



SEVENTEENTH ITEM ON THE AGENDA

Report of the Director-General**Fifth Supplementary Report:
Measuring decent work****Introduction**

1. Monitoring progress towards decent work is a long-standing concern for the ILO's constituents. The ILO Declaration on Social Justice for a Fair Globalization recommends that member States consider "the establishment of appropriate indicators or statistics, if necessary with the assistance of the ILO, to monitor and evaluate progress made". The Governing Body has debated the measurement of decent work on various occasions and provided guidance on the main principles that should guide measurement.¹ These include that all four strategic objectives should be covered adequately, including fundamental principles and rights at work; that a composite index that could be used for the purpose of ranking countries should not be pursued; and that the approach should assist constituents to assess progress towards decent work in their country based on a set of indicators that is also available for other countries.
2. The Governing Body approved the convening of a Tripartite Meeting of Experts on the Measurement of Decent Work in September 2008, which provided guidance on the different options for measuring decent work. The Governing Body debated the Meeting's recommendations in November 2008,² and asked the Office to:
 - (a) provide a full report of the Tripartite Meeting of Experts to the 18th International Conference of Labour Statisticians (ICLS) that took place from 24 November to 5 December 2008 in Geneva;
 - (b) compile definitions for statistical indicators on the basis of agreed international statistical standards and to provide guidance on the interpretation of indicators, including a discussion of limitations and possible pitfalls;
 - (c) carry out developmental work on statistical indicators in areas highlighted by experts and to generate reliable and reproducible indicators for fundamental principles and rights at work;

¹ See, for example, GB.301/17/6.

² GB.303/19/3.

- (d) prepare decent work country profiles for a limited number of pilot countries, including low-, middle- and high-income countries;
- (e) report to the Governing Body in November 2009 on the experience gained in the pilot countries with a view to extending further the coverage of decent work country profiles.

18th International Conference of Labour Statisticians³

3. As reported to the Governing Body in March 2009,⁴ the 18th ICLS established a Working Group on the Measurement of Decent Work chaired by the United Kingdom. Delegates emphasized that sound measurement helped to transform the Decent Work Agenda from a political ambition to something more concrete and quantifiable, and that significant advances had been made in this direction. The Working Group engaged in a lively debate on several indicators, including on technical aspects such as age bands and thresholds, and stressed the importance of wage data. Great emphasis was put on the need to generate comparable, reliable and consistent data, though delegates acknowledged that perfect comparability could not always be achieved.
4. The Working Group proposed a resolution concerning further work on the measurement of decent work⁵ that was later adopted by the ICLS with broad tripartite support. The resolution recognizes the need to measure decent work in its four strategic objectives and recommends that: the Office prepare decent work country profiles for a number of pilot countries; definitions of statistical decent work indicators be based, as far as possible, on existing international statistical standards; the Office carry out further developmental work on statistical indicators in a number of areas; and that a full report on progress and outcomes be prepared for the 19th ICLS.
5. Delegates argued that it was feasible to collect data on decent work and several delegations reported on plans to enhance data collection to produce decent work indicators. Some also stressed the need for technical cooperation in this respect and for adequate technical guidance by the ILO. Several delegations, including those of Austria, Brazil, Malaysia, United Republic of Tanzania and Ukraine, offered to collaborate with the Office in order to compile pilot decent work country profiles, while others signalled their interest in working with the ILO at a later stage.

Definitions and interpretation guidance for statistical indicators

6. Following the guidance by the Governing Body, the Office has made considerable progress in compiling indicator definition sheets for the statistical decent work indicators. These definition sheets serve to provide national statistical offices with the necessary technical information that will enable them to compute decent work indicators based on existing data, or to collect suitable primary data. They also serve to guide constituents and other

³ See ICLS/18/2008/IV/FINAL, pp. 11–14.

⁴ GB.304/STM/5.

