**BRIEFING PAPER SERIES** 

# PROGRESSIVE ECONOMY European JustJobs Index



Tewodros Aragie Kebede, Kristin Jesnes, Huafeng Zhang, and Jon Pedersen







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## Introduction

Jobs have taken center stage since the wake of the financial crisis of 2008. Countries such as Spain and Greece experienced high levels of unemployment and were among the European countries that implemented austerity measures aimed at addressing the economic crisis. As a result, expenditure on social protection has declined in a number of countries across the European Union. The various policy measures applied since the onset of the financial crisis is debated across the political spectrum. At the core, high-quality jobs remain important for a knowledge intensive economy.

Which countries are succeeding in creating good new jobs for their labor markets? Where are job creation policies effectively producing not only employment bur just jobs-- complete with fair remuneration, social protections, labor rights and opportunities for economic mobility? The issue of creating quality jobs is complex and the question of whether conditions for JustJobs are improving or getting worse—both in the long term and in this time of economic crisis—must be addressed urgently. Due to the lack of a comprehensive measure that captures relevant and interrelated concepts around JustJobs, the debate about jobs is often limited to addressing specific issues such as unemployment or an increase in minimum wage.

The JustJobs Index, a new international measure of fair jobs, seeks to answer these pressing questions, broadening the global discourse on employment beyond common metric of unemployment to address job quality. An ongoing flagship research project of the JustJobs Network and Fafo Institute for Applied International Studies, the JustJobs Index is the first international measure of its kind the first version 0.1 was released in 2013. Beyond an international ranking, the index reveals interconnections among the various dimensions of job creating and how working conditions can be improved. This enables policymakers to target resource and design policies more effectively.

Fafo and the JustJobs Network, are commissioned by Progressive Economy to develop a regional JustJobs Index for the European Union with financing from S&D Group in the European Parliament. The European Union JustJobs Index is intended as a starting point to initiate a discussion and attract interest on policy issues related to jobs and creation of quality jobs in a European context. The availability of data in the European Union allows for the inclusion of more relevant indicators than in the global index, and provides an opportunity for exploring rich and valid insights into JustJobs performance using the EU JustJobs Index. By combining the index with specific country knowledge, the index provides an opportunity for European policymakers to better identify appropriate measures of creating JustJobs.

Fafo and the JustJobs Network have now developed the European Union JustJobs Index and this brief presents the index, its major findings, and offers some initial analysis of JustJobs trends as a basis for broader discussion. Based on availability of data, two versions of the EU JustJobs Indices are constructed that are labeled as EU28 JJI and EU21 JJI. The EU28 JJI version covers the 28 member countries with three JustJobs dimensions: employment, social security and equality of treatment and opportunity. The EU21 JJI features 21 European Union countries with two additional JustJobs dimensions: rights at work and social dialogue. The report provides details on conceptual design and the construction of the index as well as identifying indicators that are useful for future data collection at a national level.

## **Overview of the European JustJobs Index**

The JJI is conceptually anchored with the International Labour Organization's decent work dimensions: employment, social security, rights at work, and social dialogue. In order to emphasize the role of inequality, equality of treatment and opportunities is classified as a fifth dimension. The employment dimension has three sub-dimensions: employment opportunities, income security, and employment security. The dimensions are shown in Figure 1 and each of them are defined below.



#### Dimension 1: Employment

The first dimension, employment, is divided into three sub-dimensions in order to fully operationalize the concept. The three sub-dimensions are employment opportunities, income security and employment security.

#### Sub-dimension 1: Employment opportunities

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Employment opportunities are defined both positively and negatively. In a positive sense, the sub-dimension refers to for instance labour force participation rate, employment to population rate and employment by status in employment. In a negative sense, the sub-dimension refers to for instance unemployment and youth unemployment. The following indicators are used to measure the employment opportunities sub-dimension:

	Indicator	Definition
1	Labour force partici- pation rate, 15-64	The labour force participation rate is defined as the ratio of the labour force to the working-age population (15-64), expressed as a percentage. The labour force is the sum of the number of persons employed and the number of persons unemployed.
2	Employment to popu- lation rate, 15-64	The employment-to-population ratio is defined as the proportion of a country's working-age population that is employed.
3	Unemployment rate, 15-74	Unemployment rates represent unemployed persons as a percent- age of the labour force. The labour force is the total number of peo- ple employed and unemployed. Unemployed persons comprise per- sons aged 15 to 74 who were: a. without work during the reference week, b. currently available for work, i.e. were available for paid employment or self-employment before the end of the two weeks following the reference week, c. actively seeking work, i.e. had tak- en specific steps in the four weeks period ending with the reference week to seek paid employment or self-employment or who found a job to start later, i.e. within a period of, at most, three months.
4	Youth unemployment rate, 15-24	"Youth" covers persons aged 15 to 24 years. The indicator consists of four distinct measurements, each representing a different aspect of the youth unemployment problem. The four measurements are: (a) youth unemployment rate (youth unemployment as a percent- age of the youth labour force);(b) ratio of the youth unemployment rate to the adult unemployment rate; (c) youth unemployment as a proportion of total unemployment; and (d) youth unemployment as a proportion of the youth population.
5	Youth not in education and not in employ- ment, 15-24	"Percentage of youth who are not in employment and not in educa- tion or training." This indicator captures two groups: (i) youth who are economically inactive for reasons other than participation in ed- ucation; and (ii) unemployed youth. Compared to the youth inactivity rate, it is a better indicator for the proportion of youth that remains "idle", and better proxies denied access to employment opportunities.
	Employment by status in employment	Employment by status in employment: The indicator of status in employment distinguishes between two categories of the total employed. These are: (a) wage and salaried workers (also known as employees); and (b) self-employed workers. These two groups of workers are presented as percentages of the total employed for both sexes and for males and females separately.
6	Wage and salaried workers (employees)	See above.
7	Self-employed workers	See above.

