



## Wage Indicator

share and compare wages,  
increase labour market transparency

### *The Next Decade*

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# Wage Indicator – why?

Paulien Osse, director, Wage Indicator Foundation

Ten years ago. He challenged me. This fellow reporter who showed me a kind of salary check. And what did I think? My answer: nice for you maybe, not for me. Women easily earn 20 per cent less. Moreover, my cleaning lady and ladies at the day care centre had no place in his calculator for highly educated white males only. With some bravado I said at the time: we can make a better fit. And look, a decade later, we proudly present: Wage Indicator (60 countries).

We want wages indicated for women, poor women, women with or without formal education, with and without fixed contracts, informal workers as well as widely applauded top performers. We want Wage Indicators in all countries: small, huge, poor, rich. And we want them for men too of course. With whom else to ultimately compare our wages if not men? We want Wage Indicators together with top universities, together with job sites. Like now in China – with Zhaopin, the world's largest job site. And we want them in alliance with well entrenched internet portals of repute such as UOL in Brazil and MSN. We want to see our Wage Indicators online, on mobile devices and in print. And if needed we want the online debates offline! The online surveys offline! We want our Wage Indicators in close cooperation with trade unions. Even better: we want them with both trade unions and employers' organisations, as we do f.e. in Pakistan. We want Wage Indicators developed and supported by dedicated people of all shapes, size, colour, creed and age, who happily contribute their expertise and skills.

We ultimately want all our Wage Indicators to give exact salary information per occupation, for as many professions as possible. Since that is what Wage Indicator website visitors want! They ask: give me the exact (minimum) wage in my country, sector, and occupation. And current rates please. And while you're at it: could you add average salaries, labour law, collective agreements, wage increases agreed upon and some career tips to top it all! Employers, journalists and social researchers visiting our sites ask even more: insight in wages and salaries, here and abroad, comparable please!

People in the know of our Wage Indicators, call our sites lighthouses. First time young users may start by bossing us around if we do not immediately dance to their tune and provide all they want to know at once, for free please! But as a rule their tone of voice soon becomes friendlier and more understanding, as soon as our legal help desk advises them – when on their first job – how to successfully conduct a talk with their employer.

I do not remember ever being asked to indicate the pope's salary. But we gave the answer anyhow, simply because the idea of a dataset with VIP-salaries appealed to us. The database would state for each and every VIP their origins, married with children y/n. We had a good laugh to find out and post the pope's profile as: not receiving a salary, not being married and not having children. Corny stuff! And every time I browse through the VIP Paycheck I still find plenty to laugh about. We feature soccer players, footballers, top cricketers, African heads of state too, stars of the screen and top CEOs. The VIP Paycheck serves as a welcome break in the steady stream of super serious information that we produce. For us researching VIP paychecks is kind of fun. We need to keep up the spirit as we enter the next decade of Wage Indicator. If it's no fun any more, we would fail, because it's not easy.

Those who have been tracing us over the first decade know that we have come a long way on our adventurous road. For a closer look at some of the milestones we refer to the contributions compiled in this booklet.



## **The Next Decade**

prepared for the 10th anniversary of Wage Indicator



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# 1. The Next Decade

Wiemer Salverda, Chairman Supervisory Board Wage Indicator Foundation,  
director University of Amsterdam/AIAS, Amsterdam

The first Wage Indicator website, with questionnaire and Salary Check, was launched May 17, 2001 in the Netherlands. At that time the internet bubble had just burst. Belief in the internet as a money making machine was badly shaken. Internet? That's for free. And so was the Salary Check on Wage Indicator. Available for all, for free. Not a commercial site, then or now. So how did Wage Indicator manage to grow against all expectations? So much so, that in May 2011 Sri Lanka got its own Wage Indicator, bringing the total of national Wage Indicators to 60. What makes Wage Indicator tick?

In trying to answer, first a brief look at what was accomplished over the past 10 years. Next, a few observations regarding the bonds that held the project together successfully, and might continue to do so in the years ahead – to keep Wage Indicator rooted in real life and in cyberspace as well.

## **Change is the rule**

If we have learned one thing it is this: change is the rule.

