

Labour Market
Research and Policy
Making in Flanders

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2005

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Introduction

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'BEAUTY LIES IN THE EYES OF VIONA'

Jan Vranken, Marc Jans & Peter van der Hallen

It is now more than ten years ago that the Flemish government, in co-operation with the social partners, gave birth to a policy-making research programme focused on the Flemish labour market. It had been conceived at the first Flemish Employment Conference in 1994 and its given name was VIONA, which stands for 'Flemish Interuniversity Labour Market Research Network'. If the given name is a predictor for the future of the newborn, then the choice has been a very lucky one. Already after ten years, VIONA has given us reason to celebrate – one year long. A two-day colloquy Employment between market forces and policy in Bruges was the cherry on VIONA's birthday cake.

Very much present at the colloquy was the relationship between art and work. Is it not so that the degree of creativity of work is the best indicator of its quality? The 'Art on Work' programme inaugurated at the colloquy thus constitutes more than the colourful frame for an otherwise serious picture. It offers vested and upcoming artists an opportunity to provide an artistic and creative perspective on the relationship between 'labour, work and organisation'. Some of its products – a few cartoons – will be used in between the chapters in this book – not as separators, but as connectors.

The Flemish economy always has been a very open one, and this also goes for its labour market. This openness is reflected today in the catchword 'globalisation'. International and supranational structures and developments are increasingly setting the context for any national or regional labour market policy. Our outspoken ambition to better embed VIONA in international labour market research efforts in the next ten years should therefore not come as a surprise, and this colloquy is a decisive step in that direction. We invited a number of well-known foreign scholars to introduce the debate with reflections on the most important labour market developments of the last decade and on the ways in which the labour market could be steered most adequately in the near and further future. Other foreign researchers commented on the contributions of Flemish researchers.

The main concern of the conference, however, was about the relationship between policy-making and research. This is not so strange, since it constitutes the core dimension of the VIONA policy-making research programme. This should become clear from the rest of this introduction and from the contributions in this book. In this introduction, we firstly take a look at the context of labour market policy (and thus labour market research) in Flanders. Next, we present VIONA, 'the' programme for policy-making labour market research in Flanders. The body of our introduction consists of an overview of the contributions of the book. We take leave with some reflections on opportunities used and missed with VIONA and what to do in the near future.

Let us point out that the content of this introduction has been taken from the contributions made at the conference and to this book. Sometimes, however, we have used them as a springboard for formulating some ideas for which the contributors are not (totally) responsible.

1 *The context of policy-oriented labour market research in Flanders*

The context in which policy-oriented labour market research has taken its present form is well described by Fons Leroy in his contribution: *The Flemish labour market – in or out of the transit zone?* The 'transit zone' he is referring to concerns the fact that, both in terms of policy and institutionally, the Flemish labour market is still very much hesitating between 'simply continuing along the arbitrary path of the past' – which is a somewhat 'Flemish-tinted' form of the earlier Belgian labour market policy – or choosing one of two new directions: that of a 'cooperative, federalist model of the state' or a 'confederal model'. Either of these two new options will provide a better context for a policy focused on promoting flexible and supportive transitions in the labour market. Such a policy will be needed because of the powerful socio-economic challenges with which we will be confronted.

He also identifies the most important trends and the most prominent tensions in the policy-making field that will shape the context that any future Flemish labour market policy will have to take into account if it wants to realise a sufficient degree of effectiveness.

As for the trends, Flemish labour market policies have developed from a mere copy of the federal system to a more specific Flemish system, from a positional to a transitional labour market policy, from a policy on training to a policy on competence, from curative or preventive to cura-

tive and preventive policies, from a government monopoly to a multi-sector approach, and from parity management to full social consultation. If we were to classify all these trends under a single label, it would be that of the progressive introduction of the 'governance' model into labour market policies. In short, this model would imply a partnership between all relevant actors (as in forms of public-private partnership, which in the case of the Flemish labour market also includes NGO's), the inclusion of multiple fields (not only employment but also education, learning in general, family and leisure time), and the co-ordination between different levels of government (so-called multi-level governance).

Let us briefly highlight – from the perspective of 'labour market governance' – some of the more specific developments that Leroy identifies in his contribution. Let us focus on the transitional character of the labour market, the Janus face of 'activation' (disciplining or emancipating') and the simultaneous rise in the importance of the local and the EU levels.

Firstly, the transitional character of the labour market is more than just a change in the scientific paradigm; it reflects developments in social reality that have to be taken into account in the development of a labour market policy. The accentuation of different life spheres (the family, leisure time, learning) that earlier were considered by the population and by researchers alike as dependent spheres – dependent, that is, on work – have gained autonomy and must be taken into account in any explanatory or policy-making model as being relatively independent variables. Their importance has been increased by the fact that work has lost its characteristic function as 'anchor', due to the obligations and opportunities of increased flexibility and job mobility. This means that any labour market policy must take account of the interactions between the different spheres in terms of what people consider to be the prime mover of their lives (not always 'work'), and the increased movement from job to job (although this does not seem to be so much the case in Flanders, see Sels, Forrier, Bollens and Vandenbrande) and between jobs and other life spheres. That the different areas of life necessarily enter into any consideration of labour market measures implies that a concept of 'governance' is needed, if it does not already underlie many approaches.

Secondly, there is activation. Any active labour market policy will be part of an active welfare state policy in Flanders. Here again, the need pops up to take account of many partners and even more life spheres (also in the administrative sense of 'departments' or 'ministries'). The differentiated and very complex network of relations between these partners, levels and domains means that the effects of any labour market measure are very difficult to estimate and that unexpected and even perverse effects are lurking around every corner. And then there is also the need to clarify the balance between the disciplining and emancipating effects of any active policy. This

especially concerns the position of many marginalised groups and persons (the handicapped, low-skilled, migrants). Just getting them off the unemployment list seems to be the ultimate goal of many policy-makers, administrators and statisticians, and too little attention is given to the lasting effects of these measures. Often the demand for more emancipating effects is seen as typical for people and organisations from the ‘soft’ sector (as if it were easier to manage commodified units than people); however, in the long term perspective it should become clear that increased autonomy for marginalised people and groups has a healthy effect, also in economic terms.

Thirdly, two important reference points have been introduced (or, rather, have introduced themselves) in Flemish labour market policy-making: the local level and the EU level. It is interesting to note that the two do not act independently. We all know that such a bond between the ‘low’ (local) and the ‘upper’ (EU) level corresponds to one of the main characteristics of globalisation, which leaves less competency for the intermediate levels. In this case, their presence clearly underpins our point of view that any Flemish labour market policy is firmly embedded in a multi-level governance structure (EU, federal, subregional and local), and insofar as this is not yet the case, it should take this embeddedness into account and use it as an opportunity to gain optimal independence. With regard to the local level, in many other fields (such as urban development) a strong case has been made for this level being the best one for developing a really ‘integrated’ approach and Leroy – correctly – puts forward the ‘Job Shops’ as a ‘good’ and even ‘best’ practice for the rest of Europe.

2 *VIONA, the programme for policy-making labour market research*

In the context of transitional labour markets, activation policies and multi-level governance, scientific insights can be very useful for underpinning labour market policy. Following on the Protocol of March 17, 1993, drawn up by the (first) Flemish Employment Conference, the Flemish Government and Flemish social partners (labour unions and employers’ associations) laid the foundations for the elaboration of a model for strategic, policy-making and scientific labour market research: VIONA. Its goal was to collect reliable scientific knowledge about labour market developments so as to increase the quality of policy decisions. The intention was to simultaneously stimulate labour market research and to solve a number of problems such as the signifi-

cant fragmentation of research initiatives, the lack of financial means for labour market research, and the huge reserve of undisclosed but very rich statistical material.

Two years later, a further step was taken when the two partners reached a consensus about the further future of strategic labour market research in Flanders. They identified two foci: valorisation/utilisation/commercialisation of the research results and the long-term research strategy. The overall structure of VIONA was confirmed. A 'Steering Group for Strategic Labour Market Research', consisting of the relevant administrations, cabinets and social partners, and chaired by an independent expert, would set out the general lines. Scientific coaching would be the task of an 'Interuniversity Advisory Council'. Co-ordination, first taken care of by SERV (Socio-Economic Council of Flanders), would join the administration of the programme at the Flemish Employment Administration.

Up to the present, the two most important products of VIONA have been: (1) the annual open call for tender for a number of research topics from the afore-mentioned long-term research programme, and (2) the Resource Centre for Labour Market Research (Steunpunt WAV). Both products are financed by the Flemish Government and co-financed by Europe (ESF). This co-financing reflects the above-mentioned evolution towards a multi-level governance approach.

2.1 ■■ *The annual call for tender*

In order to realise the aims of the long-term research programme, a call for tender – open for public and private research institutes, and since 2004 also for Dutch universities – is published each year. It focuses on a selection of (specified) topics from the long-term programme. This selection and specification is done by the Steering Group, which takes account of the topic's importance and urgency in terms of policy-making and its feasibility in terms of research. Given that the quality of a research project is determined to a great extent by the sharpness and clarity of the problem formulation, the importance of the Steering Group's role does not have to be underlined. Through consultation with the Interuniversity Advisory Council, scientific relevance is increased. One of the strong points of VIONA is its objective allocation procedure. The Steering Group judges projects on the basis of two dimensions: their policy relevance and their scientific standing. The latter judgment is informed by an evaluation of foreign (i.e. Dutch) academic experts.

The following themes have been put on the research agenda in the past years:

- the labour market and its institutions

- equal opportunities
- entering the labour market and the (mis)match between demand and supply
- employment and entrepreneurship
- socially responsible entrepreneurship and sustainable employment
- the quality of work
- careers and the combination of work with other areas of life
- use and development of talents
- innovation and work organisation
- the international context of the Flemish labour market and labour market policy.

Ten consecutive calls resulted in over 200 proposals, 95 of which were accepted. These resulted in 90 reports, in which 200 different promoters and researchers have been engaged. The majority of the contributions made during the colloquy and included in this book were rooted in a selection of more recent VIONA projects.

One important recent initiative was the organisation of a panel survey, PASO (funded by the Programme 'Policy-making Research' and ESF). This survey traces developments on the demand side (that is, with firms) and, at the same time, it reduces the number of ad hoc questionnaires firms are invited to go through. It has made a significant contribution to labour market research in Flanders and we hope that it will be continued after 2006 – this continuation being dependent on the provision of new funding.

The objective allocation procedure is not the only quality label of VIONA. Quality is also promoted through a permanent follow-up through 'vision groups' and efforts to valorize/utilize/commercialise the research results. 'Vision groups' are thematic groups in which policy-makers, administrators, social partners and researchers discuss and evaluate a cluster of related projects. The aim is to guarantee the projects' quality and relevance for policy needs. Their activities are permanently being (re)assessed so as to ensure that they bridge the gap between the two worlds of research and policy-making even better than before.

Valorisation has led to a wide array of activities. The main findings of VIONA research are summarised in a biannual publication. Numerous contributions have been published in a Dutch language review entitled '*Over.Werk*' (with its double meaning of 'About Work' and 'Overtime') and in other scientific reviews. Final reports and summaries are also to be found on www.viona.be. Many different kinds of meetings have taken place: colloquies, seminars, round tables, workshops and conferences such as the 'Labour Market Researchers Days', during which

policy-makers and researchers meet and discuss. The media report regularly and sometimes even extensively on these initiatives.

2.2 ■■ *The WAV: Resource Centre for Labour Market Research*

This Centre constitutes the second major pillar of VIONA. Originally financed by the federal government, the publication of a special newsletter covering trends in the Flemish labour market led to an agreement with the Flemish government. This agreement stipulated:

- the publication of an annual report on the labour market in Flanders;
- the establishment of a specialised information and documentation centre;
- the publication of a newsletter and the organisation of meetings to promote networking among researchers;
- the bringing together on an interuniversity level of researchers.

The consortium that resulted from these activities was formally recognised by the Flemish government on July 7, 2000.

Especially the 'Yearbook on the Labour Market in Flanders' has become a standard reference work; it provides well-informed comments on recent labour market policy problems and initiatives, as well as scientific analyses of trends and developments on the labour market.

2.3 ■■ *Research and policy-makers: just an uneasy coalition?*

One of the longstanding discussions, at least among sociologists, is that about the relationship between research and policy-making. Should a 'serious' researcher accept invitations sent out by non-academic players such as public authorities and private firms? Do not researchers run the risk of providing results on demand? Is the fact that there has never been a fundamental disagreement in the Steering Committee – at least not one which has resulted in one of the parties leaving the meeting – therefore a positive or a negative sign? Let us take up matters on a more general level, however. Is policy-based research really a '*Fremdkörper*' in an academic environment, as a leading Flemish sociologist once, W. Leemans, stated?

It is beyond any doubt that the VIONA research agenda is written from a policy-making perspective by a large array of 'players': public authorities (the 'political cabinets' and the administrations) and social partners (labour unions and employers' organisations). However, does this imply that this 'research on demand' also produces 'results on demand'? Are independent research and academic freedom at stake here? There are arguments for and against. It has become

clear that there is no clear demarcation line between the two strengths and weaknesses in this kind of research.

What are the weaknesses? The existence of 'vision groups' could provide policy-makers with opportunities to constantly intervene in the research process, to determine which issues are dealt with, and to suggest adaptations in the results. The general opinion, however, is that when these vision groups are critical of the projects, their arguments are very much of a traditional academic nature. Perhaps this is so because many of the non-academic representatives in the vision groups have had some sort of academic research experience. Thus, what could have been a weakness has, in the end, been a strength.

What are the strengths? We have already mentioned the most important of the strong points: the care taken to select on a basis that is as objective as possible. Such an objective procedure is very important in a relatively small institutional setting such as Flanders. In the very open interplay between research and policy-making, where 'everybody knows everybody' (at least if one is working in the same field), transfers between the non-academic and the academic world, and between administrations and cabinets, are the rule rather than the exception. Nevertheless, in such a context it is a real challenge to open up the VIONA programme to new perspectives. The ambition to relate the programme more to international labour market research is therefore very important.

Although the importance of policy-related research is growing in the research portfolios of universities, it remains fashionable to defend the thesis that policy-making research is inferior to fundamental research. At the same time, little is being done to improve the position and thus the autonomy of these project researchers. Even annual contracts are sometimes a far-off dream. The need for fully fledged career perspectives, including permanent training in research skills, has been a recurrent in many policy briefs of the Ministers in charge or of advisory committees (such as the 'Flemish Council for Science Policy'); In policy documents of university research councils, however, the importance and talents of project researchers are grossly undervalued. As a result, we see a greater involvement of private non-academic study centres. Although these centres are often doing a very good job – as you can see later on in this book – one of the objectives of VIONA is to stimulate the involvement of universities.

2.4 ■■ VIONA in a nutshell – a very cramped situation

We have already mentioned that almost one hundred reports have been published under the auspices of VIONA, which means that it is impossible to give them the space that they deserve. The selection that follows is therefore even less than a showroom – it is a random selection from our products in terms of topics that have been treated in the course of the past years. We invited a number of scholars who have been involved in VIONA over the past ten years to write up a global synthesis of their research findings, to present this synthesis at the conference and to attentively listen to comments from foreign colleagues and take them into account.

First of all, we will offer a general reflection on the policy perspective.

Secondly, we will present some specific research outcomes of VIONA projects. These projects are related to the three developments with respect to the labour market and the labour market policy we mentioned above.

Relating to the issue of globalisation and the need for a multi-level governance model, the results of the following research projects are presented here:

- How limited are Europeans in their openness?
- The economy and work: a Siamese twin – to be separated?

Relating to the issue of transitional labour markets, we present the following research findings:

- No golden watch after 25 years of loyal service?
- Does work leave time for housekeeping?
- ‘Workable work’ in Flanders. The Flemish workability monitor focuses on quality of work.

Relating to the issue of activation, we present the following research projects:

- Active labour market policies: emancipating or disciplining?
- Life-long learning: any light at the end of the tunnel?

Thirdly, we present some reflections on database and research methods to improve our knowledge of the labour market. Some, but not all of these reflections are the result of VIONA projects.

- Mobility on the labour market: how to measure it, and for what reason?
- Demand surveys: just nice to know, or something more?
- Bridging the gap between education and the labour market through longitudinal analyses?
- Is ICT beyond any measure?

Finally we will examine the stimulating but sometimes also difficult interaction between policy and research in a contribution dealing with equal labour market opportunities.

- Flemish policy on equal opportunities and diversity in the labour market: a young tree, strongly rooted.

In a final note, Prof. dr. J. Bundervoet highlights some reflections on VIONA from a research perspective.

3 *Specific outcomes of VIONA research*

3.1 ■ ■ *How limited are Europeans in their openness?*

What impact will the enlargement of the EU have on the Flemish labour market? In their research note 'EU-enlargement and labour migration' Abraham, Bilsen and Minne use dimensions such as the following to assess the impact of enlargement: movement of labour (employees), the extent of migration flows, etc.

The transitional measures for candidate members regarding labour movement (mobility) are fairly strict, especially regarding rather low-skilled jobs. The existing legal restrictions can, however, relatively easily be bypassed. There are virtually no restrictions for the self-employed, because of their 'right to establishment'. On top of that, the free movement of services plays an important role – and opposition against the Bolkenstein rule is a clear manifestation of this. Through the mechanism of posting, foreign labour can be employed for shorter periods of time on the Belgian labour market, thus undermining the contracts of indefinite duration.

In terms of their sheer numbers, however, the present and future presence of workers from the ten new member states on the Flemish labour market should not be overestimated. It is not very likely that this immigration of labour will get out of hand in the near future. Indeed, only a part of the immigrants from the countries under review are available for the labour market, and only a limited percentage will permanently establish in Flanders. Predictions based on econometric models estimate the annual number of new arrivals to the EU-15 at around less than half a million in the years following the enlargement, and only a small portion of these are expected to come to Flanders, because of its geographical position and its language barrier. The unpredictable factor is, of course, the situation on the labour market in the new and future member states.

The authors conclude that the demand for labour from the new member states will be rather of the niche or bottleneck type. The companies are mostly interested in candidates who are in short supply in Flanders. Cost reduction is a lesser motive, because the social and labour legislation reduces the benefit of engaging labour force from new member states. This means that the demand for this type of labour strongly depends upon the specific needs of the employer and the general situation of the Belgian economy. Firms with a more fluctuating demand – i.e. one that is dependent upon the business cycle – are more confronted with bottlenecks and therefore will employ labour from new member states more regularly than other firms. A more important problem concerns the undocumented labour force.

3.2 ■■ *The economy and work: a Siamese twin – to be separated?*

How sensitive to business cycles is the Flemish labour market, in comparison to other countries and regions? What are the most important determinants of this sensitivity, and which segments of the labour market (supply and demand) are most sensitive? Ann Gevers and Anneleen Peeters are looking for some answers in their paper 'Economic growth and employment'.

Four variables clearly increase the labour market's sensitivity to business cycles: the level of social protection of the unemployed (replacement ratio's) – especially in the first years of their unemployment, public expenditure for active labour market policies, the share of women in the total employment figures, and the total taxation of labour. Further results of the analysis also show that the share of temporary work and public expenditure on education increase sensitivity. The degree of legal protection against dismissal, on the other hand, seems to reduce the labour market's sensitivity to business cycles, as does the degree of co-ordination between firms and sectors during wage negotiations. Characteristics of the product market had no significant influence on the explanation of sensitivity to business cycles.

Gevers and Peeters conclude that a higher sensitivity of the labour market to business cycles is rather desirable, because it goes hand in hand with a higher degree of workability and not with a higher level of unemployment. Both factors correlate with a higher annual potential growth of GDP per head, as is the case in Scandinavian countries. That Flanders and Belgium combine relatively strong business cycle sensitivity with a moderate degree of workability could justify a policy that aims at increasing the business cycle sensitivity of this degree of workability.

One way to increase this sensitivity of the labour market is to organise a high level of social protection for the (short-term) unemployed, as could be concluded from the above statement that the level of replacement incomes for short-term unemployment is important in this respect, es-

pecially during the first year. Active guidance of the unemployed through mediation and training, (measured in terms of the total expenditure per unemployed person for pursuing an active labour market policy), also increases the business cycle sensitivity of the labour market.

Another way to reach this goal is to strengthen various forms of temporal flexibility. Temporal flexibility is the adaptation of the work volume of the personnel by varying duration and period of labour performance. Examples include variable working time, career interruption and flexible year planning – all of which are measures that would have as the positive side-effect of increasing female labour market participation. There is, indeed, a high correlation between the share of women in total employment and the share of part-time and temporary jobs in total employment. Effective and accessible childcare would also contribute to more women entering the labour market or staying there once they have children.

Finally, the business cycle sensitivity of the labour market can also be stimulated by relatively reduced employment and dismissal thresholds. Research has shown that lax procedures in this respect have a positive effect on the business cycle sensitivity of the labour market. Contractual flexibility means that hiring and firing can be done much more easily; which could mean that in the event of a cyclical upswing, employment figures could be improved through temporary contracts, interim work, freelancing, etc.

This approach does of course not take account of the impact of a high degree of flexibility on the mental and physical health and general wellbeing of the employees, which ‘probably’ also will influence their productivity. This is becoming a matter of concern for all social partners, as is shown by its inclusion in the long-term planning of VIONA.

3.3 ■■ No golden watch after 25 years of loyal service?

‘The career is dead – long live the career!’ Hall (1996) is not the only author to proclaim that a new era has arrived and that the traditional career has become obsolete. The interpretation of the data on labour market mobility and careers does, however, require a nuanced analysis. (Did we expect anything else?) The nuances come in two stages, as observed in the paper ‘What we (don’t) know about careers’.

The first is the astonishing stability of the labour market in these changing times, if we take transfers from one job to another as a criterion. In 2002, about 6.5% of all employed persons in the Flemish Region hopped jobs, as compared to the year before when a ‘peak’ of 7.7% was

reached. These data from the Labour Force Survey are confirmed by administrative data from the Labour Market Datawarehouse. There are, of course, exceptions to the rule – ‘horeca’ (hotel, restaurant and catering) and industrial cleaning, on the one hand, and ICT and business services, on the other, more than doubled this mobility, for very clearly different reasons. An analysis based on the ‘PSBH’ (Household Panel of Belgian Households) panel data from 1994 to 2000 confirms this diagnosis: an average of 96% of all ‘permanent’ employees (i.e. on ‘permanent appointment’) who still were employed one year later, had the same employer.

The same picture emerges when comparing all entries into and exits from the (non-transitional) labour market. ‘Optimal Matches’ analyses of PSBH data confirm that the majority of careers are characterised by a high degree of stability and a very limited number of transitions. The few ‘transitional’ careers, such as those with temporary interruptions, are typical for the young highly skilled. Results also show that the traditional ‘life career’, with its strong age differentiation, still dominates our labour market. We are therefore still far from a transitional labour market.

Sels, Forrier, Bollens and Vandenbrande conclude that in order to increase job mobility and to facilitate transitions, sufficient attention should be given to the interfaces between different labour market positions. In other words, there is a need for sufficient institutional support to build bridges between jobs and ‘from and to work’. Care has to be taken that permanent employability is guaranteed, also at a later age. This is a condition for promoting employment security, for eliminating job insecurity, and for prolonging people’s careers.

3.4 ■ ■ Does work create time for housekeeping?

Several time budget studies clearly show that the traditional role model still is very much alive and kicking: women spend more time on housekeeping matters and childcare than do men. This unavoidably determines both parties’ labour market participation.

In his paper ‘Reconciling paid work with family demands’, Glorieux observes that the total workload (paid work and housekeeping together) for men is mainly determined by their paid work. Women after age 31, on the contrary, invest more time in housekeeping and childcare than in paid work, this in spite of the global increase in female labour market participation. The strategies that women use to combine paid work and housekeeping, however, are changing. Whereas in 1988 women had fewer working hours than men, today their choice is between a fulltime and a part-time job. Before, they worked less overtime or preferred sectors with less working hours;

today they opt for halftime work. Women who have a fulltime paid job, however, work more hours than before. This polarisation is deepening; the group in between – part-timers with many hours and full-timers with reduced working time – is disappearing.

At first sight, women may choose between a full-time job that leaves little room for household tasks and a part-time job with time to invest in their household. However, can we call this a choice? Women who want to have a career are obliged to work fulltime, which leaves little time for other activities; for women who want to invest in the household, part-time work is the only option. Men don't have to choose; they all take on a fulltime job and leave the housekeeping to their (female) partner.

In terms of further increasing labour market participation, part-time work clearly constitutes a positive development. To the extent, however, that many women are forced to take on part-time jobs when they would prefer full-time jobs, the marginalisation of women in the labour market is not only a risk but also a hard reality.

The EU promotes the participation of women in the labour market and it encourages its member states to give attention to the combination of work and family/household. Measures that are intended to facilitate this combination, such as career interruption, are utilised almost exclusively by women. Why do men not more often work part-time, and what is needed to encourage them to break with the traditional full-time job and move to part-time work? The authors propose a horizontal approach in which family policy, socio-cultural policy and equal opportunity policy are integrated: a vertical labour market policy alone seems to be insufficient. 'Compressed careers' – careers during the relatively brief period between 25 and 40 – remain dominant. This seriously damages women's opportunities since it is the period during which they have children.

Thus the facts show that the transitional labour market is still far-off. As long as this is the case, equal opportunities for women also remains a dream.

3.5 ■ ■ Workable work in Flanders. The Flemish workability monitor focuses on quality of work.

The search for more productive labour leads to the increasing focus of attention by media, policy-makers and social partners alike on matters such as stress and burnout. The realisation that poor quality of work constitutes an important obstacle on the road to a more active welfare state directs policy-makers' attention to matters such as 'well-being at work', 'quality of work' and 'workability'.

In 2003, the SERV ('Social and Economic Council of Flanders') took the initiative to construct an instrument to measure the degree of 'workability'. This was a follow-up of the policy agreements concluded in the 'Vilvorde Pact' on the improvement of the quality of labour. In their paper 'Workable jobs in Flanders' Bourdeaud'hui, Janssens and Vanderhaeghe report on the development of a scientifically validated set of indicators and 'zero measurement'. The indicators used are:

- psychic fatigue or (problems with) work-related stress
- well-being on the job or (problems with) work relatedness and motivation
- learning opportunities or (insufficient) opportunities to keep up, and competency development
- balance between work and private life, or (problems with) combining work and private life

Besides these four indicators of workability, six risk factors were taken into account: work stress, emotional taxation/burden, task variation, autonomy, support from direct supervisors, and working conditions. Finally, the workability monitor registers a number of effect parameters: job satisfaction, health complaints, frequency and duration of absenteeism, turnover intention, and the feasibility of working until retirement age.

The workability monitor showed that 47.7% of all Flemish employees scored on one or more workability problems and therefore run the risk of functioning at a lower level and (after some time) of exclusion from the labour process. Work-related stress jumps to the fore as the (quantitatively) most important workability problem in the Flemish labour market. Almost one third of employees are confronted with high work pressure, and more than one out of ten with extremely high work pressure.

Contrary to the received opinion in policy circles, or perhaps because of the success of policy measures, combining work and private life is the least frequently reported workability problem.

Nevertheless, workability problems have an unmistakable impact on the daily functioning of employees in firms, more in particular relating to matters such as sick leave and the rotation of personnel. Moreover, employees with workability problems expect less frequently to work until their pension age.

3.6 ■■ Active labour market policies: emancipating or disciplining?

During the 1990s, activation became the leitmotiv of labour market policies in Flanders and Belgium, as in most countries of the industrialised world. The argument in favour of active labour market policies is that they promote labour market participation by ‘making work pay’. They have a Janus head, however. Their other face admits that it is not so easy to make the labour market attractive, and it is rather the case that the jobless have to be forced into the labour market.

In their contribution, Activation policies in Flanders, Struyven and Bollens focus on policies combining a more intensive labour exchange and integration (training, guidance, work experience) of the short- and long-term unemployed, which in Flanders is better known as ‘career guidance’ or literally ‘trajectory accompaniment’. International organisations (OECD, EU) pay some attention to this approach, even if micro- and macro-economic research shows that its effects are, generally speaking, fairly limited. Some ascribe this somewhat disillusioning result to the use of refined measurement methods, but it certainly also reflects the complexity of the content and implementation of this kind of policy.

One rather remarkable development in activation policies occupies a central place in this paper: the change from an ‘appropriate approach’ to a ‘fitting approach’. The former was introduced over 15 years ago in training and employment initiatives for the ‘unemployable unemployed’. It implies an intensive, strongly custom tailored approach. The ‘fitting approach’, by contrast, focuses on all the unemployed through the implementation of programmes and ‘new start’ initiatives.

The authors describe and evaluate the putting into practice of activation policies and Flemish research dealing with the efficacy of activation policies. In doing so, they bumped into ‘the paradox of the fitting approach’: while the ‘fitting approach’ is almost within reach – taking account of the existing policy context –, large groups of unemployed people are still left to themselves. In any case, it is a positive thing that the large-scale and standardised approach that previously dominated has been critically reviewed and that the trajectory/pathway idea implies more tar-

getting, better tailored jobs and more differentiation in the content of the trajectories through the input of more refined screening instruments. This probably means that in the future less pathways will be needed than are offered today. This means the elimination of the 'fitting approach' in the sense that every unemployed person is offered a trajectory after a given period of unemployment. The approach itself, however, is expected to be more fitting because programmes can be used where needed and productive. Thus, 'a less fitting approach is needed to make it more fitting'.

3.7 ■ ■ *Life-long learning (LLL): any light at the end of the tunnel?*

'Permanent education' has been replaced by 'lifelong learning', which focuses on the 'learning self', on adults learning throughout their lives, and on basic competencies and key qualifications that should support the management of the changes and unpredictabilities of social, economic, political and cultural life.

Flanders has taken this road since 2000 and the participation of 7.6% of the 25 to 64 year olds in different forms of lifelong learning in 2003 seems to indicate that we are closing the gap with the European target of 10%. This EU benchmark, however, is relative and does not take account of the specific educational needs in Flanders. We cannot neglect the fact that participation in life-long learning decreases with age and that the so-called 'short-skilled' are virtually absent from these initiatives.

According to Baert in his paper 'Lifelong learning in a changing working environment', two factors are critical for a successful LLL policy: the presence of a common concept at both the federal and the regional levels, and the assignment of clear responsibilities, financial and otherwise, to the different actors. How can employers contribute to a positive learning climate? Their investment policies would create the material opportunities that are needed, while at the same time expressing their appreciation for the initiative. However, even the rather modest target of 1.9% investment of the wage mass in LLL has not yet been reached, a fact which could be explained by the economic recession. As usual, the average hides remarkable differences. SME shows much less initiative regarding learning, training and schooling. Women, executive staff, and older employees are disadvantaged. The strategic embedding of LLL in the labour organisation could be improved.

The suppliers of training are another important actor in creating a positive climate for LLL. The attractiveness of the services they offer and the flexibility of these services in terms of learning

time and trajectories (e.g. the creation of appropriate modules) play an important role. As a third partner, the public authorities have different roles to play: viz. these include to stimulate, to sensitise, to inform and to co-ordinate. Special attention must be given to those who have difficulties in disclosing and interpreting information on LLL.

LLL clearly is not short of players, but it lacks a co-ordinator to provide stimulation and to create a welcoming climate and a coherent context for LLL. Instruments that have proven their effectiveness in matters of social consultation could be used. Finally, will the present integration of education, training and work under one Minister have a positive impact on what happens in the field?

4 *Four reflections on databases and research methods for improving our knowledge of the labour market*

4.1 **■ ■** *How to measure mobility on the labour market?*

In the context of the present economic, technological and demographic developments, more labour market mobility is needed to enhance labour market participation. This means that the labour market life cycle should become more complementary to the private life cycle. This is why the analysis of labour market mobility and career patterns is high and rising on many research agendas.

The contribution of Tielens and Van Gils, *Mobility on the labour market, some key issues*, examines the usefulness of surveys and administrative databases for mobility studies by means of a SWOT analysis of both types of data and some concrete illustrations. Thus it also provides empirical data on career patterns in the present labour market. In their conclusions, the authors argue in favour of better connecting survey data and administrative data because of their complementarity. The strength of survey data is its availability of qualitative data. The strength of administrative data is its higher accuracy, even though it is not collected from a research point of view. The weakest point of administrative data today remains its incomplete international comparability and the authors are pushing for increasing efforts to solve this problem.

4.2 ■ Surveying business organisations: just nice to know, or something more?

'Panta rei, kai oedèn menei', everything moves permanently – and everything stays the same. Is this also the case for business organisations? We are not that well informed on organisational transformations and so it is impossible to answer this question. We only can speculate, in spite of the importance of empirical knowledge for developing a labour market policy.

Is it possible to chart such organisational changes through the use of surveys to study business organisations without putting too much of a burden on the firms? In their contribution 'Surveying organisations: nice to know or more?', Van Hootegeem and Huys argue for a survey design that interviews the firm and the employees and for co-ordinated European research on trends in organisational change and labour market developments on the demand side of the labour market, similar to the European LFS, which charts trends on the supply side at the European level.

Transformations within organisations with respect to work organisation and related personnel policies and their effects on the economy and the labour market can be monitored through the establishment of such an economy-wide organisational panel survey. This provides a tool for policy-makers to shape and evaluate initiatives, but at the same time it could threaten the distinction between the scientific monitoring of organisations and policy-making. If organisational survey results become more trustworthy, policy-makers may be tempted to turn to researchers for advice on what decisions to take, forgetting that such decisions remain ultimately political and therefore the sole competence of politicians. A negative research result concerning a given policy initiative does not necessarily imply that it is politically not sound.

4.3 ■ Longitudinal analyses to bridge the gap between education and the labour market

SONAR is a longitudinal panel survey based on face-to-face interviews with young people (up to 23 years of age, of different birth cohorts) about their transition from education to labour market. It uses not only reconstructions of the transition as such, but also looks for factors that could explain this transition (such as educational career, socio-cultural background, household formation), and it tries to chart first job experiences. In his paper 'What, if anything, does the Sonar experience teach us' Van Trier discusses the organisational facets and costs of this panel survey and reflects on an alternative to it, such as a combination with administrative data for the purpose of organising the longitudinal follow-up of SONAR.

4.4 ■■ Is ICT beyond any measure?

In their contribution 'Measuring the labour market in the new economy', Ramioul and Bollen describe the working of a European project on statistical indicators and the use and impact of ICT, and they present some of its results. The project, which followed different research tracks, looked for opportunities to complete or to optimise existing research methods and statistical techniques for collecting data. It developed a module to chart e-work and telework, it screened and inventoried questions in business organisation surveys about the organisational impact of e-work and ICT, and it examined survey and administrative databases to see how labour market and job mobility in ICT are measured and described. It also examined whether the existing typology of economic sectors (NACE) and of occupations (ISCO) and coding practices suffice to chart the presence and use of ICT in business and production processes (NACE), in professions and in occupations (ISCO).

5 The stimulating but difficult interactions between policy and research

5.1 ■■ Flemish policy on employment equity and diversity: a young tree, strongly rooted

Flemish policy on equal labour market opportunities has developed well during the last couple of years. The pillars for this dynamic policy are the strong engagement of the different actors, the strong legal framework (the 2002 'Decree on proportional participation in the labour market'), clear goals fixing the degree of workability of different 'opportunity groups', and a mix of instruments at different levels (micro, meso, macro).

Research has played an important role in developing this policy, though in the course of this process it has also encountered its limitations. The research results helped to render actual discrimination visible and thus also provided a strong impulse for developing adequate policies. Attention was focused on raising awareness and on supporting business firms and public institutions. Such an approach at the micro-level was new and it took time to develop the appropriate instruments and support. At first, the importance of the meso-level was very much underrated.

Research also helped to re-orient this policy of employment equity, though it constituted itself as an element in a feedback loop. Originally, policy-oriented research paid much attention to the legal framework of this policy, but gradually the focus shifted to the social dimension: i.e. from equal rights to equal opportunities. Policy-supporting research in these areas, however, also encountered its limitations. Most of it was qualitative and based on a number of cases. It succeeded in identifying a number of important structures, processes and perceptions, though it also had its weaknesses. Generalisation was not always evident and its time-intensive character made it difficult for it to catch up with the quickly changing political context.

Van de Voorde and Van Wichelen indicate in their paper 'The Flemish policy on employment equity and diversity' a number of dilemmas:

- The tension between quantitative targets and a very intensive, qualitative approach on the different levels. The fact that the set targets were not always attained has fed the debate on the sense and nonsense of more binding policy measures. Up till now, these policies have been very much dependant upon the voluntary co-operation of the different actors. Increasing obligation, on the other hand, increases the risk of quality loss.
- A multi-level policy with strong engagement of all relevant actors puts strong demands in terms of co-ordination between different levels and players.
- The policy-makers' attention is split between specific target groups. Their agenda is not always inspired by objective needs, but often by the fashion of the day, week or month. This has some impact on policy-oriented research, since this research has to follow the policy agenda. This leads to tensions between the categorical and inclusive policy perspective and the research approach.
- Finally, there is a tension between the need for objective parameters to plan and follow up policies and the risk of stigmatisation and breach of privacy which accompanies such monitoring.

6 *Some final thoughts*

We can only agree with the conclusions of Leroy that a coherent policy-making framework will be required to deal with the future challenges and trends that will confront the Flemish labour market. This framework includes a 'starting concept' (the transitional labour market), a 'director of operations' (the Flemish government), and a proper institutional context (a regionally differentiated labour market policy). In football terms: a strategy, a captain and a playing field. Some

elements of this policy are still to be completed, such as, who is the coach, for which public are we playing, and isn't there an opponent?

The most urgent threat to any policy-making framework, however, is that it can easily be uprooted by political storms, by the disappearance of the social gulf stream or by the acceleration of globalisation, if it is not established on a firm empirical and theoretical foundation. The role of research in this context should be clear. Some of our main concerns were well expressed by Jan Bundervoet in his introductory speech at the conference, which is also included in this volume. Implicitly and explicitly, he mentions a number of success factors in a productive relation between research and policy-making. Some of them have already been realised, while others will require our special attention in the years to come.

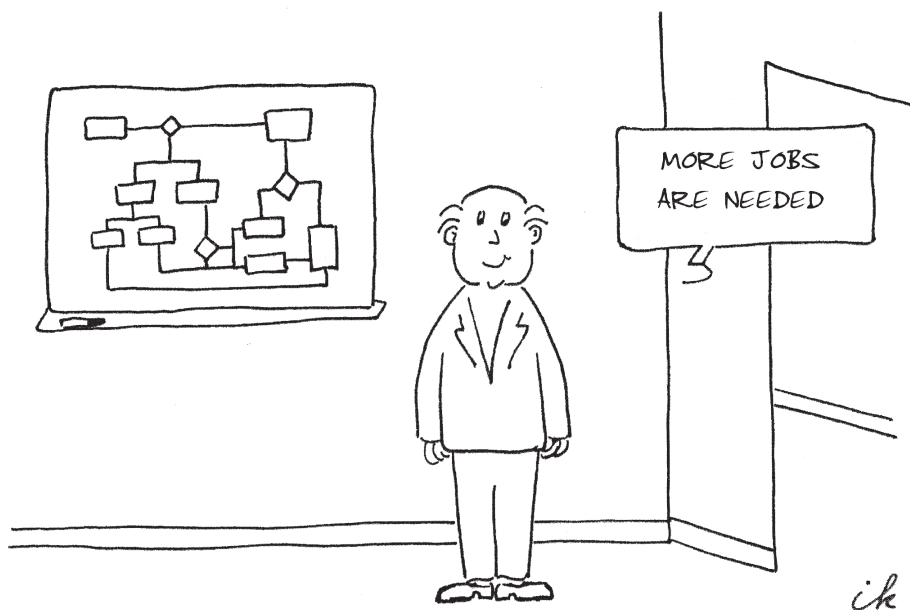
The fact that the funding for labour market research has been concentrated has led to a better coordination of research efforts, which in turn has fostered the identification and filling in of the blank spots on the map of our knowledge and a shift from collecting knowledge to its accumulation (a crucial criterion for measuring scientific progress in all sciences). It is beyond any doubt that the gap between research and policy-making has been narrowed – both at the personal and the institutional levels. The organised and frequent interaction between social partners, administration, policy-makers and researchers has at the very least resulted in a better understanding of each other's needs, concerns and problems. Indeed, in the course of the process that finally leads to the dissemination and application of research results, the different partners discuss the programme framework and its main themes, the specific topics to put in the annual call, and the selection of proposals on the basis of both scientific and policy-relevant criteria. Together, they follow up the project in different 'vision groups' and they participate in discussions during the presentation of the final results. At the institutional level, a network of research groups has been developed with experienced researchers.

These achievements constitute a first step, but the rest of the road still has to be travelled. Bundervoet refers to the need for better identifying the blanks on the map, for focusing the monitoring efforts and evaluation studies, and for further refining the statistical analyses. Especially the longitudinal dimension has been somewhat neglected – also because there is very little of this kind of data available. Given the context we discussed above – labour market related transitions and focusing policy on the overall life course – this kind of research is crucial. As for the demand side of the labour market, a good start has been made with the PASO (Panel Survey on Organisations), and we all hope that this innovative type of data collection will become a tradition.

What is the 'ultimate aim' of all these efforts? To contribute to a better functioning of the labour market is the obvious answer. But what do we mean by 'better functioning'? Is it only about more efficiency in economic terms and the better allocation of production factors? One aspect of 'more efficiency' is, of course, the optimal use of the 'human capital' that is available in Flanders, which brings us one step further – that all sorts of discrimination have to be combated. Indeed, did not Durkheim already consider all forms of inequality that do not contribute to the better functioning of society as (socially and morally) unacceptable? A labour market that works better, however, has other functions, as well. It can (may?) emancipate people, it can give them status, it can help to create social networks and it can foster social cohesion. This is perhaps the ultimate *raison d'être* of our efforts: that a better knowledge of the labour market is a necessary (though not sufficient) condition for controlling and directing it in a democratic manner.

The policy perspective

VIONA STUDY INTO SOLUTION FOR UNEMPLOYMENT
PRODUCES SURPRISING CONCLUSION



FLEMISH JOB MARKET POLICY: IN OR OUT THE TRANSIT ZONE?

Fons Leroy

1 Introduction

The institutional context of the Belgian federal state model has a strong impact on the contours of the Flemish job market. Within the configuration of this state model it was really only in 1989 that the Flemish government was given well-defined and centrifugal powers with respect to the job market, i.e. the domains of employment mediation, employment programmes for fully unemployed benefit recipients and vocational training. These powers would now fall under the rubric 'activating job market policy', a policy approach that has gained influence under the impulse of the European Employment Directives and the discussion in Belgian political circles on the Active Welfare State.

The most striking development of Flemish employment policy is outlined in this text. At the same time, the relevant institutional and structural bottlenecks are also addressed in detail. Then the foreseeable future of the job market in Flanders is considered from the perspective of pressing and persistent socio-economic challenges on the one hand and the politico-institutional environmental factors on the other.

2 The expansion of the job market

2.1 ■■ From 'copy-conform' to personal form

At the time of the transfer of powers from the then national government to the federal states national policy initially remained unchanged. The Flemish legislator did not take advantage of this institutional circumstance to redefine the tasks or modify the organisational model of the Flemish job market. The powers of the public mediation service, the *Vlaamse Dienst voor Arbeidsbemiddeling* (Flemish Service for Employment Mediation or VDAB), were therefore deci-

sive for the mediation and training powers of the former *Rijksdienst voor Arbeidsvoorziening* (National Service for Employment Mediation or RVA) and the existing employment programmes of the national government were either taken over en masse as the *Derde Arbeidscircuit* (Third Employment Circuit) and the system of subsidised contract employees, or given a makeover with a Flemish tint, such as the *Programma ter Bevordering van de Werkgelegenheid* (Programme for the Advancement of Employment or PBW) that replaced the *Interdepartementaal Begrotingsfonds* (Interdepartmental Budget Fund or IBF). For example, the acknowledgement regulation for temporary employment agencies and non-profit mediators was reintroduced in a scarcely amended form. This defensive policy gearing was probably largely due to the prevailing vision on powers with respect to the federal states. Both the national government and the Council of State and the Court of Arbitration interpreted the Flemish powers as explicitly designated powers. No margin was allowed with respect to the interpretation and development of powers and the theory of residual powers – everything that is not explicitly regulated continues to be a national power – strengthened the institutional straightjacket the federal states found themselves in.

Slowly but surely there was a realisation within the Flemish policy stratum that the division of powers was not coherent or homogenous, that there was great interference between the Flemish and the federal employment powers and that the policy development at Flemish level was held back by a federal framework that was understood in too linear a way. This realisation became clearly noticeable in the second half of the nineteen-nineties and started to crystallise around the turn of the century. A number of international reports and recommendations of the OESO and the European Commission at the time emphasised the regionally differentiated socio-economic context in Belgium and these bodies pointed up the necessity of conducting a differentiated policy with respect to the regions. The area of tension that this created institutionally led not only to a series of discussions about powers with the federal government and/or between the federal states, but also led to a number of creative, homogenising or expansive power-related reflexes.

These reflexes made it possible for the powers to be organised in such a way that they were brought more in line with the various regional insights and needs. We can distinguish three developments in this process, namely:

1. The drive to maximise the powers of the specific regions
2. The acquisition of new powers
3. The call for a regionally differentiated federal policy

The first development means that the Flemish government has maximum powers to decide its own power territory within the institutional limits. This is therefore an internal expansion of powers with the development of a policy with a personal countenance within the powers design-

nated. The internal policy dynamic with respect to the mediation power is looked at by way of illustration. First of all, within this framework, as the central institution on the Flemish job market the VDAB was given the opportunity to modernise the placement instruments. High-tech self-regulation systems were made available to jobseekers and employers through the 1994 *WerkInformatieSysteem* (Employment Information System or WIS), the 1996 *Kandidaten Informatie-en SelectieSysteem* (Candidate Information and Selection System or KISS) and *Mijn VDAB* (My VDAB) in 2002 as an automated application space for jobseekers and HRM space for employers, all of which also significantly raise transparency on the job market. This comprehensive automation of the job market makes VDAB one of the global leaders and is the principal for an integral job market data warehouse system. Complementary to this approach the local *werkwinkels* (job shops) were expanded as easily accessible one-stop job shops where basic services were offered to jobseekers, employees and employers in association with other service providers on the job market. At the same time as the strengthening of the public service a framework was created for the commercial players on this market. For example, the decree of 19 April 1995 tested the limits of the legally permissible framework of private employment mediation within IAO Convention no 96 as ratified by Belgium, which was based on the government monopoly with respect to employment mediation. The co-ordinating decree of 13 April 1999 regulated the various private job market sectors (outplacement, recruitment and selection, temporary workers, headhunting, etc) as a single entity; the partitions between these services were torn down, substantially extending the opportunities for commercial players. The professional federations in these intermediary sectors were also given responsibility for self-regulation based on industry-specific codes of conduct and internal, transparent complaints procedures. Lastly, the cooperation between the VDAB and the private job market players was encouraged both on a project basis and on a structural basis through the *Overlegforum tussen de Publieke en Private Arbeidsmarktintermediaren* (Consultation Forum Between the Public and Private Job Market Intermediaries or OVA). In brief, the Flemish government grasped its mediation power with both hands to raise the performance of its public mediation service on the one hand and to recognise the role of the private players on the job market on the other.

The second development relates to the acquisition of new powers. Such an extension of powers was never spontaneous, but always the consequence of a broad state reform process that related to several powers or a conflict of powers with the related institutional pacification instruments. (Consultation commission between the governments of Belgium, Court of Arbitration, Interministerial Conference, Institutional Partnership Agreements, etc). The example of the employment programmes is characteristic here. This regional power was strictly federally conditioned with respect to target group delineation, financing and industry use. The Flemish government demanded more autonomy in the matter. A consensus was eventually achieved be-

tween the governments in the Lambermont Agreement after years of discussion. This agreement dismantled the stringent federal framework of conditions and the federal states were given not only their own exclusive power with respect to employment programmes, but even the legal possibility to convert these programmes into regular jobs. The Flemish Region was the only federal state to make effective use of this by regularising ten thousand jobs, primarily in welfare, culture and education. Building on an experimental policy framework within the power with respect to employment programmes, the Flemish government was able to build up power in the domains of social economy, service cheques, and neighbourhood and district services by means of institutional partnership agreements with the federal government. In this way a creative use of this power led to an expansion of power negotiated in consultations. Nevertheless, such an outcome is not always assured in advance. The dispute about powers between the regions in relation to the Flemish system of stimulation premiums shows that a reverse acquisition of power can be achieved. With this system the Flemish government created the possibility for the employed to interrupt their career for care, training or retirement motives. The employees in question were given a stimulation premium to compensate the difference due to loss of earnings. The government took this measure to raise the entry possibilities of jobseekers on the one hand and to help the employed to develop their skills, to combine care and employment and gradual retirement on the other hand. Supported by the federal government, the other regions argued that the income compensation here belonged to the domain of the federal government. Ultimately, the stimulation premiums for *landingsbanen* (end-of-career jobs) were federalised and only the care and training premiums at Flemish level were maintained under the effect of their integral relationship with the devolution to the communities of powers with respect to care and training.

The road to a regionally differentiated federal policy is the third policy track. In elaborating its measures the federal government typically presupposes a homogenous Belgian situation, which implies the same approach for the whole country. The Flemish government has repeatedly argued for regional elbowroom in the federal package of measures. In some domains this has been met rather with reluctance. For example, the Special Act of 13 July 2001 on refinancing the communities and expanding the fiscal powers of the regions provides the possibility for regions that wish to do so to convert their employment programmes into regular employment. The Flemish Region used this elbowroom, in contrast to the other regions. The same opinion can be found in the decisions of the National Employment Conference of October 2003, where the federal states were given the option to personalise their service cheques and service employment. Another illustration is the Framework Agreement of 6 April 2000 between the federal and the Flemish government and the VVSG regarding local employment policy and the local job shop, which has no equivalent in the other regions. Yet it must be stated that the linear approach in the federal

employment policy is dominant, as a result of which the call for a regionally differentiated policy keeps being made.

The existence of the three policy tracks outlined shows that the Flemish government has permanent ambitions with respect to shaping its own employment policy and that the road to more powers is not a dead end. However, identity forming at Flemish level has had a significant side effect. In the first few years institutional energy was almost exclusively focused on safeguarding its own policy space with respect to the federal state and not on an intra-regional design. Only since the realisation of the abovementioned framework agreement on the initiative of the Flemish government have the local governments been involved in the expansion of an employment policy for the Flemish Region. Recent measures and agreements with respect to the local job shops, the control function of the local administrations in service employment, and the set-up of (sub-) regional economic and social consultation committees show that the Flemish centralising model is corrected by a decentralising tendency in which local governments are increasingly considered to be fully-fledged partners in employment policy.

2.2 ■ ■ *From positional to transitional employment policy*

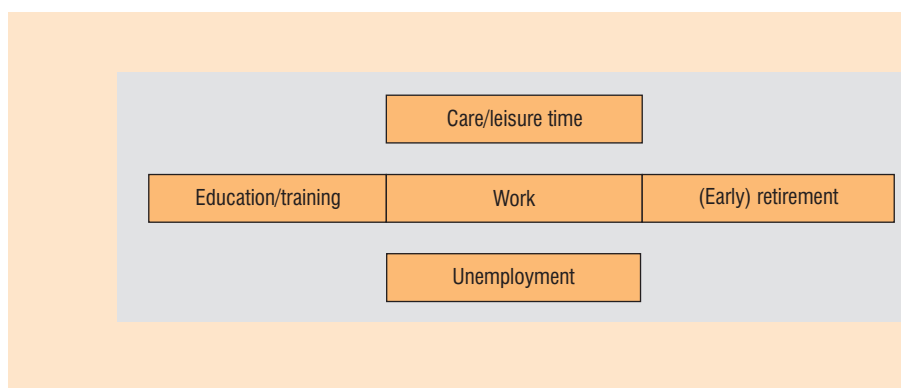
From the very beginning the Flemish job market has had a strong focus on advancement policy. The issue of mobilising (long-term) jobseekers, i.e. the position of the jobseekers, was a central tenet of the approach. All attention went to facilitating the transition from jobseeker to employee, in the framework of Günter Schmid's transitional vision of the job market (diagram 1). The 1989 *Weer Werk* (Back to Work) campaign, a remobilisation campaign to combat long-term unemployment, and the 1990 *5 voor 12* (5 to 12) campaign, a preventive assistance campaign that was subsequently mirrored by the federal *Begeleidingsplan* (Guidance Plan), form the key campaigns of job market policy in that period. In connection with the institutional developments a policy was also launched in which the other transitions were also more or less shaped.

Increasing importance was attached to the 'education & training to employment' transition phase. Down the years the public training providers VDAB and VIZO have developed their own policy on vocational training and the development of a self-employed echelon; the training capacity of these institutions was increased systematically; the instrument of the individual vocational training was refined in a target-group-oriented way. In 2000 the *Een Leven Lang Leren in Goede Banen* (Good Jobs a Life Long) project stimulated the Flemish government to launch new initiatives that implant training and education in an integrated career approach, such as training cheques for employers and employees, the learning credit account, the decree on titles of profes-

sional competence based on the valorisation of skills acquired elsewhere, training credit and the *hefboomfondsen* (barrier funds). A few timid steps were taken in the domain of the initial transition from education to job market too, among other things through the optimisation of the guidance of part-time school-age children. Finally, the cooperation with the training funds was structured and strengthened, in particular through industry agreements and the appointment of industry advisers (2001-2002).

Diagram 1

Transitional job market – activity domains



The ‘care and leisure time to employment’ transition block was interpreted for the first time by the stimulation premiums (1995), the purpose of which was to provide employees who wanted to take a sabbatical for care or personal reasons with an income benefit. At the same time, resources were freed up in the mid-nineteen-nineties to expand childcare facilities. The use of Flemish employment budgets meant that a fully-fledged network of childcare outside school could be developed at local level. The *Vlaams Intersectoraal Akkoord voor de Sociale Profitsector 2002-2003* (Flemish Intersectoral Agreement for the Social Profit Sector 2000-2003) introduced a fairly new and creative framework that provides structural space for care, personal development and career credits that meets the career expectations of the employees involved. The system has not yet been extended beyond this model sector.

The ‘employment to employment’ transitional approach was a little more robust. The value of outplacement was recognised by the Flemish government as early as 1991. This package of services was not only integrated into the VDAB offering, a recognition regulating decree for outplacement agencies was also established. In 1994 the training support regulation was amended by a decision of the government to benefit employees of companies in difficulty or un-

dergoing restructuring, with a view to maximising the employment opportunities of these people in the company.

On the other hand, the 'employment to retirement' transition was neglected for a long time. Only at the end of the nineteen-nineties were measures taken to raise the degree of employment of senior citizens, despite the employment gap that had already been observed for a long time among this target group in European comparisons. The low employment level is especially due to the retirement systems at federal level, but this does not prevent the Flemish government from implementing a targeted support and stimulation policy in this scope. This was realised through the allocation of godparenthood premiums to older employees who became involved in the training of youngsters as part of the *startbanenplan* (first job plan) in 1999 on the one hand and the elaboration of the *landingsbanen* concept in 2002 as an alternative to the final, full retirement on the other. These measures are not enough to drive up the activity level of this group today however.

The development of more or less hard and fast tracks in the various transition systems did not mean that the priority attention with respect to the unemployment to employment transition disappeared however. In part due to the core of the Flemish powers, the jobseeker mobilisation theme remained the first matter of importance. Gradually, the instruments were enriched with the setting up of work experience places within the framework of the *Wep-plus* plan (1996) and the expansion of an integral personal guidance by the VDAB in association with various other partners, such as *Arbeidstraject-begeleidingsdiensten voor Personen met een Handicap* (Career Guidance Services for Persons with a Handicap or ATB), the OCMWs and the NGO sector. This approach was made concrete under the impulse of the European Employment Directives as the balanced guidance approach for jobseekers (2004). This approach guarantees that all new jobseekers are given personal guidance and that all long-term jobseekers are progressively incorporated into the programme depending on their age. Within this agreement framework additional resources have also been freed up to raise training and work experience capacity. At the same time, the private sector will be given a role in the guidance of long-term seekers through a tender to be called by the VDAB.

2.3 ■ ■ *From education to skills policy*

The domain of education and training – a domain in which exclusive power resides with the Flemish government – has been thoroughly revised recently.

First and foremost, the strict educational policy was re-oriented to a more demand-oriented policy, greater sectoral cooperation and a more workplace-oriented approach. The steering of the supply by the public education providers (VDAB, VIZO, adult education, etc) was supplemented by demand-oriented instruments (expansion support for immaterial investments, *Vlamivorm*, *herfboomkrediet*, etc). The demand-oriented steering was given an enormous impulse by the introduction of the training cheques for employers (2002) and employees (2003). The prospective *Opleidingsfonds* (Training Fund) is expected to strengthen this shift. On the other hand, the educational partnership with the sectoral partners was strengthened, first with the VDAB and later at the level of the Flemish government. For example, in 1989-1992 various operational cooperation protocols were realised with the sectors as a result of the commitment to education that was contained in the contemporary *Interprofessioneel Akkoord* (Interprofessional Agreement). The sectoral cooperation was further accelerated by the sector agreements that arose from the Flemish Employment Agreement 2001-2002 and the education theme was also broadened to include the domain of long-life learning and the harmonisation of education and job market. The workplace-oriented vision was also a huge success. The system of individual vocational training experienced the greatest quantitative expansion: the capacity was increased five-fold without any adverse impact on effectiveness. More and more in-house training was also noted, especially in the major recruitment dossiers.

The *Een Leven Lang Leven in Goede Banen* action plan (2002) opened up training policy into the domain of lifelong training. The main mobilisation-oriented finality was gradually switched to a development objective. In that framework training was seen as a building block for further skills development. Within this movement, first and foremost space was created to give employees the opportunity to train throughout their life. Such instruments as training credit, individual learning account and training cheques for employees illustrate this approach. Furthermore, the EVC Taskforce outlined a policy framework in relation to the recognition of acquired skills (2002). In doing so, the *Ruim baan voor competencies* (Clear field for skills) report formed the basis of the decree of 30 April 2004 on the acquisition of a title of professional competence. This decree recognises the citizen's right to have his or her skills recognised by means of a title of professional competence and installs a procedure with respect to recognition, assessment and acknowledgement of skills that are acquired through formal and non-formal learning. The professional profile effect of the SERV can be used here. In this way, the first steps on the road to a skills policy have been taken and a career-oriented approach has been facilitated.

2.4 ■■ From curative via preventive to preventive and curative

Combating long-term unemployment was the priority concern of the Flemish government in the early nineteen-nineties.

Inspired by the Dutch Helmond Project relating to personalised employment and the extensive experience of private non-profit organisation in the Flemish Region, the *Weer Werk* (Back to Work) campaign was set up across the whole Region in 1989-1991. This campaign was an innovation in several respects. It was the first systemised guidance campaign in the Flemish Region. The *Weer Werk* services were not integrated into the normal services of the VDAB but implanted separately. This option was empathically inspired by the necessity acknowledged at the time of safeguarding the specific guidance methods based on voluntary participation, personalised guidance and trust between jobseekers and advisers. The Flemish government also wanted to avoid burdening the campaign by creating confusion with respect to the sanctioning possibilities contained in unemployment insurance. After all, the VDAB was not yet operational as an autonomous body, but was still repeatedly confused with the old RVA monitoring label. Furthermore, the private non-profit organisations were recognised as structural partners alongside the VDAB in this campaign. In that sense the *Weer Werk* campaign was the forerunner of public private partnerships in job market policy. Lastly, *Weer Werk* provided additional advancement possibilities through the establishment of a specific work experience system, the mobilisation of the sectoral training funds, the re-orientation of individual vocational training and the utilisation of the financial stimuli for placed jobseekers in the framework of the *Ronde Tafel Fonds* (Round Table Fund).

The limitations of the purely curative approach was realised very quickly all the same. That led to the launch of the *5 voor 12* campaign as early as 1991, which provided for a mandatory appraisal of certain jobseekers after six months' employment. This campaign was set up to complement the *Weer Werk* campaign, without actually overlapping it. Under pressure from the federal *Begeleidingsplan* (1992), which recognised a massive preventive approach, attention was switched to the short-term unemployed. The consequence was that the *Weer Werk* campaign slowly died and the specific guidance method for the long-term unemployed was watered down within the general scope of functioning of the VDAB. This process was fuelled in subsequent years by the European Employment Directives, which emphatically emphasised the preventive guidance approach. As a result, policy was almost totally oriented to prevention.

Against the backdrop of the National Employment Conference, at the end of 2003 a new agreement framework was established that combined the preventive and curative approach in what

was called the 'balance approach'. This scenario involves the earliest possible incorporation of all new jobseekers in a mediation process, according to their schooling and real distance from the job market and in any event before the sixth month of unemployment. At the same time the long-term unemployed were called in for personal guidance in accordance with a progressive schedule spread over three years (2001-2004) depending on their age. In that way, from 2004 all jobseekers will have a real opportunity to benefit from guidance and the right to guidance as provided for in the decree of 30 April 2004 on the Jobseeker's Charter is given shape.

2.5 ■ ■ *From state monopoly to multiple players*

Traditionally the RVA and – after the state reform in 1989 – the VDAB were the main players in the architecture of institutional market policy. That was on the one hand the consequence of the state monopoly that Belgium had opted for within the framework of the execution of the IAC Agreements nos 88 and 96, but on the other hand it was the consequence of the strong dynamic that characterised the VDAB from its independence, which led it to grow into one of the best performing and most contemporary public mediation services in Europe and the world. Especially the leading position with respect to the ICT-driven service made the VDAB the key institution in Flemish job market policy. New players did enter the market however. The temporary employment sector had been active in a specifically regulated domain for some time. Various NGOs that grew out of the community development extended their terrain to the work due to the pressure of persistent long-term employment. Headhunting and outplacement agencies made their first steps, bolstered by their success in English-speaking countries, and recruitment and selection agencies came into being due to the outsourcing policy of major companies.

So it was not surprising that the Flemish government opted in principal for a two-track policy at the time of the revision of the IAO framework, i.e. the continued strengthening of the public services and the recognition of private job market intermediaries. With the decrees of 6 March 1991, 3 March 1993 and 19 April 1995 recognition regulations were introduced for the temporary employment sector, the recruitment and selection sector and outplacement agencies respectively. These separate recognition regulations were eventually integrated by the decree of 13 April 1999 into a single regulation, characterised by a more deregulated approach and self-regulation.

Partnerships between the public and private job market services were encouraged in response to recommendations of the European Commission, the OESO and the IAO. For example, on 19 April 1999 a partnership agreement was established under the impulse of the Flemish government between the VDAB and the professional federation of temporary employment agencies

covering job market information, the exchange of vacancies and guidance. The establishment of the *Overlegforum tussen de Publieke en Private Arbeidsmarkbemiddelaars* (2000) at SERV also created a formal consultation structure whose goals include taking shared initiatives in the interest of the whole of the Flemish Region.

In the same period the private players were also given access to the other job market facilities. The *Herplaatsingsfonds* (Replacement Fund) contracts outplacement activities out to the market players; *Trivisi*, a social forum on *Baanbrekend Ondernemen* (Trailblazing Enterprise), sets up processes with private players in the scope of innovative and sustainable enterprise; *Jobkanaal*, a private initiative oriented to placing chance groups (senior citizens, immigrants, the handicapped), is supported by the Flemish government, as is *Instant A*, a partnership between a private and a public temporary employment agency and an NGO that aims to mobilise young people with a risk profile on the job market through temporary employment. These examples show that government policy involves several players in the realisation of its objectives.

The most attractive example of this new multiple player approach is the local job shop that has been spreading through the Flemish Region since 2000. The job shop is a genuine network organisation in which all partners work together from one local spot as a one-stop shop, with the common goal of 'helping people find employment and helping employment find people'. The network comprises institutional partners at the three administrative levels involved (VDAB – RVA – PWA/OCMW) and private primary partners that are recognised as such (ATB, NGOs, etc). The job shop is also the home base for guidance. Within the framework of the abovementioned balanced approach, the Flemish government actually recently took the decision to contract out to market players the guidance of the long-term unemployed that was started in the job shops. This is a two-year experiment that is expected to show the net effectiveness of the involvement of private players in the guidance to employment of these target groups. It also ties together with the *Weer Werk* campaign, which gave private non-profit organisations a structural implementation task.

The increasing role of private players on the job market also fuelled the discussion with respect to the proper division of the roles of the VDAB. This public institution not only has a well-developed guidance and training offering, it also manages the budgets that are used for the implementation of job market policy. The involvement of the management and player role in the VDAB led in 2000 to a proposal to split this body into two individual entities. This proposal was based on a motion of the Flemish parliament of 29 March 2000 and a unanimous position of the SERV of 5 April 2000 that was approved by the Flemish government. This administrative reform failed however, due to a concurrence of factors. As a result, the indistinct role continued to exist.

Eventually this theme was addressed in the new coalition agreement (July 2004), which provides for partitioning within the VDAB. The contours of these partitions are expected to introduce managerial, budgetary and instrumental transparency in relation to the role that the VDAB has vis-à-vis the private actors.

2.6 ■ ■ From joint institution management to fully-fledged social consultation

National customs were adopted when the Flemish job market policy was established: a Flemish version of the bipartite consultation system of the National Employment Council was the Social Economic Council of the Flemish Region, the joint management of the RVA was transplanted into the VDAB and the sub-regional employment committees continued in their original joint form. A Flemish tripartite consultation body was established, the *Vlaams Economisch Sociaal Overleg Comité* (Flemish economic social consultation committee or VESOC), in which the Flemish government and the representative Flemish employers and employees organisations come together. This VESOC was a rather passive body until 1993. At that time a tripartite multi-year agreement was concluded within the framework of the first Flemish Employment Conference. This agreement established Flemish socio-economic policy for three years. It was the start of the 'tradition' of VESOC agreements; by means of these agreements, which now cover two years, the Flemish government and the Flemish social partners make decisions together covering the broad domain of employment policy. Various new measures were established under the impulse of these agreements, in various fields, including diversity management, training cheques, childcare and tax stimuli for companies. Since the VESOC agreement 2001-2002, this has also been rendered at sector level by means of the sector agreements. These are tripartite agreements at sector level that elaborate a number of Flemish commitments on lifelong learning, diversity, combining employment and family, education and the job market, vocational training and mobility within the framework of a specific sector. This modus operandi creates greater harmony between sectoral policy and Flemish policy. Tripartism was not limited to these VESOC agreements, but was subject to a consistent consultation approach in the employment domain, with respect to the Flemish Action Plans within the framework of the European Employment Directives, the various target group agreements and the Flemish *Startbanenplan* among other things. Furthermore, this format was extended to sub-regional socio-economic policy. The decree of 7 May 2004 established the sub-regional socio-economic consultation committees (RESOC) with the task of organising the consultation of socio-economic matters with a supralocal or local dimension.

Within this framework the institutional controversy should be mentioned with respect to the decree of 29 November 2002 on the general binding declaration of agreements between employees

and employer organisations regarding community and regional matters. This decree granted the Flemish government the powers to declare generally binding interprofessional or sectoral collective labour agreement accords on matters at federal state level. In the eyes of the Flemish government and the Flemish parliament this was the logical consequence of the state reform and its effect on the Flemish social consultation model. In its ruling of 15 September 2004 the Court of Arbitration nevertheless judged that the decree was null and void, because it could compromise the coherence of the body of conventional employment law organised at federal level and disrupt the balance targeted by the social consultation, as the special legislator did not provide a mechanism to avoid these dangers. Given that the decree had not yet been applied in practice the concrete and direct repercussions are limited. This controversy, which was based just as much on a divided opinion between the Flemish employers and employee organisations, has had no impact on the continued development of tripartite consultation.

3 *Future challenges and tendencies*

The Flemish job market is first and foremost confronted with the difficult but necessary challenge of putting more people into employment. The Supreme Court for Employment's 2004 report gives a clear picture of the existing weaknesses of our job market system. Compared with the rest of Europe the general level of employment is significantly below the EU average. The neglect of senior citizens, people with little education and immigrants is atypically large and worrying. At the same time too many young people are still leaving the education system without proper qualifications and the participation in permanent education and training continues to be too low among people with little education, senior citizens and employees at small and mid-sized businesses. Furthermore, it must be stated that the average duration of the employment life is significantly lower than the EU average and particularly the Scandinavian average. According to the demographic forecasts the working population will fall by 200,000 units by 2030. This fall will be most harshly felt in the Flemish Region, the more so because there is a smaller employment reservoir in this region. If the present level of employment among senior citizens is maintained in the long term there will be an employment deficit of 30,000 units by 2010 and no fewer than 300,000 units by 2030, which will be most harshly felt in the Flemish Region. The Supreme Court for Employment thus correctly states that the participation level of the working population must rise markedly. Given the peak period of 25-45 years old, this will necessitate longer career participation. This is not only a necessity from a job market perspective but also based on the wish to maintain the Active Welfare State with its broad offer of facilities.

These statements support the drawing up of the future job market policy and will in my opinion strengthen the following tendencies:

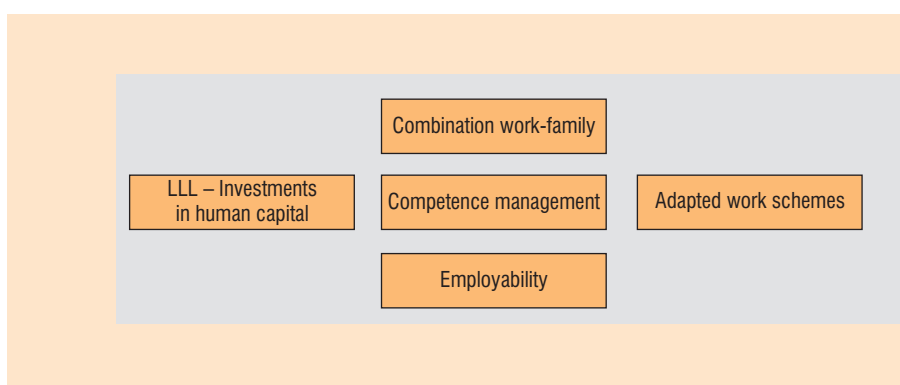
- The transitional job market as a guiding concept with a priority approach to the transitions leading to ‘employment’;
- The evolving directing role of the government, comprising the formulation of rules;
- The institutional possibility to conduct a regional differentiated job market policy.

3.1 ■ ■ *Transitional job market*

With the outlined challenges in mind, the first imperative is to translate the concept of the traditional job market into an activating transition approach (cf. Diagram 2).

Diagram 2

Transitional job market – policy lines



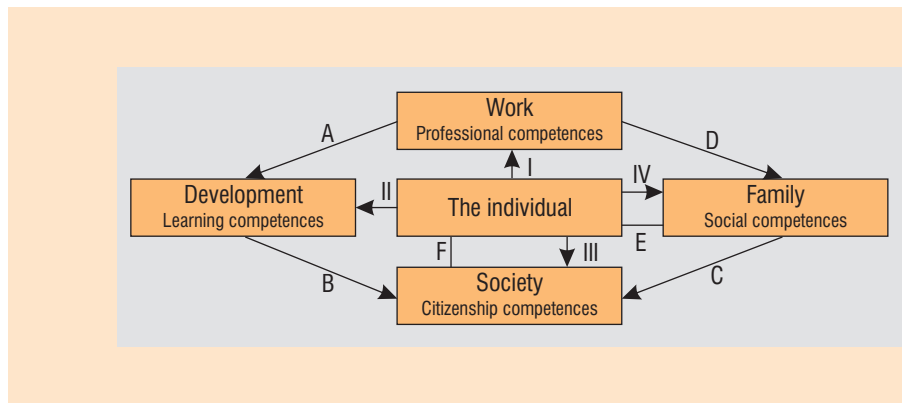
In the relationship between the various activity domains the transitions must be facilitated in a flexible and warm way so that more people are able to work better. In the transitions within the ‘employment domain’ this means for example that there is more attention to a pro-active reorientation through employment-to-employment paths, career guidance, in- and outplacement, job rotation, integral skills management and more. The ‘jobseeker to employment’ transition phase especially necessitates the continuation of the balanced approach, the removal of inactivity traps and the establishment of additional advancement possibilities, to strengthen the employability of jobseekers. The ‘education and training’ domain must be implanted better in an approach and culture of lifelong and life-wide learning, prioritising investments in human capital and working on the continuous development of people’s skills. In the spectrum of ‘care and leisure time’, the

emphasis will be on measures that allow the combination of employment and family (childcare facilities, care credits, etc) and facilitate entry and re-entry on the job market (refresher and employment preparation courses). But work will also have to be made of how people experience health. As regards the end-of-career transitions, the challenge will be to be more successful in keeping more people in employment for longer in an adapted way. This is possible only when the linear policy on early retirement makes way for a differentiated stimulation policy with attention for more training possibilities, adapted jobs, job design, flexible forms of employment, godparent formats, new combination scenarios, skill-pooling and an age-aware human resources policy. This also presupposes a differentiated end-of-career policy by the federal government that takes account of the duration of the career and the practicability of the occupation.

The people-oriented perspective must not be forgotten in the development of this transitional approach to the job market. In that sense a harmonious interpretation of the transitional career at individual level must be guaranteed. This implies that there must be a constant focus on the skills of people. The (reciprocal) strengthening of the learning, occupational, citizen's and social skills from the various perspectives of the societal activity spectrum round the individual is expected to lead to a life approach that benefits people, society and (job) market.

Diagram 3

Transitional career



3.2 Government as director

Within the frame of the transitional job market the role of the government will increasingly shift to one of director and agent. This function means that the government will establish the objectives, craft rules of direction framing the work of the players, ensure order and harmonisation, take responsibility for implementing solutions and monitor the transparency and proper functioning of the job market. The activity functions will be fulfilled by a wide range of public and private players, with a gradual development from a more competitive set-up to public-private partnerships and multiple player formats.

In my opinion, the development of rules imposed on implementing bodies that provide a framework for the implementation of public objectives is important. These are ‘principles of good employment’ that constitute the touchstone of policy execution. The principles formulated below cannot be viewed individually, but rather they are interconnected. Together they constitute a ‘set of values’ that is expected to benefit the policy approach for the transitional job market of the future. We can agree with Korver by saying that these rules contain the conditions for a ‘decent (working) society’. A decent society is characterised by a respectful handling of citizens by government, which must also guarantee such a handling in the implementation of policy, whoever is responsible for this implementation.

3.2.1 *Enlarging the capabilities of (job seeking) employees*

This regulation, which is based on the theory of the political economist Amartya Sen, entails the necessity to design employment in such a way that it contributes in a structural way to the increase in employees’ capabilities.

The core concept here is that employment participation is ‘an essential function’ in the active welfare state, the best guarantee of active involvement and active citizenship. Employment is the indispensable link between the individual, the society and the political community. So employment and employment participation must be oriented to maximal development of the skills of employees. That means that employment has a sustainable nature for citizens, incorporating growth, learning and skills development,

3.2.2 *Guaranteeing equal access to facilities*

The job market facilities, especially those that fall under the rubric ‘universal service’, must be accessible for everyone equally. This involves more than simply ‘equality of rights’ (formal prin-

ciple of equality) and 'equality of chances' (procedural principle of equality) oriented to offering a level playing field. These principles do not however guarantee real, active equality and thus necessitate the use and assessment of instruments from the perspective of the principle of 'equality of success' (source equality principle). The universal service, but also the service subsidised or recognised by the government must therefore offer people equal success to remove the initial handicaps.