	Indicator	Definition
8	Wage and salaried workers (% of total employed)	Wage and salaried workers (employees) are those workers who hold the type of jobs defined as "paid employment jobs," where the incumbents hold explicit (written or oral) or implicit employment contracts that give them a basic remuneration that is not directly dependent upon the revenue of the unit for which they work.

#### Sub-dimension 2: Income security

Income security refers to the notion of an "adequate living wage" and can be measured using indicators of rate of pay and GDP per capita. The following indicators are used to measure the income security sub-dimension:

	Indicator	Definition
9	Average real wages in PPP	"Real wages" have been defined in the ILO resolution adopted by the Eighth International Conference of Labour Statisticians (ICLS) in 1954, as "the goods and services which can be purchased with wages or are provided as wages". This definition establishes a useful basis for the computation of real wages and their comparison from one period of time to another, or between one country and another. Average monthly wages are therefore not only presented in nominal terms, but also in real terms by adjusting for changes in consumer prices.
10	GDP per capita ex- pressed on purchasing power parity	GDP PPP (purchasing power parity) is gross domestic product convert- ed to euros (Fafo's conversion) using purchasing power parity rates. Purchasing power parities (PPPs) are the rates of currency conversion that eliminate the differences in price levels between countries.

#### Sub-dimension 3: Employment security

Employment security refers to the stability and security of work and is operationalized using the following indicators:

	Indicator	Definition
11	Own-account workers	The status-in-employment indicator presents all six groups used in the ICSE definitions. The two major groups - self-employed and em- ployees - cover the two broad types of status in employment. The re- maining four – employers (group ii); own-account workers (group iii); members of producers' cooperatives (group iv); and contributing family workers (group v) – are sub-categories of total self-employed. The number in each status category is divided by total employment to arrive at the percentages shown in table 3. The "vulnerable em- ployment rate" is calculated as the sum of contributing family work- ers and own-account workers as a percentage of total employment. Own-account workers are those workers who, working on their own account or with one or more partners, hold the type of jobs defined as a "self-employment jobs" [see ii above], and have not engaged on a continuous basis any employees to work for them.
12	Contributing family workers	Share of contributing family workers in total employment. See above.
13	Vulnerable employment	Sum of contributing family workers and own-account workers in total employment. See above.

#### **Dimension 2: Social Security**

The dimension social security refers to measures that provide social benefits, in cash or in kind. The definition is operationalized using the following indicators:

	Indicator	Definition
14	Expenditure on pension	The 'Pensions' aggregate comprises part of periodic cash ben- efits under the disability, old-age, survivors and unemployment functions. It is defined as the sum of the following social benefits: disability pension, early-retirement due to reduced capacity to work, old-age pension, anticipated old-age pension, partial pen- sion, survivors' pension, early-retirement benefit for labour market reasons.
15	Total expenditure on social protection per head of population	Expenditure on social protection contain: social benefits, which con- sist of transfers, in cash or in kind, to households and individuals to relieve them of the burden of a defined set of risks or needs; admin- istration costs, which represent the costs charged to the scheme for its management and administration; other expenditure, which consists of miscellaneous expenditure by social protection schemes (payment of property income and other).
16	Total expenditure on social benefits - percentage of total expenditure on social protection	Social benefits consist of transfers, in cash or in kind, to households and individuals to relieve them of the burden of a defined set of risks or needs. Expenditure on social protection contain: social ben- efits, administration costs, which represent the costs charged to the scheme for its management and administration, other expenditure, which consists of miscellaneous expenditure (payment of property income and other).
17	Total expenditure on social benefits - percentage of total benefits – family/ children	Social benefits consist of transfers, in cash or in kind, by social protection schemes to households and individuals to relieve them of the burden of a defined set of risks or needs. The functions (or risks) are: sickness/healthcare, disability, old age, survivors, family/ children, unemployment, housing, social exclusion not elsewhere classified (n.e.c).
18	Total expenditure on social benefits - percentage of total benefits - disability	See above.
19	Total expenditure on so- cial benefits - percent- age of total benefits - unemployment	See above.
20	Total expenditure on social benefits - percentage of total benefits – sickness and health care	See above.