⁵ See ICLS/18/2008/IV/FINAL, p. 68.

data users in the interpretation of decent work indicators, and on their respective limitations and possible pitfalls.

7. The definition sheets contain recommendations on technical definitions that are referenced to existing international statistical standards, including those set by the ICLS, and formulas for their computation. They also list desirable disaggregations (including by sex), preferred primary data sources (such as labour force surveys, establishment surveys and administrative databases) and existing data repositories. Each indicator definition sheet also discusses what should be kept in mind when interpreting changes over time, which potential dynamics drive these changes, and highlights factors that may limit comparability across countries.
8. Given that the decent work indicators cover a broad range of subjects that fall into the technical expertise of the four sectors, all relevant technical units, including the Department of Statistics, participated in the drafting of the indicator definition sheets. To this end, subject groups for each of the substantive areas covered by the measurement framework were formed during an in-house workshop in early February 2009. The subject groups have produced the initial draft definition sheets that are currently being revised and prepared for publication in a *Quick Reference Manual* later this year.

Developmental work on decent work indicators

9. Following the guidance by the Tripartite Meeting of Experts, the Office has undertaken conceptual work in several areas. This includes a new main indicator for stability and security of work, where the respective subject group proposed to use informal employment (which is already included under employment opportunities) and the proportion of employed persons in precarious types of work (casual, seasonal and temporary workers). Ongoing work by the Special Action Programme to Combat Forced Labour and the International Programme on the Elimination of Child Labour (IPEC) aims at improving statistics on forced labour and the worst forms of child labour. With respect to a conducive environment for sustainable enterprises, the Job Creation and Enterprise Development Department is leading efforts to design a suitable methodology, identify indicators and collect data⁶ that could, at a later stage, be included in the category “Economic and social context for decent work”.
10. The Office had also been asked to develop numerical indicators for fundamental principles and rights at work, starting with freedom of association and the right to collective bargaining. Constituents had emphasized that these indicators should be reliable and reproducible, and fully in accordance with international labour standards and the supervisory system. Building on previous work,⁷ the construction of the indicator was done in two stages. The first involved the development of a coding framework on the basis of the Freedom of Association and Protection of the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87), and the Right to Organise and Collective Bargaining Convention, 1949 (No. 98). The framework contains more than 100 separate categories for possible violations of employers’ and workers’ rights, both in law and in practice. During the second stage a wide range of existing ILO textual information was consulted to test the coding scheme for a small and diverse sample of countries. The source documents included comments made by the Committee of Experts

⁶ Pilot surveys are currently being carried out in collaboration with the social partners in Ghana and Swaziland.

⁷ See D. Kucera (ed.): *Qualitative indicators of labour standards – Comparative methods and applications*, Dordrecht: Springer and ILO, 2007.

on the Application of Conventions and Recommendations, the Conference Committee on the Application of Standards and the Committee on Freedom of Association.

11. In order to test the suitability of the approach to evaluate progress, two points in time (2000 and 2008) were coded per country. The method developed emphasized transparency, so that country-level indicators could readily identify specific areas of progress and easily be traced back to specific ILO information sources. The outcome of the pilot phase is currently under internal review. As recommended by the Tripartite Meeting of Experts, an indicator for the elimination of discrimination in respect of employment and occupation could follow next. The Office expects to report on this work in 2010.