April 2001: launch of the first Wage Indicator website in Holland, at that time for women only.

2002-2003: experiments and consolidation in the Netherlands, subconsciously laying the foundation for international expansion.

2004-2005: inclusion of eight other European countries.

2005-2006: Latin American countries, India, South Africa, South Korea and the US join.

And ever since geographical expansion has continued, inspired by a vision laid down a couple of years ago in an ambitious '75-countries-plan'. This expansion is the most visible change. Indeed, Wage Indicator is on its way to becoming a 'global player', with a presence in some 60 countries early 2011, including all continents and almost all major economies. China effectively joined last January. The end of outreach to nations that count on a global scale is in sight. The only major economies not yet on the list are Japan, Canada and Turkey (no offence meant to other countries, who are equally welcome like Kenya and Tanzania).

## **The need to scale up and grow up**

Scaling up then has been the way forward. That has meant many more countries to serve. But it has not meant matching growth of human or financial resources. Operations have always been lean. With continued extension has come the need to acquire more funding, to recruit, train and coach new teams, to divide tasks and delegate responsibilities. With greater scale has come the need to mature as an organization. So, for a couple of years now Wage Indicator has worked through regional offices. These do not only manage regions, but specialize in certain tasks as well. For this to become effective procedures have had to be streamlined, formats developed, and reporting and accounting cycles to be tailor-made and implemented. Today, worldwide some 120 people from all over work with Wage Indicator, whereas it started with a dozen Dutchmen ten years ago. That is proof of change and vitality.

## **Internet forced us to fly high**

And then there is the internet itself, a great source of change. Change to cope with. Any internet operation that wants to stay alive and kicking has to stay on top of technological developments. And don't forget interactivity. Those who did not pay enough attention to interactivity in the past, now know better. In the interactive nature of

internet, the 'social' media, Facebook, Twitter, lies its real strength. This truism did not come as a surprise to Wage Indicator. Interactivity has been built into its concept from the start: a permanent give and take with the public. As a result it is now deeply embedded in many national internet environments. It is linked from all sides and many sites.

While scaling up, Wage Indicator in addition has faced the challenge of cultural variety. All those languages! But it has coped here as well. Today Wage Indicator is accessible in all scripts, in a variety of formats. All this access and interaction is based on highly sophisticated software originally designed for Wage Indicator purposes. There are no linguistic or cultural barriers for Wage Indicator any more. A global player indeed!

### **The working poor put our feet back on the ground**

Yet the idea of a 'global player' may hide from view the fact that internet access varies greatly across the globe. This is not so much the result of culture or technology, but of levels of development. The picture is this: the richer the economy, the younger the population, the more people online. So next to outreach online, Wage Indicator - if it is to be a true global player - has to try and reach out to working people offline. These are mainly the working poor in the less developed economies. A key issue is to find out how much, or rather how little, they earn. And then, using this data, to develop income checks for them. Basically the approach has been twofold: 1. offline surveys based on the online questionnaire. And 2. meetings with working people and stakeholders to discuss their working conditions. Are they decent? What are decent working conditions? The first outcomes point the way forward: poor working people like to know legal minimum wages and maximum working hours. To avoid misunderstandings: poor working people may also be found in richer countries and vice versa! Providing them with proper information is certainly a new, additional challenge. This involves an offline/online mix.

### **And some things don't change**

In conclusion, a few remarks about the people who make it all work. If the people in the Wage Indicator network basically are not after big money, they must be motivated differently. Because people certainly do hang on. Hardly anybody who joined the initiative over the past ten years has left. Once you're on board you're hooked, or so it seems. Little change there! What makes Wage Indicator attractive to work with? A few suggestions:

- The basic concept itself. The idea that people out there leave their data behind and trust that you, the team, will give relevant salary information in return: it's good to know, no one gets hurt, everybody profits – and all for free
- The condition that basically all participants in all countries adopt one system: one size fits all indeed
- The unorthodox working alliance of people with different backgrounds: journalism, social research and trade unionism. None of which can claim that Wage Indicator is exclusively 'theirs' – and indeed none do assert such a claim. This alliance is part of the basic – and unchanging – concept too. It is introduced everywhere Wage Indicator goes
- The working circumstances: the bulk is done online, everybody can work from where they please, so it is especially good for young working women, who make up the majority of all teams put together
- The type of work: on top of things, innovative, state of the art, mind boggling in terms of how much can be achieved with so few
- The type of people you get to meet: it's global, with respect for the variety of cultures, and yet there is so much that can be recognized as similar: working with Wage Indicator is a life time experience.

