

How to measure quality in job transitions?

Audrey Levêque, Jean-François Orianne and François Pichault

University of Liège¹

1. Introduction

The globalisation of trade and the increased competition between economic players that have characterised recent decades have resulted in the emergence and the spreading of new forms of work and employment. Knowing that employment status remains the main vehicle for the acquisition of various social rights, these new forms are contributing to an increasingly marked social divide between “strategic” workers with secure status, and “peripheral” workers or other categories of assets, whose career paths are marked by insecurity and discontinuity. In such a context, more and more analysts of the labour market seem to agree on the necessity to establish a new “social contract” (Roustang *et al*, 2000) which would permit the equitable sharing of the cost of reforms required to re-establish growth in Europe, both among groups of the same generation and between successive generations, without undermining the main social benefits achieved until now.

The concept of flexicurity, the showpiece example of which is the “Danish model” (Madsen, 2004), has been increasingly presented as a favoured way of dealing with the deregulation of the labour market (Wilthagen et Rogowski, 2002). This approach is attractive due to its basic principles, as it seems to permit the resolution of a contradiction which is gradually eroding the foundations of the European social model: maintaining the “welfare state” in a liberalised and deregulated economic context. Nevertheless, despite the keen interest it is stimulating, flexicurity remains normative, highly ideologically connotated, and not very operational. This is a major problem, as this approach is not intended to remain purely theoretical.

First of all, we can notice that flexicurity is mainly envisaged in a macro-economic and macro-social perspective, as a strategic policy centered both on the institutional reforms of labour markets and welfare states (Viebrock & Clasen, 2009; Auer, 2009; Giesecke, 2010)

¹ Audrey.Leveque@ulg.ac.be ; jforianne@ulg.ac.be ; F.Pichault@ulg.ac.be

and on the transferability of national models of flexicurity (Wilthagen, 1998 ; Wilthagen & Tros, 2004 ; Andersen & Mailand, 2005 ; Bredgaard & al., 2006). Such a vision of flexicurity is based on an ex post analysis of structural changes occurred on the Dutch (Visser & Hemerijck, 1997) and Danish labour markets (Madsen, 2004; Pruijt & Droge, 2010), considered as « flexicurity models ». However, such models are currently severely questioned after the worldwide financial crisis of 2008-2009 (Auer, 2010). Moreover, a very important limit of the current literature on flexicurity must be highlighted: the lack of empirical evidence. Flexicurity remains at this stage an « open concept », non operational as such and not tooled for concrete applications.

Most definitions of flexicurity take into consideration new forms of continuity (notably in terms of social rights) in a context increasingly characterised by discontinuity (especially in terms of career paths). We here propose to consider flexicurity as a *policy that encourages positive and quality transitions in a given institutional context*. It means that not only the output of the transition must correspond to an improved situation for the individual worker (positive transition), but also the transition process by which this progression has been operated (quality transition).

We consider then that a flexicurity policy highlights the positive transitions, that is to say, the progressive transitions: inactivity or unemployment to employment or a job towards a better job. It also seems important that the transition process itself is of quality. We talk about positive and quality transitions. We will see later how to define this quality of the transition process and how it is translated into concrete indicators.

The contextual aspect is also very important as we have already said. Indeed, these transition policies are divided in various institutional contexts which are useful to take into account to understand the data and perspective with regard to this context. We will therefore propose a series of indicators to characterize the institutional contexts.

In order to make these concepts of transition and flexicurity more concrete, we were asked by the Belgian Department of Employment, Labour and Social Dialogue to conduct a methodological study destined to improve flexicurity indicators currently available at the European level (EMCO²). This paper presents a synthesis of our methodological proposals for assessing the quality of job transitions on the labour market.

² European Employment Committee

2. Transition table

Concerning job transitions, most research are focused on the output, not distinguishing it from the process and they don't pay attention to the quality most of the time. According to Brzinsky-Fay, in a very recent paper, *“the explorative dimension of transition analysis remains somewhat underdeveloped, because most studies are limited to descriptive, bivariate cross-tabulation of individual transition – i.e. status change – frequencies. This limited operationalisation of transitions has certain effects on the theoretical dimension of transitions. The question “What is the difference between a transition process and a status change (event)?” remains unanswered and undiscussed”* (Brzinsky-Fay, 2010, p.7).

In order to measure the quality of job transitions, we propose to separate clearly the process from the result of positive transitions (transitions towards or within employment). We consider then the job, on the one hand, and the transition process in itself, on the other hand. The process in itself represents the concrete reality of events occurring between T and T+n, between the input and output of the transition. The input can be a job or no job as the output can be a better job or getting a job.

Starting with this transition quality table, four possibilities can be considered reflecting how important both the output and the process of the transition are:

Positive transition quality		
Job quality Process quality	—	+
+	Inefficient	High
—	Poor	Painful

The output (job) can be of bad or good quality as well as the process. If both are good, the transition is high. If both are bad, the transition is poor. If the quality of the process is good but the job quality is bad, we consider that the transition is inefficient, leading to a bad quality job. The painful transition is the fourth case, leading to a good job but through a transition process of bad quality.

We can illustrate the four possibilities with some examples from the literature.

The inefficient transition (+/-) seem to happen in job coaching and outplacement practices (Orianne, Moulaert et al., 2004). These innovative processes are not binding for job seekers. They have choice to participate or not, which indicates a certain quality of the process (+). However, these people are rarely employed at the end of the process or at least don't find a quality job (-).

The opposite is the painful transition (-/+). The workfare policies (Davoine and Gratadour, 2004) can illustrate this type of transition. Indeed, these forced employment policies are very binding and sanctioning and don't respect the individual freedom of choice, which gives a bad quality to the transition process (-). However, we could consider that the output of the transition is good as a lot of people finally get a job.

The third case is the poor transition (-/-) which can be illustrated by what Orianne calls "clinical treatment of the unemployed" (2005). These coaching policies for unemployed are obligatory and binding. They have to work on their employability and on themselves but they are forced to do so. The process is bad (-) but the output too (-) because they can't find any job anyway.

And the last possibility is the high transition (+/+). Gazier (2003) give different examples of employment policies related to transitional labour markets (TLM) which illustrate well this transition case. The first example is the Foundation of Work in Austria (pp. 147-148) introduced in the early 90's which helps to manage transitions between two jobs avoiding a division between employees by supporting the outplacement of all of the leavers. The second example is the Danish leave (pp. 152-159). This system was instituted between 1996 and 2000. The principle is to fund the leave of an employee and his replacement with special assistance when the replacement is an unemployed person. At the end of the leave, the worker resumes his post but his replacement has gained significant experience and can resume his job search with better references. The third example concerns Finland (pp. 202-204) where

“Experience is a national asset” (1997). This country focuses on skills development at all ages and takes different measures for old workers. More than 55 years old can choose between multiple options leaving early or delayed, progressive or not. And finally, “Time for the city” in Italy, started in 1995 (p 307-308), is another example of high transition as this policy tends to give the possibility to get a better balance between work and family life for women. Italian mayors reviewed then the opening hours of public services, shops and work schedules. These four examples can show good transition processes (voluntary, respecting freedom of choice, etc.) (+) and good transition outputs (better quality job, new job, etc.) (+).

Most authors don’t separate the process from the output of the transition and don’t consider their quality. That’s why the focus of our paper is related to the quality of the transitions and how to evaluate it. In order to measure concretely the job quality, on one hand, and the quality of the transition process on the other hand, we suggest diverse indicators which will be supplemented by context indicators needed for the coherent interpretation of the transition data. We will then develop three dashboards of indicators respectively related to job quality, transition quality and the institutional context.

3. Job quality

If society recognizes the right to work, which minimum qualifications does employment require so this right can be exercised under acceptable conditions?

We note here an important distinction between the concepts of work and employment. The work consists of the terms of use of the workforce, while employment is a quasi-status, with elements of stability and standardization by the legal norms (Gaudu, 1987).

Decent work, decent job, right to work, quality work, etc., literature abounds with words for the quality of employment or work. The ILO introduced the term "suitable employment" in its conventions 44 and 168.

Freyssinet considers the concept of suitable employment acts instead of those of "full employment" or "right to work". Thus, *"this is the notion of" suitable employment" which becomes the touchstone for assessing the types of goals of the Employment Policy"* (Freyssinet, 2000, p. 28). Meda (2000) and Concialdi (2000) speak of today extended full employment. This concept brings certain requirements:

- guarantees on career paths throughout the career;

- a mode of social organization which provides in the workplace and elsewhere "the plural nature of human development " (Meda, 2000);
- unemployment but short duration (Pisani-Ferry, 2000);
- sustainable growth and job creation.

Today, the mere fact of employment no longer guarantees the satisfaction of the needs of the workers 'needs or their social integration. Given the diversity of employment paths, a larger class is emerging, that of "active" or "professional status". Employment is a benchmark for various rights related training, leave, professional conversion, etc.

The right to employment is no longer enough: the minimum guarantees and qualities that must represent the work to be socially acceptable should be specified.

The ILO report in 1999, *Decent work*, extends the concept by insisting that "*every woman, every man can have access to decent and productive work in conditions of freedom, equity, security and dignity*" (ILO, 1999, p.3).

For Freyssinet, the terms "suitable employment" and "decent work" are not significantly different (Freyssinet, 2000, p. 36). They can translate the qualitative requirements which alone give socially acceptable content to goals of full employment and labour Law.

There is no universal definition of permanent and suitable employment, except in very abstract terms. It fluctuates depending on the situation of the labour market, employment policies, workers, unemployed, etc.

Decent work? Suitable job? It is important for us to go beyond the term to decline concrete indicators of quality of work or employment. To develop job quality indicators, we mainly drew inspiration from two recent studies on the subject: Davoine, 2007 and Muñoz de Bustillo, 2009.

