

Decent Work Indicators

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Decent work as the ILO's main objective

- ILO Declaration on Social Justice for a Fair Globalization (2008) endorses Decent Work Agenda as main objective of the ILO's work.
 - Strategic objectives: (i) and fundamental principles and rights at work, (ii) promoting employment; (iii) social protection; (iv) social dialogue and tripartism.
- Recommends that ILO Members may consider:
 - “the establishment of appropriate indicators or statistics, if necessary with the assistance of the ILO, to monitor and evaluate the progress made”



Implications for measurement

- ILO has worked on measurement of decent work since ca. 2000, both in HQ and field.
- What does the Decent Work Agenda imply for measurement of decent work?
 - Coverage of all elements of the Decent Work Agenda (beyond employment).
 - Coverage of all workers.
 - Concern for the most vulnerable workers.
 - Cross-cutting concern for gender.
 - Importance of social & economic context.



Governing Body Discussions

- Governing Body discussions have set the basic principles for measurement of decent work:
 - Purpose is (i) to assist constituents to assess progress towards decent work and (ii) to offer comparable information for analysis and policy development.
 - NO ranking of countries & NO composite index.
 - Needs to cover all dimensions of Decent Work, i.e. go beyond employment and include rights, social protection and social dialogue.
- Measurement to draw on existing statistics.



Tripartite Meeting of Experts on the Measurement of Decent Work

- GB mandate for TME to provide guidance on options for measuring decent work:
 - Held in September 2008 with participation of 20 experts (3 x 5 experts + 5 independents), plus advisers, observers and ILO staff.
 - Reviews list of **statistical indicators**.
 - Stresses importance of rights and recommends to provide **systematic information on rights at work and the legal framework for decent work** in a manner consistent with ILO supervisory system.



Measuring decent work: Rights at work

- Rights at work and the legal framework for decent work need to be fully reflected:
 - Number of ratifications & complaints is inadequate proxy for actual application of labour standards.
- Two proposals:
 - Textual description of legal framework and data on actual application for all substantive elements of decent work (L).
 - Construction of indicators for countries' compliance with Fundamental Principles and Rights at Work, starting with FoA and CB.



Measuring decent work: Gender

- Gender as a cross-cutting concern of the Decent Work Agenda:
 - Should not be treated in isolation, but measurement should inform about women's and men's access to decent work across all substantive elements.
 - Therefore, wherever possible, indicators should be reported separately for men and women in addition to the total.
 - In addition, indicators for vertical and horizontal segregation are included under 'Equal opportunity and treatment in employment'.



Different types of indicators

- A layered approach to indicators:
 - Main indicators (M): parsimonious core set of indicators to monitor progress towards decent work.
 - Additional indicators (A): to be used where appropriate, and where data are available.
 - Context indicators (C): provide information on the economic and social context for decent work.
 - Future indicators (F): currently not feasible, but to be included as data become more widely available.
 - Information included under legal framework (L).



Decent Work Indicators and MDG indicators

- Overlap with MDG indicators:
 - Employment-to-population ratio (M)
 - Own-account and contributing family workers as % of total employment (A)
 - Working poverty rate (US\$1 a day) (M)
 - Labour productivity growth rate (C)
- MDG indicators and DWI are complementary.
- DWI can complement MDG indicators for monitoring at the national level and for comparative analysis.



Grouping of indicators under substantive elements of decent work

- Grouping of indicators under substantive elements of the Decent Work Agenda:
 - Employment opportunities (1 + 2)
 - Adequate earnings and productive work (1 + 3)
 - Decent hours (1 + 3)
 - Combining work, family and personal life (1 + 3)
 - Work that should be abolished (1 + 3)
 - Stability and security of work (1, 2 + 3)

Note: (1) Rights (2) Employment (3) Social Security (4) Social Dialogue



Grouping of indicators under substantive elements of decent work

- Grouping (continued):
 - Equal opportunity and treatment in employment (1, 2 + 3)
 - Safe work environment (1 + 3)
 - Social security (1 + 3)
 - Social dialogue, workers' and employers' representation (1 + 4)
 - Economic and social context for decent work

Note: (1) Rights (2) Employment (3) Social Security (4) Social Dialogue



1. Employment opportunities

- M – Employment-to-population ratio, 15-64 years (S)
 - Definition: Percentage of working-age population (15 to 64 years) that is employed according to Resolution by the 13th ICLS (1982) on Economically Active Population.
 - Source: LFS, Census.
 - Repository: KILM, Laborsta and others.
 - Substitute indicator: Labour force participation rate.



1. Employment opportunities

➤ M – Unemployment rate (S)

- Definition: Unemployed as % of labour force, according to Resolution by the 13th ICLS (1982) on Economically Active Population.
- Source: LFS, Census.
- Repository: Laborsta, KILM and others.



1. Employment opportunities

- M – Youth not in education and not in employment, 15-24 years (S)
 - Definition: Sum of unemployed youth (13th ICLS, 1982) and youth economically inactive for reasons other than education and training, as % of total.
 - Source: LFS.
 - Repository: Partly Laborsta and KILM; others.
 - Substitute indicator: Youth unemployment rate, 15-24 years.



