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Joint ECE-Eurostat-ILO Seminar
on Measurement of the Quality of Employment
(Geneva, 3-5 May 2000)

Topic 1

**JOB 'QUALITY' AND FORMS OF EMPLOYMENT:
CONCEPTS AND THE UK STATISTICAL EVIDENCE**

Invited paper submitted by the Office for National Statistics, United Kingdom¹

SUMMARY

1. European leaders are agreed on the need to create more jobs and reduce unemployment. The recent summit of European Union leaders at Lisbon agreed the goal of increasing the European Union employment rate (defined as the number of people in employment as a percentage of the population of working age) from its current level of 61 per cent to as close to 70 per cent as possible by 2010. Underpinning this debate is an assumption that high employment levels are preferable to low employment levels.
2. This is a debate about the quantity of jobs. Can a similar approach be taken to the 'quality' of employment? Is it meaningful to talk about the overall 'quality' of any job? And is it possible to rank jobs in terms of their 'quality'?

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3. The paper argues that the overall 'quality' of employment is not a concept that can be measured and ranked in a 'scientific' or 'objective' way.
4. Any single job is a combination of many different job characteristics. These characteristics cover both the extrinsic aspects of the employment relationship - pay; other financial benefits; hours of work; contractual terms; employment security; opportunities for advancement – and the harder-to-measure intrinsic aspects – how interesting the job is; work intensity; the risk of injury or illness; the nature of working relationships.
5. The subjective value that individuals place on any single job characteristic will vary according to their personal preferences and circumstances. In addition, the weight that an individual attaches to one job characteristic relative to another (for example, their relative preferences for pay against length of working week) will also vary according to circumstances and preferences. It is therefore impossible to arrive at a single measure of job 'quality' unless value judgements are imposed about how desirable different job characteristics are and how they should be weighed against each other. Most nations do impose value judgements of this kind when setting minimum employment standards. The point to note, though, is that these are political rather than 'scientific' judgements.
6. Even though it is not possible to define an overall measure of job 'quality', better measurement of all aspects of the employment relationship is itself of great value in developing a better understanding of the labour market. There is considerable demand from UK users of official statistics for better information on employment conditions.
7. The paper summarises what information is available from official UK statistics and from other sources (mainly periodic social surveys) on extrinsic and intrinsic job characteristics. The picture is mixed. Good information is available in certain areas (pay, employment status, certain aspects of working time) but the information base in other areas is less developed. This is especially true of intrinsic job characteristics where measurement difficulties are likely to be most acute.
8. As an illustration, the paper presents summary data relevant to the conference session theme, 'forms of employment, types of contract, job and social security'. Key findings include:
 - About one in eight UK workers define themselves as self-employed rather than employees. The number of self-employed has not increased during the 1990s.
 - About 7 per cent of UK employees consider themselves not to have a permanent job, an area where numbers have increased since 1991. The growth has come about due to greater use of fixed term contracts and agency workers. About a third of temporary employees say they are in their current job because they cannot find a permanent one – roughly the same proportion as those who do not want a permanent job.

- Job turnover varies over the economic cycle. Most employees quit their jobs (through resignation) rather than being dismissed or made redundant.
- Data from household surveys suggests that average job tenure has decreased slightly in the UK since the 1970s. Experience across the population varies. Job tenure has fallen more for men and women without dependent children, whereas women with dependent children have over time increased their job tenure.
- When asked directly, the majority of employees in the UK feel secure in their jobs. There is conflicting evidence on whether job security has changed over time.

9. The paper also presents data on job satisfaction – a (subjective) assessment by the individual of their job. Data from social surveys suggests that the majority of UK employees are satisfied in their current job, with perhaps a fifth being dissatisfied. Job satisfaction varies across the working population. Women are more satisfied than men; and part-time employees are more satisfied than full-time employees.

10. The UK Office for National Statistics is developing better information on employment conditions as part of its programme of continuous improvement to labour market statistics. Even so, gaps in the information base will remain. Conceptual and measurement issues still need to be tackled. International co-operation and the exchange of information are vital.

Abstract

1. The paper will discuss conceptual issues in defining jobs quality, with particular reference to forms of employment and patterns of working, and relevance to particular sub-groups of the labour market.
2. It will comment on UK user views and the potential for combining statistics on job quality with the existing range of labour market statistics produced in accordance with international definitions and guidelines.
3. It will describe the relevant UK data sources and definitions used, and describe the work which is currently in progress in the UK to refine the definitions used in the main surveys in order to improve the quality of data on different working patterns and forms of employment. It will also discuss practical measurement issues. In addition, it will cover the employment and pension rights of temporary workers under UK law.

4. The paper will present the statistics available in the UK on temporary working and non-standard forms of employment – for example, casual work, and different types of contract working, as well as part-time working. The paper will also discuss trends over time and their relevance to measuring job quality.

5. If time allows, there will also be an analysis of employment-related income with relative comparisons between different groups on the labour market.