A. Beyond the salary and satisfaction to measure the job quality

Lucie Davoine completed his doctoral thesis in economics on the specific issue of job quality. She takes as starting point the 2001 Laeken indicators of job quality. The ten dimensions of job quality chosen by the Laeken Summit are:

- Intrinsic job quality;
- Qualifications, education and training throughout life and career development;
- Equality between women and men;
- Health and Safety;
- Flexibility and security;
- Inclusion and access to the labour market;
- Work organization and balance between work and private life;
- Social dialogue and worker involvement;
- Diversity and non-discrimination;
- Overall economic performance and productivity.

Much of Davoine's work revolves around worker satisfaction seen by the labour economics and the economics of happiness that she intersects. She concludes the first part by saying: "*We were able to demonstrate that the two criteria used in the literature, wages and satisfaction, are not sufficient to account for all the issues underlying the concept of quality of employment. Indeed, the salary does not always reward training efforts, and it does not make any discomforts or risks at work. Ultimately, it should recognize the multidimensional nature of job quality and put it in an open system, embedded and dynamic, like the TLM*". We totally follow her reasoning.

The second part of her thesis is to analyze preferences of workers in Europe through four surveys: ECHP, ISSP, EVS, ESS³. She thinks that "*the determinants of job satisfaction and preferences in respect of employment in Europe are heterogeneous, but comparisons are evident between groups of countries usually distinguished in the institutionalist and culturalist literature.*" Here we see the emphasis on institutional context, which coincides exactly with our approach in which we identify context indicators relative to the heterogeneity of data. This part can highlight what may be good jobs for European workers and make a link with a third part especially interesting for us because she amends the existing concrete indicators and then offers her own grid of indicators.

To compile her list of indicators, Davoine has inspired numerous studies and lists of existing indicators: Anker *et al.*, ILO, Tal, Green, Brown *et al.*, Auer and Cazes, Atkinson *et al.*, etc. She thus takes into account the diversity of existing indicators in her analysis to only keep

³ ECHP : European Community Household Panel, ISSP : International Social Survey Programme, EVS : European Values Survey, ESS : European Social Survey.

arguments to support that it deems relevant and so provide her own grid of indicators (see Appendix 1).

B. Job quality: a multidimensional concept

Another interesting research was conducted by Muñoz de Bustillo and his team, on behalf of the Committee for Employment and Social Affairs of the European Parliament on the issue of job quality. These researchers are examining different approaches ultimately lead to a matrix of indicators of the quality of the job. We will take it as a base and we will complete it slightly, including indicators from the Davoine's work to establish our dashboard of indicators of what we call the quality of the job as well.

The study questioned first job satisfaction as an indicator and shows the limits. *"Summing up, although job satisfaction related to might be job quality, there are many other variables not related with job quality (dissonance on thinking, adaptive expectation, etc.) affecting the level of job satisfaction. From this perspective, this variable is ill-suited as a year gold output 'catch-all variable of job quality'"*(Muñoz, p. 36).

Muñoz then attempted a slightly less subjective approach: asking workers to define the criteria for a good job. *"In short, the valuation of job attributes varied According to the workers' basic socio-demographic characteristics and, in addition, between one and another country. The non-negligible discrepancies found across the different national cases suggestive that building was job quality indicator for each country would be quite would reduce tedious and transparency"*(p. 44).

The authors consider that the job quality is a multidimensional concept and it seems appropriate to mix a subjective approach asking people what criteria should make the quality of the job and a more scientific approach drawing on various current concepts of social sciences.

The study then examines the dimensions to be taken into account when measuring the quality of the job. It is interesting to note here that Muñoz considers the quality of the job as a static characteristic of the job. It does not take into account the transitions from one job to another. The idea is to evaluate the quality of work and employment in a given location regardless of turnover or the global movement of people between jobs. He considers the job regardless of who occupies it and tries to characterize it as such. We agree with this idea. It seems

important, as we already mention it, to distinguish transitions between jobs and the jobs themselves.

The grid drawn up by Muñoz (see Appendix 2) is the basis of our job quality indicators dashboard. It has several advantages: attention is granted to both work conditions and employment relations (the term job combines the concepts of work and employment) and the positioning at individual level for the collection of data. « *Job quality refers to the impact of the attributes of existing jobs on the well-being of workers. Therefore, in one way or another, every measure of job quality will necessarily be based on information collected at the level of individual workers* » (p. 53). « *Again, as job quality happens at the individual level, it is only at the individual level that these interactions can be studied, so by constructing the indicator at the aggregate level we would be losing some very important information* » (p. 55).

C. Job quality indicators

We believe that these two elements are very relevant for grasping the quality of the work and employment. We then added several indicators from the work of Davoine, on the one hand, and from the existing list of indicators from EMCO (see Appendix 3), on the other hand.

One cannot fail to observe that a set of indicators proposed by Davoine are in this grid. However, we wish to supplement it with some indicators still lying at an individual level and which appear relevant to deepen the quality of employment, such as the balance of private and professional life, the involuntary aspects of employment or the travel time home - workplace. We do not add indicators for training because we will find the indicators of lifelong learning as contextual indicators. We do not consider the indicators related to transitions here since we propose to make a theme in itself, separated from the quality of the job.

The indicators we have added to the grid of Muñoz are marked in bold italics. It seems important to consider these additional indicators. Two European surveys today provide the data related to these indicators: LFS (Labour Force Survey) for employment and EWCS (European Working Conditions Survey) for work. However, as proposed by Muñoz, it would be preferable to have a single data source in order to operate the crossing around a single individual.

Thus, our dashboard of indicators allows assessing the quality of the job, which is considered as the result of positive transitions.

JOB QUALITY DIMENSIONS	JOB QUALITY INDICATORS
WORK	Autonomy
	Physical working conditions
	Effects of work on health (physical and psychological)
	Physical and psychological risks
	Work pace and load
	Social environment at work
	Meaningfulness of work
	On-the-job learning
	<i>Coherence between position and skills</i>
WORK and EMPLOYMENT	Participation
	Promotion opportunities
EMPLOYMENT	Formal training
	Type of contract, stability
	<i>Involuntary part-time work</i>
	<i>Involuntary temporary work</i>
	Working hours
	Distribution of working hours (anti-social hours, clear boundaries, flexibility)
	<i>Balance between private life and work</i>
	Wage
	Social benefits
	<i>Home to workplace travel time</i>

Job quality is the first element to be considered to measure the quality of labour market transitions. We add then the quality of the transition process in itself.

4. Transition quality

The Transitional Labour Market (TLM) theory has emerged in the early 90s. It wanted a reform of employment policies. For Schmid, the founder of this concept, it was to see the "transitions" that a person can accomplish in the labour market and around it, identify desirable transitions and involve new rights. The TLM was then defined as "*systematic management and negotiated transitions (temporary positions), the latter corresponding to the total mobility (changing jobs or status, miscellaneous leave, promotions ...). Systematic because transitions are seen in their interactions, because the negotiated public policies on employment are often unilateral and should be reinserted in the management by the actors themselves, their career paths and personal*" (Gazier, 2005, p. 302).

"Transitions" are defined as any deviation from the baseline established by the full-time and permanent contract. These transitions can be arranged or left to individual initiative. They can also be progressive or regressive (critical transitions - Gazier, 2003, p. 136).

Most writers who address the issue of transitions do not address their intrinsic quality. They perceive as quality a transition leading to a better situation for the individual, thus focusing on the output of the transition and not on the transition process itself.

The transitions system theory (Raffe, 2008), for example, considers a four level analysis of transitions which makes no distinction between the process and the output of the transition. They introduce the concept of 'generic conditions for successful transitions'.

This concept is implicit in several policy analysis, such as the OECD's (2000) Thematic Review. They identified six 'key ingredients of successful transition systems': a healthy economy; well-organised pathways that connect initial education with work and further study; widespread opportunities for workplace experience to be combined with education; tightly knit safety nets for those at risk; good information and guidance; and effective institutions and processes. These conditions for success apply to all transition systems, although the policies required to ensure that they are satisfied may vary across

systems. Some academic researchers have proposed similar lists of conditions or functional requirements, but at a high level of abstraction (Van der Velden, 2001).

The only author who could inspire us concerning the transition process quality is Gazier (2008). He proposes, as a result of Schmid (2008), four principles to define "good transitions":

- "Increasing individual *liberty* (or autonomy), giving people more power, not only in financial terms but also through transfers in terms of participation in employment decisions affecting them. In return participants to the labor market may agree to assume more risk, more duties and obligations.
- To promote *solidarity* in the management of social risks and risks of the job market. This involves the inclusion in programs of redistribution, the most privileged workers, who are at less risk and are better able to insure them.
- Search the *effectiveness* of measures accompanying the transition, through a process of specialization, coordination and cooperation. This most often takes the form of a mixture of public and private contributions in the formulation and implementation of relevant policies, and requires conditions negotiated decision-making.
- Mobilize the arsenal of techniques for *risk management*: monitoring, evaluation and self-regulation, through a largely decentralized approach or management by objectives. This principle requires the search for better co-determination of stakeholders, whether at the firm level, at local or regional level "(Gazier, 2008, p. 118).


To assess the quality of transition process, we envisage all the possible transitions between the five main fields (Schmid, 1995): training (initial or on-the-job), employment (salaried or not, full-time or part-time), unemployment, unpaid useful social activities (domestic and family tasks, volunteer work, activism) as well as retirement (progressive or total) and inactivity.

Many transitions are possible between these five fields. Even if the policy of flexicurity focuses mainly on positive transitions (towards employment), we believe it would be advantageous to have indicators that enable the quality of all the transitions to be gauged, including when they are regressive (i.e. towards unemployment).

In light of the fact that it is scarcely documented in relevant literature, the quality of transitions was approached via a working group set up for the occasion with different persons involved in labour market policies (employers, unions, economic and social public institutions, etc.). This workshop helped to highlight the dimensions of quality, applicable to all processes of transition, regardless of the starting position in T and the arrival of T + n. A quality transition needs:

- to be the result of a choice (but if it is not experienced, you need to be able to anticipate);
- to get a quality support which is characterized by different dimensions: speed of implementation, effectiveness, decentralization, consistency, frequency of monitoring and non-discrimination;
- to be secured;
- to give the possibility to acquire new skills.

