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Decent work: Concept and indicators

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> The primary goal of the ILO today is to promote opportunities for women and men to obtain decent and productive work, in conditions of freedom, equality, security and human dignity (ILO, 1999a, p. 3).

The concept of "decent work" was launched in these terms in 1999, in the Report of the Director-General to the International Labour Conference meeting in its 87th Session. The idea both conveys the broad and varied dimensions associated with work today and encapsulates them in an expression that everyone can appreciate. But what does the notion of decent work really comprise?

Four components of the notion are elaborated in the same Report of the Director-General: employment, social protection, workers' rights and social dialogue. Employment here covers work of all kinds and has both quantitative and qualitative dimensions. Thus, decent work applies not just to workers in the formal economy but also to unregulated wage workers, the self-employed and home workers. It also refers to adequate opportunities for work, remuneration (in cash and in kind), and embraces safety at work and healthy working conditions. Social security and income security are also essential components – defined according to each society's capacity and level of development. The two other components emphasize the social relations of workers: the fundamental rights of workers (freedom of association, non-discrimination at work, and the absence of forced labour and child labour); and social dialogue, in which workers exercise their right to present their views, defend their interests and engage in discussions to negotiate work-related matters with employers and authorities.

But how to find measures encompassing all these notions and expressing their interconnectedness? How to assess the current state and future progress of decent work in the world? Researchers are tackling

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this question from different angles, and this special issue of the *International Labour Review* presents a selection of approaches.

This article discusses the indicators of decent work. It shows how the notion of decent work is anchored in the long-established and enduring concerns of the ILO. Starting with a general discussion of the uses and limitations of indicators, the article examines the suitability of a range of indicators applied to the four major components of decent work outlined above, in various economic and institutional structures, and highlighting relevant ILO standards. Finally, an attempt is made to develop an index to assess decent work performance in industrial countries.

Uses and limitations of indicators

Indicators are used to measure the extent to which a specified objective or outcome has been achieved. They can thus be used to assess performance and evaluate progress over time in the achievement of specified objectives;[1] and can be helpful in making cross-country comparisons. Indicators are also used extensively to test alternative hypotheses about relationships between the different components of decent work.[2] Ideally, indicators should provide a direct measure of the specified objective. For instance, if the objective is a healthy population, the indicator should give information on the number or proportion of people suffering from sickness. However, it is often difficult to give a precise meaning to a general objective. For instance, one of the attributes of decent work is remunerative employment, but the term "remunerative" must first be defined before a suitable indicator to measure it can be developed. Often it is more difficult or costly to obtain a direct measure, so an indirect measure may have to be used. For instance, the nutrition status of children may be measured directly by their intake of various food nutrients, or indirectly (and more easily and cheaply) through weight or height for age.

There is rarely one single measure of the desired outcome, and a combination of several indicators may give a more accurate measure of a specified objective. Thus, the degree to which the gender discrimination in employment has been reduced may be captured by wage differentials, opportunities for training, prospects for promotion and allocation of work responsibilities. Moreover, the indicators may be either quantitative or qualitative: for instance, quantitative indicators of social security may relate to the proportion of people receiving different types of benefits, while qualitative indicators thereof concern the

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[1] For an attempt at evaluation of decent work in Denmark, see ILO (2001a).

[2] For econometric work along these lines relating to decent work, see Kucera (2001) and Majid (2001a).

quality and effectiveness of services. Thus, in order to obtain an accurate picture it may be necessary to combine several indicators into an overall indicator or index.

The construction of an index raises questions of the weight to be given to different indicators, and also the formula to be used for combining qualitative and quantitative indicators. Similar but more acute problems arise when synthetic measures are derived from combining indicators from different domains. The Human Development Index developed by the United Nations Development Programme (UNDP) is an example of such a synthetic indicator combining indicators of health, education and income. The Gross Domestic Product (GDP), used widely as a measure of the level of production and of economic growth, is also a composite indicator calculated by summing up value added in monetary terms from a myriad of activities.

It is possible to develop overall indices of decent work performance. This involves decisions on whether to include quantitative and qualitative indicators, the weight to be given to different indicators and their combination into an overall index. A rough attempt to develop and apply an index of decent work performance in 22 OECD (Organisation for Economic Co-operation and Development) countries will be presented at the end of this article.

Accuracy and comparability are other issues which must be considered when selecting and using indicators. It is well known that there are wide differences in the accuracy of even some of the most commonly used social statistics, such as infant mortality, literacy and life expectancy (McGranahan et al., 1985; Murray, 1993). This may apply even more to data concerning work. The definitions used in data collection vary not only between countries but also within one country over time, so that comparisons of data over time and between countries may be subject to measurement errors. It is thus unrealistic to assume that indicators for decent work can give an accurate picture of performance in individual countries, still less between countries. The indicators used here for different components of decent work should therefore be regarded as providing an approximate measure of performance only.

Indicators of decent work: The employment dimension

Employment opportunities

Certain indicators have traditionally been used to measure employment opportunities, the three most common being: the labour force participation rate (LFPR), employment-to-population ratio (EPR) and unemployment rate (UR).[3] The EPR and UR are discussed

[3] This part of the discussion on decent work indicators draws heavily upon ILO (1999b), that is the main source of country data on labour force, employment and wages.

here, since they provide a better picture of work opportunities, with separate measures of the employed and the unemployed.

The advantage of the EPR measure is that it gives information both on the number and proportion of persons in the population of working age engaged in the production of goods and services, and on the breakdown of the employed by age and sex. It also covers all categories of workers, and thus can show whether the number and proportion of people working in the economy are rising or falling, and the changing patterns of labour force participation by age and sex.

The major shortcoming of this indicator as a measure of work opportunities is that it does not provide information on hours worked: in most work situations, working for more than one hour a day is considered to constitute employment. At the same time, there can be quite sharp differences in the nature of work according to the different employment categories. Working an 8-hour day in a large enterprise with hundreds of employees is quite different from the sporadic bursts of work that typify some self-employed and informal activities. Working in the fields according to the requirements of the weather and the season also has its own rhythms.

Table 1 gives data on the EPR in selected countries. The figures show considerable inter-country variation. In industrial countries, for instance, EPRs in Sweden and Italy are 63 and 42 per cent, respectively. Among low-income countries, there is a big contrast between Bangladesh and Pakistan with EPRs at over 63 and less than 40 per cent, respectively. In the transition economies, the EPR tends to be high, at around 60 per cent. The highest EPR in the world is in China, at 76 per cent. In practically all countries, the male EPR is higher than the female but, as shown below, this may reflect a bias in the definition of the "economically active labour force." The difference between male and female EPRs is quite considerable in most countries. Some industrial countries (e.g. Sweden), the transition economies and a few developing countries (e.g. Thailand) are exceptions. The differences are quite marked in most Latin American and Muslim countries.

The EPR can vary over time within one country and between countries for a variety of reasons, such as changes in unemployment, retirement age and educational enrolment. A major source of variation between countries is differences in the participation of women in the labour force. In many developing countries, female labour force participation tends to be low, but this is partly a matter of the way "participation" is defined. Women working at home, whether looking after the children and the elderly or engaged in food preparation, manufacturing, transporting water and wood, or doing repairs, are not counted as members of the labour force. Certainly, if the definition of labour force participation were widened to include such activities, the large gender differences in EPR would disappear.