#### Dimension 3: Rights at work

Dimension three – rights at work – refers to occupational safety and health. This dimension is operationalized using the following indicators:

	Indicator	Definition
21	Average annual hours actually worked per worker	"Average annual hours actually worked per worker": The concept used is the total number of hours worked over the year divided by the average number of people in employment. This measure includes time spent at the workplace on productive activities ("direct hours" in the resolution) and on other activities that are part of the tasks and duties of the job concerned ("related hours"). The latter can include, for example, cleaning and preparing working tools, and certain on-call duties. The concept also includes time spent at the place of work when the person is inactive for reasons linked to the production process or work organization ("down time"), as during these periods paid workers, for example, still remain at the dispos- al of their employer while self-employed will continue working on other tasks and duties. "Hours actually worked" also includes short rest periods ("resting time") spent at the place of work as they are necessary for human beings and because they are difficult to distin- guish separately, even if paid workers, for example, are not "at the disposal" of their employer during those periods. Explicitly exclud- ed are lunch breaks if no work is performed, as they are normally sufficiently long to be easily distinguished from work periods. The international definition relates to all types of workers - whether in salaried or self-employment, paid or unpaid, and carried out in any location, including the street, field, home, etc.
22	Share of persons working between 40 and 48 hours	The "hours usually worked" per week identifies the most common weekly working schedule of a person in employment over a selected period. The internationally-agreed statistical definition of "usual hours of work", recently adopted, refers to the hours worked in any job during a typical short period such as one week, over a longer period of time, or more technically, as the modal value of the "hours actually worked" per week over a longer observation period. The definition is applicable to all types of jobs, even those where the worker does not possess a working contract – for example, in small-scale or family en- terprises and self-employed workers. Hours usually worked includes overtime that occurs systematically every day or week and excludes time not worked on a usual basis. This measure is not affected by unusual absence or by irregular or unusual overtime, whether worked for premium pay, regular pay, or without compensation. The following hour bands are applied in table 7a: less than 25 hours worked per week, between 25 and 34 hours, between 35 and 39 hours, between 40 and 48 hours, between 49 and 59 hours, 40 hours and over, 50 hours and over and 60 hours and over, as available
23	Share of persons working between 49 and 59 hours	See above.
24	Share of persons work- ing 60 or more hours	See above.

	Indicator	Definition
25	Number of fatal acci- dents at work	An accident at work is "a discrete occurrence in the course of work which leads to physical or mental harm". The data include only ac- cidents involving more than 3 calendar days of absence from work, also called 'serious accidents'. A fatal accident at work is defined as an accident which leads to the death of a victim within one year of the accident.

#### **Dimension 4: Equality of Treatment and Opportunity**

Dimension four – equality of treatment and opportunity - is a sub-dimension in the ILO decent work framework. However, in the JustJobs Index of the European Union, the sub-dimension of equality of treatment and opportunity has been lifted to an additional dimension as it is particularly interesting in the current European setting and since we have available data on equality and gender equity.

The equality of treatment and opportunity dimension is operationalized using the following indicators:

	Indicator	Definition
26	Gini coefficient	The Gini coefficient is defined as the relationship of cumulative shares of the population arranged according to the level of equiva- lised disposable income, to the cumulative share of the equivalised total disposable income received by them.
27	Income inequality	The ratio of total income received by the 20 % of the population with the highest income (top quintile) to that received by the 20 % of the population with the lowest income (lowest quintile). Income must be understood as equivalised disposable income.
28	Ratio of female to male employment rates	Definition not found.
29	Ratio of female to male unemployment rates	Definition not found.
30	Ratio of female to male wage employ- ment rates in the non-agricultural sector	The share of women in wage employment in the non-agricultural sector is the share of female workers in wage employment in the non-agricultural sector expressed as a percentage of total wage employment in that same sector.
31	Ratio of female to male professional employment	Ratio of the percentage of professional women in total female employment to the percentage of professional men in total male employment

#### **Dimension 5: Social Dialogue**

Because of the availability of data from the Amsterdam Institute for Advanced Labour Studies, we were able to introduce the social dialogue dimension in the JustJobs Index for the European Union 21. Social dialogue refers to the interaction between different social and economic groups and the authorities on economic and labour related issues. In this version of the index, social dialogue is operationalized through the following indicators:

	Indicator	Definition
32	Trade Union Density	Trade union density corresponds to the ratio of wage and salary earners that are trade union members, divided by the total number of wage and salary earners (OECD <i>Labour Force Statistics</i> ). Den- sity is calculated using survey data, wherever possible, and admin- istrative data adjusted for non-active and self-employed members otherwise
33	Bargaining (or Union) Coverage, adjusted	Bargaining (or Union) Coverage, adjusted: (0-100) = employees covered by collective (wage) bargaining agreements as a proportion of all wage and salary earners in employment with the right to bargaining, expressed as percentage, adjusted for the possibility that some sectors or occupations are excluded from the right to bargain (removing such groups from the employment count before dividing the number of covered employ- ees over the total number of dependent workers in employment WSEE; see Traxler, 1994)

## **Data and Methods**

The European JustJobs Index is an improved version of the global JJI (version 0.1) developed by Fafo and JustJobs Network. The theoretical framework of the index is anchored with the ILO's decent work dimensions: employment, basic rights, social security and social dialogue. The JustJobs Index gives emphasis on the issue of inequality by classifying the sub dimension, equality of treatment and opportunity, as a fifth dimension.