Few indicators exist, and this is why we present, in our dashboard, (see below) a series of new questions that we proposed to incorporate at European level into the Labour Force Survey (LFS) to gauge the quality of the transition process. We therefore also suggest data collection at individual level.

TRANSITION PROCESS			
DIMENSIONS		SUB-DIMENSIONS	INDICATORS
RESULT OF A CHOICE 			Reasons for this choice Variables: age, sex and level of qualification
If yes, continue	If no, see this dimension: WITH POSSIBILITY OF ANTICIPATION OF THE TRANSITION EXPERIENCED (job to unemployment, regression within job or relocation)		
WITH SUPERIOR QUALITY SUPPORT		Existence of support <ul style="list-style-type: none"> • If not, see the following dimension • If yes, continue 	
		Speed of implementation	Maximum time from initial notification by the employment agency (in case of unemployment only => new question)

	Efficiency	SEE indicator 19.A4 (EMCO): active labour market policy: situation after departure
	Decentralisation	Level of decentralisation of the employment agency
	Coherence	Institutional coherence: are there cooperation agreements between the different levels of authority in charge of support?
	Frequency of monitoring	
	Non-discrimination (gender, age, race, handicap, etc.)	Distribution of participants involved in active labour market measures (gender, age, etc.)
WITH A CERTAIN AMOUNT OF SECURITY DURING THE TRANSITION		<ul style="list-style-type: none"> • Risk of poverty for people who have experienced a transition • Risk of poverty for people who have not experienced a transition
WITH POSSIBILITIES OF ACQUISITION of new skills and experience		

5. Institutional context

Considering flexicurity as a *policy that encourages positive and quality transitions in a given institutional context*, it seems essential to address context indicators in order to characterize it. Indeed, it appears essential to take into account all the specific issues in a particular country in order to ensure a consistent interpretation of the data. For example, the implementation of the same transition policy in different countries will reach different results according to the specific institutional context. This "institutionalist" view will improve the interpretation of the standard indicators of positive transitions developed above. This is necessary in order to increase the relevance but also the comparability of flexicurity at European level. Taking into account the institutional forms will modulate the operating indicators of flexicurity, considering the institutional specificities or not, and also to draw lessons from transnational benchmarking done on that basis.

Inspired by studies measuring welfare states (Esping-Andersen, 1999, 2001; Palier and Bonoli, 1999) or describing contemporary forms of capitalism (Hall, Soskice, 2001; Amable, 2005), we propose a series of new indicators to characterize institutional spaces within which transitions are managed and negotiated.

We suggest to take into account contextual indicators related to lifelong learning, development of the labour market, social protection and social dialogue, in order to increase the relevance of the diagnosis.

Here is an overview of the major dimensions and sub-dimensions of the context indicators (see Appendix 4 for the detailed grid of indicators):

CONTEXT DIMENSIONS	SUB-DIMENSIONS
Lifelong learning (LLL)	input
	processus
	output
Labour market	unemployment, employment and wages
	labour costs
	labour market policies
Social welfare	social spending
	social inclusion and pensions
	employment protection
	private / professional balance
	growth
Social dialogue	

A. Lifelong learning

The first dimension of the context indicators is the lifelong learning (LLL). It seems necessary to take it into account as LLL is a condition for upwards transition. Specific skills are needed to make progress on the labour market. We decided to place it in context indicators because indicators of LLL can characterize the global context within each member state rather than transitions in the labor market. Thus, overall spending in education, the number of graduates of higher education or the extent of dropout, for example, tells us the context for lifelong learning at the macro level.

B. Labour market

The characteristics of the labour market in a country are a very important context dimension to ensure a consistent interpretation of the transitions data. We classify the labour market indicators into three main sub-dimensions. The first "unemployment, employment and wages" and the second "cost of labor" are indicators directly taken from "The labour market" in the Eurostat database. The last sub-dimension "Active labor market policies work" takes as basis the 6 indicators "political labor market" of EMCO (19.A3, 19.A4, 19.A5, 19.A6, 19.M2 , 19.M3) to which we add some indicators from the Eurostat database.

C. Social welfare

The social welfare level of a country is also a dimension we have to integrate in order to understand better the data on transitions. Indeed, same results in different countries may hide very distant realities.

Regarding welfare, we have integrated the EMCO indicators "Social Security" - which are not already in the dimension "Labour Market" (19.M6, 19.M7) - and those relating to "Work and privacy "(18.A5, 18.A6, 18.M3) to indicators from the "Social Protection" database of Eurostat. These indicators are directly inspired by the social protection indicators of the Social Protection Committee. So we took indicators on social spending, social inclusion and pensions, employment protection, balance between work and private life as well as growth. We selected those we thought were both broader and more relevant to characterize the context of flexicurity in the Member States.

D. Social dialogue

Finally, it seems important to consider the context indicators related to unionization and social dialogue. To do this, we mainly use the work of the International Labour Office (2005).

*"Social dialogue includes all types of negotiation, consultation or simply exchange of information between representatives of governments, employers and workers on issues of common interest relating to economic and social policy"*⁴.

It seems important to understand at a macro level that workers can express their concerns on various issues related to work and participate in making decisions that affect their working conditions. The ability of workers to organize themselves freely to defend their interests collectively in negotiations with the employer is also an important indicator of context. The right to strike and lockout is one measure of the failure of social dialogue. Therefore, it can also be an interesting indicator.

6. Conclusion

The debate around flexicurity is mostly ideological and related to public policies analysis. As Auer (2010) asks: "Is flexicurity falling now?" The issue now is to evaluate these public policies. How is this concept concretely implemented in different countries? Which public policies are developed to reinforce flexibility and security? How could public authorities measure the results of their policies? Different ways can be taken to do so (Dunn, 2003; Dye, 2007; Nagel, 1999). In a quantitative methodological perspective, this paper helps to feed the political debates between European or national public actors by developing flexicurity and especially transitions quality indicators.

Considering simultaneously the indicators of job quality and of process quality, we can localize each transition in the table presented above and qualify its nature: high, poor, inefficient or painful. More generally, this table gives us the possibility to evaluate labour market transitions in a specific country and to advise policy makers about the choices they have to make. However, such data must be situated in their specific institutional context.

This research could help us to highlight the following points.

⁴ http://www.ilo.org/global/what_we_do/Statistics/topics/Socialdialogue/lang-en/index.htm

Firstly, it should be remembered that any transition is a process in its own right and deserves to be taken into consideration and evaluated. The indicators in the dashboard relating to the transition process enable this reality between T and T+n to be described and evaluated, and contribute to the debate on transition support policies implemented in the Member States. Our approach to flexicurity, as a policy encouraging positive and quality transitions towards and within employment, helps to take into account this dimension of process quality and move beyond the mere assessment of transition output quality.

Secondly, as regards job quality and transition process quality, we recommend an approach focused on data collection at a very specific level. Indeed, we believe it is necessary to obtain the data for an individual from a single source in order to gain a better grasp of his or her career path. We consider then that a longitudinal approach should be implemented.

Finally, we put forward a global and clear vision of flexicurity and the precise institutional context in which it is situated through context indicators. The data obtained for job quality and transition process quality can therefore be put into perspective in the light of the contextual data.

Our main recommendations to feed the political debates about flexicurity are thus the following:

- It is crucial to take into account the two intertwined dimensions of any job transition: the process and the output of the transition, in order to enrich our understanding of the concept.
- It is important to make comparisons of indicators and data by incorporating institutional contexts. Indicators related to job transitions cannot feature ‘as is’ in international comparisons: it is imperative that they are linked to their specific institutional context.
- The use of deliberative practices should be systematic and political debates about the indicators themselves, their influence, their relevance for all Member States, etc., should be promoted.

References

Amable, B. (2005), *Les cinq capitalismes*, Paris, Editions du Seuil.

Andersen, S. K.; Mailand, M. (2005), *The Danish Flexicurity Model. The role of the Collective Bargaining System*, Report compiled for the Danish Ministry of Employment, September.

Anker, R., Chernyshev, I., Egger, P., Mehran, F., et Ritter, J. A. (2003), « La mesure du travail décent: un système d'indicateurs statistiques de l'OIT », *Revue internationale du travail*, vol.142, n°2, pp.159-193.

Atkinson A. B., Marlier E. and Nolan B. (2004), « Indicators and Targets for Social Inclusion in the European Union », *Journal of Common Market Studies*, vol.42, n°1, pp.47-75.

Auer, P. (2009), « In Search of Optimal Labor Market Institutions » *Travail et Emploi*, n° 117, pp. 7-23.

Auer, P. (2010), “What’s in a Name? The Rise (and Fall?) of Flexicurity”, *The journal of industrial relations*, 2, vol. 52, n°. 3, pp. 371-386.

Auer, P. ; Cazes, S. (eds), *Employment Stability in an Age of Flexibility: Evidence from Industrialized Countries*, ILO, Geneva.

Bredgaard, T., Larsen, F., Madsen, P. K. (2006), «Opportunities and Challenges for Flexicurity – The Danish Example », *Transfer*, vol. 12, n°1, pp. 61-82.

Brown, A., Charlwood, A., Forde, C. et Spencer, D. (2006), « Changing Job Quality in Great Britain 1998-2004 », *DTI Employment Relations Research Series*, n° 70, www.dti.gov.uk/publications.

Brzinsky-Fay, C. (2010), “The concept of Transitional Labour Market, a Theoretical and Methodological Inventory”, WZB, discussion paper.

Concialdi, P. (2000), « Un plein emploi au rabais ? », *L'économie politique*, n° 8, pp. 45-53.

Davoine, L. (2007), *La qualité de l'emploi : une perspective européenne*, thèse, Université Paris 1, Panthéon-Sorbonne novembre.

Davoine, L. et Erhel, C. (2007), « La qualité de l'emploi en Europe : une approche comparative et dynamique », *Economie et statistique*, n° 410, pp. 47-69.

Davoine, L. et Gratadour, C. (2004), « La territorialisation des politiques de l'emploi : enjeux et évaluation à travers l'exemple des politiques d'emploi pour les jeunes en France et en Grande-Bretagne », Communication au colloque « Accès inégal à l'emploi et à la protection sociale », Paris, 16 et 17 septembre.

