

Full employment: Beyond simple job counting

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Discussant comments

The Future of Full Employment Symposium

12-13 December, 2019

- An incomplete story is being told
 - Need to move beyond the U rate
 - But also beyond underemployment – importance of tracking working conditions
- Why aren't we creating enough good jobs?
 - Job creation (macro/industrial policy)
 - Job quality (institutional)

Tracking working conditions



ILO/Eurofound joint report, 2019

7 dimensions of job quality

Physical environment

Posture-related
Ambient (vibration, noise, temperature)
Biological and chemical

Social environment

Adverse social behaviour
Social support
Management quality

Work intensity

Quantitative demands
Pace determinants and interdependency

Skills and discretion

Cognitive dimension
Decision latitude
Organisational participation
Training

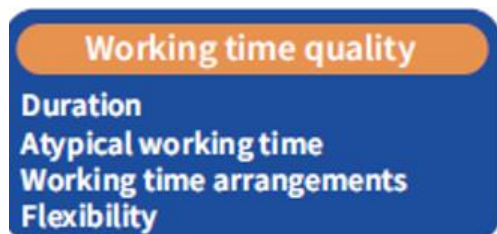
Working time quality

Duration
Atypical working time
Working time arrangements
Flexibility

Prospects

Employment status
Career prospects
Job security
Downsizing

Earnings



Working time quality



Atypical working hours

- 10 to 20 % work night shifts
- Similar proportions work shifts
- Around 50% work week ends (at least once a month)

Working time arrangement

- For the majority of workers in Korea, EU28 and China, hours are set by their company with no possibility for change
- Around 10% can choose between different schedules offered by their company
- Wide country differences on possibility to adapt one's working hours

Flexible working arrangements

How easy is it to arrange to take an hour off during working hours to take care of personal or family matters?

- Between 36% (Turkey) and over 70% (Korea)

Work in 'free time'

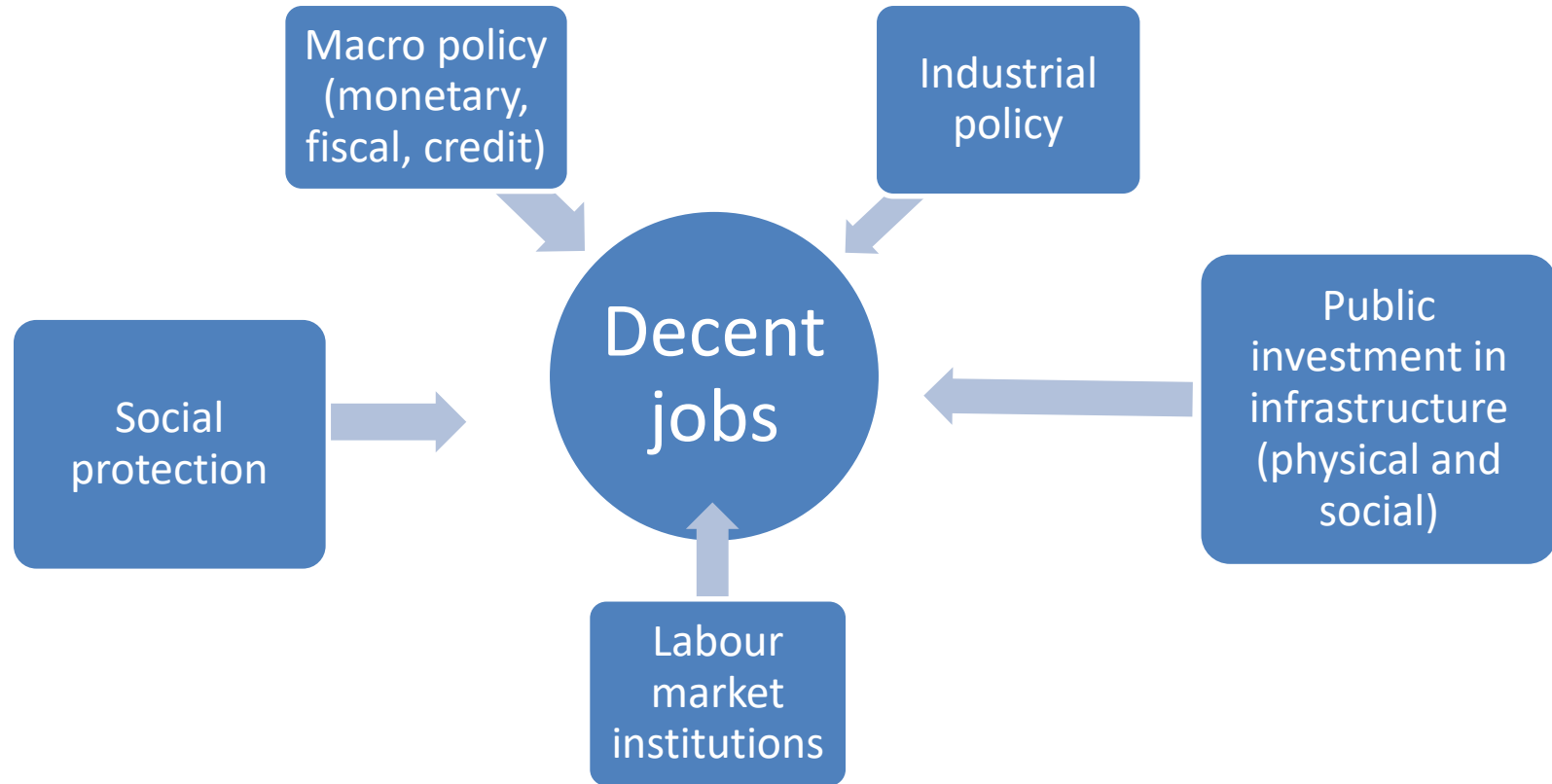
Around 30% in Europe, Turkey and Korea at least several times a month.

