

in Angola, Argentina, Armenia, Azerbaijan, Belarus, Belgium, Botswana, Brazil, Czech Republic, Chile, China, Colombia, Denmark, Finland, France, Georgia, Germany, Guatemala, Hungary, India, Indonesia, Italy, Kazakhstan, Kirgizstan, Malawi, Mozambique, Mexico, Namibia, Netherlands, Paraguay, Poland, Russia, Slovakia, South Africa, South Korea, Spain, Sweden, Tajikistan, Turkmenistan, Ukraine, United Kingdom, United States, Uzbekistan, Zambia, Zimbabwe

# WageIndicator websites and web-survey:

Wage Indicator Foundation, www.wageindicator.org
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1	Transparency in wages for informed decisions	1
2	WageIndicator websites and web-survey	2
3	Wage Indicator Foundation and its organization	3
4	Funding	4
5	Cooperation with many partners	5

## 1 Transparency in wages for informed decisions

Economic labor market theories assume that individual workers have perfect information: they know how much other workers are earning and what the prevailing market wages are. In job search, proper knowledge of current wages helps workers make informed decisions, particularly in case of job search in another region. In wage negotiations, trade unions profit from wage information about similar jobs in other companies, potentially preventing unfairness or exploitation. Employers enjoy similar advantages by making wage determination fairer and more transparent. Reliable and transparent data are key input for collective bargaining and ensure a productive and effective dialogue. So far the assumption and its positive effects.

Now reality. For a variety of reasons both employers' and workers' information about wages is not perfect. First, job vacancy advertisements mostly present starting wages, if mentioning wages at all. Second, collective bargaining agreements are not spread widely and sometimes only made available to trade union members. Third, in case of job decisions involving migration over large

distances, workers may not have any information at all. Fourth, when mouth-to-mouth communication is the major medium for exchanging wage information, the risk of exaggerated or even false information is real. And the last point: access to proper wage information on the Internet, where it can be had, is usually not free of charge and targeting only higher job levels.

The Wage Indicator Foundation is dedicated to labor market transparency by providing accurate wage and wage related information to the public at large for free. It does so by using the Internet to spread information about wages and benefits for occupations at all job levels. This makes information far more widely available and better accessible than instruments used so far. As Jelle Visser, professor of industrial relations at the University of Amsterdam, stated at the 3<sup>rd</sup> global WageIndicator conference in April 2008: "A WageIndicator may serve as a Lighthouse: providing signals to users about the wage norm or standard rate for particular jobs, or about pay gaps". Currently, WageIndicator has websites with Salary Checks and salary surveys in 45 countries. In all participating countries a desire for free wage information is apparent, leading to high numbers of webvisitors. Each month the WageIndicator website in the Netherlands is visited some 500,000 times.

WageIndicator is supported by the International labor Organization ILO, in Geneva for two god reasons. First, WageIndicator increases labor market transparency and second, it collects wage data comparable across countries. As Manuela Tomei and Sangheon Lee of ILO's Conditions of Work and Employment Programme stated at the conference: "A pioneering initiative to address the challenges relating to wage statistics. Easy access and wide dissemination. Participatory approach (no problem of "free-rider"). Inputs to national and global debates (e.g., ITUC report on pay equity)".

#### 2 WageIndicator websites and web-survey

Currently, WageIndicator is operational in 45 countries. A national website has a Salary Check, providing wage information, free of charge, for a wide range of occupations, controlled for gender, tenure, education, supervisory position, region and the like. In all countries the websites attract web-visitors primarily to consult the wage information pages for their job mobility decisions, their annual performance talks or their wage negotiations. They are consulted by school pupils, students or re-entrant women too, in fact by all who face occupational choices. They are consulted by employers when recruiting staff or negotiating

wages with their employees. From visitor's feedback, we know that particularly employers in small and medium sized companies visit the websites, because in contrast to large companies they cannot afford buying wage information from consultancy companies.

In return for this free salary information, web-visitors are encouraged to complete the continuous, international comparable WageIndicator web-survey on work and wages. The data of the web-survey is stored in the WageIndicator wages database. The database is used for the calculations underlying the national Salary Checks, which are annually updated. The database is also used for academic research concerning a wide range of topics, such as wage setting or working conditions.