Table 1. Employment-to-population ratio (around 1997)

Country	Employment-to-population ratio		
	Total	Male	Female
Bangladesh	63.2	76.2	49.5
Chile	51.5	71.1	32.8
China	75.6	...	...
Egypt	42.3	67.3	16.6
Honduras	51.4	70.3	33.9
Indonesia	62.0	78.9	47.4
Ireland	49.0	60.8	37.7
Italy	41.6	55.3	28.9
Japan	61.5	75.1	48.7
Pakistan	39.0	66.5	9.8
Romania	60.9	68.3	54.0
Russian Federation	56.7	66.0	48.8
Sweden	62.9	65.6	60.1
Thailand	70.9	77.9	63.9
Trinidad & Tobago	50.7	64.3	37.0
Uzbekistan	59.6	69.0	50.6
Venezuela	55.1	74.4	35.7

Source: ILO, 1999b.

A complementary measure of employment opportunities, or rather lack thereof, is the unemployment rate (UR). An unemployed person is defined as one "who does not have a job but is available and actively looking for work" (ILO, 1999b, p. 191). Thus, other things being equal, the higher the UR, the fewer the work opportunities. Table 2 shows the UR for selected countries for around 1997. There is considerable variation in UR in all categories of countries. Among the industrial countries, the rates vary between 4-5 per cent in Switzerland and United States to 10-12 per cent in Canada and France. There is similar diversity in transition countries, going from very low rates in Tajikistan and China (around 3 per cent) to over 11 per cent in Poland and Slovakia. Similarly, among developing countries, URs are quite low in Thailand and Indonesia (1 and 4 per cent, respectively), and very high in countries such as Botswana, Algeria and Morocco (18-26 per cent). The female UR is higher in most countries, but the gap is lower than with respect to EPR. Furthermore, in some countries, the female UR is lower or equal to that of men, e.g. in Canada, Switzerland, Thailand, the United Kingdom, and the United States.

Owing to differences in sources, definitions and measurement errors, the URs in different countries are not strictly comparable. Unemployment rates can give a misleading picture of work opportunities. First, they may show considerable seasonal and cyclical fluctuations.

Table 2. Unemployment rate: Selected countries (% of labour force, around 1997)

Country	Total	Male	Female
Algeria	26.4	26.9	24.0
Botswana	21.5	19.4	23.9
Brazil	6.9	5.7	8.8
Canada	9.2	9.2	9.2
China	3.0	—	—
Colombia	12.1	9.8	15.1
France	12.3	10.8	14.2
Indonesia	4.0	3.3	5.1
Jamaica	16.0	9.9	23.0
Mauritius	9.8	7.8	13.9
Morocco	17.8	15.8	23.0
Poland	11.2	9.5	13.2
Slovakia	11.6	10.8	12.5
Sri Lanka	11.3	8.0	17.6
Switzerland	4.1	4.3	3.9
Tajikistan	2.7	2.4	2.9
Thailand	0.9	0.9	0.9
United Kingdom	7.1	8.1	5.8
United States	4.9	4.9	5.0
Uruguay	10.2	8.0	13.2

Source: ILO, 1999b.

Thus, a better idea of long-term performance is obtained by averaging the UR to eliminate the impact of such fluctuations. In countries where labour hoarding or "overmanning" is a serious problem, especially in public services or public enterprises, the UR can overestimate effective labour utilization.

More important, the UR can give a seriously misleading picture of work opportunities in low-income countries. The URs are generally low in most developing countries because people cannot afford to stay unemployed, unlike the situation in rich countries. Most "potentially" unemployed persons either do not "actively" search for employment, falling in the category of "discouraged workers", or seek out a living in the overcrowded informal economy, in a state often described as "disguised unemployment". Furthermore, the differences in UR between developing countries with comparable levels of development may be due to factors such as gaps in the average unskilled wages in the formal economy and incomes in the rural sector. For these reasons, in developing countries unemployed persons may not constitute the poorest sections of the population. A better indicator of work opportunities in most developing countries (as argued below), is provided by the proportion of the working population earning incomes below the house-

hold poverty line. Work opportunities must be considered scarce in countries where a large proportion of the labour force has to scrounge around for uncertain and miserable earnings inadequate to support a minimum standard of living for the family, even if the LFPRs are high and the URs low.

Remunerative employment

An important attribute of decent work is that workers should benefit from "remunerative" employment, which is one element in the "quality" of work. It is not possible to specify an absolute figure that should constitute remunerative employment in all countries. This must vary in accordance with the prevailing societal values and material prosperity of a country. In industrial countries, two measures are generally used to measure the adequacy of remuneration: a relative measure showing the proportion of workers earning an income less than half of the national median wage, and a measure of absolute poverty below US$14.40 (1985 PPP) a day per person. Table 3 shows the latter measure for selected industrial countries. While absolute poverty is very low (4-6 per cent) in countries like Canada, Finland, Japan and Sweden, it is significant (12-14 per cent) in Belgium, Germany, the Netherlands, the United Kingdom, and the United States and remarkably high (21 per cent) in Spain.

For developing countries, a good indicator of remunerative work is provided by data on absolute poverty. Many countries have developed their own national poverty lines and such data are published for 35 countries. The World Bank has employed a standard of US$1 and 2 per day per person (1985 PPP) to estimate the number and proportion of people in the absolute poverty category for 63 countries. Applying either of these sets of data to the employed population can generate the number and proportion of the working poor, i.e. those bereft of remunerative employment.[4] All such estimates of poverty are beset with well-known problems, especially when it comes to inter-country comparisons.[5] Table 4 shows one set of estimates of the working poor as a proportion of the employed population (based on US$1 per day per family member).

For the reasons discussed earlier, these figures must be treated with a great deal of caution. They show wide variation in the ratio of the working poor to the employed population (and generally display a negative relation with GDP per capita). At one end, are countries with less than 10 per cent of the employed population in the working-poor

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[4] For an attempt at such estimates, see Majid (2001b).

[5] For a discussion of such problems, see ILO (1999b), Tabatabai (1996), and World Bank (1999).

Table 3. Poverty in selected industrial countries (around 1990)

Country	% of pop. <US$14.40 (1985 PPP)/day per person	Country	% of pop. <US$14.40 (1985 PPP)/day per person
Australia	8	Netherlands	14
Belgium	12	Norway	3
Canada	6	Spain	21
Denmark	8	Sweden	5
Finland	4	United Kingdom	13
Germany	12	United States	14
Japan	4		

Source: ILO, 1999b

category (e.g. Brazil, Bulgaria, Chile, Jordan, Mauritius, and the Russian Federation). The other end is represented by countries where 60 per cent or more of the employed population fall in the working-poor category (including Burkina Faso, Madagascar, Mali, Nigeria and Zambia).

Human development indicators provide complementary or alternative measures of poverty. Selected indicators of human development for some developing countries are given in table 5.

The table brings out the wide gaps between developing countries as regards human development indicators. The more developed among them (Mexico, Malaysia, Thailand, Brazil) have indicators that are closer to the average in industrial countries than to the indicators in

Table 4. Working poor as a proportion of the employed population: Selected developing countries (around 1997)

Country	Proportion of working poor	Country	Proportion of working poor
Bangladesh	29.1	Jordan	2.0
Brazil	5.1	Kenya	26.5
Bulgaria	2.0	Madagascar	60.2
Burkina Faso	61.2	Mali	72.8
China	18.5	Mauritius	3.8
Colombia	11.0	Mongolia	13.9
Côte d'Ivoire	12.3	Nepal	37.7
Chile	4.2	Nigeria	61.4
Ecuador	20.2	Russian Federation	7.1
Ethiopia	31.3	Tanzania	19.9
India	44.2	Zambia	72.6
Indonesia	15.2		

Source: Majid, 2001b

Table 5. Human development indicators: Selected developing countries

Country	Under-5 mortality rate 1999	Under-nourished people: % of population 1996-98	Adult illiteracy rate 1999	Population not using improved water supplies 1999	Net secondary school enrolment (%) 1997
Bangladesh	89	38	59	3	22
Brazil	40	10	15	17	66
Chad	198	38	59	73	18
China	41	11	17	25	70
Egypt	52	4	45	5	75
Ethiopia	176	49	63	76	25
Ghana	101	10	30	36	...
India	98	21	44	12	60
Indonesia	52	6	14	24	56
Iran	46	6	24	5	81
Malaysia	9	...	13	5	64
Mexico	33	5	9	14	66
Mozambique	203	58	57	40	22
Niger	275	46	85	41	9
Nigeria	187	8	37	43	...
Pakistan	112	20	55	12	...
Peru	52	18	10	23	84
South Africa	69	...	15	14	95
Sri Lanka	19	25	9	17	76
Sudan	109	18	43	25	...
Thailand	30	21	5	20	48
Viet Nam	40	22	7	44	55

Sources: UNDP, 2001; World Bank, 2001 (secondary school enrolment).

least developed countries, such as Chad, Ethiopia, Mozambique and Niger. The extremely high levels of deprivation point to the serious poverty levels prevailing in low-income countries, and provide indirect evidence of the paucity of remunerative employment opportunities there.

