

well-being

@work

Report

Workshop Rome

22nd May 2009



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Agenda

9.00 - 9,15 Project Presentation

Hans Preinfalk – AKOÖ, Linz, Austria

I session

Working conditions and well being at work. The European surveys: a comparative analysis

9,15 - 9,45 – Presentation: **Mario Giaccone**, Italian correspondent of EIRO, Dublin

9,45-10,45: Discussion

- The Austrian surveys, Reinhard Raml, IFES Research Office (Institut für empirische Sozialforschung)

- The Italian surveys, Giovanna Altieri, IRES Director, Rome

II Session

Employment security and job satisfaction. The Labour Market Policies in Europe: an overall review,

11.00-11,30 – Presentation: **Michele Raitano**, Università “La Sapienza”, Roma

11.30–13,00: Discussion

- The German Reforms, Ulrich Heisig, IAW, University Bremen

- The Italian Reforms, Claudio Treves, CGIL National Responsible Labour Market Department.

III session

Quality at work and workers’ rights: how can industrial relations contribute to better jobs?

14.00–14,30 – Presentation: **Salvo Leonardi**, IRES

14.30–15,15: Discussion

- The Swedish model of co-determination, Mats Essemyr, TCO Research Office, Stockholm

- The Italian experience of industrial democracy, Giulia Barbucci, European Secretariat of National CGIL

15,30-16,00

Open discussion and conclusion with

Agostino Megale, National Secretary of CGIL

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Project Presentation well-being@work

By Mag. Hans Preinfalk

I session

Working conditions and well being at work. The European surveys: a comparative analysis

By Mario Giaccone

How to assess working conditions and well-being at work

Contractual arrangements, Job characteristics (autonomy, constraints, repetitiveness, control, learning, task complexities and varieties, etc.), Social relations at work (support, involvement, etc.), Involvement (individual, collective, teamworking), Limitations and risk exposures, Health & safety

Which goals? Who promotes them?

1. Content of work, skills, competitiveness
2. Labour market and demographic changes
3. Health
4. Impact of social dialogue
5. Evolution of the “working class” notion

1. and **3.** include job quality / well-being indicators,

2. and **4.** can be seen either as “control” variables affected by policies

1. and **4.** show wide contacts with LEEDs (Linked employers-employees data), e.g. WERS (UK) the Work Councils Survey (DE) and Reponse (FR)

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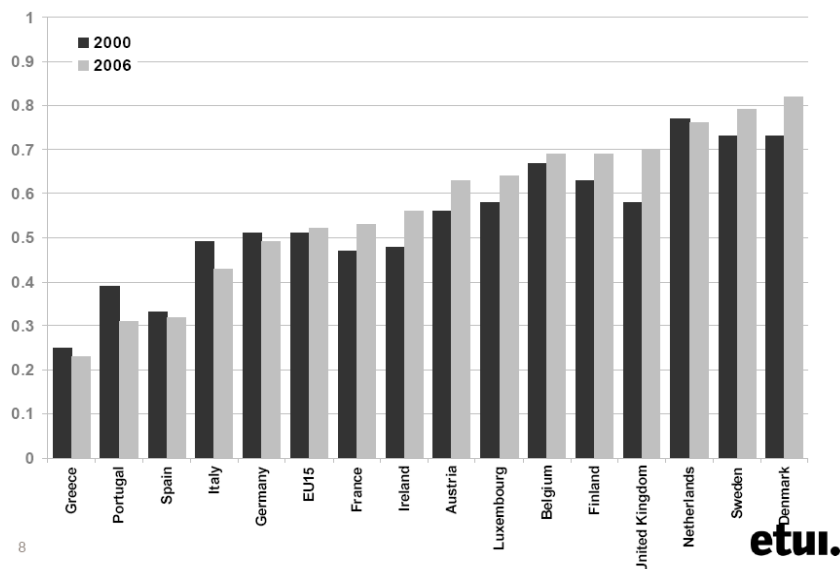
Quality of work indicators

- Job satisfaction (subjective), Job content (objective), Health & safety, Occupational status, Worklife balance, Composite indexes