1. Employment opportunities

➤ M – Informal employment (S)

- Definition: Informal employment as % of total employment, according to Guidelines concerning a statistical definition of informal employment by the 17th ICLS (2003).
- Source: LFS.
- Repository: STAT and KILM.
- Substitute indicator: Proportion of own-account and contributing family workers in total employment (for developing countries; MDG Indicator).



1. Employment opportunities

➤ Other indicators:

A – Labour force participation rate, 15-64 years (S)

A – Youth unemployment rate, 15-24 years (S)

A – Unemployment by level of education (S)

A – Employment by status in employment (S)

A – Proportion of own-account and contributing family workers in total employment (S)

A – Share of wage employment in non-agricultural emp. (S)

F – Labour underutilization (S)

L – Government commitment to full employment

L – Unemployment insurance



2. Adequate earnings and productive work

➤ M – Working poor (S)

- Definition: MDG Indicator based on international poverty line of \$1 and \$2; alternatively based on national definition of poverty.
- Source: ILO estimates; national figures based on household surveys.
- Repository: KILM and NSOs.



2. Adequate earnings and productive work

- M – Low pay rate (below 2/3 of median hourly earnings) (S)
 - Definition: Percentage of all employed persons with hourly earnings less than 2/3 of median hourly earnings of full-time workers; cf. Resolution on employment-related income by the 16th ICLS (1998).
 - Source: LFS and other household surveys.
 - Repository: OECD, ILO and others.



2. Adequate earnings and productive work

➤ Other indicators:

A – Average hourly earnings in selected occupations (S)

A – Average real wages (S)

A – Minimum wage as % of median wage

A – Manufacturing wage index

A – Employees with recent job training (past year / past 4 weeks) (S)

L – Statutory minimum wage



3. Decent hours

- M – Excessive hours (more than 48 hours per week; ‘usual’ hours) (S)
 - Definition: Hours usually worked according to (draft) Resolution by the 18th ICLS (2008); threshold from ILO Convention No. 1 (1919).
 - Source: LFS.
 - Repository: Laborsta and KILM.



3. Decent hours

➤ Other indicators:

A – Usual hours worked (standardized hour bands)
(S)

A – Annual hours worked per employed person (S)

A – Time-related underemployment rate (S)

F – Paid annual leave (developmental work to be
done by the Office; additional indicator)

L – Maximum hours of work

L – Paid annual leave



4. Combining work, family and personal life

- Currently no main statistical indicator; developmental work to be done on:
 - F – Asocial / unusual hours
 - F – Maternity protection
- Legal framework currently covers:
 - L – Maternity leave (incl. weeks of leave, replacement rate and coverage)
 - L (additional) – Paternity and parental leave



5. Work that should be abolished

➤ M – Child labour (S)

- Definition: According to (draft) Resolution on Child Labour Statistics by the 18th ICLS (2008).
- Source: Combined LF and Child Labour surveys; specialized surveys.
- Repository: ILO-SIMPOC.



5. Work that should be abolished

➤ Other indicators:

A – Hazardous child labour (S)

F – Other worst forms of child labour (S)

F – Forced labour (S)

L – Child labour (incl. public policies to combat it)

L – Forced labour (incl. public policies to combat it)



6. Stability and security of work

- M – Proportion of employed in precarious types of work (S)
 - Casual, seasonal and temporary workers, in % of currently employed population aged 15 and above..
 - Source / Repository: various.
 - Memo item: Informal employment grouped under employment opportunities.
- Other indicators:
 - A – Number and wages of casual/daily workers (S)
 - L – Employment protection legislation (incl. notice of termination in weeks)



7. Equal opportunity and treatment in employment

- M – Occupational segregation by sex
 - Definition: Index of Dissimilarity (ID) based on 2-digit ISCO-88 [ISCO-08] data:

$$ID = \frac{1}{2} \sum \left| \frac{M_i}{M} - \frac{F_i}{F} \right|$$

- Source: LFS, census.
- Repository: Based on Laborsta (SEGREGAT).



7. Equal opportunity and treatment in employment

- M – Female share of employment in ISCO-88 groups 11 and 12
 - Definition: Employed women in ISCO-88 groups 11 and 12 as % of all employed persons in these groups; measure for vertical segregation.
 - Needs to be adapted to ISCO-08.
 - Alternative: Share in ISCO-88 major group 1.
 - Source: LFS, census.
 - Repository: Based on Laborsta (SEGREGAT).



7. Equal opportunity and treatment in employment

➤ Other indicators:

A – Gender wage gap (n.a.)

A – Indicator for FPRW (Elimination of discrimination in respect of employment and occupation) to be dev. by the Office (n.a.)

A – Measure for discrimination by race / ethnicity / of indigenous people / of (recent) migrant workers / of rural workers where relevant and available at the national level.