Dunn, W. (2003). *Public Policy Analysis: An Introduction*. Prentice Hall

Dye, T. R. (2007). *Understanding Public Policy (12th ed.)*. Prentice Hall

EMCO (2009), *Monitoring and analysis of Flexicurity policies*, report, EMCO Reports.

Esping-Andersen G. (1999), *Les trois mondes de l'Etat-providence. Essai sur le capitalisme moderne*, PUF, Paris.

Esping-Andersen G. (2001), « Quel Etat-providence pour le XXIe siècle ? Convergences et divergences des pays européens », in *Entre la loi et le contrat, Esprit*, n° 272, février 2001, pp. 122-150.

Freyssinet, J. (2000), « Plein emploi, droit au travail et emploi convenable », *Revue de l'IREs*, n° 34, pp. 27-58.

Gaudu, F. (1987), « La notion juridique d'emploi en droit privé », *Droit social*, mai, pp. 414-425.

Gazier, B. (2003), *Tous sublimes. Pour un nouveau plein emploi*, Paris, Flammarion.

Gazier, B. (2005), *Vers un nouveau modèle social*, Paris, Flammarion.

Gazier, B. (2008), « Flexicurité et marchés transitionnels du travail : esquisse d'une réflexion normative », *Travail et Emploi*, n° 113, pp. 117-128.

Giesecke, J. (2010), « Flexibility and Employment Security in Europe: Labour Markets in Transition », *European Sociological Review*, vol. 26, no. 2, pp. 258-260.

Green, F. (2006), *Demanding Work. The Paradox of Quality du job in the Affluent Economy*, Princeton and Oxford, Princeton University Press.

Hall P.A., Soskice D. (eds.) (2001), *Varieties of Capitalism: The Institutional Foundations of Comparative Advantage*, Oxford University Press.

International Labour Office (2005), *Social Dialogue Indicators: Trade Union Membership and Collective Bargaining Coverage, Statistical Concepts, Methods and Findings*, Working Paper, n° 59.

Madsen, P. K. (2004), "The Danish model of « flexicurity » : experiences and lessons", *Transfer*, vol. 10, n°2, pp. 187-207

Méda, D. (2000), « Le plein emploi de qualité, une figure du bien commun », *L'économie politique*, n° 8, pp. 6-32.

Muñoz de Bustillo, R. *et al.* (dir) (2009), *Indicators of Job quality in the European Union*, European Parliament.

Nagel, S.S., (Ed.) (1999). *Policy Analysis Methods*. New Science Publishers.

OECD (Organisation for Economic Co-operation and Development), (2000), *From initial education to working life: Making transitions work*. Paris: Author.

Orianne, J-F. (2005), "L'État social actif en action : troubles de l'employabilité et traitement clinique du chômage », in Vielle P. *et al* (2005), *L'Etat social actif : vers un changement de paradigme ?*, ED. PIE-Peter Lang, Bruxelles, pp. 179-207.

Orianne , J-F, Moulaert T., Maroy C., Vandenberghe V. & Waltenberg F. (2004), *Mises en œuvre locales des formules d'activation des politiques d'emploi*, Gent, politique scientifique fédérale, Academia Press.

Palier, B. ; Bonoli, G. (1999), « Phénomènes de Path Dependence et réformes des systèmes de protection sociale », *Revue française de sciences politique*, n°3, pp. 399-420.

Pisani-Ferry J. (2000), *Les chemins du plein emploi*, Conseil d'analyse économique, Paris, La documentation française.

Pruijt, H. ; Droge, P. (2010), "Employability and job security, friends or foes? The paradoxical reception of employacurity in the Netherlands », *Socio-Economic Review*, vol. 8, no. 3, pp. 437-460.

Raffe, D. (2008), "The concept of transition system", *Journal of Education and Work*, n°4, pp. 277-296.

Roustang, G., Laville, J.-L., Eme, B., Mothé, D. and Perret, B. (2000), *Vers un nouveau contrat social*, Paris, Desclée de Brouwer.

Schmid G., (2008), *Full Employment in Europe. Managing Labour Market transitions and Risks*, Edward Elgar.

Schmid, G. (1995), « Le plein emploi est-il encore possible ? Les marchés du travail « transitoires » en tant que nouvelle stratégie dans les politiques de l'emploi », *Travail et emploi*, n° 65, pp. 5-17.

Tal, B. (2006), « On The Quality of Employment In Canada », Special Report, *Economics & Strategy*, March, pp. 1-8.

Van der Velden, R. (2001). "Educational systems and the school-to-work transition: A conceptual framework". Paper presented at the Network on Transitions in Youth, September 6–8, in Sintra, Portugal. Maastricht: ROA, University of Maastricht.

Viebrock, E.; Clasen, J. (2009), "Flexicurity and welfare reform: a review » *Socio-Economic Review*, vol. 7, no. 2, pp. 305-331.

Visser, J.; A. Hemerijck (1997), "*A Dutch Miracle*": *Job Growth, Welfare Reform and Corporatism in the Netherlands*, Amsterdam, Amsterdam University Press.

Wilthagen, T. (1998), "Flexicurity – A new paradigm for labour market policy reform?", Berlin: WZB Discussion Paper, *FSI*, 98-202.

Wilthagen, T.; Rogowski, R. (2002), « Legal regulation of transitional labour markets », in Schmid, G. and Gazier, B. (dir.), *The dynamics of full employment: social integration through transitional labour markets*, Cheltenham, Edward Elgar, pp. 233-273.

Wilthagen, T.; Tros, F. (2004), «The concept of 'flexicurity': A new approach to regulating employment and labour markets», *Transfer – European Review of Labour and Research*, vol.10, n°2, pp. 166-187.

Appendix 1: Davoine's grid of job quality indicators

Socio-Economic Security:

- Rate of long-term unemployment
- Share of temporary employment contracts (fixed-term contracts)
- Share of working poor (segmentation)
- Transition fixed-term contract -> permanent contract
- Transition to non-employment
- Transition non-employment -> Employment
- Median wage
- Minimum Income
- Earnings mobility upward
- Rate of income replacement for unemployment

Education:

- Cost of training per participant
- Number of hours of training per participant
- Training paid by employer
- Training costs for the unemployed as% of GDP
- Expenditure on education as% of GDP
- Proportion of population with a diploma of secondary school
- Agreement between the post and the skills
- Using computers
- Participation in training measures and education
- Participation of the least educated in the training
- Training and informal learning
- Transition from non-job training

Working conditions:

- Ability to influence working hours
- No night work / Saturday / Sunday
- Not more than 10 hours a day
- Control over breaks
- Accidents at work
- Health risks in the workplace (exposure to vibration, radiation, noise, low or high temperatures, dangerous substances, heavy lifting, strenuous or painful positions, repetitive tasks)
- monotonous tasks
- Control over the order of tasks, methods of work, speed work
- Fast turnaround and strict / high working speeds
- Discussions on working conditions
- Union density
- Coverage of collective agreements

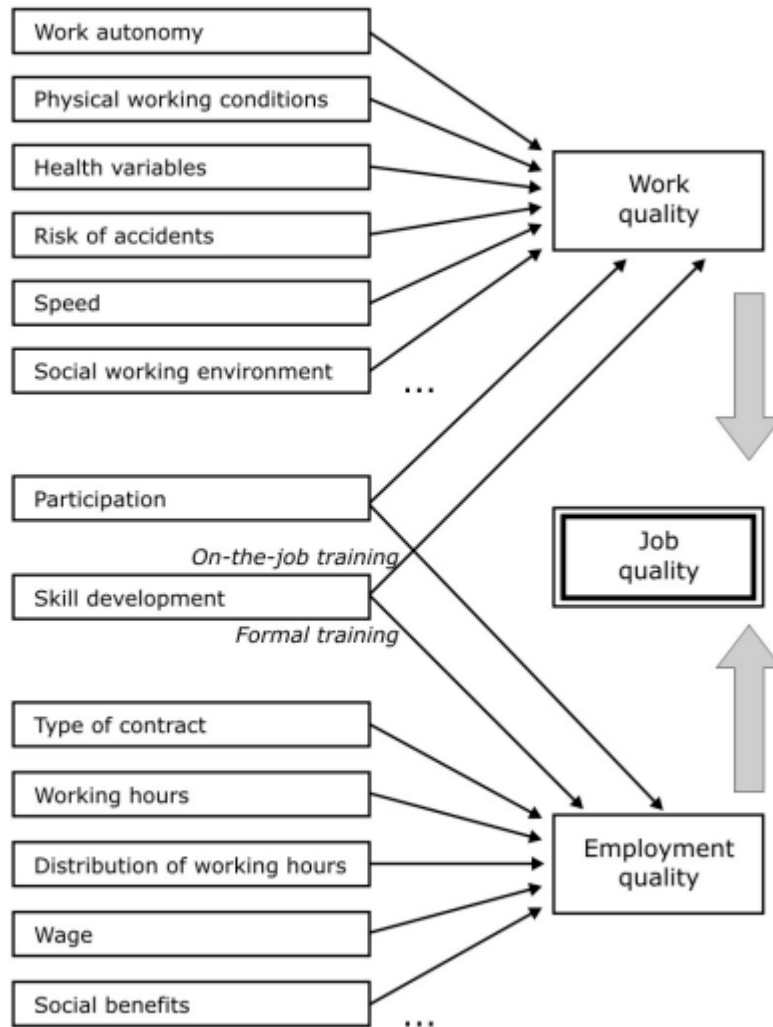
Gender and reconciling work and family life:

- Working hours for satisfactory family life

- The impact of motherhood on employment
- Services for young children (under 3)
- Involuntary part time women
- sector segregation
- Occupational segregation
- wage differential between men and women
- Difference in unemployment rates between men and women
- Difference in employment rates between men and women

Appendix 2: Muñoz's matrix of job quality indicators

Figure 24. Sketching a general model of job quality



Source: Authors' elaboration.