Conditions of work

The range of elements covered by conditions of work can include night work, hours of work, weekly rest and paid leave, however, in the context of this discussion, reference is limited to occupational safety and health. Every year about 250 million workers suffer accidents and 300,000 die in the course of their work (ILO, 1999a). Over the years, the ILO has done an enormous amount of work to improve occupational safety and health, through international standards and technical

assistance. A large number of Conventions and Recommendations have been adopted and ratified by ILO member States. These instruments contain general guidelines on occupational safety and health, the best-known being the Occupational Safety and Health Convention, 1981 (No. 155). There are also Conventions concerning specific risks, such as toxic substances and agents, and worker protection in specific branches of industry, such as construction (ILO, 1992).

While a complex set of indicators can be developed for different types of accidents and health hazards, one widely used indicator is the number of accidents and deaths at work in relation to the employed population. Few developing countries have comprehensive data on such indicators. It is even more difficult to get information on the adverse effects on health of undesirable working environments. It is well known that over time certain work processes and the use of certain equipment and materials can result in serious health hazards and diseases. There is also growing evidence of disorders associated with stress and strain caused by certain types of work (Gabriel and Liimatainen, 2000).

Most of the data collected and much of the attention on occupational safety and health concern the formal economy, but working environments in developing countries tend to be much worse for other types of work – on farms, in overcrowded slums and in the smoke-filled and insanitary hovels where women spend most of their time. Though a limited amount of research has been carried out on safety and health hazards in such working environments, this issue has received very little attention in policy discussions. Certainly, at this time there is little systematic information that could provide indicators to guide action in this area.

Indicators of decent work: The social security dimension

Social security serves to meet people's urgent subsistence needs and to provide protection against contingencies, and as such is an important aspect of decent work. The social security systems in industrial countries were developed over the past 100 years and are designed to provide protection for workers against contingencies such as unemployment, sickness, maternity, disability and destitution in old age. The ILO's Social Security (Minimum Standards) Convention, 1952 (No. 102), establishes nine classes of benefit (medical care and benefits in respect of sickness, unemployment, old age, employment injury, family, maternity, invalidity and survivors). These countries also seek to reduce destitution in the population, especially among vulnerable groups, through a variety of social assistance programmes.

National social security systems have been designed essentially to meet the needs of wage employees. Where the majority of workers are

wage employees in the formal economy, a well-designed system can play a vital role in providing security to the working population. However, in most developing countries, where wage employees in the formal economy form a small proportion of the total working population, such a system of social security will fail to meet the urgent needs of the bulk of the people and social security arrangements must be developed to meet basic needs of vulnerable groups and protect the working poor against risk.

Two types of indicator are generally used to assess adequacy of social security: public expenditure on social security as a proportion of GDP, and adequacy of coverage of workers in respect of the contingencies outlined above. The first indicator measures the public resources that go into social provisioning, but says nothing about the effectiveness with which these resources are used. Nor does it take into account private schemes for social protection. Nevertheless, it gives an approximate picture of the coverage of social security (see table 6).

In most industrial countries, the share of social security in GDP varies between 20 and 35 per cent. Sweden (around 35 per cent) and Japan (14 per cent) constitute the two extremes in this high-income category. Some transition economies, e.g. Croatia and Hungary, commit a high proportion of their resources to social security – over 22 per cent of GDP. Middle-income countries in Latin America allocate around 10-12 per cent, and most other developing countries (including the middle-income countries in Asia) devote less than 5 per cent of GDP to social security.

The second measure of social security gives information on the proportion of relevant categories of workers protected against different contingencies. A more complex measure can also include information on the level of benefits and the effectiveness of the social security system. While most industrial and transition countries provide protection against these risks for the majority of their working population, in most developing countries coverage is limited to workers in the formal economy (except for health services). In the industrial and transition countries, there is a great deal of variation in the level and duration of benefits provided. In general, the ratio of public social security expenditure to GDP gives a good indication of both the coverage and level of benefits provided by different countries.

The figures point to enormous gaps in social security coverage in developing countries. The ILO has estimated that only 20 per cent of the world's workers and their dependants have truly adequate social protection. In sub-Saharan Africa and south Asia, formal social security coverage is estimated at 5 to 10 per cent of the working population, while it varies between 10 and 80 per cent in Latin America, and between 10 and 100 per cent in south-east and east Asia (ILO, 2001b).

Table 6. Public social security expenditure: Selected countries (% of GDP, 1996)

Country	Total	Pensions	Health care
Benin	2.2	0.2	1.7
Botswana	2.7	–	2.3
Brazil	12.2	2.4	2.1
Bulgaria	13.2	7.1	3.3
Chile	11.3	5.9	2.3
China	3.6	1.5	2.1
Croatia	22.3	8.2	7.2
Egypt	5.4	–	0.9
Ethiopia	3.7	0.9	1.0
Hungary	22.3	9.3	5.4
Indonesia	1.7	0.0	0.6
Israel	24.1	5.9	7.6
Japan	14.1	6.8	5.6
Jordan	8.9	0.5	2.9
Mauritius	6.0	1.8	1.9
Nicaragua	9.1	1.4	4.3
Singapore	3.3	1.4	1.3
South Korea	5.6	1.4	2.1
Sri Lanka	4.7	2.4	1.5
Sweden	34.7	13.8	6.1
United Kingdom	22.8	10.2	5.7
United States	16.5	7.2	7.6

Source: ILO, 2000c.

In developing countries, social security needs can be grouped into three categories (Ghai, 2003). The first comprises basic needs such as access to adequate nutrition, primary health care, primary education, clean water, sanitation and shelter. The second category concerns contingencies such as sickness, accident, death of the principal breadwinner, disability, old age, and the needs of vulnerable groups such as abandoned children and widows. The third category includes natural disasters such as floods, droughts and earthquakes that can result in massive destruction of property, livelihood and sources of support.

Two sorts of indicator can give information on the adequacy of social security systems to meet such needs. The first type discussed above concerns general measures of poverty; the working poor as a proportion of the employed population is one such measure. Other measures seek to identify the proportion of the population deprived of specific basic services (see table 5). These data are available for most of the developing countries and are published regularly in the annual

World Development Report of the World Bank and the annual *Human Development Report* of the UNDP.

Indicators of decent work: The basic rights dimension

The concern here is with forced labour, child labour under abusive conditions, discrimination at work and freedom of association. These workers' rights have been of central concern to the ILO since its inception, and the Organization has developed and adopted a series of international standards defining these rights and their violation, and elaborating on conditions and guidelines to protect and promote them.