Decent work country profiles for five pilot countries

12. The offers extended by member States during the 18th ICLS enabled the Office to commence work on decent work country profiles in Austria, Brazil, Malaysia, United Republic of Tanzania⁸ and Ukraine, thus covering all major regions and low-, middle- and high-income countries. The substantial diversity between pilot countries allows assessing the meaningfulness and feasibility of the measurement concept in different settings. It also facilitates the setting up of mechanisms for cooperation between different field offices and technical units at headquarters.
13. Collaboration with constituents, statistical offices and academic partners from the five pilot countries involved a number of common elements:
 - (a) Early consultations with constituents to provide transparent information of objectives of the pilot decent work country profile and the envisaged process, to obtain views on which issues are particularly pertinent in the national context, and to gather suggestions on which indicators should be included in addition to those identified as “main indicators” by the Tripartite Meeting of Experts.
 - (b) Close collaboration with national statistical offices⁹ and other institutions¹⁰ to compile statistical decent work indicators either from published sources or to compute them on the basis of primary data sets, the objective being to ensure that, in as far as possible, indicators follow standard definitions and are based on official statistics.
 - (c) Compilation of legal indicators with information on rights at work and the legal framework for decent work. A variety of sources was used to corroborate information, including documents generated by the ILO supervisory system, national legislation and existing legal databases maintained by technical units.
 - (d) Holding of national tripartite validation workshops in order to ensure that the profiles were factually accurate and adequately reflect constituents’ concerns. In general, small working groups consisting of experts nominated by government, employers’

⁸ Zanzibar has its own legal framework and statistical service. The profile, at this stage, only covers mainland United Republic of Tanzania.

⁹ These are: Statistics Austria; the Brazilian Institute of Geography and Statistics (IBGE); the National Bureau of Statistics of Tanzania; the Department of Statistics Malaysia; and the State Statistics Committee of Ukraine (SSCU).

¹⁰ These included, among others, national social security schemes (for data on occupational accidents and pension coverage) and ministries of labour (for data on national social security expenditure and labour inspections).

and workers' associations reviewed draft versions of individual chapters and made proposals for amendments.¹¹

14. While this general approach was followed in all pilot countries, implementation details differed and progress to date varies between countries. Tripartite workshops have been held in all countries with the exception of Malaysia (where this may take place after the Governing Body session). For the other four countries, publication of either the final decent work country profile or a pre-print version is expected before the Governing Body discussion of the current item.¹²
15. The tripartite workshops offered an opportunity to systematically gather the views of constituents on the meaningfulness of the measurement concept, its usefulness and the challenges it posed. Constituents argued that decent work country profiles could give a condensed overview and a critical analysis (Austria) that would be helpful in monitoring progress in the national Decent Work Agenda (Brazil), as well as provide a clear understanding of the employment situation by showing linkages between economic growth, employment and gender equality (United Republic of Tanzania). Further, they could feed into effective policy-making to increase social standards (Ukraine); influence the policy-making process and serve as a basis for developing policies and programmes (United Republic of Tanzania); give an impetus for improvements by providing an external view on a country (Austria); and draw greater attention to the labour market situation of vulnerable workers through the disaggregation of indicators by sex, race, and urban and rural areas (Brazil). Constituents also appreciated that the profiles could facilitate comparisons between countries (United Republic of Tanzania); led to greater comparability (Austria); and offered an opportunity for regional and international comparisons based on a common system of indicators (Ukraine).
16. The main challenges identified by constituents referred to the lack of timely and reliable data and differences between national and international definitions (United Republic of Tanzania); incompatibility between age bands of international standards and national legislation (Brazil); limitations to comparability due to differences in methodology (Austria); and lack of stable financing for statistical data collection (Ukraine). Constituents argued that financial and technical support was needed (Ukraine), and that countries faced resource constraints and needed adequate technical capacity for an independent evaluation of progress (United Republic of Tanzania). The interpretation of trends posed a challenge (Austria), particularly in light of methodological changes in the national survey that prohibited comparisons of some indicators over time (Brazil), and complex analysis was difficult to explain to the general public and policy-makers (United Republic of Tanzania). Conflicting interests between different groups in society were a further challenge (Ukraine), as were the diverging views among constituents regarding the inclusion and measurement of certain additional indicators (Brazil), and aspects such as migration, the informal sector and employment conditions in the public sector needed to be reflected (Austria).
17. In all pilot countries, the profiles identified aspects of decent work where progress had been made over the past ten years. In some cases, progress was put at risk by the current crisis. For example, wage arrears had been substantially reduced in Ukraine since 2000, but started to accumulate again in the second half of 2008. In Austria, the unemployment rate had fallen to 3.8 per cent by 2008, but rose to 4.7 per cent in the first half of 2009.