Source: Muñoz et al., 2009, p. 122

Appendix 3: EMCO's indicators



The Employment Committee

Employment Guidelines (2009) - indicators for monitoring and analysis – endorsed by EMCO 24/06/09

Guideline 17

Implement employment policies aiming at achieving full employment, improving quality and productivity at work, and strengthening social and territorial cohesion. Policies should contribute to achieving an average employment rate for the European Union (EU) of 70% overall, of at least 60% for women and of 50% for older workers (55 to 64) by 2010, and to reduce unemployment and inactivity. Member States should consider setting national employment rate targets.

Indicators for monitoring

Indicator and definition	Subgroup	Other use ¹
17.M1 Employment rate. <i>Source LFS annual average and spring data</i> Persons in employment in age groups 15 – 64, 15 – 24, 25 – 54, 55 – 59, 60 – 64, 65 – 69, 20 – 64 and 55-64 as a proportion of total population in the same age group.	TOTAL (15-64) WOMEN (15-64), OLDER (55-64) Age, sex	SI, SPC, Q18, Q19, Q26
17.M2 Employment growth. <i>Source ESA 95</i> Annual percentage change in employed population	Main sector	SI
17.M3 Unemployment rate. <i>Source Harm unempl series</i> Unemployed persons in age groups 15 – 74, 15 – 24, 25 – 54, 55 – 59, 60 – 64, 20 – 64 and 55-64 as a share of the active population in the same age group.	Age, sex	SI
17.M4 Activity rate. <i>Source LFS annual average and spring data</i> Share of employed and unemployed in age groups 15 – 64, 15 – 24, 25 – 54, 55 – 59, 60 – 64, 65 – 69 20 – 64 and 55-64 as a % of total population in the same age group.	Age, sex	SPC
17.M5 Growth in labour productivity. <i>Source ESA95</i> Growth in GDP per person employed and per hour worked		Q29
17.M6 Regional disparities – underperforming regions. <i>Source LFS annual average.</i> 1. Share of underperforming regions in terms of employment and unemployment (in relation to all regions and to the working age population/labour force) (NUTS II and NUTS III). 2. Difference between average employment/unemployment of the underperforming regions and the national average in relation to the national average of employment/unemployment (NUTS II and NUTS III). <i>Thresholds to be applied: 90% and 150% of the national average rate for employment and unemployment, respectively.</i> <i>National employment and unemployment rates are included</i>	Sex	

Indicators for analysis

17.A1 Employment rate in full time equivalents. <i>Source LFS spring data.</i> Total hours worked divided by the average annual number of hours worked in full-time jobs, calculated as a proportion of total population in the 15-64 age group	Sex	
17.A2 Real GDP growth rate. <i>Source ESA 95</i> Growth rate of GDP volume – Percentage change on previous year		SI
17.A3 Labour supply growth. <i>Source LFS annual average</i> Annual change in labour supply (including employed and unemployed in working age 15-64).	Sex	
17.A4 Transitions by employment status. <i>Source SILC</i> Transitions between employment, unemployment and inactivity from year n to year n+1.	Sex	Q16
17.A5 Dispersion of regional employment and unemployment rates. <i>Source LFS</i> Standard deviation ² of employment (unemployment) divided by the weighted national average (age group 15-64 years). (NUTS II and NUTS III)	Sex	SI, SPC

Guideline 18

<p>Promote a lifecycle approach to work through:</p> <ul style="list-style-type: none"> - a renewed endeavour to build employment pathways for young people and reduce youth unemployment as called for in the Youth Pact; - resolute action to increase female participation and reduce gender gaps in employment, unemployment and pay; - better reconciliation of work and private life and the provision of accessible and affordable childcare facilities and care for other dependants; - support to active ageing, including appropriate working conditions, improved (occupational) health status and adequate incentives to work and discourage early retirement; - modern social protection systems, including pensions and healthcare, ensuring their social adequacy, financial sustainability and responsiveness to changing needs, so as to support participation and better retention in employment and longer working lives.
--

Indicators for monitoring

Indicator and definition	Subgroup	Other use
17.M1 Employment rate <i>Source LFS annual average and spring data</i> Persons in employment in age groups 15 – 64, 15 – 24, 25 – 54, 55 – 59, 60- 64, 65-69 20 – 64 and 55-64 as a proportion of total population in the same age group.	TOTAL, WOMEN, OLDER (55-64) Age, sex	SI, SPC, Q18, Q19, Q26
17.M3 Unemployment rate. <i>Source Harm unempl series</i> Unemployed persons in age groups 15 – , 15 – 24, 25 – 54, 55 – 59, 60- 64, 20 – 64 and 55-64 as a share of the active population in the same age group	Age, sex	SI
17.M4 Activity rate. <i>Source LFS annual average and spring data</i> Share of employed and unemployed in age groups 15 – 64, 15 – 24, 25 – 54, 55 – 59, 60- 64, 65-69 20 – 64 and 55-64 as a proportion of total population in the same age group.	Age, sex	
18.M1 Youth unemployment ratio. <i>Source LFS annual average and spring data</i> Total unemployed young people (15-24 years) as a share of total population in the same age group	Total Sex	Q22
18.M2 Gender pay gap. <i>SES</i> Difference between men's and women's average gross hourly earnings as percentage of men's average gross hourly earnings (for paid employees)	Total, Pub/priv sector, age, education	SI, Q8
18.M3 CHILD CARE³. <i>Source: SILC</i> Children cared for (by formal arrangements ⁴ other than by the family) less than 30h a usual week/30h or more a usual week as a prop. of all children of the same age group.	Age: 0-2 / 3-MAND SCHOOL AGE/ Mand. school age -12	Q24
18.M4 AVERAGE EXIT AGE FROM LABOUR FORCE. <i>Source LFS</i> The average age of withdrawal from the labour market, based on a probability model considering the relative changes of activity rates from one year to another at a specific age.	TOTAL Sex	SI, SPC

Indicators for analysis

18.A1 Employment gender gap. <i>Source LFS annual average and spring data</i> The difference in employment rates between men and women in percentage points, by age group (15-24, 25-54, 55-64) and by education level (less than upper secondary, upper secondary and tertiary education, according to the ISCED classification).	Total Age, education	Q10
18.A2 Employment gender gap rate in fte. <i>Source LFS spring data</i> The difference in employment rates measured in full-time equivalent between men and women in percentage points		
18.A3 Unemployment gender gap. <i>Source Harm unempl series</i> The difference in unemployment rates between men and women in percentage points.		Q11
18.A4 Gender segregation. <i>Source LFS spring data.</i> Gender segregation in occupations/sectors, calculated as the average national share of employment for women and men applied to each occupation/sector; differences are added up to produce a total amount of gender imbalance presented as a proportion of total employment (ISCO classification / NACE classification).	Occupations, Sectors	Q12, Q13
18.A5 Employment impact of parenthood. <i>Source LFS spring data</i> The difference in percentage points in employment rates (age group 20 - 49) without the presence of any children and with presence of a child aged 0-6	Sex	Q23

³ The indicator is complemented with information on national systems for maternity, paternity and parental leave (e.g. length, paid or unpaid) and admission age for compulsory education

⁴ Formal arrangements refer to the EU-SILC survey reply categories 1-4 (pre-school or equivalent, compulsory education, centre-based services outside school hours, a collective crèche or another day-care centre, including family day-care, professional certified childminders)

18.A6 Inactivity and part-time work due to lack of care services for children and other dependants. <i>Source LFS 2006-</i> Inactivity and part-time work due to lack of care services is defined as share of persons (age groups 15-64) who would like to work but are not searching for a job/who work part-time due to their care responsibilities AND lack of suitable care services (% of persons with care responsibilities). Persons with care responsibilities is defined as share of persons who would like to work but are not searching for a job/who work part-time due to their care responsibilities (% of the whole population 15-64).	All, sex	
18.A7 Care of dependent elderly. <i>National sources</i> Dependent elderly men and women over 75 as a proportion of all men and women over 75. Breakdown by : living in specialised institutions, help at home (other than by the family), and looked after by the family		
18.A8 Transitions by pay level. <i>Source SILC</i> Transitions between non-employment and employment and within employment by pay level (gross monthly earnings) from year n to year n+1 ⁵ .	Sex	Q1

Guideline 19

Ensure inclusive labour markets, enhance work attractiveness, and make work pay for job-seekers, including disadvantaged people, and the inactive through:

- active and preventive labour market measures including early identification of needs, job search assistance, guidance and training as part of personalised action plans, provision of necessary social services to support the inclusion of those furthest away from the labour market and contribute to the eradication of poverty;
- continual review of the incentives and disincentives resulting from the tax and benefit systems, including the management and conditionality of benefits and a significant reduction of high marginal effective tax rates, notably for those with low incomes, whilst ensuring adequate levels of social protection;
- development of new sources of jobs in services to individuals and businesses, notably at local level.