Having established the conceptual framework of JustJobs Index, the development of the index followed the following steps:

## Step one: Selection of Indicators and Data Collection

The quality of a good indicator is measured by the quality of the underlying indicators. The choice of indicators was based on the JustJobs conceptual framework and covers the five dimensions. A list of JustJobs indicators was constructed.

We have constructed a database of more than 100 JustJobs indicators spanning the years 2000 up to 2012 from various public data sources. The EU JJI is constructed using data on 33 indicators selected based on efficacy and data availability; the list of included indicators is shown in Table 1. As has been the challenge during the construction of the global JustJobs Index (version 0.1), there continue to be challenges in terms of obtaining complete data on indicators of interest. However, data availability has been better in the context of European Union and has enabled us to construct the index with additional indicators and dimensions that were not available for the JJI version 0.1.

Data was gathered from the following publicly available secondary sources<sup>1</sup>:

- International Labour Organization KILM database http://www.ilo.org/empelm/what/WCMS\_114240/ lang--en/index.htm
- World Bank database of indicators
- http://databank.worldbank.org
- IMF

http://www.gfmag.com/component/content/article/119-economic-data/12529-the-worlds-richest-and-poorest-countries.html#axzz1pkbsmP3D

- The OECD
- http://stats.oecd.org/Index.aspx?DataSetCode=ANHRS
- Eurostat

http://epp.eurostat.ec.europa.eu/portal/page/portal/employment\_unemployment\_lfs/introduction

- Amsterdam Institute for Advanced Labour Studies

http://www.uva-aias.net/uploaded\_files/regular/ICTWSScodebook40.pdf

For reasons of data availability, we constructed two versions of the index. The first index, labeled EU28 JJI is a complete index for all the European countries with three dimensions. These dimensions are: employment; social security; and equality of treatment and opportunity. The second version is the EU21 JJI covering 21 countries with the five dimensions outlined earlier. The indicators in each of these two versions were selected on the basis of their analytical representation of the JustJobs concept and data availability.

<sup>&</sup>lt;sup>1</sup> All website sources accessed in January 2014

Table 1 JustJobs Index: Dimens	sions and Indicators			
Employment (EU21 and EU28)	Social security (EU21 and EU28)	Rights at work (EU21)	Equality of treatment and opportunity (EU21 and EU28)	Social dialogue (EU21)
<ul> <li>Sub-dimension 1: Opportunities for work</li> <li>1. Labour force participation rate</li> <li>2. Employment to population rate</li> <li>3. Unemployment rate</li> <li>4. Youth unemployment rate</li> <li>5. Youth not in education and not in employment</li> <li>6. Wage and salaried workers</li> <li>7. Self-employed workers</li> <li>8. Wage and salaried workers</li> <li>(% of total employed)</li> <li>Sub-dimension 2: Income security</li> <li>9. Average real wages</li> <li>10. Gross Domestic Product (GDP)</li> <li>10. Gross Domestic Product (GDP)</li> <li>11. Own-account workers (share of own-account workers in total employment):</li> <li>12. Contributing family workers in total employment security/stability</li> <li>13. Vulnerable employment form of contributing family workers and own-account workers in total employment)</li> </ul>	<ul> <li>14 Expenditure on pension</li> <li>15 Total expenditure on social protection per head of population</li> <li>16 Total expenditure on social benefits - percentage of total expenditure on social protection</li> <li>17 Total expenditure on social benefits - family/children</li> <li>18 Total expenditure on social benefits - disability</li> <li>19 Total expenditure on social benefits - unemployment</li> <li>20 Total expenditure on social benefits - sickness and health care</li> </ul>	<ul> <li>21 Average annual hours actually worked per worker</li> <li>22 Share of persons work- ing between 40 and 48 hours</li> <li>23 Share of persons work- ing between 49 and 59 hours</li> <li>24 Share of persons work- ing 60 or more hours</li> <li>25 Number of accidents at work</li> </ul>	<ul> <li>26 Gini coefficient</li> <li>27 Income inequality</li> <li>28 Ratio of female to male employment rates</li> <li>29 Ratio of female to male unemployment rates</li> <li>30 Ratio of female to male wage employment rates</li> <li>31 Ratio of female to male professional employment</li> </ul>	<ul><li>32 Trade Union Density</li><li>33 Bargaining (or union)</li><li>coverage, adjusted</li></ul>

### Step two: Imputation of missing data

Missing data is the major challenge in the construction of the index. Many indicators have missing data for a number of countries while incomplete data is available for some countries and a specific year. We carried out imputation of the missing data using loess regression with varying specification of the span used for smoothing. A complete data without missing values was obtained.