3.2.3 *Constantly improving the position of the least privileged*

Building on legal philosopher Ronald Dworkin's theory of social justice, the aim of this rule stipulation is to constantly improve the situation of the least privileged. Principles with respect to participation and inclusion entail that the situation of this group is prioritised in the case of every measure. A measure's unequal effect is justifiable only if it favours the position of the least privileged in comparison with the other groups. When testing this stipulation on the basis of a concrete measure the social or societal obstacles that people are confronted with, but also their original or earned capital – made up of aptitude and talent, upbringing, family background, family situation, material initial position and socio-economic environment – must be taken into account. Not everyone has equal opportunities after all. Justice means that those people to whom chance has been less kind are favoured. You are not responsible for the way in which chance has divided opportunities at the outset after all. So the principle of justice means that people with an equal initial position are offered equal opportunities on the one hand and unequal distribution is compensated on the other.

3.2.4 *Promoting proportional participation*

Given the structural neglect of some groups, such as young immigrants, people with a handicap and senior citizens, a neglect that is in no way attributable to a purely educational problem, the principle of proportional participation must be used as a touchstone. This is basically the essential principle of the decree of 8 May 2002 on proportional participation on the job market. The object of this decree is to ensure that the employment system is a reflection of the active population. The promotion of proportional participation does not mean only that all direct and indirect discrimination mechanisms are eliminated, but also that the power of diversity penetrates all the way to the work floor.

3.2.5 *Guaranteeing the expansion of individual career opportunities*

‘Good employment’ in a transitional job market context is based on a model of ‘lifetime development’ rather than ‘lifetime employment’. Participation in the employment process has to offer the citizen not only certainty about a quality-assured career, but also provide the elbowroom to achieve maximal development in the other spheres of life.

So employment must allow the participating citizen to make autonomous choices with respect to individual development, associative inclusion, familial care and political participation. This demands a flexibly organised employment system with ‘custom-made rules’.

3.2.6 *Emphasise the political dimension of employment*

This rule entails the maximisation of the political margin for manoeuvre within the employment relationship. After all, employment is more than a contractual relationship between an employee and an employer. Employment is also an excellent politico-economic relationship that expresses a social relationship, which opens up collective and derivative rights (social security, collective labour agreement protection, government interventions by means of employment mediation and vocational training, and protection of wellbeing at work), and that generates a societal identity. So the employment agreement regulates not only individual mobilisation in the company but also entails recognition and acknowledgement of the employee as a member of a legally protected collective. Salaried employment has both an individual and a collective dimension. In other words, it concerns speech and action. Furthermore, in a relaxed active welfare state the contractual relationship is opened up into the non-employment sphere. In those cases it contains arrangements with respect to the employment-family combination, the right to career interruption, possibilities or rights with respect to training and individual development.

3.3 *Institutional shaping*

With respect to the politico-institutional architecture, the question is increasingly being raised as to whether the incrementalist approach of the state reform – rather characteristic of a centrifugal model – has reached its limits. The implementation of a transitional job market policy demands a coherent and consistent job market policy that straddles the boundaries of education, employment and care. This is somewhat contrary to the now rather fragmented, non-homogenous and insufficiently ‘fixed’ division of powers. It must also be noted that a linear approach for the various political and socio-economic entities within Belgium do not benefit the effectiveness of the policy, as also noted in international reports of the OESO and the EU. The Supreme Court of Em-

ployment's 2004 report also points out the specific challenges facing the Flemish Region as a consequence of the demographic and socio-economic developments. On the other hand, the all-present activation idea leads to an increasing entwining of the federal allowances policy, the regional mediation and guidance policy and the community education and training policy. In that way, successful regions and countries will also be characterised by investments at the same time – supported fiscally and parafiscally – in research and development and education and training.

These conclusions bring us to a profound reflection of the continued expansion of our politico-institutional system. In my opinion, two directions have to be weighed up rather than continuing along the unstructured path of the past. The first direction is that of a cooperative federal state model. Within this model there is consensus on the global objectives the 'state' has to fulfil and each government launches concentrated initiatives within its powers to achieve these objectives. The concertation extends especially to the realisation of legitimised objectives supported by the other government from the perspective of its power domain. This inextricably entails the provision of margins for a regionally differentiated policy from the perspective of federal powers. The cooperative federalism is therefore characterised by 'an aspiration to equality' from the perspective of a society that is designed with a common goal. It is based on the loyalty between the governments not to intervene when their own interests are not violated and on the finding of the difficult balance between federal loyalty and regional differentiation within one state system. The priority technique for realising this approach is the partnership agreements between the governments involved. The road to the confederal model is the other direction. Here the powers are centralised as a priority at federal state level and transparent and clear agreements are made with respect to the solidarity between the federal states. An example is the German system of *Finanzausgleich* based on an objective, stable and automatic financial regulation between the *Länder*. It would most probably be worthwhile examining the *Sozialausgleich* set-up from the perspective of this model.

In any event the job market challenges demand vigorous and powerful government action. This presupposes a necessary reflection on the continued expansion of our state system within the Belgian institutional context.

4 *Conclusion*

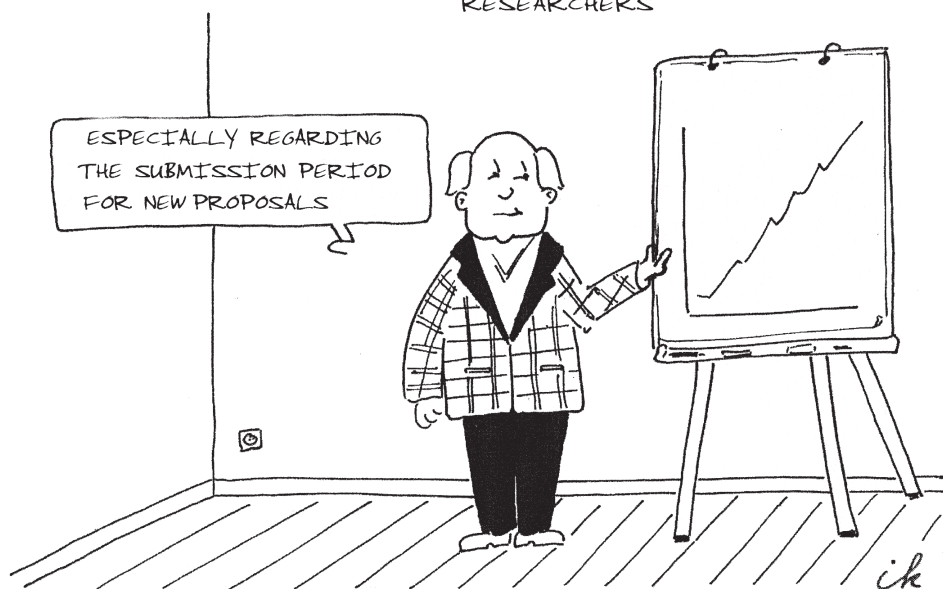
The Flemish job market is currently in a transit zone in terms of both policy and institutions. However, the pointed socio-economic challenges and the unfinished symphony of the state re-

form force us to choose a clear destination. The destination of the Active Welfare State will be achieved only by accelerating in the direction of our work. A policy oriented to promoting flexible and warm transitions on the job market is needed for this; it also requires well-thought-out adjustments to our institutional architecture. Otherwise we will remain in the transition zone and sorrowfully see every better destination fly past.

Research outcomes of the VIONA programme



10TH ANNIVERSARY OF VIONA = GREAT SUCCESS:
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EU ENLARGEMENT AND LABOUR MIGRATION: A VIEW ON FLANDERS AND BELGIUM

Filip Abraham, Valentijn Bilsen en Veerle Minne¹

1 *Introduction*

Labour migration is an important but sensitive issue in most European countries. Advocates of migration view the free movement of labour as a natural outcome of the globalisation process and the integration of European markets.² Migration is also seen as a possible answer to the ageing of the Western European population.³ Critics of migration point to the difficulties that migrants experience in integrating in many European countries, to the resistance of local populations against growing cultural diversity. They also fear for the job competition of foreign low-wage workers, in particular for low-skilled jobs. Finally, the burden on the social security system of unlimited migration is often mentioned as a major threat.⁴

The enlargement of the EU to New Member States (NMS) puts the migration debate to the forefront of the policy agenda again. Accession to the EU implies the lifting of the barriers to the free flow of labour after a transition period that is restricted in time. It remains to be seen whether the enlargement will trigger the massive labour movements that some fear or will instead produce the moderate and temporary labour adjustments that most economic models predict.⁵

What seems to be clear but is not emphasized in most discussions is that the reality will differ from country to country and even between regions within a specific country. This is partially

1 Our work benefited from fruitful discussions with Mr. Jos Barbé, Mrs. Rebecca Baetens, Mr. Ronny Mispion, Prof. D. Pieters, Prof. P. Schoukens, Mr. Bart Van Schel, as well as from comments of the Steering Committee of the VIONA-2003 project "The consequences of the EU-enlargement for the Flemish labour market" on the project's interim results. We are also very grateful for the comments of Mr. Chris Serroyen on an earlier version of the paper. We thank the Federation of Enterprises in Belgium (VBO-FEB) for their co-operation and support of the enterprise survey. Financial support from the VIONA Labour Market Research Programme of the Ministry of the Flemish Community is gratefully acknowledged.

2 See e.g. OECD (2001).

3 See Blanchard (2001) and OECD (2003) for an overview.

4 See e.g. Bauer and Zimmermann (1999), Coppel et al. (2001), Heitmueller (2002).

5 One of the main references with respect to the labour market effects of the EU-enlargement is Boeri and Brücker (2001 and 2000). Examples of country studies are: Jandl and Hofmann (2004), Government of Finland (2003), Keuschnigg and Kohler (1999), Keuschnigg et al. (1999), Martin et al. (2002), and Simonis and Lambrecht (2001).

the result of different supply and demand conditions in national and regional labour markets. Equally important is the diversity of legal systems, a factor that receives scant attention in most economic studies.

For this reason, case studies for particular countries and regions help to complement the more formal modelling and econometric research. This paper takes a brief look at the Belgian case, with a specific emphasis on the Flemish region, which accounts for approximately two-thirds of Belgian economic activity. The Flemish case is interesting because it highlights the interaction between the regional and the federal authorities within the context of the European Union, and draws attention to the related challenges and opportunities.

This paper is structured as follows. After this introduction we discuss the legal framework in Belgium and Flanders for migrants that originate from the NMS and Candidate Countries. Subsequently, we take an economic perspective by focusing on demand and supply factors that underlie the decision to migrate. This is followed by some recent numbers on the flow of workers from the NMS into Belgium and Flanders. Subsequently we briefly present the results of a survey of Belgian and Flemish enterprises concerning the current and future employment of Eastern European workers. The last section concludes.

2 *Legal framework*

2.1 *The transition period*

As of the 1st of May 2004, the main European legal framework that regulates the free movement of labourers of the NMS is the Accession Treaty. This Accession Treaty specifies for each of the NMS, except Cyprus and Malta, that the governments of the incumbent EU-15 member states can install a transition period of 2-3-2 years during which restrictions on the free movement of labour can be invoked. For the Candidate Countries – Bulgaria, Romania, Croatia and Turkey – the bilateral treaties between these countries and the individual EU-15 countries prevail. In the event that no bilateral treaties have been made, the same labour immigration rules are applied as to the rest of the world, meaning non-EU and non-EFTA countries.⁶

Virtually all but three EU-15 countries imposed restrictions during the first two years of the transition period. Belgium opted to impose labour mobility restrictions as well. In May 2006, Bel-

6 EFTA: European Free Trade Association

gium and its regional governments need to decide whether to prolong the current restrictions or not. The Accession Treaty specifies that the restrictions can be extended for another 3 years and subsequently by 2 years in the event a substantial disruption of the local labour market is observed. If the restrictions are not prolonged, the Community legislation concerning the free movement of labour will automatically apply. This means that subjects from the NMS will be able to travel to Flanders, Belgium and the other EU-15 countries for reasons of finding a job, provided that within a specific period, means of subsistence and social security have been obtained.⁷ These regulations currently apply to citizens of the EU-15, (for example, Italian, Greek or Dutch citizens coming to Belgium), and also to citizens of the EFTA countries.

In Belgium's federal government structure the labour and social security laws are determined at the federal level.⁸ However, the execution with respect to issuing labour permits has been devolved to the regional authorities. Subsequently, the (Belgian) employer and potential NMS employee have to address their case to the regional authority where the employer is located. A labour permit that has been issued in one region is also valid for the two other regions: Brussels and Wallonia.

The Federal Council of Ministers of 12 March 2004 prolonged the existing limitations on labour migration from the NMS for 2 years. Consequently any potential employee from the new member states can only legally come to Flanders and Belgium after having obtained a labour permit and a document that entitles him/her to obtain a temporary residence permit for the duration of the labour card.

2.2 ■ ■ *The transition period in neighbouring countries*

While the previous section is mainly concentrated on Belgium and Flanders, it is interesting to present briefly the policy reactions in neighbouring countries. The most important country in this respect is undoubtedly Germany. It is the biggest economy in the EU-25, generating more than 20% of the New Europe's GDP. Furthermore, it neighbours the Eastern European new member states. More than 60% of the migrants in the EU-15 coming from the Eastern European NMS and candidate countries reside in Germany (see Brücker et al. 2003). During the transition period Germany requires labour permits for workers from the East European NMS. The procedure is similar to that in Belgium and Flanders. In general a worker permit will be issued when

7 The specified period in which the foreign job seeker has to produce proofs of subsistence and social security are currently 5 months in Belgium. During that period a limited permission of stay is issued. Provided that the necessary proofs have been produced, a permanent residence permit will be issued.

8 Article 6, " IX, 3rd of the Special Law (Bijzondere Wet) of the 8th of August 1980 concerning state reform.

an examination of the labour market shows that no job seekers are available, except for certain cases. The only difference with Belgium and Flanders is that as of the 1st of May 2004 Germany also poses restrictions on labour migration within the framework of services for construction, interior decorating and industrial cleaning.

France and the Netherlands imposed restrictions on labour movement from the NMS that are very similar to those of Belgium. The Netherlands installed a shorter and simplified procedure for certain critical professions that were in short supply in the local labour market. These are, for example, international lorry drivers, sailors, nurses, medical personnel specialised in radiotherapy and radio diagnostics, and butchers.

Ireland, Sweden and the United Kingdom do not impose restrictions on labour immigration from the NMS. All the other EU-15 countries do. The U.K. only requires registration of the NMS workers in the Worker Registration Scheme within 1 month of starting the job, without further restrictions, for example, at the sector, profession, and educational levels. After having worked for one for one full year on a legal basis, registration is no longer needed and the employee is entitled to request a permanent residence permit. The Home Office indicates that after one year the employee has 'full free movement rights'.

In the case of Ireland, candidate employees are allowed to enter the country with the sole purpose of finding a job. Note that in Belgium and other countries with a restrictive labour transition period, this is not allowed. In this respect Ireland grants the same rights to the NMS job seekers as to those of the EU-15 countries. Basically the only restriction is that the immigrant is not entitled to any social security benefits or any other government support during the period of job search. This implies that potential labour immigrants need to finance their stay in Ireland themselves. Given the high cost of living, especially in Dublin, this is an important barrier.

The Swedish parliament decided not to impose any restrictions for job seekers coming from the NMS. The same conditions apply as for subjects of the EU-15. The difference compared to Ireland, however, is that job seekers from the NMS are entitled to support from official labour offices and that they can be registered as job seekers.

2.3 ■ ■ Type B labour permit and labour immigration from the New Member States and Candidate Countries

Having documented the international context, we will briefly present the Belgian and Flemish system of labour cards. In practice there are three types of labour permits, only one of which is relevant within the context of the EU enlargement and labour migration, namely type B. Type B labour permits are granted to the employee on the base of an employment authorisation to be obtained by the employer at the regional authorities where his/her firm is located. The permit is only valid for one particular job and has a maximum duration of 12 months. Every new labour contract requires a new permit.

With respect to issuing a type B labour permit, a distinction has been made according to the degree of education, profession and income position. The first group can be roughly described as persons with a high education and/or high income. The second group consists of all other categories. The term higher education implies that the candidate employee has a university degree or equivalent and a yearly income of at least 31,073 Euro (January 2003 numbers). Guest professors and researchers are also part of the first group.⁹ Another category of labour immigrants that are included in the first group are people in leading positions. These are typically CEOs, business leaders, directors and managers. Here the income threshold is 51,842 Euro.¹⁰ For researchers and guest professors, the income threshold is the equivalent for similar positions in the host region. Professional sportsmen and sportswomen are also included in the first group.

For candidate employees from the NMS who can be classified in the first group it is fairly easy to obtain a type B labour permit. The Flemish labour administration aims to deliver this permit, which is free of charge, within two weeks. According to an international comparative study by Laga and Philippe, 2003, the duration for this category of labour immigrants is about one month, and is among the fastest and cheapest in the EU. Total costs for the employer have been estimated to be around 750 to 1000 Euros. The authors identify the factors that determine the timing of the delivery and processing as: 1) the preparation of the dossier, and 2) the efficiency of the processing by the Flemish labour administration.

Since obtaining a type B labour permit does not present any significant hurdles for the high education and high income group, it can therefore be expected that lifting the restrictions on labour migration after May 2006 will bring only minor changes for this group of labour immigrants. For

⁹ Post-doctoral researchers who come for a period that is shorter than three years are exempt from the type B labour permit requirement. The goal of this exemption was to stimulate the cross-country mobility of young researchers.

¹⁰ See Administratie Werkgelegenheid (2004) p. 23.

the other category, however, the picture is totally different, and the effects might be very different as well.

Since the 1st of May 2004, a type B labour permit will only be issued to potential labour immigrants from the Eastern European NMS when it can be shown that no suitable candidate can be found on the Flemish labour market. This practically implies that the employer who wants to hire an Eastern European employee from the NMS first has to post a vacancy notice at the Flemish Employment Service (VDAB). Subsequently the VDAB investigates whether or not a suitable candidate can be found. This investigation may last up to two months. Only when no suitable candidate has been found can a type B labour permit be granted. The employer has the possibility to dispute the administrative decision and lodge an appeal with a higher court. Compared to the procedure that is used with the high education/high income group, the duration of this procedure is considerably longer and more expensive. The timing and costs for the employer are basically determined by: 1) whether or not a vacancy has been posted, 2) the careful preparation of the dossier and 3) the response time in higher appeal.

For the Candidate Countries, such as Bulgaria and Romania, the situation is even more difficult and is basically the same as the situation of the NMS before the EU enlargement. In principle, a request for employing a citizen of these countries that cannot be classified under the first group (high education/high income) will be rejected. Only in appeal will a labour market investigation be done. And when no suitable candidate is found – either in Flanders or in the EU-25 or EFTA countries, or in countries that have a bilateral agreement with Belgium – then a labour permit may be granted.¹¹ Therefore it is virtually impossible to have labour immigration from these countries other than that of the high education/ high income group.

In order to complete the legal picture it is necessary to add that not every foreigner who wants to work in Flanders needs a labour permit. Obviously the subjects of the EU-15 and of the EFTA do not need a labour permit, nor their spouses and children. In addition, people from Eastern European NMS and Candidate Countries who are married to a Belgian, diplomatic personnel and personnel from international institutions, political refugees, students, journalists and sportsmen who stay for a short period, and sales representatives and drivers of foreign firms do not need a labour permit.

11 Belgium has a bilateral agreement concerning labour migration with Algeria, Marokko, Tunisia, Turkey and Yugoslavia. Yugoslavia disintegrated into the following countries: Slovenia which is a new member of the EU-25, Croatia which is currently a candidate country, Bosnia and Herzegovina, the former Yugoslav Republic of Macedonia, and Serbia and Montenegro.

Looking at this set of legal restrictions, we see that Belgium and Flanders take a rather defensive stance against workers from the NMS. Only the well educated or higher income migrants receive a warmer welcome.

2.4 ■ ■ *Labour migration and the free market for services*

While the EU Accession Treaty is especially focussed on employees, economically and institutionally speaking it does not cover the complete range of labour supply. Given the free internal market for services, the activities of self-employed workers from abroad and services of foreign companies do have an effect on the local job market that is not always easy to express in terms of statistics. Neither is this matter captured in simulations of the expected labour migration due to the EU enlargement. With respect to self-employed workers, the EU Accession Treaty is not explicit and it implicitly assumes that there are similarities with employees. This is not always the case, however, which implies that one has to refer to actual cases to resolve the problem.¹²

Flemish jobs cannot only be filled by foreign employees, but also by foreign self-employed who have been registered in Belgium within the framework of the free market of services. Since 1994 a number of association agreements have been made with Eastern European countries which entitle their citizens to register in Belgium as self-employed or to start up a company. This implies that it is legally possible to provide labour services by subjects, for example, from Bulgaria and Romania who are registered as self-employed in Belgium.

Within the framework of the free market of services, self-employed and foreign companies that are registered in another EU country are also entitled to deliver services on the Flemish market. Not only the self-employed, but also his employees are entitled to provide labour services in another EU country. In this respect two decisions of the European Court of Justice (ECJ) are important: the one in the case *Rush Portuguesa* (27 March 1990) and the other in the case of *Vander Elst* (9 August 1994). The Rome Convention of 19 June 1980 states that posted workers should have the protection of the laws of the host country. In *Rush Portuguesa* the ECJ stated that "Community law does not preclude Member States from extending their legislation, or collective labour agreements entered into by both sides of industry, to any person who is employed, even temporarily, within their territory..." (ECR I-1417). Foreign companies can bring in their own workforce to render the service, provided they apply the same labour standards. What is meant by 'their own workforce'? These are employees on a regular payroll. The decision in *Vander Elst* made it clear that 'persons on a regular payroll' may also include employees from outside the

¹² See e.g. Schoukens, P. (2000).

EU, provided that they have been employed legally in the company. This means that, legally speaking, it is possible for a Polish firm to provide a service on the Flemish market, bringing in its own labour force, both Polish and, for example, Ukrainian employees that have been legally employed in the company, provided that Belgian labour standards are applied. Because of the nature of their particular activities, this matter has been important in a number of sectors, such as construction, transport, telecommunications, repairs, entertainment, maintenance and servicing.¹³

It is essential to see that labour standards cover minimum pay and overtime rates, as well as health, safety and hygiene at work, but not social security related issues. A self-employed person who has been registered in another EU country with a more favourable, say cheaper, social security system therefore enjoys a cost advantage compared to his/her locally registered colleagues, at least under *ceteris paribus* conditions. The same applies for companies. Another cost advantage might be generated if only minimum wages are paid to the foreign employees where otherwise higher wages would have been paid to Belgian or Flemish employees.

2.5 ■■ *The Bolkestein Directive*

On the 13th of January 2004 the European Commission proposed a directive on services aimed at creating 'a real Internal Market in services'. This proposed directive became known as the Bolkestein Directive, named after the Internal Market Commissioner Frits Bolkestein. The Directive aims to establish a general framework that promotes cross-border service activities, especially for SME's, and as such will contribute to developing business opportunities and ultimately to job creation. It is also aimed at reducing the administrative burden.¹⁴ The Directive covers services provided to consumers and businesses, except services that are directly provided by public authorities for free, such as education, cultural and social services, legal obligations, and services for which a specific EU law already exists, such as financial services, telecommunications and transport (see EC, 2004a, p. 2). The Directive covers, for example, retailing, construction, travel agencies and tour operators, advertising, employment agencies and audiovisual services, as well as services limited to people with specific professional qualifications that have been regulated, such as legal and fiscal advice, and the services of doctors and dentists. The proposal is expected to take full effect by 2010 (see EC, 2004c, p. 4).

¹³ Particular exemptions for certain sectors may exist, for example workers employed in transport undertakings and workers in the press, broadcasting and entertainment services.

¹⁴ SME: Small and medium sized enterprise. Eurostat defines an SME as a company with less than 250 employees, yet more than 10, and an annual turnover of between 2 and 50 million Euros or a balance sheet total of between 2 and 43 million Euros.

The proposal has generated an intense debate in policy circles and lobby groups across the EU-25. The acceptance of the proposal would extend and promote the 'de facto' free labour migration to sectors where hitherto international labour migration within the framework of the provision of services was rather limited. The Commission estimated that the services covered by the proposal account for approximately 50% of all economic activity in the EU.¹⁵ Hence, its impact could be substantial. While there might be clearly perceived and expected advantages in terms of the functioning of the internal market of the EU, the labour market implications are less straightforward to envisage.

The proposed directive is basically a general legal framework. The impact for the labour market, however, might differ across sectors and cases, depending on specific legislation in the areas of labour market and social security, as well as on the interpretation of the Bolkestein proposal. In an effort to clarify the proposal, the European Commission recently issued a memorandum stating among other things that the proposal leaves unchanged the rule that a foreign service company from the EU needs to apply the labour conditions of the country where the service is delivered for its posted workers, EC (2004 b). In other words, EU Directive 96/71/EC on posted workers would still apply. Under the Bolkestein proposal, member states would still be entitled to control working conditions, either on the spot (e.g. construction) or by requesting information from the company which has posted workers. With respect to social security, the memorandum specifies that 'A member state is only responsible for the cost of medical care obtained by a patient in another member state to the extent that it would anyway meet the cost if the same treatment was delivered at home'.

Without going into further detail, however important these details might be, it is clear that the Bolkestein Directive will have potentially significant effects on the Flemish labour market that are broader than what the current labour restrictions with respect to the NMS might be able to control.¹⁶

This brief summary of legal issues shows that the free market of services is at odds with the policies instituted by member states to control the inflow of labour from the NMS. With some effort, companies are able to circumvent the restrictions on labour mobility of workers.

¹⁵ European Commission (2004a), p. 1.

¹⁶ For more details, we refer to European Commission (2004c).

3 *Current migration*

In this section we describe the motives for labour migration, both from the employer's point of view (the demand side) and from the perspective of the employee (the supply side). Next, we give some indications of the current level of labour migration from the new and candidate member states towards Flanders.

3.1 *The demand for foreign workers*

Some job vacancies are harder to fill than others. These jobs are called 'bottleneck jobs'. The Public Employment Service of Flanders (VDAB) periodically draws up a list of these hard-to-fill vacancies jobs on the basis of the lead time of the vacancies, the filling rate of the vacancies, and the opinions of the experts.

In 2003 218 bottleneck occupations were identified, which account for 33,015 jobs, or 43% of the filled vacancies. Not all of these 33,015 jobs, however, represented a hard-to-fill vacancy. And, conversely, sometimes it takes a lot of time to fill a vacancy, even though the job is not a bottleneck occupation.

The cause of the bottleneck may be a shortage of people with the necessary qualifications. But a quantitative shortage or unpleasant labour circumstances may also cause a bottleneck. The following table lists the major causes of bottlenecks for different types of jobs in Flanders.

This list of bottleneck occupations is interesting from the perspective of potential migrants. Apparently there is a need for workers with varying education levels. There is a demand for workers with very specific abilities such as specialised technicians, welders, electricians, wood workers and masons. In addition, the list contains jobs requiring a high level of education such as engineers, nurses, bookkeepers and IT specialists. Thirdly there is a clear demand for low skilled jobs such as chauffeurs, workmen, kitchen, catering and cleaning personnel.

This list of available jobs should not give the impression that Belgium and Flanders is the promised land for migrant workers looking for a new life. Overall unemployment stands at 8-9% in Flanders and 12-13% in Belgium. The Belgian unemployment rate is among the highest in the EU. Hence, the Belgian and Flemish labour market is looking for workers in selected occupations, but not for just any worker in any job.

Table 1
Cause of the bottleneck for different types of jobs in Flanders (2003)

	# jobs	Quantitative	Qualitative	Labour circumstances
Engineers	759	1	2	
Nurses	1,371	1		
Draftsmen	198	2	1	
Technicians	2,550	1	2	
Bookkeepers	580	2	1	
IT specialists	809		1	
Administrative clerks	1,103	2	1	
Representatives	1,604	3	2	1
Chauffeurs	2,587	1		2
Mechanics	1,037	2	1	
Plumbers	565	2	1	
Welders	678	2	1	
Electricians	765	2	1	
Wood workers	942	1	2	
Masons	1,400	1		
Road workers	487	1	2	
Bakers	305	1		2
Butchers	680	1		2
Warehouse workmen	2,035		1	
Kitchen personnel	1,115		2	1
Catering personnel	1,127		2	1
Cleaning personnel	1,502		2	1
Hairdressers	401		1	2

1 = main reason, 2 = second most important reason

Source: VDAB (Public Employment Service of Flanders)

3.2 *The supply side of labour migration*

In the literature on migration, wage differentials are seen as a powerful force pushing people to look for jobs elsewhere. In this paragraph, we provide some indicative data on labour costs and minimum wage differentials in the EU-15 countries, the NMS and the Candidate Countries.

As seen in Table 2, Belgian labour costs are 6 to 10 times as high as in the 10 NMS. Note that even among the EU-15 pronounced labour cost differentials are observed. Evidently, part of the variation in labour costs is offset by productivity differentials. Even so, research by Plasschaert et al.

(2004) suggests that, when diverging productivity levels are taken into account, substantial differences in unit labour cost¹⁷ remain. Within specific sectors or industries, the variation in unit labour cost is often smaller. It is to be expected that in the years to come, the salaries in the NMS will catch up due to gains in productivity. This catching-up is already taking place in several NMS.

Table 2
Labour costs (2000)

Country	Total labour costs (€/hour)	% of which is wages	Country	Total labour costs (€/hour)	% of which is wages
Luxemburg	24,23	84,2%	Estonia	3,03	73,0%
Netherlands	22,99	78,0%	Latvia	2,42	77,1%
Belgium	26,20	57,5%	Lithuania	2,71	72,1%
France	24,39	68,1%	Poland	4,48	76,2%
UK	23,85	81,5%	Hungary	3,83	67,1%
Ireland	17,34	85,0%	Czech Republic	3,90	72,0%
Greece	10,40	74,1%	Slovakia	3,06	72,4%
Spain	14,22	74,5%	Slovenia	8,98	81,4%
Portugal	8,13	79,8%	Malta		
Austria	23,60	72,1%	Cyprus	10,74	84,7%
Sweden	28,56	66,5%	Romania	1,51	66,9%
Finland	22,13	77,8%	Bulgaria	1,35	71,6%
Denmark	27,10	87,7%	Turkey		
Germany	26,54	75,4%			
Italy	18,99				
EU (15)	22,19	75,7%	NMS and CC	3,47	

Note: CC: Candidate Countries, NMS New Member States

Source: Eurostat (Statistics in Focus, 18/2003) and European Industrial Relations Observatory on-line

Table 3 provides information on minimum wages. In nine of the EU-15 member states there exists a national minimum wage, as well as in most of the NMS and the candidate member states. In Slovenia en Malta, the level of the minimum wage approximates the minimum wages in Portugal and Spain.

These findings have important implications for the issue of migration. For a potential migrant, the income differences between the NMS and the wealthier EU-15 member states are sufficiently high to consider labour mobility, even if in the destination country only the minimum wage is

¹⁷ Unit labour costs are defined as real labour costs divided by labour productivity. They are usually measured as the share of labour costs in total value added or total sales.

paid. However, some restraining factors (family, judicial framework) must also be taken into account.

Table 3

Minimum wages (January 2003)

Country	€/month	In PPP	Country	€/month	In PPP
Luxemburg	1.369	1.338	Estonia	138	264
Netherlands	1.249	1.225	Latvia	116	239
Belgium	1.163	1.162	Lithuania	125	252
France	1.154	1.150	Poland	201	351
UK	1.105	983	Hungary	212	384
Ireland	1.073	910	Czech Republic	199	389
Greece	605	725	Slovakia	118	265
Spain	526	617	Slovenia	451	668
Portugal	416	543	Malta	535	752
Austria	-	-	Cyprus	-	-
Sweden	-	-			
Finland	-	-	Romania	73	194
Denmark	-	-	Bulgaria	56	139
Germany	-	-	Turkey	189	378
Italy	-	-			

Source: Eurostat (Statistics in Focus, 10/2003)

The salary gap between East and West is a major determinant of labour migration, both for individual workers and for companies. With the differences in wage levels exceeding the unit labour cost differentials, the incentive for employees to migrate is higher than the impulse for companies to set up a new production unit in Central or Eastern Europe. On the other hand, mobility costs for companies are likely to be much lower than for individual workers. Economic growth in the NMS is expected to reduce this salary gap, which will slow down the delocalisation of companies and labour migration flows.

3.3 ■ ■ *Labour migration to Flanders*

This section of the paper provides some broad indication of the numbers of workers from the NMS and the Candidate Countries that recently came to Belgium and Flanders to work.

3.3.1 Salaried employees

We start with the workers who were granted a type B permit¹⁸ to work in Flanders. In 2003 5,402 labour permits were granted, 2,679 of which to people for whom it was the first application. These first applications most closely approximate the definition of labour migration. The other type of work permits (renewals of type B work permits, and the consent of A and C permits) refer to people who were already in Belgium.

Table 4

Number of work permits of type B allowed in Flanders in 2003

2003	B permits	B permits (excl. renewals)
Total	5,402	2,679
Number which went to citizens of the 10 new member states As a % of total	1,217 22.5%	849 31.7%
Number which went to citizens of the 3 candidate member states As a % of total	488 9.0%	219 8.2%

Source: Ministry of the Flemish Community, Migration Cell

In the year 2003, 849 type B permits (first request) were granted to people from the NMS, mainly to citizens of Poland, Slovenia, the Czech Republic and Slovakia. 219 citizens from the Candidate Countries (Romania, Bulgaria and Turkey) received their first B permit.

The employment of foreign employees is concentrated in a few sectors of activity, specifically agriculture, construction, the metal industry, catering, temporary work agencies and industrial cleaning. These are sectors where wages are relatively low and working conditions are often less favourable. There are also some differences between the different nationality groups. Women from the Candidate Countries (Romania, Bulgaria and Turkey) often work in agriculture and horticulture, while men from these countries usually are active in the construction sector.

3.3.2 Self-employed workers

An alternative to the work permit is to practice a trade or occupation as an independent or self-employed worker. Foreign self-employed workers must have a Belgian professional card, which is somewhat easier to get than a work permit. Nationals from the NMS are exempt from this condition.

18 The system of type B work permits has been explained in Section 2.3. of this paper.

In 2002, 31,020 individuals started their main activity as a self-employed worker in Belgium. Of these, 414 were nationals from the NMS, more than 350 of which were from Poland. Quite a number originated from Hungary, the Czech Republic and Slovakia, yet virtually no one came from the other NMS. It is interesting to note that the numbers of self-employed from the three Candidate Countries surpasses the numbers from the NMS. In 2002, 472 nationals from the Candidate Countries became a self-employed workers. Of these, 239 had the Turkish nationality, 127 the Romanian and 106 the Bulgarian.

4 *The Belgian employer's survey: a peek into the future*

While data on recent labour migrations from the NMS are helpful for providing insight into the magnitude and determinants of the flows, they still leave room for speculation on answering the question: 'What will happen when there are no more restrictions on the free movement of labour?' Especially, since it is a one-time event that is only partially comparable with the EU enlargement of Spain, Portugal and Greece, a substantial element of uncertainty remains. In other words, suppose that Belgium lifts the current labour restrictions for the NMS: will that lead to a surge of labour immigration from these countries?

Given the real income differences between the NMS and the EU-15 countries, there is an incentive for labour migration. Despite the effects of preferring one's own culture, family ties, and various relocating costs, let us assume on the safe side that there will always be an ample supply of labour from the NMS. Subsequently the key issue is: how will the Belgian and Flemish employers react after the liberalization of the free movement of labour from the NMS?

We did a short survey among Belgian companies that are a member of the Federation of Enterprises in Belgium (VBO-FEB), inquiring about the current situation and expectations for the future concerning hiring Eastern European employees from the NMS and Candidate Countries. The survey was done at a moment when EU enlargement was a hot topic in the media; March – June 2004. It covered both industry and service sectors. Agriculture was not included.

80 firms responded to our inquiry, 78% of which were SME's. Their median annual sales were about 25 million Euros. More than 70% of the responding enterprises came from the region of Flanders, about 20% were located in Wallonia and approximately 10% in the Brussels region. This is consistent with the regional distribution of the total population of enterprises in Belgium.

In terms of sectoral distribution, 79% of the responding firms were active in industries, 7.5% in construction and 12.5% in trade, transport and services.¹⁹

26% of the responding firms indicated that they employed people from the Eastern European NMS and Candidate Countries. For all firms but one, the share of employees from the NMS and Candidate Countries in the total labour force was smaller than or equal to 5%. Virtually half of these answered that the share was even lower than 1% of the labour force. This is consistent with the evidence on type B labour permits and suggests that the magnitudes involved are indeed rather limited.

The prevailing reason given by the employers for hiring employees from the NMS was: "I do not find the right people here." The respondents did not agree that reducing costs was an important decision factor. For other reasons, such as having or planning business activities in the NMS, and personal contacts, the answers were less conclusive. The majority of the respondents indicated that they hired employees from the NMS for professions and positions which can be classified as (specialised) production/technical profiles. About 24% of the firms indicated that they hired employees from the NMS for sales and marketing functions. 10% of the respondents answered that they hired NMS employees for R&D activities.

Inquiring about the major hurdles in the process of employing people from the Eastern European NMS and Candidate Countries, the prevailing answer was 'communication', followed by 'the selection of good employees'. Concerning legal issues, the evidence pointed in two directions. Half of the firms indicated that knowledge of legal issues was not a major hindrance. On the other hand, nearly 40% stated that this was indeed a major difficulty.²⁰

We also asked the following question: "Would you like to hire employees from the candidate countries [*nowadays: NMS and Candidate Countries*] in Belgium after accession and in the event of a complete liberalisation of labour migration?" 57% of the respondents answered affirmative on this question. Half of the firms that did not employ people from the NMS and Candidate Countries before the 1st of May 2004 were interested in doing so afterwards, under free labour migration conditions.

At first glance, this outcome suggests a doubling of the number of firms that will hire people from the NMS and Candidate Countries under conditions of free labour migration. Yet for a

¹⁹ The sectoral activity of one firm could not be traced.

²⁰ We did not find any systematic relationship between this result and sector, profession, annual turnover, or region, nor between this result and the fact whether the firm actually employed people from the NMS and Candidate Countries or not.

proper interpretation we need to qualify the answers carefully. First of all, the answers to this question reflect more of an intention than of a firm commitment. Secondly, as already mentioned, the survey indicated that employers faced challenging obstacles in the process of hiring NMS employees that have little to do with the legal procedures, such as communication and effective selection. This suggests that matching demand with the appropriate profile on the supply side will not be a straightforward exercise, even under conditions of free labour migration.

Interestingly enough, the results also showed that having hired Eastern European employees before the 2004 accession did not necessarily imply that this strategy would be continued after accession. Virtually one-quarter of the firms that employed workers from the NMS and Candidate Countries indicated that they would not hire employees from these countries after accession, under conditions of free labour migration. This suggests that distinctive company-specific (and time-specific) factors play an important role in the decision process, and that these factors are difficult to generalise at the macro-level.

5 *Conclusions*

In this paper we have focussed on the impact of the EU enlargement on migratory flows towards the Belgian and Flemish labour markets. We discussed a mix of legal and economic factors that determine the labour market response to EU enlargement.

The key issue for the Flemish labour market is whether migration from the NMS and the candidate countries can play a role in attenuating labour shortages in those occupations where labour shortages are observed. The list of bottlenecks includes both skilled and lower skilled jobs.

The appropriate demand conditions are in place that would promote labour flows from the new to the former member states. In Flanders, there is already a demand for this type of labour in a broad range of occupations. Furthermore, when surveyed, employers indicated an increased interest in hiring workers from the NMS under free labour mobility conditions in the future. With slowly improving growth prospects for the Flemish economy, labour shortages in a widening number of jobs are likely to emerge.

From a supply perspective, enough incentives are in place for potential migrants to move. Wage differentials between the richer and lower income countries in the enlarged EU remain substantial in spite of the fact that the wage gap is closing over time. Workers that meet the profile of the

bottleneck occupations can substantially increase their income by moving to Belgium and Flanders.

Nevertheless, the statistics on work permits and our survey of companies indicate that the number of legally employed workers from the new and candidate member states remain small. There are many possible reasons why this may be the case. In our paper, we focus on the current legal framework as one important determining factor for labour mobility.

For highly educated employees and for business leaders, the system is already quite flexible. Therefore we do not expect significant changes in terms of labour mobility, even though enhanced economic integration will gradually increase the number of managers, researchers and other skilled professionals working on a temporary basis in the Belgian and Flemish labour market.

Major changes may occur in the lower-skilled segment of the labour market. The paradox of the Flemish labour market is that despite the relatively high share of low-skilled unemployed, it remains fairly difficult to fill vacancies that are focussed on this labour segment. Various reasons might be produced to explain this, such as the high degree of specialisation and corresponding menu costs, and the relatively generous unemployment benefits and social security system compared to other EU countries. Nevertheless, the problem appears to be structural, and part of the solution might be found in the free movement of workers across borders.

The current system of work permits seriously discourages the intake of lower skilled workers from the Central and Eastern European countries. When the transition period for the free movement of workers expires in at most seven years, a growing number of lower skilled workers may be tempted to work shorter or longer spells in Belgium and Flanders.

One wonders whether we will have to wait until the end of the transition period. We have pointed out in this paper that the internal market for services represents another channel through which domestic jobs can be substituted for foreign jobs. Insofar as the jurisdictional and institutional form in which the labour service is delivered does not matter, the job can be done by a foreign EU self-employed person or a foreign EU business, rather than by someone with a Belgian labour contract and corresponding conditions. It is indeed the fear of many that domestic jobs with a Belgian labour contract and good social security provisions and equivalent obligations will be substituted for foreign workers who are registered domestically as self-employed or foreign companies that provide these services at lower costs. This mechanism would bring

workers and companies from the NMS into immediate and direct competition with domestic jobs and domestic companies.

Experience with previous EU enlargements shows that the growth and job prospects in the new member states will ultimately determine whether the potential for labour migration effectively materializes in a stream of workers. This was not the case in past enlargements because the NMS performed well and created new jobs at home. Econometric modelling by Brücker et al. (2003), among others, predicts rather modest labour movements from the new to the old member states. Of course, the proof of the pudding will be in the eating.

In our view the main challenge in the years to come will be to safeguard the hard-fought social and labour conditions of our region and country with the advantages of a unified EU labour and internal market. Restrictions on the movements of labour are temporary and are already being eroded by the creation of an integrated market of services. Hence it looks like a futile battle to keep workers out by imposing legal barriers. Instead, the debate should focus on creating the viable conditions for sustainable employment in the Flemish labour market.

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ECONOMIC GROWTH AND EMPLOYMENT: SIAMESE TWINS

Ann Gevers, Anneleen Peeters

■ *Introduction*

The key goal of this paper is to take a closer look at the relationship between business cycles and the performance of the labour market. Everyone agrees that these phenomena are related, but the question as to how they are related often remains unanswered. In this paper we will try to shed some light on several smaller questions. Before presenting our questions, however, it is important that the concepts used in this paper are clear. Business cycle (fluctuations) are defined as changes that occur in the real gross domestic product because of alternating periods of expansion and contraction in economic activity. The performance of the labour market on the other hand is, in the context of this paper, measured by employment and unemployment rate.

In the first place we will explain *why* it is so *important to know more about the relationship between economic cycles and the labour market*. The impact of business cycles on employment is high on the agenda of the policy makers.

Secondly, we will focus on the key variable in the relationship between business cycle fluctuations and labour market performance. This variable or transmission mechanism is in fact the sensitivity of the labour market to business fluctuations. Once we have defined this variable we will investigate *whether the Flemish labour market is more or less sensitive to business cycle fluctuations than other countries or regions*.

Since the sensitivity of the labour market to business cycle fluctuations is the core variable we use to explain the relationship between business cycles and labour market performance, we are interested in knowing *what influences this sensitivity*. By means of regression analyses it has been possible to detect the factors that increase and decrease the sensitivity of the labour market to business fluctuations. Active labour market policies are one of the explanatory variables. We will also deal with the point of the *desirability of a sensitive labour market*.

Whether or not a labour market that is sensitive to business cycles is desirable, attention must be given to vulnerable groups. Therefore we will explore *whether different labour market segments are equally sensitive to business cycle fluctuations*.

Given the results of our analyses regarding the sensitivity of the Flemish labour market to business cycles, we will formulate some reflections concerning *the role of active labour market policies*. As will be shown in paragraph 6, choices with regard to active labour market policies are often hard to make given the many trade-offs. The reflections made are meant to be eye-openers for further discussion and research, rather than clear-cut guidelines.

Apart from active labour market policies, employment protection legislation is also often thought to be a variable that interferes in the sensitivity of the labour market to business cycles. We will therefore add some empirical evidence on the *impact of employment protection legislation on labour market performance*.

1 *The importance of economic growth for employment*

Looking at the employment levels in Europe during the last decade, there is wide consensus that Europe has not exhausted its growth and employment potential. Following an evaluation of the Employment Strategy's first five years, the European Council in June 2003 endorsed far-reaching guidelines for reform for the period 2003-2006. Three overarching objectives were set for the revised European Employment Strategy: full employment, quality and productivity at work and social cohesion and an inclusive labour market. In pursuit of the goal of full employment, the European Council has set ambitious employment targets for the working age population:

- an overall employment rate of 67% in 2005 and as close as possible to 70% in 2010;
- a female employment rate of 57% in 2005 and more than 60% in 2010;
- an employment rate for older workers (aged 55-64) of 50% in 2010.

Achieving sustainable economic and employment growth does not depend solely on the EU's ability to raise employment rates. Increased employment must be matched by increased productivity (Employment Taskforce, 2003).

In its report presented in November 2003, at a time when the European economy was facing a slowdown and the employment rate was stagnating, the European Employment Taskforce con-

cluded that Europe has a large gap to bridge to achieve the employment objectives set (European Commission, 2004). The same is true for Flanders.

The mid- to long-term employment consequences of the economic slowdown in Flanders are uncertain, and they depend upon the prospect of a rapid recovery as well as on the capacity to re-establish producer and consumer confidence. Uncertainty relates in particular to the extent and duration of the slowdown. A prolonged economic slowdown, combined with low confidence, would seriously impact on employment performance in Flanders and delay the return to positive trends in employment. The Lisbon targets in particular will not be achievable if economic slowdowns – which are normal events in the evolution of the business cycle <196> adversely affect long-term potential growth through a depreciation of human capital or a deterioration of quality in work. In order to reach the Lisbon goals, a steady economic growth is needed.

Recent studies of the European Commission (2003) and the International Monetary Fund (2001) have shown that economic growth led to more employment growth in the nineties than in the eighties. This is positive, although this does not mean that the objectives set will be obtained in each country. What magnitude of economic growth will allow us to obtain the 70% goal is an important question.

The recent economic slowdown with increasing unemployment in Flanders since mid 2001 (see Table 1) has put the impact of business cycles on employment high on the agenda of the policy makers. For policy making it is of uttermost importance to know which instruments can be used to deal with the impact of business cycle fluctuations on the different segments of the labour market.

Table 1

Employment and unemployment rates for Flanders and EU-15

	2000	2001	2002	2003
Employment rate				
Flanders	63.5	63.4	63.5	62.9
EU-15	62.2	63.2	64.0	64.2
Unemployment rate				
Flanders	4.3	4.0	4.9	5.7
EU-15	9.5	8.5	7.4	7.7

Source: Eurostat LFS, NIS EAK (data treated by Steunpunt WAV)

In addition, employment growth is in itself a key determinant of economic growth (Employment Taskforce, 2003). Therefore, policy makers should not wait for higher economic growth: swift action is required in order to obtain the goals set at the EU level.

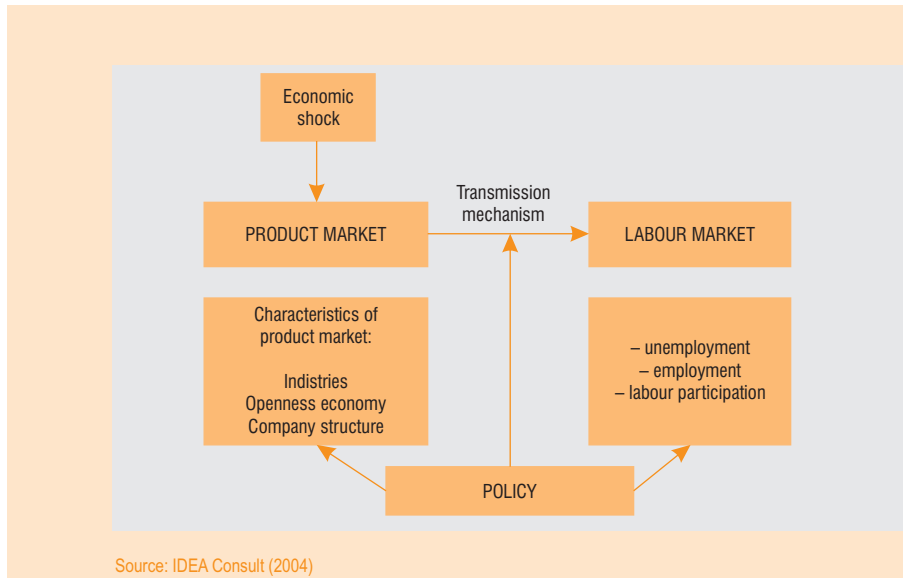
Moreover, economic growth does not necessarily generate employment growth. There can be an economic revival without an increase in the employment rate. This phenomenon is called 'jobless growth'. It is possible for there to be a growth in activity without a corresponding increase in employment. There are many possible explanations for this phenomenon. First, higher social benefits can keep employers from hiring new workers. However, social benefits are not the major explanation of a hiring slowdown. A second possible explanation for the slowness of firms to begin hiring is that an elevated level of political and economic uncertainty (e.g. the Iraq war) can make firm managers more hesitant to expand their businesses. A third possible explanation for jobless growth could be that economic growth nowadays is often associated with an increased pace of structural change in the economy. Structural change implies the permanent contraction of certain industries. Factors that have certainly contributed to structural change in manufacturing are globalization and changing trade patterns. Although one would expect jobs lost in declining industries to be replaced eventually with jobs in growing industries, this process is likely to be protracted, because it takes time for new jobs to be created and for workers to relocate and retrain (Bernanke, 2003).

2 *The relationship between business cycle fluctuations and employment*

The business cycle can be defined as the changes that occur in the real gross domestic product because of alternating periods of expansion and contraction in economic activity. The relationship between business cycle fluctuations and employment can best be described using a macro-economic framework. In economic theory a distinction is made between the *product market* (the market on which goods and services are produced) and the *labour market* (the market on which labour forces are hired in order to produce these goods and services).

Figure 1

Transferring economic shocks to the labour market



Business cycles are caused by shocks on the product market. In macro-economic terms a distinction is made between shocks on the demand side (e.g. caused by changes in monetary policy) and shocks on the supply side (e.g. caused by changes in energy prices). These shocks lead to an increase or decrease in production, which has consequences on the labour volume needed. Shocks on the product market are then transferred to the labour market through a particular *transmission mechanism*. This transmission mechanism is the key variable in the relationship between business cycle fluctuations and labour market performance. It is called the sensitivity of the labour market to business cycle fluctuations and is influenced by many different factors, for instance institutional factors such as legislation and active and passive labour market policy.

3 *Is the Flemish labour market sensitive to business cycle fluctuations?*

3.1 *Methodology*

In a recent VIONA study (Peeters, Reymen et al., 2004)¹ on the sensitivity of the Flemish labour market to business cycle fluctuations, the relationship between economic growth and unemployment is measured through 'Okun's law'. Okun's law is an empirical relationship between the change in the unemployment rate (Δu) and the percentage growth in real output (g), as measured by GDP. The linear regression has the following form: $\Delta u = \beta_0 - \beta_1 g + \varepsilon$

The estimated value for β_1 is called the inverse Okun coefficient and it indicates how many percent points the unemployment will drop when the growth in real output rises by 1 percent point. A high level of sensitivity to business cycle fluctuations corresponds with a high value for β_1 . This method can also be used to estimate how sensitive the employment rate is to business cycle fluctuations.

3.2 *Is the Flemish labour market more or less sensitive than other countries?*

Groups of countries have shown variations in the speed of their labour market adjustments to the recent economic slowdown. Our own analyses, as shown in Table, illustrate that the unemployment rate in Anglo-Saxon countries is more sensitive to business cycle fluctuations than the unemployment rate in Scandinavian countries. The latter is more sensitive to business cycle fluctuations than the unemployment rate in continental European countries. In continental Europe, unemployment reacts only weakly and slowly to economic changes. With respect to the employment rate and the labour participation rate, we observe that the Scandinavian countries are most sensitive to business cycle fluctuations, more than the Anglo-Saxon and continental European countries.

¹ This chapter is based on the results of the VIONA study "Conjunctuurgevoeligheid van de Vlaamse arbeidsmarkt" by Peeters, A., Reymen, D., Van Pelt, A., Heylen, F., Everaert, G. (in press).

Table 2

Sensitivity of the unemployment rate to business cycle fluctuations.²

Group of countries	$-\beta_1$	Adj. R ²
Anglo-Saxon	-0.41 (**)	0.68
Scandinavian	-0.34 (**)	0.54
Continental Europe	-0.17 (**)	0.23

Source: Peeters, Reymen et al. (2004) based on figures from OECD (1982-2002)

In the whole of continental Europe though, the Belgian unemployment rate is more sensitive to business cycle fluctuations than other countries. The unemployment rate is more sensitive to cyclical swings in Flanders than in other regions in Belgium (see Table). The inverse Okun coefficient in absolute value (0.45) is higher for Flanders than for Wallonia (0.34). Both in Flanders and Wallonia, business cycle fluctuations can explain changes in unemployment rate. This is not the case for Brussels, where the explanatory value of the regression is very weak.

Table 3

How sensitive is the unemployment rate to business cycle fluctuations? Belgium, its regions and other countries of Continental Europe.

Countries	$-\beta_1$	Adj. R ²
Spain	-0.91 (**)	0.51
Belgium	-0.42 (**)	0.32
Flanders	-0.45 (**)	0.36
Wallonia	-0.34 (*)	0.11
Brussels	-0.44	0.08
France	-0.40 (**)	0.29
Portugal	-0.31 (**)	0.65
Netherlands	-0.26 (**)	0.17

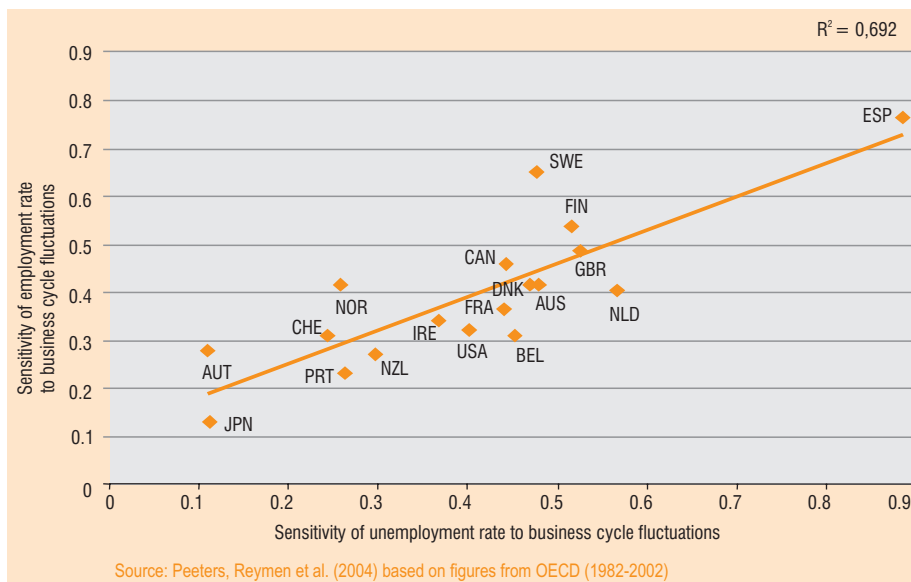
Source: Peeters, Reymen et al. (2004), based on figures from the Eurostat Labour Force Survey (1984-2002)

Figure 3 shows the positive correlation between the sensitivity of the unemployment rate and employment rate to business cycle fluctuations. In Spain both the employment and the unemployment rate are highly sensitive. The labour market in the Scandinavian countries and in Great Britain also seems very sensitive to economic shocks. The figure shows that Belgium combines a rather high sensitivity of its unemployment rate with a relatively low sensitivity of the employment rate. The sensitivity of the employment rate is higher in Wallonia (0.41) than in Flanders (0.32), while the reverse was true for the unemployment rate.

² Estimates with (**) are significant on the 5% level; estimates with (*) are significant on the 10% level. R² indicates the proportion of variance in Δu that can be accounted for by knowing g .

Figure 2

Sensitivity of unemployment and employment rate for some OECD countries



In a PASO paper on business cycle fluctuations in 2001-2002, we acknowledged that hiring lagged and firing increased significantly in Flanders in 2002 compared to 2001 (Gevers & Peeters, 2004). The job creation rate amounted to 3.2% as compared to 5.3% the year before. Job destruction rose from 2.9% in 2001 to 3.8% in 2002.

Looking at sectoral developments in Flanders, we observe that industrial sectors are more sensitive to cyclical swings than are agriculture and services. In industry, business cycle fluctuations can explain a larger part of the change in employment rate than in agriculture and services.

4 What influences labour market sensitivity to business cycles?

We now have a clearer view of the labour market sensitivity of Flanders and Belgium as compared to other countries. The VIONA study mentioned before also investigated the determinants influencing labour market sensitivity to business cycles.

The determinants influencing the labour market sensitivity to business cycles are measured by an extended version of Okun's Law. In other words, we estimate the explanatory variables for differences in the sensitivity of the unemployment rate econometrically using the following estimation: $\Delta u_{it} = \beta_0 - [\gamma_1 + \gamma_2 x_{it} + \gamma_3 y_{it} + \gamma_4 z_{it}] g_{it} + \varepsilon_{it}$

The inverse Okun coefficient β_1 is now estimated as the sum of γ_i and some explanatory variables (x_{it}, y_{it}, z_{it}): $\beta_1 = \gamma_1 + \gamma_2 x_{it} + \gamma_3 y_{it} + \gamma_4 z_{it}$. Depending on the sign (+/-) of the estimated coefficients, the explanatory variables can increase or decrease the inverse Okun coefficient and therefore the sensitivity of the unemployment rate.

A variant of this estimation detects possible asymmetry in the reaction of the unemployment rate to business cycle fluctuations. It is possible that the reaction differs between expansion and contraction.

$$\Delta u_{it} = \beta_0 - [\gamma_1 + \gamma_2 x_{it} + \gamma_3 y_{it} + \gamma_4 z_{it}] g_{it} + [\gamma_{D1} + \gamma_{D2} x_{it} + \gamma_{D3} y_{it} + \gamma_{D4} z_{it}] DUM g_{it} + \varepsilon_{it}$$

DUM is the asymmetry dummy with a value of 0 or 1. Each determinant will form together with the dummy an extra term in the estimation. In expansion (DUM = 1), the coefficient of determinant x equals $y_2 + y_{D2}$, although in contraction (DUM = 0) the coefficient equals y_2 . In this way it is possible to distinguish a different effect of a determinant in an expansion and a contraction phase.

Regression analyses show that the sensitivity of both the unemployment rate and the employment rate to business cycle fluctuations increases (or decreases) by several variables.

4.1 ■■ High replacement rates for the unemployed

High replacement rates for the unemployed increase the sensitivity of both employment and unemployment rates. This means that in the event of a rise in GDP, the unemployment rate will drop faster and the employment rate will rise faster. Higher levels of social protection for the unemployed through higher replacement rates may reduce resistance to flexibility. This will increase the sensitivity to business cycles. Asymmetry was also checked. There is no asymmetry regarding the sensitivity of the unemployment rate, while there seems to be asymmetry with respect to the effect of replacement rates on the sensitivity of the employment rate. High replacement rates increase the sensitivity of the employment rate more strongly in economic expansion than in contraction. This is the case for the replacement rates during the first year of unemploy-

ment. Higher replacement rates during the second and third years of unemployment only affect the sensitivity of the employment rate in an expansion phase.

4.2 High labour tax

Higher labour tax rates also increase the sensitivity of both unemployment rate and employment rate to business cycle fluctuations. The average total tax burden on labour, which is the sum of wage tax, direct tax and indirect tax, was 52% in 1998 for 20 OECD countries. Compared with a situation with no tax burden at all, an average burden of 52% implies an increase in sensitivity of the employment rate by 0.26 percent points. Higher labour tax rates seem to affect the employment rate more strongly during contraction than during expansion.

4.3 Active labour market policies

The investment of funds in active labour market policies seems to increase the sensitivity of both the unemployment and the employment rate to business cycle fluctuations. Unfortunately we have no indication of the effect of single ALMP programmes on labour market sensitivity to business cycles. In general, one can argue that active labour market policies are meant to enhance the employability of the work force. Active labour market policies are designed to improve the skills and competencies of workers and support the search process in the labour market. On the one hand, possibilities for employers to deal with economic swings (especially upward swings) in a flexible way increase. Employers can more easily find competent and available workers. On the other hand, because of the opportunities offered by ALMP (quick coaching and training), workers are less reluctant about flexibility. Both reactions make the labour market more sensitive to business cycle fluctuations. No asymmetrical effects are found. ALMP programmes do not have different effects on the sensitivity of unemployment and employment rates in contraction and expansion.

4.4 Temporary and female employment

Higher numbers of female workers and temporary workers increase the sensitivity to business fluctuations of the unemployment and employment rates. A possible explanation for these regression results could be that both female and temporary workers have a preference for labour flexibility (in working hours and time of work). No asymmetry effects are proven.

4.5 ■■ Employment protection legislation

Employment protection legislation seems to have a different impact on the sensitivity of the unemployment rate than on the sensitivity of the employment rate. More elaborate employment protection legislation decreases the sensitivity of the unemployment rate (positive sign in Table 2) in all 20 investigated OECD countries. Employment protection legislation decreases the labour market flexibility and consequently decreases the sensitivity of the unemployment rate. We found empirical evidence for a positive effect of EPL on the sensitivity of the employment rate in the Scandinavian countries, but for a negative effect of EPL in the Anglo-Saxon countries. Since the impact of employment protection legislation on the adaptability of the labour market and thus the sensitivity to business fluctuations is high on the policy agenda, we will dedicate a separate section to it (cf. section 7).

4.6 ■■ Wage co-ordination between unions and employers

Co-ordination between unions and employers regarding wages implies that wages will be adjusted more flexibly in the event of macro-economic shocks (cf. Soskice, 1990). Consequently, fewer adjustments are needed in the number of people employed. It is then logical that wage co-ordination will decrease labour market sensitivity to business fluctuations. We found empirical evidence for the lower sensitivity of the unemployment rate to business fluctuations. The employment rate, on the other hand, seems to be more sensitive to business cycle fluctuations in the event of high wage co-ordination. The latter, however, was only confirmed for the countries of continental Europe, and not for the Scandinavian and Anglo-Saxon countries. No asymmetrical effect was found.

Table 2 gives a summary of the different determinants of labour market sensitivity.

We have learned something about the determinants influencing the sensitivity of the labour market. However, we still have not passed judgment on the desirability of a labour market that is sensitive to economic shocks. We nevertheless observe that countries that are more sensitive to business fluctuations seem to have higher employment rates. Continental Europe is the least sensitive to business fluctuations and has the lowest employment rate as well as the highest unemployment rate. The Scandinavian countries, on the other hand, are characterized by a highly sensitive labour market and they combine both a low unemployment rate and a high employment rate. Considering this, we might argue that it is desirable for a labour market to be sensitive to economic fluctuations. Nevertheless, it is important to draw attention to vulnerable groups on

the labour market, since they might be influenced more by economic shocks than others. This will be analysed further in the next section.

Table 2

Summary of the determinants of labour market sensitivity to business fluctuations

	Long-term data (OESO 1960-1998)		Short-term data (OESO 1985-2002)	
	Unemployment	Employment	Unemployment	Employment
High replacement rates	-	+	-	+
High labour tax	-	+	-	+
Active labour market policies			-	+
Temporary employment			-	+
Female employment			-	+
Employment protection legislation	+	+/-		
Wage co-ordination	+	+	+	

The minus (-) sign means that the variable increases the sensitivity of the unemployment rate, but decreases the sensitivity of the employment rate to business cycle fluctuations; the plus (+) sign means that the variable increases the sensitivity of the employment rate, but decreases the sensitivity of the unemployment rate.

5 *Are the different labour market segments equally sensitive?*

The question raised here is whether all segments of the labour market are equally affected by business cycle fluctuations. This is important information for enabling policy makers to focus their policy on the right target groups.

One of the challenges of the European Employment Strategy is to promote the integration of vulnerable groups on the labour market. Figures from the recent VIONA study on the sensitivity of the Flemish labour market to business cycle fluctuations show that there are remarkable differences in the impact that cyclical swings have on the unemployment rates of different groups on the labour market.

5.1 *Low-skilled versus high-skilled*

The unemployment rate of the low-skilled seems to be more sensitive to economic fluctuations than the unemployment rate of the high-skilled. In specifications including current and lagged growth, the inverse Okun coefficient for the low-skilled is -1.15 for Flanders, while the coefficient

for the high-skilled only amounts to -0.54. The coefficient for persons with an average education level is -0.82. On the other hand, we observed that the reaction for the high-skilled is more immediate, whereas for the other categories the effect of the business cycle on the unemployment rate is more lagged.

Over the past decade, the continued expansion of the knowledge-based economy has resulted in substantial growth in occupations that require higher levels of education and training. The economic slowdown has had a clear impact on lower-skilled occupations, which are often the most vulnerable in economic downturns (Dea et al., 2002). The negative impact on low-skilled workers is not surprising, given that the industries that experienced employment losses, such as the metal sector, transportation and the storage sectors, hire a high proportion of these workers (Gevers & Peeters, 2004).

However, we have no evidence of possible asymmetrical effects. It is possible that the unemployment rate of the low-skilled in contraction is not equally sensitive as in expansion. It will be more detrimental for the low-skilled if they suffer most from job loss in contraction and if the return to the labour market is most difficult for them in expansion.] In other words, this asymmetry would harm them more. This assertion has not been proved, however.

5.2 ■ ■ *Young people more vulnerable*

The impact of business cycle fluctuations on the unemployment rate is much larger among young people than among other age categories. Also in Flanders, youth unemployment is particularly prone to cyclical swings. The inverse Okun coefficient (in specifications including current and lagged growth) for people between 15 and 24 years old amounts to -1.66, while the coefficient for persons between 25 and 54 years old and 55 to 64 years old are respectively -0.66 and -0.61 (Peeters, Reyemans et al., 2004). Moreover, job loss is not only greatest among young people in periods of economic slowdown; this age group is also confronted with more difficulties when returning to the labour market in periods of economic expansion. Young people seem to be more vulnerable in both expanding and contracting phases.

With weak economic growth, young workers are especially vulnerable to unemployment. Employers react to economic recession by cutting back on hiring new workers. Especially youth, as new entrants into the labour market, will be primarily affected by any reduced hiring. At a time when the demand for skill levels is rising, young unemployed persons are at a particular disadvantage. Unemployment early in working life has been shown to increase the probability of fu-

ture joblessness and lower future wages (ILO, 1999). In other studies (Dea et al., 2002) it has also been shown that young workers, who have the least seniority and experience, are often the first to be laid off during downturns and the last to benefit during economic recoveries.

The unemployment rate of older people is less affected by business cycle fluctuations. In addition, in Flanders the number of people on early retirement seems to be little affected by business cycle fluctuations. This indicates that the unemployment and inactivity of older people in Flanders has a rather structural character that makes them little affected by economic changes.

5.3 ■ ■ *Gender differences*

In continental Europe on the whole, the unemployment rate of women seems to be affected by business cycle fluctuations just as much as the unemployment rate of men. In Flanders, on the other hand, the unemployment rate of women is more sensitive to business cycle fluctuations than that of men. Perhaps women, like the youth, are affected by reduced hiring, because they often are characterized by intermittent participation spells, which could lead to skill atrophy (or the depreciation of the stock of human capital) (Mincer, 1993).

6 *Role of active labour market policies influencing the relationship between business cycles and employment*

From our empirical evidence we know that active labour market policies as a whole increase the sensitivity of both employment and unemployment rates to economic shocks. We acknowledged the desirability of a sensitive labour market, but at the same time warned about the vulnerable position of some groups on the labour market. In what follows, we will draw up some reflections concerning the role of active labour market policy. The reflections made are meant to be eye-openers for further discussion and research, rather than clear-cut guidelines.

6.1 ■ ■ *The choice of an adequate active labour market policy*

There are a number of difficulties in determining what types of active labour market policies are likely to be successful (Quiggin, 2001). Labour market policies in most countries seem to be subject to change, making any medium-term assessment rather difficult. Secondly, different individ-

uals have different needs, so the effectiveness of particular types of programmes will depend on the target groups. Thirdly, and most importantly in the current context, the effectiveness of different types of labour market policies will vary over the course of the economic cycle.

In his analysis of ‘what works among active labour market policies: evidence from OECD countries’, Martin (1998) observes that an active labour market policy can only be successful in the presence of a plentiful supply of job vacancies. This is a rather pessimistic conclusion, especially in a time of economic decline.

According to Quiggin (2001), an ideal active labour market policy would be an established component of public policy subject to review and periodic reform by government, but not reinvented on an ‘ad hoc’ basis. A certain degree of continuity in labour market policy is necessary. Quiggin further argues that it should be designed so that public expenditure on active labour market policy adjusts automatically, or at least rapidly, in response to the changing phases of the business cycle. Third, he underpins the argument that the allocation of expenditure should vary automatically with the levels of short-term and long-term unemployment, and that funds should be allocated flexibly over a range of programmes. In other words, the proportion of resources allocated to training, direct job creation, etc should vary over the course of the macroeconomic cycle.

6.2 ■ ■ *Active labour market policies in Flanders adjusting the relationship between economic fluctuations and employment*

Despite the fact that it is difficult to adjust labour market policies to business fluctuations, the Flemish government has, in line with the European guidelines, recognized the importance of a well-adjusted active labour market policy. It is important not only to establish some general policy measures to increase the overall employment rate, but also to adjust policy to some target groups, especially those affected most by business fluctuations. It will be shown, however, that choices with regard to labour market policies are sometimes difficult to make. Some trade-offs are possible.

6.2.1 *Increasing or decreasing working time? Or is it just a better division of labour over people and working life that matters?*

With respect to working time, two conflicting perspectives exist. The economic growth perspective focuses on total hours worked as a factor input and tends to stress how a higher number of hours worked translates into higher production and income. When discussing the benefits of in-

creasing total hours worked from the growth perspective, there is a tendency to neglect the crucial importance of increasing the employment rate measured by the number of people at work. More specifically, one tends to overlook the positive contribution that part-time work schedules can make to expanding labour market participation and total labour utilization, even if it lowers average annual hours per worker (OECD, 2004). In other words, there is a trade-off between the growth and the employment perspective.

The OECD stresses the importance of better reconciling work schedules with other life activities in order to achieve a longer working time in years. The Flemish Action Plan for the European Employment Guidelines 2003 also argues that a better division of the labour volume over more people and over the entire working life is an important instrument in promoting the relationship between economic growth and employment. Of course, a better division of labour over the working population and over the working life needs to be accompanied by a rearrangement of total labour costs.

Expanding labour market participation and total labour utilization also helps to prevent human capital depreciation. Besides, there are still other possibilities for improving this division of labour in Flanders. The temporary interruption of the career through the career break and time credit system contributes to this aim, and also supports the work and family balance. This system is regulated by the federal government, and it is reinforced by the regional government of Flanders through the offering of an extra monthly allowance during the career break. This increased working time flexibility can make an important contribution to raising employment.

6.2.2 *Matching labour demand and supply*

Apart from a better division of labour over the working population and the working life, a good match between labour supply and demand plays a significant role in job creation. Even during the economic slowdown in 2003, for instance, many vacancies remained unfilled, while unemployment kept on rising (Administratie Werkgelegenheid, 2003). This means that some potential employment opportunities are not utilized and some human capital is not employed as effectively as possible. Through the further multiplication of individual trajectories for jobseekers with the strong focus on individual training and work experience, this unused potential can be utilized (Administratie Werkgelegenheid, 2003). In Flanders, the trajectory approach is the prime instrument used to offer guidance to jobseekers. The trajectory approach can be seen as a preventive 'enclosing' approach to unemployment, which is considered a priority in the European employment strategy. Thanks to this increased preventive approach, the flow into long-term

unemployment was more or less stable in 2002 in spite of a general rising trend in unemployment caused by the economic decline.

Aside from the trajectory approach, other policy measures contribute to a better match of labour demand and supply and a decrease in unemployment. The system of 'individual in-company vocational training' ('IBO' in cooperation with the public employment agency VDAB), for instance, offers jobseekers tailor-made training to prepare them for a job requiring a specific profile. Subsequent to in-company training, the employer offers the jobseekers a permanent contract. In this way, employment and training for jobseekers is combined with filling vacancies that are difficult to fill. In times of economic decline, and hence of little job creation, it is important that all vacancies, including those demanding specific profiles, be filled. This is not only a matter of increasing the motivation of potential candidates to apply for these jobs, but also of increasing the labour supply elasticity. Employers should also have an open attitude toward candidates with 'learning potential', even if, at first sight, they do not have the required diploma or experience. It is important for employers to realize that workers are often more 'adaptable' than they might think.

6.2.3 *Reaching all jobseekers or focusing on target groups*

When we look at the empirical data on the relationship between GDP growth and unemployment, we observe that both the young and the low-skilled are more affected by the cyclical swings. This fact evokes the question as to whether special policy measures should be focused on these target groups.

The preventive 'enclosing' approach has its disadvantages. While this approach succeeded in keeping the unemployment rate stable in 2002, it also resulted in an under-representation of very long-term unemployed people in the trajectory approach. For this reason, the 'curative' approach remains essential for enhancing the situation of a number of target groups (e.g. the low-skilled) whose level of labour market participation is below average.

The question can be raised as to whether in times of economic decline one should choose for an enclosing approach to unemployment rather than a curative (more limited) approach. As Layard et al. (1991) argue, rates of job creation are low and rates of job destruction are high during the contraction phase at the beginning of a recession. Although unskilled workers are more vulnerable to job loss, differences in individual characteristics (i.e. differences in human capital) and social networks are of relatively limited importance in this phase of the cycle (Quiggin, 2001).

Anyone who becomes unemployed or seeks to enter the labour market in a contraction phase faces severe difficulties. Therefore, an enclosing approach is advisable in this stage.

In an expansion phase, however, the rates of job creation rise. In this phase the pool of unemployed people is increasingly dominated by those with relatively low skills and little or no work experience or those who have suffered from skill atrophy as a result of being unemployed for long periods. Depreciation of human capital becomes more critical at this stage. In an expansion phase, the enclosing approach, which aims to reach all jobseekers at an early stage of unemployment, generates dead weight effects for those persons who are able to find a job on their own. These dead weight effects should be avoided with a view to achieving an efficient division of resources. Active labour market policies then need to focus on the long-term unemployed and the low-skilled. In order to increase the employability of these two groups, guidance should be aimed at improving their mobility through skill upgrading and employment counselling with a view to finding a job. As young unemployed persons are also rather vulnerable in periods of economic recession, it is important that Flanders reaches these young unemployed people at an early stage of unemployment. In early 2003 the 'Job Card' was initiated for young people. Young people who have left school and who have not started any training get intensive support with their job search. After a training in which they learn to write an application letter and a CV, they receive a job card which sums up all the advantages an employer can obtain by recruiting a young person.