¹¹ In the case of Brazil, the country profile was drafted after the workshop based on the inputs received from constituents and indicators selected during the workshop.

¹² Copies will be made available during the Governing Body and may be consulted at www.ilo.org/integration/themes/mdw/lang--en/index.htm.

Likewise, the United Republic of Tanzania's success in expanding formal employment seems vulnerable, particularly with respect to the tourism sector. In Brazil, formal employment has grown since 1999 and survey data for six metropolitan areas show that the crisis only had a slight, temporary negative effect on employment. Constituents also advocated an open discussion of areas where progress was lacking or the current situation was seen as inadequate.

18. To capture gender differences in access to decent work, the profiles cover themes with a particular gender relevance (e.g. combining work, family and personal life, or equal opportunity and treatment in employment) and provide sex disaggregations for most indicators.¹³ This led to a number of relevant findings. For instance, in the United Republic of Tanzania, women have less access to formal employment than men. In Ukraine, fatal occupational accident rates are far higher for men than for women. In Austria, many women but very few men work part time or leave the labour force due to care responsibilities. In Brazil, women spend fewer hours in employment than men, but work far longer hours if domestic chores are included.
19. Apart from sex, other demographic variables were used for disaggregations in some countries. This concerned a disaggregation by rural and urban areas in Brazil and the United Republic of Tanzania; tabulating some employment indicators separately for older workers and for migrant workers in Austria; and a distinction by race (white versus non-white) in Brazil to capture disadvantages faced by workers of non-European descent.

Experience gained during the pilot phase

20. The close involvement of constituents in the pilot countries proved to be an essential element for the success of the decent work country profiles. It allowed the Office to draw on the ILO's strength as a tripartite organization and to utilize the expertise and experience of ministries of labour and employers' and workers' organizations. Likewise, the close collaboration with national statistical offices and other institutions was crucial to ensure that the analysis was based on reliable and high-quality statistics. Validating the initial drafts of the country profile in national tripartite workshops (with participation from statistical offices and other partners) allowed verifying the information and analysis contained in the profiles. The profiles showcase success of national policy and give examples of successful initiatives by national constituents that could be replicated in other countries. At the same time, constituents endorsed an open discussion of shortcomings in their countries and appreciated a critical review of progress towards decent work.
21. The ten thematic areas – ranging from “employment opportunities” to “social dialogue, workers' and employers' representation” – identified by the Tripartite Meeting of Experts offered a meaningful way to structure the decent work country profiles. Constituents in the pilot countries could easily relate to them and felt that they adequately covered the full breadth of the Decent Work Agenda (apart from two shortcomings discussed below). While providing a common structure for the pilot profiles, they also afforded the flexibility to add additional indicators based on national priorities and to discuss policy areas of particular relevance to a country, as identified by constituents.
22. The combination of statistical indicators and systematic information on rights at work and the legal framework for decent work proved to be an ambitious but worthwhile undertaking. It facilitated a balanced analysis and helped to overcome the shortcoming of

¹³ See also the “Checklist of good practices for mainstreaming gender in labour statistics”, as adopted by the 17th ILCS in 2003.

earlier approaches to measuring decent work, namely the inadequate coverage of rights at work. Comments made by the ILO's supervisory bodies provided an authoritative source for assessments of legislation and practice in a country, including cases of progress noted by the Committee of Experts. Other existing ILO databases were a useful supplementary source for legal information. In some cases, the names of legal indicators were slightly modified to align them more closely with the terminology of ILO Conventions.¹⁴ The Office intends to further improve the legal indicators on the basis of the experience gained.