Very frequently reported in the US (slightly different wording)

Just-in-time scheduling

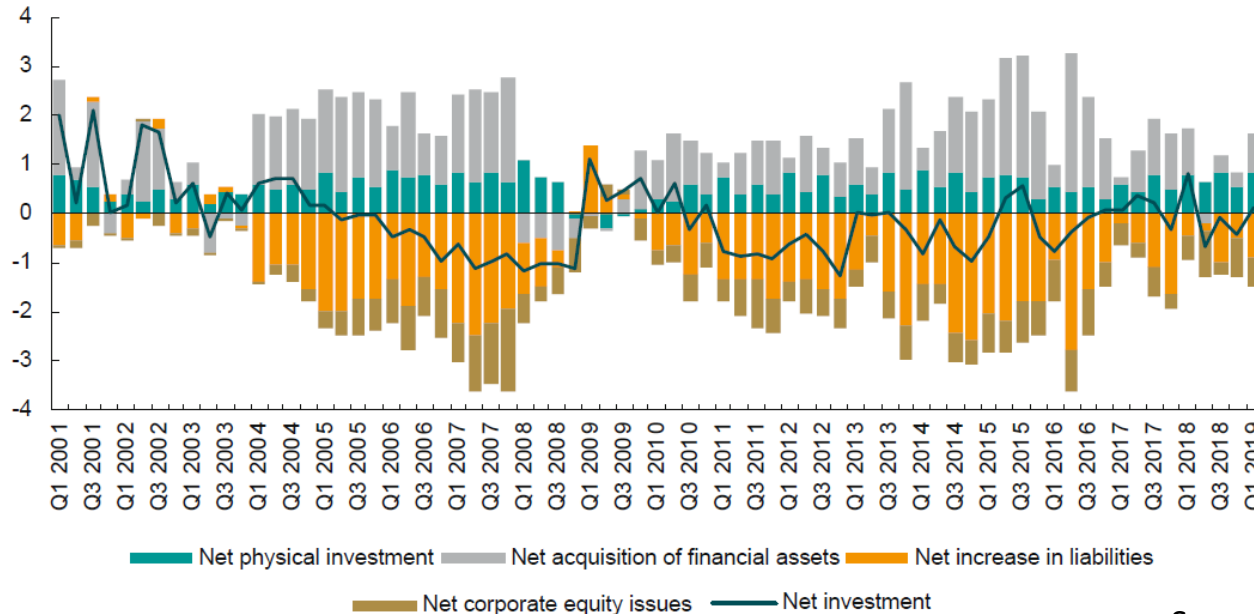
- 10 to 15% report that they are informed of changes in their working time arrangements either on the same day or the day before

Good jobs aren't created in a vacuum



Insufficient job creation: A bias in monetary over fiscal policy, yet private investment not being «crowded in»

FIGURE 1.6 Decomposition of net investment of the United States, 2001–2019
(Percentage of GDP)

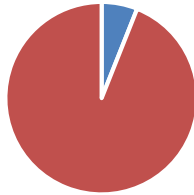


Most jobs are pretty ordinary

Predicted growth of STEM jobs

6.4%

2018



■ STEM occupations ■ Non-STEM occupations

6.7%

2028



■ STEM occupations ■ Non-STEM occupations

Top 10 occupations in the US



Food prep and serving, incl. fast food

Retail Salespersons

4,448,120

Cashiers

3,676,180

3,635,550

Office Clerks, General

2,972,930



Registered Nurses

2,951,960



Laborers and Freight, Stock, and
Material Movers, Hand

2,893,180

Customer Service Representatives

2,871,400



Waiters and Waitresses

2,582,410



General and Operations Managers

2,289,770



Personal Care Aides

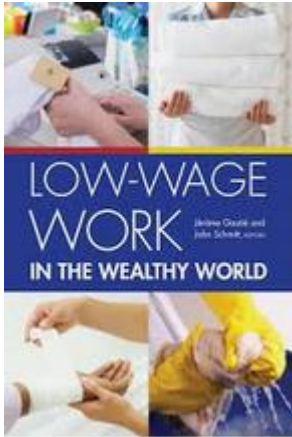
2,211,950

- 2,000,000 4,000,000

Source: US Bureau of Labour Statistics.