Indicators for monitoring

Indicator and definition	Targets in capitals	Subgroup	Other use
19.M1 Long-term unemployment rate. <i>Source LFS annual average</i> Total long-term unemployed population (12 months or more) as a proportion of total active population		Sex	SI, SPC, Q20
19.M2 Activation/Support <i>Source LMP and LFS spring data</i> Number of participants in regular activation measures (LMP categories 2-7) ⁶ /in assisted activation programmes (LMP sub-category 1.1.2) ⁶ /number of recipients of supports (LMP categories 8-9) ⁶ divided by the number of persons wanting to work (ILO unemployed plus labour reserve).		Regular by category/assisted/ Supports by category, Sex	
19.M3 NEW START/Prevention. <i>National sources</i> Share of young/adult unemployed becoming unemployed in month X, still unemployed in month X+4/12, and not having started a job or participated in a regular activation measure (LMP categories 2-7) ⁶ / not having participated in an assisted activation programme (LMP sub-category 1.1.2) ⁶ [target value 0%=full compliance] Method: B/A. A = Persons becoming unemployed in month X (Inflow into unemployment in month X) B = Persons still unemployed in month X+ 4/12 and not having started a job or benefited from a regular activation measure/ assisted activation programme See conventions to be applied when calculating this indicator at the end of this list.		REGULAR/ assisted, X+4/12, sex	
19.M4 ACTIVATION OF LONG-TERM UNEMPLOYED. <i>Sources national and LMP</i> Stock of participants in regular activation measures (LMP categories 2 -7) ⁶ that were previously long-term registered unemployed divided by the stock of long-term registered unemployed plus the stock of participants in regular activation measures that were previously long-term registered unemployed and whose unemployment spell is broken by participation in a regular activation measure. Long-term unemployed = 12+ months for adults (25+) and 6+ months for youth (<25).		Category, sex	
19.M5 Labour market gaps for disadvantaged groups. <i>National sources and LFS</i> Gaps on the labour market, such as difference between the employment, unemployment and activity rates for a non-disadvantaged group in percentage points and the corresponding rates for the disadvantaged group (such as non-EU nationals, disabled people, ethnic minorities, immigrants, low skilled people, lone parents, etc. according to national definitions.)		Sex	Q27, Q28
19.M6 Tax rate on low wage earners: Low wage trap. <i>Source OECD – EC</i> The marginal effective tax rate on labour income taking account the combined effect of increased taxes on labour and in-work benefits withdrawal as one increases the work effort (increased working hours or moving to a better job). Calculated as the ratio of change in personal income tax and employee contributions plus change (reductions) in benefits, divided		Family types	SI, SPC

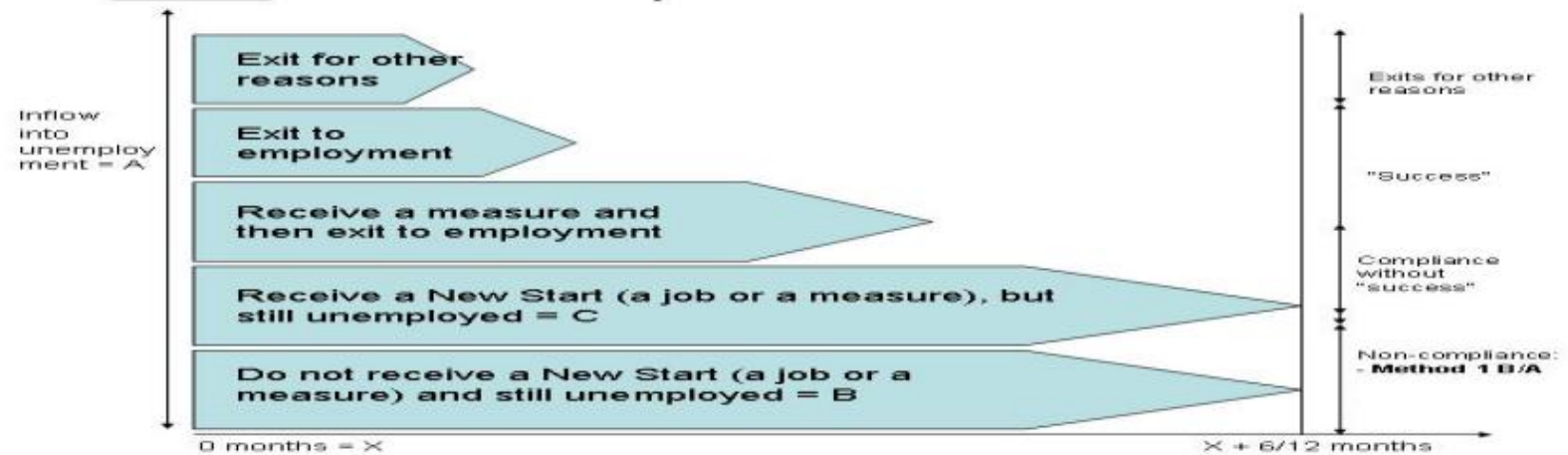
⁵ Pay levels shown are deciles 1, 2, 3 and 4-10. Employment status is self-defined

⁶ Regular activation measures are LMP categories Training (2), Job rotation and job sharing (3), Employment incentives (4), Supported employment and rehabilitation (5), Direct job creation (6) Start-up incentives (7) Assisted activation programmes are covered by LMP sub-category Individualised case-management (1.1.2) Supports are LMP categories Out-of-work income maintenance and support (8) and Early retirement (9)

by increases in gross earnings, using the "discrete" income changes from 34-66% of AW. Breakdown by family types: one earner couple with two children and single person.		
19.M7 Tax rate on low wage earners: Unemployment trap <i>Source OECD – EC</i> The marginal effective tax rate on labour income taking account the combined effect of increased taxes and benefits withdrawal as one takes up a job. Calculated as one minus the ratio of change in net income (net in work income minus net out of work income) and change in gross income for a single person moving from unemployment to a job with a wage level of 67% of the AW.		SI, SPC
Indicators for analysis		
19.A1 Inflow into long-term unemployment. <i>National sources</i> Share of young/adult unemployed becoming unemployed in month X, still unemployed in month X+6/12 without any break of more than one month	Young/adults X+6/12, sex	
19.A2 Timely activation <i>Source LMP</i> The proportion of entrants in regular activation measures (LMP categories 2-7) ⁷ or assisted activation programmes (LMP sub-category 1.1.2) ⁷ taken up by persons not yet long-term unemployed (Target value 100% = full compliance) Method: (A-B)/A % A = Total entrants B = Long-term unemployed entrants (12+ months for adults 25+ and 6+ months for youth<25)	Regular/ assisted	
19.A3 Activation of registered unemployed <i>Source LMP</i> Stock of participants in regular activation measures (LMP categories 2 -7) ⁷ that were previously registered unemployed divided by the stock of registered unemployed plus the stock of participants in regular activation measures that were previously registered unemployed and whose unemployment spell is broken by participation in a regular activation measure.	Category, Sex	
19.A4 Follow-up of participants in regular activation measures. <i>National sources</i> 1. Rate of inflow into employment 3 or 6 months after participation in a regular activation measure (LMP categories 2-7) ⁷ 2. Rate of return to unemployment 3 or 6 months after participation in a regular activation measure	Sex	
19.A5 LMP expenditure⁷. <i>Source LMP.</i> LMP expenditure as % of GDP	Services/ measures/ supports	
19.A6 LMP expenditure⁷ per person wanting to work <i>Source LMP and LFS spring data</i> Expenditure on LMP divided by the number of persons wanting to work (ILO unemployed plus labour reserve)	Services/ measures/ supports	
19.A7 Labour reserve. <i>Source LFS spring data</i> Inactive persons wanting to work as a proportion of working age population 15-64.	Main reason for inactivity, sex	
19.A8 In-work-poverty risk. <i>Source EU-SILC</i> Individuals who are classified as employed (distinguishing between "wage- and salary employment plus self-employment" and "wage and salary employment" only) and who are at risk of poverty (whose equivalised disposable income is below 60% of national median equivalised disposable income).	Sex	SPC
19.A9 Employment rate in services. <i>Source LFS annual average and spring data</i> Number of employed persons working in the services sector (in main job) aged 15-64 as proportion of the population of the same age group	Sex	

⁷ Services is LMP category 1, Measures are LMP categories 2-7 and Supports are LMP categories 8-9, see footnote 6

Process measured by indicators 19.M3, 19.M4, 19.A1, 19.A3 and 19.A4



Conventions to be applied when calculating the indicators 19.M3-4, 19.A1, 19.A3 and 19.A4

i. The number of people registered as unemployed should be considered the reference population for the indicators 19.M3 – 4 and 19.A1 and 19.A3.

ii. 'The number of people registered as unemployed', should be defined as all persons who are registered as unemployed according to national definition; other groups may be added to those registered unemployed only if they meet the ILO unemployment criteria (i.e. not have work, be available for a job, and searching for a job).

iii. The ratio between 'the number of people registered as unemployed' (as calculated for the indicators; see points i. and ii.) and the ILO figure on unemployment should be presented as background information to the indicators 19.M3-4, 19.A3 and 19.A4.

iv. With a view of improving the comparability of these indicators, the Group proposes that it would be preferable to move towards a common approach as regards the treatment of breaks in the unemployment spell. It should be noted that this does not apply to the concept of a "New start". A New start is received immediately when receiving a measure or a job.

Regarding the indicators 19.M.3, 19.A1 and 19.A4, the objective would be, where relevant for the respective indicators, to only consider breaks in the unemployment spell for participation in a measure or a job or for other circumstances (e.g. illness and parental leave) longer than 1 month (28 to 31 calendar days). Such breaks result in setting back the counter to zero. In particular, for the indicators 19.M3 and 19.A4, the agreed calculation method for population B (see point v) implies that only breaks for other circumstances than participation in a measure or a job should be considered if longer than one month. To determine the stock of LTU for indicator 19.M.4, breaks for participation in a measure or a job or for other circumstances should be considered if longer than one month.

The Group acknowledges that, for the moment, it is difficult for several Member States to treat the breaks in the unemployment spells according to this approach. The Group therefore encourages the Public Employment Services Network to examine the feasibility of providing this data. In the meantime, the Group proposes that Members States should be invited to follow this approach as far as possible.

v. The indicator 19.M3 should be calculated as: the number of persons still unemployed in month X+4/12 without having started a job or participated in a regular activation measure (LMP categories 2-7 /not having participated in an assisted activation programme (LMP subcategory 1.1.2) as a share of the inflow into unemployment in month X. (B/A according).