International dimensions

<u>UE EPSCO 2007</u>	<u>Eurofound</u>	<u>ILO decent work</u>	<u>UNECE 2007 agreement</u>
<ul style="list-style-type: none"> - Fair wages - H&S protection - workers' rights to interest and participation - family-friendly arrangements - enough jobs 	<ul style="list-style-type: none"> - Career and employment security - health and well-being at work - reconciliation / WLB - skills development 	<ul style="list-style-type: none"> - Labour rights promotion; - employment; - social protection - social dialogue 	<ul style="list-style-type: none"> - Access to employment - child/forced labour - income for employment - skills development and LLL - working time and their arrangements - Flexicurity - WLB - fair treatment - safe work - social protection - social dialogue
Human motivation	Human and professional development	Minimal requirements	encompassing

JQI by country 2000-2006



Input Reinhard Raml, IFES Research Office (Institut für empirische Sozialforschung)

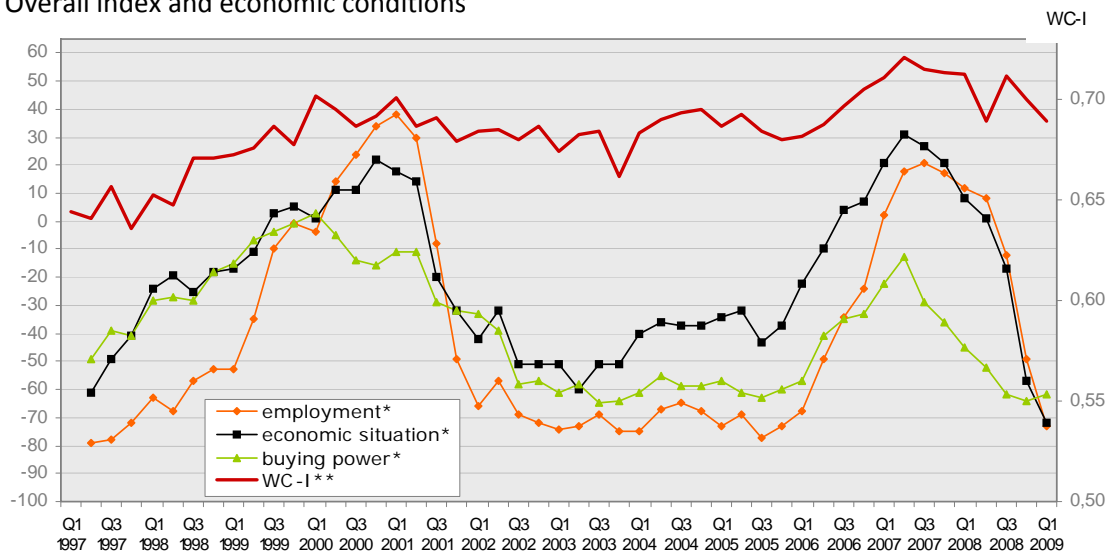
Topic: The „Austrian Work Climate Index“

Austrian Work Climate Index: Facts and Figures

- Commissioned by the **Chamber of Work in Upper Austria** (Hans Preinfalk)
- First developed in 1996/1997 (AKOÖ, IFES, SORA)
- Continuous survey and evaluation since 1997, quarterly press conferences
- Since 1998: **Interactive Online Index** www.arbeitsklima.at (relaunch 2006 in German, English and Russian)
- 1998: **WCI foreign employees** in Upper Austria
- 2000: **Symposium** for the evaluation of the WCI (Vienna)
- 2002: Development of the **Gender Index**
- 2004: Instrument for the measurement of **Resignative Job Satisfaction**
- 2005/2006: **Health Monitor**; Symposium 2007
- 2008: quarterly data conduction of the Health Monitor
- 2008/2009: **self-employment, free-employment, loan workers**

SOME RESULTS: CHANGES OF THE WORK CLIMATE INDEX

Overall index and economic conditions



- **employment situation**
 - high positive correlation
 - Equal course over a period of time
 - double correlation: rising rate of employment situation has a short positive impact on WC-I; the WC-I displays developments in the employment situations 1-2 quarters of a year before
 - high impact on sub dimensions (society, expectations and company); lesser impact on the job satisfaction in detail
- **economic climate**
 - lower positive correlation than with employment situation
 - temporally delayed effects on WC-I; rising economic optimism has a positive impact on WC-I
 - high impact on sub dimensions (society and expectations)
- **buying power**
 - high positive correlation
 - development of buying power has a strong impact on WC-I

