



FOR DEBATE AND GUIDANCE

TWENTIETH ITEM ON THE AGENDA

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

1. The Office has undertaken a significant amount of research into various methods of measuring the many dimensions of decent work. This has involved work in all four sectors, by all regions as well the Policy Integration and Statistics Department. At the 17th International Conference of Labour Statisticians in 2003, the Office presented a working paper discussing a range of indicators on a number of the dimensions of decent work.¹ The Conference recommended the holding of a tripartite meeting of experts on measuring the dimensions of decent work. As requested by the Governing Body on several occasions, this paper offers an opportunity for a debate on measuring decent work and on an outline of proposals which could be put to such an expert meeting.
2. In preparation for this discussion, the Office has:
 - (i) carried out tests of some of the proposed indicators in pilot countries, leading to a seminar on the use of labour force surveys for their collection;²
 - (ii) undertaken several thematic and regional compilations of statistics and statistical indicators for measuring dimensions of decent work;³
 - (iii) established a task team, coordinated by the Bureau of Statistics, to consolidate the various proposals for relevant indicators into an integrated set;

¹ R. Anker et. al., 2002: *Measuring decent work with statistical indicators*, Working Paper No. 2, Geneva, ILO.

² ILO International Seminar on the use of National Labour Force Surveys for Collecting Additional Labour-related Statistics (Geneva, 24–26 October 2005). Report: http://www.ilo.org/public/english/bureau/integration/download/events/5_3_68_finalreport.pdf.

³ ILO, 2006: *Panorama Laboral* (Lima) in Spanish; ILO, 2005: *Labour and social trends in Asia and the Pacific* (Bangkok). Lawrence, S. and Ishikawa, J., 2005: *Social dialogue indicators: Trade union membership and collective bargaining coverage. Statistical concepts, methods and findings*, Working Paper No. 59, Geneva, ILO.

- (iv) published a special issue of the *International Labour Review* in 2003 devoted to “Measuring decent work”;⁴
- (v) collaborated with the United Nations Economic Commission for Europe (UNECE), EUROSTAT and the European Foundation for the Improvement of Working and Living Conditions, as well as with Statistics Canada to develop measures of the quality of employment, which encompasses some of the dimensions of decent work.⁵

Outline for next steps

3. Four basic conclusions for future work can be drawn from this work.
4. First, before embarking on a significant effort to draw together a variety of indicators for the multifaceted dimensions of decent work, it is important to have a clear goal in mind that reflects the needs of constituents. In this respect, the main value of measuring decent work could be to assist constituents in assessing progress at national level towards the goal of decent work against a set of indicators that are also available for other countries. This could be done by constructing country profiles of the situation in the most recent year for which adequate information was available and for a base year in the recent past, e.g. 1995. Such country profiles could be of particular value for assessing progress in countries with Decent Work Country Programmes alongside the more specific data related to programme targets and outcomes. As many countries request from the ILO information on the situation in other countries, it is important to use in so far as possible a standard methodology and list of subjects on which indicators would be compiled. This work would also contribute to monitoring and reporting on country progress towards decent work and strengthening the knowledge base and analytical capacity of the Office.⁶
5. Second, development of aggregate composite indexes ranking countries has little value for policy analysis as such indexes fail to provide appropriate context and often require the use of very restrictive assumptions in order to build a comparative database.
6. Third, given the nature of decent work as a multifaceted concept, progress towards its achievement cannot be measured by standard quantitative indicators only. Objective textual analysis is necessary to properly assess progress on dimensions that relate to the more qualitative aspects of decent work. Some, like employment, wages, working time and social security, lend themselves more easily to statistical measurement while the assessment of institutional dimensions prevalent in social dialogue, the functioning of labour markets and the application of international labour standards require alternative methodologies, including use of textual analysis. Methodological advances in textual analysis do however hold some promise of being able to construct meaningful

⁴ *International Labour Review*, 2003: “Measuring decent work”, special issue, Vol. 142, No. 2.

⁵ Ritter, J.A.: *Patterns of job quality in the European Union*, 2005, Working Paper No. 51, Geneva, ILO. See also Joint UNECE/ILO/EUROSTAT Seminar on Quality of Work (April 2007), at <http://www.unece.org/stats/documents/2007.04.labour.htm>.

⁶ As suggested in para. 5 of the conclusions on strengthening the ILO’s capacity adopted by the International Labour Conference, 96th Session, 2007.

assessments of progress in the more qualitative dimensions of decent work.⁷ Such an approach also opens up the possibility of using local surveys or administrative data which, while not strictly comparable internationally, provide valuable information on decent work.

7. Fourth, demands for a more comprehensive picture of progress towards decent work are likely to increase with the recognition accorded to the goal of decent work within the agreed international development agenda, including the Millennium Development Goals. The next UN report on the Millennium Development Goals will include four indicators under goal 1 on poverty reduction based on data collected and prepared by the ILO. These will cover employment-to-population ratios for persons aged 15 years and over and youth (aged 15 to 24 years) by sex, vulnerable employment, share of working poor (US\$1 a day) in total employment and labour productivity.⁸ Data on these dimensions are based on comparable estimates and are widely available at country level. However, it would be desirable to supplement this initial set with further information and analysis on a broader range of the dimensions of decent work enabling the ILO to set the standard for quality and content of measures of decent work.

Proposals for future work

8. Based on these considerations, it is proposed that the Office:
- (i) hold a tripartite meeting of experts in 2008 to discuss statistical and textual methodologies and a comprehensive list of indicators across the four dimensions of decent work that could be used to gradually build country profiles;
 - (ii) continue work on the development of statistical indicators that are relevant for an assessment of progress towards decent work;
 - (iii) investigate the use of textual analysis to produce narrative reports on progress with respect to all aspects of decent work, but especially so for those qualitative dimensions that do not easily lend themselves to standard statistical measurement.
 - (iv) invite at least two countries to test an ILO template for the country profiles of decent work envisaged;
 - (v) develop a programme to support member States in their efforts to produce the statistics and information required for assessing all aspects of decent work, including the results of Decent Work Country Programmes;
 - (vi) make recommendations to the International Conference of Labour Statisticians, convened in December 2008 and, through it, to the Governing Body, on methods that could be used to assist constituents monitor and assess progress towards achieving the goal of decent work.

⁷ D. Kucera, 2004: *Measuring trade union rights: A country-level indicator constructed from coding violations recorded in textual sources*, Policy Integration Department Working Paper No. 50, Geneva, ILO.

⁸ ILO, 2007: *Key Indicators of the labour market* (fifth edition) Geneva, ILO. Chapter 1, Section A, provides a useful discussion of these indicators, available at: www.ilo.org/public/english/employment/strat/kilm/download/chap1a.pdf.

9. The Governing Body may wish to discuss the possibility of holding a tripartite meeting of experts on measuring decent work subject to receiving a proposal as to its financing from the Programme, Finance and Administrative Committee at its next session in March 2008.

Geneva, 2 November 2007.

Submitted for debate and guidance.