The indicator 19.A1 should be calculated as: the number young/adult unemployed becoming unemployed in month X, still unemployed in month X+6/12 without any break of more than one month (28-31 calendar days), in relation to the number of young/adult unemployed becoming unemployed in month X.

vi. For practical reasons and in order to improve the comparability of these indicators, the Group proposes that the term 'being offered a job, apprenticeship etc.' should be interpreted as the 'actual start' of a job, the training, retraining, work practice or other employability measure. The Group argues that the 'actual start' is the best evidence of a commitment from both the employment services' and the unemployed person's side. The UK delegation entered a reservation in this respect.

vii. Again, with a view of improving the comparability of the indicators 19.M3-4 and 19.A3, the Group proposes that it would be preferable to move towards a common approach as regards the treatment of refusals. The Group proposes that, if an unemployed person refuses an offer of a measure or a suitable job, or if she/he fails to come for appointments at the PES, should be considered a break in the unemployment spell. The duration of the break should equal the duration of the sanctions imposed according to national rules (e.g. benefit reduction). The resulting break should be treated the same way as breaks for other reasons. The Group acknowledges that, for the moment, it is difficult for several Member States to treat the refusals in the unemployment spell according to this approach. The Group therefore encourages the Public Employment Services Network to examine the feasibility of providing this data. In the meantime, the Group proposes that Members States should be invited to follow this approach as far as possible.

Guideline 20

Improve matching of labour market needs through:

- the modernisation and strengthening of labour market institutions, notably employment services, also with a view to ensuring greater transparency of employment and training opportunities at national and European level;
- removing obstacles to mobility for workers across Europe within the framework of the EU Treaties;
- better anticipation of skill needs, labour market shortages and bottlenecks;
- appropriate management of economic migration.

Indicators for monitoring

Indicator and definition	Targets in capitals	Subgroup	Other use
20.M1 Vacancies per unemployed. <i>Source Job Vacancy Survey</i> Ratio between the total number of the stock of vacancies compared to the total number of unemployed (v/u ratio)			

Indicators for analysis

20.A1 Recent immigrants to and within the EU. <i>Source LFS annual average</i> Foreign born persons/ Persons with another nationality than the country of residence/ in the age group 15 – 64 who have been resident 5 years and less in the reporting country as a proportion of total population in the same age group.		Country of birth (in another EU-MS/ country outside the EU), Nationality (another EU nat/ nat outside the EU), level of education, sex	
20.A2 Employment / Activity of recent immigrants to and within the EU. <i>Source LFS annual average</i> Employed persons/Employed and unemployed persons/ in the age group 15 – 64 who have another nationality than the country of residence and who have been resident 5 years and less in the reporting country as a proportion of - total recent immigrants in the same age group - total employed/active population in the same age group		Nationality (another EU nat / nat outside the EU), sex	

Guideline 21

Promote flexibility combined with employment security and reduce labour market segmentation, having due regard to the role of the social partners, through:

- the adaptation of employment legislation, reviewing where necessary the different contractual and working time arrangements;
- addressing the issue of undeclared work;
- better anticipation and positive management of change, including economic restructuring, notably changes linked to trade opening, so as to minimise their social costs and facilitate adaptation;
- the promotion and dissemination of innovative and adaptable forms of work organisation, with a view to improving quality and productivity at work, including health and safety;
- support for transitions in occupational status, including training, self-employment, business creation and geographic mobility;

See also integrated guideline “To promote greater coherence between macroeconomic, structural and employment policies” (No.5).

Indicators for monitoring

Indicator and definition	Targets in capitals	Subgroup	Other use
21.M1 Transitions by type of contract. <i>Source SILC</i> Transitions between non-employment and employment and within employment by type of contract from year n to year n+1. ⁸		Sex	Q2
21.M2 Diversity and reasons for contractual and working arrangements. <i>Source LFS annual average and spring data</i> Total employees in part-time and/or fixed-term contracts plus total self-employed as % of persons in employment. Employees in non-standard employment (part-time and/or fixed-term) as % of total employees. (Breakdown by part-time, fixed-term, part-time and fixed-term.) Total self-employed as % of total persons in employment.		Pt/ft, reason, of which "in-voluntary", sex	Q15
21.M3 Accidents at work. <i>Source ESAW</i> Index of the number of serious and fatal accidents at work per 100 000 persons in employment. (1998=100)		Fatal / serious Sex	SI, Q14

⁸ Type of contract refers to permanent, fixed-term, education and training (e.g. paid apprenticeship), and self-employed.

Indicators for analysis

21.A1 Undeclared work. <i>National sources</i> Size of undeclared work in national economy (e.g. as share of GDP or persons employed)		
21.A2 Working time. <i>Source LFS and NA</i> 1. Average weekly number of hours usually worked per week defined as the sum of hours worked by full-time employees divided by the number of full-time employees 2. Average effective annual working time per employed person.	Weekly/ annual, sex	
21.A3 Overtime work and hours of overtime <i>Source LFS annual average and spring data</i> Employees for whom overtime is given as the main reason for actual hours worked during the reference week being different from the person's usual hour worked as % of total employees. Average hours of overtime	Sex, Type of contract	
21.A4 Access to flexitime <i>Source LFS ad hoc modules</i> Total employees who have other working time arrangements than fixed start and end of a working day as a % of total employees	Age (Total, 20-49), sex, Type of contract	
18.A8 Transitions by pay level. <i>Source SILC</i> Transitions between non-employment and employment and within employment by pay level (gross monthly earnings) from year n to year n+1 ⁹ .	Sex	Q1
17.M5 Growth in labour productivity. <i>Source ESA95</i> Growth in GDP per person employed and per hour worked		
21.A5 Occupational diseases. <i>Source EODS giving data only at EU-level</i>	Sex	
21.A6 Employment in newly established enterprises. <i>Source SBS</i> Number of persons employed in newly born enterprises (in year n) and in surviving enterprises (set ups in years n-3, n-2 and n-1) in relation to the number of persons employed in all active enterprises (in year n).	Sex	

Guideline 22

Ensure employment-friendly labour cost developments and wage-setting mechanisms by:

- *encouraging social partners within their own responsibilities to set the right framework for wage bargaining in order to reflect productivity and labour market challenges at all relevant levels and to avoid gender pay gaps;*
- *reviewing the impact on employment of non-wage labour costs and where appropriate adjust their structure and level, especially to reduce the tax burden on the lowpaid*

See also integrated guideline "To ensure that wage developments contribute to macroeconomic stability and growth" (No.4).

Indicators for monitoring

Indicator and definition	Subgroup	Other use
22.M1 Unit labour cost growth. <i>Source ESA 95</i> Targets in capitals Growth rate of the ratio: compensation per employee in current prices divided by GDP (in current prices) per total employment		SI
22.M2 Tax rate on low wage earners: Tax wedge on labour cost. <i>Source OECD – EC</i> Tax wedge on labour cost: ratio of income tax plus employee and employer social contributions including payroll taxes less cash benefits divided by the labour costs for a single earner earning 67% of the AW.		SI
Indicators for analysis		
22.A1 Labour productivity. <i>Source ESA 95</i> Gross domestic product (GDP) divided by number of persons employed and hours worked (GDP in PPS per person employed/per hour worked relative to EU25 average/EU-15 average)	Person employed, hour worked	SI, Q30
17.M5 Growth in labour productivity. <i>Source ESA95</i> Growth in GDP per person employed and per hour worked		Q29
22.A2 Implicit tax rate on employed labour. <i>Source EC</i> Ratio of total taxes on employed labour (personal income taxes plus employees' and employers' social security contributions plus payroll taxes) divided by the total compensation of employees plus payroll taxes		

⁹ Pay levels shown are deciles 1, 2, 3 and 4-10. Non-employment refers to ILO activity status 'unemployed', 'inactive' and 'discouraged worker'.

Guideline 23

Expand and improve investment in human capital through:

- inclusive education and training policies and action to facilitate significantly access to initial vocational, secondary and higher education, including apprenticeships and entrepreneurship training;
- reducing significantly the number of early school leavers;
- efficient lifelong learning strategies open to all in schools, businesses, public authorities and households according to European agreements, including appropriate incentives and cost-sharing mechanisms, with a view to enhancing participation in continuous and workplace training throughout the life-cycle, especially for the low-skilled and older workers.

See also integrated guideline "To increase and improve investment in R&D in particular by private business" (No.7).

Indicators for monitoring

Indicator and definition	Subgroup	Other use
23.M1 Spending on Human Resources (public expenditure on education) <i>Source UOE</i> Total public expenditure on education as a percentage of GDP ¹⁰ .		SI
23.M2 YOUTH EDUCATION ATTAINMENT LEVEL. <i>Source LFS</i> Percentage of the population aged 20 - 24 having attained at least upper secondary education (ISCED level 3 long). Annual average	TOTAL Sex	Q31
23.M3 EARLY SCHOOL-LEAVERS. <i>Source LFS</i> Percentage of the population aged 18-24 with at most lower secondary education (ISCED level 2 or 3c short) and not in further education or training	TOTAL Sex	SI, SPC, Q21
23.M4 LIFE-LONG LEARNING. <i>Source LFS</i> Percentage of the adult population aged 25-64 participating in education or training (over the four weeks prior to the survey). Annual average	TOTAL, Age, working status, educ attainm, type of contract – all by sex	SI, Q4, Q5

Indicators for analysis

23.A1 Investment by enterprises in training of adults. <i>Source CVTS</i> Investment by enterprises in continuous vocational training (CVT) in relation to labour costs.		
23.A2 Participation in continuing vocational training. <i>Source CVTS</i> Share of employees participating in continuing vocational training (CVT)	Sex	Q6
23.A3 Educational attainment level of adults <i>Source LFS</i> Percentage of the population aged 25 - 64 having attained low – at most lower secondary, medium - at least upper secondary, high- tertiary education. Annual average	Total, activity status, sex	Q31

¹⁰ The demographic structure should be taken into account in the analysis

Guideline 24

Adapt education and training systems in response to new competence requirements through:

- *raising and ensuring the attractiveness, openness and quality standards of education and training, broadening the supply of education and training opportunities and ensuring flexible learning pathways and enlarging possibilities for mobility for students and trainees;*
- *easing and diversifying access for all to education and training and to knowledge by means of working time organisation, family support services, vocational guidance and, if appropriate, new forms of cost-sharing;*
- *responding to new occupational needs, key competences and future skill requirements by improving the definition and transparency of qualifications, their effective recognition and the validation of non-formal and informal learning.*

Indicators for monitoring

Indicator and definition	Targets in capitals	Subgroup	Other use
--------------------------	---------------------	----------	-----------

