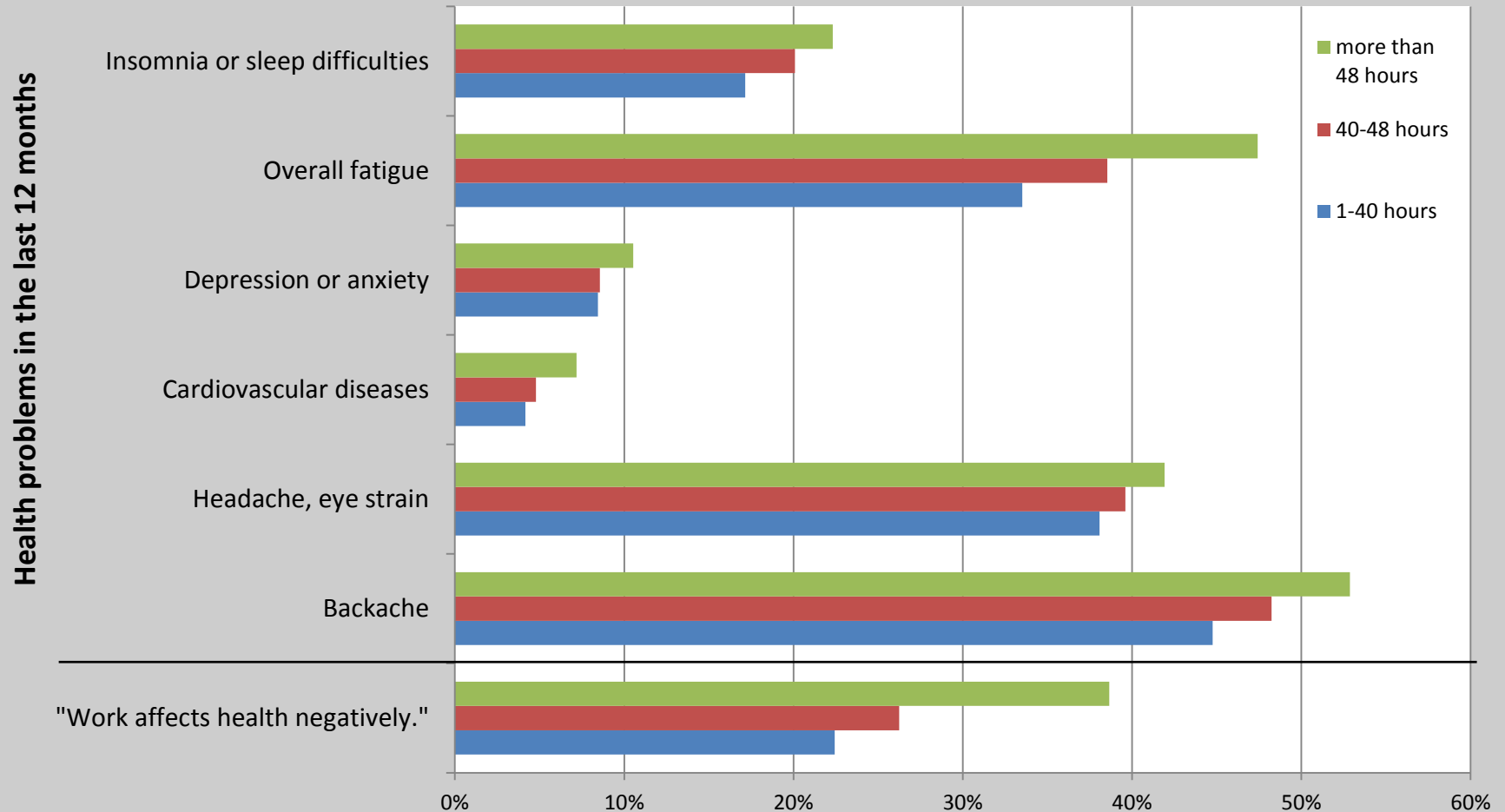
**Research shows negative impact upon**

- work-life balance
- physical and well-being
- motivation, absence, staff turnover, and productivity (some studies)
- increase injury hazards (some studies)

**However: Perception of long working hours mediated by**

- personality-related factors
- the occupation, the control over work hours and rest breaks, and the type of the task performed

# Evidence on working time and health (EU-27)



# How to present the indicators?

Complexity of the framework makes it difficult to present the entirety of indicators

Users will focus on single indicators, not quality of employment as a whole

## Possible approaches

- Brochures
- Dashboards
- Summary press releases
- Selection of key indicators
- Composite indicators and indices

# Example 1 - Brochure

## QUALITY OF EMPLOYMENT

Earning money and what else counts · 2012



# Example 1 - Brochure

## Contents

---

<b>Introduction</b>		<b>4</b>
<b>Dimension 1</b>	<b>Safety at work and gender equality</b>	<b>6</b>
<b>Dimension 2</b>	<b>Income and indirect benefits from employment</b>	<b>16</b>
<b>Dimension 3</b>	<b>Working hours and work-life balance</b>	<b>24</b>
<b>Dimension 4</b>	<b>Security of employment and social protection</b>	<b>38</b>
<b>Dimension 5</b>	<b>Social dialogue</b>	<b>52</b>
<b>Dimension 6</b>	<b>Skills and training</b>	<b>56</b>
<b>Dimension 7</b>	<b>Workplace relationships and work motivation</b>	<b>60</b>
<b>List of data sources</b>		<b>68</b>

# Example 2 – Dashboard



Indicators

## Quality of employment



### Dimension 2: Income and indirect benefits from employment

#### Low-wage rate

The low-wage rate shows the proportion of employees whose earnings are by two thirds below the median income of all employees.

The decisive criterion for an income to be classified as low income is the difference from the general wage level. This refers to gross hourly earnings.

Persons employed in agriculture, in public service and in establishments with up to ten persons employed are not included in the calculations. Also, only those persons were covered who were aged between 15 and 64 years and were not undergoing education or training.

#### Low wage starting at Euro 10.36

In 2010, the low-wage threshold was gross earnings of Euro 10.36 per hour. Lower hourly earnings were classified as low wage.

#### Low wage for one in five employees

In 2010, 20.6% of the employees got low wages. Hence one in five earned less than Euro 10.36 per hour in gross terms. With 37% of the persons employed in the new Länder receiving low wages, low wages were much more widespread there than in the former territory of the Federal Republic, where the percentage was just 18%.

Information on Dimension 2

Low-wage rate

Number of vacation days actually taken

Vacation entitlement

Staff on sick leave

Health insurance coverage



#### Female, young, working as hairdressers or cleaning ladies

Low wages were quite unevenly distributed across groups of the society and economic branches. In 2010, 27% of the women got low wages, compared with 16% of the men. One of the main reasons is that women work much more frequently part-time or in marginal employment and, consequently, receive markedly lower gross hourly wages.

Age plays a role, too: An above-average number of young employees received low wages. 51% of

# Conclusions

Quality of employment is a topic of growing importance

- Quality of life, Stiglitz-Sen-Fitoussi, GDP and beyond
- Sustainability of the use of human capital

The indicators are also a useful means to identify labour market trends

The UNECE/ILO/Eurostat framework should foster analysis, dissemination, and international harmonisation

Careful dissemination strategy is needed

- Awareness for interpretation problems
- Presentation techniques used

**Save the date: 7th UNECE Meeting on Measuring Quality of Employment, Geneva, 11-13 September 2013**

# THANK YOU!

Thomas Körner  
thomas.koerner@destatis.de  
[www.destatis.de](http://www.destatis.de)