All websites have content about wages, working conditions, labor standards and related topics. Each country has at least one website. Multilingual countries have two or more websites. In addition, many countries have pages for target groups, for example women or youth. In recent years several web tools have been developed to attract web-visitors, such as the VIP Paycheck which shows wages earned by movie stars, heads of state, and other Very Important Persons. Other tools, such as a Gross Net Check, a Minimum Wage Check, and a DecentWorkCheck are available in some countries already. From 2009 on a so called Partner Check will also be available in Spanish, Portuguese, English and Russian.

# 3 Wage Indicator Foundation and its organization

The concept is owned by the Wage Indicator Foundation, a non-profit organization dedicated to labor market transparency by providing accurate wage and wage related information. In 2003, the Foundation was established under Dutch law. Its founders are the Amsterdam Institute of Advanced Labor Studies (AIAS) of the University of Amsterdam, the Dutch Confederation of Trade Unions (FNV), and career website Monster. Its mission statement reads:

"Share and compare wage information. Contribute to a transparent labor market. Provide free, accurate wage data through salary checks on national websites. Collect wage data through web-surveys."

Technically, the WageIndicator web-portal is managed and maintained in the Netherlands, and hosted on servers in the Netherlands, USA and Hong Kong (from 1-1-2009). Its open source (Plone) Content Management System (CMS) makes it possible for national web-managers to easily update their national

websites. Its Questionnaire Management System (QMS) is a database with a source questionnaire in English and country-specific questionnaires in the national languages. Its worldwide wages database has up-to-date information about wages and benefits, based on the web-survey.

The Foundation's director Paulien Osse manages a team of web-programmers, web-designers, web- journalists, a data manager and questionnaire managers, and she maintains contacts with media partners. In most of the countries, a team of web-managers and researchers is affiliated to the national website, see <a href="www.wageindicator.org/main/Partnersworldwide">www.wageindicator.org/main/Partnersworldwide</a>.

Professor Kea Tijdens, University of Amsterdam, is responsible for the scientific part of the web-survey and the wages database. In many countries, researchers analyze the survey data on issues such as wages, working hours, or collective bargaining coverage. See <a href="www.wageindicator.org/publications">www.wageindicator.org/publications</a>.

### 4 Funding

The WageIndicator project started in 2000 in the Netherlands with a large-scale, paper-based survey to collect data on women's wages, funded jointly by the publishing house of four large women's magazines, by the trade union confederation FNV and by the Ministry of Social Affairs. In 2001 the first WageIndicator website with a Salary Check and a web-survey was launched, funded by FNV, University of Amsterdam, and the Ministry of Social Affairs.

In 2004, similar websites were introduced in Belgium, Denmark, Germany, Finland, Italy, Poland, Spain, and United Kingdom, thanks to a 3-year FP6 grant from the European Commission. In 2005 and 2006 websites were launched in Brazil, India, South Africa, South Korea, Argentina and Mexico, thanks to two 3-year grants of the Netherlands Development Aid Fund, provided through FNV Mondiaal. In 2006, a website in Hungary was launched, thanks to a grant from the European Commission's EQUAL program. In September 2006, a website in the USA was launched, thanks to funding from the Harvard Law School, Labor & Worklife Program, Cambridge. In September 2007, the Russian WageIndicator - Mojazarplata - was launched in cooperation with Independent Media. In 2007, the Chinese WageIndicator team started working on a website and questionnaire, supported by Renmin University, Beijing and Harvard Law School, Labor & Worklife Program. In early 2008, Monster Sweden launched the Swedish WageIndicator. Since early 2008, Mojazarplata also gives access to visitors from Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kirgizistan, Turkmenistan,

Tajikistan, Ukraine and Uzbekistan. In April 2008 a website in France was launched as part of the WIBAR-2 project, thanks to funding of the European Commission. In April 2008, websites were launched in Chile, Columbia, Guatemala, Paraguay as part of the TUSALATIN project, thanks to a 2-year grant of the Netherlands Development Aid Fund, provided through CNV, the Christian Trade Union Confederation in the Netherlands. In December 2008 websites are launched in Angola, Mozambique, Botswana, Malawi, Namibia, Zambia, Zimbabwe and Indonesia in relation to the so called DECISIONS FOR LIFE project. This project (14 countries involved) is awarded a MDG3 grant from the Dutch Ministry of Foreign Affairs in support of the United Nations' Millennium Development Goals no 3 (MDG3): 'Promote Gender Equality and Empower Women'. January 2009 sites will be launched in Slovakia and the Czech Republic.