No indicators for monitoring

Indicators for analysis

24.A1 Future skills needs (expansion, replacement and total demand) <i>Source CEDEFOP</i> Projected change in the number of jobs between the base year (tb) and specific year in the future (tf) as a percentage of total number of jobs in the base year (tb)	Total, sector (NACE), occup (ISCO) and qualify / level of educ (ISCED)	
24.A2 E-skills of adults <i>ICT household survey, Eurostat</i> Persons in the age group 25-64, 25-34, 35-44, 45-54, 55-64 having no, low, medium and high computer/internet skills according to the self assessment of their skills and classification of 1-2 (low), 3-4 (medium), 5-6 (high) of activities ¹¹ as a proportion of the total population in the same age group	Total, age, working status, educ attainment (ISCED) all by sex	

¹¹ *Computer actions:* Copying or moving a file or a folder; Using copy and paste tools to duplicate or move information within a document; Using basic arithmetic formulas in a spreadsheet; Compressing (or zipping) files; Connecting or installing new devices, e.g. a printer or a modem; Writing a computer program using a specialised programming language. *Internet actions:* Using a search engine to find information; Sending e-mails with attached files (documents, pictures, etc.); Posting messages to chat rooms, newsgroups or online discussion fora; Using the Internet to make telephone calls; Using peer-to-peer file sharing for exchanging movies, music, etc. ; Creating a web page

Appendix 4: Context indicators

DIMENSIONS	SUB-DIMENSIONS	INDICATORS	SOURCES
LIFELONG LEARNING (LLL)	INPUT	<ul style="list-style-type: none"> • Total public spending on education • In-company training (expenses) • <i>Expenditure on training for the unemployed (with regard to employment)</i> • <i>Cost of on-the-job training per participant</i> 	<ul style="list-style-type: none"> • EMCO⁵, UOE • EMCO, CVTS • <i>Eurostat⁶, AES</i> • <i>CVTS</i>
	PROCESS	<ul style="list-style-type: none"> • Percentage of the population participating in training during the reference month <ul style="list-style-type: none"> ○ By age and gender ○ <i>By level of education</i> ○ <i>By type of contract</i> • Percentage of workers participating in training during the reference month <ul style="list-style-type: none"> ○ By age and gender ○ <i>By level of education</i> ○ <i>By type of contract</i> • Percentage of the unemployed participating in training during the reference month • <i>Number of hours of training per participant</i> • <i>Number of hours of training per unemployed person</i> 	<ul style="list-style-type: none"> • EMCO, LFS + <i>LFS</i> • EMCO, LFS + <i>LFS</i> • EMCO, LFS • <i>CVTS</i> • <i>LFS</i>

⁵ <http://www.emploi.belgique.be/moduleDefault.aspx?id=25994> (indicators de flexibilité de l'EMCO)

⁶ http://epp.eurostat.ec.europa.eu/portal/page/portal/statistics/search_database (base de données - indicateurs Eurostat)

	<p>OUTPUT</p>	<ul style="list-style-type: none"> • <i>Employment rate, by highest level of education attained.</i> • <i>Unemployment rates of the population aged 25-64 by level of education.</i> • <i>Percentage of the population from 20 to 24 years who have finished higher secondary education.</i> • <i>Percentage of the population from 18 to 24 years who have not finished higher secondary education and who are no longer in schooling.</i> • <i>Average level of training of the population from 18 to 24 years NEET (not in education, employment or training)</i> • <i>Higher education qualifications</i> • Distribution of adults according to the level of education and professional status • <i>In work at-risk-of-poverty rate by level of education</i> • Individuals´ level of computer skills <ul style="list-style-type: none"> ○ By region and by gender ○ By professional status ○ By level of education • Individuals´ level of Internet skills <ul style="list-style-type: none"> ○ By region and by gender ○ By professional status ○ By level of education • <i>Languages</i> • <i>Learning skills (learning to learn)</i> • <i>Adult skills</i> • <i>Rate of job placement</i> • <i>Rate of certification</i> • <i>Rate of withdrawal from training (indicator to be developed)</i> 	<ul style="list-style-type: none"> • <i>Eurostat, LFS</i> • <i>EMCO, LFS</i> • <i>EMCO, LFS</i> • <i>EMCO, LFS</i> • <i>LFS</i> • <i>Eurostat, UOE</i> • <i>EMCO, EFT</i> • <i>Eurostat, SILC</i> • <i>EMCO, ICT household survey</i> • <i>EMCO, ICT household survey</i> • <i>AES: H1, H3</i> • <i>Pilot survey (2008)</i> • <i>PIAAC (2013)</i> • <i>LMP</i> • <i>AES : C 20</i> • <i>National source</i>
--	---------------	---	---

LABOUR MARKET	Unemployment, employment and salary	<ul style="list-style-type: none"> • Employment rate by gender • Total harmonised unemployment per gender • Long term unemployment rate by gender • Average exit age from the labour force by gender • Harmonised unemployment by gender – age class 25-74 • Employed persons with a second job • Quarterly job vacancies and job vacancy rates, total NACE_Rev2 (sections B to S) • Average gross annual earnings in industry and services, by gender • Gender pay gap in unadjusted form • Tax wedge on labour cost • Tax rate on low wage earners by marginal effective tax rates on employment incomes • Minimum wages 	<ul style="list-style-type: none"> • Eurostat, LFS • Eurostat, LFS • Eurostat, LFS • Eurostat, LFS • Eurostat, LFS • Eurostat, LFS • Eurostat, LFS • Eurostat, NACE_Rev2 • Eurostat, ESS • Eurostat, ESS • Eurostat, OCDE • Eurostat, OCDE • Eurostat, NACE_Rev2
	Labour cost	<ul style="list-style-type: none"> • Labour cost index • Total wages and salaries • Social security paid by employer • Other labour costs • Hourly labour costs • Monthly labour costs 	Eurostat, Labour Cost Index (LCI) collection
	Labour market policies	<ul style="list-style-type: none"> • LMP expenditure per person wanting to work • LMP expenditure as a percentage of GDP • LMP public expenditure by type of action • LMP measures public expenditure by type of action • LMP support public expenditure by type of action • Activation and labour market support 	<ul style="list-style-type: none"> • EMCO, LMP • EMCO, LMP • Eurostat, LMP • Eurostat, LMP • Eurostat, LMP

		<ul style="list-style-type: none"> • Preventative approach to reduce the inflow into long-term unemployment • New start to reduce the inflow into long-term unemployment • Activation of registered unemployed • Participants in labour market policy measures, by type of action <ul style="list-style-type: none"> • Beneficiaries of labour market policy supports, by type of action • Persons registered with Public Employment Services • Tax rate on income of low wage-earners - Low wage trap • Tax rate on income of low-wage earners – Unemployment trap • Inactivity trap • Existing assessment of support measures <p>* The marginal effective tax rate for an “inactive” person (METR it) can be used as an indicator of the size of the so-called inactivity trap. It aims to measure the short-term financial incentives to move from inactivity, unpaid work or unemployment where no unemployment benefits are received into paid employment and is defined as the rate at which taxes increase and benefits (mainly minimum income or social assistance benefits) decrease as a person takes up a given job (OCDE, 2004, p. 38).</p>	<ul style="list-style-type: none"> • EMCO, LMP • EMCO, LMP • EMCO, national sources • EMCO, national sources • EMCO, LMP • Eurostat, LMP • Eurostat, LMP • EMCO, OCDE • EMCO, OCDE • OCDE * • National sources, data to be collected
SOCIAL PROTECTION	Social expenditure	<ul style="list-style-type: none"> • Total expenditure on social protection by type 	Eurostat, ESSPROSS

	Social inclusion and pensions	<ul style="list-style-type: none"> • At-risk-of-poverty rate <ul style="list-style-type: none"> ○ By age group ○ By household type ○ Of elderly people ○ In work ○ By highest level of education attained ○ Before social transfers by gender ○ After social transfers by gender • Relative median at-risk-of-poverty gap • Inequality of income distribution • People living in jobless households, by age group • Care of dependent elderly (Eurostat – SP Committee) 	<ul style="list-style-type: none"> • Eurostat, SILC • Eurostat, SILC • Eurostat, SILC • Eurostat, LFS • EPC- AWG
	Employment protection	<ul style="list-style-type: none"> • Existence of notice and length of notice • Social cover during the notice • Trial period and duration • Compensation rate of welfare • Number of weeks during which the benefits can be maintained • Number of working weeks required to be eligible for benefits • Number of days wait before receiving benefits 	<ul style="list-style-type: none"> • OCDE • National sources, data to be collected
	Balance between private life / work	<ul style="list-style-type: none"> • Childcare • Employment impact of parenthood 	<ul style="list-style-type: none"> • EMCO, SILC • EMCO, LFS
	Growth	<ul style="list-style-type: none"> • GDP per capita in PPS • Real GDP growth rate 	Eurostat, European system of accounts

			(ESA)
SOCIAL DIALOGUE		<ul style="list-style-type: none"> • Union membership rate • Rate of cover of social dialogue (% of workers covered by labour/management bodies) • Rate of companies affiliated to an employers' organisation • Number of strikes and lock-outs per day of work 	<ul style="list-style-type: none"> • ILO⁷ • ILO • National sources, data to be collected

Links to the surveys:

AES: http://statbel.fgov.be/fr/statistiques/collecte_donnees/enquetes/aes/index.jsp

CVTS: http://statbel.fgov.be/fr/statistiques/collecte_donnees/enquetes/cvts/index.jsp

LFS: http://statbel.fgov.be/fr/statistiques/collecte_donnees/enquetes/LFS/index.jsp

ESES: http://statbel.fgov.be/fr/statistiques/collecte_donnees/enquetes/ses/index.jsp

ESS: <http://ess.nsd.uib.no/>

EWCS: <http://www.eurofound.europa.eu/ewco/surveys/index.htm>

SILC: http://statbel.fgov.be/fr/statistiques/collecte_donnees/enquetes/silc/index.jsp

⁷ http://www.ilo.org/integration/resources/papers/lang--en/docName--WCMS_079175/index.htm