F – Measure of dispersion for sectoral / occupational distribution of (recent) migrant workers

F – Measure for employment of persons with disabilities

L – Anti-discrimination law based on sex of worker

L – Anti-discrimination law based on race, ethnicity, religion or national origin



8. Safe work environment

- **M – Occupational injury rate, fatal**
 - Definition: Incidence rate in accordance with Resolution concerning occupational injuries by the 16th ICLS (1998).
 - Source: Administrative records, establishment surveys, other.
 - Repository: Laborsta.



8. Safe work environment

➤ Other indicators:

A – Occupational injury rate, non-fatal

A – Time lost due to occupational injuries

A – Labour inspection (inspectors per 10,000 employed persons)

L – Occupational safety and health insurance

L – Labour inspection



9. Social security

- M – Share of population aged 65 and above benefiting from a pension (S)
 - Definition: Population aged 65 years and above benefiting from pension, as % of total population in age group.
 - Source: Household surveys, administrative records.
 - Repository: ILO-SECSOC.



9. Social security

- M – Public social security expenditure (% of GDP)
 - Definition: According to Resolution on social security statistics by the 9th ICLS (1957).
 - Source: National social security data.
 - Repository: Eurostat, OECD, ILO-SECSOC and estimates based on WHO and IMF data.



9. Social security

➤ Other indicators:

- A – Health-care exp. not financed out of pocket by private households
- A – Share of population covered by (basic) health care provision (S)
- F – Share of econ. active pop. contributing to a pension scheme (S)
- F – Public exp. on needs-based cash income support (% of GDP)
- F – Beneficiaries of cash income support (% of the poor)
- F – Sick leave (developmental work to be done by the Office; additional indicator)
- L – Pension (public / private)
- L – Incapacity for work due to sickness / sick leave
- L – Incapacity for work due to invalidity



10. Social dialogue, workers' and employers' representation

➤ M – Union density rate (S)

➤ Definition: Adjusted Density Rate (ADR)

$$ADR = \frac{\text{membership} - (\text{retired} + \text{students} + \text{unemployed})}{\text{wage and salaried employees} - \text{ineligible groups}}$$

➤ Source: Administrative records and LFS.

➤ Repository: ILO DIALOUGE & STAT.



10. Social dialogue, workers' and employers' representation

- M – Enterprises belonging to employer organization [rate]
 - Definition: Under development; rate could be weighted by employment.
 - Source: Administrative records; establishment surveys.
 - Repository: Needs to be built.



10. Social dialogue, workers' and employers' representation

➤ M – Collective bargaining coverage rate (S)

➤ Definition: Adjusted Coverage Rate (ACR)

$$ACR = \frac{\text{covered employees}}{\text{wage and salaried employees - ineligible groups}}$$

- 'Covered employees' includes those covered by extension.
- Source: Administrative records.
- Repository: ILO DIALOUGE & STAT.



10. Social dialogue, workers' and employers' representation

- M – Indicator for Fundamental Principles and Rights at Work (FoA and CB)
 - Definition: Indicator to be developed in line with ILO Conventions C.87 and C.98.
 - Source: Mainly based on data gathered by ILO supervisory system; indicator constructed by the ILO.
 - Repository: ILO.



10. Social dialogue, workers' and employers' representation

➤ Other indicators:

- A – Strikes and lockouts/rates of days not worked
[interpretation issues]
- L – Freedom of association and right to organize
- L – Collective bargaining right
- L – Tripartite consultations



DWI Definitions & interpretation guidance

- ILO is working on a guide on DWI:
 - Necessary to have precise definitions.
 - Interpretation is sometimes easy, e.g. the lower child labour or fatal occupational injuries, the better.
 - Interpretation is sometimes difficult, e.g. higher EPR or lower unemployment rate need not always signal progress.
- Work on DWI definitions shared across ILO.
 - EMP/TRENDS, TRAVAIL, STATISTICS, etc.
- Publication of guidebook to DWI in early 2010.



Decent work country profiles

- Presentation of information in decent work country profiles:
 - Can be adapted to country needs by adding additional indicators (A) as required.
 - Long time-horizon (e.g. 1998-2008).
 - Start with pilot countries from different regions (Austria, Brazil, Tanzania, Malaysia, Ukraine).
 - Pending successful pilot phase, the aim is to compile around 30 country profiles per year.



ILO / EC Project 'Monitoring and Assessing Progress on Decent Work' (MAP)

- Objective is to develop a global methodology to strengthen countries' capacity to self-monitor progress towards decent work.
 - Support for DW modules in LFS & establ. surveys.
 - Detailed analytical country studies.
 - Development of manual.
- Focus on ten project countries:
 - Bangladesh, Brazil, Indonesia, Malaysia, Niger, Peru, Russia, Ukraine, Cambodia and Zambia.
- Duration: 4 years, starting in February 2009.



Decent Work Indicators, PRS and National Development Frameworks

- Decent work country profiles can inform DWCPs, PRS and National Development Frameworks.
- Decent Work Indicators can be adapted and included in national monitoring frameworks.
 - Incorporates objectives of the Decent Work Agenda beyond the employment.
 - Offers opportunity to compare progress against that of other countries and to draw policy lessons / provide them to other countries.