6.2.4 *Raising the levels of human capital*

High levels of education and access to lifelong learning are essential elements for adapting to economic restructuring (Employment Taskforce, 2003). It is crucial that Flanders, in its response to the cyclical economic situation, does not lose sight of this wider picture. It is important that the newly unemployed do not become detached from the labour market. Hence, the focus should be on active measures such as retraining to ensure that they are available to move back into the world of work as soon as possible. Flanders needs to strengthen its efforts to increase human capital and improve the lifelong learning system. Certainly during an economic slowdown, when competition between jobseekers is higher, young people who have left school without proper qualifications and low-skilled persons experience difficulties in finding an appropriate job. Despite the fact that the number of unqualified secondary school-leavers is rather low in Flanders, a further reduction needs to be accomplished.

While Flanders scores well with respect to this initial education, additional efforts are needed to increase the number of people aged between 25 and 64 in continuous training. 15 to 18% of the

Flemish adult population has a low literacy level and needs an adapted support programme. There is a gap between the training participation of high- and low-skilled persons, as well. In order to increase the adaptability and employability of the low-skilled workers, it is advisable to increase the efforts being focused on this group (e.g. by focusing on this target group with systems such as the training vouchers).

7 *Employment protection regulation influencing the relationship between economic fluctuations and employment*

Apart from active labour market policies, employment protection legislation also seems to have an impact on the transfer mechanism between economic fluctuations and labour market performance. Countries, for instance, differ in their regulations regarding flexible working arrangements (e.g. the maximum number of normal hours of work per week and weeks of work per year, the limits on overtime, etc.). Countries also differ regarding employment protection legislation (EPL). EPL relates to the rules governing unfair dismissal, individual and collective lay-offs for economic reasons, severance payments, minimum notice periods, administrative authorization for dismissal and prior discussion with labour representatives.

The effect of employment protection regulation on labour market performance is a controversial subject (OECD, 2004; Peeters, 1999). Many studies have considered employment protection as an additional labour cost for firms and have studied the effects of this cost on employment and unemployment, but have neglected the rationale for the existence of employment protection and its welfare consequences. More recent studies have developed a more balanced view of this regulation, setting the need for flexibility expressed by companies over against the importance of protecting workers against labour market risks.

Theoretical analyses predict that higher employment protection reduces layoffs during economic downturns, but may also decrease hiring rates in periods of rising demand (Young, 2003). In deciding whether to hire new workers, the firm will take into account the likelihood that lay-off costs will be incurred in the future. This theoretical proposition has been confirmed in empirical research (Blanchard & Portugal, 2001; Gomez-Salvador et al., 2004).

There is empirical evidence that strict employment protection also reduces flows into and out of unemployment (OECD, 1999). Employment protection thus reduces employment fluctuations over the cycle while increasing at the same time both job stability and unemployment persistence. Job protection has an adverse effect on exit rates from unemployment, thus prolonging the average unemployment spell. EPL may slow down labour market adjustment. The reliance on active labour market policies may reduce the possible negative effect of EPL on outflows from unemployment. Thus active labour market policies may limit the potential negative effects of EPL on hiring rates.

Denmark provides an interesting combination of high labour market dynamism and relatively high social protection – the *flexicurity* approach (OECD, 2004). Especially in turbulent economic times, the provision of an appropriate balance between flexibility and security is considered to be vital for maintaining the competitiveness of companies, for supporting the quality and productivity at work and for adapting firms and workers to economic change. Faced with greater fluctuations in product demand and increased pressure to reduce labour costs to a minimum, employers are seeking to increase the flexibility of their workforce. Recent EC figures (European Commission, 2003) illustrate the contribution of flexible working arrangements to the net employment growth. But of course the increases in labour market flexibility need to be in line with the strong demand for high quality employment, also in a contraction phase. The balance between flexibility and security is a delicate one and further work needs to be carried out to shed light on the impact of employment protection on labour market performance.

Making the right priorities for an effective labour market policy is a challenge. The balance between flexibility and security is difficult. Human resource managers also struggle with this delicate balance, especially when facing job losses and turnover problems during a recession. In 2002 many jobs were lost through reorganizations and company bankruptcies (Gevers & Peeters, 2004). Even during a recession, companies see personnel leave voluntarily. Hence they have to recruit new personnel while at the same time laying off others. In such turbulent times, good human resources management is a real balancing act. In order to keep the best human capital in the company, the company needs to offer them enough possibilities to increase their labour market value, how paradoxically it may be. According to Gaspersz and Ott (1996), by helping an employee develop his competencies (thus increasing his labour market value and the risk that the employee will leave the firm), a company can keep its best employees. Thus a bit ‘binding’ through ‘releasing’ is in order, even in times of economic insecurity.

Conclusion

Many studies have indicated that the overlap between the growth agenda and the employment agenda is associated with overcoming high unemployment and expanding employment rates in response to population ageing (OECD, 2003). In both cases, one precondition for success is the expansion of the share of the working-age population that is participating in paid employment. However, the relationship between economic growth and labour market indicators such as employment rate and unemployment rate is a complex one. It is not a one-to-one relationship. In other words, a one percent increase in GDP is not necessarily reflected in a one percent increase in employment rate. But intertwined they are.

In this paper we have attempted to give more insight into the relationship between the labour market and business fluctuations. We have explained which determinants have an impact on the sensitivity of the labour market to economic shocks. Active labour market policy seems to play a strategic role in adjusting the relationship between economic growth and (un)employment. In this paper we have discussed a number of factors to be considered when building an efficient and well-balanced active labour market policy that is focused on both labour supply and demand. However, it was not our intention to formulate clear-cut guidelines. Many questions were nevertheless raised: why does active labour market policy increase sensitivity to business cycles? Do we have to increase or decrease our working time? What are the best ways to match supply and demand? Shall we focus on all jobseekers or on target groups? And how can we find a good balance between flexibility and security? The questions thus posed can be seen as eye-openers for further research.

Although there are signals indicating that the economy is moving toward a sustainable recovery with more robust growth in the near future (OECD, 2004), it is important that policy makers do not wait for higher economic growth. Action is required in order to achieve the goals set at the EU and the Flemish levels.

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WHAT WE (DON'T) KNOW ABOUT CAREERS IN FLANDERS TAKING STOCK

Luc Sels, Anneleen Forrier, Joost Bollens & Tom Vandenbrande

1 *The rhetoric of the new career*

Over the past few decades, two topics have dominated careers research in Flanders and the Netherlands. The first is that of the 'boundaryless' career, characterised by greater mobility and openness to new experiences. The second topic is that of the transitional labour market. The focus of this paper will be more on the transitions in life cycles. We will briefly outline the two 'rhetorical' lines and then consider them in the light of the results of research.

1.1 **■** *The career of a 'work entrepreneur'*

'The career is dead – long live the career!' With these high-flown words, Hall (1996) stresses that a new age has dawned in careers. He is not the only one to make this assertion. The careers literature is full of arguments that the traditional career is out of date. Broadly speaking, the following picture is usually sketched. The certainties of yesteryear are no more because the importance of maintaining a permanent employment bond with the same employer is declining. This increasing uncertainty means that employees have to take matters into their own hands to guarantee their chances on the labour market. Consequently, they are behaving more as *work entrepreneurs* (Van der Zee, 1997), constantly on the lookout for new challenges and opportunities to increase their own market value. They do not attach themselves to one organisation, let alone identifying with one employer. The traditional career is giving way to *boundaryless careers* (Arthur & Rousseau, 2001), which go beyond the boundaries of one organisation and/or one profession. The main differences between the two types of careers are outlined in the following table.

Table 1

The traditional versus the new career.

	Traditional career	New career
Boundaries	1 or 2 employers	Multiple employers
Identity	Employer-dependent	Employer-independent
Employment relationship	Job security for loyalty	Employability for performance and flexibility
Skills	Firm-specific	Transferable
Success measured by:	Pay, promotion, status	Psychologically meaningful work
Responsibility for career management	Organisation	Individual
Central attitude	Organizational commitment	Job satisfaction Professional commitment

Source: based on DeFillippi & Arthur (1996), Hall, (2004), Sullivan (1999).

In this career scenario, life-long job security gives way to *life-long employability*. Employability refers to the capability of employees to gain or retain work (Forrier & Sels, 2003). Life-long employability is not only becoming more important on the external labour market (external employability), but equally so on the internal labour market (internal employability). This shift from life-long job security to ‘life-long employability’ is often linked to the shift from an old to a new psychological contract (Hiltrop, 1995). The term psychological contract refers to the expectations that the employer and the employee have of one another in their employment relationship. It describes how they each see their entitlements and obligations in respect of one another.

The ‘old’ psychological contract is characterized by an exchange relationship in which the employer offers a salary and security for permanent loyalty and good work from the employee. Employees derive their job security from the expectation that if they do their job properly, there will be a life-long employment relationship. If their current position ceases to exist, then there is a good chance of a position elsewhere in the organisation. Personnel management focuses on a permanent bond with the employees. In the new psychological contract, employees are left more to themselves and have to ‘make’ their own careers. Employers do not provide certainty. Employees derive job security from their own ability to remain employable and therefore obtain work, either with their current employer or with another employer. Employees’ first loyalty is therefore to their own career. The exchange relationship consists of a salary and the possibility which the employer offers of increasing employability, on the one hand, and the effort put in by the employee when carrying out the work, on the other. Personnel management focuses on retaining employable employees and breaking the link with those who are not or are no longer employable.

1.2 ■■ The transitional labour market

The rhetoric of the boundaryless career focuses solely on transitions from one job to another. Sights are set exclusively on the professional career and not at all on the way in which this fits into the broader life cycle.

The most common views of the relationship between professional careers and life cycles are implicitly based on a model of *age differentiation* (Krain, 1995). This model places work at the centre of the life cycle. First, people are 'too young to work' (school), then 'old enough to work' (work) and finally 'too old to work' (retirement). As the composition of the labour market becomes increasingly heterogeneous, and employees' expectations become more varied (Van Hoof, 2001), a shift to an *ageing-well* model becomes essential. In an ageing-well model, the time spent at work, in education and at leisure is more evenly spread over the life cycle. There is more room for life-long learning, lifelong working and lifelong enjoyment of leisure and free time, and a certain balance between the three spheres. This thinking in terms of 'ageing-well' fits in with new definitions whereby careers are seen less as 'lifelong sequences of jobs' and more as 'life-long sequences of role-related experiences' (Adams, 1991, 3-4). In this view, more account is taken of the various roles a person has to fulfil and the potential conflicts which could arise from this.

The transitional labour market model (Schmid, 1998) develops this line of thought further and starts from the idea that the labour market works better the more people are in a position to make transitions to, within and from the labour market and/or combine various positions (for instance, work and care). Whereas traditional labour market policy focuses primarily on the transition from inactivity to paid employment, on a transitional labour market the goal is to increase the flexibility of several types of transition: to and from work from education, housekeeping and social security (Muffels, 2001). The aim here must be to put individuals in a better position to find the best possible combination of paid employment, care, schooling and free time. This combination will differ from person to person and from age group to age group.

Schmid bases the further elaboration of his model on a firm belief that full employment can be achieved. He refers to 'Full Employment in a Free Society' by Lord Beveridge (Schmid & Gazier, 2002; Schmid & Schöman, 2003). For Beveridge, full employment should not be understood to mean a situation in which the entire labour force is in work. Full employment is the labour market situation in which the number of vacancies is greater than the number of job-seekers. In a situation like this, job-seekers and employees in search of a suitable position are stronger than employers, in search of suitable staff. If the number of jobs to be filled is higher than the number of job-seekers, then in principle no one should have to accept a job under employment condi-

tions that do not permit an acceptable living standard. Supply is in a stronger position than demand.

Of course, our labour market can no longer be compared to that of the post-war period and the contents of the concept of full employment must be adapted to this altered context. This context is not only changing under pressure from 'mega-trends' such as globalisation or informatisation and the accompanying transition to a knowledge economy. Equally important is the drive towards individualisation, a trend whereby individuals increasingly see themselves as the creators of their own, non-collective life plans. This line of thought, like the image of the '*work entrepreneur*', refers above all to the reduced impact of collective planning. The increased participation of women in the labour market is a suitable example. Whereas until a few decades ago a family only sent the husband out onto the labour market, this has now become an individual decision (which gradually leads us from the breadwinner model towards the combination model).

2 *The reality of the (old?) career*

Data on mobility and careers on the labour market give rise to a great many fine distinctions. What did you expect? These fine distinctions come in two stages. First we will look at boundaryless careers, and then at the transitional labour market.

2.1 ■■ *Has anyone seen the 'work entrepreneur'?*

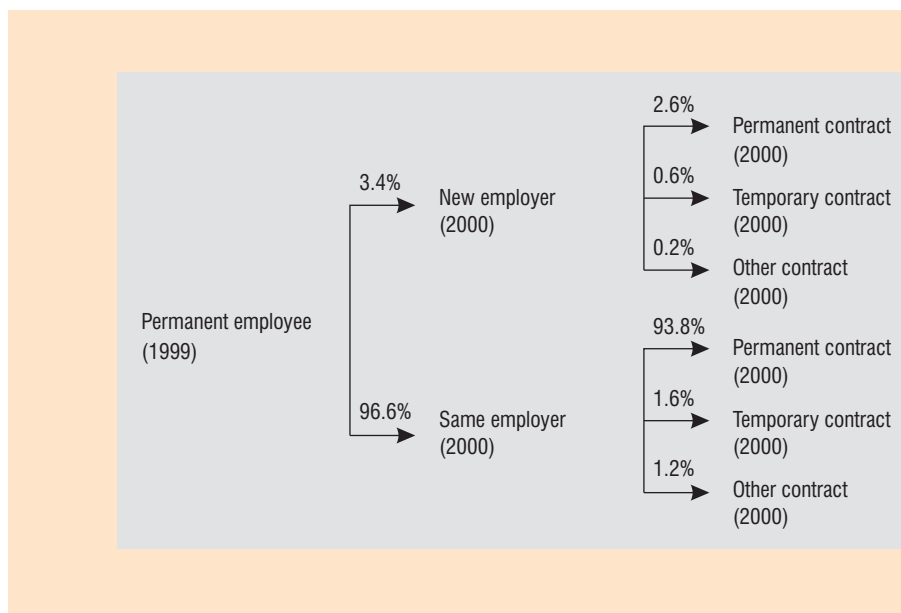
Where is this work entrepreneur? Not on our labour market, apparently. At least not in large numbers. The labour market looks relatively stable when we consider transitions from one career to another (Schömann, 2002; Forrier, 2003). Analyses on the basis of the Labour Force Survey show that in 2002 around 6.5% of all working people in the Flemish Region changed jobs compared with 2001 (Tielens, 2003). Moreover, there are not many fluctuations in this proportion. The 'peak' stood at 7.7% job mobility in 2001. Moreover, we must take account of the fact that 'another job' is broadly interpreted in the Labour Force Survey. This may refer to a position in another company, a position in another, local branch of the same company, a different status or a different job or profession. But even administrative data such as that from the Labour Market Data Warehouse do not exceed a relatively low level of mobility, with 'just' 7.8% job-mobile employees (employed by a different employer a year later) in the period 1999-2000 (Tielens, 2003). Admittedly, this proportion was significantly higher in some sectors. These include hotel and ca-

tering (19.8%), industrial cleaning (19%), IT (15.8%) and business services (14.6%). The last two in particular are often associated with the profile of the 'work entrepreneur'.

The results of the recently completed VIONA project '*Arbeidsloopbanen in kaart*' (Mapping out careers) (Forrier et al., 2004), based entirely on analyses of Belgian Household Panel data (1994-2000), confirm this diagnosis. On average more than 91% of the permanent employees continue working with a permanent contract the next year. The same data highlights that around 96% of the permanent employees who continue working the next year stay with the same employer. In the figure below, we look at the transitions of permanent employees to new employers and/or contracts. We show the data of the years 1999 and 2000. The percentages of the other years are comparable. The results show the non-transitional nature of permanent employment. They highlight that almost 94% of the permanent employees of 1999 continued working with the same employer on a permanent contract in 2000. Only 3.4% worked for another employer the next year.

Figure 1

Transitions of permanent employees to new employers, permanent and temporary contracts (1999-2000)



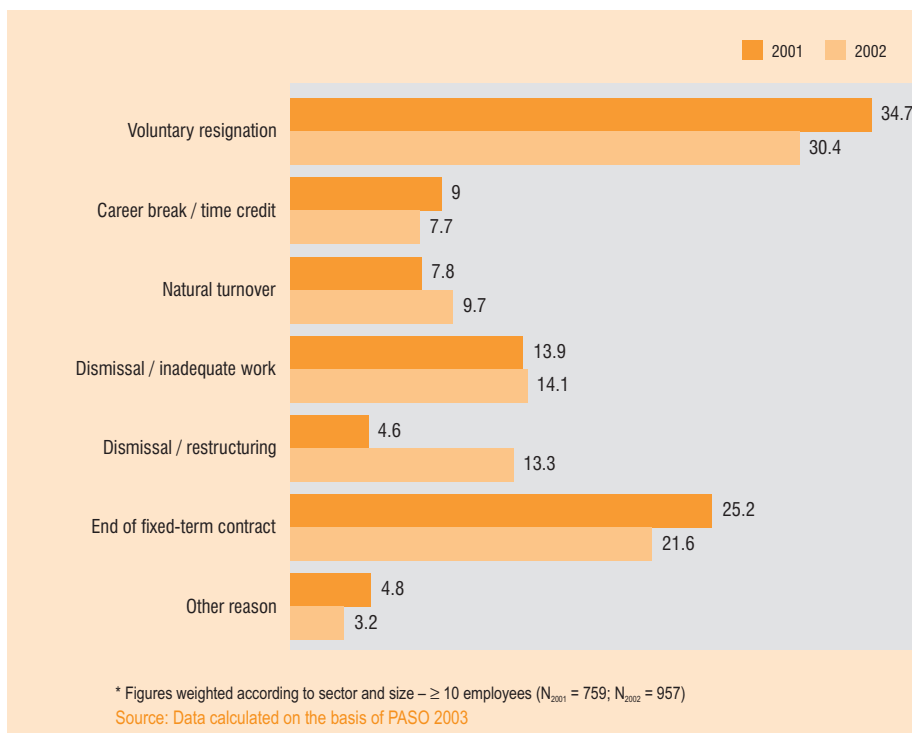
Temporary employees evidently turn out to make more transitions than permanent workers. Still, this share is also low. Of those working on a temporary basis in 1999, only 9% were working for a new employer in 2000. About 45% of the temporary workers continued working on a

temporary basis for the same employer the next year. More than 45% moved to a permanent contract with the same employer. Of those who changed employers, the majority obtained a permanent job.

The great stability indicated by these figures tallies with OECD analyses. These indicate that on average, Belgian employees with a permanent contract record by far the highest job tenure compared with other OECD countries (OECD, 2002). This is also reflected in the relatively low staff turnover at the organisational level. The analyses of the Panel Survey on Organisations (PASO) show that the total outflow figure (i.e. the total number of employees who leave during the course of the year / total number employed at the start of the year) barely changed in 2002 compared with the outflow in 2001. The percentages stood at 12.2% and 12%, respectively. However, there were some shifts in the composition of the staff turnover (see Figure 2; Sels & De Winne, 2005). The figure indicates that of the 12.2% turnover in 2002, barely 38.1% was voluntary (voluntary resignation + career breaks). This low average proportion once again raises questions about the extent of the 'job-hop' phenomenon and the picture of the employee as being in charge of his or her own career.

Figure 2

Proportion of each outflow reason in the total outflow – figures for 2001 and 2002.



Not only turnover figures but also 'softer' data on the nature of the employment relationship call for further slight distinctions to be made. Research into the psychological contract of Flemish employees points to a considerable difference between rhetoric and reality (Janssens et al., 2003; Sels et al., 2004). The study, which was conducted during times of economic boom, gauged the perceived entitlements (e.g. long-term prospects, equal treatment, etc.) and obligations (e.g. loyalty to the employer, flexibility as regards internal changes, respect for authority, etc.) of a representative random sample of 1,150 employees in the context of the employment relationship. On the basis of this gauging of perceived entitlements and obligations, six types of psychological contracts were construed. The striking thing to note here is that the new 'boundaryless' psychological contract is only found to a very limited extent. Only four per cent of the active working population can be placed in this category, consisting exclusively of young, high-skilled professionals and executives, mainly in the new services economy. In almost all other contract types, loyalty towards the organisation and a clear expectation of long-term prospects are at the forefront. It may therefore be concluded from this profile that work entrepreneurs aiming for flexibility are still a long way from conquering the labour market.

This picture was confirmed in the recently completed VIONA project '*Loopbaanbegeleiding doorgelicht*' (Investigating career counselling) (Verbruggen et al., 2004). In this project, a multiple career model was developed. This model identifies different career patterns that basically vary in terms of career path and career aspiration. To identify the career path, we distinguished those who had a stable career path with one employer from those who had changed employers during the previous five years. We considered 'the need to stay with one employer' as a central career aspiration distinguishing the traditional from the new career. This career aspiration matches Schein's career anchor 'organizational security' (Schein, 1990). It distinguishes those valuing organizational commitment from the ones valuing work satisfaction over organizational commitment. Opposing these two characteristics, we get four career patterns.

Table 2
Career types.

		Number of employers	
		1	>1
Security	Yes	Bounded 59.6%	Homeless 24.0%
	No	Trapped 10.8%	Boundaryless 5.5%

The *bounded* follow the traditional career path sketched out above. They stay with their employer and aspire to stability. The data of the VIONA research project (stratified sample of 950 salaried persons) reveal that 59.6% of the respondents belong to this group. The majority of the Flemish employees follow the traditional career path and choose to do so. The *homeless* also long for security but they have not yet found it. 24% of the respondents are part of this group. This indicates that a large part of the mobile workers are pursuing security and stability. The *trapped* form the mirror image of the homeless. They have built their career with the same employer, but they long for change. This group accounts for 10.8% of the responses. The *boundaryless* have changed employers (regularly) during the last five years. This is in line with their longing for change and with the little importance they attach to security. They fit within the 'new' career. Only 5.5% of the respondents belong to this category. These results put claims about the speed and inevitability of the shift from traditional to new careers in perspective. The era of the boundaryless career has not yet dawned in Flanders. Apart from the low mobility, the data also indicate that only 16.3% of the respondents prefer change over security. Security and stability is an important career aspiration for a large majority of the respondents.

2.2 ■ ■ Exit the transitional labour market?

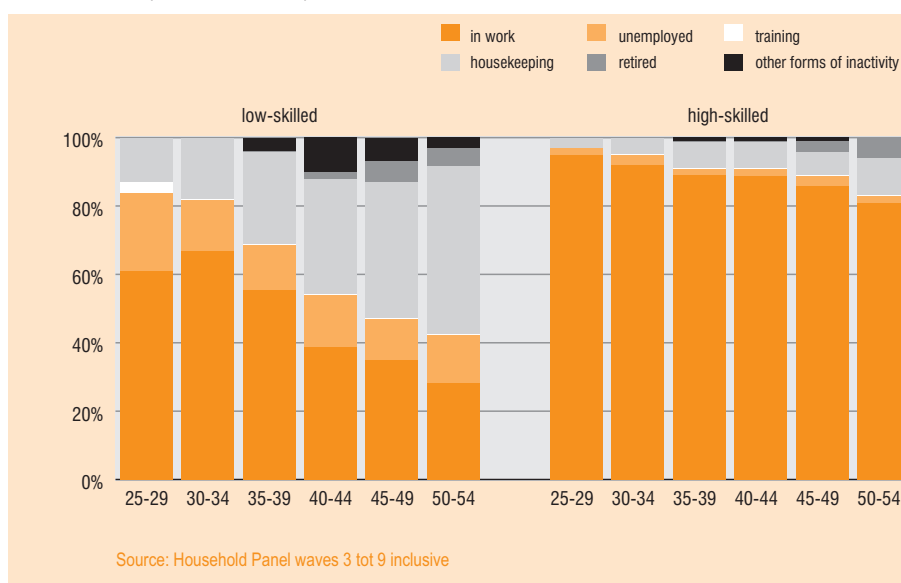
We obtain a similar picture if we look at all entries and exits into/out of the labour market. Here too, we begin with data from the VIONA project '*Arbeidsloopbanen in kaart*' (Forrier et al., 2004). In the first phase of this project, transition matrices were drawn up on the basis of the Belgian Household Panel data. A matrix links the labour market position which a person leaves to the labour market position to which they go. Appendix 1 contains a matrix reflecting the most important transitions.

The table shows that the labour market is not strongly transitional. The table diagonal (the grey boxes) indicates the proportion of people who had not changed position on the labour market after one year. For most labour market positions, the percentages are fairly high and remain similar over a number of years. The transitions between school, work and retirement usually move in one direction, viz. from school to work and from work to retirement. Optimal Matching Analyses of the Household Panel data confirm that most careers are characterised by a high degree of stability and a very low number of transitions. The few 'transitional' careers, for instance those including temporary career breaks, are mainly typical of younger, high-skilled people. The results illustrate that the classical career or course of life, with its strong age differentiation, is still predominant in Belgium (see also Liefbroer & Dijkstra, 2000). Our labour market is far from transitional.

More transitions could create more dynamism. This is desirable, because a low level of dynamism means that the unemployed and those who do not work (and therefore also all those who move from another status to being unemployed and inactive) find it difficult to return to the labour market. The Household Panel analyses show that the longer an individual is in a given position – be it employment, unemployment, or inactivity – the fewer transitions they make. Particular attention should be paid above all to the ‘silent labour reserve’ in this respect. In the VIONA project ‘Arbeidsloopbanen in kaart’, the silent labour reserve is defined as all those of working age (18-64 for men and 18-59 for women) who are not part of the labour market (Forrier et al., 2004). Within this silent labour reserve, a distinction may be made between the late arrivals, the early leavers and those who do not take part in between for one reason or another.

Figure 3

Labour market position for low-skilled women (less than higher secondary education) compared with high-skilled women (higher education)



The *late arrivals* consist almost exclusively of students. Admittedly, these days they study longer than the respondents from older Household Panel groups, but most of them make a smooth transition to the labour market. The *in-between group* contains a hard core of women. It is well known that the level of employment among women is considerably lower than that among men. To a certain extent, a cohort effect plays a role here. The older women on the Household Panel still carry the legacy of the breadwinner model. However, even among younger women, the

level of employment is a maximum of 80% (compared with 95% among men). The figure below shows that the level of schooling plays a very important role here.

Low-skilled women tend to opt to withdraw (permanently) from the labour market far more than high-skilled women. In practice, women who do not work seem to opt more for housekeeping, including looking after children. The fact that among women aged between 25 and 50 the choice of whether or not to go out to work is so strongly related to the level of education suggests that in many cases this is a negative choice, prompted by relatively limited expectations in terms of earning capacity (lower wage combined with a smaller chance of employment), which means that financially there is little benefit to be gained from paid work. If the level of employment among the middle-aged is to be increased, then a solution to this problem will have to be found. This presupposes, among other things, the development of more extensive and more local child-care facilities, possibly with a stronger link between cost and income. Given that the transition from inactivity to a part-time job is the most realistic, steps must also be taken to eliminate the snares of inactivity when making the transition to a part-time job.

Finally, the *early leavers* often begin a succession of periods of unemployment, other forms of inactivity and retirement from the age of 50. In 2002 only 40.6% of those aged over 50 were still working in Flanders. In this respect, Flanders lies far below the European average of 51%. The Household Panel analyses indicate that these 'older' people, once they have left the labour market, do not return via a new job or by earning extra money. This reinforces the well-known image of the *concentrated career*, of a career history in which activity on the labour market is packed into approximately 25 years. The period of the professional career often coincides with that of other cares: paying for a home, raising a family, caring for children, building up a social network. Leijnse (2001) refers to the 'rush hour of life'. Once past fifty, for many their role on the labour market is over (fifty and out) and, in addition, the pressure in their private lives declines.

If employment among the older age groups is to be boosted, then steps will have to be taken to make it attractive for these people to return to work. Above all, however, care must be taken to ensure that they do not leave earlier. We must therefore ensure that older employees remain competitive on the labour market – this will presumably mean seeking a new balance between labour cost, productivity and experience – but also that they are stimulated to remain at work. One important issue in this respect is the extent to which the image of the concentrated career can be broken by spreading work, care, relaxation and studies more evenly throughout life. In other words, to what extent should we strive to achieve the model of the transitional labour market as a normative 'ideal'.

The extent to which early departures can be curbed by offering employees the opportunity to take a number of sidesteps during their career – for instance by means of transitions that are geared to intermezzos – is very much the question. The research undertaken so far does not provide any conclusive answer to the question of whether arrangements such as time credit can contribute towards lengthening careers – an idea that is prominent in ageing well and transitional labour market models. We do have an idea of the willingness of working people to make such a transition. This is indicated in the following table, which is taken from the VIONA project ‘Loopbaanbegeleiding doorgelicht’ (Verbruggen et al., 2004).

Table 3

Expected employee transitions over the next five years, according to gender, age and level of education (n=948)

	General	Age			
		Y (20-29)	M1 (30-39)	M2 (40-49)	O (50-64)
Change job	27.4	43.9	31.3	18.1	15.6
		Y>M1**; Y>M2***; Y>O***; M1>M2***; M1>O***			
Change employer	17.9	35.4	16.5	11.6	7.4
		Y>M1***; Y>M2***; Y>O***; M1>O**			
Begin working on a self-employed basis	5.3	9.9	5.7	3.6	1.5
		Y>M1(*); Y>M2**; Y>O***; M1>O*			
Become unemployed	5.8	8.1	3.8	6.5	3.7
		Y>M1(*); Y>O(*)			
Retire	7.6	0	0	2.1	48.9
		Y<M2**; Y<O***; M1<M2**; M1<O***; M2<O***			
Interrupt career to study	8.8	15.7	9.5	5.7	3.7
		Y>M1*; Y>M2***; Y>O***; M1>O*			
Interrupt career for personal reasons	10.2	18.9	8.8	7.1	6.8
		Y>M1**; Y>M2***; Y>O***			

* Independent sample T-test; ***p<0.001, ** p<0.01, *p<0.05, (*) p<0.10

The transitions mentioned most frequently involve changing job or employer. On average, 27.4% of employees expect to change jobs over the next five years, while 17.9% expect to change employer. The proportion that expects to become self-employed is considerably lower, at 5.3%. It is striking, however, to note the relatively high proportion of employees who are thinking about interrupting their career in order to study (8.8%) or for personal reasons (10.2%). Nevertheless, it is mainly young people who are planning, considering or expecting these transitions. In the youngest age group, no less than 40.1% are expecting to change jobs and 29.6% to change employers. The striking factor here, above all, is the scores for career breaks. These are considerably higher in the youngest age group than in the middle categories and among older people. If we

look first at breaks taken in order to study, 15.7% of employees in the youngest age group are considering interrupting their career in order to study in the next five years. We automatically associate leave for refresher courses with 'midlife' rather than with the early career years. Qualifications have an expiry date (Geldof, 1999). The 'use-by date' is admittedly becoming ever shorter, but nevertheless it seems improbable that this use-by date expires after barely five or six years' experience on the labour market. The fact that young people in particular record higher scores here may be related to experience of skill frictions occurring with the transition from school to work and the possible stronger feeling that people have at that age that they can still actively alter the course of their career. The fact that career breaks for the purpose of studying score far lower for the middle categories and the older employees makes us think about the extent to which career breaks can play a key role in actively supporting lifelong learning and in this way increase employability and employment at an older age. We see a similar pattern as regards career breaks for personal reasons. The fact that the youngest age group scores higher here has presumably partly to do with the fact that this is when people start to build a family. For this transition in particular, women score far higher than men.

3 *Guiding and supporting careers*

To increase job mobility and facilitate transitions, care must be taken to ensure a sufficiently strong institutional support for the bridges between jobs and 'from and to work'. Particular care must be taken to ensure that lasting employability is guaranteed, including at an older age.

Working to ensure lasting employability is important for various reasons:

1. *As a condition for job security.* Employability is the ability of an individual to acquire a suitable job but also to keep a job. In this sense, employability is not purely the equivalent of job security (see introduction). Employability is at the same time a condition for job security. Employability is not only necessary for developing a boundaryless career, but also for remaining with a current employer in turbulent times.
2. *Eliminating job insecurity.* The feeling of job insecurity is increasing. Research results indicate that over half of employed Flemings (53.5%) experience the feeling of job insecurity to a greater or lesser extent (Vandoorne & De Witte, 2001). This is not only due to a higher level of unemployment (see OECD, 1997). An individual's assessment of the chances of finding a new job depends not only on the level of unemployment but also on their belief in their own abilities. Those who feel employable on the internal and external labour markets have less fear of losing their job. To this extent, working to ensure employability can be a mechanism to further enhance the security that is still considered of paramount importance.

3. *Lengthening the career.* Those aged 50 and over often have to struggle with prejudices. They are seen as less productive and less flexible, less ready to adapt to change, slower to learn new things, etc. As a result, many people aged 50 and over leave the labour market prematurely. By safeguarding the employability of older employees, the premature transition from work to retirement could be curbed.

Various parties can play an active role in increasing employability. Below we look successively at the individual, the employer and the government.

3.1 ■■ *The role of the individual*

Traditional career management systems are confined to guiding employees' careers within the organisation. The organisation is therefore the central entity responsible for the careers of its employees. The career literature attaches considerable attention to 'Organisational Career Management' (OCM). When careers become less bound to one organisation, the person acquires more responsibility for his or her career (Brousseau et al., 1996; Hall & Mirvis, 1996; Eby et al., 2003). Instead of 'Organizational Career Management', 'Individual Career Management' (ICM) gains in importance in the management of careers. Career management becomes a shared responsibility between the individual and the organisation (Orpen, 1994).

The VIONA research project 'Loopbaanbegeleiding doorgelicht' studied the extent to which employees manage their own career, or, in other words, the extent to which they actively engage in ICM. To measure individual career management, the respondents had to indicate to what extent they had practiced a range of individual career management behaviours. We identified four factors. Two of these factors aim at furthering the career inside the organisation: 'networking behaviour' – such as building contacts in areas where they would like to work or introducing themselves to people who might influence their career – and 'visibility behaviour' such as drawing attention to one's achievements. The other two factors aim at furthering the career outside the organisation. They include 'mobility oriented behaviour' – such as gaining marketable knowledge or making plans to leave if the organization does not offer a rewarding career – and 'doing practical things' such as monitoring job advertisements. The table below shows to what extent employees in Flanders are managing their own careers.

Table 4

ICM in Flanders – total, split up by gender, age and education (average score out of 10)

	Total n=957	Gender		Age			Education		
		M	F	L	M	H	L	M	H
Visibility behaviour	5.66	5.70	5.62	5.83	5.45	5.68	5.43	5.48	6.01
		/		L>M(*)			H>L*; H>M**		
Networking	4.21	4.36	4.06	4.57	4.11	3.90	3.46	4.06	4.93
		M>V(*)		L>M*; L>H***			H>L***; H>M***; M>L**		
Doing practical things	3.08	3.12	3.04	3.73	2.89	2.52	2.23	2.90	3.90
		/		L>M***; L>H***			H>L***; H>M***; M>L***		
Mobility oriented behaviour	2.34	2.39	2.29	2.92	2.11	1.89	2.16	2.19	2.62
		/		L>M***; L>H***			H>L*; H>M**		

***p<0.001, ** p<0.01, *p<0.05, (*) p<0.10

Only ‘visibility behaviour’ is given an average score of over 5/10. Young people and the highly skilled score highest for this variable. A certain amount of attention is also paid to ‘Networking’, with an average score of 4/10. Men, young people and the highly skilled are the most active in this respect. Considerably less attention is paid to doing ‘practical things’ that can increase knowledge of the labour market. We observe that engaging in such activities declines with age and increases with the level of schooling. The last ICM factor, ‘mobility oriented behaviour’, has the lowest average score. Here again, young people and the highly skilled record the highest scores. This really involves the extent to which employees develop a script or action plan in the event that their current employer no longer has the possibility of maintaining or increasing employability (e.g. too few career opportunities, too little scope in the job to use qualifications, etc.). The majority of Flemish employees consequently do not seem to prepare actively for ‘worst cases’ or assess the development of their career from the point of view of the importance of permanent employability. Aspects such as external career services can play an important role here (see below).

3.2 ■■ The role of the employer

Despite the rhetoric that individuals should take responsibility to manage their own career, organizations are still heavily involved in career management. In the VIONA project ‘Loopbaanbegeleiding doorgelicht’ we also studied the career support employees get from their organisation (Verbruggen et al., 2004). To measure this ‘Organisational career management’, or OCM, respondents had to indicate the extent to which they had experienced different kinds of organisational career management help. We distinguished between formal and informal activities. Formal interventions referred to opportunities offered by the organization to use one’s com-

petencies or to develop new ones. Items included, for instance, being given training to help develop their career, being taught things they needed to know to get on in their organisation, and being given a personal development plan. Informal help relates to the support of the organization to build up a social network. Items here include, for instance, being introduced to people who might help one's career development. Besides formal and informal interventions, we distinguished a third factor, called 'career advice'. This factor indicates whether people were being given impartial career advice when they needed it. Table 5 shows to what extent employees in Flanders get career support from their employer.

Table 5

OCM in Flanders (average score out of 10, completed with independent sample t tests)

	Total =957	Gender		Age			Education		
		M	F	L	M	H	L	M	H
Formal OCM	5,14	5.26	5.01	5.63	4.94	4.77	4.57	5.05	5.64
	/	/	/	L>M**; L>H***			H>L***; H>M**		
Informal OCM	2.62	2.64	2.61	3.03	2.43	2.34	2.36	2.62	2.82
	/	/	/	L>M**; L>H**			H>L*		
I am being given impartial career advice when I need it	4.08	4.13	4.03	4.43	3.83	3.90	4.10	3.93	4.20
	/	/	/	L>M*; L>H*			/		

* *** $p < 0.001$, ** $p < 0.01$, * $p < 0.05$, (*) $p < 0.10$

The table shows that the average Flemish employee is given some opportunities by his employer to develop his skills. The average score for 'skills-oriented support' lies somewhat higher than 5/10. Young people are offered such opportunities more frequently than those aged over 35 and older employees. Moreover, this skill-oriented support increases sharply with the level of education. The better educated a person is, and consequently the more skills he has already developed through initial training, the more chances he is offered by his employer to maintain his existing skills and develop new ones.

The average score for 'social network' support is very low: 2.6/10. Apparently Flemish employers hardly support their employees at all when it comes to developing a social network. Young people receive such support most frequently. Moreover, highly skilled people are once again assisted significantly more frequently. However, the differences are small. The average score for career advice also falls below the five-point level (4.08/10). Young people are given career advice somewhat more frequently than employees aged 35 and over.

3.3 ■■ The role of government

ICM records a decent score, but the main focus is within the organisation. OCM records a relatively poor score. The question is whether these gaps in the support for permanent employability can be filled by the government. In this respect, over the past few years a great deal of work has been done on developing the right to career counselling. This has been accomplished, amongst others, by a Task Force under the aegis of the King Baudouin Foundation (Sels et al., 2002). The main requirements that high quality career counselling must fulfil are:

1. Career counselling must deal with the *aim* and the *direction* of the career. The starting point lies in self-assessment, paying attention to behavioural (skills), emotional (values, personal preferences) and cognitive aspects. The central questions are: ‘what are my strong and weak points?’, ‘what sort of work suits me best?’, etc. On this basis, the aim and direction are sought, resulting in a development plan.
2. Career counselling must be *interactive*. The diagnosis is not limited to a sort of introspection. Account must be taken of the feedback from other relevant sources (testing self-analysis) and, if relevant, the relationship between the individual and the organisation.
3. Career counselling must lead to the acquisition of *transition skills*. This is the ability to define one’s own added value, take steps to develop this further and, if necessary, make compromises without losing sight of one’s own direction or identity.
4. Career counselling must have a *time perspective*. It takes time for an individual to establish new, meaningful relationships. ‘Giving meaning’ is a process that never ceases, because individuals are constantly gaining new experiences which force them to redefine the meaning of old experiences.

When developing a model for the right to career counselling, a number of options are brought to the forefront. (1) For instance, the right must apply for all Flemings of working age, who have a minimum of career experience and are not unemployed. (2) The right must be accessible at the individual’s own discretion (i.e. not limited to a certain period in life), with a minimum interim period of six years between two programmes. (3) The right is funded mainly by the Flemish government, supplemented by a limited non-refundable contribution paid by the participant. (4) The procedure to be followed is not prescribed. Career counselling can involve a large number of different methods, instruments and forms.

There remains the question of whether the right to career counselling will in itself be sufficient to cope with the challenges outlined in the first part of this paper and support the transitional nature of the labour market. The future will show. Here we are confining ourselves to clarifying the

contribution which such a right can make towards achieving a more 'mature' transitional labour market.

1. *Intermezzo*. The model of the transitional labour market is based on an updated understanding of full employment, probably with an average working week that is shorter than the current standard, whereby working hours vary depending on the economic conditions or the phase in the employee's life and individuals can make a carefully considered choice in favour of varying combinations of work, training, care and free time. The basic (in itself doubtful) assumption here is that 'concentrated careers' can be drawn out if inactive or less active intermezzos are incorporated into the career. Time credit is one example of a measure designed to create such breathing spaces. However, what is lacking is a control mechanism, a set of instruments that supports individuals when making choices and actually undertaking transitions. Career counselling serves to smooth the way here, providing support for individuals when they are making choices. It must assist young and old alike in the quest for a new balance between work, care, leisure time and private life.
2. *Shock absorber*. In contemporary western society, (paid and unpaid) work, care, learning and leisure are areas of life that each make far-reaching claims on our time. It is difficult to combine work with the requirements of other areas of life. This is particularly true when employees are confronted with 'shocks' in other areas of their lives – health problems, the break-up of a family, following a 'mobile' partner. The success with which people react to these types of critical events increasingly determines the quality of life and career. Here, too, career counselling can provide the necessary support. For instance, by assisting individuals in their quest for better combinations of care and paid work, but also by acting as a sort of psychological first aid for individuals who can no longer keep track of the complexity of their own lives.
3. *Employment*. The number of people aged over 50 in work is low. The reasons for this are well known: the highly organisation-specific and sometimes outdated qualifications of older employees, the stereotyped images of their potential productivity, the high wage costs, the short payback period for investments in new knowledge. This group's chances are sure to increase if we manage to put off the age at which productivity begins to flatten out. Analyses carried out by Gelderblom (1992) indicate that productivity tends to rise with age and flattens out after a certain threshold, but the point in time when this occurs depends heavily on the extent to which investments are made in training and supporting older workers. Career counselling can provide support here. The purpose of this counselling is to detect problems with application and employability in time and to support the individual in making choices that fit with their own skills and preferences. So the purpose of career counselling is to track down and remedy problems in and with careers.
4. *Reserve tank*. The faster the innovations follow one another, the faster the qualifications become outdated. So lifelong learning seems to be the watchword. However, for the individual

employee/citizen, opting for training is not always that simple. It requires an effort that requires investments of time that cannot always be reconciled with work, care, etc. What's more, it is not only the learning issues that are becoming more complex and diverse. The same applies to the forms of education available. The right to career counselling can serve a number of purposes here: identifying acquired skills, determining remaining learning needs, guiding individuals through the range of possibilities on offer, and mapping out suitable learning paths. In particular, a great deal of attention must be given to eliminating *dispositional* barriers: an individual's lack of confidence in their own ability, negative attitudes to learning and low expectations as to the effects of learning.

5. *Prevention.* The age of relative employment security is far from over. However, overall figures on mobility are misleading. They conceal extremes. There are industries that deviate from the rule and are indeed characterised by a very high turnover. Accurate signposting on the labour and training market certainly has a *raison d'être* here. Moreover, since 2002 we have observed a serious reversal in the composition of staff turnover (see above). Forced turnover due to restructuring has risen substantially. This calls for an increase in outplacement. However, outplacement is reactive. The chance of success will probably be higher for employees who have also worked on employability as a preventive measure. The right to career counselling can help increase employability, regardless of whether an individual wishes to be stable or mobile. It may be seen as an instrument that can accentuate the currently inadequate efforts in the field of ICM and OCM.

In the VIONA project '*Loopbaanbegeleiding doorgelicht*', a market survey was carried out to determine what proportion of working people in Flanders consider the right to career counselling a benefit and feel that they have a good chance of taking part. Flemish workers' views of career counselling in general and the usefulness of career counselling for various groups of workers seem optimistic (Verbruggen et al., 2004). One point of concern is that, generally speaking, older, less skilled employees and manual workers have a less positive attitude towards the usefulness of career counselling for their own labour market category. These somewhat negative views result in a lower perceived value as regards career counselling and less willingness to take part. In any case, great care will have to be taken to ensure that the imbalanced exercising of this right does not lead to a further distortion of the opportunities of groups at risk.

No less than 9.7% of Flemish employees now indicate that they certainly would benefit from taking part. In addition, there is a considerable demand for career counselling. In total, 11.7% of Flemish employees (1) state that the chance of taking part in the next five years is very good, (2) have concrete expectations in respect of results, (3) are willing to spend more than six hours on this service and (4) are prepared to pay to take part. This would result in an average participa-

tion of 2.3% or over 57,000 participants per year. This is an (unrealistically) high figure. Of course, we should never lose sight of the fact that this only measures the expression of an intention to take part. Expressing an intention does not mean that people will ultimately act in this way. A fair amount of research has been done on this relationship between intention and behaviour, mostly inspired by the 'theory of planned behaviour'. However, the vast majority of this research is concentrated in the medical sphere. It indicates, above all, that the extent to which intentions are translated into practice depends very much on the specific behaviour that researchers are trying to predict. For instance, research carried out by Godin (1996) shows that the correlations between intention and behaviour vary from 0.15 (going for a health check) to 0.72 (going jogging). The average correlation for the studies he reports is 0.46, which is fairly high. We are aware of one labour market-related survey, specifically on the active search for work (job search behaviour). This study by Van Hooff et al. (2004) indicates a correlation of 0.52 between intention and behaviour (for actively looking for a job by those in work and job seekers).

So the fact that a large proportion of Flemish employees express an intention does not in any way mean that there will be a rush for career counselling in the short term. The high proportion rather indicates a marked positive attitude as regards the usefulness of this type of service. However, it is important not to lose sight of the fact that it is mostly younger employees who wish to take part. The expectations of young people indicate that part of their 'demand' can be met more effectively by specific systems involving employment officers and labour market orientation. This, too, will lead to a further shrinking of the potential demand.

Moreover, most of the 'potential participants' wish to follow career counselling during working hours and preferably for a number of half-days. Over half would prefer not to have to take days off to take part in career counselling. Potential participants would therefore like opportunities to use working time to take part in career counselling. If such opportunities were not granted, a further third would drop out, bringing the potential demand down to 1.6% of Flemish employees per year. Even this figure is an over-estimate, in that it is based on a situation of 'perfect information'. Employees who in reality are not aware of the existence of (the right to) career counselling cannot take part in these programmes. If we add 'knowledge of career counselling' to the equation, then the annual demand is further reduced to 0.8% of Flemish employees.

The following table summarises some data relating to the profile of potential participants. We compare the group who do *not* see their chances of taking part as very good with those who say that their chances of taking part in the next five years are very good, and who have concrete expectations as to the results, who are willing to spend more than six hours on this service and who are willing to pay to take part and to give up their free time for this.

Table 6

Profile of potential participants

	Non-participants	Potential participants
Proportion dissatisfied with career	19.9	34.7%
Proportion with quality of work problem	33.1	52.0%
Proportion who have experienced a recent shock	13.2	29.3%
Proportion who expect transition in next five years	41.4	68.0%
Proportion who expect career discrepancy	45.0	70.7%
Proportion who expect transition and career discrepancy, and who have experienced a shock or have employment problems	69.4	92.0%

The figures show that the potential participants score considerably higher for each of these possible ‘triggers’ for taking part in career counselling than those who consider their chances of taking part to be lower. We confine ourselves here to the last row. This shows that of the potential participants, 92% have either (1) experienced a shock in their recent past (e.g. threat of dismissal), or (2) have experienced a quality of work problem (e.g. work-family conflict, work-related stress), or (3) are considering a transition (e.g. changing employer or planned career break), or (4) are expecting a career discrepancy (e.g. want to interrupt their career but fear that they will not have the opportunity to do so). So the vast majority of potential participants have a concrete reason for taking part in career counselling.

4 *The final results*

We would like to end with a number of general conclusions on research into careers and career services.

1. *Higher, lower.* There is something remarkable going on in regard to our thinking about careers. Ten years ago, many ‘work-watchers’ saw a long period with an employer on average as a sign of a good quality career. Many years’ service was associated with reciprocal loyalty and a readiness to invest. Careers worthy of the name were portrayed as something typical of continental Europe. The Anglo-Saxon opposite was soon associated with a short-sighted ‘hire-and-fire’ policy. Today, the situation is very different. We now associate these same, stable careers with a ‘stay-put’ attitude, rigidity, insider-outsider barriers, waning employability and the concentration of experience. The question now is: do we have too little, just enough or too much mobility? We could probably use a little more mobility, even if just to make the transition from unemployment to work or from precarious work to more valuable work more flexible. More mobility means rather more selection processes and consequently more

opportunities for outsiders to join or become (re-)integrated into the labour market (Sels & Van Hootegeem, 2001; Forrier & Sels, 2003b). This can result in a lower level of long-term unemployment. But how much mobility is 'enough'? It is impossible to define a sort of optimal level of mobility, particularly since the impact of mobility depends very much on the degree of company specificity and replaceability of skills. Moreover, objectives as regards mobility can only be formulated if the 'as is' situation is clearly stated. At the moment, the various sources of statistics contradict one another too often. Intuition (insofar as this is worth anything) tells us that sources such as the household panel or the Labour Force Survey underestimate actual mobility. At any rate, other sources such as social balance sheets, the data warehouse referred to above or sector-specific analyses (see, for instance, Maes & Sels, 2003 for the construction sector) indicate higher levels.

2. *The transitional labour market in transit.* In his model of the transitional labour market, Schmid argues in favour of a new working time standard in the form of a flexible 30-hour week, and a 'flexible balance' around an average of 30 hours a week, calculated over the course of a lifetime (Schmid, 2003). This definition does not immediately aim for a further reduction in the working week. Above all, there must be more scope for greater diversity in employment relations and the possibility of choosing somewhat more freely between these relations. Thus this 'flexible 30-hour week' would indicate the average working time that an individual, a man or a woman, would work over the course of their active working life. Depending on the time that individuals spend with their families, personal plans or adaptations to new technologies or economic requirements, the time spent working is adjusted up or down. At first glance, we seem to be a long way from this ideal. In any case, very few transitions are recorded, (apart from the well known one-way traffic from study to work, from work to care, from work to (very early) retirement, and from work to unemployment). Moreover, the average career is very concentrated, with a very low level of employment above the age of 55. Over the past few years, a great deal of work has been done at the institutional level to give individual employees somewhat more control: theme-based leave, training cheques, career counselling, etc. However, we have little idea of who uses these instruments, or of how and for what purpose, nor do we know what their consequences are for the further career. Consequently there is a need to pay more and not (as is the case at the moment) less attention to research into the way in which various labour market positions succeed one another, which of these 'strings' may be categorised as negative career spirals, whether individual efforts to 'stay abreast' help break through these spirals (see Forrier, 2003), what effects periods of 'not working' have on one's later career and labour market opportunities, etc. Nor do we know very much about the effects of mechanisms to promote transition on the labour market opportunities of groups at risk. Research into the potential demand for career counselling, for instance, indicates that the right to career counselling would be exercised mainly by workers

with the necessary ambition and a clear openness to change (Verbruggen et al., 2004). But what about the (relatively large) group of people who find it difficult to move beyond their own dispositional barriers?

3. *Employable, workable, employed.* Over the past few years the debate on careers has been dominated by the issues of working time and employment. Working hours and employment are two parameters that play a key role in the process of creating prosperity (measured against the extent of the gross domestic product or GDP per capita), and in this sense in the debate on the financing of the welfare state and the social security system, as well. The degree of prosperity created depends on four parameters: labour productivity (the gross value added per hour worked) x working time (number of hours on an annual basis that this value added is created) x employment (number of people who make an active contribution to the creation of value) x the proportion of the total population that is of working age. From this perspective, an increase in the number of hours or years worked and in the level of employment (or trade-offs between the parameters) take on an obvious importance. If the number of transitions to periods of 'not working' increases, the average working time will probably fall. Moreover, this is one of Schmid's starting points when developing his model of the transitional labour market. This must be offset by more employment, either through integrating more non-active and unemployed people, or through extending careers (and hopefully a combination of both). However, these relations are less clear-cut than is often presumed. One of the central questions for future careers research is precisely how temporary transitions to care, free time or education can influence the willingness to keep working for longer. The results relating to 'desired transitions' among those who are working at the moment are problematic in this respect. It is primarily young people who plan, consider or expect transitions, and this mainly relates to forms of career breaks. The fact that career breaks (for education) score far lower in the middle category and the 'older employees' category gives rise to thoughts about the extent to which theme-based leave can play a key role in actively supporting lifelong learning and thus in increasing employability and employment at older ages.
4. *Poor Flanders.* The few career studies that have been set up in the past few years are based mainly on household panel data. However, this panel was not intended to focus on work. It provides panel information about various areas of life, of which working life is just one. The information about work careers is really too limited for research into this subject. We are a long way from being able easily to reconstruct all relevant labour market transitions. For instance, it is extremely difficult to delimit the group of those who have taken early retirement or to grasp the transition from one job to another properly. Moreover, the household panel focuses very much on the main activity. Information about secondary activities (such as participating in education), which are important for assessing the 'transitional' nature of the la-

bour market, are barely considered. In other words, there is a growing need for a substantial labour supply panel (see OSA in the Netherlands). What is more, most of the neighbouring countries have developed databases in the past ten years that can be used to match employee data with the characteristics of internal labour markets. Such links make it possible, for instance, to examine the consequences of changes in the distribution of labour or segmentation processes on the development of careers. So far, however, such data are not available in Flanders (or in Belgium). The combination of an approach such as that of the household panel and an approach such as that of PASO (Panel Survey on Organisations) would mean a huge step forward in this respect. However, since both databases are dying a (quiet) death, we are actually going backwards. We will end the lament with the Labour Force Survey carried out by NIS/Eurostat. This databank resolves the complaints regarding the size of the sample group, European comparability, and information on careers and lifelong learning. In addition, it has a panel dimension to a certain degree. However, the data are not available in a form that is suitable for scientific research. At the moment, the readiness to make changes here is also lacking.

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Appendix 1

The most important transitions (overview)

n	year	Permanent job				Temporary job				Self-employed				Career break						
		95	96	97	98	99	00	95	96	97	98	99	00	95	96	97	98	99	00	
Permanent job	2166	91						2.1												
	2050		93					2.4												
	1985			93					2.1											
	1827				93					2.9										
2270					93					2.3										
2232						93					2.1									
Temporary job	171	35						49												
	170		34						49											
	186			40						45										
	170				37						52									
218					43						48									
198						44						44								
Self-employed	408	1.7						0.3												
	376		1.9						1.1											
	344			2.3						0.3										
	333				1.8						0.0									
415					2.6						0.2									
385						2.9						0.8								
Career break	99	28						4.0												
	75		33						9.3											
	53			34						9.4										
	52				46						9.6									
67					57						7.5									
52						42						5.8								
Unemployed	376	6.7						5.1												
	383		8.1						6.3											
	349			6.6						4.6										
	321				7.2						7.5									
347					7.8						8.1									
312						9.9						7.4								
Student	490	5.1						3.9												
	475		5.7						4.4											
	436			4.6						5.1										
	408				5.9						5.2									
481					6.4						3.5									
430						6.5						4.4								
Care work	509	0.8						0.4												
	472		1.1						0.6											
	418			1.0						0.7										
	397				1.0						0.5									
482					1.5						0.4									
436						1.2						1.2								

n	year	Unemployed					Student					Care work							
		95	96	97	98	99	00	95	96	97	98	99	00	95	96	97	98	99	00
Permanent job	2166	1.8					1.1							0.6					
	2050	1.4		1.7			0.1							0.2		0.4			
	1985				0.9	1.2		0.0								0.2			0.2
	1827							0.0											
	2270																		
2232																			0.2
Temporary job	171	7.0					0.6							3.5					
	170	11.2		8.1			0.6							1.2		0.5			
	186				6.5	6.0		0.6								0.0			0.5
	170								0.6										
	218									0.5									0.5
198																			
198																			0.5
Self-employed	408	1.0					0.0							1.2					
	376	1.9		0.0			0.3							0.5		0.6			
	344				0.9	0.5		0.0								0.6			1.5
	333								0.0										
	415									0.0									1.5
385																			1.8
Career break	99	24.2					1.0							6.1					
	75	25.3		13.2			1.3							5.3		9.4			
	53				7.7	3.0		0.0								3.9			3.0
	52								0.0										
	67										1.5								3.0
52																			
52																			5.8
Unemployed	376	7.2					2.1							5.9					
	383	7.3		7.3			2.1							6.8		8.0			
	349				7.4	7.2		1.2								5.0			5.5
	321								1.3										
	347									0.9									5.5
312																			
312																			5.1
Student	490	5.5					8.4							0.4					
	475	4.2		4.8			8.4							1.1		0.7			
	436				3.2	3.3		8.4								0.5			0.4
	408								8.4										
	481									8.6									
430																			
430																			0.0
Care work	509	3.7					0.6							8.5					
	472	3.4		2.6			0.2							8.5		8.6			
	418				3.0	2.9		0.2								8.6			8.7
	397								1.0										
	482									0.0									8.7
436																			
761																			4.3

RECONCILING PAID WORK WITH FAMILY DEMANDS: WOMEN'S STRATEGIES TO KEEP THE TOTAL WORK LOAD IN CHECK¹

Ignace Glorieux

■ *Introduction*

Because of the increased participation of women in the labour market, the traditional division of labour between men and women has come under attack. This does not mean however that traditional role divisions between sexes disappeared. Where it used to be housewives who took care of household responsibilities, thereby creating a buffer that attunes the different temporal orders coming together within the family unit (cfr. Elchardus 1996), women today are faced more than ever with the problem of combining professional activities with family obligations. Time Use Surveys from very different countries make clear that women in general, regardless their position in the labour market, still spend much more time on household work, child care and rearing (European Commission, 2003). The fact that women still carry the main responsibility for the household work and children, of course influences their behaviour on the labour market.

In this chapter we examine how women in Flanders combine family responsibilities with labour market participation. Using time use data we concentrate on the trade off between the time spent on work in the private sphere (household work and child care) and the time devoted to paid work. We first have a very general look at how labour market participation of men and women fluctuates over the life cycle (section 1). This already makes very clear that women are balancing their commitment to paid work in function of their changing role duties as mothers and housewives. One prominent strategy among women for keeping the total workload down is part-time work. In section 2 we go into this strategy more closely and examine the changing character of part-time and full-time work between 1988 and 1999. Another strategy among women to limit the total workload and make the combination of work and family responsibilities more feasible is looking for jobs that are compatible with the demands of the household. This kind of labour

¹ Most analyses in this chapter were made in the framework of a VIONA-research project published in Glorieux, Minnen & Van Thielen (2004). I want to thank Joeri Minnen and Leen Van Thielen for their valuable contribution to the analyses. The time use research project TOR'99 was funded by the Flemish government (projects PBO97/3/109 and PBO99B/4/25). The fieldwork of TOR'88 was financed by the National Fund for Scientific Research (project 2.9007.87), the National Women's Council and the Research Council of the Vrije Universiteit Brussel.

market segregation could be one of the reasons the working time of full-time-working women is on average lower than the working time of full-time working men. In section 3 we examine whether this strategy, which we found earlier as a prominent one in 1988, is still prevalent in 1999. In section 4 we consider both strategies in balancing paid work with family commitments – part-time work and less demanding full-time jobs – to find out how they evolved during the nineties of the previous century. After a few conclusions in section 5, we end this chapter with some general comments and policy recommendations.

The data we use in this chapter were collected in 1988 and 1999 by the Research Group TOR of the Free University Brussels. For the time-use survey of 1999 (TOR'99) an aselect sample of 1533 inhabitants of Flanders between 16 and 75 registered during 7 days all their activities in a time use diary. In 1988 a similar survey was carried out among 466 respondents between 21 and 40 years old, which makes it possible for this age group to analyze evolutions in behaviour between those years (for more detail, see Glorieux, Koelet & Moens, 2000).

1 *Balancing labour market participation and family responsibilities over the life cycle*

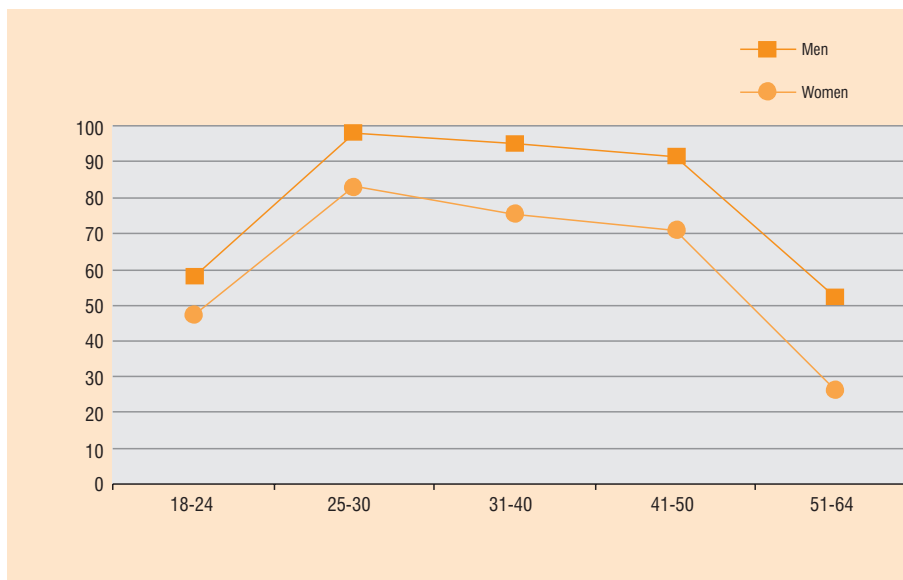
In 1999, the year of the TOR'99 time use survey, 53,6% of the women between 15 and 64 in Flanders had a job. Among men this proportion was 71,3%. The labour market participation of Flemish men and women was a little lower than the average of the then 15 members of the EU for which the employment rate in the same age group was 55,5% for women and 73,8% for men. Over the life cycle however, there are important fluctuations in the employment rates, and these variations significantly differ between men and women.

In figure 1 the labour market participation of men and women in different age groups in Flanders is represented as the proportion of men and women who executed at least one hour of paid work during the week they filled in their diary. These proportions are almost identical to the official employment rates in Flanders as measured by the Labour Force Survey. Figure 1, first of all illustrates the lower labour market participation of women over all age groups. It also points to the fact that the labour market participation of men and women is not equally spread over the life cycle. We clearly see that the employment rates are the highest among men between 25 and 50 years old. In this age bracket there is always at least 90 percent of the men at work, in the age group 25-30 this is even 98,8%, in the age group 31-40 it is 95% and between 41 and 50 years still

91,7% of the men is doing paid work. Among women, the labour market participation is also the highest in the age groups between 25 en 50 years. In these age groups the employment rate is on average 75,6%, which is much lower than the employment rate of men in the same age group (94,6%). There is also a clear difference between men and women in the way the labour market participation is spread out in this so called 'busy age'. Just as men, women are most active between 25 and 30, but the employment rate is going down faster among women. Whereas 83,4% of the women between 25 and 30 perform paid work, this drops to 71,2% in the age bracket of 41 to 50.

Figure 1

Labour market participation over the life course in Flanders (TOR'99)

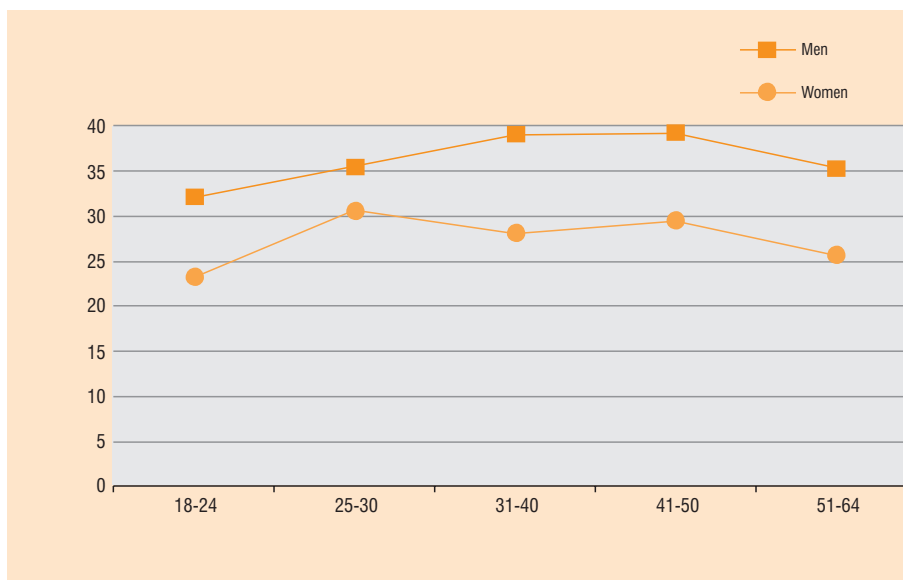


It is clear that the labour market participation of men and women is concentrated in middle age between 25 and 50, often called the 'rush hour of life'.

The distribution of working hours of men and women over the life cycle shows a little bit of a different picture. Figure 2 gives the weekly working hours of men and women over different age groups. The figures refer to the average working time per participant, i.e. those who performed at least one hour of paid work in the week they kept their diary.

Figure 2

Weekly working time per participant by age and sex in Flanders (TOR'99)



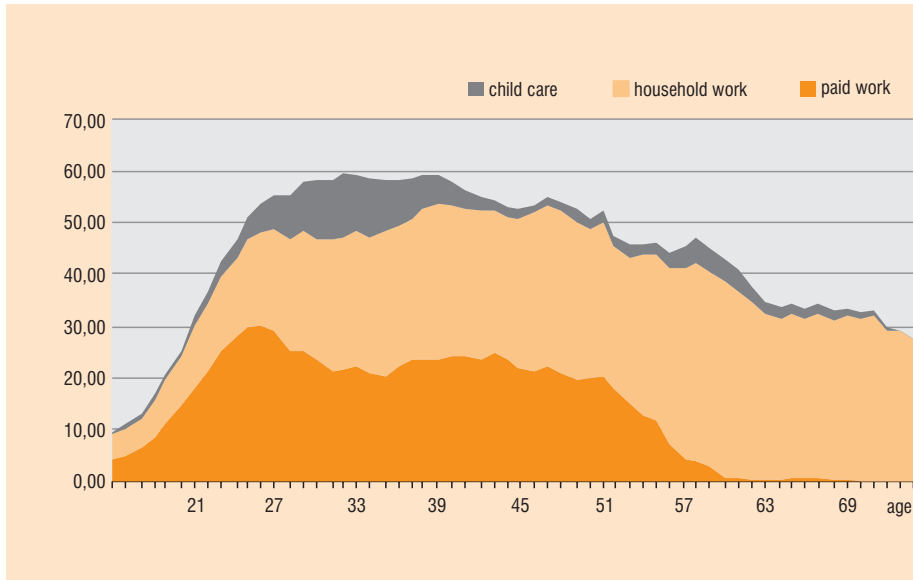
Working men between 31 and 50 years old – the busy age – have the longest working hours. In this age group they work on average somewhat more than 39 hours a week. Among men, the youngest workers have the shortest work weeks (on average 32 hours). In the oldest age group (51-64), the working time per participant is still quite high (35h18’).

The picture for women looks different. First of all, the graph illustrates that the working time of women is in general much lower than among men. The distribution of the working time over the lifecycle is also different between men and women. Whereas for men we see a concentration of long working weeks in the busy age, among women there are more fluctuations over the life cycle. Women in the age group between 25 and 30 years have the longest working weeks (30h35’ per participant). The working time declines after 30 (28h08’ between 31 and 40) to rise again after 40 (29h27’ between 41 and 50). The relatively small group of women who are still active above 50 has rather short work weeks (25h37’).

The fluctuations of labour market participation and working hours of women over the life cycle are of course related to the fluctuations of family responsibilities over the life course. The distribution of different forms of work – paid work, household work, and child care (durations per respondent, including travelling for each of these activities) – over the life cycle is represented in figures 3 (for women) and 4 (for men).

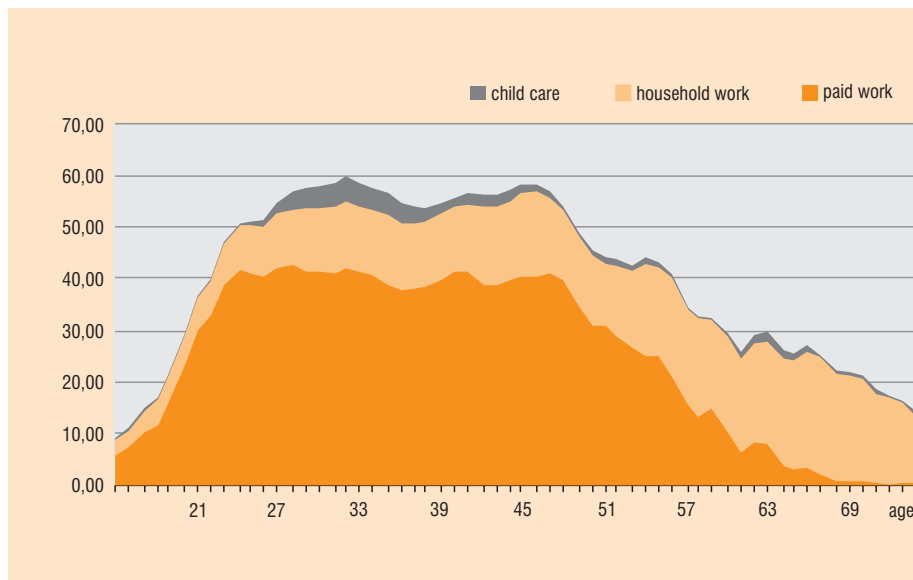
Figures 3

Hours of paid work, household work and child care over the life cycle (women) (TOR'99)



Figures 4

Hours of paid work, household work and child care over the life cycle (men) (TOR'99)



The total work load for men is mainly constituted by the time they spend on paid work. In each year between the age of 24 and 50, men spend on average more than 38 hours per week on paid work (including travelling). In the same age period the total workload is at least 50 hours. Together with the decline in the time devoted to paid work after 50 (mainly because of the decrease of labour market participation), we see a steady decline of the total workload of men. Even though men spend some more time on household work once they are 55, as compared to women household work and child care are never very important considerations. Only after 65, men spend on average more than 20 hours per week (including travelling) on household work. For women, this is very different. In all ages above 32, women spend at least 25 hours on household work and the time devoted to household work in these age groups on average is always longer than the time devoted to paid work. If we add child care, it is only in the age group from 19 to 28 years that paid work counts for at least 50% of the total work load of women. Among men, it is only after 58 that the proportion of paid work in the total work load declines under 50%. Between 20 and 52 paid work counts for at least 70% of men's total work load.

It is clear that in the life cycle of women, paid work only constitutes for a very short period the lion's share of their total work load (in their twenties). The amount of paid work seems to counterbalance the responsibilities in the household. Together with the increase in time spent on household work (more than 20 hours from the age of 29) and child care (10 hours or more between 30 and 36), we see a decline in time spent on paid work (less than 25 hours from the age of 31). As the time for childcare decreases (after 36), we see an increase in the time devoted to paid work (between 36 until 44).

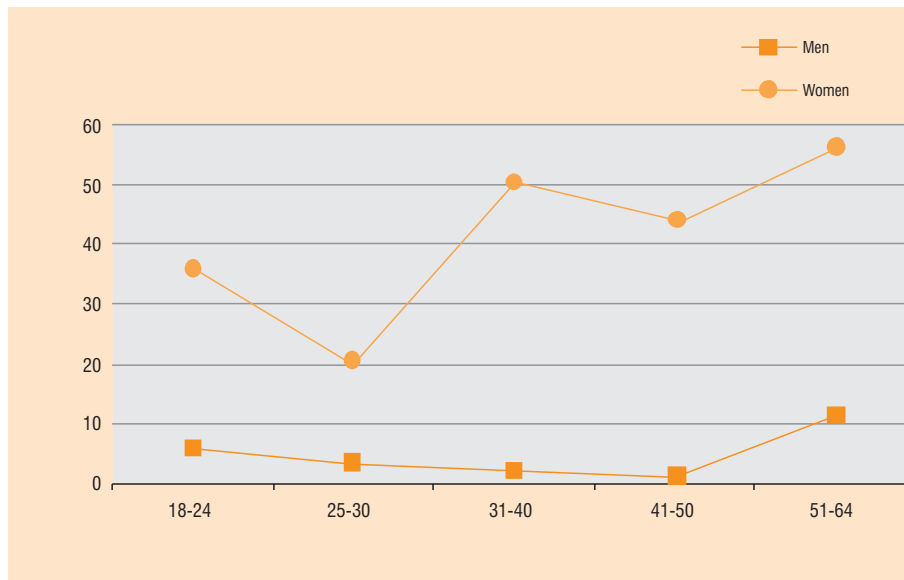
The fluctuations of the working time of women are partly due the distribution of part-time work over the life cycle (see figure 5).

In the age group of 25 to 30 years, part-time work among women reaches the lowest level (about 20%). This is the age group where the employment rate is the highest and women work the longest hours. Part-time work rises to 50% in the age group of 31 to 40. Of course this has to do with the fact that a lot of women have young children to care for. From 40 years on, we see a decline in the proportion of part-time workers among women (44,3%). It is not clear whether this is caused by the early exit of part-timers from the labour market, or because part-timers take up full-time employment again when children grow up. Probably this is also a generation effect. Anyhow, after 50 part-time work rises again to reach 56,4% at the end of the career.

In Flanders part-time work is only popular among women. Only by the end of their careers, a more substantial group (11%) of men is working part-time.

Figure 5

Proportions of part-time workers by age and sex in Flanders (TOR'99)



It seems clear from our data that time use patterns of men and women in Flanders are still very different and the division of work between sexes still keeps up with the traditional role patterns. Despite the high labour market participation of women, they clearly adapt their labour market commitment to the demands of their household. In the next sections we have a closer look at strategies of women in trying to accommodate working life with the family demands and to keep the total work load in check.

2 *Part-time work as a strategy for balancing work and family demands*

The success of part-time work among women and the fluctuations of part-time work over the life cycle can be seen as a clear indicator of the fact that today women are still carrying the main responsibilities in the household as well as being the ones that have to adapt their work commitment to family obligations (cfr. Glorieux, Koelet & Moens, 2001; Glorieux & Vandeweyer, 2002). Consistent with official Flemish statistics, we find in our data a growing number of women working part-time. In 1988 31,5% of working women between 21 and 64 worked part-time. This

number rose to 43,3% in 1999. For men, the participation in part-time work only showed a very modest increase from 2,3% to 4%. A comparison of the time full-time and part-time working men and women spend on paid work and domestic work (see table 1), offers further evidence for the remaining traditional division of labour between men and women.

