Which indicators of job quality for the European Union?

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« A Taxonomy of European Labour Markets Using Quality Indicators”, Davoine L., Erhel C., and Guergoat-Larivière M.

Job quality: a multi-dimensional concept

- Job quality is considered in economic and socio-economic approaches as a multi-dimensional concept that includes in particular:
  - Wages (level and dispersion);
  - Job security;
  - Access to training and career perspectives;
  - Working conditions;
  - Social dialogue;
  - Job satisfaction;
  - Fair treatment at work (no discrimination);
  - Working hours and conciliation between working and non-working life

- Job quality / Quality of work
Presentation

1- Laeken indicators compared to other job quality approaches

2- The four dimensions of job quality and the need for complementary indicators

3- The heterogeneity of job quality across Europe

4- The dynamics of job quality
1- Laeken indicators compared to other job quality approaches

Laeken definition: 10 dimensions:

- intrinsic job quality;
- skills, life long learning and career development;
- gender equality;
- health and safety at work;
- flexibility and security;
- inclusion and access to the labour market;
- work organization and work life balance;
- social dialogue and workers involvement;
- diversity and non discrimination;
- overall economic performance and productivity;
1- Laeken indicators compared to other job quality approaches

- Other definitions: ILO concept of « decent work »...
  - Implies four dimensions: Labour rights, Employment, Social protection, Social dialogue
  - Some common dimensions and indicators, but the ILO concept includes wage level and focuses more on work security

- ...and a variety of economic and socio-economic approaches, focusing on:
  - Part time and wages (American and Canadian index of employment quality, CIBC World Markets)
  - Content of work and working conditions, including the intensity of work (Green, 2006)
  - Mobility on the labour market and around the labour market (Transitional Labour Markets)
  - Job satisfaction (Happiness economics)
1- Laeken indicators compared to other job quality approaches

- What can we learn from this literature for analysing EU definition?
  - Some convergence with the European approach: job quality is multi-dimensional, and it is wider than traditional working conditions studies
  - Some European specificities: the coverage of gender and work family conciliation issues
  - Some « missing » indicators in the present European definition: social dialogue, wages (level + inequalities)
  - Some dimensions need complementary indicators: training, working conditions

>>> our approach of job quality includes complementary indicators and is wider than the Laeken definition
1- Laeken indicators compared to other job quality approaches

Our definition: four dimensions

- Socioeconomic security (wages and contract, probability of transition from NE to E)
- Training
- Working conditions
- Reconciliation of work/family life and gender balance
2- The four dimensions of job quality and the need for complementary indicators

- Laeken indicators: overrepresentation of labour market performance indicators & some indicators are missing

- Methodology: disaggregated analysis according to these four dimensions

- The objective is to identify complementary indicators to be introduced in the empirical analysis
The dimensions of job quality: the example of training indicators

Source: Davoine, Erhel, Guergoat-Larivièrè, 2008
Data: Eurostat (LFS), CVTS, Eurofound (EWCS)
What complementary indicators?

- Socioeconomic security: wages (level & dispersion)
- Training: hours of training, costs of training
- Working conditions: physical risks (indicators from EWCS), intensity of work
- Reconciliation of work/family life and gender balance
3- The heterogeneity of job quality across Europe

- A global approach for the years 2005-2006 reveals some heterogeneity among EU countries concerning job quality

- Four clusters: Northern cluster, Southern cluster, Continental cluster, and New Member States

- Besides, it suggests several paths for a good quality of jobs
A taxonomy of job quality in the EU

Source: Davoine, Erhel, Guergoat-Larivière, 2008
4- The dynamics of job quality

Methodology:

- Data analysis: Kohonen maps
- Synthetic indexes:
  - A global index
  - Partial indexes

These indexes are constructed using variables available on a yearly basis (LFS)
A global index of job quality

Source: Davoine, Erhel, Guergoat-Larivièere, 2008
Conclusions of the synthetic index

- Confirms the differences between countries in job quality performances;
- An increasing trend in job quality since 1995;
- With some exceptions (Poland, Cyprus)
An example of partial index on training

Source: Davoine, Erhel, Guergoat-Larivièrè, 2008
A partial index of flexible employment

Source: Davoine, Erhel, Guergoat-Lariviére, 2008
Conclusions and recommendations

- **Job quality appears like a good policy goal:**
  - Job quality is associated with good labour market performances, and there is no apparent trade off between work quality and a dynamic labour market;
  - Job quality matters for workers’ satisfaction and citizens’ well being;
  - A good job quality may be achieved through different pathways, and is consistent with the existence of heterogeneous institutions and policies models in Europe;
  - Existing differences between EU 27 countries are important