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- high correlation between buying power, position as employee and optimism for Austria (subdimension “society”)
- **unemployment rate**
 - objective parameter for the WC-I
 - cyclic course
 - WC-I and inflation rate rise and decline quite parallel, but deeper analysis show that there is a display of the developments of the unemployment rate in the WC-I up to half a year before

II Session

Employment security and job satisfaction. The Labour Market Policies in Europe: an overall review

By Michele Raitano

Outline

- a) Labour market policies and features in EU15: a highly inhomogeneous picture concerning both:
 - ✓ Labour Market indicators;
 - ✓ Labour Market policies.
- b) The flexicurity model: features prerequisites.
- c) The LM segmentation as a constraint to flexicurity: the Italian case.

The definition of flexicurity

- Main theme of EES. The June 2007 Communication: the new paradigm of OMC?
- An economic policy strategy trying to combine claims for flexibility from firms with a strong workers protection, to be realized through better unemployment benefits and efficient active labour market policies (ALMPs), supporting transitions on the labour market.
- “A human face flexibility” (Tangian 2006).
- Wilthagen, Tros (2004) “A policy strategy that attempts, synchronically and in a deliberate way, to enhance the flexibility of labour markets, work organisation and labour relations on the one hand, and to enhance security – employment security and social security – notably for weaker groups in and outside the labour market, on the other hand”.
From job security to employability.

Flexicurity axes

- A non segmented labour market.
- High flexibility (internal, external, functional, wage).
- High security (concerning job, employability, income, “combined”).
- Then: passive and active labour market policies (Public employment services, training and lifelong learning, financed by public and private sources).
- A golden triangle (Madsen 2002)?

The Danish model

- Low EPL.
- Generous unemployment benefits (replacement rates up to 90% paid for 4 years; at the end a means tested benefit is provided); high spending.
- Close link between passive and active policies.

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- Very wide ALMPs.
- Frequent passage into unemployment, but very short periods of unemployment.

Italy:

- Are there flexicurity elements in the Italian labour market?
- Are Italian LM policies synchronic and mainly directed for favouring weaker groups?
- The Italian context:
- Segmentation: gaps regarding wages and welfare guarantees (unemployment benefits and pensions). A further segmentation among temporary employees and parasubordinate workers.
- High flexibility for outsiders.
- A limited and very fragmented unemployment benefit system.
- No link between passive and active policies.
- Highly inhomogeneous ALMs, often inefficient.
- Low LLL: an effect of firm size and sectors? Creaming effects?

Some data about segmentation

- Double segmentation: permanent vs temporary and fixed-term employees vs parasubordinate.
- Segmentation in terms of: contractual flexibility; welfare guarantees, wages, unemployment risks, access to credit.
- Opinion surveys show a wide sense of insecurity, even if the share is in line with EU average.
- Possible explanations of this paradox:
- A high increase in few years without an increase of security (i.e. a risk shift): from 6.2 in 1992 to 13.2 in 2007.
- A risk concentrated on specific groups.
- The emergence of a sort of trap.
- Parasubordinate workers are not included in international data.
- Decrease in EPL without an increase on the security side.

Some policy suggestions

- Paradox of lower guarantees for individuals facing higher flexibility risks.
- Risk shift from firms to individuals without a higher involvement by the state.
- Biased incentives to firms that limit a new productive specialization?
- Which are the effects on productivity?
- The idea of flexinsurance (Tangian, 2006).
- The “single contract” proposal (Boeri, Garibaldi, 2007): some evaluations.
- Is the Danish experience replicable in Italy?

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Input Ulrich Heisig, IAW, University Bremen

Topic: The German Reforms. From Status to means proved Need

The Hartz Reforms

The four so called Hartz laws were implemented step by step between 2003 and 2005:

- The reform started with the implementation of Hartz I and II which started at January 1st 2003 and Hartz III starting at January 1st 2004. These three laws “modernised the organisational structure of the public employment services, modified many already existing measures of Active Labour Market Policy (ALMP) and introduced a set of new ones” (Jacobi/Kluve 2007, 46). The change can be denominated as a changeover from a more or less deliberate active labour market policy that was based on the idea of a re-integration of unemployed by occupational training, skill advancement and education (a policy that step by step emerged after the introduction of Labour Promotion Law - *Arbeitsförderungsgesetz* in 1969) to a more coercive activation policy.
- The labour market reforms were completed by the concluding implementation of Hartz IV at January 1st 2005. This last law constitutes a comprehensive modification of the unemployment benefit and social assistance schemes and stands for a definite change in the objectives of social security from status protection to a means proved need supply. (This change sometimes is characterised as a passage from a Bismarck to Beveridge). All in all the labour market reforms can be seen as the core component of the overall retrenchment of the social welfare state in Germany.