Table 1

Time spent on paid work, household work, child rearing and caring activities per week, by sex and labour market situation (TOR'99)

	N	Paid work	Household work	Child rearing and care	Total workload
Full-time working women	201	37:12	18:49	3:47	59:48
Part-time working women	150	22:27	27:59	5:23	55:50
Full-time working men	451	41:59	12:13	2:06	56:19
Part-time working men	20	31:25	10:53	1:29	43:47

Table 1 clearly shows that the total workload of men (paid work, household work, child care, including the relevant travelling time for each category) is almost completely dependent on their level of labour market participation. A significant decrease of paid work is coupled with an equally significant decrease in total workload. Women on the other hand have a more balanced distribution of different labour forms and tasks: a decrease in labour market participation is usually countered by an increased amount of time spent on domestic work activities – and vice versa. For women the discrepancy between the total workload of a full-time job and a part-time job is therefore relatively small. When comparing full-time and part-time working men we have to take extreme caution, since our sample only holds 20 part-time working men. But, as previously stated, the lower proportion of part-time working men offers ample indication that part-time work among men is not a common strategy to ease the pressure of combining work and family life.

The findings in table 1 confirm that traditional role patterns are still prevalent in Flanders. If we limit our sample to the age group between 21 and 40 (barring students and work disabled), we can compare the findings of 1999 with the time use data of 1988. This comparison offers a glimpse of the evolution of young women's adaptation strategies of combining work with a family.

Table 2

Comparison 1988-1999 of the time spent on paid work, household work, child rearing and caring activities per week (21 to 40 year olds)(TOR'88 – TOR'99)

		Paid work	Household work	Child rearing and care	Total workload
Full-time working men	'88	42:16	12:18	1:58	56:32
	'99	41:59	10:54	3:01	55:56
		- 0:17	- 1:24	+ 1:03	- 0:36
Full-time working women	'88	34:58	20:02	2:22	57:22
	'99	37:35	17:20	4:58	59:54
		+ 2:37	- 2:42	+ 2:36	+ 2:32
Part-time working women	'88	27:55	19:51	5:15	53:01
	'99	22:10	26:24	8:08	56:44
		- 5:45	+ 6:33	+ 2:53	+ 3:43

Compared to the data of 1988, the already existent discrepancy in workload between full-time working men and full-time working women has further expanded. In 1999, the difference of about 4 hours in the workload of men and women working full-time, is mostly due to the growing workload of women in the nineties. Full-time working men's workloads have slightly diminished, whereas the workload of women, whether they work full-time or part-time, has increased. It is remarkable that part-time working women have traded in 5h45' of time spent on paid work in favour of household work, while for full-time working women the amount of time spent on paid labour has grown, at the expense of household work. It would appear that during the nineties a differentiation has occurred among working women: full-time working women are more oriented towards their professional activities and spend less time on household work, while their part-time working counterparts show exactly the opposite evolution. Women working part-time spend less time on paid work, but perform more household activities in 1999 than 11 years before. This might indicate that holding a full-time job and a heavy family burden is harder to combine in 1999 than it was in 1988. Another interesting fact from these data lies in the significant reduction of the difference in labour time between full-time working men and women between 1988 and 1999. Whereas in 1988 a full-time position meant over 7 hours a week more work for men than for women (including overtime, extra earnings, travelling to and from work, ...), that gap has been reduced to 4h30' over the course of a decade. In the next section we try to explain this difference in working time.

3 *The gender gap among full-time workers: individual strategy or labour market segregation?*

The large difference in working time between full-time working young men and women in 1988 was already thoroughly studied (Elchardus & Glorieux, 1994a; 1994b). We then distinguished between two kinds of causes to explain the difference in working time between full-time employed men and women. On the one hand, the difference can be based on the fact that women – and in particular those with children – perform fewer hours in the same jobs than men. This could be because they are absent more often, take sick leave more often, do not put in the same amount of overtime work men do, do not frequently perform extra work related tasks at home, ... On the other hand, it is well possible that women are predominantly employed in those sectors where working hours are, even for men, limited. The former explanation deals with individual strategies, while the latter focuses on labour market segregation as the underlying reason for shorter work times for women.

Based on the analyses of the time use data of 1988 we concluded that “Of the 8 hours that mothers in full-time employment work less than fathers in full-time employment, about 6 can be ascribed to labour market segmentation, and the remaining 2 to different behaviour in the same jobs” (Elchardus & Glorieux, 1994a: p. 21). Moreover, the remaining discrepancy of 2 hours between full-time working fathers and mothers was not statistically significant.

The labour market segregation between men and women that explained, to a large extent, the smaller amount of time spent on paid work by full-time working mothers, was in part due to the fact that working mothers between 21 and 40 tend to work more in the public sector, in jobs with predictable working hours, in jobs with a relatively small amount of time sovereignty and in professional categories with generally lower working times.

So for 1988 it was clearly established that female employment, and in particular that of mothers, was concentrated in sectors, professional categories and jobs, that, both for men and women are characterized by relatively short working times. This labour market segregation between men and women, fathers and mothers then explained largely why full-time working mothers worked less than full-time working men.

For 1999, we still find a substantial cleavage in working hours between full-time working men and women in the age group between 21 and 40, though the difference has been reduced (on av-

average 4h24' in 1999 against 7h18' in 1988²). Just as in 1988 the difference is most striking for full-time working men and women with children.

Table 3

Average work times of full-time working men and women with and without children (21 to 40 year olds) (TOR'99)

	N	Average work time
Men, without children	106	42:53
Men with children	132	41:16
Women, without children	61	39:18
Women with children	68	36:01
	367	40:26

$R^2=2,4\%$; $\eta^2=.156$; $\text{sign.}=.029$

Table 3 shows that both full-time working men and women perform fewer hours at work when they have children. Fathers with a full-time job, work over 1 hour less than their childless counterparts, mothers work 3 hours less than women without children. Mothers in full-time occupations spend 5 hours less on paid work than fathers. Just as for the TOR'88 data, we studied to what extent these differences in working times are related to labour market segregation. Is it possible to explain the lower working hours of mothers with full-time careers in terms of their job characteristics, i.e. do they generally work in jobs that tend to be less time intensive both for men and women? In order to be able to compare over time, we are forced to limit the analysis to 21 to 40 years olds.

In table 4 we present a number of labour market characteristics³ of full-time working men and women, with and without children.

2 In "The Search for the Invisible 8 Hours" (Elchardus & Glorieux, 1994a) we searched for an explanation for the 8-hour gap in working time between full-time working men and women. After additional weighing for educational level we found this discrepancy to be reduced to 7h18'.

3 For details on the operationalization of these characteristics, see Glorieux, Minnen & Van Thielen, 2004.

Table 4

Full-time working men and women, with and without children, between 21 and 40, by labour market characteristics (row %) (TOR'99)

	Men		Women	
	No children	Children	No children	Children
Type of occupation	100%	100%	100%	100%
Manual workers	45,8	51,5	20,0	13,0
Clerks	26,2	14,2	30,0	23,2
Managers and commercial services	17,8	19,4	15,0	26,1
Service sector	5,6	6,7	6,7	7,2
Social sector	4,7	8,2	28,3	30,4
Occupational sector	100%	100%	100%	100%
Public sector	16,7	19,3	25,0	30,4
Private sector	70,4	69,6	66,7	46,4
Self employed	13,0	11,1	8,3	23,2
Work time regime	100%	100%	100%	100%
Typical work times	34,2	38,2	35,5	32,9
Slightly varying and atypical work times	27,9	31,6	21,0	37,1
Strongly varying and atypical work times	37,8	30,1	43,5	30,0
Predictability end of the workday	100%	100%	100%	100%
< 15 min	50,9	54,4	54,1	59,7
15 to 60 min	20,0	20,6	31,1	29,9
More than 60 min	29,1	25,0	14,8	10,4
Time sovereignty	100%	100%	100%	100%
No amount of time sovereignty	45,9	53,0	52,5	45,6
Limited amount of time sovereignty	28,8	23,9	29,5	29,4
Unlimited amount of time sovereignty	25,2	23,1	18,0	25,0

Corresponding to the findings of 1988 less women work as manual labourers than men. Women tend to be active mostly in the social professions. Notable, and much unlike the data of 1988, for 1999 we find a higher proportion of mothers than men with or without children in positions of managers and in trade business. This is even more striking because this professional category on average has the longest working weeks (approximately 50 hours a week), although the variation in working time is rather high in this category. Furthermore, in 1999, about a quarter of women with children is self-employed, this is twice as much as men and about three times the number of women without children. On the other hand – and this corresponds to our earlier findings – women disproportionately work more in the public sector. The category of self-employed on average has the longest working hours (almost 54 hours a week), full-time public servants work the smallest number of hours (35 hours a week).

Apparently mostly women without children hold jobs that entail working at atypical hours, while full-time working fathers and mothers are confronted – to a greatly lesser extent – with extremely flexible working hours. Usually those people working at atypical and irregular working hours perform the highest number of hours per week (44 hours). Those who are not or only to a small degree confronted with irregular working schedules do not have differentiated working times: a full-time job normally means they work 39 hours a week.

Women, and particularly mothers, more often work in jobs with a predictable end of the working day. They work considerably less in positions where the end of the working day cannot be predicted with an accuracy of one hour. Full-time jobs with predictable work times on average are those with the shortest working weeks. People in this situation work an average of 37h30' per week; in jobs with unpredictable hours – i.e. accuracy less than an hour – the average workweek is 10 hours longer.

Divergent from our findings in 1988 we must conclude that the level of time sovereignty does not differ greatly between men and women, mothers and fathers. Women without children tend to have slightly less temporal freedom regarding their working hours, but the discrepancy is not very big. Temporal freedom at the job usually comes at the cost of working longer hours. This can be substantiated further by the data: full-time employees with rigid working hours work 38 hours per week on average, while their counterparts with a great amount of temporal freedom spend 45h30' at their jobs.

Summarizing, it may be stated that young full-time working mothers between 21 and 40 work disproportionately more in the public sector, in jobs where the end of the working day is predictable and (just as fathers do) work less at atypical working hours and irregular job schedules. Those types of jobs usually go together with shorter working hours. On the other hand, and this is new as compared to 1988, we find a considerable proportion of full-time working women with children in the professional categories of the self employed and in management and commercial professions; typically jobs with long working hours.

These opposing tendencies lead to the conclusion that labour market segregation does not sufficiently explain the differences in working hours between men and women, with or without children. Table 5 clearly shows that the original variations in working times for the 4 categories remain constant after controlling for the above mentioned labour market characteristics. The difference between full-time working mothers and fathers has diminished between 1988 and 1999, but labour market segregation no longer seems to offer an explanation for the relatively longer

working hours of full-time working fathers, at least not for those job characteristics that explicated a large part of the difference in 1988⁴

Table 5

Multiple Classification Analysis of the weekly working times of full-time working men and women, by presence of children and a number of job characteristics (21 to 40 year olds) (TOR'99)

	N	Uncontrolled	Eta	Controlled	Beta	Sign
Men, without children	96	42:39	0,15	41:41	0,14	0,09
Men with children	127	41:42		42:17		
Women, without children	57	39:24		39:56		
Women with children	61	36:25		36:15		
Type of occupation						
Manual workers	127	38:57	0,34	38:46	0,22	0,01
Clerks	73	42:09		43:28		
Managers and commercial services	69	49:22		45:25		
Service sector	23	34:58		37:22		
Social sector	49	33:07		36:07		
Occupational sector						
Public sector	72	35:13	0,34	37:43	0,25	0,00
Private sector	227	39:57		39:45		
Self employed	42	53:56		50:40		
Work time regime						
Typical work times	122	38:51	0,16	40:23	0,12	0,08
Slightly varying and atypical work times	103	38:57		38:23		
Strongly varying and atypical work times	116	44:01		42:54		
Predictability end of the workday						
< 15 min	188	37:29	0,26	39:44	0,09	0,31
15 to 60 min	78	41:42		40:28		
More than 60 min	75	47:26		43:06		
Time sovereignty						
No amount of time sovereignty	167	38:06	0,19	39:51	0,06	0,52
Limited amount of time sovereignty	95	41:07		42:07		
Unlimited amount of time sovereignty	80	45:24		40:34		

R²=21,7%

4 The analyses of 1988 that were summarised above and reported in Elchardus & Glorieux (1994a, 1994b) only referred to weekdays, excluded the self employed and did not have the extra weighing for educational level referred to earlier. So, the analyses of 1999 differ from those of 1988 since they do entail the 7-day week, including the self employed and were also weighed for the educational level. Several new analyses were carried out on the data of 1988 (with or without the self employed) and attempted to carry out the same variations on the 1999-data (with or without the self employed and for both the work week and the 7-day week). Despite deviations in magnitude between the different research categories, the major trends and conclusions hold true in the varying analyses. Rather than redo the analyses for 1988 and limit the analyses for 1999 to the 5-day workweek, we presented a summary of the original TOR'88 analyses and the most extensive version of the TOR'99 analyses.

4 *Part-time and full-time work: a new form of segregation?*

We already reported the significant rise in part-time work among women between 1988 and 1999 (from 31,5% to 43,4% in our samples). We also found that full-time working women between 21 and 40, performed considerably more hours, and part-time working women performed considerably less hours of work in 1999 than in 1988 (see table 2). In 1999 a full-time job for women entails 2h37' more work per week than 11 years earlier, whereas a part-time job means one works 5h45' less. It appears that the choice women in general – and mothers in particular – are confronted with nowadays, is one between full-time and part-time work. The category of women choosing to work less gets part-time jobs. And a part-time job, now more than before, means a half time job. Women who remain active in full-time positions on the other hand, work longer hours than before. The differentiation between full-time and part-time has never been clearer; the grey zone between a large part-time job and a small full-time job has disappeared.

We attempted to quantify this analysis by dissecting the differences in working hours between young men and women in several factors that induce shorter work hours.

Men between 21 and 40 on average work 39h34' a week (including transfers, extra earnings, ...) in 1999. That is the work time of all men in that age group excluding students, yet including the unemployed. Women in the same age group perform 25h21' of paid work per week. Simple calculus teaches us that men work on average 14h13' more than women. Part of that discrepancy is because relatively fewer women are active on the labour market. While 90% of men in our sample is professionally active, 'only' 78% of women currently performs paid work. If all men and women were professionally active, the difference in working hours would be reduced to 10h18'. So 28% or 3h54' of the difference in work times between men and women can be attributed to the fact that fewer women are active on the labour market between the ages of 21 and 40. The difference between full-time working men and women in this age group amounts to 4h24'; i.e. 43% of the gap in working time between working men and women or 31% of the total difference in work times between all men and women in the age group from 21 to 40 years old. The remainder of the latter difference – 5h24', i.e. 57% of the difference in working time between men and women or 42% of the total difference between both sexes – can be attributed to the fact that more women than men work in part-time jobs.

Table 6 holds a summary of the relative differences and their comparison with the similar data of 1988.

Table 6

Relative importance of the three mechanisms that explain the difference in working time between men and women (21 to 40 year olds) (TOR'88 – TOR'99)

1988	1999	
14u55' (100%)	14u13' (100%)	Total difference in average hours of paid work per week between men and women
5u29' (37%)	3u54' (28%)	Due to lower employment rate among women
7u18' (49%)	4u24' (31%)	Due to shorter working hours of women in full-time employment
2u08' (14%)	5u24' (42%)	Due to a greater proportion of women in part-time employment

The difference in working hours of young men and women (employed and not employed) has slightly diminished between 1988 and 1999 although the difference between both years is not very big. The underlying mechanisms that explain the general difference in the working time of men and women however have drastically changed over the intervening 11 years. The labour market participation of women has further increased and at the same time the gap between average work times of working men and women has widened further between 1988 and 1999.

Through those evolutions, the proportion of the general difference in work hours that can be explained by a more restricted labour market participation of women has been reduced from 37% to 28%. Earlier we found that the working hours of men and women in full-time employment converge, and so we find a decline in the difference attributable to the shorter working hours of women in full-time jobs (from 49% to 31%). In 1988, the difference in average working hours of men and women was only to a limited degree attributable to a higher proportion of part-time work among women. The difference in work time between part-time and full-time jobs was relatively small in 1988 (see table 2). Between 1988 and 1999 the proportion of women that work part-time has increased significantly, and the average work time of a part-time job has strongly decreased. Both effects together have as a result that for the year 1999 we can explain the difference in working hours between the sexes to a much larger degree by the prevalence of part-time work among women.

5 *Conclusions*

Because of the drastic increase of the labour market participation of women during the last decades, the traditional division of labour has come under serious pressure. Where it used to be women who were responsible for household work, and in doing so creating a buffer function in

co-ordinating the different time orders that come together in the family; nowadays women are left with the burden of combining and attuning their labour market participation with their family responsibilities. From our data it once again became clear that it is mainly women who combine the various forms of work. Their level of labour market participation is directly related to the time they spend on household work and child care activities. Because of this balancing between paid and unpaid work, the total workload of women in full-time and part-time employment does not differ very much. The same mechanism does not hold for men; their total workload is a direct result of their level of labour market participation. This can be further elaborated by the widespread diffusion of part-time work among women. Men in part-time functions are a rarity, especially during the so-called 'busy age period'.

Women constantly balance their responsibilities between the labour market and their families in order to keep the workload in check. A number of strategies can be found to keep this pressure under control. The traditional strategy would entail a clean role division in the family; men provide a living through paid labour while women take care of the household and child rearing activities. A second way of dealing with the problem is to work in part-time positions. A third and lesser-known mechanism to contain the total workload is to work in full-time jobs with relatively short working hours. This last strategy came to the fore prominently in the TOR'88 analyses. There are generally two ways of carrying out this mechanism. A first way is the individual way, for example through less overtime, take up more sick leave, ... A second way, through labour market segregation, entails that women are over represented in jobs with shorter working hours.

Comparing the time use data of TOR'88 and TOR'99 it becomes evident that the work times of full-time working women have drastically increased and, contrary to that evolution, the work times of part-time working women have decreased in a significant way. It would seem that the strategy of labour market segregation is less of a factor in 1999 compared to 1988. Though full-time employed women still spend fewer hours on the job than full-time working men, the discrepancy has diminished greatly between 1988 and 1999. The differences between full-time working men and women are, contrary to 1988, no longer explicable by means of labour market segregation, at least not for the job characteristics that were found to hold a significant effect in 1988.

Anno 1999 part-time work appears to be the main mechanism for young women in Flanders to keep the total workload in check. Although the labour market participation of women still increases, the proportion of full-time working women goes down. Women in full-time employment work longer in 1999 than in 1988. On the other hand, working hours in a part-time job have drastically declined in the course of a decade to the point where it has mainly become half time

employment. Most indicators point to the choices women nowadays have to make between a full-time job with relatively little time or space for family commitments or a half time position that leaves the necessary time for commitments in the family. Whether this concerns a real choice remains doubtful. For women who want to build a career, full-time employment mostly is the only option. The time left for child care and household work will be very limited in that case. Young women with a certain family workload usually also have only one option. Part-time work is the only alternative to contain the total workload. And what about men? They too do not have a choice, or better: they all choose the same. That way, the traditional strategy of the family division of labour continues to be a part of daily life, be it under a new look. The work of men and women remains neatly divided and traditional role patterns persist.

6 *Considerations and recommendations*

The increased labour market participation of women in Flanders goes together with the relative increase of part-time work. Our data also seem to indicate that the demands made on female full-time jobs are rising. The fact that the full-time jobs of women more and more imply equal working times as full-time work of men, can be considered as a positive evolution. It could be an indicator of less discrimination between full-time working men and women. Our analyses on the other hand suggest, and this is more alarming, that part of the working women do not want or are not able to fully engage themselves on the labour market.

Our analyses reveal that part-time work now, more than at the end of the eighties, can be considered as a strategy for young women to keep their workload in check. It is well possible that during the nineties more possibilities were offered to women to work part-time. To the extent that part-time work facilitates the labour market participation of women, the increase of part-time work can be considered as a positive evolution. If however, large groups of women are forced to take part-time jobs, because a full-time job is not compatible with the burden of a family, there is a serious risk that this will lead to a further marginalization of women on the labour market.

With a view to increase the employment rate of women, the European Commission incites the member states to pursue an active labour policy for women with special attention for policy measures to make the combination between work and care easier. From this perspective the increased part-time labour market participation of women in Flanders can be considered a positive evolution. In addition to part-time work they also think of systems of time credit and better possibilities for making career breaks. The persistence of traditional role patterns and the responsi-

bility of women for their families clearly impel for special measures to make the combination of paid work and family work more bearable. It is very painful however, to see that these kind of measures – that are basically gender neutral – almost exclusively are taken up by women.

Women adapt working times to family demands. They stop working earlier in the afternoon than men, work less overtime, take a part-time job or even interrupt their career if necessary (see Glorieux, Minnen, Van Thielen, 2004). It is very exceptional for men between 25 and 50 years to work part-time or to take a full career break. The strong work orientation of men and the double responsibility of women make it very easy for men to hold the reins on the labour market and in the public sphere. Women on the other hand constantly have to adjust their ambitions and most of the times must be satisfied with a second-rate role on the public forum. They are bogged down in the lower levels. From that perspective, the bifurcation between the group of part-time working women – working less hours than before – and the relatively shrinking group of full-time working women – working longer hours than before – merits particular attention. It seems at least indispensable to follow the evolution and the modalities of part-time work among women closely. It is advisable to study to which extent the choice between full-time and part-time work really is a free choice and to which extent this 'choice' manoeuvres women into the fringes of the labour market.

From the perspective of equal opportunities, it seems aberrant to us that almost half of the working women work part-time, whereas almost all men do work full-time. It seems very worthwhile to find out why men in Flanders do not work part-time and to examine which special measures have to be taken to stimulate and facilitate part-time work among men. More part-time work among men would undoubtedly enhance the equality of men and women on the labour market and could also have positive consequences on the division of work in families. The latter is far from for certain however, given that currently part-time work among men does not enhance their participation in household work. Therefore it will be necessary to complement the vertical labour market policy with a more horizontal approach in which the combination of work and family is facilitated by other policy domains as family, socio-cultural, equal opportunities policies.

Moreover, we are well aware that it will not be easy to motivate certain categories in the population to work part-time. Although a lot of people complain about time pressure and long working hours, some groups in Flanders work longer hours in 1999 than in 1988 (see Glorieux, Minnen, Van Thielen, 2004). This group consists mainly of higher educated men in relatively high positions. It is a segment of the population that derives status from being busy and working long hours. It will be extremely difficult to move this group to work less, particularly in the period in

which they build out and consolidate their careers, which is precisely the period when a lot of women 'choose' to work less because of family duties.

To prevent that part-time work hypothecates careers and to enhance part-time work among men, the higher educated and those in leading positions, there should be a general policy directed to part-time work. To delineate such a policy it seems necessary to map out the negative and positive consequences of part-time work for the worker, their career, their family, the work organization, ...

A policy to enhance part-time work among men should go together with a well-considered life course policy.

In sociological handbooks and essays, it is often stated that there are no more standard biographies. The traditional life cycle with a clear sequence of studying, getting married, getting a job and getting children, and in the end, getting retired, is out of date. Today, we choose our own course of life; we are our own plan bureau. In a transitional labour market we voluntarily and easily switch between periods of work, study, taking care for others, self development ... according to our own needs. Looking at empirical facts about the labour markets and life courses, this idealized picture is far from reality. We know that paid work is not well spread over the life cycle and many European countries evolve rather in the direction of more bunched working careers than in the direction of a transitional labour market. Although life expectancy is rising, the wealth of our society is produced during an increasingly shorter part of our live, which is a burden for our systems of social security.

Bunched careers are also baleful for the equality of chances on the labour market. The equality of men and women on the labour market, suffers from the fact one has to make his or her career during a specific period in the life cycle: between 25 and 40. This is exactly the period women give birth to children. As long as we do not have a 'real' transitional labour market, and as long as we do not have a real increase in the participation of men in the household work and the child care, bunched careers are pernicious for the careers of women on the labour market. We clearly ascertained that between the ages of 30 and 40 – when children are young and men are busy with their own careers – women work shorter hours. It is only when the burden of the household decreases, for most women in their forties, that more time comes available for paid work and developing careers. Today, this is far too late however; the loot is divided by then.

To enhance equal opportunities between men and women, it is essential to break open the life cycle. There must be real chances for lifelong learning, to get a diploma and to reorient one's ca-

reer at a later age, to step out of the labour market for a certain period without this having life long consequences for one's career, ... and paid work should be spread out over a much longer period of the life course. If this could lead to a reduction of the working hours of men during the busy age, it could be an important step towards more gender equality.

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WORKABLE JOBS IN FLANDERS THE FLEMISH WORKABILITY MONITOR PROVIDES A PICTURE OF QUALITY OF WORK IN FLANDERS¹

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1 *Workability in Flanders: policy background*

While attention to the issue of quality of work was elbowed aside in the eighties by a painful economic situation with correspondingly high unemployment figures, the nineties saw a gradual change in this regard. A number of transforming processes (characterised, for example, by the application of information technology, the search for 'optimum' company limits and more efficient production processes, etc.) that are focused on a more productive application of labour are occurring not only in the industrial sector but also especially in the services sector. Increasingly, however, the awareness is also growing that 'the intensification of work' (Poynter, 2000) is taking its toll in the areas of well-being and health. This is reflected in the media, for example, in the increasing attention paid to topics such as stress and burnout. On the work floor, qualitative topics such as flexibility and workload lead to conflict and consultation between employers and employees more often than before.

The qualitative aspects of work are also more emphatically present on the policy agenda. Illustrative in this respect is the introduction during the nineties in Belgium of the 'Employee Welfare Act', which defined welfare as "the totality of factors relevant to the conditions in which work is performed, factors such as work safety, protecting the health of the employee at work and the psychosocial stress caused by the work."

The recent attention paid in policy circles to 'well-being at work', 'quality of work' or 'workability' is inspired especially by the awareness that poor quality of work forms a significant obstacle to a more active welfare state. The link between the pursuit of increased participation in

1 The workability monitor was developed within the framework of the VIONA research programme with the support of the ESF (European Social Fund – Flanders). ESF: the European contribution to the development of employment opportunities through the promotion of employability, entrepreneurship, adaptability and equal opportunity, and by investing in human resources.

the labour market and (the need for) a strategy to promote the quality of work is explicitly present at various policy levels.

The objective of ‘making Europe the most competitive and dynamic knowledge-based economy in the world, capable of sustaining economic growth with more and better jobs and greater social cohesion’ was presented at the meeting of the European Council held at Lisbon in March of 2000. In December 2000 in Nice, the new agenda for social policy was approved. Here quality was considered the driving force behind a thriving economy in a society without exclusion. The European concept of quality thus concerns both social and economic objectives. The pursuit of higher quality of work was again emphasised at the Stockholm Summit (2001): ‘Regaining full employment not only involves focusing on more jobs, but also on better jobs’. Finally, at the Laken Summit (2001), the concrete decision was taken to include labour quality as a general objective in the employment opportunity guidelines for 2002.

The same link between the quantity and quality of work was also made in the SERV (Flanders Social and Economic Council) Platform Text ‘Long-term vision for Flanders: Invitation from the Flemish Social Partners’ of July 2000 and in the collective commitment made by both sides of industry in Flanders and by the Flemish Government contained in the Pact of Vilvoorde of November 2001. Objective 4 of the Pact reads as follows: “Thanks to an increase in the quality of work, the quality of the organisation of work and career quality, obtaining and retaining work will remain attractive for all in 2010. In 2010, the workability rate will be substantially higher.” This commitment obviously implies that the present situation of ‘workability’ and its future evolution can be evaluated. It is then no accident that work quality was translated into a concept (‘workability *rate*’) that suggests an approach using figures.

Within the framework of the 2001 VIONA research programme, the HIVA (Higher Institute of Labour Studies/Hoger Instituut voor de Arbeid) was commissioned, in collaboration with the Department of Psychology of Leuven University and SERV/STV-Innovatie & Arbeid, to draw up an experts report on the feasibility of a Flemish system to monitor the workability rate. A team of experts (Van Ruysseveldt, 2002) investigated whether, and to what extent, current systems of measurement/data sets could be used to obtain a zero measurement within the framework of a Flemish workability monitor. Seven initiatives were tested for three quality criteria, notably: the representativeness of the data set for the Flemish workforce, a broad-spectrum indication of the workability concept and the necessary methodological accuracy (validity and reliability). The conclusion of the expert’s report was that, apart from the intrinsic quality of the initiatives as such, none of the data sets examined satisfied all of the three quality criteria mentioned above. The development of a new measurement system was thus needed. The Flanders

Social and Economic Council has taken the initiative in this regard and commissioned STV-Innovatie & Arbeid to develop a scientifically validated indicator set and to organise a zero measurement via a written survey (via mail) in the spring of 2004 (with scheduled follow-up measurements in 2007 and 2010).

'Etymologically', the concept of workability rate refers to the discussion of the increased employment rate. The objective to effectively employ 70% of the active population and especially to keep those 50 and older on the job longer can only be realised if this is regarded as being feasible with respect to the well-being of those concerned. Employment that entails a high level of risk to well-being endangers the permanent participation of (groups of) employees in the working process. Labour market participation rates and 'workability' are thus explicitly linked in the 2003 Flemish Action Plan for European Work Opportunity Guidelines: "for the Flemish government and social partners, the objective of a higher level of participation in the job market ... is inextricably linked to proportional participation in the labour market and to the higher quality and greater productivity of work" (Ministerie van de Vlaamse Gemeenschap / Ministry of the Flemish Community, 2004).

2 *Workability: concept*

In the academic literature, the notion of 'workability' is often included under the concept 'stress'. This is not without justification because 'job stress', the psychosocial pressure caused by working, is one of the most pressing problems when seen from the perspective of health and well-being.

If the health problem is a sufficient reason 'in itself' to pay more attention in policy to the job stress issue, this motif is only reinforced when the far-reaching financial effects are also included in the calculations: the costs of prolonged work disability, of medical treatment for work-related health problems and of early retirement due to problems in the area of well-being, represent a major part of the social security budget and (needlessly) drive up salary costs. The cost of (short-term) work-related absenteeism is of course paid directly by companies: experts estimate that approximately half of this absenteeism is directly or indirectly related to job-related complaints in the area of health and well-being (SERV, 2003). STV-Innovatie & Arbeid has calculated that the issue of stress (taken by itself) costs the Belgian business world _ 3.7 billion per year (SERV, 2000).

Paradoxically, studies on the job satisfaction of (still active) employees show very positive results. Thus, the 2003 APS survey (VRIND, 2003) indicates that 87.4% of those employed in Flanders range from quite satisfied to very satisfied with the content of their jobs. Only a few (5.3%) are explicitly dissatisfied. However, we must be careful in interpreting this job satisfaction study. A negative evaluation of one's own job in terms of satisfaction indicates that a critical threshold has been exceeded and we must place this in the same 'serious' category as manifestations of detachment and cynicism in 'burnout' questionnaires (van Veldhoven, 2001). *Mutatis mutandis*, this also implies that less than 10% – the 'undecided' respondents – are signalling that something is wrong with their commitment to their work. Even among relatively small problem groups, such a 'well-being deficit' (and the associated problems of work-related absenteeism, turnover, lack of creative commitment and demotivation) has serious negative consequences for the (economic) performance of companies and institutions (SERV, 2003).

In addition, the recent interest in quality of work is also related to the growing attention in policy circles to lifelong learning and the (related) understanding that qualitative jobs – meaningful, varied positions with sufficient job control possibilities – contain intrinsic opportunities for learning. The presence of learning potential in a job is critical to the position on the job market and to the longer-term employability of those involved. Figures from the 2000 European Survey on Working Conditions (ESWC) (Merllié, 2001: only 35% of Flemish employees participate in job training on an annual basis) and those of the 2002 APS survey (VRIND, 2003: 20% of those employed in Flanders judge the learning opportunities present in their jobs as insufficient) can be read as a recommendation carefully to follow up this policy parameter.

Finally, awareness is growing in policy circles that low quality of work could constitute a major obstacle to the realisation of the European objective (formulated at the Lisbon Summit) to retain more people on the job for a longer period. This is certainly a source of concern. To the ESWC question regarding whether one views oneself as capable of performing one's present job until the age of 60, only 49% of Flemish employees responded positively; among the subgroup that complains of stress, this percentage decreases to 33%. In any case, the Lisbon ambition to retain half of those aged 55 years and older on the job by 2010 appears – 'if policy remains the same' – to be unrealistic.

The work participation and end-of-career pressure points mentioned above are linked, among other things, to the heavily concentrated career of the average person in Flanders (during the stage of life that extends from 25 to 49 years of age) and the associated difficulty in combining work and family life. "During these years, which in addition to work also include the presence of raising a family, financial and other obligations, the burden and stress of work is often very high.

(...) To attain a longer and more sustainable career, the workload during the most demanding period of life must be reviewed” (Ministry of Flemish Community, 2003).

This immediately raises the issue of the four central aspects of the Flemish workability monitor: ‘stress at work’, ‘well-being at work’, ‘learning opportunities’ and the ‘work-family balance’.

Table 1

Workability indicators in Flemish workability monitor

Indicator	Description
Stress at work	the extent to which accumulated (mental) fatigue due to psychosocial workload can be recuperated or leads to complaints of stress on the part of employees and to reduced job performance (problems with) job stress
Well-being at work	the extent to which employees are/remain committed or become demotivated due to the nature of the job (content) <i>(problems with) job commitment and motivation</i>
Learning opportunities	the extent to which employees are able to maintain or further develop their skills through opportunities for training and daily experience at the workplace, with a view to their longer-term employability <i>(insufficient) opportunities to keep up/for skills development</i>
Work-family balance	the extent to which the job demands at work interfere with the person’s home life. <i>(problems in) combining work with family life.</i>

This makes it clear that ‘workability’ is a multidimensional concept for which a composite set of indicators is appropriate. Such an approach to labour quality is also gaining ground in the academic literature on ‘well-being and stress at the workplace’. We can refer here, among other things, to the Job Demands-Control-Support model of Karasek and Theorell (1990) and to contemporary sociotechnical theory (De Sitter, 1981; Kuipers, 1990), where the risk of stress and the motivation to learn are used as contrasting outcome variables. Alternatively, we can refer to the theory of Warr (1994), in which well-being at work (‘affective well-being’) is described in terms of the continua ‘displeasure to pleasure’, ‘anxiety to comfort’ and ‘depression to enthusiasm’.

From a policy point of view, however, assessing ‘workability’ in terms of its different but related aspects is only useful when insight is also gained into the background and causes of workability pressure points. This is why experts (including Van Ruysseveldt, 2002) argue for filling in the concept of workability broadly, also taking into account the risks contained in the work situation. Workability thus becomes a bipolar concept that is based on cause-effect reasoning: it refers, on the one hand, to the characteristic features of the job and its possible risks and, on the other hand, to the effects of this job on the well-being of employees.

The workability monitor has taken this into consideration. In addition to the four workability indicators mentioned above, six risk factors were selected.

A first important risk factor is *'workload'*. In the past decade, the number of people working in the EU who report a high pace of work has risen by 19%. This increase is 18% for Belgium. 53% of Flemish employees reported 'a high pace of work' in the 2000 ESWC survey, a figure just above the corresponding figure of 50% for all of Belgium (Merllié 2001, Malfait 2002).

Against the background of globalisation and the pressure of competition, greater attention to cost-cutting and increased efficiency, and the introduction of 'just in time' logistics, such (trends in) workload figures are not surprising (SERV, 2003).

The workability debate, however, may not be conducted only in quantitative terms (quantity, tempo, time pressure). Job content and the associated qualitative workload are also important. The literature refers to the increase in the *'emotional load'* that is present in the current system of work, and the stress this causes (van Veldhoven, 2001). Attention to the issue of emotional load is chiefly related to the increasing number of people employed in contact professions (health care, education, retail trade, call centres...) and the pursuit of customer-orientation in various sectors. According to the 2000 ESWC figures, 52% of Flemish employees are almost continually confronted with (articulate, sometimes difficult and even aggressive) customers: this figure is considerably higher than the figure for Belgium (47%) and the European average (43%).

Furthermore, the application of new management concepts in various sectors must also be taken into consideration: The 2001 TOA survey by STV-Innovatie & Arbeid revealed that 54% of Flemish companies and institutions employ the principles of total quality management, 41% systematically opt for a broader task scope in executive jobs and 45% use forms of teamwork (Delagrangé, 2003).

The introduction of these new organisational forms means an increase in job difficulty and in responsibility. In the 2000 ESWC survey, 69% of Flemish employees report that they themselves must guarantee the quality of the work delivered, 86% are responsible for solving unforeseen problems, while 43% are assigned complex tasks.

The other side of the coin in this development is the fact that the number of those working in routine jobs has declined drastically in recent years. While 45% of active Europeans performed (mainly) repetitive tasks in 1995, in 2000 this figure was still 40%. With 32% and 23% respectively, employees in Belgium and especially Flanders obtained more favourable scores regarding routine jobs (in 2000) in the area of *'skill variety'*.

Routine work 'on the assembly line' is still (correctly) considered the prototype of a low-quality job. In and of itself, the evolution to 'more jobs with a broader task scope and more responsibilities' is positive. This assumes that the persons involved also have sufficient 'autonomy' in the performance of their tasks to make it possible to effectively take on these additional responsibilities.

The ESWC data suggests, however, a deficit in the area of these job control possibilities. Where approximately one fifth of working Belgians reported having no voice in work methods and pace of work in 1995, this group has grown to more than one-third in 2000. For 2000, Flanders was just above the Belgian and European averages (38% and 39%, respectively), but especially the strong increase in problems dealing with autonomy is a cause for concern. Close follow-up of the issue of autonomy is therefore recommended.

Not only job content, but also poor social relationships and harmful working conditions can be a source of workability pressure points.

Research reveals that in Flanders the average person has a positive estimation of social relationships at the workplace. The 2002 APS survey (VRIND, 2003) shows that 84.2% of the Flemish employees respond that they are 'very satisfied' to 'quite satisfied' with colleagues and 74.6% with their immediate supervisor. The complement to these figures makes it clear, however, that the pressure points cannot simply be ignored; 4% indicate problems in relationships with colleagues and 9.5% even appear to be dissatisfied with the leadership style of their supervisor. Thus within the domain of social relationships, the factor 'social support' was retained in the Flemish workability monitor. This factor integrates not only the elements of 'collegiality' and 'work climate', but also the structural dimension of personnel coaching.

On the basis of the 2000 ESWC (Merli , 2001), it appears that Flanders is a good student in the European class in the area of harmful 'working conditions': 23% of Flemish employees report noise hindrance (versus the EU average of 29%), 10% come in contact with dangerous substances in the exercise of their job (versus 16%), 28% perform heavy physical labour (versus 37%), 33% must perform their tasks in tiring or painful positions (versus 47%), and in 11%, the performance of tasks implied repetitive movements (versus 18%).

Nevertheless, at first glance it is surprising that, in this era of the 'information society', there are still such large numbers working in difficult ('industrial') working conditions. We may not forget, however, that physically demanding work is also an issue under discussion among the care professionals working in the non-profit social sector, while tiring (because static) working positions and repetitive hand-arm movements when working with computers in an office environ-

ment are increasingly the cause of backache, neck and shoulder pain and ‘repetitive strain injury’ or RSI. (SERV, 2003).

This selection of risk factors is supported by scientific literature on ‘well-being and stress at the workplace’. The study by Kompier (2002) of prominent research models and his search for the dominant factors in the psychosocial working environment that explain stress, motivation and learning, resulted in an analysis in terms of quantitative and qualitative job demands, skill variety, autonomy and social support.

The addition of ‘working conditions’ to the indicator set is a conscious choice to make a link with the traditional (prevention) approach to safety and health at the workplace.

Table 2

Risk indicators in Flemish workability monitor

Indicator	Description
Workload	the level of workload arising from quantitative job demands such as work volume, pace of work, deadlines
Emotional load	the level of the workload due to contact-related job demands, especially contacts with clients (patients, students) or co-ordination tasks
Skill variety	the extent to which the job content includes varying job responsibilities and makes use of employee skills
Autonomy	the extent to which employees are able to influence the planning and organisation of their own work – ‘job control possibilities’
Social support	the extent to which employees are effectively coached and socially supported by their direct supervisor
Physical working conditions	the extent to which employees are exposed to physical inconveniences in the working environment and to physical load

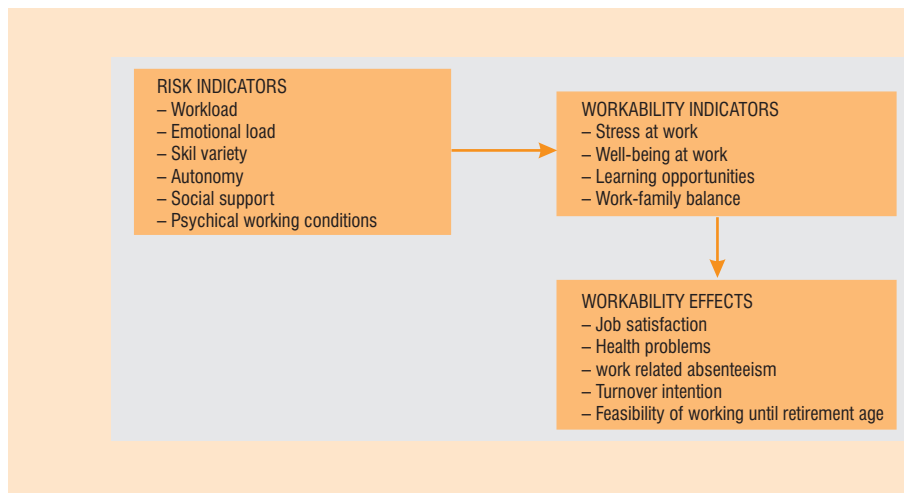
The workability monitor also registers a number of effect parameters: job satisfaction, health problems, frequency and duration of absenteeism, turnover intention, the feasibility of working until retirement age. No indicators for these effect parameters were developed within the framework of the monitor.

The selection of the four workability indicators and six risk indicators more clearly delimits the concept of ‘workable work’ and sets forth a blueprint for the workability monitor. For a quick view of the workability situation in the Flemish labour market, an overview of the four workability indicators (stress at work, well-being at work, learning opportunities, work-family balance) is sufficient. For a more thoroughgoing analysis of pressure points and background, this

scoreboard must be supplemented with information from the six risk indicators (workload, emotional load, skill variety, autonomy, social support, working conditions).

Figure 1

A diagram of the Flemish workability monitor: what is being measured?



3 *Workability monitor: from concept to instrument*

The commitment contained in the Pact of Vilvoorde ('a substantially higher workability rate in 2010') obviously implies a useable monitoring instrument capable of indicating, measuring and periodically assessing workability. Before presenting a number of the results of this zero measurement, we will explain the approach used in the study.

3.1 *Workability and risk indicators: measures*

Workability indicators are measured by the use of psychometric scales. The arguments for using psychometric scales (instead of questions on individual items) are based on the accuracy of these scales: in making this choice, not only are the validity and reliability of the results of the zero measurement primary, but also the sensitivity of the measuring instrument to detect minor shifts in trends in terms of the monitoring objectives of the measurement(s).

In constructing the questionnaire, a selection of modules from existing, validated instruments was made on the basis of concerns about (measurement) quality and the feasibility of realising the WM (Workability Monitor) zero measurement at the beginning of 2004. In this, the greatest level of correlation was sought with the Dutch ARBO monitor 'Workload and Stress' (Lebbink, 2002), a standardised measuring instrument that is used in the Netherlands for monitoring sector contracts and, since 2003, also (partially) in the periodic Working Conditions Survey of the Dutch government (van den Bossche, 2004).

The VBBA (Vragenlijst Beleving en Beoordeling van de Arbeid),² the primary instrument behind the above-mentioned Dutch ARBO 'Workload and Stress' monitor, was developed and validated in the mid-nineties within the framework of a collective project that included the Netherlands Instituut voor Arbeidsomstandigheden (NIA), the Rijksuniversiteit Groningen (RUG), the Universiteit van Amsterdam (UvA) and the Bedrijfsgeneeskundige Dienst West-Brabant (van Veldhoven, 1994). Theoretically and conceptually, the VBBA dovetails well with common theoretical models such as the Job Demands-Control-Support model of Karasek and Theorell (1990), the Vitamin Model of Warr and the multidimensional approach to job stress contained therein (Warr, 1994), and the models from the '(work)load-capacity' tradition (Meijman, 1989).

This instrument gained a foothold in the Dutch industrial medicine sector in the second half of the nineties. Extensive field testing revealed that the questionnaire is not only suited for use as an individual diagnostic instrument within the framework of employee social-medical support, but is also useable for risk inventory within the context of company prevention of stress policies. In 1998 the VBBA was introduced into Belgium/Flanders by Quest Europe and applied to company auditing tasks. The instrument was also deployed in large-scale (sector) research projects studying 'well-being and stress at the workplace' in the Netherlands and Flanders (Bourdeaud'hui, 2004)

In the meantime, extensive and centrally managed VBBA reference files have been compiled in the Netherlands (SKB – Centre for Expertise in Work and Health) and Belgium (the federal service NOVA/DIOVA). In the last five years, more than a half million Dutch and Flemish employees have been assessed using the VBBA for 'psychosocial workload and job stress', so that we have a good view of (and guarantees concerning) the technical qualities of the instrument.

The reliability and the unidimensionality of the VBBA scales have been repeatedly demonstrated in scale-construction studies (van Veldhoven, 1994 and 1996; Weel, 1995; Notelaers, 1999

2 Translation: Experience and Assessment of Work Questionnaire

and 2000). Moreover, extensive studies have been made of the validity of the scales compared to other validated instruments, and compared to external criteria such as work-related absenteeism and physiological parameters (van Veldhoven, 1996; Sluiter, 1999; van Veldhoven, 1999a; Schaufeli, 2000; van Veldhoven, 2000).

The broad range of content covered by the concept of workability, the connection with prevention of stress experience in Flanders/Belgium, the quality of the measurements obtained with the instrument and the possibilities for making transnational comparisons were arguments in favour of the selection of the Dutch ARBO monitor/VBBA (Van Ruysseveldt, 2002).

Thus, eight out of the ten VBBA measurement scales were used for the workability monitor (WM). The following scales were selected for three workability indicators:

- Stress at work: VBBA scale 'need for recuperation'
- Well-being at work: VBBA scale 'enjoyment of work'
- Learning opportunities: VBBA scale 'learning opportunities'

The following scales were used for five risk indicators:

- Workload: VBBA scale 'pace and amount of work'
- Emotional load: VBBA scale 'emotional load'
- Skill variety: VBBA scale 'variety of tasks'
- Autonomy: VBBA scale 'autonomy control'
- Social support: VBBA scale 'relationship with immediate supervisor'

The remaining workability indicators, 'work-family balance' and 'working conditions', were not covered by the (expanded) VBBA. Another solution was found for the technical implementation of these indicators.

For the workability indicator '*work-family balance*', a choice was made for the 'Survey Werk-thuis Interactie Nijmegen' (SWING)³ and, more specifically, for the negative work-home interference scale (WTI-neg). The SWING was developed and validated at the end of the nineties by the Department of 'Arbeids- en Organisationspsychologie' at the K.U. Nijmegen as a coherent measurement instrument for research into the issue of combining work and family, which was described by the researchers as "the process in which the possibilities for action (and behaviour) of a person in one domain are influenced by (quantitative and qualitative) job demands from the other

3 Translation: Nijmegen Work-home Interaction Survey

domain” (Geurts, 2001). The WTI-neg scale specifically assesses the extent to which job demands at work hinder the possibilities for activity at home.

In its theoretical foundations, item selection, construction of the SWING and especially the WTI-neg scale, the following criteria were primary: *a*) In assessing possible ‘overflow’ between life domains, the aspects of both pure work load (‘strain based’ WTI) and possible time schedule conflicts (‘time based’ WTI) are considered; *b*) The scale results must be formulated in terms that avoid as much as possible (the traditional job stress scales concerning) job demands or work fatigue, in order to measure the pure ‘interference effect’ and thus avoid confusion.

In any case, regarding unidimensionality, reliability and construct validity, the validation study yields convincing test results for the ‘negative work-home interference’ measurement scale (Wagena, 2000; Geurts, 2001).

For technical reasons (restricting the size of the questionnaire in terms of the response objectives), the entire WTI-neg scale (11 items) was reduced to 4 items in the WM survey. This selection was made in consultation with the development group and in terms of the highest factor loads for (two) ‘strain-based’ and (two) ‘time-based’ assessments. This limited scale was verified for reliability and validity upon the basis of the data set of the workability monitor (Bourdeaud’hui, 2004).

A new scale was developed for the ‘working conditions’ risk factor that is based on a selection of items contained in the 2000 ESWC (Merllié, 2001). Tests on this scale also indicate that it can be included in the monitor as a valid and relevant indicator for stressful working conditions (Bourdeaud’hui, 2004).

3.2 ■ ■ *Workability indicators: cut-off values and indexes*

As argued above, the use of psychometric scales guarantees the validity and reliability of the measurement. The disadvantage of this procedure, however, is that scale scores are being used that provide little in the way of accessible information from a technical-communicational point of view.

For the purposes of simple benchmarking, the (ordinal) information from the scale scores is still useable: for example, the average VBBA scores for ‘need for recuperation’ of 47.23 in department A and 32.56 in department B of a company point to the fact that department A has more stress-

related problems. To be sure, tests of the statistical significance of the measured differences do provide a greater level of 'statistical prestige', but add no real new information.

Communication with a (non-specialised) target audience generally goes awry if one must explain that no significance may be attached to the absolute value of scale scores when comparing different scales: a VBBA 'enjoyment of work' score of 28.04 is certainly problematic, while a VBBA 'need for recuperation' score of 28.04 is not!

The use of standardised deviation measurements with respect to a reference group (so-called z-scores) is statistically sound but – due to the communication issues noted – it does not allow straightforward communication.

The use of (average) scale scores becomes a real problem for a population (e.g. Flemish employees in the WM) for which an absolute assessment is expected for a particular indicator/scale: with an average VBBA 'need for recuperation' score of 37.72 for the Flemish labour market, the WM 2004 zero measurement provides a correct benchmark for monitoring stress at work, but this information is difficult to communicate and contains no information useable for policy purposes.

The use of indexes is a valid solution to this problem. The index technique uses the individual scale information to delimit a group of respondents within the study group that is in an unacceptable or problematic situation. The index designates the size of this risk group.

By way of example: the index for the VBBA scale 'need for recuperation' teaches us how many workers within a study group suffer from problematic stress at work and thus are exposed to an increased probability of reduced performance or dropout, (*in other words, the percentage of employees suffering from work-related stress*).

For the WM, the choice was made to use 'graduated indexes' that – by analogy with the colour symbolism of a traffic light – not only delimit and analyse the group in a problematic situation ('flashing yellow'), but also identify a subgroup with acute problems ('red light').

By way of example: based upon the individual scale scores for the VBBA scale 'need for recuperation', the percentages of employees without stress problems, with stress problems and with acute stress problems are calculated.

The power of such indexes is that they provide quick insight into the rate at which unwanted/problematic situations occur. Indexes leave the ordinal information from the underlying scale scores intact and are thus perfectly useable in comparisons between partial populations (age categories, professional groups, sectors).

Indexes, however, are especially relevant from a policy point of view because they allow quick detection of problem situations and risk groups, they make possible the formulation of measurable policy goals (*'the x% of workers suffering stress problems in the zero measurement must be reduced to below y% by 2010'*) and they facilitate the follow-up and evaluation of the realisation of these goals.

For these reasons, the WM indexes – in contrast to the notion 'workability rate' – were designed to be problem oriented: a formulation in terms of pressure points has a strong(er) policy-mobilising effect. Just as 'better road safety' is concretely filled in by a 'reduction in the number of road casualties', so the general policy goal 'increase the workability rate' can be made most concrete by 'dealing with the (acute) problem situations in the area of quality of work'.

To divide the study group into an 'unproblematic' and a 'problematic part', and to be able to delineate an 'acutely problematic' subgroup, the use of indexes requires that one or more critical cut-off points be established for the scales used.

Establishing cut-off points for indexes can be done in various ways. With so-called 'empirical norms', a number of critical scale values are established somewhat arbitrarily for the zero measurement to serve as a benchmark. The selection of the limits generally occurs in terms of 'plausible' indexes and on the basis of existing sources of data and external information. The 2000 ESWC survey teaches us, for example, that 25% of Flemish employees report suffering from stress (Malfait, 2002): this 25% is then considered indicative of the prevalence of problematic stress at work and for establishing the critical VBBA 'need for recuperation' score.

At first glance, this appears to be the wrong way to do things: a concrete index is proposed, and cut-off points are established in terms of it. In this scenario, indexes have only a relative value, but they are still able to function perfectly well as means of communication for drawing comparisons between partial populations and comparisons with subsequent measurements: the comparisons are technically correct because calculations are uniformly applied across groups and measurement times.

Nevertheless, for the WM indexes a more absolute 'approach to standardisation' based upon external criteria and content-related arguments was chosen: why can a specific scale value be labelled critical-problematic and be used as a cut-off point?

To answer this question, we must focus our attention on the causal 'workability' chain: specific characteristics and experiences of the work situation (intensity of work, level of routine, ...) have short-term effects on the perception of work (stress, problems with well-being at work) and in the longer term lead to diminished performance and dropout of the persons involved (health problems, absenteeism, turnover). Information on longer-term effects should allow us to correctly estimate the risks present in the work situation and the early warning signals given by employees, as well as to establish the limit between what is acceptable/problematic and what is not.

Ideally such a risk assessment is based upon longitudinal research in which the predictive power of a specific cut-off point is validated and based upon actual dropout or diminished performance of individuals in a group monitored over the longer term. The definition of the WM cut-off points is (necessarily) based on analysis of the risk effect information from the (same) zero measurement.

The cut-off points for three workability indicators (and dependent variables), specifically 'stress at work', 'well-being at work' and 'learning opportunities', are calibrated using Relative Operating Characteristic (ROC) analysis. This analysis, which is based upon information concerning health problems, absenteeism, turnover, etc., makes it possible to establish a cut-off point in terms of a maximum level of discrimination between two subgroups (here, 'problematic' versus 'unproblematic').

For the workability indicator 'work-family balance' (in the absence of previously validated limits and lacking criterion information in the data set which would allow the calibration of new values), an 'empirical limit value' was used for which cut-off points are chosen in relation to indexes derived from the results of previously conducted research (2000 ESWC (Merllié, 2001), 2002 APS survey (VRIND, 2003) and Family & Business Audit of the Centrum voor Bevolkings- en Gezinsstudies (Danau, 2002)).

The establishment of the cut-off points for the six risk indicators or independent variables – workload, emotional load, skill variety, autonomy, social support and working conditions <196> is based on the (substantially) increased risk of problematic stress or well-being at work in specific scale groups. More concretely, this means that in the measurement scales, scale score zones

are detected for which workers run an increased risk (+33% with respect to the population) or a strongly increased risk (+100% with respect to the population) of stress and well-being problems.

3.3 ■ ■ Survey design, sample and representativeness

The data for the WM indicators was compiled from an individual random sample survey taken from a representative group of Flemish employees

The study population was defined as ‘the wage-earning employees residing in the Region of Flanders’. According to the most recent data published by the Rijksdienst voor Sociale Zekerheid⁴ (RSZ and RSZPPO), this group contains 2,081,969 persons (situation on 30 June 2002).

For the sample, a request procedure was initiated with the Kruispuntbank van de Sociale Zekerheid with respect to information contained in the DIMONA personnel register managed by the Rijksdienst voor Sociale Zekerheid. The DIMONA registration system provides ‘real-time’ data on the labour market. Such continuously updated information is also an enormous advantage from the point of view of (employee) research. The (unavoidable) time interval between the moment concerned in the sample and the time the actual measurement takes place, as well as sample dropout due to normal labour market turnover, can be drastically reduced in this way.

To obtain sufficient precision in the measurement and in order to make judgements on a number of relevant partial populations (*inter alia*, age groups, professional groups, sectors), the required size of the sample survey was calculated to be 8,000 persons.

Taking into consideration a response percentage of 40%, the sample to be taken was estimated at 20,000 persons.

The questionnaire was sent at the beginning of February 2004. To encourage response, a number of specific measures were taken. The most important of these were the following: a media campaign with advertisements in weeklies, the organisation of a helpdesk to assist respondents with questions and/or remarks concerning the survey, pre-testing of the survey on some 150 respondents, a guarantee of the complete anonymity of the respondent (and additionally, the omission of identification numbers on the questionnaire). The respondents were approached in three com-

4 Translation: National Social Security Service

munication moments: sending the letter of introduction with questionnaire, sending a reminder card after one week, and sending a reminder with questionnaire after three weeks.

The survey ended in mid-March 2004. 12,095 questionnaires were useable. This amounts to a net response of 60.6%, a figure that easily exceeded the target.

The initial sample survey from the DIMONA personnel register was checked against the available statistical sources, notably the data from the Rijksdienst voor Sociale Zekerheid (RSZ and RSZPPO). This comparison revealed no anomalies or inexplicable inconsistencies.

In order to estimate possible differences in profile between respondents and non-respondents, the scores of the measurement scales (for the WM indicators used) of the respondents of the first and the second mailing were compared. This comparison showed no evidence of systematic bias in the responses obtained.

A judgement was made, based upon these analyses, that the research results of the zero measurement for the workability monitor provide an accurate, representative view of the workability situation of employees in the Flemish labour market.

4 *Workability indicators for the 2004 flemish labour market*

The percentage of employees in (or not in) a problematic situation was calculated for each of the four workability indicators (stress at work, well-being at work, learning opportunities, work-family balance). Within the group designated 'problematic', a subgroup with 'acute problems' was delimited. This group was also calculated as a percentage of the entire working population. The indexes are listed in the table and diagram below.

These figures indicate that for each of the four aspects of 'workable work', a sizeable majority of Flemish employees had no problems: for nine out of ten employees the interaction between work and family life is in balance, for four out of five employees the well-being and learning opportunities at work are 'OK', and for seven out of ten employees the stress levels at work are acceptable.

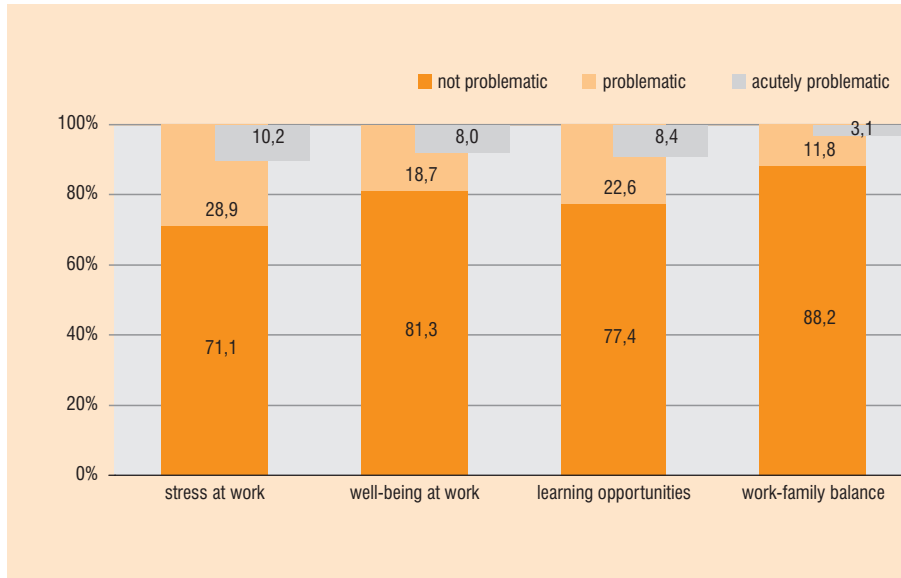
Table 3

Workability indicators for the 2004 Flemish labour market.

	Not problematic		Problematic		Acutely Problematic	
	N	%	%	reliability interval $\alpha = 0.05$	%	reliability interval $\alpha = 0.05$
Stress at work	10247	71.1	28.9	28.0 - 29.8	10.2	9.6 - 10.8
Well-being at work	10243	81.3	18.7	17.9 - 19.5	8.0	7.5 - 8.5
Learning opportunities	10986	77.4	22.6	21.8 - 23.4	8.4	7.9 - 8.9
Work-family balance	11020	88.2	11.8	11.2 - 12.4	3.1	2.8 - 3.4

Figure 2

Workability for the 2004 Flemish labour market



Looking at the ‘problematic’ side, the workability problems can be quantitatively described as follows:

Of the 2,080,000 Flemish employees

- 600,000 Flemish employees (or 29.8%) were confronted with job stress (‘problematic stress at work’), 210,000 or 10.2% of whom had registered acute work stress complaints (‘acutely problematic stress at work’);
- 390,000 Flemish employees (or 18.7%) are faced with problems of motivation due to uninteresting and unattractive work (‘problematic well-being at work’), 165,000 of these, or 8%, with serious demotivation (‘acutely problematic well-being at work’);

- 470,000 Flemish employees (or 22.6%) see their ‘employability’ limited by insufficient opportunity for skill development on the job (‘problematic learning opportunities’), and for 175,000 or 8.4%, the learning opportunities present were almost inexistent (‘acutely problematic learning opportunities’);
- 245,000 Flemish employees (or 11.8%) experienced systematic difficulties in combining work, family and social life (‘problematic work-family balance’) and 65,000 of these, or 3.1%, registered acute work-family conflicts (‘acutely problematic work-family balance’).

Viewed from the perspective of the problematic issues, it is clear that the work stress issue is (quantitatively) the most significant workability pressure point present in the Flemish labour market, followed by insufficient learning opportunities and motivational problems due to a lack of well-being at work. The combination of work and home life – contrary to what is often said in policy circles, or perhaps due to policy measures already taken to make this combination possible? – is the least frequently reported workability pressure point.

A combination, using a composite workability indicator of the proportion of Flemish employees who report no workability problems or who are faced with one or more workability pressure points, yields the following graph.

Figure 3

Proportion of employees in the Flemish labour market without and with (multiple) workability pressure points (2004 WM zero measurement)

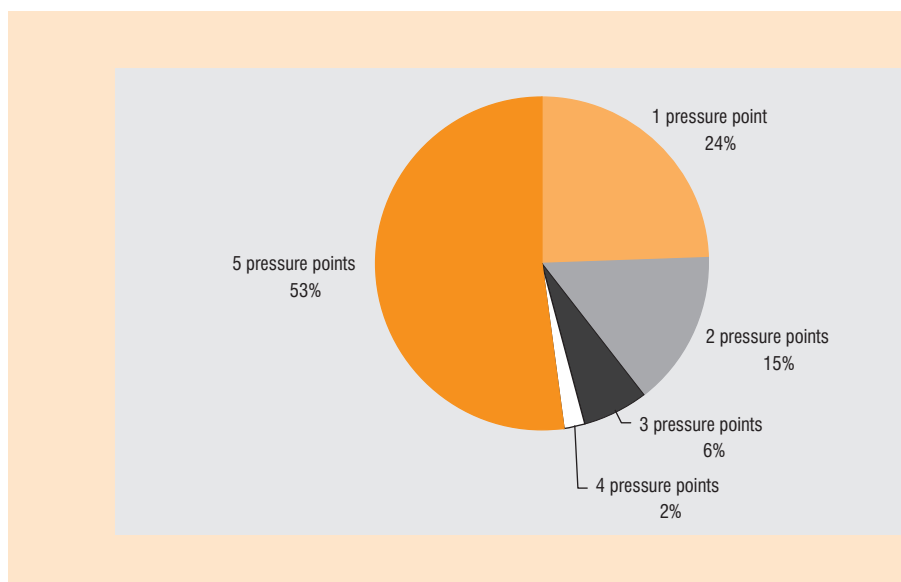


Figure 3 indicates that 47.7% of Flemish employees are faced with one or more of the workability problems under discussion: this concerns a single pressure point for approximately half of the group; the other half are faced with two or more pressure points. The other side of the coin is that 52.3% of Flemish employees report no workability problems: in other words, their job can be judged 'workable work' in all areas. Based upon this zero measurement, the workability rate for the Flemish labour market for the year 2004 is calculated to be 52.3%.

5 *Effects of workability problems*

The relevance of the workability issue emerges very clearly when the potential cost in terms of employee health or possible dropout from the labour market is taken into account. To this end, the association is calculated between, on the one hand, the four aforementioned workability problems and, on the other hand, a series of psychosomatic symptoms, work-related absenteeism, personnel turnover and the feasibility of staying on the job until retirement age (see Table 4).

Employees suffering from stress clearly run an increased risk of health and/or employability problems. They run 5.6 times more risk of serious sleep disorders and are absent due to illness for longer periods more often than others (12.2% versus 7.2%). They also clearly have a more pessimistic view of the feasibility of maintaining an active career until retirement age. For more than half (54.4%) of these employees, the idea that they must continue on their job until retirement is a 'distressing' thought. Among employees for whom stress at work is not problematic, the congruent share is significantly lower at 26.6%.

Problems with well-being at work are also felt in the daily performance of employees within the company. The low level of job commitment and problems with motivation among employees who do not (or no longer) find their job interesting, are revealed among other things in the level of turnover of personnel and (frequent) work-related absenteeism. Repeated work-related absenteeism (≥ 3 times annually) occurs 2.5 times more with employees who have 'problematic' scores than with employees who have 'unproblematic' scores. The turnover intention is also much higher with the first group: 28.5% (versus 3.4%) regularly consider changing jobs.

Employees with few opportunities for skills development on the job ('problematic learning opportunities') fear the loss of their job in the short-term more than others, and have a much more pessimistic view of the feasibility of staying on the job until retirement age. Where 27.9% of employees with sufficient learning opportunities do not consider it feasible to stay on the job until

retirement age, this percentage increases to 57.8% among employees in the group ‘problematic learning opportunities’.

The problem of combining work and home life also has clear consequences. Of the employees unable to achieve balance in this area (‘problematic work-family combination’), one in five appear to be systematically looking for another job, three times more than colleagues for whom this balance is attained. In the latter group, the percentage involved in frequent work-related absenteeism is also significantly lower, 6.5% versus 12.5%.

Table 4
Effects of workability problems

Stress at work		Not problematic	Problematic
Serious sleep disorders		N = 7144	N = 2905
	% risk ratio	6,9 reference	38,4 5,57
Long-term absenteeism		N = 7208	N = 2904
	% risk ratio	7,2 reference	12,2 1,69
Unfeasibility of working until retirement age		N = 7195	N = 2916
	% risk ratio	26,6 reference	54,4 2,05
Well-being at work		Not problematic	Problematic
Turnover intention		N = 8032	N = 1832
	% risk ratio	3,4 reference	28,5 8,38
Frequent absenteeism		N = 8281	N = 1912
	% risk ratio	5,7 reference	14,3 2,51
Learning opportunities		Not problematic	Problematic
Uncertainty of employment		N = 8208	N = 2383
	% risk ratio	3,3 reference	9,2 2,79
Unfeasibility of working until retirement age		N = 7814	N = 2266
	% risk ratio	27,9 reference	57,8 2,07
Work-family balance		Not problematic	Problematic
Turnover intention		N = 9385	N = 1253
	% risk ratio	6,5 reference	20,1 3,09
Frequent absenteeism		N = 7195	N = 2916
	% risk ratio	6,5 reference	12,5 1,92

6 Workability risks in the flemish labour market

The workability monitor not only allows the pressure points to be quantified, but also provides a view of underlying determinants present in the work situation. To this end, six risk indicators were developed and measured.

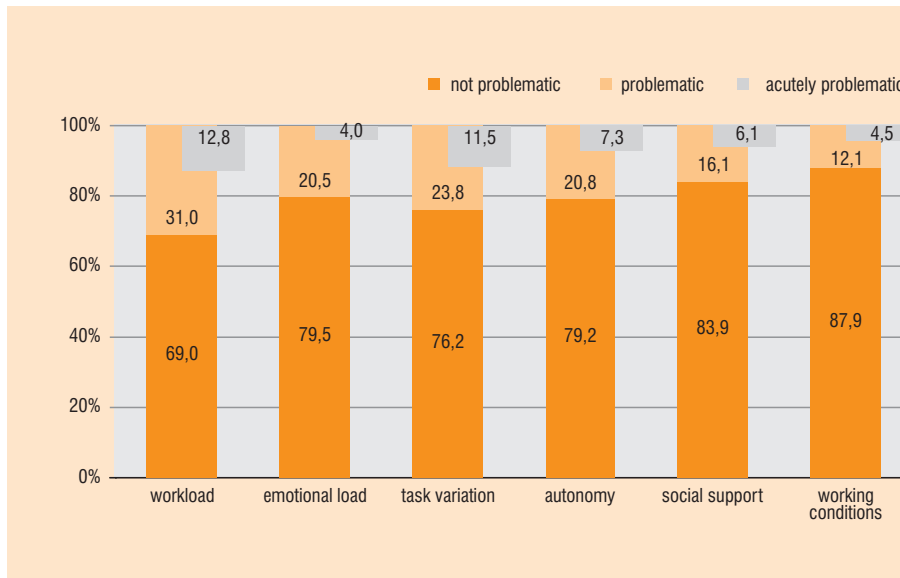
Table 5

The risk indicators for the 2004 Flemish labour market.

	N	Not problematic %	Problematic % reliability interval $\alpha=0.05$	Acutely problematic % reliability interval $\alpha=0.05$
Workload	10991	69.0	31.0 30.1 - 31.9	12.8 12.2 - 13.4
Emotional load	10987	79.5	20.5 19.7 - 21.3	4.0 3.6 - 4.4
Task variation	10999	76.2	23.8 23.0 - 24.6	11.5 10.9 - 12.1
Autonomy	10999	79.2	20.8 20.0 - 21.6	7.3 6.8 - 7.8
Social support	10977	83.9	16.1 15.4 - 16.8	6.1 5.6 - 6.6
Physical working conditions	10654	87.9	12.1 11.5 - 12.7	4.5 4.1 - 4.9

Figure 4

The risk indicators for the 2004 Flemish labour market.



Workload clearly is the greatest problem. Especially problematic for many is the quantitative workload: work volume, high tempo and deadlines. Almost one-third of employees are faced with a high workload, more than 1 out of 10 with an extremely high workload. Also striking is the large percentage (20.5%) of employees that experience emotional stress in their job, a figure that possibly also reflects the growing percentage of contact professions and the increasing orientation to 'customer centredness'.

If we look at the structure of the different jobs, we note that 23.8% of the employees are faced with routine work ('problematic' skill variety) and 20.8% of employees have few job control possibilities ('problematic' autonomy).

Social support can be characterised as positive for the vast majority (84%) of employees. Working conditions also represent little problem for most employees, although the 12% of those who reported working under harmful physical conditions in our so-called 'information society' nevertheless point to a problem that cannot be ignored.

Conclusion

In 2003, SERV committed itself to making a substantial contribution to the development of a Flemish workability monitor, a system of measurement intended to enable the follow-up of the policy agreements contained in the Pact of Vilvoorde relating to improving the quality of work. This commitment makes more concrete the somewhat general policy discussion that has been taking place until now concerning 'workable work' and 'the workability rate'.

Four aspects of quality of work were considered relevant to the workability monitor: stress at work ('job stress'), well-being at work ('commitment to work and motivation'), learning opportunities ('opportunities for skills development') and work-family balance ('combination of work, family and social life'). Validated measurement scales were selected and cut-off values established in search for indicators for the four aspects of workability that are scientifically accurate and manageable from a policy point of view.

The WM system of measurement was immediately tested. At the beginning of February 2004, a 'zero measurement' was organised for a representative sample of 20,000 Flemish employees. The measurement generated a response of 60.6% and guaranteed (as confirmed by a control sample

and research into possible response bias) a representative and reliable picture of the Flemish labour market.

The indicators for the Flemish labour market show that a sizeable majority of employees report no problems for each of the four aspects of 'workable work': for nine out of ten employees there is a proper balance between work and home, for four out of five employees well-being and learning opportunities at work are 'OK', for almost three out of four employees the (emotional) stress levels at work are acceptable.

A policy-oriented measuring instrument, however, is especially intended to detect (and remove) pressure points, and these are clearly present in the Flemish labour market in the area of 'workable work': 29.8% of Flemish employees are faced with job stress ('problematic stress at work'), 18.7% deal with problems of motivation due to uninteresting and unattractive work ('problematic well-being at work'), 22.6% see their 'employability' limited by insufficient opportunity for skills development on the job ('problematic learning opportunities') and 11.8% experience systematic difficulties in combining work, family and social life ('problematic work-family balance').

Upon the basis of the combination of the four workability indicators, it can be concluded that 52.3% of Flemish employees consider their job 'workable work'. Based upon this zero measurement, the workability rate for the Flemish labour market for 2004 is calculated to be 52.3%.

The other 47.7% are faced with one or more workability pressure points and thus run an increased risk of diminished performance and dropout (over time) from the labour market. Analyses of the connections in the WM data set between the above-mentioned pressure points and psychosomatic symptoms, work-related absenteeism, turnover of personnel and the feasibility of staying on the job until retirement age, convincingly demonstrate the relevance of the workability issue. Problems with stress at work, with well-being at work, with learning opportunities and with combining work and family not only have negative effects on job satisfaction and the health of the employees concerned, but also entail considerable costs for the social security system and companies, and constitute an obstacle to the effective functioning of the labour market and to increasing the employment rate.

To provide a content-related point of reference for initiatives that are established to develop a strategy to improve the workability rate, the workability monitor also includes giving attention to potential risks in the work situation. To this end, six risk indicators were developed and measured. Based upon the prevalence figures for the different workability risks in the Flemish labour

market, the following classification (from high to low) can be made: high workload (31%), routine work (23.8%), insufficient autonomy (20.8%), emotionally stressful work (20.5%), lack of social support (16.1%) and harmful working conditions (12.1%).

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ACTIVATION POLICIES IN FLANDERS: THE PARADOX OF THE COMPREHENSIVE APPROACH

Ludo Struyven, Joost Bollens

■ Introduction

During the 1990s, the activation of job-seekers became the recurrent theme of the active labour market policy, also in Belgium and in Flanders. On the one hand, the policy is aimed at more intensive employment placement and reintegration (training, guidance, work experience) for the short-term and long-term unemployed. On the other hand, 'making work pay' measures occupy a central position in the policy – by providing new entitlements for workers such as tax credits or other complementary benefits to work (in-work benefits), to increase financial incentives to work (De Lathouwer 2004). In the terminology of the OECD, these are known as 'making work pay' strategies via the application of incentives, as distinct from 'job search' strategies via the use of active measures. In this paper, we focus on the first type of policy, known in Flanders as guidance trajectories. Particularly from an international perspective (OECD, EU), this policy is the subject of much attention. The various activation measures have more positive impacts than is usually assumed, although micro- and macro-economic research has indicated that the effects are generally small (cf. *infra*; De Koning and Mosley 2002; De Koning 2003). This can be attributed to the use of more sophisticated methods but, in our opinion, it is also related to the complexity of the content and implementation of this type of policy. Our position in this paper is that both aspects are worthy of attention, both in further research and in the policy.

Without wanting to detract from the inventiveness of the policy in recent decades, in this paper our basic premise is one single, noticeable evolution in the activation policy: the evolution from a 'customised approach' to a 'comprehensive approach'. The idea of a customised approach was introduced over 15 years ago in the area of training and employment initiatives for job-seekers who were difficult to place. The customised approach represents an intensive, highly individualised approach, customised to suit every long-term unemployed person. This has since evolved into a 'comprehensive approach', consisting of 'an action' or 'new start' for every single unemployed person, i.e. not just those who are difficult to place in work. This evolution was marked

in Flanders by the introduction in 1998 of the European Council guidelines for the activation of all job-seekers and the increase in participation in reintegration and training.

In the near future too, the implementation of the comprehensive approach remains the basic principle for future policy. Is this comprehensive approach meaningful, as the ultimate goal of the activation policy? This is the key question in this paper. We will look one by one at the state of affairs in research into the effectiveness and implementation of the Flemish activation policy. Prior to this, we outline in brief the major policy trends in Flanders. Since the emphasis of this volume is on Flemish policy, the state of the issue of the research and of the policy concentrates primarily on Flemish research findings. The reader will not resent the fact that we have been somewhat selective in this respect, without losing sight of the central question.