23. The collection of statistical indicators proved feasible. On average, data could be found or computed for three-quarters of the main decent work indicators, and in some cases gaps could be filled by using closely related indicators. Depending on data availability and priorities identified by constituents, a number of additional indicators were included to supplement the main decent work indicators¹⁵. It proved helpful that the indicators largely drew on established statistical concepts. However, some minor modifications to the indicator set would appear warranted. For example, the gender wage gap (currently classified as an additional indicator) could become a main indicator since it provided a more meaningful and intuitive indicator for equal opportunity and treatment in employment than the index of dissimilarity for occupational segregation by sex (that could take the status of an additional indicator). It is thus suggested to make only minor adjustments to the list of decent work indicators and to maintain the overall structure.
24. Differences between men's and women's access to decent work were discussed throughout the pilot decent work country profiles, drawing on indicators that were disaggregated by sex. At the same time, chapters on "Combining work, family and personal life" and "Equal opportunity and treatment in employment" dealt with aspects that are particularly relevant to gender equality as a cross-cutting objective of the Decent Work Agenda.
25. Two major weaknesses identified by constituents in several countries, as well as by delegates at the 18th ICLS, are in the lack of indicators for the situation of migrant workers and workers with disabilities. Both groups meet particular barriers in access to decent work and often face discrimination at work.¹⁶ Migrants currently account for about 3 per cent of the world's population. Estimates indicate that about 10 per cent of the world's population have a disability.¹⁷ The Tripartite Meeting of Experts had already recommended that suitable indicators should be included in the set of decent work indicators in the future.

¹⁴ This concerns the L-indicators for equal opportunity and treatment in employment. They were reconstituted as "Equal opportunity and treatment" and "Equal remuneration of men and women for work of equal value" in order to better align them with the Equal Remuneration Convention, 1951 (No. 100), and the Discrimination (Employment and Occupation) Convention, 1958 (No. 111). Under "Safe work", the L-indicator was renamed "Employment injury benefits" to align it with the Employment Injury Benefits Convention, 1964 (No. 121). A new indicator for "Labour administration" was added under the "Economic and social context for decent work".

¹⁵ This was, in particular, the case for the chapters on "Combining work, family and personal life" and on "Stability and security of work".

¹⁶ See also ILO: Resolution concerning a fair deal for migrant workers in a global economy, International Labour Conference, 92nd Session, Geneva, 2004, para. 5.

¹⁷ UN Population Division: World migrant stock database: 2008 estimates, New York, 2009; ILO: *International migration: A rights-based perspective*, Geneva, 2009 (forthcoming); World Health Organization, Disability and Rehabilitation Team (DAR) at www.who.int/disabilities/en/; and D. Mont: "Measuring disability prevalence", SP Discussion Paper No. 0706, World Bank, Washington, DC, 2007.

The Office could enhance efforts in this direction by drawing on previous work.¹⁸ Some of the pilot decent work country profiles also include statistics on migrant workers and workers with disabilities, or discuss policy initiatives.¹⁹ Furthermore, workers affected by HIV/AIDS currently receive only peripheral attention under the economic and social context for decent work.²⁰