Step three: Normalization of data

Normalization is required prior to data any data aggregation when indicators are measured with different measurement units. The indicators identified as relevant for the construction of the JustJobs Index have different types of measurement units. Hence we have conducted the following normalization techniques.

#### Ranking

This method of standardization measures the performance of the countries over time in terms of relative positions, which constitute the rankings. The formula used for the ranking method is given by:

High:	$I_t^i = rank^i(x_t^i)$
Low:	$I_t^i = rank^i (-x_t^i)$
Equal to a:	$I_t^i = rank^i (- x_t^i - a )$

#### Standardization (z-scores)

The indicators are converted into a scale with a mean of zero and standard deviation of one. Extreme values have a greater effect on the index, and hence this method highlights outlier behavior. The formula used for the standardization method is given by:

High:  $I_{t}^{i} = \frac{x_{t}^{i} - \overline{x^{i}}}{\sigma^{i}}$ Low:  $I_{t}^{i} = \frac{\overline{x^{i} - x_{t}^{i}}}{\sigma^{i}}$ Equal to a:  $I_{t}^{i} = \frac{\overline{x_{t}^{i} - a} - |x_{t}^{i} - a|}{\sigma^{i}}$ 

#### Min-max rescale

With this method, the indicators are given an identical range, from 0 to 1. The formula used for the min-max rescale method is given by:

High:

Low:

$$\begin{split} I_{t}^{i} &= \frac{x_{t}^{i} - min^{i}(x_{t}^{i})}{max^{i}(x_{t}^{i}) - min^{i}(x_{t}^{i})} \\ I_{t}^{i} &= \frac{max^{i}(x_{t}^{i}) - x_{t}^{i}}{max^{i}(x_{t}^{i}) - min^{i}(x_{t}^{i})} \end{split}$$

Equal to a:

$$I_{t}^{i} = \frac{max^{i}(x_{t}^{i}) - min^{i}(x_{t}^{i})}{max^{i}(|x_{t}^{i} - a|) - x_{t}^{i}}$$

$$I_{t}^{i} = \frac{max^{i}(|x_{t}^{i} - a|) - min^{i}(|x_{t}^{i} - a|)}{max^{i}(|x_{t}^{i} - a|) - min^{i}(|x_{t}^{i} - a|)}$$

#### Distance to a reference (base year 2000)

This method measures the position of an indicator relative to a reference point. The formula used for the distance to a reference method is given by:

High:  $I_t^i = \frac{x_t^i}{x_0^i}$ Low:  $I_t^i = \frac{-x_t^i}{x_0^i}$ Equal to a:  $I_t^i = \frac{-|x_t^i - a|}{|x_t^i - a|}$ 

## Step four: Aggregation and construction of composite index

We have employed a simple arithmetic using an additive average of all the normalized indicators associated with each of the JustJobs Index dimensions and constructed an additive index. All the indicators are given equal weights.

## Step five: Sensitivity analysis and selection of final index

Sensitivity analysis helps in evaluating the robustness an index by assessing the contribution of each indicator to the index variance. Sensitivity analysis is carried out to assess the relevance of each included indicator as well as selection of the appropriate normalization technique.

The formula used for the sensitivity test is:

$$\overline{R} = \frac{1}{T} \sum_{t=1}^{I} |Rank_{one indicator deleted}(CI_t) - Rank_{complete set}(CI_t)|$$

After conducting a series of sensitivity analysis on the results, the rescale normalization method was selected and the EU28 JJI and EU21 JJI are established.

# **Findings using EU28 JustJobs Index**

A just job index that covers all the 28 European Union countries (EU28 JJI) is constructed using three JustJobs dimensions: employment, social security, and equality of treatment and opportunity. The value of the EU28 JustJobs Index and the ranks of countries based in it are shown in Table 2 for selected years. The highest performers on the JustJobs Index are Luxembourg, Sweden, and Estonia during 2012. The lowest performers are found to be Italy, Greece and Romania.