Conclusions:

- Job seekers increasingly are forced to make concessions. Especially low-skilled workers meanwhile accept non regular forms of employment like temporary work, or marginal employment (*geringfügige Beschäftigung*) in minijobs and midijobs.
- Supplementers are employees who receive supplementary payments by the employment agency, because their wage income lies more or less below the means-tested need level of Hartz IV. (Even a minimum wage would not help families with only one low-skilled breadwinner and one or more children. In most cases they would furthermore need additionally financial support). The number of supplementers has increased since the introduction of UB II in 2005 from initially 880,000 persons to 1.35 Mio in 2009.
- With the introduction of UB II de fact a system of combined wages exist. The introduction of a minimum wage thus can be justified not primarily with arguments of need but rather with moral arguments or because of regulatory policy.

III session

Quality at work and workers' rights: how can industrial relations contribute to better jobs?

By Salvo Leonardi

Indicators:

Respect of fundamental rights, Levels of union density, Extention of the collective bargaining coverage, Workers reps recognition at the workplace, Certainty/effectiveness of the workers' rights

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Quality of Industrial Relations:

A multi-dimensional issue:

- **Capacity to find workers consensus**, especially in the broader context of managing change
- **A higher degree of workers participation**
- **Industrial democracy**

More equity in the employment relationships vs. more efficiency in the company's performances.

Flexicurity and role of the national social dialogue:

1. Important reforms (pensions, labour market, industrial relations) have been based on bipartite social dialogue and/or tripartite social pacts;
2. Social partners are often involved in the co management of the national welfare schemes (i.e. joint labour market boards, unemployment insurance funds, training councils, complementary pension schemes, local welfare);
3. Collective bargaining/bipartite agreements: a key tool to introduce and manage flexibility at the workplace level (internal/numerical/wage).

Workers participation and quality of work and industrial relations

The main questions:

- Does workers participation in the management of innovation – by means of the collective rights of information/consultation/co-determination – increase and improve quantity and quality of the production, and improve the employees' satisfaction at work?
- If yes, which are the necessary conditions to make it effective such a participatory rights?

Participatory Democracy and its conditions:

The power to influence firms' decisions will depend on:

- The type or ***class of decision*** (operative, administrative, strategic)
- The ***decision level*** of participation (workplace, company, group/board of administration)
- The ***timeliness*** when the information is disclosed and consultations begin (problem setting or solving)
- The ***degree of formalization*** with which these prerogatives become regular, certain, pre-emptive and legally claimable.

The goals of workers participation:

Valorization of the work and human, Promotion of the workers "from object to subject of the production", Reduction of the alienation vs. increase of the workers satisfaction, Technique of human resource management, Reduction of the industrial conflict and integration of the working class

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Input Mats Essemyr, TCO Research Office, Stockholm

Topic: The Swedish model of cooperation

Act on Co-determination at workplace:

- Extended right for trade unions to be consulted on all important matters at workplace
- Extended right for trade unions to have information about financial and production operations
- Veto right towards subcontractors if illegalities
- Consultations before termination of contracts

Act on Trade Unions representatives:

- Paid leave for trade unions activities
- Non-discrimination clause towards local trade union representatives

Act on Employee Board representation

- Private sector
- Refers to companies with more than 25 employees
- Excluded from matters related to collective bargaining

Labour law versus co-operation

- Labour law can be derogated from by collective agreements
- Local groups for cooperation is used instead of formal negotiations
- The labour law is used to force management to negotiate

Where social dialogue works

- Restructuring agreements on sectoral level sets the scene for cooperation when structural change is necessary
- Cases: Swedish Mail, Ericsson, Vattenfall
- 90% success rate

Where social dialogue has to be developed

- Work organisation is regarded as a prerogative of management...
- Working time arrangements
- Unhealthy workplaces
- Reconciling work and family life
- Non-voluntary part-time work