Further assistance to ILO member States and funding requirements

26. Providing a methodology to establish appropriate indicators or statistics and evaluating progress made in implementing the Decent Work Agenda at the national level are part of the road map of the Social Justice Declaration.²¹ Pending the successful completion of the pilot phase during 2009, the road map suggests a six-year roll-out to member States during the period 2010–15.²² Under the guidance of the Governing Body this roll-out would be based on the lessons learned during the pilot phase, notably the need to closely collaborate with constituents in order to benefit from their expertise and experience. The effort would need to be built into the regular programme of collaboration between the ILO and its member States and sequenced in a way that maximizes synergies with other activities, for example, by providing the analytical framework for the review of Decent Work Country Programmes. The roll-out would also assist member States to insert indicators for decent work into their national monitoring frameworks.
27. In order to provide timely and high-quality support to member States, the Office will have to dedicate adequate human and financial resources to this task. While the pilot phase drew on existing resources and the goodwill of field offices and technical departments at headquarters to take on additional work, this model is not sustainable in the longer term. One mode of implementation could be to assemble a small core team to coordinate work on decent work country profiles at headquarters (based in the relevant technical units, including the Department of Statistics) and strengthen the capacity in regional offices. The Office is currently working on a multi-pronged funding strategy that would enable it to deliver this support effectively without cutting back on existing programmes, including through extra-budgetary funding and the use of the Special Programme Account.
28. With resources from the European Commission, the Office is carrying out a project on “Monitoring and assessing progress on decent work”. The project aims at identifying national needs and constituents’ priorities for the collection of decent work indicators, and subsequently supporting the design of suitable survey instruments as well as data

¹⁸ For existing work, see, for example, R.E. Bilsborrow et al.: *International migration statistics: Guidelines for improving data collection systems*, ILO, Geneva, 1997; ILO Bureau of Statistics in collaboration with the InFocus Programme on Skills, Knowledge and Employability: *The employment situation of people with disabilities: Towards improved statistical information*, Geneva, 2007.

¹⁹ See Chapter 7 of the decent work country profiles for Austria and Brazil.

²⁰ The context indicators include the HIV prevalence rate for the population aged 15–49 years, based on data compiled by UNAIDS. See UNAIDS: *2008 Report on the global AIDS epidemic*, UNAIDS/WHO, Geneva, July 2008.

²¹ GB.304/SG/DECL/1(Rev.), appendix.

²² *ibid.*, p. 10.

collection and analysis over the period 2009–12. While it covers only ten countries,²³ other member States will benefit from the development of generic tools (such as a manual on measuring decent work) and through participation in regional activities and training.

- 29.** To broaden support to further member States, the Office has submitted a proposal to allocate US\$500,000 from the Special Programme Account on statistics and measurement of decent work.²⁴ Constituents have repeatedly highlighted the urgent need for technical support, and the Office has received numerous informal requests to deliver support on statistics and measurement of decent work, including through the preparation of decent work country profiles. In March 2009, the Governing Body deferred the decision on this item to the current session.²⁵ The proposal is therefore resubmitted here for decision.²⁶ A positive decision by the Governing Body would enable the Office to make the minimum increase in its resources necessary to continue producing profiles and demonstrate to potential development partners the scope for scaling up the programme.
- 30.** Ultimately, the capacity of the Office to deliver technical support and the rate at which decent work country profiles can be produced in collaboration with constituents will depend on the total resources available.
- 31. *The Governing Body may wish to:***
- (a) review the experience gained in the pilot phase, including the model used by the Office to benefit from the expertise and experience of constituents for decent work country profiles;*
 - (b) provide guidance on broadening collaboration with member States beyond those involved in the pilot phase, with a view to compiling a comprehensive set of decent work country profiles by 2015;*
 - (c) provide guidance on the development of statistics in areas where constituents identified a lack of adequate indicators, including access to decent work for migrant workers and workers with disabilities, and of numerical indicators for progress on fundamental principles and rights at work;*
 - (d) endorse the use of a Special Programme Account allocation of US\$500,000 for the purposes described in paragraph 29 above; and*
 - (e) request the Office to mobilize extra-budgetary resources to enable a comprehensive set of profiles to be prepared over the period covered by the Strategic Policy Framework 2010–15.*

Geneva, 26 October 2009.

Point for decision: Paragraph 31.

²³ These are: Bangladesh, Brazil, Cambodia, Indonesia, Peru, Ukraine and Zambia; the inclusion of Niger and the Russian Federation is being considered and discussions with constituents in Malaysia are ongoing.

²⁴ GB.304/PFA/4, para. 5(ii).

²⁵ GB.304/PV, para. 186.

²⁶ GB.306/PFA/3.