					Year				
Rank	2000	2002	2004	2006	2008	2009	2010	2011	2012
1	Denmark	Luxembourg	Luxembourg	Denmark	Sweden	Luxembourg	Luxembourg	Luxembourg	Luxembourg
	71	68	68	67	62	62	64	65	62
2	Sweden	Denmark	Sweden	Luxembourg	Luxembourg	Sweden	Sweden	Sweden	Sweden
	68	68	67	66	62	61	62	63	61
3	Finland	Sweden	Denmark	Sweden	Denmark	Estonia	Finland	Finland	Estonia
	67	67	67	65	60	58	59	59	59
4	Luxembourg	Finland	Finland	Finland	Estonia	Finland	Denmark	Estonia	Finland
	66	63	63	61	59	58	59	58	58
5	Austria	Austria	Slovenia	Estonia	Finland	Denmark	Estonia	Denmark	Denmark
	63	60	60	59	58	57	59	58	57
6	Slovenia	Slovenia	Austria	Austria	Austria	Austria	Austria	Austria	Belgium
	62	60	59	58	55	55	57	56	56
7	Germany	Germany	Germany	Slovenia	Slovenia	Slovenia	Belgium	Belgium	Austria
	62	59	57	57	55	54	55	56	55
8	Netherlands	Netherlands	Belgium	Netherlands	Netherlands	Netherlands	Netherlands	Netherlands	Netherlands
	61	58	57	56	54	53	54	55	55
9	Hungary	Hungary	Netherlands	Germany	Belgium	Belgium	Slovenia	Germany	Germany
	59	57	56	55	52	53	54	54	54
10	Belgium	Estonia	Estonia	France	Slovakia	Germany	Germany	Slovenia	France
	59	57	55	55	51	52	53	54	52
11	Czech Republic	Czech Republic	Hungary	Belgium	Hungary	Ireland	Ireland	France	Slovenia
	58	56	55	54	51	51	52	52	51
12	Estonia	France	France	Ireland	Ireland	Hungary	Hungary	Hungary	Ireland
	58	56	55	52	51	50	51	51	51
13	France	Belgium	Czech Republic	Czech Republic	France	France	France	Slovakia	Slovakia
	58	56	54	52	51	50	51	50	50
14	Ireland	Ireland	Ireland	United Kingdom	Czech Republic	Slovakia	Slovakia	Ireland	Hungary
	58	55	53	50	50	49	49	50	50
15	Cyprus	Slovakia	Slovakia	Cyprus	Germany	Croatia	Czech Republic	Czech Republic	Lithuania
	57	53	52	50	50	49	48	48	49
16	Bulgaria	Cyprus	United Kingdom	Spain	Croatia	Czech Republic	Cyprus	Cyprus	Czech Republic
	53	53	51	49	47	49	47	48	47
17	Lithuania	United Kingdom	Cyprus	Hungary	Lithuania	United Kingdom	United Kingdom	Lithuania	Latvia
	53	51	51	49	47	46	45	46	45
18	United Kingdom	Spain	Spain	Slovakia	Spain	Lithuania	Bulgaria	Croatia	Cyprus
	53	51	50	49	46	45	44	45	45
19	Slovakia	Bulgaria	Bulgaria	Bulgaria	United Kingdom	Cyprus	Croatia	United Kingdom	United Kingdom
	52	51	50	47	44	45	44	44	44
20	Spain	Lithuania	Lithuania	Croatia	Cyprus	Spain	Latvia	Poland	Bulgaria
	51	49	46	46	44	44	44	44	44
21	Italy	Italy	Malta	Lithuania	Latvia	Bulgaria	Spain	Latvia	Poland
	50	47	45	45	43	44	43	43	43
22	Poland	Latvia	Latvia	Latvia	Bulgaria	Latvia	Lithuania	Bulgaria	Croatia
	49	45	45	44	42	43	42	42	43
23	Latvia	Malta	Croatia	Malta	Poland	Poland	Portugal	Spain	Portugal
	49	44	42	42	41	41	42	42	42
24	Malta	Poland	Portugal	Portugal	Malta	Malta	Poland	Malta	Spain
	45	43	41	41	40	41	42	42	41
25	Portugal	Portugal	Italy	Poland	Portugal	Portugal	Malta	Portugal	Malta
	45	43	40	40	39	40	40	41	41
26	Greece	Croatia	Greece	Italy	Italy	Greece	Italy	Italy	Italy
	42	41	40	40	37	38	38	39	39
27	Romania	Greece	Poland	Greece	Greece	Italy	Greece	Greece	Greece
	41	41	39	39	36	37	38	34	32
28	Croatia	Romania							

#### Table 2 EU28 JustJobs Index and rank

The average JustJobs Index for the 28 countries is 49 for the year 2012 (Figure 2). JustJobs Index has declined during 2000-2012 by an average of six points. The lowest JustJobs Index occurred during the onset of the economic crisis in 2008 and 2009.



The decline in JustJobs Index started prior to the economic crisis of 2008 and reached its lowest level during the crisis years as shown in the trend map depicted in Figure 3. Countries with lowest JustJobs Index in 2012, such as Romania and Greece, experienced the largest decline (16 and 14 percent decline) during the economic crisis compared to the year 2000. The decline in JustJobs Index during 2000-2012 is not only limited to countries with low index value but also experienced by countries such as Denmark and Sweden. Denmark and Sweden has lost nine and seven points on the index in 2012 compared to the year 2000. Estonia has small fluctuations on JustJobs Index during 2000-2012 by only one point over the period. However, due to the overall and relative decline of other countries, the rank of Estonia on JustJobs Index has improved to top three in 2012.

Figure 2 EU28 JJI country averages





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The average JustJobs Index for the top and bottom five countries is shows in Figure 4. Each of the three JustJobs dimensions has been declining in both groups of countries. Equality of treatment and opportunities was increasing prior to the economic crisis in both groups but reached its lowest level after the onset of the crisis and remained low in the bottom five countries. Employment dimension of the JustJobs Index reached its lowest decline in 2008 and recovered by only one point in 2012 for both groups of countries. The extent of decline is worse in social security measures with both groups of countries experiencing 20 points decline in social security measures such as unemployment benefits during 2000-2012. Such big decline in social security measures contributed to the decline in the overall JustJobs Index over the last five years.