1 *Policy context*

Three trends have determined Flemish policy since the beginning of the 1990s: the predominance of prevention in the battle against long-term unemployment, the increasing importance of the 'human capital' approach and the lack of control over the willingness to work of job-seekers.

1.1 *Preventive approach*

At the Luxembourg Summit in November 1997, the member states of the EU at the time reached an agreement on a series of guidelines to promote employment. Great emphasis was placed on the employability of job-seekers (Holderbeke 1998):

- Before their sixth month of unemployment, all young people must be given a new opportunity in the form of a training course, retraining, work experience, a job or other measures to promote employability;
- The same applies to unemployed adults before their twelfth month of unemployment where, in addition to the aforementioned initiatives, individual career guidance is important;
- The active labour market policy must be considerably reinforced, where every member state establishes a target figure for the percentage of job-seekers to be reached through training or similar active measures, so that the average of the three most successful member states is gradually achieved, and at least a target figure of 20%.

Since 1998, these three objectives have been the guiding principle of the European Employment Strategy. These goals focus on the group of unemployed people, not those in work. The following principles form its basis: prevention of long-term unemployment (in particular for young people), reaching the entire intake of unemployed people at an early stage (known as the comprehensive approach) and a supply of training and related programmes. The impact of the European guidelines on Flemish policy output is clearly visible in the performance indicators for 2002 and 2003 (Administratie Werkgelegenheid 2002; 2003). At the Flemish employment consultative meeting between government and social partners at the end of 2003, it was decided that the comprehensive approach would be extended to the long-term unemployed.

1.2 ■ ■ *Human capital approach*

Belgium, like other European countries, has moved far away from the conventional remedy of job creation. In the wake of this, the policy of 'subsidised labour' has also been dramatically cut back and redirected (cf. on-the-job training and subsidised work experience contracts). Recent policy focuses analysis of the problem of structural unemployment on the many barriers to work, both with respect to labour costs and labour regulations as well as regarding human capital and skill improvements. Our country not only has a reputation as a laboratory for new employment programmes, but is also putting up a good show of developing an extensive, publicly organised supply of long-term training programmes for job-seekers. Since 1994 the Public Employment Service ('PES' or 'Vlaamse Dienst voor Arbeidsbemiddeling en Beroepsopleiding', hereafter the 'VDAB') has been bound by standards relating to reaching difficult target groups for training, which was not the case for the other guidance activities. At the same time, the government was attempting to align the training policy of the VDAB and other organisations more closely to the difficult-to-fill vacancies in bottleneck professions. Recently, job-seekers even receive a bonus if they choose training in a bottleneck profession. In addition, the most important development is that training has been incorporated into the trajectory process. The concept of guidance trajectories had its origins in the world of the local community and non-profit organisations in the second half of the 1980s. Its starting points were the needs of the difficult-to-place job-seekers; it was customised for them and included a trajectory counsellor and mediator for the client throughout the entire pathway (Van den Berg & Van der Veer, 1990; Leroy, 1992). Since 1997, the VDAB has developed its standard model of trajectory process, grafted onto targets, procedures and registration-related requirements. From then on, this model also applied to the other public labour market actors aimed at the integration of other welfare categories (handicapped job-seekers, young people in part-time compulsory education, welfare recipients) and non-profits working under contract to the VDAB (Struyven 2004). The evolution of the Flemish

policy of training and work experience bears many characteristics that are typical of a human capital approach: focus on the lack of skills, long-term training programmes, focus on both supply and demand sides.

1.3 ■■ *Control and sanctioning*

A widely-held view is that the welfare state – as created in most European countries after the Second World War – by just providing benefits, tends more to encourage passivity and social exclusion, than to remove people from unemployment and prevent social exclusion. The recipe, as translated both internationally and in Belgium, is that of ‘welfare-to-work’ (UK) ‘des politiques d’insertion’ (insertion policies) (France) or of the ‘active welfare state’ (Vandenbroucke 2000). It is thus emphasised that social protection must become more employment-friendly through activation measures (cf. EC 1999: 14). The USA has had a different form of activation in place since the 1980s, i.e. ‘workfare’, based on the individual and moral necessity of social obligation to work. In the low countries (and in Europe in general), the activation concept is based on the social and economic necessity of labour participation so as to secure the future of the welfare state. In the Netherlands, the perception grew 10 years ago that the passive policy of providing benefits was reaching its limits because job growth did not produce a commensurate fall in unemployment (SCP 1998: 390-391). This led to a shift from combating unemployment to increasing labour participation, summarised in the motto ‘Work, work, work’.

In an international context, the philosophy of ‘workfare’ came to the forefront during the 1980s, particularly influenced by the work of Lawrence Mead, which states that the balance between the rights and obligations of those dependent on benefits is out of kilter. Taking as his basis the communitarian notions of citizenship, Mead argues that, in parallel to the right to a benefit, the obligation to work is inadequately developed. This model of social obligations is diametrically opposed to the model of social entitlements (cf. Dahrendorf). In most countries, the predominant policy discussion has evolved into a broad consensus concerning a form of ‘mutual obligation’: right is not unconditional (the right to a benefit should be balanced by adequate effort on the part of the unemployed person); at the same time, the government undertakes to create sufficient adequate provisions (WRR 1990; Engbersen 1994). In practice, in our country this principle of individual responsibility and mutual rights and obligations has been difficult to insert into unemployment policy (in contrast to social assistance policy). One important reason is that this did not fit into the model of a corporatist Bismarckian welfare state. Among certain collective actors, such as the trade unions, it met with fierce resistance because of the risk of hunting for unwilling job-seekers. Another reason is the politico-institutional division between passive policies (in-

come support) and active policies (employment assistance). The traditional division between the policy areas of social protection and labour market policy has been reinforced by the political split of competencies between the federal Belgian level and the state level. The overall organisation of social security is in fact a federal task. We will have to wait and see whether the tide will turn with the federal government's new call-up and control regulations, which gives a more active role to the Belgian National Employment Office.

2 *Effects of active labour market policies*

2.1 ■■ *Introduction*

The intellectual history of ideas on the effects of active labour market policy (ALMP) has an important link to the Sweden of the late 1940s and early fifties. Two trade union economists, Gösta Rehn and Rudolf Meidner, saw an active labour market policy as a lubricant which, in a context of full employment, should ensure that the labour market motor does not become overheated as a result of wage pressure and, as a result, grind to a halt (Calmfors et al. 2002). Certainly, from the 1970s onwards and, more specifically, during the decade 1980-1990, together with the disappearance of full employment and the growth of a structural unemployment problem, the accent within defence of the ALMP would increasingly be placed on combating unemployment in general.

From the beginning of the 1990s onwards, a more generalised application of ALMP was strongly advocated by the OECD (e.g. 1994) and this plea would subsequently also become a component of the European Employment Strategy (EES). In practice, many years before the creation of the ESS, the pursuit of an active labour market policy was financially encouraged via the European Social Fund (ESF). An important theoretical foundation is provided in this context by Calmfors (1994), who gives a summary of the possible effects of ALMPs. In particular, he identifies the following effects:

- (1) ALMPs and, more specifically, the job brokerage and reintegration activities of the PES, can lead to a more efficient matching process between existing vacancies on the one hand and the job-seekers on the other hand. An increase in the matching efficiency will, in general, lead to a higher level of employment. It is however notable that a locking-in effect (Calmfors) or retention effect (Ministry of Labour, Denmark 2000) or attachment effect (DEWR 2002) could also occur if a participant in ALMPs finds work later as a re-

sult of participation than if he had not participated. In this case, the effect on the level of employment is negative;

- (2) ALMPs can create more competition for the available jobs because, in updating or improving the skills of the unemployed, they lead to an increase in the number of available and competitive candidates. In this way, ALMPs can have a positive effect on labour force participation;
- (3) In addition, it is often expected that ALMPs – and the training and work experience programmes in particular – will lead to an increase in the productivity of job-seekers. This productivity increase in general has a positive effect on the expected level of employment. On the other hand, the rise in productivity could also imply that the job-seeker wants to receive higher wages before accepting a job. In this case, the effect on the employment level is negative;
- (4) Subsequently, ALMPs can also be used to improve the mobility between stagnating sectors with high unemployment and expanding high-productivity sectors with low unemployment;
- (5) A usually unintended effect of ALMPs is that they can lead to the suppression (crowding out) of the regular demand for labour. This risk is particularly present in the application of subsidised employment schemes. If crowding-out effects do occur, this will have a negative effect on the employment level and wage level. Under certain circumstances, crowding out is not itself undesirable: for example, if the employment of long-term unemployed outsiders crowds out the work of insiders, the latter have more competition (cf. effect 2), while the beneficiary long-term unemployed would possibly not have found any way back into the labour market without this policy;
- (6) Finally, Calmfors identifies several more accommodation effects that arise specifically because the welfare difference between having a job and not having a job is reduced by participation in ALMPs (e.g. bonuses for participation, renewal of eligibility for unemployment benefits, etc.). These effects can lead to more wage pressure. However, there may also be a ‘control effect’ if the (compulsory) participation implies that people can no longer freely decide how to use their free time.

As we can see, this framework is highly differentiated and we are certainly not claiming that ALMPs by definition will have a positive effect on employment and a downward effect on the unemployment level. Nonetheless, expectations were clearly high at the beginning of the 1990s. It was therefore rather disappointing when it soon appeared from the evaluation research at the time that the measured micro- and macro-economic effects of the relatively large-scale deployment of ALMPs were far from consistently positive and sometimes decidedly conflicting (OECD 1993). Very quickly, the analysis was reached that relatively large-scale programmes and partic-

ularly their poorly selective nature and lack of targeting usually had fairly limited results. One important lesson was therefore that ‘one size fits all’ applications were not recommended and much literature was generated concerning the question of ‘what works for whom and under what circumstances’ (Erhel et al. 1996; Fay 1996; Martin 1998; Martin & Grubb 2001; Vogels & van Trier 2003).

In recent years, the international literature has seen a continuous flow of effectiveness research which is striking in part for its increasing methodological sophistication (e.g. the use of ‘natural experiments’). At the same time, it is notable that we still cannot put our finger on exactly what is the most effective in terms of content, which is illustrated by many studies still asserting that the policy pursued is only effective to a limited extent. In this context, the conclusions reached by Calmfors et al. (2002), who carried out an extensive survey of many micro- and macro-economic evaluations of the Swedish ALMP, are disconcerting. We quote:

“The main conclusions are: (i) there is hardly any evidence for a positive effect on matching efficiency; (ii) there are some indications of positive effects on labour force participation; (iii) subsidised employment seems to cause displacement of regular employment, whereas this appears not to be the case for labour market training; (iv) it is unclear whether or not ALMPs raise aggregate wage pressure in the economy; (v) in the 1990s, training programmes seem not to have enhanced the employment probabilities of participants, whereas some forms of subsidised employment seem to have had such effects; (vi) youth programmes seem to have caused substantial displacement effects at the same time as the gains for participants appear uncertain. (...) On the whole, ALMPs have probably reduced open unemployment, but also reduced regular employment. The overall policy conclusion is that ALMPs of the scale used in Sweden in the 1990s are not an efficient means of unemployment policy. To be effective, ALMPs should be used on a smaller scale. There should be a greater emphasis on holding down long-term unemployment in general and a smaller emphasis on youth programmes” (Calmfors et al. 2002: 1).

In a conclusion to the mid-term evaluation of the European Employment Strategy, in which the results of the various European countries are brought together, the observations regarding the negative scale effects, the importance of targeting and the displacement effect of subsidised employment are also made (EC 2002). Since mid-2004, the long-term unemployed in Belgium have been systematically called up again within the context of the activation of job-seeking behaviour. Foreign research suggests that purely calling up the unemployed (Dolton & O’Neill 1996), imposing activity requirements or threatening them with sanctions (Abbring et al. 1996; Black et al. 2002; Klepinger et al. 1997; Richardson 2002; Borland and Tseng 2003) has a positive effect on

their chance of employment, some studies even indicating a lasting effect (Van den Berg et al. 2002).

2.2 ■■ *The preventive activating labour market policy*

Boosted by the EES, the preventive labour market policy has taken on great importance in recent years, including in Flanders. The main starting point for the preventive labour market policy is that those entering unemployment must be prevented from becoming long-term unemployed. This in itself is a legitimate aim. Nonetheless, some critical comments must be made in this respect.

For instance, a substantial proportion of those entering unemployment will leave unemployment relatively quickly and under their own steam. In other words, if the ALMPs are deployed soon after the beginning of the period of unemployment and on a large scale, this will be associated with excessive costs and a high deadweight loss: the policy pursued does of course cost money, while many participants do not benefit from it in any way (or leave unemployment even later, as a result of locking-in effects, than would have been the case in the absence of the policy).

The dilemma between prevention and deadweight could be resolved if it were possible, soon after intake, to predict who has a high probability of becoming long-term unemployed. However, it has not been possible to predict this with sufficient accuracy (Bollens et al. 2003). On the other hand, the quality of the prediction, regardless of the prediction method used (statistical model, consultant experience, group characteristics), increases significantly the longer one waits: six months following the commencement of unemployment, compared to say 3 months, it will be possible to estimate with a much smaller margin of error who runs the risk of becoming long-term unemployed.

It therefore follows that the 'optimum moment of intervention' differs depending on the risk a person runs. In general, the recommendation – as far as the supply of reintegration services is concerned – is to wait a sufficient time and then to give priority to those groups that are at high risk. For groups at less risk, this should be spread even more over time. By contrast, for groups at particularly high risk of long-term unemployment, it may be worth considering intervening almost immediately after their intake into unemployment. Given their high risk, the deadweight mentioned above will also be minimal.

However, with respect to this latter recommendation, it should be noted that the effects of the re-integration services offered must particularly be taken into account for the groups at very high risk: as a result of the high risk, the deadweight will probably be minimal but if it then appears that early intervention based on this observation is of little influence on their chances of leaving unemployment, another type of deadweight occurs. Recent Flemish research (see section 3.3) suggests, however, that the net effectiveness of the ALMPs is actually the highest among the risk groups, such that this latter consideration is not binding.

As far as the targeting issue is concerned, it is also notable that the distinction made by the European guidelines between younger and older job-seekers – for young people, the limit for long-term unemployment is 6 months, for those aged 25+ it is 12 months – is at least strange seen in the light of Flemish reality. Based on differences in risk, outflow chances or effects of labour market measures alone, no rationale whatsoever can be found to indicate why intervention is required sooner for young people than for those aged 25 and over (Bollens et al. 2003). If different thresholds for long-term unemployment should be used at all, on the basis of the above elements, the limit for long-term unemployment for those aged 25+ should actually be lower than for those under 25.

2.3 ■ ■ *Effectiveness research in Flanders*

If we compile an overview of the various effectiveness measurements of the ALMP carried out in Flanders (and Belgium) over the years, the importance of the role of the ESF is striking: directly, because the ESF has always insisted upon an extensive evaluation of the labour market programmes it helped finance, and partially indirectly via the co-financing of labour market research and, generally, by contributing to an evaluation culture.

Another characteristic of the various effectiveness studies is that they can all be positioned within the non-experimental tradition, where the results of a group of participants in ALMPs are compared to the results of a comparison group constituted using one form or another of matching. Depending on the methodology used, some degree of doubt still exists – depending on the studies in question – about the question of whether the comparison group is genuinely comparable (selection bias). The data used are, on the one hand, survey data, gathered through a survey of participants (and comparison group); on the other hand, many studies exist that use large administrative databases. This latter approach is clearly gaining in significance. Not only does it have the cost price advantage, but the information is also gradually enriched through the linking of various administrative files.

Rather than discussing all studies, we retain a number of exemplary studies. Nicaise (1995) and subsequently also Vos et al. (2000) for the trajectory guidance methodology, provide an incentive for calculating the social cost-benefit ratio of ALMPs. The results are positive, although it is clear that not all intervention is equally positive. Nicaise et al. (2004) and the underlying research programme are innovative, on the one hand because participants in subsidised employment programmes are monitored for a long period (long-term effects) and, on the other hand because, in addition to effects on work and income, effects on psychological welfare and social integration, if any, are also examined. The recent VDAB study (2004) is an effect evaluation of the trajectory process approach in Flanders, where a principal observation is that the net effects for the short-term unemployed are fairly small (as expected, cf. 3.2), the net effects among various risk groups are clearly stronger (also observed in previous research) but also, somewhat surprisingly, that the net effects among more highly-skilled job-seekers are also relatively high. In all respects, this invites further study.

3 *Policy implementation*

3.1 *Policy goals: short-term and long-term unemployed*

Reference has already been made above to the EES which, via the open co-ordination method, aims to create a number of guidelines relating to the activation policy for job-seekers. Back in 1994, at the Essen Summit, the European Council gave one of the five priorities for employment policy of the member states as the 'promotion of investment in vocational training', as well as measures for special groups of unemployed people, such as young people, the long-term unemployed, older employees and unemployed women. The OECD also referred to this in its recommendations for employment policy in Belgium. However, this only achieves political significance if the general leanings of the European Council are converted into fixed target figures. What is striking is that, as a result of the way in which the guidelines are formulated, only the short-term job-seekers are eligible, just before they have been unemployed for one year, in particular also those under 25 (from their sixth month of unemployment). Training and retraining are the main points but, in addition, it is also about 'work experience, a job or other measures to promote employability', while for adults 'individual career guidance' is also one of the possibilities. Europe is thus outlining a preventive strategy, with the accent on the younger job-seekers and on training as the most important instrument in the active labour market policy for job-seekers.

In Flemish policy, for a number of reasons the emphasis has shifted in a number of measures since the first half of the 1990s: relatively less exclusive emphasis on the under-25s, more on the long-term unemployed and particularly the poorly-skilled (Struyven 1998). The second-line guidance services (like Weerwerk) aimed at the long-term unemployed formed the exponent in this development (Leroy 1992). Reference was made to the downward evolution of youth unemployment, the shorter duration of unemployment for young people, as well as to the fact that young people are already often over-represented compared to other sections of the unemployed population. Young people are also more likely to make use of automatic job search and placement systems (VDAB 1997). This means that the labour-intensive assistance services (personalised guidance services, etc.) can better be reserved for the difficult target groups. This shift was also accompanied by another set of tools. Particularly in the first half of the 1990s, a great deal of attention was devoted to education and training, tools within the sphere of competence of the VDAB. More recently, the Flemish government, often within the context of cooperation agreements with the federal government, has taken additional work expansion measures aimed in particular at providing temporary work experience (WEP, WEP+, WEP private plan). The target group is the very long-term unemployed. Specifically to prevent crowding out, it is not desirable to have these places filled by the short-term unemployed (Leroy 1997). This choice is supported by the results of a survey of job-seekers participating in the ESF programme (Lauwereys et al., 1998). It appears that, if they are asked about the obstacles to them finding work, the lack of work experience scores relatively higher, particularly among the very long-term unemployed (inactive for 2 years or longer). By contrast, the group that has been unemployed for fewer than 10 months scores relatively the lowest for all the obstacles mentioned. This finding therefore confirms the decision to bias a number of government measures in favour of the long-term unemployed. This curative approach is also evident from the target group policy within the context of the ESF (Objective 3) during the period 1994-1999. In distributing resources, priority was given to the very long-term unemployed and the underprivileged (Frère et al. 1997).

Two detrimental effects are likely as a result of the European guidelines: deadweight effects or windfall effects – because some of them would have found work even without help – and crowding-out effects because some of them take the places of ‘weaker’ groups. The Flemish government did seem aware of this risk. The government and the social partners agreed that no substitution of resources would be made in favour of the newly unemployed. They wanted to use extra resources to build a preventive section on top of the existing efforts (Administratie Werkgelegenheid 1999; Steunpunt WAV 1999). The additional budget for the period 1999-2000 amounted to 20 to 30 million euros per year (Landuyt 1999). In this sense, it was possible to speak of a dual track in the trajectory process. At the same time, it was doubtful whether the focus on the curative target group of the long-term unemployed could be maintained (Struyven

1999). Firstly, because the new ESF subsidy programme for the period 2000-2006 had to fit in with the guideline policy. Via the subsidy policy, the guidelines exert a coercive influence. Subsequently, the European guidelines policy is translated into the performance contract between the Flemish government and the VDAB. In the way in which the active labour market policy is implemented, the EES will therefore have more influence than is usually assumed.

3.2 ■ ■ *Implementation research*

It is nothing new for policy implementation in the activation of job-seekers to have to deal with various policy aims. After all, in the issue of matching between labour demand and labour supply, not just one clearly-defined objective is at play, but several objectives, both economic and social, partially conflicting with each other (Struyven 2004). These conflicting interests are inherent in the policy field of the labour market because public interests and market-economic developments run closely parallel to one another (Crouch, Finegold & Sako 1999). The dilemma perceived by the public service worker between economic and social goals or between organisation-based and client-based goals is a reflection of the more fundamental contrast on the labour market between employers and employees. The implementation theory adds yet another dimension to this fundamental contrast.

The starting point of implementation research is that policy only achieves its final form in the implementing organisation and in daily contacts between street-level bureaucrats and their clients. The impact of the policy is to a large extent dependent on how the policy is interpreted and implemented in the day-to-day routine behaviour of the street-level workers. Reactions from clients are not always predictable, reactions from consultants are not always programmable, such as in an IT system. For this reason, a gap always exists between policy intentions and policy practice. This kind of interpretation of the operation of the policy is referred to in the literature as a 'social-constructivist model of policy' (cf. Lipsky 1980; van der Veen 1990; Wright 2001). According to the theory, street-level workers are under increasing pressure as a result of the chasm emerging between needs and available resources. Consequently, they use their discretionary power to adjust their conduct. Possible strategies are: (1) limit the demand for services, classify and selectively treat clients (creaming off); (2) control clients; (3) adjust policy goals; (4) develop opinions about clients. The variation in conduct can be explained using various mechanisms: the work environment (as in Lipsky) and the individual preferences and perceptions among the street-level bureaucrats (e.g. tolerance versus aversion to the target group; perception of the effectiveness of policy instruments) (Winter 2002).

These mechanisms are also found in the Flemish context of scaling-up and large numbers in the trajectory guidance of job-seekers (De Cuyper & Struyven 2004). It was already clear during application of the predecessor to the comprehensive approach, the so-called guidance plan of 1993, that a large-scale approach based on a systematic and complete screening and invitation of job-seekers has harmful consequences for the quality of the guidance (Struyven 1998). Within the VDAB, this bias towards new job-seekers led to a systematic erosion of the scope of the second-line guidance services. The evaluation research of activation practice for the year 2003-2004 by De Cuyper and Struyven (2004) shows that this evolution has gained strength over the past 5 years. The research provides an analysis of the situation in 2003-04, i.e. before the recent decision to implement a comprehensive approach for long-term unemployed people as well, and the extra initiatives announced in Minister Vandembroucke's policy paper (Vandembroucke 2004). An initial observation is that the long-term unemployed are not finding their feet so well. Over 80% of the unemployed people reached by the trajectory process in 2002 are short-term unemployed. The main explanation is that the target group for trajectory guidance has been expanded to include all job-seekers, and not just the long-term unemployed, which means that the guidance trajectory has become less intense. Secondly, specific categories of the unemployed are ignored following intake and during further follow-up. This can be explained by the extremely high case load of VDAB consultants (on average 162 new clients per year). These are specific groups such as the over 50s, job-seekers who have an insufficient knowledge of Dutch and job-seekers with addiction problems. All consultants give priority to intake and only go on to follow-up interviews if there is time. Job-oriented trajectories are not the top priority. The consultants work mainly with clients who have a lower profile, but a real chance of finding employment. A new selection occurs here, known in Australia as the phenomenon of 'parking' (Considine 2001; Productivity Commission 2002; Struyven and Steurs 2003), which was thought to exist only in the context of a private employment assistance provider. Among those who are 'parked' (not followed up further), the observation is two-fold: on the one hand, these are clients with a higher profile and, on the other hand, those with a lower profile, such as over 50 and job-seekers who regularly do temporary work. This two-fold observation is also evident from the nature of the trajectory followed. On the one hand, the VDAB does reach the unskilled and other underprivileged groups with an intensive supply of guidance services ('intensive' trajectory or 'varied' trajectory). For these trajectories, the satisfaction figures among job-seekers are high. However, on the other hand it is observed that the unskilled are still relatively often given a trajectory with little services ('light trajectory') which is expressed in low satisfaction. The research further confirms the previous finding that the unskilled are under-represented on the training programmes.

The new steering mechanisms are pushing the PES operations towards managing the high numbers of new unemployed job-seekers rather than helping the most disadvantaged (Struyven 2004). The political aim of permanent, high-quality work and high-quality trajectory guidance ‘from intake to job consolidation’ shifts to the management aim of bringing as many job seekers as possible into the information systems through intake. Working within the current financial margin and with intensive trajectories, the VDAB, would only be able to reach a small proportion of job seekers. The VDAB is not geared to intensive trajectories, but to a cost-effective trajectory approach. In line with this approach, VDAB management defines a trajectory as ‘the shortest path from non-work to suitable work’. The target group shifts to the so-called job seekers with the ability to cope: for them, such a standardised approach is sufficient. This is known in the implementation literature as ‘goal displacement’ (Blau 1963).

Coping behaviour is however not only dysfunctional in relation to the policy goals. The organisation literature shows that routines are functional for the stability and effectiveness of organisations. If policy changes are made – such as the co-operation model in the integrated basic services in the local job centre (‘lokale werkwinkel’) – certain organisations will switch to the rapid adoption of these innovations, unlike the ‘late-comers’ and the ‘stragglers’, characterised by inertia. The question is then how the various change reactions can be explained. We learn from Tolbert and Zucker (1987) that in organisations that were already aiming – i.e. before the introduction of the local job centres – for an increase in supply and voluntarily collaborated with other organisations for guidance, etc., these new ingredients have already become institutionalised. This is also confirmed by Flemish research (e.g. Vanhoren and Struyven 2000; Sannen et al. 2000).

4 *Policy and research perspectives*

4.1 *Further research perspectives*

A permanent need exists for investment in evaluation research relating to the implementation and effectiveness of ALMPs, certainly if this is set against the resources which the government itself spends on the activating policy. In addition, it is desirable for the policy evaluation to be structurally embedded: when any new measure is introduced, one should also look immediately at how and when an evaluation will be carried out (ensuring that the required data are systematically recorded, providing for a zero measurement, etc.) and, to this end, the necessary resources should also be provided. Priority should also be given to more long-term research of adequate

methodological depth. Relatively short-term ad hoc evaluation research is certainly not pointless, but is ipso facto usually responsible for the situations in which the policy researcher cannot or will not draw any overly far-reaching conclusions ('more research is needed'), which then again strengthens the policymaker's conviction that policy-oriented research offers too little direction or foothold.

More particularly, as far as the evaluation of ALMPs is concerned, more attention must be devoted to the following issues:

- (1) The long-term effects of the policy: after all, sustainable employment gains in importance in the activation policy;
- (2) More understanding is (still?) needed of the black box: not only do we want to know what works for whom, but also why this is the case. Implementation research can also contribute to this;
- (3) When measuring the net effects of measures, there is some fundamental uncertainty regarding the measurement of the counter-factual effect, i.e. what the situation would have been in the absence of the measure. Therefore the starting point must be a methodological pluralism. This will probably increase the margin of uncertainty surrounding the reported effects, which does however correspond to reality;
- (4) In addition to attention to the net effects, more attention must also be devoted to the cost effectiveness of the policy pursued. A more systematic use of social cost-benefit analysis is to be recommended;
- (5) In this context, we must consider whether or not we should broaden the effectiveness concept, looking not only at the effects on the labour market situation or the income of the participant, but also at the effects on social and psychological well-being;
- (6) A sharper focus on the cost effectiveness of ALMPs also implies that more attention must be paid to the general equilibrium of a policy of ALMP (e.g. the ALMP budget is generated via taxes, which in turn has effects on employment) and to macro-considerations in general;
- (7) Moreover, for obvious reasons, further investment in research into the feasibility of early detection of the unemployed at risk is appropriate;
- (8) In addition to research into effectiveness and efficiency, a need exists for implementation research into policy as a whole as well as specific measures in particular. This requires intensive and scientifically based research among the various stakeholders in the policy and among the street-level workers, clients and other directly involved parties;
- (9) A need exists for research into the non-reached groups and in particular also the drop-out at various stages of a trajectory;

(10) Finally, the policy can benefit from research based on good practices in Belgium and abroad into policy design; we are thinking for example of aspects such as making various types of activation programmes flexible and aligned, the application of one-track systems, the use of financial incentives and vouchers, the involvement of private labour market actors, area-based and integrated approaches, collaboration with the company sectors.

4.2 *Policy perspectives*

Despite the many questions awaiting investigation, some clear conclusions can nonetheless be drawn from the above findings, which can help pad out the policy discussion. In the light of the comprehensive approach, the pressing question is when, for whom and in what way best to intervene with an activation supply.

In general, one must be cautious about intervening soon after entry into unemployment. When deciding which job-seekers should preferably be invited and allocated to a trajectory, one must first consider who needs it the most (risk) and, moreover, remember that interventions should preferably take place where they produce the greatest net result. Both considerations can be contradictory, but experience has shown that they typically reinforce one another. The VDAB performance contract mentions pursuing ‘proportional representation of risk groups in the trajectory process’. This pursuit – which is understandable based on historical considerations – is diametrically opposed to the recommendation just formulated here. If an allocation of trajectory places is made based on risk and effectiveness, we could then expect precisely an over-representation of risk groups (also announced in the policy paper, Vandenbroucke 2004). The European distinction between younger and older job-seekers seems to be less relevant in the Flemish context. Of course, youth unemployment will also flare up if the economy deteriorates but subsequently this problem will gradually die down again. Without doubt, a hard core of deprived young people exists who have a genuine unemployment problem but, as far as this target group is concerned, an activating labour market policy has come much too late and intervention should have happened much sooner, i.e. during regular education. In this sense, we can even say that reducing the stream of unqualified school-leavers from secondary education is a major component of a truly preventive labour market policy.

The volume policy has a number of positive consequences in terms of scope and effectiveness, but also creates some unintentional consequences, such as neglect of the long-term unemployed group and the parking of underprivileged clients. This is partly encouraged by Flemish and Eu-

ropean standards. Performance standards are necessary in the present policy but do not in themselves guarantee any improvement in service provision. We therefore advocate a contractual form of control that leaves more room for continued harmonisation, consultation and innovation with respect to made-to-measure solutions for job-seekers and is less fixated on performance standards at central level. In addition, a stronger policy is needed to combat inequalities, which repeatedly arise at a different level. This can be by better balancing the various standards regarding scope, matching between demand and supply on the labour market and reaching deprived target groups. For this reason, we advocate protection of the benefit rights and an extension to include guidance rights for the job-seeker, such as the right to individual guidance, the right to professional and confidential treatment by the counsellor, the possibility of prompt face-to-face contact with the counsellor, etc.

Thirdly, it is desirable for the trajectory process, as the focus of the activating policy, to be less procedurally led. The trajectory counsellors must truly be able to take efficient advantage of market imperfections (such as difficult-to-fill vacancies, for example) or be able to act radically based on justice considerations (for example, by integrated actions for risk groups in cities, integrated trajectories for illiterate people or newcomers) (ACV et al. 2003; Vanhoren et al. 2003). This requires solutions customised to demand and supply, investment in guidance networks and job-oriented trajectories, targeted at the available potential of existing initiatives and organised based on activity clusters by analogy with the company clusters. This should involve strong reliance on partnerships and on the use of local and sectoral potential, both in the non-commercial sector and in the private sector (Vanhoren and Struyven 2000; Struyven and Vandenbrande 2003; Struyven and Vanhoren 2004). Flexibilisation and addition of activation schemes is also desirable (for example, regarding the duration of work experience, job rotation).

The conclusion from this state of affairs in Flemish research regarding activation policy points to the paradox of a comprehensive approach: on the one hand – within the current policy contours – the comprehensive approach is almost within reach; on the other hand, large groups of unemployed people are still being left to their fate. To its credit, the large-scale and standardised approach is now being questioned and, within the trajectory approach, the drive is towards more targeting, towards more customised working and, via the use of more refined screening instruments, towards more differentiation in trajectory contents. This probably means that fewer trajectories than those currently offered are actually needed, although the trajectories that are needed will have to be more intensive. This is a departure from the comprehensive approach to unemployment, if one understands that a trajectory is offered to every job-seeker (after a certain period of unemployment). However, the approach will possibly become more comprehensive in

the sense that interventions are deployed where they are necessary and beneficial. Or, to play with words: a less comprehensive approach in order to be more comprehensive.

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LIFELONG LEARNING IN A CHANGING WORKING ENVIRONMENT

Herman Baert

1 *'Lifelong learning' encouraged! But is it also encouraging?*

When exactly the principle of lifelong learning became a generalized notion on the social agenda is difficult to determine. But nobody will deny the symbolic importance of the European Year of Lifelong Learning (literally: 'for education and training during the whole lifetime') in 1996. From then onwards, the discourse of the *'éducation permanente'* from the second half of the previous century made way for a discourse about the 'continuous' learning of adults, in diverse contexts of their lives and work. What does this shift in the discourse imply? What does it mean for the relationship between the world of training and education and the labour market?

For the laymen in the field, these will probably not be the first questions that arise. Rather, the slogan 'lifelong learning' evokes for many Flemings the connotation of a 'sentence to...'. They associate learning with school, and with a period that they closed off with much relief. The dominant view of the course of human life among them is that of the traditional succession of learning-working-resting, according to the cycle of childhood – adulthood – old age. For them, the idea that from now on learning and working should continuously go together is, at best, confusing. Being faced with this confusion, what must training and education providers, labour organisations and the authorities do to promote (labour-related) lifelong learning? When looking for answers to these questions, it is necessary to broaden the perspective on education and learning as much as possible, which is what we do in the first part of this paper. Lifelong and lifewide learning involves much more than the labour market, and we want to do justice to this fact, also because of its indirect importance for the labour market. Broadly educated people can make their contribution, no matter how large or small, both in the socio-cultural and socio-economic spheres. In the second part of our contribution, we will zoom in on labour and employment, and focus on the beginning and continuation of the career – the period between the ages of 21 and 65 – as well as on the relationship between working and (continuously) learning.

2 *Lifelong learning viewed within a broad perspective*

2.1 ■■ *'Education Permanente' and Lifelong Learning as (policy) concepts*

The two concepts have always involved much more than a purely functional compliance – by training – to the requirements of the socio-economic integration of individuals on the 'labour market'. After the tragedy of the Second World War, the right to education and training was elevated to one of the great principles of the new era of peace and social, cultural and economic development. It was included in the Universal Declaration of Human Rights.

The same belief in education was proclaimed by UNESCO, the organisation for education, science and culture of the United Nations. At its international conference on adult education (Montreal, 1960), 'éducation permanente' was proclaimed to be the leading principle for the development of a system of educational provisions which would enable everyone – in particular also all adults – to learn the skills that are needed to perform a certain job, even when this need only becomes apparent (as is often the case) at a later age. Participation in primary and secondary education and in extra-curricular education, has been promoted on a world-scale as an extremely efficient instrument for achieving both personal well-being and the fully fledged participation of the population in the social and economic life of a society.

In order to make the transition from noble idea to concrete practice – a very slow and laborious process in many countries – UNESCO (E. Faure, 1972) proposed 21 principles for a 'thorough renewal of the concepts and structures of the educational system'. Four decennia later, many of these principles have lost nothing of their importance and topicality, as appears from the following examples:

- Expansion of general education: providing not just specific, but general knowledge on the socio-economic, technical and practical field, by which education will come from its ivory tower and abandon its elitist attitude.
- Optimization of professional flexibility: not so much the learning of a profession, but rather learning how to adapt and how to 'bring something to perfection', must become the target of education and training.
- Companies must increasingly taking on an important educational function by offering opportunities for training to their employees and others in their region.

Although these principles are a sign of a broad vision concerning the thorough reform of education and of the educational responsibility of the labour organisations, the question arises as to

whether the shift from the slogan of 'éducation permante' to 'lifelong and lifewide learning' brings anything essentially new to the discussion. The answer is 'yes' and 'no' at the same time.

Despite this shift in the policy discourse, we may not forget that nowadays, as well, Flanders must continue making efforts to achieve broader access to the educational system, so that – after the period of compulsory education – all adults can take advantage of education and training opportunities. Efforts to be made are, for example: to promote the democratisation and affordability of educational participation (including the actual access to higher education for employed and non-employed adults); to expand adult basic education opportunities to the level of what a knowledge society requires; to offer more and better company-internal trainings in small and medium-sized companies; to focus training efforts also on personnel with only a short-term schooling, in executive functions; to design adapted trainings for returnees on the labour market.

But at the same time – and this is the 'renewing' aspect of it – the education of children, adolescents and adults must be reoriented within a threefold perspective. (1) First there is the *time perspective*: people must adopt a learning attitude and acquire learning skills ('learning to learn') in order to learn during their whole life. This must happen informally and on an ongoing basis, within everyday activities and work, and periodically in formal periods of study – even for older people. (2) Additionally, the *content perspective* must be re-orientated towards the basic skills and key qualifications that equip people to deal with changes and unpredictable circumstances, in all fields of social, economic, political and cultural life. 'To deal with...' implies not only 'to adapt oneself', but also to be able to adopt a critical and responsible attitude. The recent emphasis on competencies that reach farther and deeper than the mere specific professional knowledge and skills that are specifically required for the job, springs, among other things, from the insight that knowledge rapidly ages, and that particular professions or jobs are disappearing or undergoing tremendous change. Competencies would help to maintain the person's employability. (3) Last but not least, the *actor perspective* must be profiled. This means that the learning person is given a central place, both with his possibilities and own wishes with regard to learning, and with his position within the structures and programmes of the (formal and non-formal) educational offerings. This also means, however, that not only individuals are called upon to learn, but that 'team learning' or 'collaborative learning' of company units, work places, work and project groups etc. is also promoted. In fact, 'working' usually implies 'working together', so that 'learning' within a working context also implies (or should imply) 'learning together'.

This three-dimensional interpretation allows us, in principle, to come closer to the ideal of a learning society, in which lifelong learning is conceived of as: *a process in which both persons and organisations acquire the necessary knowledge and competencies, in all contexts of their functioning, to*

deal more efficiently with their professional, economic, social and cultural tasks in a rapidly changing society, thereby adopting a critical and responsible attitude and giving meaning to their lives. (Baert, H. et al, 2000).

2.2 ■■ Between ideal and reality...

In Flanders, UNESCO provided the initial impulse which prompted the Ministry of Culture to begin recognizing socio-cultural (educational) work and organizing sensitisation campaigns in the 1970s, viz. 'Continuing education for those who want to move ahead' and 'Education works'. Rather than setting up a 'master plan for a broadened and comprehensive educational system', (professional) education and especially labour market-oriented training programmes and in-service training programmes jumped immediately on the bandwagon of the soaring employability. With policy support, specific programmes were developed for the unemployed and for risk groups (e.g. via European (ESF) and sector training funds, financed with the 0,19 or 0,25 %..on the global volume of wages.) The new 'Vlaamse Dienst voor Arbeidsbemiddeling en Beroepsopleiding' (1989) (Flemish Public Employment Service) was assigned a prominent place in this matter. In the social debate, the issue of the relationship between the education system and the labour market came strongly to the fore. The concern to ensure that the graduates have sufficiently high qualifications and that the training programmes are directly relevant for the labour market had to become a major concern of the government in its efforts to promote education – particularly in the opinion of the socio-economic actors. The responsibility and the efforts of the employee to attend (further) training (or even to retrain) was also emphasised. However, the business world and the employers were reluctant to play an essential role in this matter or to do more, for example, than to deal with the system of paid educational leave.

Gradually, however, this reserved attitude of the business world reached a turning-point. Nowadays, and more than ever, the competitiveness of companies has become a hot item, due (also) to the rise of the knowledge economy and globalisation, viz. the worldwide spread of the markets, the gradual liberation of world trade and the international displacement of the production units. This competitiveness demands 'employability' from the employees, which means the employee's ability to adapt to changes in his job and his career due to the introduction of new technologies, new products and new markets, and to renew his/her competencies. Driven by these needs of business life, the public discourse about lifelong learning is strongly coloured by an economic rationality. See, for example, the *White paper: growth, competitiveness and employment* and *Learning, the treasure within* (EU – Commission, Jacques Delors, 1994, respectively 1996). In this text, lifelong learning is put into the perspective of (a) promoting the development of the indi-

vidual and the values of citizenship and (b) playing a key role in stimulating growth and the restoration of competitiveness and a socially acceptable level of employment. But in actual policy, most attention went to the labour market and to training for vocational qualifications. Thus, the emphasis is more on (basic) competencies, on social and communicative skills, on the eagerness to learn, and on adaptability and meta-cognitive skills, rather than on book learning, on 'knowing a lot' or on specifically technical job-related skills. Along the same lines, learning in non-educational contexts (for example by experience on the work floor, by job rotation or by private study) is also valued. The notion of the formerly and elsewhere acquired competencies is making its entry in the EU, as already happened in France with 'la valorisation des acquis' and 'le bilan des competences', and in the UK with the 'accreditation of prior learning' and the 'national qualification standards'. This labour- and economy-oriented discourse is and was also strongly pursued by OECD (Organisation for Economic Co-operation and Development).

2.3 ■ ■ *Flanders: not yet ready for lifelong learning?*

It would be wrong to claim that Flanders had ignored and made no efforts to promote lifelong learning. The learning possibilities on offer – also for adults – were already fairly extensive, and the concern to ensure the high quality of these programmes was growing. Moreover, during the 1990s the government took new measures to encourage the training efforts of companies. Consider, for example, the fact that investments in education – VLAMIVORM – were exempted from taxes, and the 'Hefboomkrediet' (literally translated the 'leverage credit') for innovative business training programmes was available from 1997 onwards. The Flemish ministers responsible for these matters also initiated some regional planning to attune the educational offer per region, via regional platforms (the so-called 'Edufora', 1999), in which the VDAB (Flemish Public Employment Service), VIZO (Flemish Institute for Independent Entrepreneurship) with the SYNTRA Training Centres and the Centres for Basic Adult Education played the leading part. The general adult education system – formerly called 'Education for Social Promotion' – was renewed based on a new law decree of 1998), and the 'Begeleid Individueel Studeren' (a distance learning system) was reasonably successfully promoted. Also in diverse sectors of the labour market, the employers raised their efforts for continuing education by offering on-the-job and off-the-job training. Later, the government broadened the role of the sector training funds, both by offering training programmes to diverse groups of employees and positions, and by taking on an advisory role with regard to companies that want to develop a company training and development policy (Human Resources Development).

Hence, although there was no lack of initiative, at the end of the previous (20th) century Flanders still lacked a solid and successful policy comprising the three above-mentioned dimensions. On the one hand, the figures with regard to adult participation in learning activities bear witness to this fact (see also Table 1). On the other hand, the *'onset to a global policy plan for continuing education'* dates only from 1997. In this document, it is admitted that "in the lap of the Flemish government, several ministers bear responsibility for – sometimes important – sub-domains of continuing education. But the Flemish government lacks an explicit vision, a vision that bases the approach in these policy domains on a common basic concept about continuing education" (our translation).

This lack of a common basic concept is probably due to several factors and reasons. The issue's low position on the list of political priorities is probably one reason. In addition, the required cross-departmental/agency consultation with different ministers and departments does not always proceed smoothly. But other reasons were and are at least as important and incriminating: the not always sufficiently defined responsibility of the respective actors and their part in the financial efforts for lifelong learning. Whereas the Flemish government is already investing very much in education, in initial education and in several programmes for further training, it is not unlikely that it will receive a new and expensive bill if companies, employers and trade unions maintain the same attitude and expectations towards the government and the welfare state. This situation will create problems not only because of the government's limited space to manoeuvre, due (amongst other things) to the high government debts, but also because of the question as to whether those who profit directly from additional education and training should not have to cough up a (very) considerable part of the financial means. On the one hand, there are the individual persons who, after the initial education – which is mainly financed by the welfare state – and after taking up additional and continuing (professional) education, increase their 'market value' and can profit from it during their career. Is it not reasonable that they, too, should invest? And if so, then to what degree? On the other hand there are the companies and other labour organisations, that, with a better qualified staff, can function more efficiently and, eventually, more lucratively. Should not they too, in consideration of these profits, take care of an ample part of the costs?

These are not mere questions about the efficient spending of financial means and possible Matthews and dead weigh loss effects. Rather, these are pertinent political questions about the societal order. The answers differ, depending on the vision from which one starts: the socio-democratic vision of the welfare state, or the neo-liberal vision of shrinking government, with entrepreneurial players on the open market? Or some 'third way', such as the active welfare state. The role of the state includes not only the financial responsibility, but also the core tasks it

must fulfil on the level of the organisation of the programmes on offer themselves. And another important role is that of the director who determines and promotes the targets, who gears the partners to each other, who spreads the programmes on offer, protects and promotes the quality, and monitors the evolution in the field. It is this (indispensable) director's role that is increasingly being propagated in recent international declarations, such as the Hamburg Declaration ('Agenda for the Future', 1997) on adult education and lifelong and lifewide learning (CONFINTEA). In Flanders, this role is expressed in the chapter 'Vlaanderen: een lerend trefpunt' ('Flanders, a learning meeting point', in the 'Kleurennota' (2001), and in the engagement that has been taken in the 'Pact van Vilvoorde', a declaration signed by the social partners (21 nov 2001).

So it can be said that around the turn of the century the idea has been dawning in Flanders, as well, that a change in policy approach is necessary. From the side of the employers, for example, the 'Vlaams Economisch Verbond' (Flemish Economic Association) states its priority in the document 'Op weg naar meer permanente vorming' ('On the way to more continuing education', 1999): "The first attention goes to the creation of a new 'contract' between company and co-operators, with a view to the continuous employability of co-operators. One central issue in this matter is the furtherance of a learning climate. This, however, is not possible without a stimulating flanking government policy, both via (financial) sensitisation of the demand for education, and via the care for qualitative programmes on offer" (our translation). Employees and trade unions, from their point of view, not only criticize the 'lifeless policy for lifelong learning', but they also propose to establish clear priorities (efforts of the government to train job-seekers, investments of the companies in the continuing education of employees, a more custom fit publicly financed offering of educational programmes, and legally secure agreements on education between the social partners and the government (Serroyen, 1997).

The government itself is also concerned to profile its policy in a more forceful manner. We were commissioned to set up a policy-focused study that would outline the 'contours and principles of a coherent and thoroughgoing policy for lifelong learning'. This study (codenamed CONBEL and under the supervision of Baert & Vandamme, 1998-2000) has yielded a series of recommendations with regard to lifelong learning: (1) the facilitation and (2) valorisation of lifelong learning, (3) the promotion of a learning policy and (4) the creation of preconditions. The report eliminated the still prevailing misunderstanding that 'lifelong learning' is the same as 'training programmes in companies, and basic adult education'. But it did not end with only research. The newly formed government postulated in 'Een nieuw project voor Vlaanderen ('A new project for Flanders', June 1999) that "the right to continuing education or lifelong learning is the only adequate way to enable both active persons and non-active persons to evolve in society. In the con-

crete implementation of this project, not only education and in-service training are dealt with, but also, and to the same degree, the social conditions and the working conditions, in which each citizen gets opportunities to participate in continuing education" (our translation). In order to make this proclaimed right concrete, the Flemish government approved, on the 7th of July 2000, an action plan called 'Een leven lang leren in goede banen' (Life long learning on the right pathway). Also worth mentioning is the appointment of a Flemish Minister of Education *and Training*. At the end of 2000, this minister took the initiative to organize a public debate on the proposals that resulted from the CONBEL study, and from the 'EU-Memorandum Levenslang Leren' (EU Memorandum on Lifelong Learning, 2000), which was elaborated by the Services of the European Commission by order of the Summit of Government Leaders and Heads of State in Lisbon (March 2000). The starting point of this Memorandum reads as follows: "For a successful transition to a knowledge economy and a knowledge society, lifelong learning must become the leading principle for a whole continuum of learning contexts". This policy must serve two aims: employability and active citizenship.

The impulses from the European Union to stimulate the member states to develop a policy for lifelong learning must not be underestimated. Consider, for example, the Lisbon process (2000) and the 'communication of the Commission' *Making a European Area of Lifelong Learning a Reality* (2001), that describe targets and lines of action, and also makes budgets available. With regard to lifelong learning, they strengthen and complete the so-called Process of Luxemburg and the European Directives for Employment (1997) and the targets for the systems of education and training in Europe (2002). The striking thing about all these approaches is the fact that target figures and norms with regard to participation and the levels of competency and qualification that must be achieved, are put first. This was rather unusual in the field of education and training, certainly since it was linked to a system of monitoring. It remains to be seen just how successful these policy techniques will be. For instance, how reliable was the process of target determination? What if these targets are not reached, even after tremendous efforts? How relevant are the indicators, and to what degree can one measure the effects of education and training? And will the assessments and appreciations of the suppliers of education and training, of the actors on the labour market and of the politicians and the administrative machinery turn out to be unanimous, or – to the contrary – divided?

But it cannot be denied: since the 'onset to a global policy plan' in 1997, remarkable progress has been made in designing policy plans with regard to lifelong and lifewide learning, and in the implementation of a number of projects and measures (see also part 2). Nevertheless... is the relative optimism about the Flemish government policy not, once again, being suppressed by the strikingly short and modest passage from the new government coalition agreement of July 2004?

Under the headword 'lifelong and lifewide learning', one can read only that: "There must be more transparency in the very diverse educational offerings, and more rapport between the suppliers of education. In this, the functioning of the DIVA (a co-ordinating body in the Ministry of Education and Training) must be strengthened. More people must be able to participate in the training programmes" (our translation). One possible contra-indication, however, is the fact that the responsibility for work, education and training has been put in the hands of one minister. In the respective policy documents of this Flemish Excellency, diverse aspects of lifelong and lifewide learning are discussed – albeit in a rather dispersed form. Which of these will be dealt with in an effective and powerful manner? Which accents will people put into practice, when it concerns lifelong, labour market-oriented (further) training and a lifewide education that aims at citizenship and personal development? To what degree will people be able to steer the impact of the measures, so that not only those individuals and companies who already have had the advantage of a good training and education will receive more of it, but in such a way that those who already were lagging behind will not get stuck in that situation, or – even worse – drop even more behind? What can we say about this, at this moment?

3 *Learning and working: apart and together*

So, it's time to focus our attention on the actual situation in the field, and on the progress and bottlenecks that occur in it. In our discussion, we will focus on the period of life in which people move onto the labour market as an employee, as a jobseeker, as an unemployed person or as somebody who retires early – all the while keeping the broad perspectives of lifelong learning in mind, viz. the perspectives of time, content and actors. We will also focus on that kind of lifelong learning that is relevant for the labour market, even though earlier in our discussion we emphasized the importance of lifewide learning – in terms both of its inherent value and of its relationship to lifelong learning – and the mutual influence of learning on all areas of life.

In order to arrive at a good selection of the abundant material and of the many aspects that present themselves, we will use the most relevant strategic aims that have been chosen for the monitoring of lifelong and lifewide learning in Flanders (see supra). In the scope of this contribution, we can only mention certain striking figures; for more detailed data we refer to the second *Jaarboek levenslang en levensbreed leren in Vlaanderen* (Yearbook for lifelong and lifewide learning in Flanders, published by DIVA, Brussels, planned for publication in spring 2005).

3.1 ■ ■ Taking part is more important than...

The link between participation in education and training, and the level of qualification that people reach in this way, on the one hand, and the chances of employment, an appreciated socio-economic position and favourable career development, on the other hand, has often been demonstrated. Therefore it is obvious to look at the participation of adults in learning activities, assuming that the more adults there are who take part, the more beneficial effects that can be expected on the labour market and on employment.¹

The following table presents some striking data.

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Table

Participation in education and training by the population between the ages of 25 and 64, according to personal characteristics (Flemish Community, 2001-2003, reference period of 4 weeks)

	Population (n)		Persons participating in training		
	2003	2003	2001	2002	2003
Total	3237400	245300	7.4	6.7	7.6
Sex					
Male	1636900	124200	8.0	6.6	7.6
Female	1600500	121100	6.8	6.9	7.6
Age					
25-29	362800	49400	13.2	11.4	13.6
30-39	893100	78600	9.1	8.4	8.8
40-49	915000	69900	7.7	7.0	7.6
50-64	1066500	47300	3.5	3.5	4.4
Schooling level					
Low-schooled	1214100	35400	2.6	2.4	2.9
Semi-schooled	1105400	77000	7.1	6.3	7.0
High-schooled	917800	132800	14.5	13.2	14.5
Position on the labour market-ILO					
Job-seeking	108000	10800	8.8	8.7	10.0
Employed	2254900	195900	8.6	7.8	8.7
Professionally non-active	874500	38500	3.7	3.7	4.4

Source: NIS EAK (Adaptation 'Steunpunt WAV')

What we notice first is the fact that Flanders, with a participation of 7.6%, is slowly on its way to the norm of 10% participation, but also that there was a relapse (from 7.4 % in 2001 to 6.7 % in

¹ The positive effect will differ, according to the relevance for work of the followed training, the duration of the training, the personal study time that has been spent, together with the contact hours and the quality of the educational opportunities on offer. Within the scope of this contribution, we can only concisely stipulate some of these elements.

2002). The participation of women is rising slightly, whereas the participation of men is falling – if we consider all domains of lifelong and lifewide learning. The situation is different for continuing (professional) education and company training (see later). The participation in training significantly decreases with age; in 2003 only 4.4 % of persons between the ages of 50 and 64 were participating. This low rate of participation is worrying, seen in the context of the often discussed obsolescence of knowledge and the continuing developments within and surrounding the professions. The ‘Matthews effect’, which occurs in compulsory education, perseveres without abatement after the age of 25. The significantly dissimilar participation of people with lower educational levels who went to school for shorter periods of time and the highly educated persons with long-term education demonstrates this with percentages of respectively 2.9% and 14.5% in 2003. Where the participation levels of employed persons are fluctuating, more jobseekers make an effort to get training (from 8.8 % in 2001 to 10 % in 2003), and the professionally non-active persons score lowest – and far below the postulated 10% norm (4.4 % in 2003).

This norm is relative. Not only because it is questionable whether it should apply for the totality of the population – as is the case now – or whether it should be fixed for all population categories separately. It is also relative because it is difficult to estimate what (the volume of) the educational needs on the labour market (is) are – also because about this issue, little or no reliable instruments for needs detection and needs assessment are available. Why postulate 10% or 12 % and not more? One detour that is being followed now to evaluate the participation rate is that of international comparison and benchmarking, according to which it appears that Flanders, with its 7.6 %, is in the middle group of the European countries.² Some will react to this by saying that not only do we have a long(er) period of compulsory education, but also that the quality of our education belongs to the world top, so that we have a highly schooled population and a highly schooled population of employees. Others will emphasize the continuous and accelerated changes in economic and social life – and some also the strikingly large group of poorly literate Flemings – and plead for a drastic additional investment. This investment and the expected increased participation in lifelong learning activities, also calls into question the argument of the competitiveness of our companies on the global market. So there is sufficient matter for conversation for the years to come.

We cannot conclude this short overview of the participation in lifelong and lifewide learning without making a critical remark about the formerly postulated beneficial effects of participation in education and training. Even though disadvantaged groups must be stimulated to participate

2 Numerical data from the NIS EAK and from Eurostat LFS, processed by the ‘Steunpunt WAV’, put the Flemish Region with its 7.6 % in the 8th place out of 16 registered countries, and beneath the European average of 9.7 %. In the top group, The Netherlands reach 16.5 %, and Sweden even 28.8 %. In the low ranking group of countries, the participation in training is diminishing, from 4.7% for Italy to 3.7% for Portugal.

continuously in lifelong and lifewide learning, both with regard to the number of persons and to the volume of participation per person, this does not entirely guarantee the chances of getting (and keeping) a job. It is not only in times of economic recession and high unemployment that they are relatively more excluded from the labour market than highly-skilled persons, or that it is more difficult for them to get access to it. The general tendency on the (Flemish) labour market to raise the qualification requirements (even for 'pressure point' vacancies), and to drive back poorly qualified labour (for example by automation and the delocalisation of companies and services) also constitute obstacles. To what degree are groups of disadvantaged persons able and motivated to make the necessary learning efforts, when they realize that these efforts are not always rewarded and are often insufficient? Of course this is a task for the employment policy, for example with regard to finding fitting employment, developing projects for work experience, doing job coaching and developing a social economy. But other policy sectors, such as social work and community development work, can also contribute meaningfully by taking supporting measures and initiatives. (See, for example, the neighbourhood services and welfare projects that use the intensive guidance and counselling).

We must also make a critical remark about the 'educational demand' that already highly-schooled persons should acquire a 'second diploma'. Undoubtedly, the complexity and the intensity of knowledge of a number of jobs is increasing; they are demanding more knowledge and more competencies. But does not the attitude towards selection, both of applicants and of recruitment staff, lead to the recruitment of employees that do not get enough opportunity to exhaustively use the (many) competencies and qualifications they have acquired? And does not that lead to a substandard harvest of the investment of both society and individuals?: Would it not be better, in any case to acquire this 'second diploma' somewhat later in the career, so that the learning effect and the transfer of what has been learned can be optimised by linking it to the acquired professional experience and to real work environments?

3.2 ■■ *A basis for lifelong and lifewide learning and working?*

If we want to start the report about the promotion of lifelong learning from the beginning, we have to ask ourselves whether, once the period of compulsory education is over and young people have to make their entrance onto the labour market, they have acquired a sufficient basis to be able (and willing) to engage in a lifelong and lifewide learning process. And if this is not the case, what are the implications for their position on the labour market, where working and learning are supposed to go hand in hand, whether continuously or recurrently?

3.2.1 Literacy, numeracy and ICT competency

Let us first take a look at the moment of the outflow from secondary education in the light of the functional literacy that is necessary to maintain and develop oneself in contemporary society. The PISA Study 2000 (Programme for International Student Assessment) shows that 15-year-old Flemish students reach a rather high level of reading skills and mathematical skills, and that internationally they belong to the top and to the sub-top for 'scientific literacy'. Nevertheless, about 12% of the pupils reach an absolutely insufficient level for reading skills. It also appears that there is still a very broad distribution of pupils over the different levels of skills. Another striking fact is the correlation between the lower performance scores for literacy and mathematical skills and the lower socio-economic status of the family of the pupil. Thus we see that even nowadays the furtherance of equal social opportunity in education and training is still a just cause.

The question whether people have acquired the necessary basis to be able to engage in a lifelong and lifewide learning process is important not only for young starters on the labour market, but also for all adults, regardless of the baggage with which they left school – or should we say, with which they turned their back on school? Because in the meantime they may have unlearned certain things, while the requirements of society and the labour market have increased. For want of recent quantitative material, we have to refer to the IALS study of 1996 to get an idea of the number of adult Flemings who do not possess a certain level of basic literacy and numeracy skills, i.e. a level that is sufficient to maintain themselves in contemporary society. But at this moment (2004) there are no convincing indications that give hope of significant change; today, it will be much less than the 15 to 18% at that time, or the about 700,000 to 850,000 adults in Flanders. This is a very disturbing figure, a figure that is clearly insufficient to face the current and continuously rising requirements of the labour market – but also simply to face the other requirements of societal participation.

Also belonging to the category 'current functional literacy in the information society' are competencies with regard to Information and Communication Technology, or ICT skills. More and more, employers are requiring the use of digital technology, electronic databases and communication networks. But also in newer learning environments and for private study, these skills have become indispensable tools for gaining access to knowledge and critically applying it. So far, the ICT illiteracy of the Flemish has never been directly measured. But from data concerning the numbers of people who possess a PC and the use of the PC and the Internet, both at home and at the workplace, we can deduce that we are still far from what is desirable. Consider, for instance, the use of PC's by the Flemish population between the ages of 15 and 64, which, at 62.9%, does not reach the E.U. norm of 75%. Another striking fact is the unfavourable score of ageing

persons, (and older employees), and of people with little schooling, (and less qualified people). One example of the latter are people who only have a primary school education: only 12% of them use PC's...

The deficits and arrears of young people and adults in all the mentioned domains of 'contemporary literacy' are undoubtedly hindrances for moving on to 'advanced studies', and thus also for upgrading the qualification that is often required for sustained employment. The same goes for the direct integration of school-leavers and possible returners on the labour market, particularly when the volume of unskilled labour is diminishing.

The 'Digitaal Actieplan Vlaanderen 1999-2004' (Digital Action Plan for Flanders) and the 'Vlaams Strategisch Plan Geletterdheid' ('Flemish Strategic Plan for Literacy') (October 2003) certainly did not come too early. These two plans are fully in the interests of the actors on the labour market, and of course of the society as a whole. In 2004, for instance, a development project was started up for the systematic screening of job-seekers by the VDAB (Flemish Public Employment Service), in co-operation with the 'Centra voor Basiseducatie' (Centers for Basic Adult Education)³, involving the development of an approach in partnership with companies, sector training funds and trade unions. How many companies and social partners will engage themselves in this – and to what degree – remains a question, but a question that one can also ask with regard to the target groups. As long as in times of relatively high unemployment employers can draw from a reserve of persons with sufficient basic qualifications, the urge will not be very strong, with the exception of managers who have a strong sense of social responsibility. Job-seekers, on the other hand – and certainly those with an unfavourable school and learning history – will want to reach their 'job target' as soon and as directly as possible, without expending extra efforts on 'alphabetisation' and adult basic education, if at all possible.

3.2.2 *Starting qualifications*

But nowadays, people need more than literacy and numeracy skills and ICT competencies to possess a sufficient basis for lifelong learning and for a successful start on the labour market. This 'more' is expressed in the notion 'starting qualifications'.⁴ A detailed discussion of all start-

3 This is a current project (2004-2005) sponsored by the ESF, in which the VDAB, along with local work shops and the 'Vlaams Ondersteuningscentrum voor Basiseducatie' (Flemish Support Center for Basic Adult Education), along with Regional Centres for Basic Adult Education, are testing a screening instrumentation that was co-designed by the Centre for Research on Adult and Continuing Education of the K.U.Leuven.

4 Key qualifications are those kinds of knowledge, skills and attitudes that belong to the permanent core of a profession and that enable the person to contribute to the development of the ability of the professional, as well as to transition in his or her professional career (see S. Van Zolingen, 2000). A competency profile for any given profession, as interpreted by the SERV, differs from the starting qualifications. It involves a detailed description of the tasks performed by an experienced professional, and a concise description of the competencies that he or she needs to be able to perform these tasks.

ing qualifications, or even only of those qualifications that are specifically required for a job on the regular labour market, is not within the scope of our contribution, one reason being that little or no data are available. Therefore we concentrate on the EU norm for defining the qualified out-flow. This norm is formulated in terms of a successful ending of secondary education (attested with a certificate), which by 2010 should be the case for 85% of the students.

Although the data are not completely comparable (see for instance the Labour Force Survey, the Flemish monitoring of school education and the level estimation in terms of ISCED-3 level, or the end of full-time and part-time secondary technical and vocational education), it already appears that nowadays, Flanders is already close to this norm.

That is encouraging, were it not the case that the employers continue to criticize the content of school education in terms of its relevance and usefulness for the labour market. This critique, in turn, is rejected by those who want to give an intrinsic meaning to learning and education, and who plead for a broad general education 'for life' and for 'learning to be'. Diverse sources and indicators (SONAR, VDAB and VIZO, as well as the (un-)employment ratings, at the registration with the VDAB – Flemish Public Employment Service) do indeed show that there is a correlation between the degree of schooling and the access onto the labour market. For pupils in the seventh year of 'BSO' (secondary special education), this does not apply for the first months after leaving school, but, in the long term, the correlation between (fast and sustained) employment and the qualifications (recognized with a certificate) is unmistakable for all graduates. Accordingly, longer school careers that are also concluded successfully with a certificate are an obvious aim, at least in a society and with employers who – as is very much the case in Flanders – stipulate the possession of certificates as a crucial condition for selection and promotion. With regard to secondary education, propositions, plans and projects are being elaborated in this direction in Flanders. We recall the improvement of alternating learning in part-time technical and vocational education and in part-time training (particularly with regard to the labour component and the learning potential of it), as well as other examples such as the modularisation of the professional training programmes related to specific job profiles, and the programme 'Accent op talent KBS' ('Accent on talent'), which intended to enhance the appreciation and development of talents for technical and technological professions, by learning, choosing and working in an alternative way. Also in adult education, as it is offered in the 'Centra voor Volwassenenonderwijs' and 'Centra voor Basiseducatie (Centres for (Basic) Adult Education), the modularisation has begun, especially for those study domains that also occur in fulltime compulsory education. The object is that adults who have finished their compulsory education without any qualification can go on and complete their learning trajectory in adult education without encountering too many barriers or thresholds. Not everybody is happy with this evolution, however, because some fear that the

functional-instrumental orientation on the labour market will suppress an approach that is more directed towards emancipation and personal autonomy. Others consider the better fit between the curricula of adult education and the vocational competency profiles, which the social partners are developing within the context of the SERV, as a point scored, because it allows education to become better adapted to the realities of the labour market.

With regard to the issue of the starting qualifications for and on the labour market and lifelong learning, one topic of discussion is the question as to whether certificates and diplomas must still be considered so important, and whether the chances of entry into and progress on the labour market should not depend also – or even more – on experience and on the recognition of experience. A beginning has been made with the possibility of acquiring a ‘certificate of experience’. But it remains to be seen to which degree employers will take such ‘certificates of experience’ into account – also in the public sector. In addition, the trajectory of the spreading of the ‘scholar learning periods’ and the ‘recurrent’ learning – starting to work with interruptions for participation in education – also deserves more attention from policy makers in the future.

By only drawing attention to the above-mentioned norm of 85%, we leave aside two other very important issues. In the direction of ‘sub-qualification’, there is the issue of adults between the ages of 18 and 65 who once left the first three years of secondary education without obtaining a certificate and who are in need of some form of second chance education and the recognition of competencies acquired elsewhere.⁵ With respect to the increasing qualification requirements, questions arise concerning participation in higher education as a starting qualification and concerning the percentage of the population that should successfully flow on to that level.

3.3 ■■ *A positive learning climate*

In the above-mentioned VEV document (1999), but also in many other policy documents and international declarations, the necessity of a positive learning climate was and is emphasized. An operational definition of this usually vaguely or divergently described notion has been given only in recent VIONA studies (Baert, H., De Rick, K. and Van Valckenborgh, K. 2004). Using a model for the development of a (latent) educational need to an educational demand, it becomes clear that participation or non-participation in education cannot be explained only in terms of one factor and one actor. This model and previously collected research data (Baert, H., Van

5 However, with regard to the outflow of the population between the ages of 18 and 24, with (at most) a diploma of the first three years of secondary education, and that doesn’t take part in education and training anymore, Flanders ranks, with its 11.13% in 2003, between the top 5 of the best performing countries in Europe (Labour Force Survey, Eurostat). So, the European benchmark for 2010, which is fixed at 10 %, is a feasible goal.

Damme, D., et al, 2002) also indicate that especially the perceptions of the learning person – the way (s)he looks at these factors and feels about them – are of decisive importance for the actual participation in learning activities. In other words, it is not sufficient that certain things are actually present (for example programmes, financial interventions, rights), people must also be able to recognize them as meaningful and adequate for themselves and their situation. Therefore, these perceptions have been put to the forefront as a central element in the following definition: “The learning climate is determined by the way in which learning is perceived in society in general, and in specific social groups in particular. On the one hand, this perception is determined by specific characteristics of the learning persons (socio-demographical characteristics, psychological characteristics, characteristics of the life situation and characteristics with regard to learning and education). On the other hand, it is determined by the characteristics of the learning and educational process and of the structural and cultural context in which this process is embedded” (Baert, H. et al., 2004, 44).

A learning climate can be considered positive when potential participants consider learning to be something attractive or agreeable, when they come to the conclusion – more or less rationally – that they get more advantages than disadvantages for their efforts, when they find that the costs count for nothing compared to the recognizable and expected profits, and when the learning person has the feeling that (s)he is able to link to the social norms of other persons – persons who are meaningful for him or her. Then the possibility exists that a need which (s)he feels him/herself or a necessity articulated by others (for example the boss, the HRM manager) goes through a development from being an ‘intention’ to ‘learning’ to being an actual participation in learning and training activities. A policy that is aimed at expanding the participation in lifelong learning will not only actually have to create opportunities, but it will also have to emphasize the creation of a positive learning climate by trying to positively influence the intended perceptions in society and with target groups. This policy will have to handle several factors that strengthen each other at the same time, and it will have to involve several actors playing their roles. In the above-mentioned study, this kind of policy is reflected in 26 proposed actions and measures, only a few of which we can discuss.

3.3.1 *Are employers also ‘providers of learning opportunities’?*

Employers can encourage their employees’ efforts for learning in several ways. One way is to have a policy of investing in the development of human sources. This investment policy not only creates concrete opportunities for participation in education, but it is also an expression of appreciation for education and training, and thus it contributes to a positive learning climate. On the labour market in general, for example, this signal has been given with the inter-professional

agreement between the employers' organisations and the trade unions, which (as acknowledged by the Flemish Employment Agreement of 2003-2004) holds out the prospect of an effort involving 1.9% of the total amount of wages for the year 2004. Although from the middle of the nineties of the previous century onwards there was an increase of financial investments on the part of the employer (from 1.13% in 1996 to 1.41% in 2000), the investments for education in 2002 diminished to 1.17%, so that the intermediate aim of 1.6% for that year was not achieved (figures taken from the social report database of the National Bank of Belgium). How is this perceived? Does this tendency reveal something about the compulsory and powerful character of the instrumentation of the collective service agreements (on the level of education, training and formation), about the question as to whether or not employers are intrinsically motivated for Training and Staff Development, and about their interest in this? Or do we have to accept, at least on the short term, that the sputtering of the economic machine forces them to keep a tight hand on the expenses for Training and Staff Development? But is this not a rather short-sighted scenario? For in a knowledge society, the expectation is that economic revival and growth will increasingly be co-determined by innovation and entrepreneurship, supported by training of qualified personnel. Do employers expect that it is society – in fact the government – which has to make the most efforts with regard to Training and Staff Development, as was the case in former decennia? For that matter, this is an issue that should be dealt with not only per company and per trade, but that should also be refined, depending on whether the employer belongs to the private, semi-public or public domain. Research shows, for example, that in health care and social care (Baert, 1997 and 2004), the involved (subsidized) organisations are making tremendous efforts: an average of 109 euros in 1997 and 164 euros in 2003 of direct contributions per employee (for all personnel categories taken together).

Another aspect of an investment policy concerns the number of employees that are able to participate in training activities and the working hours they can spend on learning in on the job and off the job training activities. What we first notice on this point is the fact that, depending on the scale and on the sector, the presence or absence of efforts for education and training during working hours differs relatively strongly. The general tendency that comes to the forefront in the Panel Survey of Organisations in Flanders (PASO, 2003) is that small-scale companies make little efforts for HRD (1 to 9 employees, 45% of the companies), and that the more the scale increases, the more (in fact, almost all) companies turn up (from 50 employees onwards, the percentages vary from 97 to 99.6%). In the business world, the sectors of commerce, distribution, the hotel and catering industry and the building industry have a lower score (with one-fourth of the companies without training efforts), whereas for public and semi-public labour organisations (such as public administration, health organisations, social organisations and education) the number of organisations without training activities is marginal (3 to 7%). Reasons that employers mention

for not investing in training and education are: the necessary competencies are already present, the employees learn on the job itself, lack of time, and a lack of willingness on the part of the employees. One can dispute the validity of these reasons, because they relate not merely to facts that have to be accepted, but to resultants of social processes. If, for example, it were true that employees learn enough during the execution of their job, than questions still arise, such as: Does this kind of learning happen in an efficient, smooth and agreeable way? Does it encourage them to continue learning, even when new tasks and working processes present themselves, and when deeply ingrained routines have to be broken through? Another example: Does one simply accept the fact that employees are not motivated to learn, or does one look for adapted forms of learning and working that are attractive and that employees do not immediately associate with activities that caused a lot of frustration in their learning history?

The fact that an employer invests in training does not necessarily imply that all employees can and may participate in HRD processes and that the number of hours that one participates is sufficient. To start with the latter problem, the number of hours that people participate in education, as a percentage of the total number of working hours, has increased in the companies from 0.6 % in 1993 to 0.8% in 1999 (Buyens & Wouters, 2002). Whether this is sufficient and whether it would not be better also to take into account the non-formal learning activities, are pertinent questions. In comparison, and measured with the same instrument, one can find that Belgium belongs to the (lower) middle group, 6 European countries have a higher score (up to 1.4% of the working hours), and 4 countries a lower one (up to 0.4 %). But also here one can observe inter-sectoral and scale differences. This also goes for the duration of a training, which in the Belgian business world in 1999 came to about 31.1 hours per year. Furthermore, it should be noted that men (36 hours per year) follow an average of 11 more training hours than women (25,1 hours per year) (figures taken from the social report database of the National Bank of Belgium). Whereas the Flemish government, as an employer, belonged from 1993 onwards to the pioneers (with the so-called directives of minister Kelchtermans) by including the right to education and the duty to participate in education in the statute of civil servants we now find that not only the number of staff members that take part in at least one educational activity has recently decreased, but also the number of hours and the investment cost per staff member.⁶ Another fact with regard to the differential participation is the percentage of the personnel that take part in (formal) educational activities, which showed an increase from 26% in 1996 to 32% in 2002. Next to the gender factor, also the personnel category and age play a role: managerial personnel receive more training than executive personnel, and younger employees more than older ones. Do these differ-

⁶ The 'Policy Report Personnel and Organisation 2003' of the Ministry of the Flemish Community, gives the following numbers for 2002 and 2003: the number of staff members that participates decreases from 52.86% to 47.05 %, the number of training hours per staff members from 12.77 hours to 9.97 hours, and the investment per staff member, from 213.35 Euro to 172.50 Euro.

ences correspond to the objectively different training needs and demands? Or are they rather the expression of a learning climate in which the unequal appreciation of co-operators (e.g. women and executive personnel and older co-operators) reveals itself also in the unequal appreciation of the expected effect of an investment in the development of their competencies?

These questions cannot be answered sufficiently by only taking the quantity of the HRD investments into account, no matter how important and meaningful they are. Another important point of view relates to the quality of the learning activities and the degree to which they are integrated into the strategic policy of the labour organisation. We will discuss this later. Now we want to mention some investment measures that appear to have a stimulating effect, both materially and with regard to the perception of the importance that employees participate in education and training. In this, we cannot ignore the importance of the Paid Educational Leave, which has existed since 1985 and is regulated by the federal government. This regulation gives the employee the right to be absent from work in order to follow a (recognized) training course that (s)he has chosen him/herself; it also involves a financial contribution from the employer. Whereas the status of a right is of more than symbolical importance, the use and appreciation of this system remains a subject of discussion. More particularly, some people have doubts – with or without good reason – about the relevance of the chosen training for the job and the current workplace.