But just because it is not high skilled, doesn't mean working conditions should be poor

Retail Job Characteristics across Six Industrialized Countries, mid-2000s



	Percentage that are low-wage (<2/3 median)	Annual labour turnover (%)	Part-time workers (%)	Value-added per hour worked, 2005 euros, PPP
Denmark	23	36	50	21.94
France	18	20	28	29.55
Germany	42	20	47	26.36
Netherlands	46	27	70	23.43
United Kingdom	49	26	51	24.59
United States	42	50	28	25.41

--Plus differences in leave/rest policies, scheduling, whether they can sit...

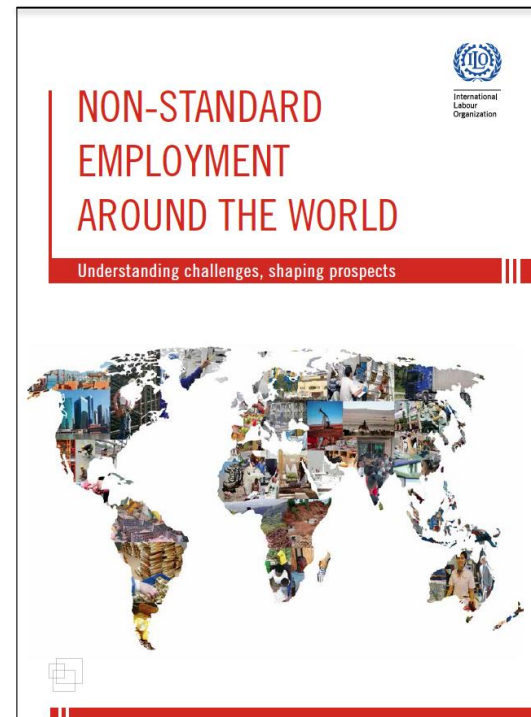
Part-time work can be of high quality, if policy design supports it

Box 4. The Netherlands: Good quality part-time employment⁷²

In the Netherlands – “the first part-time economy in the world”⁷³ – nearly half of wage employees work part time. In 2014, this was the case for 65 per cent of women and 28 per cent of men. Part-time work is not limited to marginal jobs but is found in nearly all occupations. Most part-time employees are on permanent employment contracts, and the average wage gap between full-timers and part-timers is negligible or non-existent. Several studies have shown that Dutch women are not only satisfied with part-time work, but also prefer it over full time, and in some instances wish to work fewer hours. How did the Netherlands arrive at this model?

The Netherlands grew into a part-time economy steadily but surely over the past 50 years, buoyed by the growing participation of women in the labour market, and the use of part-time work by employers as an alternative to union demands for a collective reduction of working hours and to fill the gap between shorter working hours and the longer operating time required to respond to increased demand. In the Wassenaar Agreement, concluded in 1982, unions agreed to moderate their wage demands in exchange for policies to combat unemployment, including the development of part-time employment.

Policy actions that were instituted to support good-quality part-time employment included the diffusion of part-time work into higher occupational levels and organizational hierarchies and, most importantly, the implementation of the principle of equal treatment for part-time workers – one year before the adoption of the EU Directive on Part-Time Work. In 2000, the Working Hours Adjustment Act, adopted in the framework of the “work and care” policy, allowed employees to request, under certain circumstances, a reduction (or an increase) in their working hours, with employers allowed to refuse such requests only on the grounds of specific conflicting business interests.⁷⁴

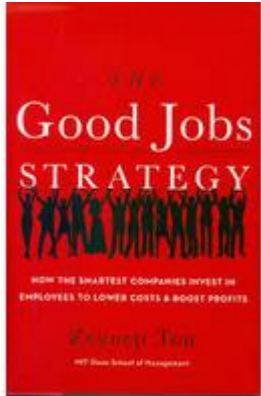


Z. Ton (2014), *The Good Jobs Strategy*



Finds that increasing payroll costs results in higher profit margins. At Spanish retailer, Mercadona:

- all of its 74,000 employees were on permanent contracts in 2012.
- Employee turnover was a mere 3.4 percent.
- And sales per square foot were 50% higher than Carrefour, with sales per employee increasing from €109, 474 in 1995 to €257,797 in 2012.



Book includes a great quote from
Keynes:



(p. 79): Referring to depression of 1930s,

«For I believe, that our destiny is in our own hands and that we can emerge from it if only we choose—or rather if those choose who are in authority in the world»



Thank you!