#### Figure 4 EU28 JJI- Top and bottom five countries

Bottom five countries in 2012 (Romania, Greece, Italy, Malta, and Spain)



# Findings using EU21 JustJobs Index

In this section, we present the results using the EU21 JustJobs Index. This index is comprehensive in terms of its conceptual coverage and includes all the five dimensions of JustJobs. The EU28 JJI presented earlier is a conceptually limited version and it does not take into account all of the dimensions of JustJobs due to lack of available data on social dialogue and rights at work. Therefore, the results in the EU21 JJI and the EU28 JJI are not the same, and hence the implications of the index are also different. The top three performers in the EU21 JJI are Sweden, Denmark and Finland while the least performers are Poland, Greece and the United Kingdom.

Rank	2000	2002	2004	2006	Year 2008	2009	2010	2011	2012
1	Sweden	Sweden	Sweden	Denmark	Sweden	Sweden	Sweden	Sweden	Sweden
	72	73	73	71	69	69	70	71	69
2	Denmark	Denmark	Denmark	Sweden	Denmark	Denmark	Denmark	Denmark	Denmark
	71	71	71	71	67	68	69	69	68
3	Finland	Finland	Finland	Finland	Finland	Finland	Finland	Finland	Finland
	71	69	69	68	67	67	68	68	66
4	Austria	Luxembourg	Belgium	Belgium	Belgium	Belgium	Belgium	Belgium	Belgium
	61	61	61	60	59	60	61	62	61
5	Belgium	Belgium	Luxembourg	Luxembourg	Luxembourg	Luxembourg	Luxembourg	Luxembourg	Austria
	60	60	60	60	58	57	59	58	57
6	Slovenia	Austria	Slovenia	Slovenia	Netherlands	Netherlands	Austria	Austria	Luxembourg
	60	60	57	56	54	54	55	57	55
7	Luxembourg	Slovenia	Austria	Netherlands	Austria	Austria	Netherlands	Netherlands	Netherlands
	58	58	56	55	53	54	55	55	54
8	Netherlands	Netherlands	Netherlands	Austria	Slovenia	Slovenia	Slovenia	Slovenia	Estonia
	57	56	56	55	53	53	52	52	51
9	France	France	Ireland	France	Ireland	Ireland	Ireland	Estonia	Slovenia
	52	52	49	49	49	50	51	51	51
10	Germany	Ireland	France	Ireland	Estonia	Estonia	Estonia	Ireland	Ireland
	51	50	48	49	48	48	49	49	50
11	Ireland	Germany	Germany	Estonia	France	France	France	Hungary	France
	50	50	48	48	48	46	47	47	47
12	Hungary	Hungary	Hungary	Germany	Hungary	Hungary	Hungary	France	Hungary
	49	49	47	46	45	46	47	47	46
13	Italy	Estonia	Estonia	Hungary	Germany	Germany	Germany	Germany	Germany
	45	46	45	43	43	45	44	45	45
14	Czech Republic	Slovakia	Slovakia	United Kingdom	Slovakia	Slovakia	Portugal	Slovakia	Slovakia
	44	46	43	42	43	42	42	43	45
15	Slovakia	Italy	United Kingdom	Spain	Portugal	Spain	Slovakia	Portugal	Portugal
	44	45	42	42	42	42	42	43	42
16	Spain	Spain	Spain	Portugal	Czech Republic	Portugal	Spain	Spain	Spain
	43	43	42	41	41	41	41	41	42
17	Estonia	Czech Republic	Portugal	Czech Republic	Spain	United Kingdom	Czech Republic	Italy	Italy
	43	43	41	41	41	40	40	41	41
18	Portugal 42	Portugal 42	Czech Republic 41	Slovakia 41	United Kingdom 39	Czech Republic 40	Italy 39	Czech Republic 39	Czech Republic 39
19	United Kingdom	United Kingdom	Italy	Italy	Italy	Italy	United Kingdom	United Kingdom	United Kingdom
	41	42	40	39	38	39	39	39	39
20	Poland	Greece	Greece	Greece	Greece	Greece	Greece	Greece	Greece
	38	37	36	36	35	36	37	35	34
21	Greece	Poland	Poland	Poland	Poland	Poland	Poland	Poland	Poland
	36	35	31	31	31	32	32	34	34

Table 3 EU21 JustJobs Index and rank

The average of EU21 JustJobs Index has a value of 49 in the year 2012 and declined by 3 units after the 2008 economic crisis compared the average value of 52 in 2000. Using the EU21 JJI, countries can be classified in five different categories based on their status in 2000 and the trend on the index during 2000-2012. These categories are shown in Table 4. The first category includes Poland and Greece and they have the lowest EU21 JustJobs Index throughout 2000-2012. The second category includes countries that have a mixed trend on JustJobs Index. Estonia improved its JustJobs Index and managed to climb into the third category in 2012 while Italy has its JustJobs Index decline reaching its lowest level in during the onset of the crisis and slightly recovered in 2012. The third and fourth category of countries remained to have a higher JustJobs Index compared to category I and II but experienced a general decline on JustJobs Index with Slovenia experiencing the largest decline with 9 units lower than its 2000 level. The fifth category includes Finland, Denmark and Sweden and they maintained their highest JustJobs Index compared to the remaining countries.