In February 2002 the system of ‘training cheques’ was started up, being based on the principle that the employer and the government each pay half the cheque. The use of the system during the first 15 months revealed a very divergent percentage of coverage. 6.5% of the small enterprises, 41% of the medium-sized companies, and 63% of the big companies bought cheques (source: internal evaluation MVG, Administration of Economy). And here, too, we encounter an unequal use according to age, staff category (56% was between the ages of 25 and 40 and 9% was older than 50), and according to sex (68% male and 32% female). Whereas, according to the published numbers, the steering effect of the training cheques is clearly not developing in the right sense – the encouragement of small and medium-sized companies and the creation of equal chances – it cannot be elucidated from the numbers whether they have an additional or a replacing effect. Will those who from beforehand had already been investing in HRD now also use this source as a bonus? Or on the contrary, will they use it as a reason to invest less of their own means? The same questions can be asked with regard to the ‘Hefboomkrediet’ (leverage credit, started in 1999), which links the funding of HRD with innovation targets, and in which innovative companies are in any case more alert and more inclined to submit projects and carry them out.

The financial efforts and the number of hours that the diverse staff categories can spend on training and education are important, but they are certainly not the only factors that play a role in creating a positive learning climate in companies and institutions. At least as important, both for the motivation of the employees and for the efficiency and the output of the efforts for HRD for the labour organisation, is the view that training and education are considered to be self-evident for a qualitative way of working. Put otherwise, if learning is strategically embedded in the labour organisations, then productive organisations also become learning organisations. 'Learning organisations are organisations that dispose of a learning capacity, which enables them to develop the required knowledge in a changing internal or external environment, and to adjust the competency of their members. In this way, they can continuously attain the intended targets.' (Baert, De Witte & Sterck, 2000, p. 41 – our translation). Accordingly, the strategic embedding and anchoring of the HRD policy requires that learning be geared both to knowledge management (to learn to develop knowledge in a systematic way, to make it available and to make use of it), and to competency management (to map the necessary and available competencies, and to develop and renew lacking competencies). Thus the participation in training and development programmes does not stand on its own, and the circle is completed. In particular, special care is taken to create trajectories that lead the right people in the right way to the right programmes and that support them afterwards, in order to efficiently integrate and use what they have learned in their work (Bollens, Buyens & Sels, 2000).

It is very clear that a company or institution's development as a learning organisation and the pursuit of a strategic HRD policy are no simple matters and that they need much stimulation. One of the means for achieving this development is to invite labour organisations – and if necessary, to supervise them – to acquire the 'Investors in People' label. Other examples include the prize 'Great Place to Work', an initiative of the European Commission, which is organized in Flanders by the Vlerick Leuven Gent Management School, together with the 'Great Place to Work' Institute'. This award pays special attention to the efforts with regard to lifelong learning. Another example is the 'Best Trained Company' of the Junior Chamber International (Leuven, 2004). They all aim at the integration of the efforts for training and education in the HRM policy of an organisation. After some time, people will be able to draw conclusions from the 'Investors in People' test projects that are now taking place within the framework of TRIVISI and VIONA. This is also the case for the project (started in the midst of 2002) called 'Social dialogue on competencies', organised by the trade unions, and financed by the Flemish government. Its aim is to equip trade union representatives with regard to competency management (via manuals and competency consultants), and to arm them in this way, for the development of a strategic HRD policy in the companies.

The training and in-service training of HRD co-ordinators is also a step in the right direction – trainings courses for which diverse programmes and manuals have been produced in universities, colleges of higher education, umbrella organisations and sectoral training funds, since the nineties of the previous century. We can also state that – whether or not in a direct connection with this – Flemish regional and local administrations have appointed mandatory training managers, and that in the welfare sector, the number of (at least part-time) persons in charge of HRD has risen from 11% in 1997 to 33.4% in 2003 (Baert & Spooren, 2004). At least in a study made in the Flemish welfare sector, a link was found between the presence of a person in charge of HRD and the existence of a general HRD policy plan and a HRD year plan. For the general HRD plan, an increase could be noted of 58.1% in 1997 to 67.4% in 2003; for the HRD year plan, the increase was from 25.9% to 60.7%.⁷ An important fact for the development of relevant and suitable programmes is that in the welfare sector the assessment of training needs has progressed from 36.6% to 77.2%, just as the assessment of the effects has progressed from 67.2% to 74.0%. Although these changes with regard to the appointment of HRD co-ordinators, the development of HRD policy and year plans, and the development of trajectories are positive signs, they do not give a clear indication of the strategic relevance of the HRD policy. Thorough case study research has proved that it is no easy matter to establish an integrated and coherent policy (Wognum, 1999) that fits with the previously established ‘learning patterns’ in an organisation (Sterck, 2004).

3.3.2 *Are the suppliers of training and education also ‘creators of a learning climate’?*

Good and bad examples are known of how an offer stimulates and enhances – and sometimes even creates – a demand. For example, what goes for the consumption of health and care services and products will probably also go for the domain of (formal) training programmes. This has not been studied yet, but experience teaches us that the creation of a range of educational programmes on offer can evoke dormant training needs, and that the existence of these programmes is also prone to lead to ‘consumption’, because participation is more and more seen and accepted as socially desirable, because it leads to an increase in status, or because it gives an alibi for evasive behaviour with regard to job requirements and work stress. What we want to discuss here, however, is not the availability of the training programmes on offer as such, but the force of attraction of these programmes for those who have a reserved or even negative attitude about participation.

⁷ With regard to the Belgian companies, the existence of an HRD plan evolved from 26.3% in 1993 to 35.8% in 1999 (Buyens and Wouters, 2002).

The force of attraction of the programmes on offer depends on different characteristics of the learning and training activity itself. The (perceived) relevance of the content, 'the nearness to life and work' of the 'subject matter', the association with the learning styles of the participants, the fitting mix of didactic work forms (including blended learning) and the possibilities to work individually and in group, modularisation as a didactical principle (i.e. the division of the subject matter into related parts in a theme-based or problem-based way), the degree to which the transfer towards the person's own life and work situation is supported are all extremely important elements that have to be taken care of well and that can be 'shown' to persons who have had little or bad experiences in their educational history. It is a fortunate finding that, locally and internationally, and in many informal and formal projects people are experimenting with didactical-methodical innovations, although the diffusion and the regular implementation often do not go smoothly, and sometimes they even break down. The development of written and interactive packets for (supervised) home study, of 'BIS Online' ('Begeleid Individueel Studeren' or Supervised Individual Learning via the Internet) and of open e-learning centres, as well as the making of training videos, etc. are some interesting examples of this.⁸ Research on evaluation, which unfortunately is done far too little, should prove whether not only the learning effectiveness and efficiency increases, but also whether one also succeeds in attracting new target groups.

The structural and organisational aspects of the learning and teaching programmes also require the necessary attention if one wants to heighten the attraction of recurrent education. One of these aspects is the flexibility of the offerings. This concerns not only those persons who, after compulsory education, still want to acquire basic competencies in terms of literacy or starting qualifications for the labour market, but also everyone who wants to smoothly fit working and learning periods into the day and year schedule. By being flexible at certain moments and in drawing up schedules, it must be possible to start modules in accordance with the individual's own situation. But opportunities must also be created for the individual to go through one or more trajectories in the course of his or her whole lifetime. All this requires rapport and mutual recognition of learning outcomes (for example, with certificates or portfolios) between the providers, both the providers of higher education and continued training, and the providers of extra training and vocational retraining programmes. Not only is it important in principle to make modular trajectories possible, but also to inform interested persons about these trajectories – and in an appropriate way. In this sense, providers – together with 'training information shops' (Leerwinkels), career supervisors, and HRD consultants in companies⁹ – also have to play the

8 See also the TRIVISI projects (2002), that are not only directed towards the providers of training, but also, and particularly, to companies and trade unions: 'Guided e-learning', a 'Competency Game' (trade unions), the CD-ROM 'Learning in a different way', and the project 'Action learning' (Vitamin W). See also the ESF project 'More efficiently learning on the work floor' (www.vov.werkplekieren), which has been elected as 'ESF ambassador'.

9 HRD stands for Human Resources Development, or Development of the Human Potential.

role of ‘course supervisors’, who have to inform and advise these people about their choices and trajectory development. In Flanders, a lot of work still has to be done with regard to these issues.

The above-mentioned aspects relating to didactical-methodical innovations and a broadly interpreted supervision of trainees almost obviously refer to the expertise and qualification of trainers, educators and teachers in basic adult education.¹⁰ The degree to which they are capable – or incapable – of dealing with adult learners, both on the (educationally) technical level and on the relational level, is an important factor in the participants’ decision either to continue or to drop out, and in their complaints about the quality of the programmes on offer. Another factor that also must not be underestimated is the relevant field experience that they possess (or do not possess) in the occupational field for which they offer training and education. Various factors imply that, more than is the case now, the creation of a credible and stimulating learning climate will require the thorough in-service training of present and future teachers for vocational and in-company training programmes, as well as a policy that makes these teaching positions attractive with regard to career opportunities and the recognition of acquired competencies and relevant experience in the professional sectors.

3.3.3 *Is the government an activist?*

In contrast to the discussion above, where we discussed the role of the (Flemish) government as an employer who creates a positive learning climate for its own personnel – albeit with ups and downs – we will now indicate briefly the efforts of the government to influence the attitude of the public with regard to learning. This is not an obvious role and, in addition, it is rather delicate. It will not have escaped the notice of all those with a broad societal interest, and who follow all kinds of policy developments (and these are mostly more highly educated people), that the rhetoric and the sensitisation campaigns with regard to continuous education and lifelong learning in the past decennia have not gone hand in hand with a proportional amount of structural and financial input. For this reason, people face new campaigns with scepticism – sometimes forgetting that other ‘players’ also did not always do what they promised. For the ‘common man and woman in the street’, by which, in this case, we mean people with less schooling, it will be necessary to find a fitting language and channels, and to emit stimuli that will be long-lasting and will be able to appeal and to penetrate.

10 We refer to a broader perspective on the quality of the educational programmes on offer, but we cannot discuss the other quality factors and the ways to influence them positively, and to measure and recognize the quality on the basis of quality labels. The fact that the quality of the educational programmes on offer has an influence not only on the participation but also on the impact of learning on the labour market goes without saying.

Consecutive slogans, such as 'Learning again', 'Keeping pace', the 'Grote Leerweek' (the Adult Learners Week) and, from 2004 onwards, 'Become what you want', stand for meritorious endeavours to give a more appealing image to 'being sentenced to' lifelong learning.¹¹ Even if the definitively harmonious slogan will never be found, it is important that the government keeps playing a director's role with regard to sensitisation campaigns, together with all the providers, both because of the benefits of scale and because of the unity and the repetition of the message itself (a message that must not specifically be linked to the providers). So it is obvious to plead that the government should also play that role with regard to the provision of information. It should ensure transparency and the clear organisation of the material by composing an electronic database listing all the training opportunities on offer – a database that is accessible by internet. The local 'training information shops' (Leerwinkels) should not only make it possible for the clients to consult such a database, but their managers should also help these people in their search for information and give them advice with regard to the right understanding and assessment of this information. The user-friendliness of the whole system and the correct presentation of client-directed information must be explicitly and frequently tested and watched over. Those who have little or no experience with ICT and who find it difficult to interpret and implement the information, must have sufficient possibilities to receive oral information, as well as a 'translating' consultation.

At the intersection of sensitisation, mediation of information and didactical-methodical innovation, the Flemish government provides means from the 'Hefboomkrediet' ('leverage credit') and from ESF funding for new general training programmes and for career guidance. The project regulation for the general training programmes has been adjusted regularly, so that in recent years a focussing of the projects is taking place on groups of disadvantaged persons, on a policy of diversity; on 'pressure point' vacancies, and on reading, writing and ICT skills for the work floor. Another consequence is the fact that both small and big companies are involved, and that they are cooperating.¹² Questions about the coverage of needs for innovations (for example in terms of intended numbers and kinds, and of submitted and approved or non-approved projects), and about the effects and the transfer value and generalization value of these projects, cannot be documented and answered properly. This also goes for the question as to whether they also have an impact on the general learning climate. In order to 'put someone's career course on the right road' (see 'Vlaams actieplan – Flemish plan of action, 2001), the government has held out the prospect of the right to career guidance. The fact that this also has much to do with 'life-

11 In 2003 The Flemish Community (DIVA) spent about 32.5 % of its budget on sensitisation, and 17 % (or 362 305.65 Euro) on the preparation of the local 'training information shops' (Leerwinkels). The total amount spent on the two together came to almost half (49.43 %) of the total DIVA budget for influencing the attitude of the public.

12 In 2003, 78 projects were selected, the total of which amounted to 8 501 800 euros of Flemish, and 6 956 000 euros of European means. For 2004, these numbers are, respectively, 30 projects, 6 792 500 and 4 481 500 euros.

long learning' has already become apparent from the 'pioneers projects' that were set up in Flanders. It not only became clear that the reflection about the past and future of someone's professional activity is a matter of learning to look at oneself and at one's own possibilities and wishes, but it also involved learning to plan. This is what is called the development of someone's biographic competencies, and nowadays these are very necessary – more than ever now that fixed, standardized careers are on the way back. A result of the career supervision was that the persons involved very often also decided to attend particular training programmes, in view of the current or a possible new job. Therefore, it must also be mentioned that from 2003 onwards, the Flemish government has been recognising projects for career supervision in which career guidance is linked to the assessment of someone's needs for training, for present competencies and for competencies that they need to acquire.¹³ A decision to recognize and to fund centres for career guidance is in preparation. With regard to these centres, the question will not be so much whether they can play an important role in the promotion of lifelong learning, but how many people can be sensitised via these channels for participation in learning activities and whether disadvantaged groups will get sufficient opportunities.

In a broader framework than that of lifelong and lifewide learning, viz. that of time credit and career break, the government also plays a role by creating favourable conditions for participation.¹⁴ In addition to the federal time credit system, the Flemish government also offers incentive bonuses for persons who want to attend a training programme at the VDAB (Flemish Public Employment Service), or at certain other providers of training programmes, on condition that the programme involves at least 120 course hours (per year). For the time being, however, the effect the government had hoped to achieve remains limited. Possible reasons for this may be that the bonus is too low to compensate for the loss of income that one suffers by attending courses during a career break, and/or that for the user, the different regulations are too cluttered (see Paid Educational Leave, training cheques, participation in training programmes funded by companies...).

3.3.4 *Also for groups of disadvantaged persons?*

We already mentioned it before, the participation: the participation in lifelong learning by groups of disadvantaged persons deserves special attention. Disadvantaged groups are for instance persons from families that have been living in poverty for several generations, persons

¹³ In 2003, 12 projects received 1 111 820 euros from the 'Hefboomkrediet' (leverage credit), rounded up with 909 670 euros from the ESF.

¹⁴ For the sake of completeness, we also refer to the agreement of 31 March 2003 between the social partners and the Flemish government, in which the system of sector agreements is prolonged and extended to new sectors. It comprises a series of encompassing measures, of which we can only mention the most important ones.

with little schooling, handicapped persons, aged persons and immigrants – to the degree to which they all have a weak socio-economic position and are of ‘low birth’).¹⁵ Experience (see for instance the ‘Associations in which the poor get up to speak’, (name literally translated)) and research (Nicaise, I., 2003) indicate, time and again, that social inequality in pre-school, primary and secondary education, and even in higher education, is and remains strikingly present. This implies that groups of children and adolescents who are susceptible to social exclusion are also disadvantaged on the level of lifelong learning. Numbers with regard to participation in education from the age of 25 on, indicate this.¹⁶ These groups of disadvantaged persons possess the above-mentioned basic skills and starting qualifications insufficiently (or not at all) for ‘life long and lifewide’ learning (and working). Furthermore, they tend to perceive the meaning, the possibilities and the forms of lifelong and lifewide learning in a narrow and negative way (see, e.g., Baert, H., Van Damme, D. et al, 2002). Moreover, their biographic competencies are seldom come to expression.

Eliminating the various thresholds and barriers (with regard to information, attitude and material, and social and cultural conditions) is no easy matter, as it requires a multidimensional approach, with ‘special measures for special situations’. We have already mentioned some of these measures. Another example is the training cheques for semi- and unskilled persons, which amount to twice the 250 euros that the other kind of cheques cost (per year). Furthermore, those persons who do not have a certificate of (higher) secondary education do not have to pay anything themselves, so the training cheques are completely free for them. The plans for diversity that labour organisations from all sectors of employment can submit (since 1999) in order to get a financial intervention from the Flemish government are also worth mentioning. These plans also comprise a component entitled ‘training programmes for disadvantaged persons’, which even seems to be gaining in importance, as is apparent both from the facts and from the new regulation since 2004.¹⁷

But it is clear that all these measures are only impulses in the direction of what should become a more forceful policy with regard to target groups (see the plea in CONEL and DIAP). The danger of such a policy is the stigmatisation of the persons involved, and an almost irresistible disposition to get stuck in an ‘approach of deficits’ and to pass on the responsibility to the

15 Detainees can be regarded as belonging to disadvantaged groups, both because of the detention itself, and because of the socio-economic background of a great deal of the prison population. In the ‘Strategic Plan for provision of help and services to the detained’ (2003), a link is also made with education (including basic adult education) and with professional training. (for example provided by the VDAB – Flemish Public Employment Service).

16 Data from the NIS EAK, processed by the Steunpunt WAV, about participation in training in 2003 (with a reference period of the last 4 weeks), inform us that 2.9 % of the low-schooled persons participate, which is a striking difference with the semi- and highly schooled persons, of which respectively 7 and 14.5% participate. Occupationally non-active persons also score low, with 4.4%.

17 In 2002, 237 diversity plans were approved; in 2003 the number was 310. Of the total cost price of 9,000,000 euros in 2003, 2,900,000 euros was subsidised.

individual. The advantage is that the policy with regard to lifelong and lifewide learning is loyal to its initial task: the creation of opportunities for everyone to develop themselves, to become enterprising and productive, and to participate in the social and economic development of their own region.

4 *Lifelong learning and the labour market: a partnership to be encouraged*

This is clear for everybody: the continuously changing work environment will not only demand from the school-going adolescent, but also from the employed population, that they should learn continuously in order not only to adapt oneself functionally, but also to assume a critical, meaning creating and responsible attitude with regard to working and economic activity. A beginning has been made in policy, with the creation of a climate and of the (financial) requirements for such a climate, after a long period of lip service of noble intentions and dispersed projects and precarious initiatives. The problem was/is not a lack of players, but a lack of a good director and the improvement of teamwork. Some instruments that have already been available for a long time can be used for this: consider, for example, the consultation and agreements between the social partners (amongst others via the SERV and the collective agreements and the company agreements), and the sector agreements that are made by the government in the framework of the employment policy. Newer possibilities still have to prove their impact: consider, for instance, the fact that education, training and work have become the responsibility of one minister of the Flemish government, and the onset that has been given with the DIVA as a co-ordinating body. These measures will probably not be sufficient to pursue a vigorous policy with regard to lifelong and lifewide learning, even though next to them we can also count on a private market of training providers, which can play a dynamic role for a part of the programmes on offer.

The task will be to stimulate the general mentality and the sense of cooperation, also at the local and sub-regional levels, so that learning and working do not remain separate worlds. Institutional hindrances will have to be broken through. Informal learning and learning from each other will have to become everyone's attitude towards life. This will demand far-reaching changes. The employees will have to develop a stronger sense of competency. The employers will have to develop their labour organisation as a stimulating learning and working environment. The trade unions will have to recognize the learning interests of their members and take these interests to heart. Users of the educational programmes on offer will have to acquire a

voice in the HRD-policies. The providers of training will have to operate more with regard to programming, in the field of tension between the concrete requirements and needs of the labour market and the development of individual skills and talents. The government will have to stimulate associations and synergy by taking up the roles of a director, who determines and promotes the targets, who gears the partners to each other, who spreads the offerings, protects and promotes the quality, and monitors the evolution on the field. Over the next 10-year period it will also be VIONA's task to stimulate associations and synergy, both in a critically alert way and by encouraging learning partnerships.

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*Four reflections on
databases and research
methods to improve our
knowledge of the labour
market*





MOBILITY ON THE LABOUR MARKET: SOME KEY ISSUES¹

Maarten Tielens & Seppe Van Gils

■ Introduction

By analysing mobility in the labour market, we are trying to pinpoint the dynamic character of events in this market. School leavers enter the labour market as beginners, workers leave the market to collect a pension, some wage earners take career breaks, others change jobs. We cover all these currents of change under the broad heading of 'mobility'. An important distinction needs to be made between 'socio-economic mobility' and 'job-to-job mobility'. By the former, we refer to movements between the various divisions of the labour market (e.g. workers, unemployed). Job-to-job mobility or career mobility focuses on the part of the labour market that is in paid employment: it covers the career changes of people in employment, such as changes of employer, sector, status, ...

1 A few reasons why mobility in the labour market is an important subject for research

In the light of demographic developments and the speed of change and globalisation within the economy, and the technology and the need for know-how in the labour market, it has become apparent that a future-oriented labour market policy aimed at maximum participation in the labour market is only likely to succeed if participation can be adjusted to people's personal life cycles. Furthermore, these policies should encourage the quality of participation in the labour market and improve and increase the employability of individuals by converting the classic 'lifetime employment' careers to 'transitional careers', with built-in opportunities for several temporary periods of activity and non-activity (for example, to pursue further training or to better com-

¹ This paper is based on previous research: Tielens, 2003; Stimpson & Tielens, 2004; Van Gils, 2004; Van Gils & Booghmans, 2004.

bine family with work). This insight is derived from the 'transitional labour market' theory and is based on its concepts as developed by G. Schmid. This theory has become one of the cornerstones of recent labour market policy.

To measure the extent to which a 'transitional labour market' is achieved, it is vital that adequate information should be gathered *via* dynamic statistics on the transitions between education and unemployment, between unemployment and work, and between activity outside the labour market and work. Figures on these movements provide more insight into the background of developments than can be gained from calculating statistical variations (Allaart, van Ours, 2001).

For the analysis of developments in the labour market and policy monitoring, not only is information about mobility between divisions important, but also gaining insight into the job changes of people who are already in employment. Internal and external job-to-job mobility contributes to the ongoing restructuring of the labour market, and a fully functioning labour market benefits from job-to-job mobility (de Graaf and Luijkx, 1997). Mobility facilitates structural changes in the economy and is therefore an important indicator of the flexibility of the labour market (Van Ours, 1991).

Furthermore, mobility in the labour market brings other benefits at the macro-level. After all, people who change employers also take their knowledge with them. Not only does a job change bring worker mobility to the economy, but also *mobility of know-how*. The importance of knowledge diffusion should not be underestimated. Innovation achieved through the creation, diffusion and application of knowledge has become the motor of economic growth. One of the most important channels for the diffusion of knowledge is the physical mobility of skilled personnel (Smith, 2001).

2 What sources can be used to measure mobility on the labour market?

At the heart of mobility is change. Change between two different states and at two different points in time. In order to be able to calculate mobility, therefore, you need a source that is able to provide you with information on these different situations. On a global level, there are two methods for measuring mobility in the labour market. The first method involves the use of sur-

veys of employees or employers. The second method involves the use of administrative files or registers to work out mutations.

In Belgium, we have different data sources at our disposal. The most important survey is the Labour Force Survey, and the most important register data file is the Labour Market Data Warehouse, with the Working Age Population Mobility Panel – PMBA – as a major derivative of it.

2.1 *The Belgian Labour Force Survey*

The Eurostat Labour Force Survey (LFS) is an initial source to be used to map out mobility. Since 1983, the (Belgian) National Institute for Statistics has been organising this ‘questionnaire about workers’. It is a random sample questionnaire sent to households, co-ordinated at the European level by Eurostat. For this purpose, approximately 48,000 households are selected at random.

The most obvious way of measuring mobility via this Belgian LFS is by comparing two questions from the questionnaire: on the one hand, the question about the current position in the labour market and, on the other hand, the retrospective question about the position in the labour market one year earlier.

2.2 *The Data Warehouse Labour Market*

One way to measure mobility in the labour market in Belgium using register data is with the help of the Data Warehouse Labour Market, a database in which a series of social data from a number of social security institutions are permanently linked. The data files of these institutions are related to one another via the (coded) personal identification number which every person has for their social security (INSZ). The individuals are therefore the most important statistical unit. Each participating social security institution offers an extensive list of variables in the Data Warehouse. The population of the Data Warehouse consists of all persons who were known to one of the institutions involved at the end of the quarter. Added to these are the individuals’ family members (insofar as they are not known themselves by one of the participating institutions). Of the latter group, we merely know the sex, the age and the home address.²

2 For more information on the Belgian Data Warehouse http://ksz-bcss.fgov.be/Nl/statistiques/stats_1.htm

A detailed division of the population by socio-economic position has been drawn up for the last day of each quarter ever since the 2nd quarter of 1998. By way of illustration, this is shown in Table 1 at the three digit level. This can be broken down up to the five digit levels.

Table 1

Labour Market Data Warehouse: the socio-economic nomenclature

1. Employed	2. Unemployed (with benefits)
1.1. Employee	2.0.1. Unemployed after full-time employment
1.1.1. In a single job	2.0.2. Unemployed after studies, qualifying for 'waiting benefit'
1.1.2. In several jobs	2.0.3. Unemployed after a voluntary part-time job
1.2. Self-employed	2.0.4. Unemployed after graduation, entitled to a 'bridging benefit'
1.2.1. Self-employed as main occupation	2.0.5. Unemployed without benefit (new status)
1.2.2. Self-employed as secondary occupation	
1.2.3. Self-employed after retirement age	3. Inactive (with benefits)
1.3. Helping an employer who is self-employed	3.0.1. Full-time early retirement
1.3.1. Employed as helper as main occupation	3.0.2. Full-time career break
1.3.2. Employed as helper as secondary occupation	3.0.3. Exemption from registration as unemployed
1.3.3. Employed as helper after retirement age	
1.4. Employee and self-employed	4. Unknown
1.4.1. Mainly employee	4.0.1. Suspended unemployed
1.4.2. Mainly self-employed	4.0.2. Other

Source: KSZ-DWH Labour Market (Processing Steunpunt WAV)

Both socio-economic mobility and job-to-job mobility can be analysed via the Data Warehouse. We measure job-to-job mobility as a change in the relationship between an individual's unique ID number and his/her employer's (enterprise-level) unique ID number. A change in professional status (employee, self-employed or combined) could also be regarded as job-to-job mobility. Socio-economic mobility refers to a change in socio-economic position (employed, unemployed, inactive; with further possible subdivisions). But a change in employment regime (full-time, part-time) could also be regarded as socio-economic mobility.

As each individual's socio-economic position and/or employer is known for the end of each quarter to the Data Warehouse, there are various possibilities for analysing mobility. Changes in position or in employer in between two moments can be studied, though a comparison of positions at two specific points in time is not possible. Individual (and collective) *careers* can also be constructed. It is perfectly possible, for example, to follow up a particular cohort's further career path, or to look at the employment history of a certain cohort.

2.3 *The PMBA database*

In the context of the DWTC Social Cohesion programme, a stratified sample of the population was drawn from the Data Warehouse by age (Panel Mobility of Working Age Population – PMBA, Panel Mobiliteit Bevolking op Arbeidsleeftijd). The sample was drawn for the second quarter of 1998 and the sample population was subsequently followed up until the end of the third quarter of 2000. The stratification of the sample was based on the place of residence (Brussels, Wallonia, Flanders), activity sector, age and, indirectly, the person's status in the labour market. The resulting sample contained 609 971 people (Flanders: 345 966; Wallonia: 189 088; Brussels: 74 917). However, another possibility is to extrapolate the data from the sample to the total Data Warehouse population.³

2.4 *SWOT of survey versus register data*

This section investigates in greater detail the methodological and quality issues linked to measuring mobility, essentially asking the question how good a source is either the LFS or the DWH for measuring mobility. To do so, it first looks at the advantages and limitations of the LFS, before carrying out the same exercise for the Data Warehouse.

2.4.1 *Using the LFS to measure mobility*

There are a number of factors that need to be taken into consideration for assessing the degree to which the LFS is a suitable source for measuring mobility.

Surveys such as the LFS have many advantages. The LFS is addressed to anyone, regardless of their professional status. All are included: the self-employed as well as wage earners, those in jobs as well as the unemployed, children as well as those on bridging pension schemes. This means that the resulting statistics are far-reaching. Because the survey is co-ordinated by Eurostat, comparisons can be drawn within Europe, and, to the extent that data is available, homogeneous time sequences can be developed because the LFS is repeated on an annual (and since 2002 continuous) basis. Furthermore, the information is relatively up-to-date, and biographical variables such as age and level of education are also included. Surveys may also be useful for obtaining more qualitative information. For instance, for the unemployed (though unfortunately not for the whole population) it is possible to request information concerning the voluntary or involuntary nature of the mobility from the LFS information. Are people moving of

³ For a more detailed description of the PMBA database, see 'Mobiliteit op de arbeidsmarkt meetbaar maken' via <http://www.steunpuntwav.be/persteksten/persteksten.htm>

their own free will or were they dismissed? This sort of information is not available from administrative databases.

Surveys obviously also have disadvantages. For example, the results need to be interpreted within a certain confidence interval because only a small proportion of the total population is used to formulate general statements about the population as a whole. Therefore it is not always possible to have a detailed breakdown of some variables, such as the NACE code. Apart from these 'sampling errors', other errors not connected with the sample exist, for instance because questions were misunderstood, the interviewer wrongly coded or misunderstood the response, etc.

Another specific problem for the LFS is that it works with proxy respondents, which may affect the reliability of the data: in order to reduce the non-response, a member of the household is allowed to answer questions on behalf of the absent respondent. Statistics Canada has stated that the information on the labour market situation (whether someone is employed, unemployed or not professionally active) and about personal characteristics tends to be of good quality, even when provided by proxy response. Other, more specific information on the family member, on the other hand, may be less accurate, i.e. the usual number of hours worked or the description of the activity sector (Statistics Canada, 2003).

Using LFS data also carries certain disadvantages specific to the way in which mobility is measured. The measuring of mobility using data available from retrospective questioning relies on information being provided after the actual event. Retrospective questioning can induce recall bias of both a random and a systematic nature.

Apart from these problems affecting the quality of the results, though the EU LFS is a relatively harmonised source of data, its list of questions is provided as a guideline only to the Member States. In practice this means that the questions may not be formulated in exactly the same way in different countries, which can lead to different results.

2.4.2 Using the DWH to measure mobility

A number of disadvantages inherent to the LFS can be dealt with by means of an administrative database such as the Labour Market Data Warehouse. The exhaustive character of this data source prevents the need for the results to be extrapolated, and no interval needs to be observed for the sake of reliability. Overall, this source can be recommended, particularly for relatively

small populations. This makes it suitable, for instance, for the analysis of mobility between various sectors of activity.

Furthermore, this type of data source is not affected by memory distortion or by the problem of proxy-respondents, and more variables can be taken into account (e.g. work regime). On the other hand, a number of factors cause administrative databases to overestimate trends (unless a few careful corrections are made). Firstly, register data is inevitably contaminated, because variations are not incorporated on time or are corrected at a later date. This administrative delay affects the analysis of socio-economic mobility on a quarterly basis. Secondly, they contain many inaccurate transitions, such as apparent transitions from one employer to another only because the employer's registration number in the database has changed. The occurrence of mergers, of workers becoming self-employed or of departments becoming detached from mother firms, as well as the occurrence of purely judicial changes such as the status of the enterprise or a different company name, – all these events lead to transitions which the employees themselves do not experience as job changes, and they will not be reported as such (Allaart, 2000). To a certain degree, this 'false' mobility is corrected for in the Data Warehouse.

The fact that a change of jobs is in fact counted as a change of legal employer is another problem inherent to the Data Warehouse. It means that no information is available on the level of the local establishment, but only on the level of the legal employer, i.e. the enterprise (the Belgian LFS, on the other hand, measures the local establishment level). In the DWH, a change of establishment within the same enterprise is therefore not classified as mobility. The DWH is also unable to measure internal mobility (for example, through promotion) within an establishment or enterprise. Another major problem when studying, for example, mobility of know-how and knowledge is the lack of data on the educational attainment in the DWH.

A major shortcoming of the Data Warehouse is that neither information about the educational attainment (ISCED) nor about the occupation (ISCO) of the individuals is available.

Generally speaking, a lot of information is already registered. This is a process that is on the increase, however. But most register data is collected for administrative purposes, not for research. On the other hand, there is a growing awareness of the usability of register data for research as well as for policy monitoring and, as such, efforts are being made in Belgium to improve the usability of the register data for research/policy. One example would be the use of a unique ID number for establishments and the growing willingness in Belgium to link more databases to the Data Warehouse.

3 *How much mobility is there?*

3.1 *Some figures based on the Belgian Labour Force Survey*

The LFS shows that in 2002, approximately 6.5% of all working people in the Flemish Region changed jobs compared to 2001 (Table 2). Over the last few years, the job-to-job mobility rate has always fluctuated around 7%: in 1999, Flanders experienced the same job-to-job mobility rate as in 2002 (6.5%); in 2000 it was 7.4% and in 2001 it reached a peak with 7.7% job mobile workers. We consequently find a slight correlation with economic fluctuations. When the labour market is buoyant, more opportunities arise to find a new (better) job. In an economic downturn, fewer opportunities arise to change jobs and people are less inclined to take risks.

Table 2

Job-to-job mobility rate by gender, age and educational attainment* (Flemish Region; 2001-2002)

(%)			
Total (15-64 years)	6.5	Men	6.5
15-24 year	18.1	Women	6.4
25-34 year	10.0	Low qualified	5.2
35-44 year	5.0	Medium qualified	7.3
45-64 year	2.0	Highly qualified	6.6

* The proportion of the working population in 2001 that changed jobs by 2002.

Source: National Institute of Statistics – LFS (Processing by Steunpunt WAV)

Evidently, not everyone is equally job mobile. In Table 2 we see that job-to-job mobility is strongly linked to age. Young people in particular hop to their heart's content: virtually one in five youngsters is in a different job after one year. As the age increases, mobility declines. Of employees over 45, only 2% are still mobile. This turbulent start of young people's working lives should not be surprising: young people are still looking for the perfect job and they are also more often employed on temporary contracts. Furthermore, salaries increase with length of service, so changing jobs is decidedly more risky for older people.

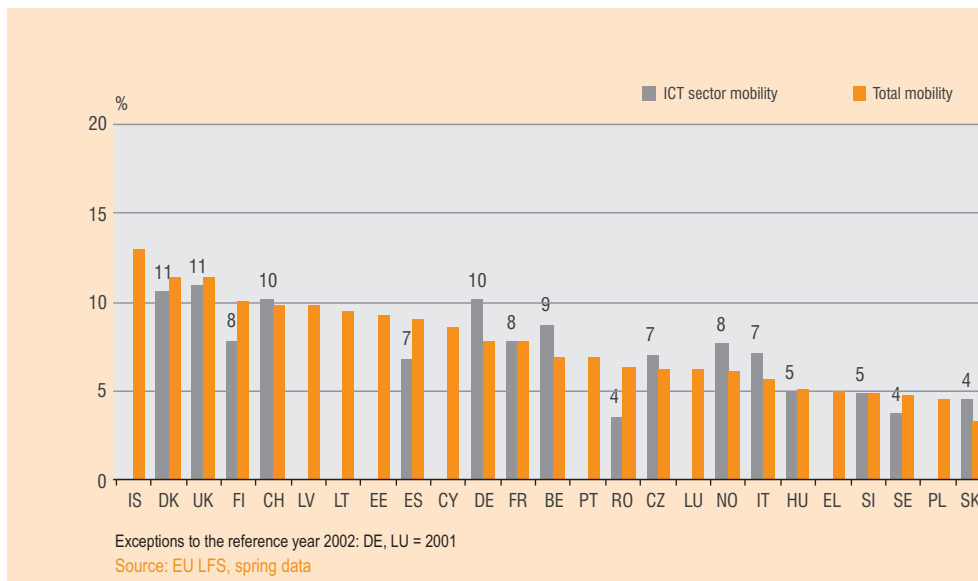
A somewhat surprising fact is that gender and educational attainment have little effect on mobility behaviour. Men and women have virtually identical job-to-job mobility rates. Low qualified people are generally slightly less mobile than average, while medium-qualified people are generally most mobile. But the differences remain smaller than those between the age groups.

If we compare Belgium with other European countries, it becomes clear that Belgium has an average job-to-job mobility rate. The highest job mobility rates are observed in Iceland, Denmark and the U.K (Figure 1).

One of the problems of the LFS is its lack of detail, due to the availability or reliability of data. For example, if we want to analyse job-to-job mobility in a specific sector such as the ICT, we cannot use the LFS. This is clearly shown in Figure 1, where the job-to-job-mobility rate in the ICT is given for the EU member states. The thing to notice is not the data, but rather the lack of data for many countries. If we make a distinction simply according to gender, availability declines further. This data availability serves to negate one of the principal advantages of the EU LFS: that it is able to provide reasonably harmonized data for a large number of countries for international comparison.

Figure 1

Job-to-job mobility in the ICT sector and overall (European countries, 2002)



3.2 ■ ■ *Some figures based on the Belgian Data Warehouse Labour Market*

If we want to analyze mobility on a more detailed level, we have to use administrative data. We find a hugely comprehensive administrative database in the Labour Market Data Warehouse for analysing the job-to-job mobility of employees, for example on the sector level.⁴

It is clear that people in the non-commercial sectors (quaternary sector), barring a few exceptions, are significantly less job mobile than the others (Table 3). These sectors are less vulnerable to recession, among other things, and consequently less exposed to bankruptcies and redundancies, resulting in fewer people being forced to look for another job. The list of the most mobile sectors is therefore primarily headed by commercial sectors (tertiary sectors). The most mobile sector is the hotel and restaurant industry (t5). This sector has a traditional reputation as a sector with a high personnel turnover, also due to heavy working conditions combined with low pay and the common use of short-term contracts. The high number of bankruptcies in the hotel and restaurant industry also plays a role, since they force employees to find another job. The industrial sectors (secondary sectors) are averagely mobile. A significant front-runner is the construction industry (s20), which has also been traditionally known for its high personnel turnover. Maes & Sels (2003) claim that 65% of the turnover in the construction sector is voluntary (at the employees' own initiative). According to these authors, the voluntary turnover is caused by primary and secondary working conditions (low pay, few opportunities for promotion) and the working conditions (lack of appreciation, work atmosphere, high work pressure).

We can even further detail the analysis by looking at the mobility between sectors. One interesting question, obviously, is where all the job hoppers go to.

Of all job mobile people who were job mobile in 2000, 42% remained within their own sector (Table 3). Towards the top of the list are mainly commercial and a few non-commercial sectors, but the construction industry is at the very top. We have already seen that the construction industry (s20) has a high job-to-job mobility rate. It now transpires that 67% of these job hoppers remain within the sector. This suggests that the aforementioned reasons for personnel turnover do not have their roots in the characteristic properties of the sector, but that they are rather company-specific.

⁴ These data have been processed from a presentation given to the Users Group of the Data Warehouse Labour Market by way of illustration of the possibilities offered by the database. The Data Warehouse links various databases of social security institutes (RIZIV-GRI, RKW, RSZ, RSZPPO, RSVZ and RVA), having been developed by the Crossroads Bank for Social Security (CBSS), with the scientific support of the WAV and TEC Resource Centres for Labour Market Research in the context of an Agora project financed by DWTC. The DWH Labour Market Users Group is a joint initiative of the WAV and TEC Resource Centres for Labour Market Research and the CBSS.

Table 3

Job-to-job mobility rate by sector of activity, proportion of job mobile employees remaining employed within the sector, and the main sectors for inflow and outflow (Flemish Region; 1999-2000)

Wav sector		Job-to-job mobility rate (%)	Intra-sectoral (%)	Inter-sectoral	
				Outflow	Inflow
p1-2	Agriculture, forestry and fishing	13.8	40.3	s20; t6-7	s20; t3; t6-7
s1	Mining	6.1	12.9	s20;t2	s7;t6-7
s2	Manufacture of food products, beverages and tobacco	8.9	28.0	t2;t3	t3;t2
s3-4	Textile industry, manufacture of clothing and shoes, leather and fur industry	6.9	37.3	s11-17;t2	t2;t3
s5-6	Manufacture of furniture; manufacture of wood and wood products	8.1	19.9	s20;s11-17	s20;s11-17
s7	Paper, publishing and printing industry	7.7	36.3	t11;t2	t11;t2
s8-9	Chemical industry; rubber and man-made fibres	4.5	18.2	t2;s11-17	t2;s11-17
s10	Manufacture of glass, brick, cement and other building materials	7.2	19.3	s20;s11-17	s20;s11-17
s11-17	Metal sector	5.5	34.3	s20;t2	s20;t2
s18	Other manufacturing Industry	9.4	31.2	t2;s11-17	t2;s11-17; t6-7
s19	Electricity, gas, steam and water	2.4	7.5	t11;s11-17	t11;s11-17
s20	Construction	12.9	66.9	s11-17; t2; t6-7	s11-17;t2;t6-7
Total industrial sector		7.5	42.9		
t1	Sale and maintenance of motor vehicles; retail sale of fuel	11.5	50.6	s11-t2; t2; t6-7	s11-17; t2; t6-7
t2	Wholesale trade and commission trade	11.4	34.0	t11; t3; t6-7; s11-17	t3; t11; s11-17
t3	Retail trade	12.1	45.7	t2; t5	t5; t2
t4	Rental and real estate activities	12.0	24.0	t11; s20; t2	t2; t11; t3
t5	Hotels and restaurants	19.8	49.6	t3; t2	t3
t6-7	Transport and supporting act.	9.8	58.9	t2; s20	t2; s20
t8	Post and telecommunication	4.3	17.3	t11; t2; t6-7	t2; t11
t9	Financial intermediation	5.8	52.2	t11; t2; t10	t11; t2
t10	Information technologies	15.8	41.1	t2; t11	t2; t11
t11	Business consultancy and professional services	14.6	35.1	t2; t10; s11-17	t2; s11-17
t12	Labour recruitment and provision of personnel	10.3	11.2	t11; t2	t11; t6-7
t13	Industrial cleaning	19.0	37.8	t3-t5	t5; t3
t14	Other personal services	13.2	49.0	t3; t5	t3; t5
Total commercial sector		11.2	43.0		
q1	Public sector	2.7	24.6	t4+t8; q6	t4+q8; q6
q2	Provision of services to the community as a whole	1.4	4.2	q1; t6-7	q1; t11
q3	Compulsory social security	3.7	15.1	q1; t11	q1; t9; q6; t3
q4+q8	Education, research and development work	3.9	47.0	q1; q6	q1; q6
q5	Healthcare services	4.6	51.7	q6; q4+q8	q6; q1
q6	Social services	7.3	44.9	q5; q1	q5; q1
q7	Leisure, culture and sport	12.9	36.5	q4+q8; q1	q4+q8; t5
q9	Sewage and waste collection, street cleaning	11.4	15.5	t6-7; s20	t6-7; s20
q10	Representation of interests	9.2	22.4	q4+Q8; q6; q1	q4+q8; q6
Total non-commercial sector		4.3	39.5		
Total Economy		7.8	42.3		

Source: CBSS-DWH Labour Market, basic application 9 (Processing by Steunpunt WAV)

The last two columns of this table give a view on the main 'delivering' and 'receiving' activity sectors of job mobile people. From this, we learn that significant flows exist between certain sectors and, more particularly, that it is almost never one-way traffic. The destination sectors often also supply employees. Another notable observation is that job hoppers changing sectors often end up in a sector which has a similar content to the original sector, for example metal and construction, or information technology and computer consultancy services or the public sector and education or social services. This is logical since it is easier to find work in which the knowledge, skills and experience previously acquired are of practical use.

3.3 *Some figures based on the PMBA database*

We already pointed out that it is possible not only to analyse mobility in between two moments, but also to construct careers.

A job as a full-time wage earner is still considered to be the norm on the Belgian labour market. Of all employed Belgians, 66.3% were full-time wage earners in 2003, 18.2% were part-time wage earners and 14.6% were self-employed. Only a small portion of employed persons (0.9%) did not specify whether they were working full-time or part-time. The share of full-time wage earners was not equal for all age and gender categories. The share of male full-time wage earners is 78.2%, while the share of female full-time wage earners was much lower (50.7%). Women are relatively more frequently working part-time. The share of full-time employed wage earners is the highest in the youngest age category (76.2%), and this share decreases with age. This pattern can be explained by the difference in the share of self-employed among the employed persons. The percentage of self-employed persons is the highest in the oldest age category (21.3%) and the lowest in the youngest age category (5.2%).

This static analysis can be complemented by a dynamic approach that allows us to examine who stays full-time employed and who does not. For this analysis we use the PMWP database, a stratified sample from the Data Warehouse (cf. 2.3). By means of this database it is possible to follow individuals for ten subsequent quarters (second quarter of 1998 – third quarter of 2000) and gather information about their career paths.

We separated the full-time wage earners from the second quarter of 1998 and followed them until the third quarter of 2000. We examined who remained full-time employed during the entire period.⁵ For those who did not, we examined the alternative career paths.

3.3.1 *Who stays employed as a full-time wage earner?*

Table 4 shows that 75.3% of all full-time wage earners in the second quarter of 1998 stayed full-time employed during the entire period. This share was higher among men (78.9%) than women (67.8%).

Table 4

Share of full-time wage earners who stay full-time employed during the entire period by gender and age (Belgium; 2nd quarter of 1998 – 3rd quarter of 2000)

(%)	Remained full-time wage earner	Other
Total	75.3	24.7
Men	78.9	21.1
Women	67.8	32.2
15-24 yrs old	59.0	41.0
25-39 yrs old	76.2	23.8
40-49 yrs old	83.8	16.2
50-64 yrs old	67.8	32.2

Source: PMBA database (Processing Steunpunt WAV)

The table also shows the more precarious labour market position of young people and the older age groups. A relatively small percentage of 15 to 24 year olds (59%) and of 50 to 64 year olds (67.8%) remained full-time employed during the entire period. In the group of the 25 to 39 year olds (76.2%), and especially in the group of the 40 to 49 year olds (83.8%), this share was much higher.

3.3.2 *And who doesn't?*

In this paragraph we examine the possible career paths for those who do not stay employed as a full-time wage earner. We consider the entire period between the second quarter of 1998 and the third quarter of 2000 for those who are full-time wage earners in the second quarter of 1998. We opted for 'optimal matching' as analysing technique, combined with cluster analysis. This tech-

⁵ It is also possible to see whether a full-time wage earner changes jobs. In this analysis, we do not take this possibility into account because they remain full-time employed. In other words: we leave job mobility aside.

nique allows us to group similar career paths. For technical reasons we could not include all possible career paths in the analysis. Table 5 shows the career paths of the majority of the full-time wage earners in the starting quarter (95.8%).

Table 5

Results of the cluster analysis (Belgium; 2nd quarter of 1998 – 3rd quarter of 2000)

Cluster	Men (%)	Women (%)	Total (%)
Transition to part-time wage earner	1.2	7.5	3.2
Transition to unemployment	2.5	4.4	3.1
Transition to self-employment	1.8	0.8	1.5
Transition to inactivity	6.7	6.2	6.5
Disrupted career	5.7	7.3	6.2
Always full-time wage earner	78.9	67.8	75.3
Total	96.6	94.0	95.8

Source: PMBA database (Processing Steunpunt WAV)

We already indicated that the majority of the full-time wage earners in the second quarter of 1998 remained full-time employed during the ten quarters (75.3%). Men are more likely to stay full-time employed (78.9%) than women (67.8%). But there appear to be other possible career paths. Of the full-time wage earners in the starting quarter, 6.5% made the transition to the inactive segment of the labour market. This share was much the same among men and women. Another 6.2% followed a disrupted career path, but stayed employed mainly as full-time wage earners. The proportion of this group is slightly higher among women. Finally, 3.2% made the transition to part-time wage earner and 3.1% to unemployment. Women were overly represented in these two groups, especially in the group that made the transition to part-time employment. Those who made the transition to self-employment are grouped in the last cluster. This transition occurs more among men than women.

3.3.3 Further divisions by gender and age

We can represent the division by gender in another way. Figure 2 shows the proportion of men and women in each separate cluster. The proportion of women is much higher than average in the clusters involving a transition to part-time employment and to unemployment. To a smaller extent, this is also the case for the cluster indicating a disrupted career. The proportion of women is lower in the cluster involving a transition to self-employment and in the cluster comprising all people staying full-time employed during the entire period. Summarizing, women are

overrepresented in the clusters leading to a partial or complete disconnection with the labour market.

Figure 2

Proportion of men and women in each cluster (Belgium; 2nd quarter 1998 – 3rd quarter 2000)

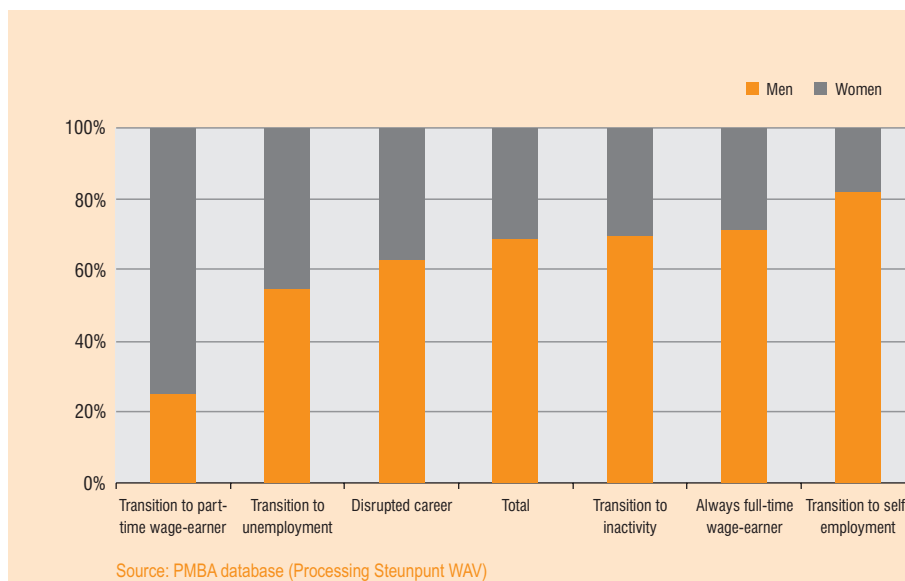


Figure 3 shows the proportion of young people (15 to 24-year-olds) in each cluster. The young people who were employed as full-time wage earners in the second quarter of 1998 are overly represented in the clusters with more mobility. Only the mobile cluster involving a transition into inactivity counts slightly less young people than average. The 15 to 24-year-olds are underrepresented in the non-mobile cluster containing the people who remain full-time employed. The entrance of young people onto the labour market often involves a career path with transitions. The proportion of young people with a disrupted career (18.6%) is higher than the proportion of young people in the sample (8.5%). Furthermore, the proportion of young people making the transition to self-employment, unemployment or part-time employment is higher than the proportion of young people in the sample.

Figure 3

Proportion of young people (15 to 24-year-olds) in each cluster (Belgium; 2nd quarter of 1998 – 3rd quarter of 2000)

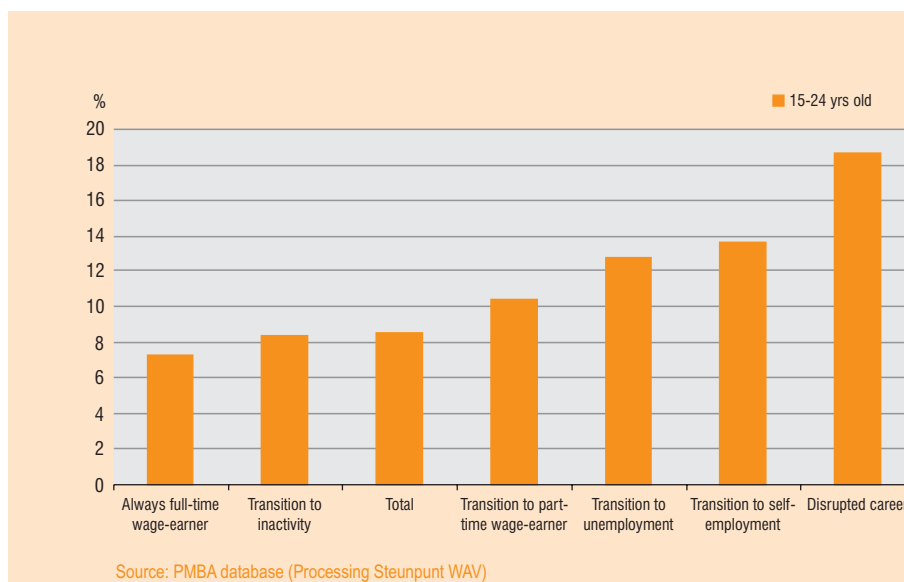
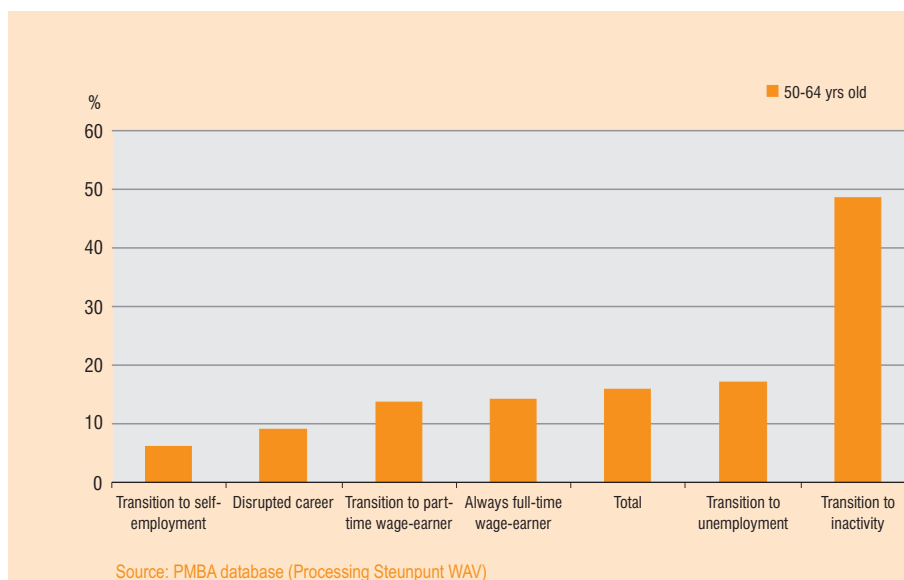


Figure 4

Proportion of older people (50 to 64-year-olds) in each cluster (Belgium; 2nd quarter of 1998 – 3rd quarter of 2000)



The proportion of older people (50 to 64-year-olds) in each cluster (Figure 4) reveals that they are overrepresented in the clusters that imply temporarily or permanently leaving the labour market. The share of older people is especially high in the cluster involving a transition to inactivity. Their share in this cluster reaches 48.4%, as opposed to 16% in the overall sample. The proportion of 50 to 64-year-olds is also somewhat higher in the group that is making the transition to unemployment. On the other hand, the proportion of older people making the transition to another working status or staying full-time employed is lower than average. In other words, the group of older full-time wage earners is mobile, but their career paths are mostly characterised by a pattern of retirement rather than a pattern of changing to another working status.

4 *Closing Statement*

The importance of research into mobility in the labour market has sharply increased over the last few years in nearly all European countries, and many researchers have homed in on the issue. The most important resource for studying mobility in the labour market was (and still is) the Labour Force Survey, which gauged the labour market situation of respondents one year before the time of the survey.

In Belgium, as well, mobility research has been based mainly on the information available in the LFS. Recently, the Labour Market Data Warehouse has become an important new source at the disposal of researchers. The importance of register data for the benefit of mobility analysis is set to increase in the future. Experience in the Scandinavian countries has demonstrated that administrative databases have considerably widened the scope for labour market research. In these countries, surveys are mainly used to obtain additional qualitative information, but the actual analyses are carried out on the basis of register data. In Belgium, this practice is still in its infancy.

More and more countries, including Belgium, Austria and Germany, have opened up their administrative databases for research. There is an increasing awareness that they provide significant opportunities for labour market research, but also for policy monitoring. In future, the significance of administrative data can only grow, in view of the steady growth of the ICT applications used by the public authorities and the increasing amount of information that is recorded relating to the labour market and education.

As already explained, the main disadvantage of the LFS is a lack of available and/or reliable data on a detailed level for mobility research. This fact led us to the conclusion that for detailed mobility research, the LFS is an unsuitable source of data. The availability of indicators is strongly affected by the quantity of people that fall into the selected category. This has an important bearing on the interpretation of the results and the degree to which the LFS can and should be used as a data source for detailed labour market research, especially concerning mobility analysis.

It is abundantly clear that the possibilities of administrative databases for quantitative analysis are unsurpassable. Then again, the strength of surveys like the LFS resides in the fact that they can obtain more qualitative information that can complement the quantitative information contained within administrative databases. Qualitative data forms the indispensable motor of explanatory labour market research. The future of surveys like the LFS therefore lies in the collection of qualitative information ideally linked to the administrative databases to make for a comprehensive research instrument.

Of course, when we are serious about mobility and mobility research, we have to open up and improve more administrative data for research. A major shortcoming of the Data Warehouse is the lack of information on the educational level (ISCED) and the occupation (ISCO). Another thing to be improved is the coverage of the Data Warehouse. For the moment only 9 out of the 10 million residents in Belgium are known in the Data Warehouse.

But an important question arises. If the data from administrative databases is to be used in a comparative perspective, then what is its international comparability? The EU LFS has a long history of introducing steady improvements in the comparability of the data, and nevertheless certain problems still remain. On the other hand, while it does provide very detailed information, the purpose of administrative data is not research. Should efforts be made to further collect and compare administrative data in an international context, it could be interesting to have an idea of its comparability, though conducting such an exercise would be an extremely arduous affair.

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SURVEYING ORGANISATIONS: NICE TO KNOW, OR MORE?

Geert Van Hoote gem & Rik Huys

1 *The hidden demand for demand-side information*

1.1 ■ ■ *Organisational transformation: a central policy objective*

Organisations change continuously. And with labels such as ‘the knowledge economy’ or the ‘information society’, it has been suggested that the rhythm of these changes speeds up. The main reasons for this increasing turbulence can be attributed to three factors representing change that enterprises and services have to face: markets, technology and human resources.

- *The product market:* Many organisations have to deal with saturated and fragmented markets. The competition between organisations, enhanced by globalisation and economic deregulation, leads increasingly to a consumer market in which the ability to respond swiftly to individual customer needs is indispensable. This implies that organisations have to be able to guarantee quality, to respond flexibly to changing market requirements and to dispose of the innovative capacity to take advantage of new market niches. But this also implies that organisations need an appropriate organisational structure that allows them to meet these new performance criteria.
- *The technology market:* The advancement of technology leads to another relationship between employees and machines. Instead of machines supporting employees in their work, human intervention is increasingly aimed at supporting machines. In such a highly automated environment, traditional recipes for dividing and controlling labour through specialisation and standardisation are no longer effective. Rather, autonomy in the execution of work, integration of direct and indirect tasks, and communication between employees come to the foreground. The creation of such a working environment calls for appropriate organisational transformations.
- *The labour market:* Organisations have to find the employees on the external labour market and retain them in order to perform the jobs as they have been designed. The extent to which a traditional work organisation involving divided and standardised work no longer

matches the heightened qualifications and aspirations of employees determines the extent to which problems in the deployment of employees can occur. Organisational transformations are then needed to alleviate recruitment problems, turnover and absenteeism, and to assure the effective use of the available qualifications of employees in their work.

These factors push companies and services to engage in organisational transformation. The promotion of such a transformation towards a 'new work organisation' is a frequent theme in many policy statements, whether at the regional, national or international level. International organisations such as the OECD (OECD, 1998) and the European Commission (European Commission, 1997) are increasingly urging governments to support the dissemination of a new organisation of work, in particular by removing a number of obstacles to this dissemination. The reasons given in policy statements for advocating organisational transformation and for calling for its support are formulated in terms of the three change factors mentioned above. Indeed, in the perspective of an economic policy, a technology policy and a labour market policy, organisational transformation is perceived as an essential precondition to achieving results.

- Within an economic policy, organisational transformation towards a 'new work organisation' is advocated as the means for an organisation to enhance its productivity, quality, flexibility and innovative capacity, all of these qualities being required to safeguard its competitiveness in the global economy. The very definition of a 'new work organisation' put forward by the European Work Organisation Network (EWON) explicitly refers to the link with competitiveness.
 "A new work organisation is the application of principles and practices within enterprises which aim to capitalise on, and develop the creativity and commitment of employees at all levels in achieving competitive advantage and in meeting the business and service challenges posed by the social, economic and technological environment in which the enterprise exists." (URL: http://europa.eu.int/comm/employment_social/soc-dial/workorg/ewon/aims_en.htm)
- Within a *technology policy*, experience from the past decades has led to the growing awareness among policy-makers that the introduction of new technologies must be linked with and framed within organisational transformation in order to deliver the expected results. The necessity to complement technical with organisational change is a frequent theme in many of the European Commission's Green papers:
 "The very flexibility of the technologies means that they must be embedded in the social organisation of the workplace in order to achieve a competitive combination of productivity, performance and quality. The key question therefore is how to increase awareness of the

potential of new approaches to organisation of work.” (European Commission, 1996, “3.3, paragraph 28).

- Also within a *labour market policy* the transformation towards a new work organisation is perceived as a major objective in the effort to improve job protection, the quality of work and the employability of workers. In doing so, it supports the overall goal of achieving higher labour market participation, especially by disadvantaged groups such as low qualified and older employees.
 “The realisation of a substantial improvement in the quality of work is a basic precondition to enhance labour market participation. (...) It is not merely the aim to provide jobs to as many people as possible, but also to make the content and the conditions of work more attractive. In other words, to increase well-being at work.” (Pact van Vilvoorde, 2001, “ 2).

The interdependence between the above-mentioned policy objectives is so tight, that organisational transformations are often promoted as an instrument for the improvement of organisational performance and quality of work simultaneously. At the European level, for example, the third ‘adaptability’ pillar of the European Employment Strategy highlights explicitly the need of modernising work organisation, inviting the social partners to take the lead in the process of organisational change, and negotiating agreements at all appropriate levels. The guideline calls for “the design and dissemination of innovative and sustainable forms of work organisation, which support labour productivity and quality at work”.

Summarising, the view on organisational transformation, as reflected in the above-mentioned policy statements, contains the following features:

- it is based on a consensus model in which benefits for employers and employees are linked;
- organisational transformation is a common objective for the economy, as well as for the labour market;
- organisational performance and quality of work are not separate targets, but rather part of the same objective.

1.2 ■ ■ Lack of information on organisational transformations

To support the above-mentioned policy objectives, information is required on the extent to which the desired organisational transformation is actually taking place and whether the pre-

sumed positive effects of such a transformation on the performance of the economy and the labour market are effectively realised.

Many European countries have improved their statistical monitoring of the labour market by introducing an integrated system of labour accounts. As in a system of national accounts, data from different sources are integrated by means of uniformly delineated populations, and clearly defined concepts and identity relations between these sources. The main sources for such a labour account are threefold: observations of persons, observations from administrative registrations and observations from organisations (Van der Hallen & Vanheerswyngels, 2004, 5). Maximal exploitation and linkage of these available sources provides a wealth of information on jobs, job offers, workers, unemployed persons, households, etc. However, important black boxes remain with regard to the demand side of the labour market and its dynamics. Administrative sources provide only a partial view. For a good understanding of the dynamics of the demand-side of the labour market, there is a need for qualitative information that is difficult to collect in administrative databases.

Nevertheless, the permanent monitoring of the results organisations have achieved in their quest for a new work organisation and of the effects of organisational transformation is a necessary tool for supporting the above-mentioned policy objectives with regard to the economy and the labour market. Therefore, these policy objectives underline the importance of accurately monitoring what is going on within organisations and 'hide' a demand for better information with regard to the demand side of the labour market.

Surveys of individuals and households have undoubtedly already provided a good overview of the results of such changes for employees with regard to job creation or unemployment, types of contract, wages, training, etc. This is also true of harmonised surveys at the European level such as the Community Labour Force Survey (CLFS) and the European Community Household Panel (ECHP). What is lacking, however, is the ability to link these developments with the changes taking place within organisations. By consequence, the link cannot be grasped between the changes on the external labour market and the pressures organisations face as the result of globalisation, technological evolution and their policies for strengthening human capital within organisations.

Establishing such a link requires that individual labour force data be supplemented by repeatedly collected data at the organisational level. A recent study of the needs for data and forms of data gathering and processing with regard to the topic of labour in Belgian government administrations, the research community and international institutions (Van der Hallen &

Vanheerswyngels, 2004, 27) once again stressed the necessity of surveying organisations on a recurring basis and – taking into account what is available in administrative databases – of monitoring their personnel policy (recruitment, training, promotion policies, industrial relations, ...), work organisation (production structure, teamwork, job design, required qualifications, quality of work, ...), and product and technology policy.

These themes can be monitored by means of economy-wide organisation surveys that are executed periodically. Over the last decades such organisation surveys have been established in an increasing number of European countries (for an overview, see Huys et al., 2000). Recently, the Flemish region aligned itself with this trend through the establishment of the Panel Survey of Organisations (PASO).¹ Although still limited in comparison to the wealth of data on the supply side in the labour market, and although not yet harmonised on a European level, the data collected by means of these organisation surveys result in a better overview of the extent to which organisational transformations are taking place and their effects on the performance of the economy and the labour market. As such, they have developed into a tool for informing and evaluating policies in their respective countries. In this contribution we will further explore the potential support that organisation surveys can provide to the shaping and reshaping of policy initiatives and identify some obstacles and possible solutions for fully realising this potential.

2 *The contribution of organisation surveys to policy (re)shaping*

2.1 ■ ■ *Informing and improving policy decision making*

2.1.1 *Better understanding of labour market dynamics*

Many of the current problems in the labour market find their origin within the premises of organisations. The restructuring of companies and services has a strong impact on the inflow and outflow of employees. Product and process innovations have important repercussions on the required qualifications of employees, etc. Organisational surveys can provide reliable and comprehensive information on the way organisations interact with their environment and how their work organisation and personnel policy is aligned with this interaction. This information on the

1 For further information, see URL: <http://www.paso.be>

daily reality within organisations is indispensable for a good ‘institutional management’ by governments and social partners (De Winne et al., 2003, 11).

This informative function of organisation surveys is enhanced if a panel aspect is achieved. A panel survey covers the same organisations over two or more time periods. This provides a basis for monitoring trends and changes in the product, technology, organisational and personnel policy of companies and services. Panel data is particularly valuable for unravelling change in ways that are not possible with multiple cross-sectional surveys.² It enables an understanding of the dynamics of change and why a change has come about, rather than simply of what has changed. By using data from a panel it is possible to explore whether change has occurred because of a change in the behaviour of on-going organisations or whether change has come about because of a change in the composition of the population of organisations. As an example: panel data – in contrast to cross-sectional data – make it possible to determine whether an increase in the use of teamwork in the economy is due to the introduction of teamwork within existing organisations or to the emergence of new organisations that apply teamwork.

Similarly, panel data make it possible to determine the effects of organisational transformations. As an example, periodic data on the organisational concept can be linked to performance indicators, thereby enabling the determination of whether organisational transformation precedes higher performance or whether only high performing organisations are in a position to implement organisational transformation. As the OECD points out: “when studies are based purely on cross-sectional information, it is difficult to control for the reasons why the practices were introduced in the first place. If firms only began to experiment with new forms of working practices when they faced dire trouble, the existence of practices might be associated with poorer performance, at least over the short term.” (OECD, 1999, 182).

For this reason, an increasing number of economy-wide organisation surveys in European countries have switched – at least partly – to a panel survey.³ But it is important to maintain a panel survey for a sufficiently long period, given that change in the organisational concept progresses only slowly.

2 Surveys that cover repeatedly a sample of organisations with a similar sampling method and questionnaire can monitor changes for the whole of the population (so-called cross-sectional analyses). This is different from a ‘panel’, in which the same organisations are questioned repeatedly. This allows monitoring of the dynamism at the micro-level of the organisation. Cross-sectional data can, for example, give the impression of a stable situation, while at the organisational level important restructurations may be taking place.

3 Examples of panel surveys in neighbouring countries include the OSA-panel (Organisatie voor Strategisch Arbeidsmarktonderzoek: The Netherlands); the IAB-Betriebspanel (Institut für Arbeits- und Betriebsforschung: Germany) and the WERS (Workplace Employee Relations Survey: United Kingdom). The PASO (Panel Survey of Organisations) in the Flemish region is also a panel survey.

2.1.2 *Support for a long-term perspective*

The fit between demand and supply, quantitatively as well as qualitatively, on the labour market is a central focus for labour market policy. Although this fit can be improved by interventions on the demand and the supply side, policy measures are mainly focused on the supply side, for example in providing more or other education and training in order to bring available qualifications in line with the qualifications demanded by organisations. In addition, labour market policy is strongly oriented towards the elimination of emerging gaps between demand and supply. By consequence, policy measures change frequently as one is confronted with either unemployment or shortages on the labour market. A long-term perspective is difficult to achieve, as shifts in the internal labour market of organisations do not immediately result in gaps between demand and supply on the external market. A labour market policy that is intended to take into account and influence long-term developments and effects will need to be based on an overall picture of the internal labour market of organisations. This overall picture can be provided by organisation surveys.

2.1.3 *Support for a coherent perspective*

Information on organisational transformations supports the development of a more coherent policy. Too often, policy measures are developed with a purely labour market or employment orientation, or only with technology or innovation in mind, etc. ... a tendency which leads to an aspectual policy towards organisations. Better insight into the functionality and complementarities of these different aspectual measures and the extent to which such measures fit within the transformational trajectories of organisations themselves, enables the enhancement of the integral development of policy measures.

2.1.4 *Evaluation and reshaping of policy decision making*

Organisation surveys provide information on the extent to which labour market policies and their broader institutional framework are either in line with – or rather pose problems for – the daily management of organisations. Due to its longitudinal feature, an organisational panel is a potent instrument for monitoring and evaluating in a dynamic way the effects of government policies and the steering by social partners. Many evaluation studies fail to achieve their goal as they have to restrict themselves to one-off or cross-sectional measurements and thereby cannot grasp the added value of policy initiatives. The potential of organisational panel surveys to evaluate current policies, to detect threats and opportunities, and to detect needs on the demand side

of the labour market are essential steps in a more targeted approach to policy planning (De Winne et al., 2002, 11).

2.2 *Improved co-ordination and efficiency of demand side research*

In opposition to the need for information on the demand side of the labour market, there is equally the need to reduce the demands on organisations to provide information. The attainment of sufficient response ratios in organisational research is becoming increasingly difficult for researchers – and increasingly expensive for their sponsors. This apparent paradox between the need for demand side research and survey fatigue in organisations can only be solved when the efficiency and effectiveness of the demand side research is increased. This can be achieved by means of an organisational survey.

2.2.1 *Reduction of survey overload*

Panel surveys result in a dataset that can, under certain circumstances, be made accessible to other researchers. If the survey is sufficiently rich in information and methodologically sound, other researchers can, through access to the dataset, find answers to their questions. Several panel surveys in neighbouring countries, such as the WERS, the OSA-panel and the IAB-Betriebspanel,⁴ provide evidence of their major impact on research in a wide range of areas, as indicated by their voluminous and heterogeneous bibliography of survey-related publications and papers. It is clear that in the absence of such a major organisational panel survey, there would be pressure for many other surveys, each of which would do part of its work (Whitfield, 2002, 6).

Next to exploitation and further valorisation of the dataset, other research groups can also join in designing the questionnaire itself by means of ‘piggybacking’ specific modules onto existing surveys. In this way, efforts are bundled in the elaboration of the questionnaire and survey overload can be reduced.

2.2.2 *Improved efficiency and effectiveness of research*

From a financial point of view, the concentration of research efforts into one major organisation survey is cost-effective as it reduces the degree to which researchers undertake a range of similar surveys, each with a slightly different focus. Not to fund such a survey would be a false econ-

⁴ See footnote 3 for full name and country.

omy on the part of the sponsors as it would almost certainly yield a situation involving a number of disparate surveys, which as a group would not come near to having the same impact (Whitfield, 2002, 7).

Indeed, the visibility of a fragmented research approach is much lower than a combined effort under the heading of a single economy-wide organisational survey. The discontinuation of the panel surveys in neighbouring countries would certainly make it harder for researchers to influence key debates in their respective countries as well as in other parts of the world and it would reduce the esteem in which their employment research is held. A comparison can be made between the U.S.A. and the U.K. In the absence of a comprehensive workplace survey such as WERS, there has been a series of special interest surveys in the U.S.A., none of which has the breadth and depth of WERS. American researchers often bemoan the lack of a survey that allows the high quality research that British researchers undertake using the WERS series (Whitfield, 2002, 7).

In addition, the quality of the scientific research can be heightened by means of an organisation survey. In a fragmented approach, each survey has to go through its own cycle of designing questionnaires, setting up a sample frame, drawing a sample, gathering data and establishing a data set. As a result, precious time in research projects is dedicated to data collection. Moreover, these researchers may be experts in their own field, but often have less expertise in survey methodology. The concentration of such methodological issues around one major organisation survey makes it possible to achieve a 'critical mass' in which methodological expertise can be developed. This results in more scientifically sound data and allows researchers to concentrate on the analysis and interpretation of data. Both contribute to raising the quality of the research executed.

3 *Limitations of organisation surveys and possible solutions*

Despite the potential contribution of an economy-wide organisation survey in terms of policy making, informing public debate and deepening the scientific results, the instrument is also confronted with some obstacles and limitations.⁵

5 Difficulties with regard to methodological issues (e.g. establishing an adequate population, setting up a sample frame, drawing a sample, identifying relevant respondents, the gathering of data, the establishment of data sets, etc.) will not be discussed in this contribution. For more information on the methodology of organisation surveys, see De Winne et al. (2003).

3.1 ■■ The missing link between organisations and their employees

To obtain information on organisational transformation, organisation surveys turn towards respondents within management. As a consequence, there is no possibility to explore relationships between organisational structures, processes and outcomes, on the one hand, and the attitudes and views of employees, on the other hand.

As indicated above, there is already considerable information available on employees working lives provided by employee and household surveys. The main feature of such employee surveys, however, is that they are self-contained and the analysis is restricted to exploring relationships between different variables in the data set. While this is fairly unproblematic, there is one in-built weakness, as employee surveys are notoriously unreliable in providing information about employers (Cully, 1998,11).

What is required is a data set with accurate information on employers and accurate information on employees. This requires a *'linked employer-employee survey'*, as opposed to a stand-alone employee survey, which surveys employees within the sampled unit where management respondents are surveyed. Only with a linked survey is it possible to ascertain how employee behaviour, attitudes and views are shaped and conditioned by organisational structures. But the link between management data and employee data can operate both ways. Measures of average employee commitment and job satisfaction may, for example, be important in explaining levels of workplace performance (Whitfield, 2002, 13).

In addition, a linked employer-employee survey allows the exploration of variation in organisational practices across different categories (e.g. occupation) of employees. Organisation surveys have great difficulty in differentiating between groups of workers in the organisation, as the extent to which practices are applicable to different categories of employees is difficult to capture in questionnaires. Organisation surveys often solve this problem by restricting the questions to the 'largest occupation group' in the organisation. Although this is generally seen as a useful device when dealing with practices that vary between differing groups of workers, it also fails to allow analysis of segmentation among the workforce and the degree of penetration of key practices. Complementing the information at the organisational level with information from employees makes it possible to capture the heterogeneity within organisations.

The case for a linked employer-employee survey has successfully been made by many surveys. There are indeed an increasing number of organisational panel surveys in European countries

that have expanded towards a linked employer-employee survey.⁶ This results in a two-stage survey in which a sample of – in some surveys only one or two – employees are questioned in each sampled organisation. The surveys that aim for this combination report few difficulties in obtaining details about members of staff. The objection of confidentiality does not therefore seem to play a role, at least not when the selection of employees can also take place on the spot. Employees are not questioned during working hours and they have complete freedom to choose whether to answer or not.