Forced and child labour

The first ILO Convention on Forced Labour, No. 29, was adopted in 1930. It defined forced labour and carefully laid down circumstances in which compulsory labour demanded of citizens or members of a community might be acceptable. Contemporary forced labour can take many forms, including slavery-type situations, bonded labour, serfdom and prison labour. It can also take the form of compulsory work required for educational, community and state projects. However, provided such labour is imposed with the consent of the people following democratic procedures, it is generally considered acceptable and is quite common. The Abolition of Forced Labour Convention, 1957 (No. 105), prohibits all forms of forced labour for certain purposes, including political coercion, economic development and as means of racial, social or religious discrimination. Conventions No. 29 and No. 105 apply to workers in all categories.

Given the paucity of information and the variety of forms that forced labour can take, there are few general indicators of forced labour. Nevertheless, it is possible to construct qualitative indicators of forced labour based on studies, ILO publications and reports on human rights issued by various organizations.[6]

Child labour has recently attracted a great deal of attention on the part of governments, international agencies, civil society organizations and the media but the ILO has been concerned with this problem for a long time. One of its very first Conventions (No. 5), the Minimum Age (Industry) Convention, was adopted in 1919, the first year of the Organization's existence. The Convention defined the minimum age for work at 14 years and prohibited the use of child labour in all industrial

[6] For one such attempt, see Kucera (2001).

enterprises. The Minimum Age Convention, No. 138, adopted in 1973, continued to link the minimum age for entering the labour force with the minimum school-leaving age.

In 1999, the member States adopted the Worst Forms of Child Labour Convention, No. 182, that calls for the prohibition and elimination "as a matter of urgency" of abuse of children in slavery, prostitution, pornography, illicit drug trafficking and in work endangering their health, safety and morals.

Child labour is quite widespread in developing countries. The ILO estimated the numbers at 206 million in 2000 (ILO, 2002a). A good deal of it takes the form of work on family farms or enterprises. Except when it becomes arduous or is carried out under dangerous and unhealthy conditions, such work is not the primary target of international standards on child labour. However, child labour is harmful to the health and well-being of children and to their future prospects in other circumstances, including work on farms and in factories and mines. Particularly harmful is work in dangerous and unhealthy environments. Worst of all is the exploitation of children in sexual commerce, forced or bonded labour, in armed conflict and human trafficking. The ILO refers to these as "unconditional worst forms of child labour" and estimated the numbers of children involved at 8.4 million in 2000 (ILO, 2002a).

Data on child labour (10 to 14 years) in "normal" situations, broken down by sex, are available from the ILO's publication, *Economically active population 1950-2010* (ILO, 2001c). The non-enrolment rate in secondary schools has also been suggested as a complementary measure of participation in labour force by children (Mehran, 2000; Kucera 2001). Table 7 gives information on the proportion of children between the ages of 10 and 14 engaged in economic activities in selected countries. This generally varies with the level of per capita income. For the poorest countries, more than a quarter of children form part of the labour force, but there are exceptions such as Viet Nam, India or Ghana. In some African countries (e.g. Burkina Faso, Eritrea, Ethiopia and Malawi) the proportion rises to between 35 and 51 per cent. For most middle-income countries, the proportion is around 15 per cent or less.

Discrimination at work

Discrimination at work involves the denial of equality of treatment and opportunity to individuals in their own right or as members of a social group. The ILO's Discrimination (Employment and Occupation) Convention, 1958 (No. 111), identifies the possible basis of discrimination as follows:

Table 7. Child labour: Selected countries (% of children aged 10-14, 1995)

Country	Proportion of child labour	Country	Proportion of child labour
Afghanistan	25.3	Egypt	11.2
Angola	27.1	Eritrea	40.0
Bangladesh	30.1	Ethiopia	42.3
Benin	27.5	Ghana	13.3
Bolivia	14.4	India	14.4
Brazil	16.2	Iran	4.7
Burkina Faso	51.1	Libya	18.6
Cambodia	24.7	Malawi	35.2
China	11.6	Nigeria	25.6
Colombia	6.6	Viet Nam	1.0
Costa Rica	5.5	Thailand	16.2
Dominican Republic	16.1		

Source: Majid, 2001a.

> Any distinction, exclusion or preference made on the basis of race, colour, sex, religion, political opinion, national extraction or social origin, which has the effect of nullifying or impairing equality of opportunity or treatment in employment or occupation (Article 1, para. 1(a)).

The focus here is on gender discrimination but in principle the same kinds of indicators can be used in the case of discrimination on the other bases. Four indicators may be used to measure gender discrimination: the labour force participation rate or employment-to-female working age population ratio; the unemployment rate; and differences in earnings (and other benefits) and distribution of skilled jobs. These indicators show disparities between women and men. Such disparities can arise for any number of reasons including discrimination, poor educational background, low skills and productivity (Anker, 1998). Thus they must be regarded as indirect and approximate indicators of discrimination at work.

Employment-to-working population ratios show disparities in work opportunities by sex. But, as discussed earlier, these give a misleading picture, since by definition women who work at and from home are excluded from the labour force statistics. The situation is usually the reverse of what is shown by official data on labour force participation: in practically all countries, the total amount of work done by women exceeds that of men (UNDP, 1995). Moreover, in terms of paid work, the opportunities for men are much greater than for women.

Unemployment rates for men and women are another indicator of gender disparities in work opportunities. For developing countries, one should bear in mind the qualifications made earlier on the use of unemployment rates. With regard to data on wage differences, just over

half the industrial countries and less than one-third of transition and developing countries compile and publish separate wage data for men and women (ILO, 1999b).

As for disparities in skilled jobs, data are available for a large number of countries on the proportion of administrative and managerial, and professional and technical jobs held by men and women.[7] Table 8 shows gender disparities in selected countries with respect to quality of jobs and differences in earnings. Gender disparities in employment-to-population and unemployment rates were shown in tables 1 and 2.

In some industrial countries (e.g. Australia, Italy and Sweden), women occupy around 40 per cent of the posts classified as administrators and managers, but the ratio in some other countries such as Japan, Greece and Spain is remarkably low – 10 per cent or less. For middle-income countries like Ecuador, Mexico, Thailand and Trinidad and Tobago, the proportion revolves around 20-26 per cent, though with exceptions such as Turkey. It is distinctly lower (less than 10 per cent) in most low-income countries, e.g. India, Nigeria, Sri Lanka and Zambia. On the other hand, the proportion of professional and technical posts held by women is above 40 per cent in most countries, except the poorest where it varies between 20 and 35 per cent. This is no doubt due to the inclusion in this category of such occupations as nurses, teachers and technicians.

The earned income share indicator shows a figure of over 40 per cent for a few countries such as Sweden and Bulgaria, with most other countries clustering in the 20-30 per cent range.

Freedom of association

Freedom of association as a fundamental human right is enshrined in key United Nations documents such as the Charter of the United Nations and the Universal Declaration of Human Rights. From its foundation, the ILO has long been concerned with the rights of workers and employers to form their independent organizations in order to defend their interests, organize joint activities and participate in negotiations and discussions affecting these interests (ILO, 2000a; ILO, 2000b). The Right of Association (Agriculture) Convention, 1921 (No. 11), dates from 1921. Other important Conventions in this area are the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87); the Right to Organise and Collective Bargaining Convention, 1949 (No. 98); and the Rural Workers' Organisations Convention, 1975 (No. 141).

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[7] However, the problems created by different definitions make inter-country comparisons hazardous, as confirmed by a cursory look at the data.