Category I	Category II	Category III	Category IV	Category V (Highest EU21, UI)
(Lowest L021 331)	Category II	Category in	Calegory IV	(Ingliest LO21 55)
Poland	Italy	France	Belgium	Finland
Greece	Estonia	Germany	Austria	Denmark
	Slovakia	Ireland	Luxembourg	Sweden
	United Kingdom	Hungary	Netherlands	
	Portugal		Slovenia	
	Czech Republic			
	Spain			

#### Table 4 Five categories using EU21 JJI





Most of the countries experienced a decline in JustJobs Index that started prior to or after the onset of the economic crisis. The trend in JustJobs Index for each of these countries is shown in Figure 5 and Figure 6.



Figure 6 EU21 JustJobs trend map

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The relative contribution of each the JustJobs Index dimension is examined further among the top and bottom five countries (Figure 7). Both groups of countries experienced their lowest level of JustJobs Index during the economic crisis. Of the five JustJobs Index dimensions, social security and employment have declined in both groups. However, Equality of treatment and opportunities declined substantially in 2007 and 2008 in the bottom five countries and slightly recovered in 2011 and 2012.



#### Figure 7 EU21 JJI-Top and bottom five countries in 2012



Bottom five countries in 2012 (Poland, Greece, United Kingdom, Czech Republic, Italy)

## **Gaps and Future Direction**

One of the main challenges in the process of constructing the JustJobs Index is the lack of data on relevant JustJobs indicators. The European JustJobs Index is a more complete version than the global measure because of greater availability of data in the region. For instance, the rights at work and the social dialogue dimensions are now included in the EU21 JJI and more indicators are included in the EU28 JJI.

Nevertheless, when constructing the index presented in this report, some indicators are omitted due to lack of data availability. Among indicators initially identified as essential for JustJobs, data were difficult to obtain on informal employment, child labor, occupational segregation by sex, female share of employment in senior and middle management and collective bargaining rate. Data on childcare facilities, labor force working abroad, posted workers, ethnic origin discrimination indicators were found to be limited in terms of country level coverage and available years.

One of the future steps for policymakers and statisticians is to improve data collection on a national level. Collective efforts on an international and regional level in improving data gathering will help enhancing international comparability of statistics.

Fafo and the JustJobs Network will continue developing the JustJobs Index further by refining methods as well as data collection efforts. As part of the JustJobs Index development plan, interactive web-based services and communication tools are currently under development. This enables politicians and policy makers to specify varying degree of focus and weights on JustJobs Index dimensions. For instance, one may be interested to emphasize the role of unemployment while others may give more weight for social security dimensions. In the index development plan, the main focus will continue to be improving the role of the index in providing sound empirical data relevant for dialogue, debate and policy formulations in the pursuit of improving JustJobs.

## Summary

In this brief, we have presented the European JustJobs Index, a regional measure that broadens the discourse on employment and that addresses job quality. Based on data availability, two versions of the EU JustJobs Index were constructed that are labeled as EU28 JJI and EU21 JJI.

Romania, Greece, Italy, Malta and Spain are the bottom five countries in the EU28 JustJobs Index while Luxembourg, Sweden, Estonia, Finland and Denmark are in the top five during 2012. In the second version of the EU21 JustJobs Index that included social dialogue and rights at work, Poland, Greece and United Kingdom are in the bottom-three while Sweden, Denmark and Finland are the top-three countries.

The European JustJobs Index is aimed at providing a basis for a comprehensive discussion on JustJobs and some initial analysis of trends were provided. Both versions of the European JustJobs Index showed an overall downward decline in JustJobs with some countries dropping substantially over the last 13 years. The financial crisis of 2008 has led to steep decline in countries such as Spain, Greece and Italy. Examining the indices further, reductions in social security expenditures (such as unemployment benefits) and increased inequality contributed to the declining trend in JustJobs. The index illustrates that addressing inequality and social security are essential for JustJobs.

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JustJobs Network is a private, nonpartisan organization finding evidence-based solutions to one of the most pressing challenges of our time: How to create more and better jobs worldwide. We produce highquality empirical research on good job creation, focusing our work on the critical knowledge gaps in the global employment landscape.

We convene a global network of diverse stakeholders—including policy shapers, academics, and grassroots leaders — to deepen the practical implications of our research and amplify its impact. Through the combination of cutting-edge research and global knowledge sharing, we aim to forge a fresh, dynamic channel for policy dialogue on employment at national, regional and international levels.