3.2 ■ ■ *Small organisations: out of sight*

Another difficulty for organisation surveys is the inclusion of *small organisations* in the surveyed population. Financial restrictions lead to the introduction of a minimal threshold in the size of organisations – usually in the number of employees – in order to cover a maximal share of the employment with a minimal number of observation units. Additionally, a reliable population database is often not available that includes small organisations, thus making it impossible to take a representative sample of small organisations. Finding a suitable respondent willing to allocate a sufficient amount of time to provide information is another problem in small organisations. Non-response bias is likely to be greater for small organisations relative to large organisations (Whitfield, 2002, 12). Finally, some questions relating to work practices are likely to be less appropriate for small organisations due to the absence of formal structures. Very small organisations are unlikely to be amenable to studying work practices because their working arrangements are often so informal and variable as to make it difficult to respond in a meaningful way to questions about work systems.

However, this practical limitation to larger organisations entails a truncation of many of the research variables. Descriptive statistics may therefore provide a skewed picture of the incidence of certain practices in the whole of the economy. More importantly, through the exclusion of small organisations a large part of the dynamism in the economy is omitted. In this category, many new organisations emerge and many old organisations cease to exist. This category also contains fast growing organisations which, due to the size threshold, only came into the picture for the purposes of the survey in a more mature phase of their cycle. Especially in a panel survey, the exclusion of small organisation has important consequences. The panel feature makes it possible to catch the dynamic at the meso-level of individual organisations, but as small organisa-

6 Examples include the French COI (Changement Organisationnels et l'Informatisation), the Dutch OSA-panel, the British WERS, which incorporated an employee survey for the first time in 1998, and the German IAB-Betriebspanel, which moved towards a linked employer-employee data set – not a survey – by linking the panel data with the employment statistics of the Ministry of Labour.

tions are out of scope, successful expanding organisations are not spotted from their birth. By consequence, the ‘origins’ of dynamic expanding organisations cannot be researched. The identification of predictive indicators for successful growing companies and services that provide employment opportunities thereby remain unknown.⁷

One possible solution is to supplement the organisation survey with a specific survey of starting organisations, in order to capture the birth and consolidation of new organisations. In view of the importance of facilitating and enhancing entrepreneurship by means of supportive policies to maintain and improve welfare, the Flemish government financed such a supplementary ‘starter survey’ to the broader organisational panel survey (PASO).⁸

3.3 ■ International diversity, national homogeneity?

The above discussion points out the contribution of an organisation survey to policy (re)shaping. But these policies are increasingly being influenced by international institutions. An examination of the detailed set of indicators elaborated to monitor the Lissabon process is sufficient to make one realise the extent to which the need for data about labour and the labour market is determined by policies at the European level. A range of European policies – and other international requirements – shape the information that is collected and the way in which it is collected (Van der Hallen & Vanheerswyngels, 2004, 5).

In contrast to employee and household surveys, there are still considerable problems involved in comparing organisational transformations between European countries or in providing reliable information at the European level. While many countries have implemented economy-wide organisation surveys and have expanded these to panel surveys, their methodology and focus are widely divergent. A few specialised surveys have been conducted on a cross-national basis,⁹ but none of them is the ‘hole-in-one’ solution for filling in the meso-gap in the European labour market monitoring system, both in the cross-sectional and especially in the longitudinal dimension of the analysis.

7 In addition, the exclusion of small organisations leads to greater non-response between subsequent waves of the panel. Organisations that are close to the threshold in a first wave (e.g. 21 employees in a threshold of 20 employees) have a greater chance of falling outside the scope of the survey in a subsequent wave. Given the importance of a high response of the same organisations in subsequent waves in order to monitor the dynamism of organisations, this is an important argument to keep the size threshold to a minimum, or even to abolish it completely. Some surveys prove that the reduction of the threshold in the number of employees to only one employee is indeed possible, such as the IAB-Betriebspanel (Germany), the Workplace and Employee Survey (WES: Statistics Canada) and the National Organisation Study (NOS: U.S.A. executed by the University of North Carolina).

8 For more information URL: <http://www.ondernemerschap.be/Content/en/Welcome.htm>

9 Examples of such surveys include the Continuing Vocational Training Survey (CVTS) and the Employee Participation in Organisation Change (EPOC) of the European Foundation for the Improvement of Living and Working Conditions.

This diverse approach leads to the construction of different models in different countries or regions for studying the nature of the organisational transformations taking place: lean production in Japan; the sociotechnical approach in the Scandinavian countries; the new production concepts in Germany; flexible specialisation in certain regions of Italy, etc. Due to the absence of internationally comparable data, this suggested regional diversity cannot be reduced to normal proportions.

The European Commission has undertaken various efforts to improve this situation, starting with the Eurostat 'enterprise panels' conferences in 1994 and 1995, and including funding, co-promoting or participating in research projects and conferences such as the 1996 to 2001 CAED Conferences on Analysis of Economic Microdata (Laaksonen, 1997; Biffignandi, 1999) and other projects such as Emergence, STILE and NESIS. However, though moving in the right direction, the situation has improved only slowly (Bellmann & Promberger, 2004, 33).

In the short or medium term, the implementation of an official European survey system similar to the existing household or labour force surveys is not to be expected. Moreover, given the current patchwork of organisation surveys in European countries, it is problematic to establish an entirely new survey alongside the existing ones, which may then include the same – especially larger – organisations a second time. Rather, a bottom up approach might be more fruitful in which existing national or regional organisation surveys move towards further integration. Full integration will, however, be difficult to achieve, as there is a tension between such integration and the continuity of each survey necessary for the longitudinal analysis of the data at the national or regional level. However, this does not exclude efforts to enhance standardisation in the existing establishment panel surveys. One good step is to support existing efforts by suggesting themes of current common interests to be implemented as questioning modules for those parts of labour market oriented organisation surveys which that permanently used for providing basic information. Negotiations on such common modules are realistic due to the large extent of 'non-intended' analogies and overlaps that already exist. In this way much needed information can be provided to European policy makers that will enable them to take up the challenges of organisational transformation (Bellmann & Promberger, 2004, 42).

4 *Supporting policy making, not replacing it*

Through the establishment of an economy-wide organisational panel survey, it is possible to monitor transformations taking place within organisations with regard to their work organisa-

tion and accompanying personnel policy, as well as with regard to their effects on the economy and the labour market. This provides a tool for policy makers to shape and evaluate initiatives.

Even though an organisational panel survey proves to be successful in its aim to support policy makers, the distinction between the scientific monitoring of organisations and policy making has to be maintained. The more the usefulness of organisational survey results increases, the more the policy makers may be tempted to turn to researchers for advice on what decisions to make. However, such decisions remain ultimately political and therefore the sole competence of politicians. A negative scientific evaluation of a given policy initiative does not necessarily imply that it should be dropped. It might just as well be the basis for pursuing the initiative with more vigour.

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WHAT, IF ANYTHING, DOES THE SONAR EXPERIENCE TEACH US ABOUT MONITORING THE TRANSITION FROM SCHOOL TO WORK USING SURVEY DATA? SOME PERSONAL REFLECTIONS

Walter Van Trier

■ Introduction

In 1998 a multi-disciplinary inter-university consortium of researchers operating under the acronym SONAR¹ secured funding for a research proposal with as its central objectives: (1) the description of how Flemish young people make the transition from education to employment, (2) the analysis of the mechanisms sorting them into different pathways, and (3) the assessment of the factors influencing whether their journeys are successful or not.

At the present moment, slightly more than six years after the project's initial implementation in September 1998, the data collection part of the SONAR research programme is entering its final stage. Before funding runs out at the end of December 2006, only two items are still on the agenda: the organisation of one more survey and the integration of the different data sets.

In this paper I want to reflect,² – somewhat prematurely, some might say – on the lessons to be drawn from the SONAR experience. After describing in the first section the overall framework in which the project was embedded, in the second section I explore in some detail the crucial features of the proposed survey design. In the third section I describe what has actually been accomplished by the research team since it started working on the implementation of the data collection programme in September 1998. The fourth section looks at possible weaknesses of the procedures used. By way of conclusion, the fifth section looks beyond the present SONAR hori-

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- 1 Funding for the SONAR research programme was initially secured within the framework of the Programme for Policy Relevant Research (PBO97,98,99) of the Flemish Government. In 2000, the PBO programme was discontinued and the SONAR research programme was integrated into a newly created so-called 'Policy Research Center on Pathways in Education and the Transition from School to Work'. The consortium involves researchers from the Research Unit on Social Economics of Ghent University, the Department of Sociology of the Free University of Brussels, the Higher Institute for Labour Studies of the Catholic University of Leuven and the Faculty of Applied Economics of the University of Antwerp. Until funding for SONAR, as a separate entity, was discontinued, the coordinator of the research team was based at the Resource Center for Labour Market Research. For more details on the activities of SONAR (and the other components of the Policy Research Center) I refer to www.steunpuntloopbanen.be
 - 2 Though Sonar is the work of a team, the present reflections are those of the author alone.

zon and offers some suggestions for any future attempt to construct a system for monitoring the transition from school to work.

1 *Why the meshing of ‘cohort design’ and ‘longitudinal approach’?*

Referring to a study³ looking into the feasibility of a Flemish school leavers survey, commissioned by the Policy Coordination Unit of the Department of Education, the SONAR consortium stressed in its proposal that existing data sources are insufficient for acquiring a better understanding of the transition from school to work in Flanders; and they are certainly insufficient if, as intended, leavers from all educational levels⁴ need to be covered – the Labour Force Survey not being specific and detailed enough with regard to the transition from school to work, the Panel of Belgian Households Survey not being large enough to contain a relevant number of school leavers or labour market entrants, and the administrative data of the Flemish Employment Service (VDAB) not covering leavers who transit to the labour market without registering as employment seekers.

Consequently, to execute the descriptive, analytic and evaluative part of its research programme, the SONAR consortium considered it necessary to put at the core of its activities the construction of a specific device to generate the required data. This device implied a strategy relying on a carefully timed series of surveys covering consecutive cohorts of young people to be interviewed more than once in the course of their transition period.

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- 3 Although this study (Van Trier, 1998) constituted the effective impetus to the formation of the SONAR consortium, it should be noted that the need for more elaborate data on the transition from education to employment had been emphasised since the beginning of the 1990's. As a case in point, we can refer to a conference on the methodological and organisational aspects of labour force surveys jointly organised by Steunpunt WAV and Point d'Appui TEF on April 18, 1991, which had this item explicitly on its agenda.
- 4 Apart from the yearly reports from the Flemish Public Employment Service (VDAB), based on the administrative records of school leavers registering as employment seekers, only two studies on entry onto the (Flemish) labour market were available before 1998. In the mid-1980's, researchers from SESO-UFSIA (Piet Coppieters, Ria Bourdeaud'hui) and the Higher Institute for Labour Studies (Peter Van der Hallen, Jan Denys) looked at the labour market outcomes for school-leavers from technical and vocational secondary education in the framework of the European FAST Programme. In the 1990s, a second study of the entry patterns of a similar group of school-leavers resulted from the collaboration between the Higher Institute for Labour Studies (Jan Denys) and the Research Unit on Social Economics of the Ghent University (Eddy Omeij). By broadening the scope so as to take into account leavers from all educational levels, the SONAR proposal implied an important shift, not only with respect to existing studies, but also with respect to the dominant Flemish policy discourse, which was concentrated mainly on the problems of 'early-leavers' or so-called 'unqualified outflow'.

The decision to impose this format on the data collection resulted from two different kinds of considerations with respect to the intended use of the data. More specifically, it was expected that these surveys would clarify four topics that are central to a proper understanding and assessment of the transition process:

- the description of the mechanisms sorting young people into different transition pathways, with special attention for the influence of the characteristics of the entry position on later labour market outcomes or careers;
- the exploration of whether the transition from school to work was successful and to the satisfaction of young people – and to what extent the eventual degree of success adds to societal welfare;
- the analysis of how cyclical elements and policy measures influence any of these aspects and, by the same token, whether transiting from school to work in different periods affects the labour market prospects of different generations differently,
- the understanding of how the transition from education to employment is embedded in the broader context of the transition to adulthood, and is influenced by factors such as family formation or the achievement of financial independence, and how this transition is influenced by these factors, as well as by other factors such as social background.

These four questions can be looked at from two different angles, however, each of which leads to a different series of considerations.

A first series of considerations is related to the explicit purpose of the whole enterprise. Indeed, the aim of the Sonar proposal was to contribute to the construction of a device that would enable policy makers or policy-oriented researchers to monitor adequately the transition process and to intervene if the evidence signals negative developments with respect to the ‘goodness’ or ‘effectiveness’ of the transition.

A second series of considerations relates to more ‘academic’ concerns. Indeed, the construction of a new data source was evidently perceived as a major opportunity to develop a consistent research programme in a domain which until then had stayed relatively underdeveloped in Flanders.

Although some tension between the ‘policy’ and the ‘academic’ concerns could be expected, most notably with respect to the scope of the information gathered and the time-path followed to generate the data, this need not evidently be the case. Indeed, it can be argued that both kinds of considerations lead to two quite similar major requirements or guidelines with regard to the nature of the data-producing device to be constructed.

First, with regard to the content of the information to be collected, both approaches lead to the requirement *not* to take a (too) strict and (too) narrow view of the transition from education to employment when defining the required content of the database. On the contrary, even if ‘first entry to the labour market’ is an important dimension of the transition to adulthood, this transition involves other dynamics interconnecting unavoidably with this entry. Therefore, in addition to questions about the transition from school to work, strictly speaking, a questionnaire would need to include the usual module on social background as well as provide information about the process of leaving the family home, forming a new household and gaining financial independence.

Secondly, and most crucially with respect to the organisation of the data collection, both approaches required that the data gathered could be used as reliable, valid and meaningful evidence for two types of statements: first, statements about the comparison of similar cohorts making the transition from school to work at different moments in time, and, second, statements about the characteristics of the individual pathways conceived as a string of episodes leading from ‘origin’ to ‘destination’. In order to meet both aspects of this requirement simultaneously, SONAR proposed an overall framework combining a ‘repeated cross-section’ with a ‘longitudinal’ aspect. The first requirement deals with the first aspect by measuring the same thing at different points in time for different samples thus making it possible to follow cohorts over time. The second requirement deals with the second aspect by collecting similar information with regard to different moments in their life, thus allowing the analysis to track individuals over time.⁵

In other words, both approaches lead to the requirement not to create a ‘narrow-scope, one-shot’ picture of the transition from school to work. Even if such a picture might provide sufficient empirical material to assess how different pathways relate to labour market outcomes, the explicit focus of the device to be constructed was rather on ‘flows’ than on ‘stocks’.

Since the relationship between the ‘academic’ research agenda and both these requirements would seem rather straightforward, I limit myself to indicating briefly why a framework, combining a ‘cohort’ with a ‘longitudinal’ approach, is – or should be – of particular importance also to policy makers, especially those who believe in evidence-based policy.

5 An important difference between the two approaches is that repeated cross-section designs (following ‘cohorts’ over time) capture net, but not gross change, whereas ‘panels’ or ‘longitudinal designs’ (following individuals of a specific cohort over time) do capture both gross and net change (FIREBAUGH, 1997).

Although conventional definitions of the transition period used at the macro-level⁶ may suggest otherwise, defining at the micro-level the exact moment when a transition from school to work ‘starts’ and ‘ends’ is neither simple nor easy. The moment of leaving the educational system, the point of entering the labour market as indicated by some kind of search activity or the start of the first ‘full-time’ employment: all three (and probably even some more) could be candidates for defining the start. On the other hand, attaining a ‘stable’ full-time job or a job with career prospects have traditionally been used as indicating the end of the transition period.

Properly collected longitudinal data make it possible to determine each of the points mentioned on a time scale representing the life course of each individual and to analyse how these different definitions relate to each other – temporally as well as conceptually. For instance, it makes it possible to investigate the timing and order of occurrence of events such as ‘leaving education’, ‘leaving the family home’, ‘gaining financial independence’, ‘living with a partner’, ‘marriage’, ‘entry onto the labour market’, ‘getting a first job’, ‘moving on to a stable job’, and so on, which mark important transitions in the lives of young people. Within a perspective of ‘life-long learning’ or ‘transitional labour markets’ (and, consequently, the increasing frequency of mixed careers, dual statuses or re-entry into the educational system), clear insight into these processes will only gain in importance for any evidence-based policy.

But, even if the period of labour market entry does *not* become more extended and more chaotic, as some claim it does, it seems advisable that the point at which ‘labour market outcomes’ are measured should not be set too soon after the subjects leave the educational system (for the first time) and that the characteristics of the path they follow should be taken into account when assessing the outcomes. Trying to determine the extent to which labour market outcomes at a particular point in time depend on the path followed could be important not only with respect to objective characteristics of the employment situation, but also to differences in subjective evaluations of seemingly similar positions.⁷ As a result, opting for a way out of the conceptual problems by settling for one particular (pathway-insensitive) definition of beginning and end of the transition period will reduce significantly the information available when deciding about appropriate policies.

6 A good example of such a definition at the macro-level is the well-known definition proposed by Paul RYAN: “The transition is defined as starting at the lowest age by which one-quarter of the cohort has left full-time schooling, and as ending at the lowest age by which a majority is no longer involved in schooling and has found regular employment. The duration of the transition is defined as the difference between these two ages in the life of a population cohort.” (RYAN, 2004)

7 “... it is not so much an individual’s current position in the labour market that is influential in their perceptions of their current job, their job search behaviour, their psychological health, etc, but rather their trajectory in achieving that position. By treating jobs as independent cases, the change element is completely lost for the individual” (BURCHELL, 1993, p. 239)

An even stronger argument can be made about the policy relevance of following similar cohorts over time. One of the clear (and intuitively evident) results of life course research is that each new cohort of school leavers enters the transition period under different circumstances.⁸ If only because of changes induced by policy or by the economic cycle, but more importantly because any dynamic economy will inevitably experience changes and as a result confront each consecutive cohort of entrants with a different occupational structure and changed career prospects.⁹ The point in real time when a cohort starts to transit will therefore more or less seriously affect its members' fates. The reverse of this is that following similar cohorts over time provides the appropriate empirical material to evaluate the effect of changes in circumstances, such as those induced by policy measures, on the pathways followed as well on the resulting labour market outcomes.

2 Why birth cohorts (starting at age 23)?

The core objectives of the SONAR research proposal lead to a framework combining a 'cohort' with a 'longitudinal' approach. As a result the research design needed to incorporate two important features, both being necessary to make reliable, valid, and meaningful comparisons between cohorts, as well as assessment of changes over the individual life course. First, the planning of the different surveys would have to follow a strict timetable. Second, the actual procedures used in gathering and processing the data would need to remain as identical as possible over time.

However, these constraints gained even more importance in view of the two key decisions concerning the research design. Both decisions relate to the question of which cohort to use when starting the data collection process. The first key decision concerned the nature of this cohort; the

8 It is conventional in cohort design to distinguish between *life cycle effects* (or *age effects*), referring to those changes that are experienced in the same way by all cohorts as they age, *cohort effects*, which is operative when a cohort displays a complexion that distinguishes it from earlier and later cohorts from a specific point onwards in their careers, and *period effects*, which are discernible when historical events affect all cohorts in the same way independently of the particular phase of the life cycle in which they find themselves. BLOSSFELD (1987) remarks that the circumstances of particular periods do not usually affect cohorts situated in different phases of the life cycle in the same way, so that *interaction effects* are to be expected.

9 "It is the great merit of Walter Müller to have demonstrated for West Germany that occupational careers of consecutive cohorts differ systematically from one another. ... Müller shows that the traditional synchronic approaches in which the distributions of employed population at different points in time are compared with one another conceal the crucial trends, because social change involves above all a differentiation of cohorts. Müller therefore argues that the cohort approach should be used more often in occupational career analyses." (BLOSSFELD, 1987, p. 91; referring to MÜLLER, 1978)

second concerned its age. As will become clear in what follows, each of these decisions was unavoidably based on a mixture of conceptual¹⁰ and pragmatic considerations.

When gathering data about the transition from school to work, it seems straightforward to collect data either on (first time) school leavers interviewed some time after leaving education or on (first time) entrants onto the labour market. Since no complete and reliable list of either school leavers or labour market entrants exists and since no (not even remotely) equivalent sampling procedure could be imagined, neither of these options was practicable in Flanders. As a result, the only option left was that of a birth or, more precisely, age cohort, which could be sampled reliably on the basis of the national register. Although using a birth cohort creates some additional practical problems on which I will elaborate below, it also has one major conceptual advantage. Indeed, the definition of a birth or age cohort is not affected by changes in institutions or conventions – for instance, changes in the compulsory schooling age – which characterise the educational system or the labour market. Thus, it allows for a consistency over time which cannot be guaranteed by surveys based on cohorts of school leavers or labour market entrants.

From opting for a research framework based on consecutive age cohorts followed the question at which age(s) the sampled individuals should be interviewed. One important point to consider in this respect was the trade-off between interviewing at a later age (and having a higher proportion of labour market entrants in the sample) and having to cover a longer period retrospectively (with a higher danger of re-call errors). Equally important was the fact that the making use of a panel structure could not be avoided unless one interviewed each cohort only at a very late age so as to minimise the probability of members of the cohort still being in the educational system. Otherwise, it would be necessary to interview each cohort a second – and possibly a third – time to gather the information on labour market entry also for those young people leaving the educational system at a later age.

10 At the time of muddling through this mixture of conceptual and pragmatic problems, the co-ordinator of the SONAR research team was able to tap the vast expertise of a number of excellent research centres with a long experience in the domain of transition studies: the French Centre d'Etudes et de Recherches sur la Qualification based at Marseille, the Centre for Educational Sociology of the University of Edinburgh, the Economic and Social Research Institute in Dublin, the Research Institute on Education and Labour Markets (ROA) of the University of Maastricht, and the Institute for Comparative European Studies (MZES) of the University of Mannheim. More specifically, SONAR has been able to benefit from the collaboration with the members of the so-called CATEWE team (in the context of the Fourth Framework TSER projects) as well as the members of the European Research Network on Transitions in Youth (whose 7th Annual Workshop was hosted and organised in September 2000 by SONAR). In fact, several members of the CATEWE team (D. Hannan, H. Rutjes, R. Van der Velden) were present in 1998 at a small-scale seminar, intended simultaneously as the final input to the feasibility study mentioned earlier and as the kick-off event for the SONAR consortium. Moreover, an initial evaluation of the SONAR procedures was made at the final session of the *Transition In Youth 2000 Workshop* (Antwerp, September 2000) involving contributions by Prof. Peter Dwyer (University of Melbourne), Prof. Damian Hannan (Economic and Social Research Institute, Dublin) and Prof. David Raffae (Centre for Educational Sociology, University of Edinburgh).

Deciding to base the research design on age cohorts and assuming that a sequence of interviews at the ages of 23, 26 and 30 would sufficiently take account of the different trade-offs concerned, the following table visualises the initially proposed timing of the different surveys for six consecutive cohorts as well as the period in real time to be covered by them.

Table 1
Initially proposed timetable for the SONAR data collection programme

	CI (1976)	CII (1978)	CIII (1980)	CIV (1982)	CV (1984)	CVI (1986)
1994						
1995						
1996						
1997						
1998						
1999	S at 23					
2000						
2001		S at 23				
2002	S at 26					
2003			S at 23			
2004		S at 26				
2005				S at 23		
2006	S at 30		S at 26			
2007					S at 23	
2008		S at 30		S at 26		
2009						S at 23
2010			S at 30		S at 26	
2011						
2012				S at 30		S at 26
2013						
2014					S at 30	
2015						
2016						S at 30

For each cohort an initial survey at age 23 would track, retrospectively, the period of six years after the end of (full-time) compulsory schooling as well as collect information on the pathway through the educational system until that time. Surveys at age 26 and age 30 would add information on the preceding three and four years, respectively. As such, this framework would provide for each cohort observations on 13 post-compulsory schooling years.

Within this framework, four more elements need to be added to characterise the complete set-up of the SONAR data collection programme.

First, the a-select sample of potential respondents is based on a two-stage sampling procedure, selecting at random 30 individuals from a specified birth year within 100 randomly chosen regional entities, and is expected to be representative for Flanders. It is taken from the national register and its size represents between 3% and 4% of the specified age group. Three back-up addresses were linked to each effective (potential) respondent to be used only under strictly determined circumstances, such as refusal to cooperate or absence.

Second, to *structure* the *interviews* two complementary instruments were constructed. A calendar-type questionnaire is used to register in detail from the beginning of secondary school till the date of the interview the different episodes of each respondent's pathway. For the period respondents are still in the educational system, episodes are timed on a yearly basis and the information gathered concerns level and orientation. For the period after leaving the educational system, episodes are timed on a monthly basis and the information gathered relates mainly to status in the labour market and type of contract. In addition, this calendar is also used to determine the place of particularly significant events in the timeframe of the respondent's life course. A traditional style questionnaire was used to collect information on educational choice (limited), search and entry into the labour market, characteristics of first (and actual) job (at the time of the interview), spells of training and education during the employment career, social background and attitudes.

Third, the interviews were conducted *face-to-face*. Given the length of the interview, which was estimated to last on average approximately 60 minutes, as well as the difficulty of handling the calendar without proper guidance from an interviewer, alternative data collection techniques such as postal or telephone surveys were judged unsatisfactory.¹¹

Fourth, the fieldwork for the data collection was *outsourced*. Although the funding mechanism forced SONAR to put the first three surveys to 'public tender' one by one, so far only one firm has been involved in the fieldwork. Considering the need to guarantee the continuity over time with respect to the procedures followed, including the possible involvement of the same people who were involved in the actual interviews, this point is certainly worth noting. Nevertheless, 'outsourcing' does not imply a total lack of involvement on the part of SONAR in the period between completing the questionnaire and receiving the results of the fieldwork. On the contrary,

11 The example of Cereq shows that it is possible to collect high quality data from calendar-type interviewing processes, even when using telephone interviews. However, the Cereq questionnaire is in many respects less detailed and elaborate than the SONAR questionnaire. Moreover, experience shows that relying on 'telephones' to reach and interview young people becomes very difficult in an age of 'mobile' telephones, since their numbers are often unregistered and relatively unstable.

SONAR researchers performed to a very strict standard of quality throughout the different stages of the fieldwork.

3 *Which part of the programme has been accomplished?*

At the present moment, each of the four surveys already completed has resulted in the construction of a separate dataset (and some initial reporting). This procedure with back-up addresses guaranteed that the first sweeps of each of the three cohorts resulted in 3000 effective interviews. The second sweep of the first cohort resulted in a response rate of approximately 70%. The fieldwork for a fifth survey – a second sweep of the second cohort – is nearly finished, the cleaning of the data and the construction of the dataset being scheduled for 2005. Finally, the start of the data collection for a third sweep (at age 29) of the first cohort is set for early September 2005.

Table 2 presents an overview of the datasets that will be available by the end of 2006.

Table 2

Timing of surveys organised within the Sonar framework

	Sweep 1 (at Age 23)	Sweep 2 (at Age 26)	Sweep 3 (at Age 29)
1976 Birth Cohort	Winter 1999/2000	Winter 2002/2003	Winter 2005/2006
1978 Birth Cohort	Winter 2001/2002	Winter 2004/2005	
1980 Birth Cohort	Winter 2003/2004		

With respect to the integration of the six available datasets needed in order for the two main objectives of the SONAR research programme (comparing entry cohorts over time and following individuals over time) to be achieved, it should be specified that the objective is not to construct a ‘mega’ dataset containing all the data. Instead, the integration will be facilitated through the development of an interface that allows users to combine data from the different survey-specific datasets.

Table 3 presents the window of observation resulting from these six surveys.

Table 3
Window of observation of the SONAR dataset based on six surveys

Year	Age respondent	C76	C78	C80
1982	6			
1983	7			
1984	8			
1985	9			
1986	10			
1987	11			
1988	12			
1989	13			
1990	14			
1991	15			
1992	16	PTS/PTW		
1993	17			
1994	18		PTS/PTW	
1995	19			
1996	20			PTS/PTW
1997	21			
1998	22			
1999	23	XXX		
2000	24			
2001	25		XXX	
2002	26	YYY		
2003	27			XXX
2004	28		YYY	
2005	29	ZZZ		

Legend: Yellow: (theoretical) primary school period
 Bleu: (theoretical) secondary school period
 PTS/PTW: cohort reaches end of *full-time* compulsory education
 Green: post-compulsory education period
 XXX, YYY, ZZZ: year of first, second or third interview

The most important advantage of this framework is that it allows for a very wide range of uses on which I will elaborate in some detail below. Before doing so, it is important to report on two major changes that needed to be made in the course of implementing the data collection strategy, since they potentially limit the uses to which the dataset can be put.

The *first major change* concerns the *format of the interview*. Both the comparison of pathways from school to work over cohorts and the construction of the ‘complete’ calendar for each cohort from calendar data originating from separate surveys depend crucially on the interview procedures and questionnaires being as identical as possible for the relevant parts of all surveys concerned. Although many efforts were made to guarantee that this was indeed the case, the experience of

the very first survey led to the decision to change the way the interview was conducted in between the first and the second survey, i.e. between the data collection for the first sweep of the first and the second cohort, respectively. Instead of using a paper questionnaire to be completed by the interviewer during the interview, as in the case of the 1976 cohort, the survey for the 1978 cohort used a CAPI procedure. The main reason for the decision to change this important element of the interviewing process was to exclude 'the coding phase'. Transferring the calendar information from paper to an electronic device had proven to produce many errors in the uncleaned dataset. Much labour-intensive work by SONAR researchers had been needed in order to correct them on the basis of the original interview schedules.

The *second major change* concerned the *number of surveys*. In fact, instead of having organized seven surveys by the end of December 2006, as proposed in the original planning, the SONAR database will have to be constructed on the basis of only six surveys. Three main considerations led to this decision, all of which had to do with some sort of scarcity. First, there was a financial constraint. As it became clear after putting out the four remaining surveys for public tender, the available funding did not prove sufficient to pay for the complete package. Second, there was a time constraint. Controlling the quality of the fieldwork and cleaning the data – both jobs accomplished by the Sonar researchers – are two very labour-intensive and time-demanding tasks that leave hardly any time for analysing the data. Third, there was no guarantee of continuance. According to the original plan, the fieldwork for the third sweep, at age 30, of the 1976 cohort needed to occur in 2006. If the Sonar research programme were to be discontinued at the end of December 2006, then collecting these data might be a waste of time since there would be no further opportunity to clean them. Considering these three factors, reducing the number of surveys seemed the most reasonable option. In practice this means that, first, the planned third sweep of the 1976 birth cohort has been advanced by one year, which implies that the third interview of this cohort will have happened at age 29 instead of age 30, and, second, that contrary to the original plan, no new cohort (born in the year 1982) has been started in 2005.

Does this mean that the resulting dataset is compromised or less useful than it was expected to be?

With respect to the reduction in the number of surveys and, more specifically, the failure not to start a new birth cohort to be interviewed at age 23, it is clear that this decision induces an important change with respect to the 'deliverables' of the SONAR enterprise. Indeed, not starting up a fourth cohort has an obvious consequence with respect to the requirement of the following cohorts over time. Collecting identical data for consecutive birth cohorts provides the necessary empirical evidence to construct a time series, which enables one to compare the situation of con-

secutive cohorts – and thus in the case of the transition from school to work, to detect any changes which may occur in the early stages of entering the labour market. The decision not to interview the 1982 birth cohort at age 23 implies that the construction of this time series has been abandoned after producing the first three observations. Even if data collection along the lines of the SONAR framework were to be restarted in the future, this would cause a break in the series, or (if the original SONAR procedures are used as strictly as possible) a lack of data for the intervening years. In one sense, reducing the number of surveys in the way it was done changed the nature of the SONAR dataset from a device intended to become a means of permanent or continuous observation of the transition from school to work into a very rich dataset.

With respect to the decision to change the interviewing method from PAPI to CAPI, the important question is to what extent this causes problems when constructing the integrated dataset. The consequences of this change are potentially more important than it may seem because reworking the questionnaire and, in particular, its calendar part forced the research team to restructure the interview so as to fit more easily with the CAPI format.

To have a better understanding of how the change of interview method might or might not affect the potential uses made of the different or combined datasets, let us consider this a bit more in detail for each of the major objectives of the SONAR research programme.

Since each of the surveys at age 23 are based on a representative a-select sample, they allow in their own right for an analysis of the characteristics of this age group. For the ulterior sweeps of the respective cohorts, this stand-alone use is somewhat more problematic because of non-response. However, the information gathered at age 23 should allow for an extensive control of the attrition problem and, thus, for the necessary empirically based corrections. Due to the calendar approach, even the first sweep of a cohort provides longitudinal data, permitting analyses of pathways and transition patterns. Combining data from the consecutive sweeps of the same cohort lengthens the observed time span to the age of 26 in the case of the 1978 cohort and to the age of 29 in the case of the 1976 cohort. This extensive window of observation should make it possible to answer questions with respect to the influence of education and characteristics of the early-entry process on the long(er)-term labour market prospects and results for those who had entered the labour market already by age 23. Even if, as indicated above, the reduction of the survey programme leads inevitably to a break in the time series, this in itself does not compromise the usefulness of the existing dataset for analysing the transition from school to work from a longitudinal perspective.

With respect to the objective of being able to compare cohorts over time, the problem is different. The questionnaires have been kept as identical as possible to ensure the possibility of comparing the entry paths for the different consecutive cohorts and in an attempt to look for the causes of these changes, either in the behaviour of entrants or in the context in which the transition takes place. Regularly repeated surveys of a similar birth cohort do allow the construction of a consistent time series and, thus they provide the necessary data for the analyses of the influence of institutional changes, policy interventions or the economic context on the pathways followed from school to work. Identical questionnaires for similar birth cohorts also make it possible to pool the data and to analyse them as if they were part of the same sample. This possibility is particularly useful with respect to the analysis of types of respondents or types of events, the occurrence of which is uncommon or infrequent (in absolute numbers).

With respect to both of these potential uses of the SONAR dataset – ‘pooling’ and ‘artificial cohorts’ – purists could argue that changes in the questionnaire resulting from substituting CAPI for PAPI, may eventually compromise the data. Yet it is important to be clear that changes of this nature will only be pertinent for the longitudinal data of the 1976 cohort and for comparisons between cohorts involving data from the first sweep of the 1976 cohort – and in both cases even then only to the extent that the substitution causes problems with respect to the reliability or validity of datasets combining information from the first 1976 cohort with information from ulterior surveys. Moreover, some would argue that comparison over time is a tricky thing anyhow, even if strictly identical questionnaires are used, since no procedure can guarantee the frame of reference of respondents not to change over time or between cohorts (cfr. SOLGA, 2001).

4 *Which trade-offs?*

In this section I will look at the main obstacles or trade-offs the research team has had to cope with in the course of implementing the SONAR research programme up to this point.

4.1 ■ ■ *Short-term funding versus long-term data collection strategy*

The original SONAR research proposal was based on a long-term perspective. Not only because it concerned the collection of longitudinal data, but mainly because it intended to construct a device to observe how consecutive cohorts moved from education to employment. However, this long-term objective needed to be achieved within the context of a funding programme that ex-

pected funded research activities not to exceed a time span of three years maximum. Therefore, although the first survey was in fact conceived by the research team as the first (of three) sweep(s) of the first (of several consecutive) cohort(s), its actual format was heavily influenced by the risk that, if no follow-up funding could be secured, this survey needed to be useful standing on its own. As it turned out, funding for two additional surveys was only secured two years later; and the last three surveys were funded through a different programme.

4.2 Decentralised operational base versus cooperative venture

The SONAR consortium was set up to function as a ‘*network of excellence*’ (rather than as a ‘centre of excellence’ – a possibility which was judged not to be feasible within the existing Flemish university structure). In practice this means that SONAR is a consortium of researchers with different disciplinary backgrounds (sociologists, economists, educationalists, psychologists). Each of the SONAR researchers works as a member of a different associated research unit based at one of the main Flemish universities (Leuven, Gent, Antwerpen, Brussel).

Such a *decentralised organisational structure* has both positive and negative effects. The most important positive effect is probably that operating in a decentralised way puts researchers in close contact with an established research team, which is able to support them with the necessary expertise within a particular discipline or one of its sub-domains. This enables the SONAR consortium to take advantage of the insights from different disciplines and to combine a wide variety of skills and competence. However, it is possible also to discern potential negative effects. First, it creates higher transactions costs. Communication processes and co-ordination activities become lengthier and take more effort. Second, working in separate departments or research units is bound to emphasize the differences between the respective disciplines. Moreover, for none of the research units did the core of its activities involve ‘transition from school-to-work research’ (in the strict sense), the core business of SONAR risks staying marginal with respect to the activities of the homes bases of the researchers. As a result, their common interest is in danger of being reduced to ‘building a multi-purpose dataset’. As a result, cooperating in such a decentralised manner makes it difficult to manage the human resources and to organise an efficient division of labour.

4.3 Broadening versus deepening our understanding?

A recurrent topic of discussion within the SONAR team was the question as to whether to broaden the range of topics on which information should be gathered (and if so, then how) or in-

stead to ask more in-depth questions on a limited number of key areas. Three characteristics of the SONAR enterprise are important in this respect. First, given that the transition from school to work is a multi-faceted phenomenon and that research teams with different backgrounds were involved, it proved quite difficult to find a consistent conceptual framework from which to develop the questionnaire. Second, since the SONAR procedure relied on face-to-face interviews with the respondents, the data collected are 'subjective' and 'retrospective'. The latter characteristic should not be especially worrying with respect to the calendar data. Research on recall data seems to indicate that problems only (or mostly) arise for events or sequences that are 'short in duration' and 'low in importance'.¹² In the case of the SONAR data, most subjects only need to look back over a period of three years – although it needs to be noted that the recall problem is probably most crucial for the first survey of each cohort and for very early leavers, who in the worst case need to look back over a period of 5 to 7 years. Relying on retrospective interviews does however limit the kind of information available. With respect to the educational career, we lack data, for instance, on 'ability', 'school results' and 'educational preferences'. With respect to the labour market, for instance, the description and evaluation of job characteristics are only looked at from the supply side. Although our data contain information that would in principle make it possible to get around some of these problems by adding information gathered from independent external sources, in practice this may well prove impossible because of privacy problems.

4.4 ■ ■ *Birth cohorts versus entry or leaver cohorts*

Probably the main disadvantage of a framework based on repeated birth cohorts is that one never observes young people entering the labour market in the same year, but rather at different ages and, consequently, originating from different educational levels. Grafting a 'longitudinal component' onto a 'repeated survey design' – as is done in the SONAR case, both by using the calendar approach and by interviewing the same cohorts at different moments in their life course – makes it possible to construct a proxy by taking from different cohorts young people entering the labour market in the same year. These 'artificial' or 'synthetic' (leaver or entrant) cohorts do make it possible to compare leavers (or entrants) of different educational levels leaving the educational system (or entering the labour market) in the same year.

12 S. DEX, The reliability of recall data: a literature review, in: *Bulletin de Méthodologie Sociologique*, vol. 49 (1995) pp. 58-80.

5 *What should come next?*

Although each of the points raised in the former section should constitute an important cause of concern when considering whether and how a follow-up programme of data collection should be implemented, the major problem encountered by the SONAR activities, however, is an economic one, i.e. scarcity in time and money. Even if SONAR had not been forced to change the originally proposed structure of the data collection programme because of the lack of sufficient funding to execute all seven surveys envisaged, extending the present programme beyond 2006 would clearly have been very difficult because of the very high frequency of surveys. Financially, as well as in terms of labour time, it is very costly to organise yearly surveys of the SONAR type (with lengthy face-to-face interviews) and to clean the datasets thoroughly.

Several alternative formats present themselves. One could start a new birth cohort less frequently, for example not every 2, but rather every 3 or 4 years. Or one could shorten the average duration of the interview. A third alternative consists in reducing the number of sweeps per cohort, for instance with interviews at age 23 and age 29. Another possibility would be to clean the data less (labour) intensively. Lastly, one could change the method of data collection by shifting, for example, to using telephone interviews. The main problem with this list is that none of the alternatives are equally effective in reducing both the financial cost and the investment in labour time. Only the reduction of the number of surveys makes it possible to reduce substantially – and simultaneously – the financial cost and the labour time.

How, then, to proceed?

As mentioned previously, the reason for putting a strategy for survey-based data collection at the core of the SONAR research programme was the lack of appropriate data within existing sources. The additional decision to rely on birth cohorts resulted from the conclusion that the means for sampling a 'leaver' or entry' cohort were not available. Let me, therefore, briefly reconsider whether both these decisions are still valid, taking into consideration the SONAR experience, as well as any changes which may occur in other data sources.

At the time when the SONAR proposal was formulated, the first possibility under consideration was to link the data collection to the yearly Labour Force Survey. The advantages of such an approach are clear: (1) a simple question about labour market (or educational) status at the time of the survey, as well as one year earlier, suffices for the selection of (first time) entrants, (2) the survey is conducted on the basis of a large sample, (3) it would generate data not only for Flanders

but also for Belgium, which is not unimportant with regard to the construction of internationally comparable indicators, and (4) given that the LFS exists, no new organisational structure needs to be put into place. However, this option also has some major disadvantages: (1) since no data on transition are available in the present LFS format (even the special module linked to the LFS remained quite limited in this respect), the SONAR questionnaire would be more than a marginal extension, (2) the recent change to panel structure with three-monthly observation structure may be appropriate for the LFS survey as a whole, but it may not fit with the idea of sampling a 'leaver' or 'entry' cohort, (3) given that, at the present moment, it is still very difficult to get access to the micro-data of the 'traditional' LFS, one might expect problems in this area, (4) even if the LFS sample is quite large, the number of entrants is still relatively small, making it difficult to get a clear and sufficiently detailed picture from it of all the possible pathways from education to employment, and (5) the decision about which topics to cover and which items to include in the questionnaire is very cumbersome. All these factors made – and still make – this option look rather unpromising. Nevertheless, if the opportunity arose to build on this and construct a procedure to link a more extensive (calendar-based) questionnaire to this part of the LFS sample, one might be able to develop a device tracking entry cohort at relatively short notice, although the data would not be available much sooner than with the present SONAR procedure.

A second possibility considered back in 1998 was to use the administrative data of the Flemish Employment Office (VDAB) as a starting point. The reason for not taking this route was that the administrative records only contain data on young people who register as job-seekers when leaving the educational system for the first time. Although this database would enable the sampling of young people at the very moment they enter the labour market (if one considers registering as a job-seeker at the Employment Office as enough of a proxy to the moment that search starts), taking these records as the basis for a sampling procedure would seriously have biased the results. Indeed, one would have missed all the young people who found a job without passing through this public service. This might not be troublesome if one were concentrating on young people finding their first job less quickly or less easily than their peers. But, given the objective of covering leavers from all educational tracks, this was not an option. Recent progress made by the Research Department of the Employment Office, however, may be opening up a promising route.

Indeed, in order to get a better look at the difference between their 'actual' and their 'potential' clients – in other words, between those young people registering for the first time in a particular year and the complete population of school leavers of that same year – the Research Department developed in collaboration with the Department of Education a procedure for making this comparison. Although at present this procedure allows only a limited amount of (educational) vari-

ables to be added to the information collected when people register as job-seekers, it is not unlikely that other steps in the same direction will enable the expansion of the information base by linking to other administrative datasets. In principle, it may even become possible to track the basic information on the employment career from a data warehouse connecting different administrative data sources. With respect to the SONAR data collection programme, both options would imply a change of the informational base. Not birth cohorts, but rather school leaver or labour market entry cohorts would be used. However, if 'pragmatic' reasons for choosing for birth cohorts no longer exist, and if the use of birth cohorts adds practical (not to speak of methodological) complications – if only to the extent that collecting information on the complete set of first jobs forces one to face the dilemma between either interviewing at a very late age or interviewing (at least) twice – the question boils down to whether the conceptual advantages of using a birth cohort do in fact exist and how important they really are.

A third possible option would involve moving the first interview to the age of 16, i.e. the age of full-time compulsory education, and afterwards relying on a combination of tracking these young people through administrative datasets and targeted and limited surveys. The advantage of this approach is that researchers could get access to data on school performance more easily and they could get information on motives and future plans at an age before the subjects (in most cases) are thinking about leaving school. The crucial disadvantage of this approach is that it takes a long time to provide data on labour market entry and labour market outcomes for the majority of the respondents.

6 *By way of conclusion*

Without any doubt by the end of 2006 the SONAR database will constitute an extremely rich empirical source for studying the transition from education to employment. Its content not only provides the basis for a long-term research programme in a domain as yet unexplored in Flanders, but it can also be used to provide answers to many important policy questions.

Nevertheless, for some the overall evaluating of the SONAR experience might seem somewhat mixed – if only because the research team was forced to change its original planning due to the financial cost of the data collection and to the amount of working time involved in controlling the quality of the field work and the cleaning of the data. Looking at the issue from this angle, we could conclude that SONAR failed to deliver. Putting the start-up of an additional cohort on hold did, in effect, change the nature of a major 'deliverable' of the research proposal. Although

a very rich data source is now at the disposal of researchers and policy makers, no 'instrument' for monitoring the transition from school to work on a continuous basis has been constructed.

This conclusion, however, would be very one-sided, if not completely wrong. At the very least, the list of obstacles or trade-offs discussed earlier makes it possible to draw valuable lessons with respect to any future attempt to collect data on the transition from school to work. It shows very clearly the potential pitfalls, tensions and constraints of such an undertaking. But it seems to me that there is more to it than that.

I would argue that, in a particular sense, a negative assessment of the policy relevance of the SONAR enterprise rests on a flawed understanding of what evidence-based policy making can gain from policy-relevant research and, more in particular, from policy-relevant research based on longitudinal datasets. Any attempt to develop an information-gathering device with the intention to monitor the dynamics of the transition from school to work of any other social process needs to take into account two different kinds of tensions.

The first tension relates to the discrepancies between the short-termism of the policy agenda and the time needed to produce reliable data. In the case of SONAR, the time elapsing between the work on the questionnaire and the first results based on a cleaned dataset is approximately two years. Since the fieldwork for each of the surveys took place in the period September-December, this means that under the best of circumstances data coming newly available relate to a state of affairs of one year earlier. If one wants to look at the comparison between several cohorts or at the effect of educational and early labour market outcomes on later careers, the time needed to generate the required data is even longer. Therefore, it seems important to unpack what kind of policy questions can specifically be answered by 'a longitudinal approach'. Indeed, even policy makers who profess to be keen on evidence-based policy seem to operate on the view that one-year-old data may still be interesting for 'academic' purposes, but will most probably have passed their expiration date as far as policy is concerned. Even if it is true that longitudinal data (following individuals over time) or time series (following cohorts over time) do not produce evidence directly relevant to short-term or pressing policy problems, it is not true that they do not have any policy relevance at all. Indeed, the strength of longitudinal data or a long-term approach lies rather in their usefulness for detecting structural problems or tracking changes over time. In other words, they simply play a different part in the story.

The second and much more important tension relates to the potential discrepancies in the respective conceptual frameworks from which the data get their meaning. As a matter of fact, one could seriously question the meaningfulness of a monitoring device if it did not rest on a deeper

understanding of the processes signalled by the set of indicators used. Indeed, to be relevant for evidence-based policy, data need not only be descriptively reliable or provide valid indicators. They also need an important additional quality. Instead of merely tracking trends as reliably as possible, they must also connect them to particular mechanisms driving the dynamics of the process. In other words, the observing or describing of a trend – through a reliable and valid monitoring system – acquires real policy relevance only when the dynamics of the process can be linked to a particular mechanism from which observed changes result.

This latter point has important implications for the kind of data needed to support an evidence-based policy in the domain of the transition from school to work. Lacking the space to develop this in more depth, I will limit myself to giving two examples.

1. In the European context changes in structures and mechanisms guiding young people from education to work are increasingly modelled on ‘best practices’ taken from other national contexts. If the monitoring system is also intended to ‘evaluate’ the institutional changes, it is likely that comparisons with other national systems are needed. However, if ‘path dependence’ and ‘institutional interlock’ play an important role in the effectiveness of the institutional transfer, then the procedure of looking at the specific characteristics of the ‘national system’ gains in importance. Somewhat paradoxically, this can be accomplished when the available data are internationally comparable.
2. Given that international evidence suggests that pathways from education to employment are becoming more individualised and that the choice of the individual pathway is being made on the basis of a conscious decision (rather than on the basis of circumstances), it is also becoming more important to get a good grip on the motives for choosing a particular option as well as on the choice sets within which a given option becomes available. Information of this nature, in particular on choice sets, is lacking in most analysis of transition processes. Nevertheless, it is important for explanatory reasons as well as for assessing the success of the transition: in the former case because of what ELSTER calls ‘intentional explanation’, i.e. ‘showing that the actor did what he did for a reason’ (Jon ELSTER, *Sour Grapes*, 1983, p. 70), and in the latter case because, following SEN, it surely makes a difference whether the set of choices young people have at their disposal consists of only one or of a number of options (cf. also: Josiane VERO).

Both examples support a similar conclusion. Not only for ‘academic’ reasons, but even more so for the purpose of evidence-based policy, a high quality data collection programme needs to preserve sufficient room for (an appropriately structured) survey-based element in order to describe, understand and assess the transition from school to work properly. Even if only for reasons of cost efficiency, it is important to consider using administrative data when and if possi-

ble. Both examples demonstrate the limited usefulness of relying only on administrative data, since they do not sufficiently guarantee international comparability and they provide almost no evidence on motives and choice sets.

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MEASURING THE LABOUR MARKET IN THE NEW ECONOMY: CHALLENGES AND STILE CONTRIBUTIONS

Monique Ramioul & An Bollen

■ Introduction

STILE is an acronym for '*Statistics and Indicators on the Labour market in the eEconomy*'. As STILE is a project funded within the European Commission's Information Society Technologies Programme (FP IST project) in close collaboration with Eurostat, the goal of the consortium of nine European partners was to develop innovative labour market monitoring instruments in a European perspective with a view to improving the international comparative power of the existing statistical system. The project was mainly aimed at innovating and fine-tuning the established statistical tools and instruments to better match the eEconomy and to monitor effectively ICT-related work patterns, rather than to develop totally new instruments within the projects' lifetime. The improvement of statistics is conceived as a stepping-stone towards a better understanding of labour market policies in view of a better functioning of national and European labour markets and an adjusted social inclusion policy.

In order to be able to produce useful recommendations for innovating the existing statistical system and adapting it to current socio-economic realities, the project has been driven by three fundamental aims throughout its entire duration:

1. to innovate indicators and tools to measure changing labour market aspects in the knowledge society;
2. to gain *new insights* into these changes in work and on the labour market;
3. to involve the *users and producers* of statistics in an active and pro-active way in a European perspective.

These aspects have indeed proved to be the essential and – at the same time – complementing perspectives throughout the project's entire lifetime. This paper presents some reflections and results on each of these perspectives: the insights, the indicators and the users.

1 *The insights*

Improving our understanding of how work is changing in the Information Society and how the restructuring of labour markets is taking place at an accelerating speed, was the main motivation of the STILE project and the basis for the search for better statistics and indicators. However, the major aim of the project was to work on indicators that would make it possible to gain more insights into the new economy, rather than to focus on the content as a primary goal. The globalising economy and labour market, the role of ICT in this economy and labour market, the changes in work and the growth of a knowledge-based society may not have been dealt with explicitly during the STILE project, but the scale and deep impact of these processes on work obviously influenced the project continuously and in many ways. Despite this focused objective, the project has also achieved some important added value concerning insights into the new economy related to changes in the labour market.

The STILE project was to a significant extent a successor project of EMERGENCE (Estimation and Mapping of Employment Relocation in the Global Economy in the New Communications Environment – also funded as a 5FP IST project). EMERGENCE led to the breaking of new ground in terms of knowledge of globalisation, the delocalisation of work and the role that Information and Communication Technologies play in these processes. In this project it became obvious, however, how inadequate the existing statistical tools and instruments are for mapping and measuring the current dynamics of our globalising economies and labour markets. The added value of the STILE project is that it has explicitly tackled some of these measurement problems that prevent a full and valid insight into what is happening today. Furthermore, STILE has contributed to a critical assessment of the European statistical system and the increased awareness among the international statistical and research community of the current lack of measurement accuracy. The most important socio-economic developments that inspired STILE are described in the first paragraph of this paper because this illustrates how the recent trends have given rise to questions that require better statistical measurement tools.

1.1 *eWork*

The first obvious merit of the EMERGENCE project – which was a major point of departure for the STILE project – was its investigation of eWork in a coherent and comprehensive way. The EMERGENCE project organised a massive establishment survey covering 18 European countries, and it proved empirically that eWork is no longer to be limited to telehomework but entails a whole range of different forms of collective and individual ICT supported distant work. Work-

ing at a distance with the use of ICT is today a fact of life for a lot of employed people and it has become a core element in the innovative flexibility strategies of many enterprises. The individual form of eWork, telework, is a cross-cutting new working pattern, accompanying new forms of businesses and linked to the growing networking between firms and new forms of work organisation. Telework is affecting a broad range of the workforce and it is no longer a special privilege for the few managers, on the one hand, (who seldom call themselves 'teleworkers'), nor is it limited to the mainly female workforce employed in the grey zone of the economy where home-work has been a poorly protected working pattern from the beginning of industrial history. Members of virtual teams now cooperate, regardless of where they are actually based; highly qualified professionals and business men and women work in hotel rooms, and planes and trains; the self-employed are available 24 hours a day for their customers living in different time zones; truck drivers are monitored continuously and given new directions or orders on the road; health care providers supply their services over the phone or the internet; software specialists compete worldwide to solve your computer problem via on-line brokering of their services, etc.

These examples suggest that we are gradually shifting from the mere possibility of working from home to the obligation to be (or at least to demonstrate one's willingness to be available for work anytime and any place. As such, eWork is impacting on a large portion of the work force, entailing new opportunities and challenges, but also implying new risks. Telework may indeed offer new learning opportunities and more autonomy, but there can be no doubt that it may also increase work pressure, stress, control and social isolation.

If policy makers and social partners want to adjust social policies, they need better and diversified insights into the spread, the shape and the impact of these new work forms. Existing research does not sufficiently focus on the impact of eWork on learning opportunities, working conditions, work-life balance, wage bargaining and the social dialogue in general. The STILE project understood the importance of broadening the concept of eWork and of innovating the research approach for measuring it.

1.2 *Towards a networked economy*

A major underlying assumption of the STILE project is the globalisation and widespread use of ICT. The growing globalisation of the economy and the massive penetration of ICT is profoundly affecting the structure of our economies. These trends have given rise to what is called the 'network economy'. The economy today is characterised by the blurring of boundaries between organisations due to a complex cluster of dynamic forms of cooperation between business

firms. This blurring is related to the restructuring at the level of the global value chain. Information and Communication Technologies underpin this restructuring. The higher permeability of organisational borders is boosted in particular by tendencies toward decentralisation, the combined strategies of insourcing and outsourcing, the growing share in the production of service contracts and subcontractors, the virtual separation of the economic from the legal power within the globalised firm and its local establishments, and the growing impact of clients and customers on all aspects of the corporate governance and on the production process. Information and Communication Technologies play only an underpinning role in this process. This blurring of company boundaries implies a growing, so-called 'triangulation' of power relations. Economic power is concentrated at the global level; responsibilities and management power are no longer clear-cut, especially not for the local management, which finds itself confronted with the usurpation of its authority and jurisdiction. In a network economy the question arises as to who is the boss? The local manager? The central management abroad in another continent? The shareholders? The customer, imposing not only quality levels and deadlines but also how to work, who to hire and under what conditions? It is obvious that the emergence of the network economy is having a huge impact on sectors and firms, on businesses and processes, on workplaces and occupations, on the employed and the unemployed in the local labour markets, and on the social dialogue.

The STILE research was intended to give an initial impetus to political initiatives aimed at improving the functioning of the labour market in the network economy. For this reason, it focused on the questions of who is measuring these processes of networking and their impact, and how they are doing it.

1.3 New production concepts

So far, it is not at all clear what the outcome is of these developments, especially not at the level of the workplace. What does the blurring of the boundaries of organisations imply for employment policies, for HRM, for strategies on flexibility and for learning policies? The research needs to combine the global and the local because the global is linked to the local and local-regional labour market and innovation policies are essential assets in developing work and employment. In addition to needing to understand the global strategies of firms and of the inter-organisational division of labour, there is a clear need for information on the effects at the level of individual establishments.

The debate on production concepts has been going on for years already and it has shifted from production to organisation. Interest in organisational innovation and new production concepts has recently been shifting towards focusing more attention on the business practices of establishing virtual teams, in parallel with the technical potential of system-oriented technologies for supporting these forms of distant work. However, the debate is definitely not yet settled concerning the correct balance between the benefits for learning, productivity and innovation potential of face-to-face interaction and physical proximity versus the benefits of flexibly composed virtual teams including professionals from all over the globe. In parallel, the crucial role of knowledge work, of teamwork and of organisational innovation for underpinning regional innovation systems is increasingly being recognised in policy documents, research and management discourse.

The critical question at the basis of the STILE research project was how to conceptualise these new work forms, and how to define indicators that give better insight into the scale and characteristics of their spread. Related to this, it is important to gain insights into the effects on contrasting organisational strategic options, in particular: control versus autonomy, centralism or decentralism, Taylorist versus non-Taylorist strategies and structures, social dialogue or the survival of the fittest, etc. Again, in the STILE project the first aim was not to find the answers to these questions, but rather to investigate who is measuring these trends and how.

1.4 ■ ■ *Labour market mobility*

In an economy where networks and clusters are growing in importance, the concept of labour market mobility is obviously changing. Traditionally, research on labour market mobility focuses on temporary and permanent employment as the most relevant indicators. The question that arises now, however, is to what extent the contractual relationship is still an indicator of mobility or of the lack of it, and whether the contractual relationship still reflects the key dimension of the agreement between employers and employees. In a networked economy where boundaries between companies are blurring, people tend to work for clusters of firms, for several clients in the same service firm and for the omnipresent customer, rather than for a single boss. How can mobility be defined in such an economic context? Still, the majority of the European workforce has a permanent contract, especially in the traditional sectors, and even in the ICT sector. But this contractual form often disguises the job insecurity that people are facing as a result of threats of outsourcing, delocalisation, flexible working hours and flexible wage conditions, on the one hand, and, on the other hand, it also disguises the actual mobility and labour market behaviour of the highskilled and professional workforce. With the shift from lifelong employment

in one company towards 'employability', we see that the meaning of mobility has changed. It is no longer synonymous with insecurity. Rather, it can become a pattern for the exchange and spread of knowledge. Employability refers to learning and qualification opportunities, career trajectories, improvement of working conditions through vertical mobility, and income versus wage security. In terms of the changing economic structure, this concept offers interesting and unexplored opportunities to gain more insight into the labour market behaviour of different groups, but it is not at all clear how this behaviour is to be measured and what data are available in the current surveys and administrative databases for doing so.

The question is to what extent contractual security is being replaced by employability (and for whom), and the other question is what are the consequences for labour market opportunities, risks and social exclusion. In the STILE project an initial impetus to initiate research on these issues was given by asking the key question: How is labour market mobility measured?

1.5 New businesses and new occupations

New businesses are emerging as technological applications multiply. Mergers and acquisitions, restructurings at the level of value chains, semi-permanent service contracts and outsourcing are giving rise to all kinds of new enterprises and businesses. Activities originally developed as side-businesses or secondary functions in enterprises are becoming the core business of new firms and establishments. These new businesses are adopting a wide variety of organisational structures: freelance consultancies, microbusinesses, SME's, shared service centers and even large service companies. In addition, this economic restructuring is a continuous and very dynamic process that is moving forward at an accelerating speed. The activities that are actually carried out within the individual establishment, though part of a larger economic cluster, can change more rapidly than before. It is obvious that this implies huge measurement, classification and analytical problems. Questions arise as to what logics and assumptions lie behind the trade and business statistics, and do these statistics actually reflect the realities of a highly complex economic structure? Furthermore, how does this economic restructuring impact on work organisations and on the actual workplace design within establishments? Traditional occupations are still a major part of our labour market, but new occupations and task clusters are also emerging and evolving at a rapid rate of change. The blurring of company boundaries obviously goes hand in hand with the blurring of workplace boundaries, task demarcations and the definition of occupations.

This rapid emergence of new occupations and the blurring of task demarcations are having a considerable impact on policies aimed at matching jobs and employees within the enterprise, and supply and demand on the labour market in general. These changes are also impacting on the role of labour market intermediaries. The traditional schemes for delineating required qualification and competence profiles that once underpinned labour market policies and guided training programmes are being updated constantly. In their task of matching vacancies and jobseekers, labour market intermediaries are finding themselves confronted with a much wider variety of jobs, and firm-specific job titles and requirements. They are being forced to redefine their mission and strategies in order to remain relevant actors. In addition to this 'matchmaking' role, the intermediaries also have an important role in the outplacement and reorientation of individual careers. In order to take on these roles, the intermediaries must acquire insight into the occupations. For this to happen, the occupational profiles need to be 'translated' in terms of the new applications.

Another challenge linked with these changes in occupations concerns the feasibility of the occupational classifications. If occupations have changed and new occupations have emerged, this fact will have an impact on the feasibility of existing classifications. The STILE research project on how to understand new and changing occupations and how to bring them into the picture.

2 *Statistics*

2.1 *The mission of STILE*

Obviously, all these developments constitute a challenge for research and statistics. Too many of these observations today are the result of hard-to-generalise case study research, a fact which limits the conclusions as to the extent and scale of their prevalence, the number of people in the workforce that they affect, and the impact that they have. Still others are mere observations, or have not even exceeded the status of assumptions. All the trends described above deserve and require systematic and robust empirical testing and, more than ever, this testing should be done in an internationally comparative way, taking into account both the European diversity, the 'standardisation effects' of globalisation and, last but not least, the rapid speed of the changes. For these empirical tests, there is a need for data, indicators, tools and instruments, employer and employee surveys, administrative databases, up-to-date classifications of businesses, occupations and skills and, above all, unified procedures and practices in the European and international statistical system. This is why in the STILE project the trends described above were indeed

just the initial questions. The project itself addressed the problems of measurement instead of carrying out measurements itself, it dealt with assessment and innovation instead of application, and it collected and listed definitions and survey questions instead of using them in its own survey. However, because it focuses attention on the identification of characteristics and on the innovation and improvement of existing indicators, the outcome can contribute to more reliable and comparable statistics in research dealing with the same questions.

2.2 ■■ *General challenges for statistics*

The reason behind the limitation of the project's mission to 'development and innovation of existing indicators' is actually simple: it is obvious that the major problem with measuring the information society is not a lack of data. Quite the contrary is true: policy makers, researchers and citizens all have to deal with a profusion of statistics and an overwhelming mass of data and information. Today, more than ever, policy makers want researchers and statisticians to select for them the data that will serve them best. They want that one relevant figure 'yesterday', so that they can make their decision 'today'. But the citizen, as well, is confronted with the problem of over-information, which makes him or her feel insecure, uninformed and even ignorant about what is happening in society – and also in his or her own neighbourhood. Both citizen and policy maker run the risk of becoming – in a sense – 'statistically incompetent'.

The problem of over-information sheds a new light on the classical UN Declaration on Fundamental Principles of Official Statistics. This declaration states that statistics are the cornerstone, the indispensable element in the information system of the democratic society, serving the government, the economy and the public with data on the economic, demographic, social and environmental situation. Within the context of the risk of over-information, 'serving the government, the economy and the public' definitely has a different meaning, implying in the first place a more systematic guidance in the selection and use of these data. How else can the challenge be met of providing the citizens of democratic societies with the relevant information about the society in which they live? How else these days can information truly underpin the democratic decision making processes and policymaking?

In general, there is a need to reflect on – and perhaps redefine – the meaning of the digital divide. What societies face today is an information divide of the second degree. The lack of technical and even financial access to the Internet in the Western societies seems no longer to be the major reason for e-exclusion. What is at stake now is the ability to sort out the right information from among the mass of material that is available on the bottomless worldwide web, to identify

the providers of this information, to assess the data critically in terms of its reliability and validity and, finally, to select that which is really useful or helpful. Thus, next to availability and access, there is now the problem of assessment and selection. This situation is becoming very complex, and obviously requires new competences of researchers, policymakers and citizens. It is clear that there is a risk that these new competences are not reserved for the low skilled, the older people, the less qualified or the poor. But of course, overcoming this 'information divide of the second degree' is a goal that is too difficult to achieve within a small project such as STILE. It is a fundamental task and challenge for statistical and scientific policies and for democracies in general, to be achieved on the basis of a combined strategy at the international, European and national levels.

For the development of the statistical system, however, this problem of over-information and too much data means that effectiveness and efficiency have become the core criteria for assessing the benefits of statistical innovations. 'Meta-data' is the buzzword of contemporary statistics: the mapping, ordering and structuring of existing data and turning them into ready-to-use information has become the core business of a booming industry, not only in research institutes, but also in private consultancy, and – not to forget – in the lobbying industry. In such a context, the question is whether it is always relevant to propose a new survey, new statistical overviews or new readers. In STILE, efficiency and effectiveness were the major criteria. The future development of the international statistical system calls for synergies and collaboration between the private and the public, between official statistics and research. The STILE project was meant to produce effective and efficient tools, metadatabases, SWOT analyses, action plans for convergence, and recommendations for the reviewing of existing schemes and practices. Moreover, STILE was also intended to include as a core dimension the collaboration between academics and statistical institutes.

2.3 ■■ *The STILE contribution*

Faced with the fundamental changes in the labour market, as illustrated above, and aware of the current challenges for statistical innovation, the STILE team tried to focus on the most relevant statistical instruments and the diverse and fundamental changes in the economies and labour markets. This meant that STILE covered a broad range of measurement issues, rather than focusing its activities on one problem during its lifetime. Nevertheless, the project can be subdivided into two major parts. In the first one, STILE mainly addressed issues related to the impact of ICT on the organisation of work and new working patterns. This part mainly dealt with eWork, the emergence of a networked economy and new production concepts (cf. supra). In the second part

the major theme could be defined as an investigation to determine the extent to which the mapping of the Information Society is possible using existing statistical tools or, to be more precise, using labour market data, classification schemes and occupational profiling methods. In this part the focus was mainly on the consequences of changing labour market mobility and the emergence of new businesses and occupations for existing statistical tools.

In the next sections, the main outcome of the STILE project to improve the measurement of the characteristics and challenges that were discussed in the first part of this paper will be presented.

2.3.1 *Measuring the impact of ICT on work*

This part of the project included an employee approach and an employer approach. As *eWork* is a new work form, the focus was first on indicators that can be applied in employee questionnaires. For indicators on the spread of (and the related consequences of) the networked economy and of new production concepts, the project targeted existing organisation and establishment surveys.

2.3.1.1 *Measuring eWork in employee questionnaires*

STILE investigated current practices of existing employee questionnaires for measuring telework. Assessing these questionnaires, three important shortcomings emerged. First of all, the definitions used and the way teleworkers are usually identified result in a too narrow picture of today's reality. Second, the comparability in time and space of most statistics on telework is limited. Third, there is too little attention for measuring the impact of telework. STILE has formulated some recommendations for solving these problems. In particular, the development of a telework module for existing employee surveys has been a key strategy for overcoming these deficiencies. A telework module can be easily attached to existing employee questionnaires without aggravating the interview burden profoundly. Cross tabulations between the module indicators and the indicators of the core questionnaire, such as gender, occupation, working hours etc., can generate a lot of new information on telework. The module that was developed and tested in five European countries within the STILE project (Ireland, Hungary, Belgium, Italy, the UK), is composed of three types of indicators: core indicators, additional indicators and 'other' indicators.

The *core indicators* are the essential parts of the questionnaire module because they are considered to be 'identifiers' of teleworkers. In contrast to existing questionnaires, the STILE project opted for an objective and derived definition of telework based on the combination of several key questions. As there is in general little consensus on the definition of telework, the current

practice of asking people 'whether they are a teleworker or not' can hardly generate reliable and comparable data. The solution to this problem is to use a derived definition whereby teleworkers can be identified on the basis of three objective indicators: the place of work (1), the use of ICT for working at a distance (2) and the intensity of working at a distance (3). Based on the combination of these indicators, different groups of teleworkers can easily be defined (even when the practitioners would not define themselves as such).

The *additional indicators* are conceived as a specification of the core indicators. Depending on the scope of the research, it might be relevant to explore (some of) these dimensions more in depth. It can for instance be necessary to know where exactly in his/her house the homeworking person works. Another study might be more interested in the technical features of the communications link with the employer that is used when working at a distance. The surveys of both studies can include additional and detailed 'nested' questions on the place of work or on the use of ICT. This way, more detail is achieved without affecting comparative power at the aggregated level, provided by the core indicators.

The *'other' indicators* finally refer to several issues that are relevant to investigate in telework related research. Enlisting some of these indicators, the STILE project wants to inspire future research on telework. It is relevant for instance to investigate the motivations for telework, the voluntary nature of telework, and the kind of work that is carried out at a distance. It is also relevant to focus on the (causal) relationship between telework and dimensions of new production concepts (autonomy and standardisation of work), work-life balances, training opportunities, teamwork, etc.

The following table gives an overview of relevant indicators. These indicators are to be translated into concrete questions. For this translation it is important to keep the impact on the carrier questionnaire minimal, which implies that the wordings and the order of the questions depend on the carrier questionnaire.

Table 1

eWork indicators and illustrations of possible questions for a module to employee surveys

Indicators	Possible question
CORE	
Place of work	In the last four weeks, have you carried out work at any of the following places? – In your own home – At locations belonging to a third party (as customer premises) – On the move (while travelling) – In more than one location belonging to customers or clients – In more than one location belonging to your employer – At just one location belonging to your employer (<i>not a teleworker – stop questionnaire</i>) – Other (traditional) workplaces, specify
Use of ICT	Do you use a computer when working at a distance? Do you use the Internet when working at a distance?
Intensity	In the last four weeks, approximately how many hours a week, on average, did you spend working at a distance (from your employer's location)?
ADDITIONAL	
ICT costs	Which items in the following list of equipment do you use when you work at a distance? (<i>Multiple answers are possible.</i>) – Desktop computer – Laptop computer – Telephone (fixed line) – Mobile phone (cell phone) – Email – Access to the organisation's computer network – Dial-up Internet service – High-speed or broadband Internet link – Software for remote collaboration – Other, please specify
OTHER	
Motivation	What is the main reason for working at a distance? (<i>Only one answer to be coded</i>) – To finish or catch up with work – To avoid interruption – Because of a bad working environment or bad working relationships – Required by job or employer – To co-ordinate your work schedule with personal or family needs – Experimentation – To reduce commuting time or expense – For health reasons (your own physical condition) – For greater autonomy or independence – For some other reason – please specify

Source: Oteri & della Ratta, 2004

2.3.1.2 Measuring the networked economy and new production concepts in organisation surveys

The introduction of ICT and the emergence of the networked economy and new production concepts have had an impact on organisational structures and employment policies. Company data on innovation and ICT are systematically collected, but seldom with regard to employment, skills, and technological and organizational changes as major variables relating to them. Labour market researchers widely agree that macro-level information should be supplemented by systematically collected information at establishment level, which makes it possible to form expla-

nations, draw conclusions and make estimations in a longitudinal perspective. On the basis of organisation surveys, it is possible to measure the spread of these trends and their impact on the organisations.

However, in contrast to employee and household level surveys, the systematic monitoring of employment related changes at establishment level is much less institutionalised and organised. The first assignment for the STILE consortium was therefore to carry out a worldwide benchmarking inventory of current organisation surveys to assess the limits and strengths of monitoring labour market related aspects of the diffusion of ICT. The study included 30 organisational surveys in 18 countries. The benchmarking exercise focused on a wide range of survey characteristics, as well as on the content (themes covered) and the methodological aspects such as sample and survey design, availability of company population databases, accessibility of results, etc. It can be concluded that in the current state of organisational survey research, surveys focused on the diffusion of ICT (1) rarely include labour-related themes, (2) are rather short-lived, and (3) are poorly designed methodologically. On the other hand, surveys focused on micro-level labour market research hardly deal at all with the impact of ICT in any systematic or consistent way. The best way to overcome the limits of both types of surveys is to develop a module of questions relating to the impact of ICT on different aspects of the organisation and the labour market. At the same time, such a module could stimulate the convergence of research activities and the comparability of results relating to demand side labour market developments. This benchmarking and assessment phase made it possible to collect relevant (best practice) indicators and questions that can shed light on the impact of ICT on work and organisation. These questions were collected in a digital toolkit that allows the scientific community to search for questions on the use and impact of ICT in organisations. This toolkit can be consulted at the STILE website: <http://www.stile.be/toolkit>.

The assessment of the existing questionnaires, however, also showed some limitations. It became clear that (international) comparability of questionnaires is limited. Further, existing establishment surveys pay too little attention to inter- and intra-organisational division of work. It is not clear yet to what extent the networked economy, virtual teams, new production concepts, etc. really have penetrated organisations, but it is also not always measured in an accurate way either. Another issue that is missing in most establishment surveys relates to the identification of labour market dynamics. There is a need for reliable and comparative information on patterns of inflow, outflow, changing skill structures, etc.

The STILE consortium developed a module based on the identified blind spots and best practices of the existing establishment surveys. The flexible character of the module was obtained in

the design of the individual questions as well as in the design of the module as a whole. Attention has been given to the fact that all indicators and questions could individually yield valuable information on the use of ICT in organisations or on the impact of ICT on aspects of the internal and external labour markets. However, the module addresses in a coherent and integrated way the different levels and dimensions of an organization where ICT can have an impact. This need for ‘conceptual consistency and systematics’ was dictated by one of the conclusions of the benchmarking study: the fact that questions on the impact of ICT on work often are too fragmented.

The organisational aspects that are dealt with in the module are the ones most likely to change with the implementation of ICT and all have obvious employment and labour market related relevance. The figure below summarizes the main structure of the establishment survey module, illustrated with the most important concepts included. These concepts are then translated into indicators and operationalised into questions.

Table 2

Establishment of a survey module measuring the impact of ICT

Level	Concept	Concept	Concept
Inter-organizational division of labour	Organisational networking	Use of networked ICT in production process	In-house or outsourced installation/maintenance of ICT infrastructure
Intra-organisational division of labour	Structure of the production process	Work organisation characteristics, new production concepts	Function design
(Internal) labour market developments	Inflow, required skills levels	Through flow, mobility, training issues	Outflow of redundant competencies

Another conclusion drawn in the course of making an inventory of existing practices was that these practices are mostly bottom up initiated academic initiatives, with a very diverse survey design, not all with sufficient funding security to guarantee a long-term panel character, and without the existence of co-ordination at the European level. The impact of ICT on organisations can no longer be addressed from a national perspective, as the eEconomy itself is borderless. Therefore, the opportunities for and limitations of cross-national and longitudinal establishment based labour market research have been mapped by interviewing stakeholders from European labour market policy bodies in order to gain interest into establishment panel surveys. Stakeholders were defined as ‘interest groups, concerned institutions and collective actors’ who influence, regulate or participate in labour market policies in Europe in one way or another. This means that trade unions, employer federations and labour market authorities, mainly at the supranational level, were contacted. This research phase showed that:

- The unions are demanding adequate cross-national reporting on aspects of working hours, training, workforce representation, industrial relations at organisational level, quality of work, etc.;
- The employer federations are keen to identify business obstacles of any kind for measuring the influence of business conditions, strategies, industrial relations and labour market policies on the organisational performance;
- Labour market authorities need statistical facts and they are aware that there is a lack of cross-national information on the organisational level;
- There is a core of scientific experts in every organisation nowadays, but only a small number of them are familiar with the methods and the opportunities of organisational-based monitoring of the labour market.