Table 8. Gender disparities: Percentage of women (around 1992)

Country	Administrators & managers	Professional & technical	Earned income share[a]
Australia	41.1	23.8	36.0
Bolivia	16.8	41.9	17.1
Brazil	17.3	57.2	22.9
Bulgaria	28.9	57.0	41.1[b]
China	11.6	45.1	31.2
Costa Rica	23.1	44.9	19.0
Cuba	18.5	47.8	27.2[b]
Ecuador	26.0	44.2	13.3
Ethiopia	11.2	23.9	29.4[b]
Greece	10.1	43.2	22.2
India	2.3	20.5	19.2
Italy	37.6	46.3	27.6
Japan	8.0	42.0	33.5[b]
Mexico	19.4	43.2	22.3
Nigeria	5.5	26.0	28.5[b]
Spain	9.5	47.0	18.6
Sri Lanka	6.9	49.6	25.1
Sweden	38.9	63.3	41.6
Thailand	22.2	52.7	34.6
Trinidad & Tobago	22.5	54.7	24.7[b]
Turkey	4.3	31.9	30.2
Zambia	6.1	31.9	25.3

[a] Calculated according to share in economically active labour force and non-agriculture wage differences.
[b] Based on estimate of 75 per cent for female-male non-agriculture wage.
Source: UNDP, 1995.

A number of indicators have been suggested to assess achievement of freedom of association. It is convenient to make a distinction between two types of indicators: those measuring freedom of association directly and those that rely on the results or outcomes of such freedom.

Three measures illustrate the first type of indicator. One relates to the number of countries that have ratified Conventions Nos. 87 and 98: as of July 2003, countries having ratified these Conventions numbered 142 and 153, respectively. However, ratification of a Convention does not necessarily imply that the requisite conditions for freedom of association actually exist.

A second measure, building on the ILO Conventions, is based on a large number of evaluation criteria pertaining to freedom of association. Information on the criteria is derived from several sources, e.g. the Annual Survey of Violations of Trade Union Rights published by the International Confederation of Free Trade Unions, Reports of the ILO's Committee on Freedom of Association, and the United States

State Department's Country Reports on Human Rights Practices (Kucera, 2001). An index of this nature is likely to yield a more accurate assessment of freedom of association, as it is based on information collected from each country on a large number of evaluative criteria.

A third measure is some sort of index of civil rights. Several writers and organizations have attempted to construct such indices. One of the most commonly cited is the civil liberties index prepared by Freedom House, a United States non-profit organization. This index has several components, including "association and organizational rights", "freedom of expression and belief", "rule of law and human rights" and "personal autonomy and economic rights" (Freedom House, 2003). Thus, the civil liberties index goes well beyond the right to freedom of association. It is based on subjective evaluations of evidence collected at the country level. Table 9 gives information on a civil liberties index in selected countries constructed by Freedom House.

The highest ratings (1-2) are given to countries such as Australia, Belgium, Finland and United States. It is interesting to find some developing countries (Benin and South Africa) in the same category, as also some transition countries (Hungary and the Czech Republic). Other countries (India, Bolivia, Colombia, Argentina, Bangladesh and Nepal) get middling scores.

The second category of indicators is based on the outcome of freedom of association in terms of the number or proportion of workers belonging to organizations concerned with work-related matters. In industrial countries, the most commonly used indicator is the proportion of the labour force or wage employees who are members of trade unions (union density). In general, the higher the union density, the stronger the defence of workers' interests in negotiations with employers and the government, and the greater the participation by workers in matters affecting their work. However, union density is not a direct reflection of freedom of association. The extent of trade unionism depends upon historical traditions, political systems and industrial structures and relations (Jose, 2002). Countries that enjoy more or less equal degrees of freedom of association nevertheless display great differences in trade union density (table 10).

The relevance of union density as an indicator of freedom of association is even more limited in developing countries because of the small size of the labour force in the formal economy. In most of these countries, the majority of the workers are farmers, self-employed and employees in the informal economy, domestic employees and unpaid family workers and their incomes are lower and more insecure and their voice and influence weaker than those of other segments of the working population. Thus they have greater need for organizations of their own for representation, negotiation and the promotion of joint activities.

Table 9. Civil liberties index (1997)

Country	Index	Country	Index
Afghanistan	7.0	Egypt	6.0
Algeria	6.0	Finland	1.0
Argentina	3.0	Hungary	1.0
Armenia	4.0	India	4.0
Australia	1.0	Iran	7.0
Bangladesh	4.0	Israel	3.0
Belgium	2.0	Malaysia	5.0
Bolivia	3.0	Nepal	4.0
Benin	2.0	Nigeria	6.0
Brazil	4.0	Saudi Arabia	7.0
Cambodia	6.0	South Africa	2.0
China	7.0	Sri Lanka	4.0
Colombia	4.0	Tunisia	5.0
Cuba	7.0	United States	1.0
Czech Republic	2.0		

Source: Majid, 2001a (from Freedom House).

Table 10. Union density and collective bargaining, selected countries (late 1990s)

Country	Union density (% of labour force)	Collective bargaining (coverage rate)
Argentina	38.7	72.9
Austria	38.5	98.0
Bolivia[a]	16.4	11.1
Chile[a]	15.9	12.7
France	10.0	90.0
Ghana[a]	25.9	25.0
Guyana	25.2	27.0
Hungary	60.0	45.0
India	15.2	<2.0
Japan	22.5	21.0
Kenya[a]	16.9	35.0
Malaysia[a]	13.4	2.6
Nicaragua[a]	23.4	38.3
Nigeria[a]	17.2	40.0
Philippines	30.2	18.8
South Africa	54.1	49.0
Sweden	88.0	85.0
Thailand	4.2	26.7
Zimbabwe[a]	13.9	25.0

[a] Percentage of non-agricultural labour force.

Source: ILO, 2000b

A large variety of organizations have sprung up to defend the interests of workers not yet organized in trade unions. These include peasant groups, community organizations, neighbourhood associations, women's groups, homeworkers' associations and organizations of informal-sector workers (Baccaro, 2001). Though the information on the number and membership of such associations is patchy in most countries, a more realistic indicator of freedom of association in developing countries must be based on membership of the working people in all such organizations.

Union density varies quite considerably within and between countries in different income group categories, which indicates the need to interpret the data carefully. In France, while only a tiny minority of workers are formal union members, any agreements reached by them are automatically extended to all workers in that sector, hence paradoxically over 90 per cent of all workers are covered by collective agreements in France. Most transition countries like Hungary have also high rates of unionization. Among developing countries, a few (e.g. Argentina, Philippines and South Africa) have relatively high union density, ranging from 30 to 54 per cent. But most developing countries have union density rates (union members as proportion of all employees) well below 10 per cent.

Indicators of decent work: The social dialogue dimension

Social dialogue between different social and economic groups and between them and the public authorities is an essential attribute of a democratic society, and a means of resolving inevitable conflicts of interest over economic and social policies in a cooperative framework. It can promote equity, efficiency and adjustment and hence sustain economic progress.

Social dialogue may take place at one of three levels: between employers and employees in relation to terms and conditions of employment; between the management and workers over the functioning of an enterprise; and between social partners and public authorities on social and economic policy. Clearly, the right to freedom of association is closely linked to social dialogue.

Collective bargaining

For most economic agents, the social dialogue closest to them takes place in their immediate working environment – among the workers themselves and between their representative associations and the representatives of the groups for which they work. In most countries, of course, such dialogue takes the form of collective bargaining between

the unions and the employers' organizations, whether at enterprise, industrial or national level, irrespective of whether the enterprise is private, cooperative or state-owned. But terms and conditions of employment are also relevant in other employment relationships, e.g. those between tenants' associations and landlords over the terms of tenancy, a farmers' association with traders or marketing bodies about the prices for their products or with banks over the terms of credit, organizations of home-based workers with their suppliers, informal-sector employees with enterprise owners on their terms of employment. An organization of self-employed workers can likewise engage in negotiations with municipal authorities or their suppliers over issues relating to premises, rents and prices. In short, the scope of dialogue at this level goes much beyond that of employment relations in the formal economy.