In most cases, the project grants aim at starting operations in additional countries. The funds mostly cover the investments needed for the first two to three years. After the funding period some national teams are able to pay a fee to the Wage Indicator Foundation for the costs related to its technical, data, managerial and other services. The fee is not a problem for most developed countries, but it is for the developing countries. Therefore, the Wage Indicator Foundation continuously seeks funding to support the national operations in developing countries, because particularly in these countries accurate wage information is scarce.

Apart from funded projects and country fees, which cover approximately two thirds of the Wage Indicator Foundation budget of 0.45 million euro per year, one third comes from more commercial projects like data selling and selling of licenses for media companies, and web advertisement/banners. Income from banners and licenses is not a realistic option in developing countries.

# 5 Cooperation with many partners

The Wage Indicator Foundation cooperates with a wide range of partners, both at the national level and internationally. Cooperation is necessary, because web-marketing is complicated but critical in attracting web-visitors. Therefore, WageIndicator seeks cooperation with major web-portals, such as T-online (Germany), UOL (Brazil), IOL (South Africa) and Microsoft's MSN portal in UK and the Netherlands. It seeks cooperation with media groups or publishing houses with a strong Internet presence. Current cooperation includes Rzeczpospolita (Poland), Mail & Guardian (South Africa), Rheinische Post, Stern, Stuttgarter

Zeitung, Sueddeutsche, Die Zeit (Germany), Independent Media (Russia) and De Telegraaf (Netherlands). It cooperates with the career site Monster, the world's largest job site, notably with Job Korea, Monster.se, Monster.be, Monster.fi and Monsterboard.nl. In some countries, national websites cooperate with temp agency sites or with employment agency sites. Finally, all national teams aim for free publicity.

At the international level, WageIndicator cooperates with the International Labor Organization ILO. Particularly its office in Moscow has been helpful to start a WageIndicator website and web- survey in the Russian Federation and in 10 post-soviet countries.

It is critical that visitors trust both the information provided in the Salary Check and volunteering their data in the web-survey. This trust is ensured through cooperation with top universities and with trade unions or their confederations. In addition, such cooperation is important because trade unions organize workers at all job levels, and WageIndicator wants to provide wage information for occupations at all levels, not only for the high-skilled occupations. Therefore in a number of countries, national WageIndicator teams cooperate closely with trade unions or confederations, see www.wageindicator.org/main/Partnersworldwide. Trade unions have an interest in spreading information about pay and benefits to their membership and beyond. These unions encourage their membership to consult the national website and to complete the web-survey. They also use it to conduct salary surveys of target groups. If Internet access is low, the Wage Indicator Foundation provides a PDF file of the web-survey to be used for a paper-based survey. In India, such a survey has been held among ten occupational groups, which are predominantly occupied by illiterate workers. In Paraguay and Guatemala, trade unions groups have scheduled such a survey in target industries in a few cities. In Hungary, a paper-based survey of a random sample of workers has been held. In Brazil, trade union groups use the Salary Check and the web-survey in training courses. In Belgium, trade unions have distributed postcards encouraging workers to complete the web-survey. All data collected in this way is added to the WageIndicator wages database and is used for improving the national Salary Checks. These Checks may be finally used for industrial action - f.e. as demonstrated by the case of Finnish nurses.

Finally, cooperation exists with international trade union confederations, such as ETUC (Brussels), ITUC (Brussels) and Union Network International

(Nyon-Switzerland). With ETUC research is conducted in relation to collective agreements and multinationals. ITUC, Union Network International and the Wage Indicator Foundation cooperate in the Decisions for Life project.

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