On the basis of the research, an action plan for more synergies and more cooperative ventures between European organisation panels has been developed. According to this action plan, future strategies should follow five complementary paths:

1. Increasing the amount of information available on results and the possibilities of organisational panel research.
2. Enhancing practicable offers to labour market researchers all over Europe to use standardised and 'converged' modules and instruments for their own purposes.
3. Intensifying scientific debate and enhancing multi-disciplinary scientific networks on labour market research, whether related to methods or themes.
4. Intensifying and enhancing contacts with stakeholders' organisations, to develop a better interface between research and application.
5. Building user groups that enforce agreements for further convergence, possibly even leading to a 'unified' main section of existing establishment surveys.

2.3.2 *Measuring the Information society*

A next part of the STILE project focused on the question as to how existing statistics can be adjusted for measuring labour market mobility in ICT sectors and how new emerging businesses and occupations can be made visible in existing classification schemes.

2.3.2.1 *Measuring mobility*

The basic question was to know to what extent it is possible to measure labour market mobility in a European perspective. The main objective was to compare the strengths and weaknesses of the Community Labour Force Survey (CLFS), on the one hand, and of the administrative data, on the other. To answer this question, analyses of CLFS data and figures generated from the Bel-

gian register data (Belgian datawarehouse)¹ were compared. On the basis of this comparison, it was possible to make a SWOT analysis of both sources. The main conclusion is that both sources of information are not mutually exclusive. The inclusion of qualitative characteristics of the labour force, such as qualification levels, in the CLFS is a key complement to the more reliable data that can be computed on the basis of the register databases. The following table gives an overview of the most important strengths and weaknesses of both sources for measuring mobility.

Table 3

SWOT analysis of CLFS and the Belgian datawarehouse for measuring labour market mobility

Community Labour Force Survey	Register data (Belgian data warehouse)
STRENGTHS	
Eurostat co-ordinated; internationally comparable <ul style="list-style-type: none"> – Covered by legislation – History of organisation / working practices – The largest data source in many countries – Qualitative info available (e.g. purpose of training) – Addressed to anyone (e.g. children, pensioners) – Relatively up-to-date – Increasingly used for various research purposes – Emphasis on qualitative information 	Exhaustive – detailed breakdown of variables, no sampling errors, no proxy respondents, no memory distortion <ul style="list-style-type: none"> – Measuring combination of activities possible – Quarterly data on individual level: career path analysis possible – Relatively up-to-date – Importance of register data is set to increase – False mobility will be resolved through use of unique ID number allocated to establishments – Information at establishment level possible – Coverage will increase if more databases are linked
WEAKNESSES	
Data estimated on samples of individuals <ul style="list-style-type: none"> – Sampling errors – Other errors; misunderstanding, miscoding, etc. – Confidence interval: no detailed breakdown of variables (e.g. NACE) – NACE sector information not detailed enough to get a precise definition of ICT – Proxy respondents: questions can be answered for other individuals in the household – Memory distortion and non-response (for questions on the situation of a year before) – Coding of sector (NACE) on the basis of a description given by an employee – More and more information is being registered 	Not comparable internationally <ul style="list-style-type: none"> – Covers about 90% (no pensioners) of inhabitants; mostly non-active people are missing – No qualitative data available – Delays in registration can affect data quality – Only mobility between enterprises can be measured – No information on educational attainment available – Changes in public opinion/legislation on privacy could affect use of data

Source: Stimpson & Tielens, 2004

These exercises make it possible to draw some conclusions about mobility in the ICT labour market in Europe. Analyses confirm that assumptions on mobility need to pass the test of the empirics before they can become a reality in the minds of scientists, policy makers and the pub-

1 The datawarehouse Labour Market is a database in which a series of social data from a number of social security institutions are permanently linked. The datafiles of these institutions are related to one another via the personal identification number which every person has for social security. For this purpose, individuals are the most important statistical unit. The social security institutions offer an extensive list of variables such as NACE code, characteristics of employment regime, number of working hours, etc.

lic. The following table illustrates that in some countries job-to-job mobility in the ICT sector in general is higher than the average mobility in the total economy, while in other countries it is below average. The table also illustrates that there is no clear gender difference, as is however often assumed. A last important conclusion concerns the lack of reliable data for purposes of international comparison.

Table 4

Job-to-job mobility by gender in the ICT sector and overall in %, European Countries 1998 and 2002

	ICT sector				Total			
	Women		Men		Women		Men	
	1998	2002	1998	2002	1998	2002	1998	2002
BE	11.4u	8.8u	10.3	8.6	6.6	6.6	6.8	7.0
CZ	5.3	5.9	8.0	8.1	6.8	6.4	7.7	6.2
DK	:u	:u	11.7	12.1	11.3	10.4	11.4	12.4
DE	6.6	:	7.1	:	6.2	:	6.7	:
EE	:u	:u	:u	:u	9.4	7.5	13.5	11.1
GR	:u	:u	:u	:u	4.5	5.0	4.4	4.9
ES	5.2u	5.2	6.7	7.5	8.0	9.3	8.8	8.9
FR	5.7	6.4	6.3	8.5	5.4	7.4	6.7	8.2
IE	:	:	:	:	:	:	:	:
IT	4.7	:	3.8	:	4.6	:	4.2	:
CY	:	:u	:	:u	:	7.5	:	9.4
LV	:	:u	:	:u	:	8.9	:	10.8
LT	:	:u	:	:u	:	7.0	:	12.0
LU	:u	:	:u	:	4.8	:	4.1	:
HU	5.7u	6.7	9.1	3.4u	5.5	4.6	7.9	5.6
NL	9.9u	:	11.5	:	8.6	:	7.7	:
AT	:	:	:	:	:	:	:	:
PL	:	:	:	:	3.3	3.6	6.1	5.3
PT	:u	:u	:u	:u	7.6	5.6	8.5	7.8
SI	:	:u	:	:u	:	4.9	:	4.8
SK	:	:u	:	:u	:	2.5	:	3.9
FI	12.7	8.7u	6.9u	7.4	9.9	10.3	8.7	9.8
SE	9.9	:u	11.2	:u	5.6	4.7	6.9	4.8
UK	15.9	10.2	13.9	11.2	11.1	11.4	11.5	11.5
IS	:u	:u	:u	:u	13.4	13.0	13.5	13.1
NO	:u	:u	19.4	:u	8.6	6.2	10.3	6.1
CH	6.8u	12.6u	8.8	8.9	9.3	11.3	8.7	8.8
BG	:	:	:	:	:	:	:	:
RO	:	:u	:	:u	:	4.8	:	7.7

EU-25 is estimated; exception to the reference year 1998: ES = 1999; exceptions to the reference year 2002: DE, LU = 2001.
: = not available; :u = data unreliable; u = data should be treated with caution.

Source: EU LFS, spring data (Processing Camire S.L.)

2.3.2.2 *Measuring new businesses and new occupations*

The rapid evolution towards an Information Society and the emergence of new businesses and occupations challenges the existing schemes and frames of statistics, data and analyses of businesses and occupations. The STILE project took a closer look at existing classifications of sectors (NACE) and occupations (ISCO) that are used for the coding of large-scale surveys that are put in an international comparative perspective. In addition to this, the project investigated existing methods for profiling occupations.

Existing sector and occupational classifications

For the assessment of existing classifications, the project developed 150 fictional descriptions of sectors and of occupations that can be labelled as 'typical' for the New Economy and asked experienced coders in five national statistical institutes to code the described activities in respectively NACE and ISCO (UK, Hungary, Ireland, The Netherlands and Germany). The outcome of this exercise was lightening but at the same time worrying: differences in coding between the five statistical institutes involved in the exercise were much higher than expected. Differences in coding seemed to occur for two reasons: (1) a combination of problems stemming from the failure of the current classification system to take into account recent changes in the economy and the labour market; (2) a lack of harmonisation in coding practices or, more precisely, variations in coding practices between individual coders, between coders within the same team, between coding teams, and between countries. Despite the fact that some limitations are due to the design of the exercise, which was highly experimental, some important policy conclusions can nevertheless be drawn.

Some cases can be illustrative for the problems that exist with the current classification schemes in NACE and ISCO. For instance, with respect to the classification of sectors, the problems with classifying companies providing 'business services' into the existing NACE classification required special attention. The coding exercise has led to the conclusion that the business services sector is a 'can of worms'. The development of the *e*Economy can be seen as a gradually evolving process that is bringing into view a new phase in the elaboration of the division of labour. Certain changes are making it difficult to rely on the products and services offered within a given firm as a basis for classifying the firm under a specific sector code. First of all, there is the growth of large companies which include a number of different product or services groups, but which nevertheless may use common departments to service all of them. This makes it difficult to allocate a particular business activity to a particular product. A second trend that is causing difficulties is the breaking up of organisations into their component parts and the making of each part of the process a separate cost centre, often located at a different site. Thirdly, the growth of outsourcing is making it difficult to formulate and maintain an adequate system for coding busi-

nesses. The following example illustrates the problem of classifying a specialised activity carried out in an autonomously managed distant branch of an organisation. The table illustrates that there was fairly good agreement between coders, but the range of possible coding was wide. The company was described as follows:

Financial transactions for parent white goods company
Shared services centre carrying out accounting and administration services for branches of its parent company, a producer of white goods (fridges, washing machines, etc.). These services include general ledger accounting, disbursements, fixed assets / inventory accounting, reporting consolidation, VAT and intrastat, statutory / fiscal accounting, and accounts payable processing

Table 5

Codes assigned for an establishment providing financial transaction services for a parent branch, illustrating the difficulties caused by changing divisions of work.

Code	Description	Selected by
29.71	Manufacture of electric domestic appliances	DE
52.45	Retail sale of electrical household appliances and radio and television goods	HU
64.20	Telecommunications	DE
65	Financial intermediation, excluding insurance and pension funding	IE
65.23	Other financial intermediation	HU
72.30	Data processing	DE
74.12	Accounting, bookkeeping and auditing services; tax consultancy	NL UK DE HU
74.85	Secretarial and translation activities	DE

(S) = code assigned on the basis of the short description (the description in bold); (L) = code assigned on the basis of the long description.

Source: Huws & van der Hallen, 2004

A clear (policy) decision is needed for determining to what extent activities should be related back to their 'parent' sectors and to what extent the 'New Economy' should be separately visible. This is an issue that is becoming particularly important in the light of the rapid growth of off-shore outsourcing and the growth of large international corporations providing a wide range of business services across different sectors of the economy.

With respect to *occupational classifications*, there was also a huge diversity in coding practices and thus in the outcomes of the coding exercise. The following example illustrates the diversity in coding of one occupation. The underlined words indicate the information on which coders rely when assigning a particular code from the ISCO classification.

Table 6

Codes assigned for a 'localisation project leader' as an illustration of coding practices for occupations

Country	Description of 'Localization project leader'	Code & description
NL	I manage the localisation of software products into European languages, including co-ordination, planning and scheduling, as well as the subcontracting of translation and printing services. I arrange technical and product support for subcontractors.	245 Production and operations managers
UK	I manage the localisation of software products into European languages, including co-ordination, planning and scheduling, as well as the subcontracting of translation and printing services. I arrange technical and product support for subcontractors.	213 Computing professionals
IE	I manage the localisation of software products into European languages, including co-ordination, planning and scheduling, as well as the subcontracting of translation and printing services. I arrange technical and product support for subcontractors.	123 Other specialist managers
HU	I manage the localisation of software products into European languages, including co-ordination, planning and scheduling, as well as subcontracting of translation and printing services. I arrange technical and product support for subcontractors.	241 Business professionals

Source: Huws & van der Hallen, 2004

The STILE exercise illustrated that it is not enough for coders to know 'the coding job' as such. It seems crucial that in the process of questioning occupations, the list of parameters should be enlarged with information on sector, main activity, hierarchical position and level of responsibility, special training requirements and indications of the intensity of ICT usage. It became clear that there is a need for 'standard formatted typical questions' with concrete categories and norms for describing occupations.

This STILE exercises give rise to several recommendations as a result of this coding experiment. First, it is crucial for the International Statistical bodies to develop a policy for the permanent assessment of the reliability of the classification schemes and to give attention in particular to certain specific characteristics of new businesses and new occupations that may require revision procedures. Of course, international statistical bodies such as OECD, ILO and Eurostat are aware of this need and revisions are ongoing. In this respect, the STILE contribution mainly enabled the specification of some of the particular problems of classifying businesses and occupations related to the new economy. In addition, however, it became clear with the STILE experiment that there is an obvious need for a more explicit international strategy aimed at more convergence in the coding practices of the statistical institutes, including the development of guidelines, training policies, international exchange of teams, etc.

Existing occupational profiling methods

The work on the occupational profiling methods was a bit atypical for the project. It was focused on a rather qualitative measure of the labour market. As a result, the target audience of this work was not statistics producers in the first place, but rather labour market intermediaries aiming at a better match between demand and supply on the labour market, as users of systematic information and data on occupations in our economy.

Occupational profiles are structured overviews of tasks and related competence requirements. Traditionally they are used as a basis for developing educational programmes, training programmes, and information on the content of occupations to support students in the process of choosing a study to prepare themselves for their future, etc. In the existing occupational profiling methods, the profiles are mostly the result of a process consisting of two major stages. In the first stage, researchers collect information on occupations by interviewing job occupants and their supervisors. In the next stage, this preliminary profile is submitted to a group of experts for assessment with a view to validation.

The central question in the STILE project was whether the growing technological and organisational diversity and the centrality of less tangible (behavioural) competences is threatening the feasibility of existing occupational profiling methods. In addition, the question was how to facilitate the international comparability of information on occupations, in particular regarding the competence requirements.

The STILE consortium developed profiles for two ICT related occupations: one for customer technical support and one for web development and maintenance. The research strategy started from the existing so-called conference method, though the team formulated pragmatic answers when confronted with problems applying this method to the selected occupations. The most important conclusion that can be drawn from this exercise again concerns the problems of international comparability. Due to differences in technological evolution and cultural aspects influencing participation in the labour market, as well as differences in labour law, and tax and pay regulations, etc., the qualitative case study material upon which the occupational profiling methods are based cannot be compared.

In answer to this problem, framework profiles for customer technical support and web development and maintenance were developed. A framework profile gives a general overview of tasks and related competence requirements. It is conceived as a common referential framework for putting occupational profiles in an internationally comparative perspective. If experts in all

countries assess this framework in the same way, (i.e. a comparable group of experts answers the same questions on the framework profile), then international comparison is possible.

The following table gives an overview of the tasks that are part of customer technical support and it illustrates for some tasks how subtasks can give more detailed information. The STILE framework profiles also give a multileveled description of competences that are required to perform these tasks. The second table gives an idea of the descriptions of the competence levels.

Table 7

Overview of an occupational framework for customer technical support

Customer Technical Support	Competence levels*		
	1	2	3
PREPARATORY TASKS			
Filter out routine technical/administrative problems			
<i>Make first inventory of problem</i>			
<i>Solve routine technical problems and administrative problems</i>			
EXECUTIVE TASKS			
Troubleshoot technical problems			
<i>Make a technical analysis of the problem</i>			
<i>Solve the problem or assist the customer to do so</i>			
<i>Exceed problems that call for specialist intervention</i>			
<i>Monitor progress of troubleshooting process</i>			
Link customer with technical specialists			
<i>Receive customer in a professional and friendly way</i>			
<i>Keep customer informed</i>			
<i>End of intervention with customer</i>			
ORGANISATIONAL TASKS			
Contribute to adjustments of systems and procedures			
Support colleagues			
SUPPORTIVE TASKS			
Keep up administration			
Learn on a continuous basis			

* 1 = The work can be carried out according to standardised procedures. The performer can rely on basic knowledge.

2 = The work can partly be carried out according to standardised procedures. Some tasks require a creative and rather specialist approach.

3 = The work requires taking a creative approach to 'problems'. The performer often needs to rely on specialist knowledge.

Source: Bollen, Huys & Ramioul, 2004

Table 8

Example of descriptions of competences at various levels

	Level 1	Level 3
Solve the problem or assist the customer to do so	Knowledge of existing procedures for troubleshooting problems <ul style="list-style-type: none"> – General knowledge of software configurations at the basis of services – Knowledge of hardware composition (at the customer's and in the organisation) – Ability to select the most appropriate troubleshooting procedure – Ability to introduce small changes in software configurations as specified in procedures – Ability to reset or change hardware components as specified in procedures – Ability to assist the customer to run through existing stepwise procedures, taking into account customer's (technical) knowledge level (by telephone or e-mail) 	Knowledge of software configurations and how they steer the services <ul style="list-style-type: none"> – Knowledge of hardware and links between various hardware components (how they interact) – Ability to work out a plan for troubleshooting technical problems – Ability to work out a clear stepwise plan for the customer to run through the troubleshooting process, taking into account the customer's (technical) knowledge level (by telephone or e-mail)

Source: Bollen, Huys & Ramioul, 2004

3 *Involving target audiences, users and producers of statistics*

3.1 ■ ■ *Collaboration with producers of statistics*

The third fundamental aim of the STILE project was the active and pro-active involvement of the statistical audiences in the project. Next to the insights and the statistics, the strategy of involving the users and producers of statistics was both a crucial and a typical dimension of the STILE project. From the very beginning, the project plan involved the different target audiences at the national and European levels. This user-involvement was needed to safeguard the effectiveness, which is one of the key criteria of the work. Though not obvious in practice, this principle of involvement of stakeholders – and in particular of statistical institutes – was proved without doubt to be effective in developing the project and was a helpful dissemination method at the same time. It enabled the raising of awareness of the relevance of a more systematic and objective measurement of telework and the impact of ICT on work and organisation. It convinced researchers of the importance of bringing in the European perspective, which is aimed more at convergence and continuity of establishment panels. That is why STILE collaborated from the start with the National Statistics Institutes and with other relevant producers of statistics. Experience has shown that, though not self evident, it can be very rewarding to bring together what seem to be two separate worlds: the world of researchers and universities, on the one hand, and

the world of statisticians and public statistical institutes, on the other. The synergetic effect of bringing together the theoretical reflections and the practical considerations has been proved within the STILE project. One main conclusion is that systematic and structural cooperation between academics and statisticians is needed more than ever in this period of rapid change. In this respect, Eurostat in particular has a crucial role to play in stimulating user groups in all the Member States and at the European level. A more structured and systematic collaboration and exchange is indeed required when it comes to innovating the existing statistics and creating new tools and instruments to take account of the current changes in society.

3.2 ■■ *The users: more creativity needed*

The involvement of the users, next to the producers of statistics, is even more underdeveloped in our statistical system and in our research practices. This user involvement is acknowledged to be crucial, for example for limiting the risk of 'statistical incompetence', as mentioned earlier, though it seems to be very difficult for researchers to implement it, both in public administrations and in statistical institutes. The right channels, the right mechanisms to include the users in our work, albeit policymakers, 'the citizen' or firms as survey respondents, seem not yet to be found. However, in view of effectiveness and efficiency, the survey response rates, in particular of companies, would surely be higher if the respondents understood the importance of statistics for economic and labour market oriented policies. It is certain that the respondents would be more motivated to participate in research if they better understood what is behind the figures and how policies rely on them. The same goes for policymakers as users. The policymakers and the scientists do not really listen to one another, and their dialogue is marked by mutual distrust. There is no doubt that the creation of a more systematic user involvement represents an important challenge for the future. This will in the first place require more structural collaboration and dialogue between academia and public statistical bodies.

3.3 ■■ *The limits of research to innovate statistics*

The STILE project came across two types of statistics producers, that are extremely different. On the one hand, a hardly organised academic community that has to be brought together with the aim of the convergence of organisation surveys. On the other hand, when addressing the Community Labour Force Survey, the European Statistical System that appeared to be an over-organised system operating on the basis of rigid and time-consuming procedures. Both challenged the consortium in terms of its ideas of involvement of target audiences and forced it to look for creative solutions to improve the project's impact: these solutions included the organisation of

workshops, of stakeholder investigations, of user group meetings, of dissemination events, of clustering activities with other relevant European projects, etc. Nevertheless, the effective implementation of the project's results is not at all obvious in the short term.

The problems of the measurement and innovation of statistics and indicators at the European and even the national level are in general further aggravated by the slow processes of change. There are political, bureaucratic and institutional factors that impede the progress of innovation. There is a price to be paid for unification and standardisation. This is obviously not only a STILE problem. On the other hand, and more worrying, a trend can be observed (not only in case of STILE) in which projects for the innovation and improvement of statistics are having to rely on project funding. The question whether this is due to a lack of comprehensive statistical policies presents itself. If ideas for statistical innovation, however modest they may be, must be initiated by or elaborated within the frame of fixed-term research projects, then the innovation itself is at stake. Research projects are funded within the framework of cyclical scientific programmes, which means that they have a short lifetime. If statistical innovation has to rely in the first place on project funding, then it will have to rely on the unsteadiness – and even the whimsicalities – of RTD policies, and on the uncertainties of both the political and the budgetary business cycles. This is the case not only at the European level, but also at the national levels.

4 *Conclusion*

The STILE project has made three main contributions to the better statistical monitoring of the labour market. First of all, starting from broadened insights into socio-economic trends and their relevance for citizens, the workforce, enterprises, policy makers, researchers and statistical institutes, it contributed to a general consciousness of the bearing of the New Economy. The project started from insights into changing inter- and intra-organisational divisions of labour (networking and outsourcing), organisational changes (production concepts), changes at the workplace (*eWork*), and changes in labour market behaviours (mobility) and workforce composition (new businesses and occupations). These trends are inter-related. If society wants to adjust in the most appropriate way to these trends, then the policy makers must acquire better insight into the trends. It is not fully clear to what extent these trends are emerging in society. Another question concerns the impact. These trends may impact on various domains at various levels. Economic growth may be affected. Power relationships between the supranational, the national and the local levels are changing. Social policies are being questioned. Labour market intermediaries such as training institutions may have to reorient their objectives and methods. Inter- and intra-or-

organisational division of work can alter. Working conditions, learning opportunities, stress at work, etc. are consequences that coincide with the transformations described above.

Even though it emphasized the importance of understanding today's socio-economic context, the STILE project did not concentrate on acquiring this insight. The focus was primarily on developing ways to measure these socio-economic trends. This was the second contribution of the project. The outcome of STILE includes a critical assessment of several aspects of the statistical system and the fact that it has at least given an initial impetus to the production of more reliable and comparable statistics. In this respect the project team aimed at improving existing statistics and indicators, most of which indeed bear the key characteristics required in principle for their use in international comparative research and policies. Thus the project contributed to the more general goal of 'pursuing the creation of a more democratic society', all the while acknowledging the inhibiting effect of over-information.

The *third contribution* of the project is to be situated in the critical reflection on the dynamics behind the realisation and the innovation of statistics. The project team's experience with involving users has produced insights into the forces facilitating and inhibiting the creation and maintenance of an adequate statistical system. Collaboration between academics, statisticians, policy makers, organisations and other users of statistics can contribute to the creation of more useful, comprehensive and reliable statistics. Especially when statistics are to be innovated, it is important to stimulate such broad co-ordination. Working on the innovation of existing statistics, the consortium has also experienced that it is difficult to realise such ambitious goals within a project-based context. It is clear that statistical innovation is only possible within the context – and with the support – of a comprehensive and coherent statistical policy.

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*The stimulating but
difficult interaction
between policy and
research*

DIVERSITY POLICY
GROWING STRONGER EVERYWHERE:

(EVEN CARTOONS IN WHITE INK
NOW HAVE BETTER OPPORTUNITIES)

ik



THE FLEMISH POLICY OF EMPLOYMENT EQUITY AND DIVERSITY: A YOUNG TREE WITH STRONG ROOTS

Michiel Van de Voorde & Lieven Van Wichelen

■ *Introduction*

In a relatively short period of time, Flanders' approach to employment equity and diversity has developed into an integrated, well-balanced policy that can hold its own in international comparisons. In various ways, the development of this policy appears to have been linked with scientific research, through awareness raising and policy preparation, as well as in the policy's operational design. In the first chapter of this contribution we examine how scientific research has influenced Flemish policy making in this field. In doing so, we also present a brief history of employment equity policy in Flanders. In the second chapter, we explore its present and future. In the third chapter, this outlook is complemented by a closer examination of a number of key dilemmas facing policy makers aiming for employment equity.

1 *The roots of Flanders' employment equity policy*

In 2004, Flemish employment equity policy features a strong legal basis, broad support and a balanced mix of instruments, all characteristics which were obviously not present when the theme was put on the political agenda in 1998. Since then, the policy has undergone a number of important changes to which scientific research, both inside and outside the VIONA programme, has contributed. Through a historic approach, focusing on a number of pivotal points, we aim to illustrate the policy's slow but steady evolution, as well as science's contribution thereto.

1.1 ■ ■ *Up to mid-1998: developing awareness and preparation*

Up until the end of 1997, the emphasis in the Flemish policy on employment was on creating opportunities, especially for those with a low level of education and the long-term unemployed.

Category-oriented actions focusing on specific disadvantaged groups such as immigrants were mainly limited to specific projects. When particular categories were targeted, such as the disabled, the emphasis was on financial employment incentives, and on granting reimbursement for the loss of profitability and for the adaptation of workplaces. There was no supervision of companies and organisations with regard to implementing an HR policy that respects differences.

One exception to this rule concerned the equal opportunities policy for men and women. This did develop into a category-oriented policy that devoted attention to the demand side, with one of its best-known measures promoting affirmative action plans for women in companies. Companies were provided with consultancy and support to develop and implement an affirmative action policy. Though this measure's success was limited – it proved to place rather high demands on companies' HR management – a number of good practices were developed which subsequently helped to form the basis of a more general category-oriented approach for disadvantaged groups.

From mid-1997 onwards, Flanders' employment equity policy experienced some changes, in particular with respect to the target group of immigrants. Though different factors can help explain the shift towards a more targeted approach for this group – for example, the approval by the Flemish Government of a Strategic Plan for Ethnic-Cultural Minorities and the professionalization of immigrants' associations – the direct trigger was the International Labour Organisation's (ILO) 'Ethnic discrimination in recruitment' study (FDWTC, 1997). The set-up of this study was straightforward: through case studies, it examined whether, and if so, to what extent, immigrants were discriminated against in recruitment and selection. The case studies paired up jobseekers that had the same score on important objective characteristics, such as their knowledge of the language, training and work experience. The important difference between the two 'applicants' was that one belonged to the original population of the country, while the other belonged to the largest immigrant group in the region. The results revealed widespread discrimination (in up to 40% of the cases in some Flemish sectors) and yielded a large response in the press and among social partners and policy makers.

By the end of 1997, the Flemish Government and social partners had started the discussion about the appropriate policy response to the ILO study's harsh conclusions; they would not reach a consensus until May 1998. In retrospect, however, this can justifiably be described as a pivotal moment, as these discussions laid the basis for a consensus that still characterizes the policy on employment equity and diversity. After lengthy discussions, and inspired by both Dutch policy and the Canadian Employment Equity Act, a consensus was achieved on an approach which can

be described as 'voluntary yet committed'. Qualitative and quantitative objectives were to be formulated at the Flemish level, supported by both the Flemish Government and the social partners. These objectives would be laid down every year in an action plan and funded through the government's employment budget. This approach had the benefit of creating a broad and robust basis through the social partners' involvement, while initiating operational action programmes which allowed for efficient follow-up and monitoring.

As all policy makers agreed upon the need for tangible results, an important part of the actions was focused on awareness-raising and counselling in enterprises, public institutions and local administrations. Building on Flanders' experiences with affirmative action plans for women, the instrument of 'affirmative action plans' was slightly adapted: no longer a comprehensive plan, it was designed as a made-to-measure instrument with a focus on 'learning by doing', free counselling, a non-recurrent subsidy and little red tape. Today, these diversity plans are still the successful cornerstone of Flanders' micro-level approach to employment equity.

When tripartite discussions were finally concluded in June 1998, the formal agreement to strive for employment equity was followed in September 1998 by the first annual action programme, which included 75 affirmative action plans for immigrants, 13 regional action programmes, actions with several sectors, the development of training and development programmes, the support of training courses for starting immigrant entrepreneurs, and the expansion of the network of consultants for the support of companies and institutions.

1.2 ■ *Mid-1998 – mid-2001: category-oriented action programmes, experiments with affirmative action plans and the development of methodology at the micro-level*

1.2.1 *Improving the annual action programmes*

The results of the first annual action programme for the employment of immigrants were not entirely positive. The regional action programmes had all been started up, but in some cases with a great deal of overlapping, and not always focusing on the most urgent problems. The objective of starting 75 affirmative action plans in companies was not achieved: 60 plans were concluded, with 43 organisations applying for a subsidy. The sectoral actions were slow to get started. For different reasons, the message was slow to take root:

- The timing was very tight. The first action programme was ambitious and wished to achieve visible and significant progress, but underestimated the time it took to do so.

- The approach was new. Methodologies had to be developed, the network of consultants had (in part) still to be recruited and trained, there were hardly any examples of good practices and there were no companies that could facilitate the approach in other organisations through mentorship.
- The strong support available at the Flemish level existed to a much lesser extent in the regions and (particularly) in the sectors. The importance of persistence and awareness-raising at this meso-level had clearly been underestimated.
- Companies and institutions appeared to suffer from 'cold feet' to a greater extent than policy makers had anticipated. Many saw a diversity policy as a high risk, long-term investment with clear short-term costs and uncertain long-term advantages.

Nonetheless, the first annual action programme was not to be considered a failure. It put the topic of the employment of immigrants and other minority groups on the agenda in social and tripartite discussions – permanently and structurally. New methodologies and instruments were developed and tested to carry out tailor-made actions that could (partly) be used for an affirmative action policy for other minority groups. The first steps were taken to involve representatives of immigrant communities in the policy. The core of the future structures for supervision was developed (the network of regional consultants), the first good practices were developed and new dynamics emerged at the regional and local levels.

After a first evaluation, the Flemish Government and social partners decided to continue and strengthen the approach. It was decided to reinforce the action programme with the following actions and emphases:

- Additional scientific research (in the context of the VIONA programme) was ordered to support policy. This research resulted in the publication 'Working on work for immigrants' (Werk maken van werk voor allochtonen, Verhoeven, 2000).
- Broad sensitizing actions focused on enterprises and further development of supporting instruments.
- Enlargement of the network of subsidized consultants.
- Closer involvement of the sectoral social partners in the implementation of the yearly action programmes.
- Reinforcing the exemplary function of governments (including local administrations).

The consolidation and expansion of Flanders' affirmative action policy was established through the Flemish Government and social partners' agreement to start action programmes for the disabled (from 2000 onwards) and for older employees and jobseekers, analogous to the annual action programmes for immigrants. Together with the longer running action programme on equal

opportunities for men and women (in which the emphasis was more on the development of methodologies and the support of innovative actions), four parallel affirmative action programmes therefore started for four minority groups at the end of 2001. Despite the similarities in terms of content, co-ordination between these did not appear to be easy, particularly at the micro-level of the company.

1.2.2 *Studying employment equity...*

While Flanders amended and consolidated its affirmative action approach through the different annual action programmes for 2000 and 2001, new (VIONA) research was concluded. Research by Verhoeven and Martens (2000) and by Verhoeven and Samoy (2000) painted a harsh picture of the position of immigrants and the disabled on the labour market. The first study identified a clear ethnic stratification on the labour market: immigrants are concentrated in certain sectors (building, catering, agriculture and horticulture) and are underrepresented in other (mainly public) sectors. They have lower salaries, work more with part-time contracts and are more often unemployed. The research was a breakthrough because naturalized immigrants could also be identified in the study by linking individual social security data (which were kept anonymous) to the National Register.

Meanwhile, research outside the VIONA programme (Stoop and Neels, 1998) confirmed the results of the 1997 ILO study: the researchers found that Turks and Moroccans are overrepresented in low-skilled jobs and underrepresented in highly skilled work, even accounting for objective characteristics of these groups (age, gender, place of residence, education and language skills). This conclusion was also strikingly illustrated by Van de Broeck's research (VDAB, 1999) into the use of the database of the public employment service, which revealed that the curricula of people with a 'foreign' name were selected (clicked on) much less often.

As comparable action plan formulas were applied to different disadvantaged groups (immigrants, older workers and the disabled) and compatibility issues arose, policy makers were challenged to reconsider their approach. Considering the scope of employment equity policy as well as its monitoring and subsidies, they drew inspiration from the VIONA study 'Working on work for immigrants' (Verhoeven et al., 2000). Although this study attracted little public attention, it certainly had an impact on the continued development of policy. Some policy recommendations closely corresponded to the adaptations and modifications that had already been formulated by some policy makers:

- The need to strengthen and broaden the Flemish policy framework for implementing a policy for multiple target groups.

- The importance of governments setting an example.
- The necessity of counselling and supporting organisations in their HR management.
- The need for monitoring at every level.
- The importance of the meso-level, particularly the sectors.

1.2.3 ... and employing equity studies

Some of the recommendations of academic research gave rise to policy controversy. From the start, Flemish policy had emphasised the voluntary aspect and the importance of stimulating organisations by means of financial incentives and free consultancy and supervision. On the basis of the experiences in Canada, the United States and the Netherlands, Verhoeven et al. (2000) concluded that this was one of the Flemish approach's weak points, as those international experiences revealed that measures needed to have a compulsory character in order to really make a change. The study revitalized the discussion initiated by Martens (1999), questioning the relationship between a stimulating (incentives, support and counselling) and a coercive approach towards organisations. Often narrowed down to a debate on quota and hindered by strong polarization, this discussion failed to result in a consensus on a balanced mix of stimuli and coercive elements.

1.3 ■■ *Mid-2001 – the end of 2004: an inclusive approach aimed at consolidation, broadening and deepening, and making a start on the mainstreaming*

1.3.1 *A concerted and well-monitored effort at the macro-level*

As of mid-2001, the policy called for a more integrated employment equity approach, stronger meso-level dynamics and more involvement of the social partners and representatives of disadvantaged groups.

In November 2001, TRIVISI presented the first results of its work on diversity and employment equity, learning organizations and stakeholder management. Through pioneering groups, including entrepreneurs, academics, NGO representatives and social partners, the project had been developing a powerful dynamic since its launch in 2000. The TRIVISI pioneering group on 'diversity' worked on concepts and methodologies for the implementation of diversity management in companies, which served as an important stimulus for the further development of policy, both on the macro- and the micro-level (through the development of instruments).

The Flemish Government's decree on employment equity in the labour market added another key ingredient to the policy mix on May 8th, 2002. This decree converted the European directives on non-discrimination into Flemish regulations and aimed to guarantee equal treatment, preventing any form of discrimination on grounds of gender, so-called race, ethnicity, nationality, etc., in the fields of career guidance, vocational training, career supervision, and employment mediation, and also in the field of working conditions for government and teaching staff. Confirming the aim of employment equity in the Flemish labour market, and thereby moving beyond what is required by the European directives, the decree encourages companies to adopt a policy of employment equity and diversity. Moreover, it fixes the monitoring and independent evaluation of the decree, as well as the procedures for dealing with complaints and the possibility of sanctions. In brief, it provides a strong legal basis for the policy of employment equity and diversity, and it assigns the Flemish departments and intermediaries in the employment market an active role in achieving these aims. They are obliged, for example, to draw up an annual action plan (with objectives, procedures, evaluation methods and a plan in stages), and to submit a progress report to the Flemish Parliament every year.

From 2002 onwards, the employment gap of disadvantaged groups and their proportional participation in the public employment service's training and job counselling modules are closely monitored. An instrument was created to measure Flanders' year-to-year progress towards the objective of employment equity – a benchmark set for 2010 in 2001's pivotal 'Vilvoorde Pact' between the Flemish Government and the social partners. For immigrants and the disabled, this benchmark was translated into a growth scenario by calculating the number of extra jobs to be created each year to significantly reduce the employment gap by 2010.

Another policy effort at the macro-level consisted of more actively involving the social partners and the disadvantaged groups' representatives in Flemish employment policy: since 2003 they have been actively involved not only in its creation, but also in implementing a number of long-term and complementary projects. In the 'Jobcanal Project' of VOKA, the association of employers of (mainly) larger companies, job consultants promote the recruitment of immigrants, the disabled, and older job seekers by tackling the mismatch between supply and demand. By the end of February 2006, Jobcanal hopes to have obtained 13,700 vacancies and to have helped 5,500 persons from the three target groups to find a job. The planned results were achieved in start-up year 2003. More than 40% of the job seekers who found work were immigrants. UNIZO, the employers' organisation, which mainly represents smaller organisations and the liberal professions, has established a 'Diversity Service Point', which delivers made-to-measure services with regard to awareness raising and support for diversity management in SMEs. They are also working out an appropriate methodology for on-the-job (Dutch) Language learning in small organizations.

The Service Point also devotes attention to the problem of clients who discriminate and to the specific needs of immigrant entrepreneurs.

The Flemish employees' organisations deploy diversity consultants to raise the awareness of professional secretaries and delegates in companies, and to supervise and support them to create support amongst the employees, to remove resistance and to develop diversity plans. Experience has shown that the most successful diversity plans are those in which employees and their representatives actively participate.

The project of the Forum of Ethnic-cultural Minorities and two other federations of immigrant associations aims to develop a single central support structure for all the actions related to access to work and training. At the same time, the project serves a bridging function in supporting immigrant associations' involvement in employment equity policy. The federations of immigrant associations can become more professional in the field of employment and labour market policy as a result of the project, so that they become a full partner in the advisory and monitoring organizations in which they are represented. A comparable project was started by GRIP, an organisation for the disabled.

The finishing touch in the active involvement of minority groups in policy was the establishment, on 16 December 2003, of the Diversity Commission of the Social-economic Council of Flanders, the central consultation and advisory organization of the Flemish social partners. This Commission will be the central instrument to allow disadvantaged groups to be permanently involved in creating and following up the policy for employment equity and diversity.

1.3.2 Strengthening policy at the meso-level through sector involvement

In the Flemish employment agreement of 2001-2002, the sectors were called upon to make sectoral action plans with a view to removing obstacles in the labour market. The action plans formed a basis for covenants between the sectors and the government. The covenants contain a chapter on diversity, and sectors are assigned a number of diversity consultants for the execution of sectoral diversity work plans. Such covenants were concluded with about thirty sectors.

Depending on their possibilities, the sectors can develop a range of actions. The aim is for their work to complement the efforts of other field workers involved in employment equity and diversity. Examples of actions which are undertaken by the sectors include: tailor-made (basic) training for different minority groups; support for the application of a sectoral non-discrimination code; exchange of experiences, supervision and aftercare for companies with a diversity

plan; providing training, intervision and supervision for mentors/coaches of newly recruited employees from minority groups.

1.3.3 *The micro-level: the evolution of the diversity plans*

VIONA research has provided an important stimulus for the shift from affirmative action plans to diversity plans, as well as for their evolution in terms of content. Reference has already been made above to Verhoeven's research, which argued for more counselling and support for organisations' action plans and for a better co-ordination with the meso-level (Verhoeven, 2000). The 'Diversity management in practice' study by Doyen, Lamberts and Janssens (2002) – also a VIONA product – presents a typology of diversity policy in organisations, indicating the strengths and weaknesses of each policy type. It is also on the basis of this research that some aspects of the regulations on diversity plans are adapted and there is a shift in the content of the plans (particularly) from 2003 onwards:

- Extra care is devoted to strengthening the involvement of personnel and the representatives of personnel. This is apparent, amongst other things, from the fact that more organisations are opting to have their diversity policy drawn up and monitored by a mixed project group.
- There is a visible shift towards an integrated approach to diversity management. This is clear from the following trends: greater attention for a complementary combination of actions; greater attention for career planning and supervision, with emphasis on personal development plans linked to job orientation interviews; growing attention for the well-being of employees and the quality of work, in particular the co-ordination between work and family/free time; a growing involvement of disadvantaged groups' representatives in the execution of the diversity plans.
- Since 2004, subsidy regulations explicitly require organisations to indicate how the planned diversity actions can have a positive influence on their training and competence policy. In addition, they request that every diversity plan should devote attention to opening doors (intake and throughput expressed in target figures determined by the organisations themselves), to raising awareness (working on cultural change) and to changing practices (incorporating the results of the diversity plan in the organisation's HR policy), which was also a research recommendation.
- Doyen et al.'s (2002) research results, and particularly their typology of diversity policy, were included in a 'diversity plan manual'.¹

1 Reizen in diversiteitsland. Een handleiding voor diversiteitsplannen, Ministerie van de Vlaamse Gemeenschap, 2004.

1.4 ■■ *Scientific research: contribution and developments*

1.4.1 *Benefits and contributions*

What, then, has been scientific research's contribution to Flanders' employment equity policy? In 2000, research served as a catalyst, triggering the start of what subsequently evolved into today's policy of employment equity and diversity. Along the way, academic research, mostly ordered by policy makers through the VIONA program, provided a number of key insights which were used to adjust the course of policy. Although, equally important were the quantitative and qualitative monitoring of the actions, both by the Flemish administration and by actors such as the public employment service and the social partners.

Policy also changed research: while earlier research devoted a great deal of attention to the legal perspective (the impact of the Belgian immigration policy and of the general legislation on the position of immigrants in the labour market), the emphasis moved towards greater attention for the social dimension: attention to equal opportunities (also for other minority groups) was considered just as important as devoting attention to equal rights. As policy developed, it became clear that fairly little was known about disadvantaged groups and their situation on the Flemish labour market. Working to fill in these blind spots step by step from 1998 onwards, researchers (and policy makers) were confronted with a number of dilemmas still confronting the policy of employment equity today, upon which we will dwell further in the third chapter of this contribution.

1.4.2 *Limitations and shortcomings*

Useful though it has been, VIONA (and other) research has also had a number of limitations and shortcomings. First of all, there is the limited scope of much of the research. Important studies by Verhoeven and Doyen et al. explored only a limited number of cases. Converting the recommendations into practical measures should therefore be done with some caution. Also, follow-up research is certainly desirable.

Another limitation concerns timing. While quality research takes time, policy tends to change rapidly, complicating or sometimes even rendering obsolete part of the research effort. The current VIONA research, for example, which evaluates the (permanent) effects of diversity plans (Lamberts, ongoing study), is examining the plans from 1999 up to 2002. Meanwhile, however, regulations have been tightened up in 2003 and 2004 (e.g. the obligation to use target figures) and have also been extended (more cross-connections with the education policy, quality of work, competence management, etc.). It is not inconceivable, therefore, that the research will produce a

number of recommendations which have already been put into practice or lack relevance in the face of current practice.

Finally, and inevitably, the funds of the VIONA research programme are limited, and consequently innovative follow-up research is not a priority.

2 *2004 and beyond: Flanders' employment equity policy branches out*

2.1 *Where we are now*

As of the end of 2004, Flanders' employment equity policy has a sound legal basis and broad stakeholder support, a clear objective and a defined growth scenario to achieve that objective. Also, important steps have been taken towards mainstreaming policy and rendering it structural.

A balanced mix of instruments was set up at different levels in order to implement an active policy of employment equity. At the Flemish macro-level, long-term projects were initiated with the social partners and the organisations of minority groups, aiming to improve the match between supply and demand, access to work and training, and diversity support for SMEs and employees' representatives. The exchanges of experience between and with companies are promoted through various diversity projects. In addition, the Flemish 'newcomer' policy pursues the integration of immigrants in our labour market. At the meso-level, agreements were made with the different sectors: diversity consultants are made available to draw up a sectoral diversity working plan. The regional social partners have a network of project developers who support organisations (companies, institutions and local government) in implementing their diversity policy. And last but not least, at the company micro-level, the Flemish Government subsidizes diversity plans and best practices in organizations and supports them through a network of consultants.

2.2 *A diverse and equitable future: which way with Flemish employment equity policy?*

Building on the strengths and experiences listed above, a number of issues remain to be tackled: the main 2003 benchmark (growth scenario) was not achieved, co-ordination between actions

could be better and research into the effectiveness and efficiency of the measures remains limited.

2.2.1 *Keeping up with the growth scenario*

The growth scenario for the employment of disadvantaged groups was not achieved in 2003. In response to this conclusion, the representatives of disadvantaged groups called for policy to 'shift into second gear'. How to improve policy effectiveness and efficiency? Awaiting more thorough evaluations of the different measures, it seems appropriate to continue a number of them in a slightly modified or amended form, such as the structural projects of the social partners and the minority group associations, in which attention for the exchange of experiences and methodologies could be strengthened. The actions carried out for the implementation of the decree of 8 May 2002 can be speeded up with a special emphasis on the role of the (public and private) intermediaries on the labour market and of the government, supplemented by awareness-raising actions aimed at the general public.

The measure of the diversity plans is working well and should be continued, taking into account the recommendations of the VIONA evaluation and with a stronger emphasis on the cross-connections with competence management, education policy, career services and development, as well as with the quality of work (devoting attention, inter alia, to the co-ordination of work and family/free time). The links with corporate social responsibility should be developed further, step by step, as should integration of newly developed methodologies in the diversity plans.

An exchange and a roundup of specific instruments available for ex-prisoners, the older employees and jobseekers and the disabled can be organized in a number of colloquiums. By broadening the activities of the Diversity Commission of the Social-Economic Council of Flanders, the important involvement of the disadvantaged groups' representatives can be reinforced. In the sectoral covenants, extra attention should be devoted to dealing with the aspect of diversity in concrete form by means of sectoral working plans and target figures. Obviously additional training and educational modules must be developed, taking into account the insights from regional exchanges of experiences between organizations, sectors and local councils.

The criticism that the policy is achieving results 'too slowly' must be taken seriously. At the same time, we must ensure that stakeholder support remains intact, and that we do not revert to an approach which could lead to a great deal of resistance. One possible approach could be a general gradual obligation for all (Flemish) government institutions, local councils, institutions and companies to implement a 'light' version of the diversity plan each year, and report on this.

The 'light' version of the diversity plan could comprise at least a short description of the situation with regard to the diversity policy and it contains concrete target figures and an indication of the actions to achieve them, and reports are submitted on this. A precondition for such an approach is that there must be adequate supervision and support (both for management and for the project groups in the organizations) and the obligation to present reports must be limited and – if possible – integrated into an already existing (obligatory) report. During the first stage, diversity plans could be required as a compulsory condition for obtaining government commissions. During the second stage, it would be possible to work step by step towards an expansion to all organisations with, for example, more than a hundred employees.

2.2.2 *Better co-ordination*

Better co-ordination of and between the measures at the macro-, meso- and micro-levels can be achieved by working with clear and measurable target figures and data in all the projects and by reporting on these annually. To have a real effect, clear agreements on tasks must be made with all those working in the field of diversity, without imposing a straightjacket.

In the employment policy area we must take into account the division of competences across the Belgian federal level, the regions and the communities. Better co-ordination between the regions, the communities and the federal level would increase the impact of the Flemish policy.

Likewise, better co-ordination and cooperation between the different Flemish policy domains can strengthen policy: after all, there are numerous cross-connections with education (the transition from school to the labour market, lifelong learning), with welfare and integration (the consultation with the immigrants' own organisations, the policy on the disabled, the co-ordination of work and private life) and obviously with the economy (economic incentive policy, regional economic policy, immigrant entrepreneurs, etc.). Better co-ordination and cooperation between the policy areas of employment, economics, education, integration and welfare could be achieved by developing joint cross-sectoral actions or projects. Obvious possibilities include actions related to the transition from school to the labour market, lifelong learning, the quality of work (including attention to the balance between work and private life).

More integration and co-ordination also implies a number of provisions and trade-offs. In an integrated policy, tensions may arise between the category-oriented attention and the inclusive character of the policy (see 3.). Also, ensuring the involvement of the organized disadvantaged groups in policy and in the execution of policy requires increasing professionalization on their part in the field of employment. This is of special importance for immigrant associations.

Competition between and favouritism within the different target groups can be limited by clearly defining the different target groups and by means of greater differentiation between the incentive measures. A possible blurring of terms and concepts will not be a major problem if we continue to emphasize, as we do now, the fact that we are implementing a policy of employment equity and diversity. In the Flemish approach to diversity management there has been made no choice for a single clearly outlined theoretical approach, but rather for a combination of insights arising from different approaches. We place the emphasis on action, on tailor-made activities, on looking for creative approaches and experiments, and on the need for 'learning by doing'.

2.2.3 *Strengthening research*

Provided a number of conditions are met, the role of scientific research could be reinforced further. There is a clear need for more fundamental scientific research. Programmes such as VIONA have been set up with the view to carrying out research in support of policy. Yet contributions from the academic world with regard to a number of fundamental questions would be welcome: Is and will Flanders continue to be an immigration region? What consequences does this imply? Other key subjects which research has barely touched upon are the justification of a policy aimed at minorities, the issue of group rights versus individual rights and the moral consequences of concepts such as integration and adjustment. In addition, on a more operational level, diversity-related research questions abound: career development and training of target groups, cross-connections with corporate social responsibility or the quality of work, etc.

In policy-oriented research, we have already mentioned that there is also the problem of timing: research should not follow developments, but should be proactively planned; the research programme on Flemish 'newcomer policy' illustrates that this is (sometimes) possible. Still, this leaves researchers and policy makers with the problem of the valorization and dissemination of research results. Even in the VIONA programme, with its strong emphasis on valorization and the representation of relevant stakeholders in the vision groups that supervise each study, this remains a point of interest.

3 *Dilemmas in employment equity policy*

We conclude this contribution on Flemish employment equity policy by briefly touching upon a number of dilemmas which have marked the 'diversity debate' in Flanders in the course of the

past ten years. Universal as they are, these dilemmas are no doubt also relevant to employment equity policy as practised by other countries and regions. Where possible, we indicate how Flemish policy has tried to resolve these dilemmas and what challenges these dilemmas pose for future policy and scientific research.

3.1 ■■ *For whom? Target groups come and go...*

In the past ten years there has been a clear shift in the target groups for which an employment equity policy has been implemented in Flanders. In the past the focus was particularly on women, people with a low level of education and immigrants. Over the course of the years the attention devoted to immigrants has remained constant, the policy for the disabled in the labour market has been integrated into the broader employment policy, and increasing attention has been devoted to the 'new' disadvantaged group of older job seekers and employees.

This trend is also noticeable in the policy-oriented scientific research of the past ten years, with studies on the position of immigrants in the labour market, the integration of policies for the disabled in general labour market policy, mainstreaming of the gender dimension in various research projects and specific attention for older employees and job seekers in the most recent VIONA call for research proposals. As there is an annual update of the agenda of research subjects, it is logical that the policy-oriented research in these fields follows the emphases of the policy. On the other hand, on the basis of these findings it would also be appropriate in the execution of the research to devote special attention to possible 'new target groups' on the labour market, besides mainstreaming the 'current' minority groups.

During the 1990s the gender theme was increasingly mainstreamed in the regular policy. In 2004 it is self-evident that the scope and effect of the various measures for the labour market are detailed for men and women. In this sense, women have progressed most as a target group in Flemish employment policy. After all, total mainstreaming implies that category-oriented measures can be greatly restricted and incorporated in inclusive measures. Moreover, on the basis of the data on the transition of school leavers to work in the past few years (VDAB survey of school leavers), it has been predicted that in future, boys will form a new 'disadvantaged group'. After all, girls do not fall behind as much at school and are more successful in making the school-to-work transition.

People with a low level of education also have a special place in the policy on employment equity. The level of education remains crucial in the Flemish labour market. The employment gap

between people with a low level of education (44%) and those with a high level of education (84%) remains very large, and has hardly been reduced at all in recent years. Nevertheless, the specific attention devoted to those with a low level of education in Flemish policy on employment equity and diversity has diminished in recent years, particularly with regard to the policy on incentives in companies (diversity plans). The reason for this is clear: limited or inappropriate education is often an objective criterion for going into or moving onto a specific job, and, more generally, maintaining or creating jobs for people with a low level of education (and therefore generally minimally productive jobs) is not a policy priority because of the high wage costs in Flanders. Therefore the Flemish policy for the integration of people with a low level of education in the labour market is aimed mainly at increasing their level of educational qualifications by reducing the number of early school leavers, and by promoting participation in higher education and the vocational training of job seekers and employees with a low level of education.

There has been a strong increase in the attention devoted to the target group of older employees and job seekers in Flanders in recent years. This attention was in part drawn by international comparisons – Flanders having an exceptionally low (27%) employment rate in the 55-64 age bracket – and increasing the labour market participation of this group is considered the most important ‘critical success factor’ for increasing the overall employment rate. However, the policy in this field is still in its infancy and mainly limited to encouraging an age-conscious HR management and monitoring proportional participation of older people in vocational training for job seekers and employees.

3.2 ■■ *A category-oriented and/or inclusive policy*

By definition, the policy and research on employment equity and diversity fluctuates between the category-oriented attention devoted to certain minority groups and their mainstreaming or inclusion in mainstream policy and research.

In Flanders, experience has shown that the choice between these in practice depends to a great extent on the position which a minority group has acquired in the labour market.

Thus with the increasing participation of women in work, the gender dimension has also become an increasingly mainstream issue in the general employment policy and research. Currently the category-oriented approach is limited mainly to developing a ‘flanking’ policy, *inter alia*, on the balance between work, family and leisure time (e.g. by developing childcare facilities). The continuing precarious position of immigrants means that the specific attention for this

target group remains a focus in policy and research. The continuing low participation of older people in work, together with the demographic challenge (the ageing population) gives rise to a new category-oriented approach to the minority group of older employees and job seekers.

3.3 ■ ■ *The registration and defining of minority groups: stigmatization and the violation of privacy or a crucial element in the follow-up and evaluation of policy?*

The attention devoted to the definition and operationalization of disadvantaged groups is a constant factor in the policy debate and in the research on employment equity and diversity. This debate points out the need for the objective monitoring of the position of various minority groups in the labour market, while at the same time indicating the possible stigma of this 'labeling' and the restrictions imposed by the legislation on privacy in this respect.

In this debate, ethical objections are often made to identifying someone as an immigrant 'by definition' because of their foreign name (while the individual concerned may not consider himself as such at all). Likewise, ethical objections have been raised to identifying someone by definition as 'disabled' because of their physical limitations. One way of resolving this impasse in practice is to insist that the individual concerned must give his or her explicit consent to be registered, for example, as an immigrant or as being disabled in the databanks concerned. However, this route of 'limited self-definition' implies a lot of administrative burden, as these questions must then in principle be presented to everyone concerned. Furthermore, this process could unjustly give the impression that policy consists in giving these individuals special treatment, while it is generally merely the policy maker's intention to obtain macro-level information.

In Flanders, a pragmatic approach is used to avoid the impasse which can follow from this debate. For example, a program of name recognition is used to estimate the share of immigrant job seekers in the public employment service's counselling and training programmes. Though this technique does not objectively determine each individual job seeker's background, it provides policy makers with valuable macro-data to improve employment equity actions. After all, the nationality of those involved is clearly inadequate as the only available 'objective criterion', as numerous immigrants now have obtained the Belgian nationality. For example, in March 2004 approximately 10% of Flemish job seekers were of non-European nationality, while the proportion of job seekers of 'non-European origin' – as identified on the basis of the program of name recognition – was significantly higher at 17% (12% of Maghreb or Turkish origin). This indicates that it is not so much the nationality, but rather the origin (ethnicity) that plays a significant dis-

criminary role in the Flemish labour market. Without the programme of name recognition, this important fact would remain 'invisible' for policy.

3.4 ■ ■ What policy? Imposing quotas in formal legislation or quantitative target figures in the monitoring and follow-up of the policy?

The government can rely on several types of instruments for creating an employment equity and diversity policy. In the past few years, a consensus has grown in Flanders that this policy should not be based purely on awareness-raising, and therefore have an optional character, but that clear objectives should also be set and monitored. The debate often focuses on the question of whether it is appropriate to work with quotas that can be imposed by law, for example the obligation for employers to employ a certain percentage of employees of foreign nationality. In practice there is no broad support in Flanders for introducing this quota by law, with employers being particularly opposed to these legal quotas. In 2000, the Belgian federal government did introduce a comparable quota system to promote the employment of young people (the 'Starter Job Agreement Act' or 'Rosetta Plan'), which obliges employers to recruit employees under the age of 25 for at least 3% of their personnel every year.

The Flemish Government, however, has opted for the path of a positive incentive approach, as opposed to an approach that imposes sanctions when legal quotas are not attained. For this approach to be sufficiently effective, clear target figures are adopted. At the macro-level (the Flemish Government and social partners), there is a commitment to significantly reduce the employment gap of a number of disadvantaged groups. For immigrants and the disabled, this has been translated into a specific 'growth scenario', which includes a target of additional jobs to be created for each group annually.

■ Conclusion

A young tree planted in the late 1990's, Flanders' employment equity policy has quickly taken root in Flemish labour market policy. Its roots include the strong involvement of the various stakeholders, the establishment of a dedicated Flemish decree in 2002 and the dissemination of methods and experiences in hundreds of Flemish companies and organizations over the last few years. Branching out, it is faced with a number of dilemmas, including its focus (which target groups?), its character (facilitating or coercive?) and its monitoring.

Scientific research has served as a fertilizer, playing an important role in the conception of Flanders' employment equity policy and, along the way, providing it with a number of influential ideas and insights (e.g. the ILO's 1997 'Ethnic discrimination in recruitment' study). Research also served as a facilitator, smoothing the path towards a broad consensus between the Flemish government and the Flemish social partners.

With the exception of the ILO's study on ethnic discrimination, however, academic research rarely set the employment equity agenda. In part this is due to the nature of the VIONA programme, which was set up to focus on policy support rather than on fundamental scientific research. Timing is another issue, with research too often following developments instead of being able to lead the way. A third weakness is the lack of systematic evaluation research, with only the diversity plans having been (partly) evaluated on a scientific basis. In this perspective, the role of scientific research can certainly be reinforced in developing a full-grown diversity policy.

With respect to Flanders' innovative instrument of diversity plans at the micro-level of organisations, the overview in the preceding chapter allows for a few conclusions. First, developing policy in cooperation with all relevant stakeholders and adjusting it incrementally through yearly action plans has enabled discussion, experiment and (re)adjustment. This approach made possible the evolution towards an inclusive policy ('inclusive where possible, categorial where necessary'). Secondly, through the instrument of diversity plans, Flemish policy focused rightly on the micro-level of the organisations. Modest financial incentives, a useful set of guidelines and checklists, a broad network of consultants to support the implementation of the diversity plans, self-determined target figures, little red tape and a tailor made approach have proven to be of key importance for the success of the Flemish diversity plans.

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Some final thoughts on VIONA from a research perspective

CARTOONIST FINDS INSPIRATION
IN CONCLUSIONS OF VIONA REPORTS:





LABOUR MARKET RESEARCH IN FLANDERS: READY FOR A NEW BEGINNING?

J. Bundervoet

We can't get away from the labour market. I mean: we cannot get away from the concept of the 'labour market'. And I find that a problem. It's a problem because the object of all our interest – the world of labour – can only with the greatest of reservation be characterized by the term 'labour market'. Whether we talk about the processes of the division and organization of labour, about the structure of positions, professions and jobs, about the meaning of work, about work and family, work and leisure time, or whatever ... the concept of 'labour market' is not very enlightening and perhaps even rather misleading.

Similarly, it seems to me that there is also something wrong, for example, with the term 'marriage market'. This term is sometimes used because in the realm of the development of interpersonal relationships our relatively open and individualizing society sometimes displays partially market-like characteristics. The 'want ads' in some newspapers give us an indication of this. You know: blond lady, 45 years old, bra size such and such, dog owner, seeks... We must admit that there is something market-like about such an ad. But for the time being it brings us no closer to seeing this market-like feature as the central characteristic of enduring personal relationships. Because fairly essential ingredients of the market concept, such as exchangeability and frequency of exchange, are not exactly those characteristics that people want to attribute to the marriage relationship – not even in these, at least what some people would call, rather libertine times...

Not so with the term labour market. It remains the core concept in all our policy and research efforts. It gets endlessly repeated, but what does it mean? What are we actually referring to when we use it?

You will forgive me this brief academic digression, but in most textbooks you will read that a labour market in the literal sense of the word is a place where 'those who are looking for work' and 'those who are offering work' meet one another. Such a description, says Albert Benschop, creates more questions than it answers.

First of all, the labour market is a rather *abstract* market which cannot be localized, and yet, one way or another, it does function in society. Just like the market in goods, the labour market is a fairly loose aggregation of a very large number of transactions. The market is therefore rather a specific type of social structure: it is a social institution that facilitates exchange. But at the same time it is a political, economic and legal institution constructed around the privilege of the entrepreneur and the supremacy of capital.

Secondly, it is impossible to speak of the labour market in the singular. The labour market is in reality an aggregation of *diverse submarkets*. There is a general or external labour market, which encompasses the working population as a whole. But there are also various internal labour markets: geographical markets (international, national, regional and local), business submarkets, professional submarkets and internal company submarkets. All these very different internal submarkets are submarkets within which the market mechanism does indeed (partially) work, but between these submarkets there is hardly any exchange. In other words: the labour market is strongly segmented (and the labour intermediaries among us know this all too well).

Thirdly, it is erroneously suggested that 'labour' is exchanged or traded on the labour market. The expression 'labour market' ignores and conceals the crucial fact that it is not 'labour', but rather 'workers' that are exchanged.

"What the employer acquires on the labour market is not so much concrete work performance, but rather the disposal (limited in time and place) over the *work capacity* of the employees involved." (Van Hoof, 1987, 16). It is not the 'work' or the concrete work performance that are exchanged on the labour market, but the work capacity (the power to perform work). When a capitalistic entrepreneur hires a wage laborer, he purchases the disposal over his work capacity, i.e. he purchases the command over this laborer for a certain period of time. Thus labour contracts have more resemblance to lease contracts than to sales contracts. This implies "that the management of a business must always be striving to ensure that the work capacity over which it by contract has obtained command is actually converted into the desired work performance, and that the potential resistance of employees to their subordinate position should be prevented... (A. Benschop).

Management will have to control the worker's efforts, and one of the generally employed strategies to control the work capacity is precisely to pursue a bonding or retention policy in which management, for example, will offer higher wages than normally would have developed on the market (the efficiency wage theory, as many of you will know). This means that we are here deviating far from the usual model of market and contract. Please note: it is in the first instance one

of the central players in the labour market that fundamentally avoids the market system by implementing apparently inevitable strategies in its efforts to control the work capacity, such as creating and maintaining internal labour markets and implementing a wage policy that is not in conformity with the market. And now, chance will have it that just these same central players on the labour market, viz. the employers and their organizations, invariably act as the public advocates of a maximally flexible, liberalized labour market...

But all of this aside: there are still more paradoxes to be found in the phenomenon 'labour market', though it is not my intention to dwell any further on this point. My conclusion, nonetheless, about the term 'labour market' is that it is fairly inadequate and misleading. On the other hand, it is so established that we will probably have to continue using it for a long time yet. After all, you might say, the child must have a name.

Finally, the question of naming is not the core problem. Of greater importance is the image of our labour system that is created by the labour market model and its accompanying terminology. This image implies that a field of activity is imagined in which most of the problems by far are solved by the natural operation of the market factors, by the playful encounter of supply and demand, which invariably leads to win-win situations for most of the stakeholders involved – and that, consequently, we must earnestly guard against disturbing the salutary effects of the operation of market forces by implementing all kinds of well-meaning universal measures that, for the most part, turn out poorly. "Only intervene when absolutely necessary" – that's the message! On the basis of this image, labour market policy is by definition marginal policy.

What's more, when it turns out that many of the measures taken seldom produce the desired results, or that the effects of these measures are at the very least difficult to ascertain and to measure (which is indeed often the case), then this is supposed to be just one more proof of the fact that labour market policy is, and should be, not much more than a little tinkering on the margin of the problem – a mere band-aid, if you will.

You will understand that I am thoroughly in disagreement with this point of view, and that I continue to have a problem with the term 'labour market' and the misleading connotations that it carries. All the more, you will understand that I am convinced that a contemporary labour system with its untold diversity and complexity, on the one hand, and, on the other, with the central position that it occupies and (yes, despite everything) continues to occupy in our contemporary society, ... that such a system is worth a well-considered policy effort.

We must not conceive of the labour phenomenon at the macrolevel and in the various sectors, subsectors and professional and market segments as only operating in accordance with a generalized exchange model. We must probably conceive of it rather as a complex and dynamic social structure which, as in every other social domain, does indeed need to be directed and controlled, if need be with a sense of diversity and nuance and, if possible, on the basis of democratic and other principles characteristic of our time.

In brief, modern labour market policy determines where and to what extent the operation of market forces should be made possible and, if need be, it will support the operation of market forces. But – in spite of the OECD (Organization for Economic Cooperation and Development) – the unrestricted operation of market forces can never be the excuse for the failure of a modern labour market policy. In the mean time it has become clear that such a labour market policy is not limited to a single level of intervention (the central authorities, for example, or the Flemish Minister of Labour, Education and Training), or to a single instrument (employment finding via the VDAB (Flemish Employment Service)), but that such a policy in any case covers a number of levels and it employs and develops a growing repertory of instruments. It is a question here of developing an integrating policy that does justice to both the complexity and the diversity of the problems, as well as to the sense of co-ordination and the capacity for adaptation to new developments.

This afternoon the Employment Administration of the Flemish Government will present a review of 10 years of labour market policy. I don't want to get ahead of the story here. I just want you to share my expectation that the labour system of the 21st century will need a diversified and finely tuned, though at the same time also co-ordinated and integrating, direction and control (if possible, also still proactive!) – Fons Leroy has a point when he states that we in Flanders have an additional impediment to deal with, viz. the inadequate distribution of competences in the federal structure. Nonetheless, I feel that I can conclude that the firmly entrenched popular idea about the marginality of labour market policy must be rejected, and that nothing can prevent us from developing that policy with all our powers, at least to the extent, for example, as is the case in the countries round about us. We are capable of doing that and, sooner or later, we will. About that I am quite sure.

So that's the whole story, you might think. But of course it's not. Because now I come to the main part of my story and, incidentally, the reason why the organizers reserved a certain amount of time on this platform for me: to give a retrospective account of one of the instruments that is playing – and should play – a crucial role in current and future labour market policy, namely, the

scientific preparation, follow-up, monitoring and evaluation of the labour market policy pursued.

I am perhaps privileged to have been involved in a number of developments from the early days onward. But you should not expect that in the time remaining I will be able to present an analysis – however desirable and instructive that may be – of labour market research in Flanders during the last 30 to 35 years. I want to limit myself to a couple considerations that, in my opinion, could be significant for our work in the coming years.

Let me first say something about the achievements of the VIONA Program that has now come to an end. In the course of the last ten years some 100 research projects were financed within the framework of this program. These projects dealt, more or less close up, with the operation of the labour market in Flanders. They covered a relatively broad range of topics, risk groups, market factors and problem levels. Compared to the pre-VIONA period, I believe that significant progress was made on certain points:

- A certain concentration of resources for labour market research, in any case at the Flemish level, made an initial co-ordination of the research efforts possible. The Department of Labour and Employment of the Flemish Government and, more in particular, the VIONA Steering Committee played a decisive role in this development. In relation to the past, this is a significant advance.
- At the same time, under the impulse of that same Steering Committee and with the support of the Flemish administration, the world of the researchers was brought closer to the policy, which initiated the first wave of more policy-oriented research, not always in accordance with everyone's profoundest wishes, though it did produce a useful exchange of experiences.
- Both in terms of content and methodology – thanks in part to the implementation of fairly careful tender and evaluation procedures and through the continuity of the research program in the Flemish universities and research institutions dealing with certain topics – expertise has undoubtedly been developed upon which we can now continue building with some confidence.

The VIONA Program made an important development possible in Flanders in the collaboration between policy and scientific research in a previously very neglected field: the labour system or, if you will, the labour market. Nonetheless, in my opinion this is only the *first* step, and, finally, I want to tell you why: Why do we regard this as an initial step?...

Two elements play a role here: *first*, the ongoing research program can be regarded (in most cases) as a useful finger exercise, but insofar as possible in the coming years the different gaps will have to be filled in. *Secondly*, a fully fledged labour market policy such as I just described requires a more focused effort in the area of scientific supporting information, such as monitoring, evaluation studies and statistical refinement

As for the gaps in our research efforts, I can refer by way of example to the difficulty of penetrating into the dynamics of the labour market phenomenon, for example via thoroughgoing career research or the study of developmental processes in companies, sectors and professions... Our studies are often limited to momentary descriptions. And in general what we are missing, besides the policy contribution, (which, via the steering committee or the vision groups, is often very meaningful), is the theoretical discussion that turns the research into scientific, i.e. universalizing, research.

But with a view to the policy relevance of the scientific contribution, permit me a brief excursion into the so important aspects of monitoring, policy evaluation and statistics development, each of them an essential element in a fully fledged labour market policy.

A number of years ago (1998), Walter Van Trier drew up a summary of the state of affairs in scientific research focused on evaluating the labour market policy, and thus on measuring the results of this research. On the whole, his conclusions still apply today. Let me cite a few of them:

- Although the labour market policy in Flanders/Belgium over the last two decades has been characterized by a continuous stream of initiatives, both at the regional and at the federal levels, we can hardly speak of an ongoing effort to evaluate the different instruments of the policy. Old measures were apparently retracted or adapted and new measures were introduced, often without an 'external' evaluation being available or the possibilities of carrying out such an evaluation being used.
- The existing evaluation studies are nearly all of the 'impact study' type. In one way or another, they measure the results of a certain program. How the policy takes form and in what way the different measures were implemented has thus far remained outside the evaluation process. This is regrettable because in the international literature references are regularly made to the fact that the effectiveness of a measure often depends strongly on factors determining the implementation of the measure. It is for this reason that people are strongly arguing for the inclusion of elements of 'process evaluations', even in impact studies.
- Not only are the existing studies nearly exclusively impact studies, the measurement of the effects of the measures taken is centered mainly on what we for convenience's sake

want to call 'administrative criteria'. This is usually an evaluation based on the effectiveness and the range (the number of participants) of certain programs. This means that we only get a limited view of the four important criteria on the basis of which labour market measures can be evaluated, namely:

1. the employment effect (does the measure lead to more employment?),
2. the distribution effect (does the measure distribute the burdens of unemployment more evenly?)
3. the productivity effect (to be measured via shorter duration of vacancies, diminished mismatch, effects on the wages later earned, etc.)
4. the efficiency effect (were the intended objectives achieved, and at what opportunity costs)

Also, it is only in exceptional cases that one can determine to some extent the *net impact* of the measures: little data can be found concerning deadweight, substitution or displacement effects.

- There are (so far) no evaluation studies that examine the effects of policy measures in the longer term. Most studies view the results of a measure within one to two years after its initial implementation. On the basis of the existing material, therefore, it is impossible to determine how long certain programs continue to exert an effect.

In the domain of the labour market one may naturally be "eager to know", but in any case one must "measure to know". In a recent paper on 'Labour Monitoring', Peter van der Hallen delivers the (indeed) attractive message that labour market monitoring can provide the initial impulse leading to democratic labour market control. He illustrates this on the basis of a fruitful interaction between statistical information and policy in the area of labour participation according to nationality. The practice of monitoring – so he claims – has initiated "a process of policy development and policy improvement that previously was never thought possible" in the areas of labour market policy, statistics development and labour market research.

For the development of statistics, the practice of labour monitoring, which even within the European context needed to be expanded to comply with the Lissabon objectives, was a welcome stimulus. Suddenly, policy makers discovered that, besides figures for unemployment, figures could also be calculated for activity and employment. With good will and a little extra effort to make the statistics comparable with one another, it turned out that more figures could be constructed than policy makers perhaps had ever dared think possible.

Thus, for example, the *Data Warehouse* (within the context of the *Kruispuntbank Sociale Zekerheid* or Social Security Crossroads Bank) constitutes a development in the field of statistics policy

“that was previously not thought possible”. Moreover, the practice of working with users’ groups created a meaningful and fruitful collaborative relationship between academics, users of statistics and the administrations that produce these statistics.

Finally, the PASO Project should also be mentioned: this is a longitudinal panel study of the demand side of the labour market in Flanders. This project, which was started up in 2000, surveys a sample of approximately 10,000 organizations each year. Three surveys have already been carried out, through which a wealth of information has been made available.

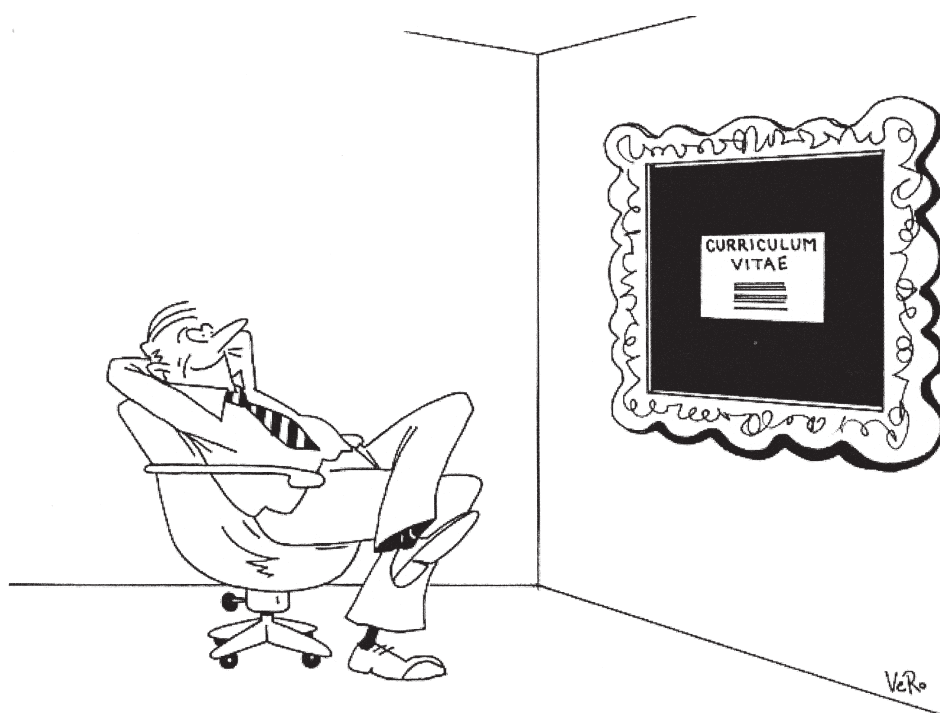
International comparative research has revealed that the systematic and longitudinal gathering of microdata at the company level in all sectors of the economy can be regarded as *the heart* of a country’s system of statistics. Such a demand side study does indeed fulfill an essential complementary role relating to the administrative data which the government possesses.

It is precisely with this PASO Project that we currently find ourselves in a critical phase: it’s either go on or give up... Because I can reasonably dare to assume that the Flemish government will want to show its preference for a longer-term policy in this matter (and it will not want to see the efforts thus far made be lost). I am arguing for a redoubled effort to support this so important key project. Redoubled effort: both to raise the level of response and to continue guaranteeing the methodological quality and the thematic flexibility.

The VIONA Research Program, the Data Warehouse, the PASO Project: these are the building blocks for the development of a labour market policy. We would not have dared to predict ten years ago that we would have these programs at our disposal today. We have indeed come a long way. The question, however, is what the future will bring us. Can we assume that the labour market policy in this country will take on the central role that it deserves? That the funds for the monitoring of this policy will no longer be used to balance the budget? That the scientific foundations of this project will be allowed to achieve the level of similar efforts in neighboring countries?

Together with you, I hope so. I dare to believe that we are seeing the dawning of a new era in labour market research in Flanders.

About the authors





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