Two types of indicator can be used to measure the right to collective bargaining: one relating to legal and administrative requirements, the other to the outcomes in terms of collective bargaining.

With regard to the first, Conventions No. 87 and No. 98 spell out the international norms on the principles and procedures of collective bargaining, and the Collective Bargaining Convention, 1981 (No. 154), supplements the older Conventions.[8] Ratification rates of the relevant ILO Conventions can therefore provide one indicator of collective bargaining. A more effective indicator would be based on examination of the national legislation and evaluation of the various criteria pertinent to collective bargaining. Reports by the ILO and other organizations, such as the ICFTU and human rights bodies, could be additional sources of information.

A second type of indicator is based on the extent of collective bargaining that takes place. This is generally measured by the proportion of employees covered by collective bargaining agreements. Table 10 provides this information for selected countries, but the data need to be interpreted carefully in the light of the situation prevailing in each country. The figures given here concern collective bargaining in the formal economy, and similar information should be collected on collective bargaining in the other types of employment relations discussed above.

In some industrial countries (e.g. Austria, France and Sweden), practically all employees are covered by collective agreements. At the other extreme are countries like Japan and the United States, where the coverage rate is between 15 and 20 per cent. Among developing countries, Argentina and South Africa are exceptional in having a coverage rate of 73 per cent and 49 per cent, respectively. Malaysia and India are at the other extreme, where coverage rates of employees are less than 3 per cent.

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[8] For more details on principles, procedures, obstacles and mechanisms relating to conventions on freedom of association and the right to collective bargaining, see ILO (1994a).

Economic democracy

Another aspect of social dialogue concerns workers' participation in the functioning of their enterprise, whether in the formal or the informal economy. Workers' participation can cover a wide field, ranging from representation on the governing boards and management committees to playing an active role in the administration of training and human resource development programmes. Workers are often also represented on occupational safety and health committees. In some Scandinavian countries, trade unions have responsibility for administering social welfare and unemployment funds.

There is a wide variety of mechanisms for ensuring worker participation in enterprise functioning. Germany is famous for its works councils that play an important role in ensuring worker representation in a wide range of functions. Workers' participation also occurs in other countries (Finland, France, Italy, Norway) but seldom achieves the authority and power bestowed on works councils in Germany.

There are no simple measures of economic democracy. The ILO provides no specific guidance on worker participation, though the Cooperation at the Level of the Undertaking Recommendation, 1952 (No. 94), and the Consultation (Industrial and National Levels) Recommendation, 1960 (No. 113), sketch out a framework for this purpose. The most appropriate approach to developing indicators in this field should be through detailed country-by-country examination of laws, institutions, procedures and practices relating to the various aspects of workers' participation mentioned above. A similar approach, though even more difficult to implement, would be needed to assess worker participation in economic undertakings in developing countries. This would examine not only the formal economy but also patterns and mechanisms of participation in other types of employment relations.

Participation at the national level

This aspect of social dialogue concerns the participation of trade unions, employers' organizations, other associations of economic agents, and civil society bodies in the formulation and implementation of social and economic policies bearing on work and livelihoods. Clearly, this can cover a huge array of issues, e.g. macroeconomic management, government expenditure and taxation, interest rates, foreign trade and exchange, minimum wages, employment policies, credit, training. Although people participate indirectly in these matters as voters, most countries also provide for more direct participation in policy formulation and implementation through a variety of arrangements, such as representation of different social and economic groups on min-

isterial committees, planning commissions or national economic and social councils.

As with participation at the enterprise level, there are no simple indicators to capture the extent or effectiveness of social dialogue at the national level. In each case, it is necessary to look at the laws, institutions, procedures, powers of national advisory or consultative bodies, their membership and actual functioning. Only an analysis along these lines can enable reasonably solid judgements to be made about the effectiveness of national dialogue on social and economic policies.

A decent work index and industrial countries' performance

This section reports on an index developed for illustrative purposes to measure the performance and patterns of decent work in industrial countries in the 1990s. Twenty-two OECD countries were chosen because of the relative homogeneity of their economic structures and labour institutions, and comparable indicators on the four components of decent work. A similar exercise could be extended to other groups of countries, but indicators would need to be adapted to each specific situation. The indicators are used to rank countries by their performance on aspects of decent work and also to classify them according to their decent work profile. Finally, countries are also compared according to their rankings by decent work and economic performance.

Methodology

Ideally, the indices for individual components and overall decent work should be based on a variety of quantitative and qualitative indicators. In the version presented here, it was decided to rely only on quantitative indicators on which information was available for 22 OECD countries. An index based on a wider set of indicators might yield different rankings of performance.

The methodology used in constructing indices is quite simple. For each indicator, countries receive a mark ranging from 1 to 22, with 1 representing the best performance. Where more than one indicator is used, these are averaged to obtain a single figure for the decent work component, thus giving equal weight to each indicator. Likewise, the rankings on individual components are averaged to give overall rankings on decent work, with each component receiving equal weight. The same procedure is used in establishing rankings on economic performance and on overall decent work and economic performance. Of course it is open to readers to use different weights for different indicators and for different components of decent work.

Regarding *workers' rights*, it was assumed that the three core rights relating to forced and child labour, freedom of association and collective bargaining are largely realized in these countries. Thus, emphasis is placed on indicators pertaining to discrimination at work. Two aspects of discrimination are especially relevant – those relating to gender and to ethnicity. It did not prove possible to get adequate data on discrimination at work against ethnic minorities. As for gender, three indicators are used: female labour force participation, the ratio of female/male unemployment rates, and the female proportion of professional, technical, managerial and administrative workers. It was also planned to include an indicator on wage disparities, but this information is not yet available for all countries.

With regard to the *employment* component of decent work, three indicators are used: labour force participation, unemployment rates over the period 1990-98, and Gini coefficient of income or consumption distribution. The first two measure employment opportunities for the working-age population, while the third gives an indication of equity in disposable incomes and adequacy of remuneration. An alternative measure of equity and adequacy of remuneration is incidence of poverty, but unfortunately, this information was not available on a comparable basis for all OECD countries.

For *social protection*, the indicator used is public social expenditure as a proportion of GDP. As noted earlier, this measure of course excludes private expenditure on social security and does not show anything about the effectiveness of social security expenditure in terms of coverage, benefits and qualifying conditions for major social expenditure programmes.

The indicator used for *social dialogue* is union members as a proportion of all employees, or the trade union density in a country. It was also planned to use an indicator of collective bargaining, such as the proportion of workers covered by collective bargaining agreements, but it did not prove possible to obtain this information for all countries.

The two indicators of *economic performance* chosen for this study comprise average GDP per capita growth and average inflation rate, both over the period 1990-98. The average figures are used to reduce the impact of cyclical fluctuations.

Country performance on decent work

Country rankings on different components of decent work are shown in tables 11 to 17. These may be summarized as follows, countries presented in ranked order.

On *gender disparities*, the best performers are Norway, Finland, Sweden, the United States, the United Kingdom, Canada and New Zealand. The lowest-ranking performers include Luxembourg, Greece,

Table 11. Gender ranking

Country	Female labour force participation[1]	Ranking 1	Female administrative & managerial worker[2]	Female professional & technical worker[2]	Average	Ranking 2	Female/male unemploy-ment rate[3]	Ranking 3	Average ranking	**Overall ranking**
Australia	64.8	9	24.4	44.4	34.4	16	0.88	3	9.3	**8**
Austria	56.4	15	27.3	47.3	37.3	12	1.26	11	12.7	**12**
Belgium	50.3	17	30.2	47.1	38.7	8	1.67	18	14.3	**14**
Canada	70.4	5	37.3	52.2	44.8	2	1.07	10	5.7	**6**
Denmark	77.8	2	23.1	49.7	36.4	13	1.54	17	10.7	**10**
Finland	72.9	3	25.6	62.7	44.2	4	0.97	5	4.0	**2**
France	59.9	13	9.4*	41.4*	25.4	21	1.45	15	16.3	**18**
Germany	62.0	11	26.6	49.0	37.8	11	1.32	13	11.7	**11**
Greece	45.0	19	22.0	44.9	33.5	18	2.23	22	19.7	**21**
Ireland	40.9	21	26.2	46.2	36.2	14	1.01	7	14.0	**13**
Italy	29.3	22	53.8	17.8	35.8	15	1.76	20	19.0	**20**
Japan	59.2	14	9.5	44.0	26.8	20	1.06	9	14.3	**14**
Luxembourg	47.4	18	8.6*	37.7*	23.2	22	2.10	21	20.3	**22**
Netherlands	55.0	16	22.8	45.7	34.3	17	1.50	16	16.3	**18**
New Zealand	65.8	7	36.6	51.5	44.1	5	1.02	8	6.7	**7**
Norway	72.1	4	30.6	58.5	44.6	3	0.92	4	3.7	**1**
Portugal	60.6	12	32.2	51.1	41.7	6	1.26	11	9.7	**9**
Spain	44.6	20	32.4	43.8	38.1	9	1.71	19	16.0	**17**
Sweden	81.5	1	27.4	48.6	38.0	10	0.82	2	4.3	**3**
Switzerland	62.8	10	20.1	39.9	30.0	19	1.34	14	14.3	**14**
United Kingdom	65.6	8	33.0	44.7	38.9	7	0.67	1	5.3	**5**
United States	68.6	6	44.4	53.4	48.9	1	1.00	6	4.3	**3**

[1] Female labour force participation 15-64, 1995. Source, ILO, 2000c. [2] Proportion of administrative, managerial, professional and technical posts held by women (data refer to the latest available year). Source: UNDP, 2000. * Calculated on the basis of data from UN (1994) and from ILO (1994b) and ILO (1995). [3] Female-male unemployment rate 1995. Source: UNDP, 2000.

Table 12. Employment ranking

Country	Labour force participation[1]	Ranking 1	Unemployment rate[2]	Ranking 2	Gini coefficient[3]	Year	Ranking 3	Average ranking	**Overall ranking**
Australia	74.8	9	9.1	14	35.2	1994	17	13.3	**14**
Austria	68.7	14	3.9	4	23.1	1987	1	6.3	**5**
Belgium	61.9	19	11.8	18	25.0	1992	5	14.0	**16**
Canada	77.5	3	9.8	16	31.5	1994	11	10.0	**8**
Denmark	82.2	2	7.9	10	24.7	1992	3	5.0	**2**
Finland	75.7	6	13.0	20	25.6	1991	7	11.0	**10**
France	67.7	16	11.4	17	32.7	1995	15	16.0	**19**
Germany	72.4	11	7.9	10	30.0	1994	10	10.3	**9**
Greece	61.3	21	9.3	15	32.7	1993	15	17.0	**20**
Ireland	60.5	22	13.1	21	35.9	1987	19	20.7	**22**
Italy	63.0	18	11.8	18	27.3	1995	9	15.0	**18**
Japan	71.8	12	2.9	2	24.9	1993	4	6.0	**3**
Luxembourg	63.3	17	1.9	1	23.9	1994	2	6.7	**7**
Netherlands	67.8	15	6.4	9	32.6	1994	14	12.7	**13**
New Zealand	74.3	10	8.0	12	43.9	1991	22	14.7	**17**
Norway	77.1	5	5.1	5	25.8	1995	8	6.0	**3**
Portugal	71.3	13	5.8	6	35.6	1994/95	18	12.3	**12**
Spain	61.9	19	20.3	22	32.5	1990	13	18.0	**21**
Sweden	83.4	1	6.3	8	25.0	1992	5	4.7	**1**
Switzerland	77.2	4	3.2	3	32.1	1992	12	6.3	**5**
United Kingdom	75.5	8	8.1	13	36.1	1991	20	13.7	**15**
United States	75.6	7	5.9	7	40.8	1997	21	11.7	**11**

[1] Labour force participation 15-64, 1995. Source: ILO, 2000c. [2] Unemployment rate, 1990-98 . Sources: IMF, 1999; IMF, 2000. [3] Distribution of income or consumption. Source: World Bank, 2001.

Table 13. Public social security expenditure as % of GDP, 1996

Country	Pension	Health	Total	**Ranking**
Australia	4.6	5.7	15.7	**21**
Austria	14.9	5.3	26.2	**9**
Belgium	12.0	6.9	27.1	**7**
Canada	5.4	6.6	17.7	**19**
Denmark	9.6	5.2	33.0	**2**
Finland	13.2	5.4	32.3	**3**
France	13.3	8.0	30.1	**4**
Germany	12.4	8.3	29.7	**5**
Greece	11.7	4.5	22.7	**14**
Ireland	5.1	5.1	17.8	**18**
Italy	15.0	5.4	23.7	**12**
Japan	6.8	5.6	14.1	**22**
Luxembourg	12.6	6.5	25.2	**11**
Netherlands	11.4	6.8	26.7	**8**
New Zealand	6.5	5.4	19.2	**16**
Norway	8.9	7.0	28.5	**6**
Portugal	9.9	5.0	19.0	**17**
Spain	10.9	5.8	22.0	**15**
Sweden	13.8	6.1	34.7	**1**
Switzerland	12.8	6.6	25.9	**10**
United Kingdom	10.2	5.7	22.8	**13**
United States	7.2	7.6	16.5	**20**

Source: ILO, 2000c.

Italy, Netherlands, France, Spain and Switzerland. The other countries occupy middle positions (table 11).

With regard to *employment*, the best performers include Sweden, Denmark, Japan, Norway, Austria, Switzerland and Luxembourg, while the poorly performing category comprises Ireland, Spain, Greece, France, Italy, New Zealand and Belgium. Other countries come in the middle category (table 12).

On *social protection*, the best performers are Sweden, Denmark, Finland, France, Germany, Norway, Belgium and Netherlands. The lowest-ranking countries include Japan, Australia, the United States, Canada, Ireland, Portugal and New Zealand, with other countries coming in between (table 13).

On *social dialogue*, superior performers include Sweden, Denmark, Finland, Norway, Belgium, Ireland and Italy. Countries performing less well include France, the United States, Spain, Switzerland, Japan, New Zealand, Greece and Portugal (table 14).

Table 14. Union membership as proportion of employees, 1995

Country	Density	**Ranking**
Australia	35.2	**11**
Austria	41.2	**9**
Belgium	51.9	**5**
Canada	37.4	**10**
Denmark	80.1	**2**
Finland	79.3	**3**
France	9.1	**22**
Germany	28.9	**13**
Greece	24.3	**16**
Ireland	48.9	**6**
Italy	44.1	**7**
Japan	24.0	**18**
Luxembourg	43.4	**8**
Netherlands	25.6	**14**
New Zealand	24.3	**16**
Norway	57.7	**4**
Portugal	25.6	**14**
Spain	18.6	**20**
Sweden	91.1	**1**
Switzerland	22.5	**19**
United Kingdom	32.9	**12**
United States	14.2	**21**

Source: ILO, 1997.

Bringing together all the four components to obtain an overall ranking on *decent work* gives the following result: the best performers include Sweden, Denmark, Norway, Finland, Austria, Germany and Canada. The lowest-ranking performers include Spain, Greece, France, Ireland, the United States, New Zealand, Japan and Italy (table 15).

With regard to *economic performance*, the top-ranking countries include Denmark, Australia, Norway, Ireland, Japan, Netherlands, the United States, Finland and France. The lowest-ranking performers comprise Italy, Sweden, Greece, the United Kingdom, Germany, Austria and Switzerland (table 16).

When *decent work and economic performance* rankings are combined, the following countries emerge in the top category: Denmark, Norway, Finland, Australia, Netherlands, Canada, Japan and Luxembourg. The lowest-ranking overall performers include Greece, Spain, Italy, France, the United Kingdom, Portugal, Switzerland and New Zealand, with other countries occupying the middle category (table 17).

Table 15. Decent work ranking*

Country	Gender disparities	Employ-ment	Social dialogue	Social protection	Average ranking	**Overall ranking**
Australia	8	14	11	21	13.5	**14**
Austria	12	5	9	9	8.8	**5**
Belgium	16	16	5	7	11.0	**8**
Canada	5	8	10	19	10.5	**7**
Denmark	8	2	2	2	3.5	**2**
Finland	2	10	3	3	4.5	**4**
France	18	19	22	4	15.8	**20**
Germany	11	9	13	5	9.5	**6**
Greece	21	20	16	14	17.8	**21**
Ireland	14	22	6	18	15.0	**19**
Italy	19	18	7	12	14.0	**15**
Japan	13	3	18	22	14.0	**15**
Luxembourg	22	7	8	11	12.0	**10**
Netherlands	16	13	14	8	12.8	**12**
New Zealand	7	17	16	16	14.0	**15**
Norway	2	3	4	6	3.8	**3**
Portugal	10	12	14	17	13.3	**13**
Spain	20	21	20	15	19.0	**22**
Sweden	1	1	1	1	1.0	**1**
Switzerland	15	5	19	10	12.3	**11**
United Kingdom	5	15	12	13	11.3	**9**
United States	4	11	21	20	14.0	**15**

* Using labour force participation indicator

Patterns of decent work performance

In order to sketch out decent work profiles of the industrial countries, it is useful to group them in the following categories:

- *Nordic:* Denmark, Finland, Norway and Sweden
- *Anglo-Saxon:* Australia, Canada, New Zealand, United Kingdom, United States
- *Continental:* Austria, Belgium, France, Germany, Italy, Luxembourg, Netherlands, Switzerland
- *Industrializing:* Greece, Ireland, Portugal, Spain

Japan does not fit into any of these categories.

The *Nordic countries* perform well on all indicators except the unemployment rate, where Sweden and Denmark are average and Finland is among the poor performers.

Table 16. Economic performance ranking

Country	Growth[1]	Ranking	Inflation[2]	Ranking	Average ranking	**Overall ranking**
Australia	2.7	3	1.7	5	4.0	**2**
Austria	1.6	11	2.5	17	14.0	**17**
Belgium	1.7	10	2.3	15	12.5	**13**
Canada	0.9	20	1.4	2	11.0	**12**
Denmark	2.5	4	1.6	3	3.5	**1**
Finland	1.2	14	1.7	5	9.5	**8**
France	1.2	14	1.7	5	9.5	**8**
Germany	1.1	16	2.2	13	14.5	**18**
Greece	1.4	13	11.0	22	17.5	**20**
Ireland	6.0	1	2.0	11	6.0	**4**
Italy	1.0	18	4.4	20	19.0	**22**
Japan	1.1	16	0.2	1	8.5	**5**
Luxembourg	1.9	7	2.2	13	10.0	**10**
Netherlands	2.1	6	2.1	12	9.0	**6**
New Zealand	1.0	18	1.6	3	10.5	**11**
Norway	3.4	2	1.8	9	5.5	**3**
Portugal	2.4	5	5.8	21	13.0	**14**
Spain	1.8	8	4.2	19	13.5	**15**
Sweden	0.5	21	2.4	16	18.5	**21**
Switzerland	–0.2	22	1.7	5	13.5	**15**
United Kingdom	1.6	11	3.0	18	14.5	**18**
United States	1.8	8	1.9	10	9.0	**6**

[1] Annual growth rate in GNP per capita 1990-1998; [2] Inflation rate 1990-1998
Source: UNDP, 2000.

The *Anglo-Saxon countries* perform well on gender disparities and labour force participation, but poorly on income distribution and social protection. They are average on unemployment rate (with the United States good) and social dialogue (but New Zealand and the United States among the poor performers).

There is somewhat greater diversity in the decent work profile of the *continental countries*. In general, they perform poorly on gender disparities, labour force participation (but with Switzerland among the best), and unemployment rates (but with Luxembourg, Switzerland and Austria among the good, and the Netherlands average). They are in the middle category with regard to income distribution (with Austria, Luxembourg and Belgium among the good), social protection (with France, Germany, Belgium and Netherlands among the good) and social dialogue (and France and Switzerland among the poor).

Table 17. Decent work and economic performance: Combined ranking

Country	Decent work ranking	Economic performance ranking	Average ranking	**Overall ranking**
Australia	14	2	8.0	**4**
Austria	5	17	11.0	**11**
Belgium	8	13	10.5	**9**
Canada	7	12	9.5	**6**
Denmark	2	1	1.5	**1**
Finland	4	8	6.0	**3**
France	20	8	14.0	**19**
Germany	6	18	12.0	**14**
Greece	21	20	20.5	**22**
Ireland	19	4	11.5	**13**
Italy	15	22	18.5	**20**
Japan	15	5	10.0	**7**
Luxembourg	10	10	10.0	**7**
Netherlands	12	6	9.0	**5**
New Zealand	15	11	13.0	**15**
Norway	3	3	3.0	**2**
Portugal	13	14	13.5	**17**
Spain	22	15	18.5	**20**
Sweden	1	21	11.0	**11**
Switzerland	11	15	13.0	**15**
United Kingdom	9	18	13.5	**17**
United States	15	6	10.5	**9**

The *industrializing countries* are poor on all indicators. There are exceptions for a few indicators: gender disparities (Ireland and Portugal average), labour force participation (Portugal average), unemployment rate (Portugal good), inequality, social protection and social dialogue (Ireland good).

When it comes to economic performance, it is interesting to note that this typology does not hold. For example, while Denmark and Norway are among the best performers, Sweden is among the poor performers. Likewise in the Anglo-Saxon group, Australia and the United States are among the best, New Zealand and Canada in the middle and the United Kingdom among the lowest-ranking. In the continental group, Netherlands is among the best, France, Luxembourg and Belgium among the middle-ranking, and Switzerland, Austria, Germany and Italy among the lowest-ranking. In the industrializing group, Ireland is among the best, Portugal and Spain are among the middle-ranking and Greece among the poor performers.

Concluding remarks

Indicators can be helpful in assessing the achievement of decent work objectives within countries over time and across countries. This article has evaluated the adequacy and appropriateness for different groups of countries of a series of indicators pertaining to the four components of decent work. The relevant indicators often vary for different groups of countries, according to their institutional and structural features. While reasonable indicators are already available for some dimensions of decent work, measurement of other aspects requires additional information. In particular, there is a need to collect data and information relating to decent work characteristics for workers in non-formal employment – in the informal economy, in the countryside and in home-based employment. Information is needed on remuneration and working conditions, workers' and community organizations, social security arrangements, and the nature and mechanisms for negotiation, representation and worker participation. A good deal of this information is of necessity of a qualitative nature, assessing the effectiveness of laws, institutions and procedures and practices in the various domains pertaining to decent work.

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