These unchanging motives - more maybe than anything else – explain what makes Wage Indicator tick.

### **The next decade**

Today Wage Indicator is kept alive by a vital global network of dedicated specialists from web journalism, social research and trade unionism. As such, how unique is it? Will it find or make enough money to continue for another ten years? Will it improve its outreach by internally reshuffling tasks, of transferring skills and know how, and of delegating responsibilities? Or is something else still needed? A strong partner, also acting globally? Who might that be? The need to face the future is a permanent feature of Wage Indicator.

\* \* \*



## 2. Wage Indicator as an Organization

Biju Varkkey and Khushi Mehta, Regional Office Wage Indicator Asia,  
Indian Institute of Management (IIM), Ahmedabad

Wage Indicator operations are carried out by a global network of dedicated specialists from journalism, social research and trade unionism. But the Foundation, owner of the concept, has no one on the pay roll. The work is done by small entrepreneurs, freelancers, or persons employed by universities, research institutes, or trade unions. They dedicate part of their time to Wage Indicator and are paid for specific contributions. As such, how unique is this constellation? And the crucial question: how sustainable will it prove to be under the pressure?

### Expanding network

After the initial launch in 2001, three years later the idea of online pay comparison took a significant leap forward when Wage Indicator went international. New countries joined the Wage Indicator initiative, 8 European countries first. Prof. Kea Tijdens, University of Amsterdam and research coordinator, at the time saw many favourable reasons for going European. An online salary survey for international salary comparison was one of its kind in Europe and hence to get funds would be easier. With the project Woliweb, funded on the European level, this assumption proved to be true. Woliweb-funding lasted for 3 years, from July 2004- July 2007.

Paulien Osse, director of the Foundation since it was established, built her network while working as a journalist with the Dutch trade union FNV Magazine – and later FNV.nl – since 1991. It included working relations with people from the ILO (International Labour Organisation) and from various international trade unions and employers' organisations. Since Wage Indicator started she has been using these contacts to involve trade unions, research institutes, and (online) media in the project. This network helped in expanding fast to various countries.

University of Amsterdam/Aias, FNV and career site Monster make up the Board of Supervisors. Paulien Osse, through the Foundation manages a team of web programmers, web designers, data and questionnaire managers, and web journalists. She supervises the overall management and supports the national web managers, involving the international support team whenever need arises. Kea Tijdens was and is responsible for the scientific part of the survey and the dataset.

Partnerships and alliances with additional stakeholders are forged with an eye to furthering the twin goals of international research and awareness raising. These are reflected in strong partnerships with 12 academic institutes/universities from all continents, trade unions in over 40 countries and 50 different media partners. With almost 14 projects running in different countries, a total of 120 people based all over the globe work with Wage Indicator Foundation.

### Virtual Office and Online Network

Wage Indicator since 2003 has a virtual office which archives all legal and financial documents. Being largely virtual was a strategic decision. First of all, why spend part of the budget on bricks? Likewise, the entrepreneurs/freelancers who got involved were not eager or in the position to commute to a central office, young mothers in particular. Secondly, maintaining offices was something which really didn't fit a widely spread network organisation that relied for its internal communication and external affairs extensively on the web.

National teams are ideally made up of researchers or academic institute, trade union and media partner. The project leader in a country is engaged by the Foundation centrally and proceeds to approach a journalist, web/technical expert and is responsible for the overall functioning of the national project. This helps to create successful cross border cooperation. At an immediate level, it is easier for individuals to rally around a person from the same national cultural environment. But being the international link, such a person is well placed to 'translate' the advantages of participating in the work of the international support team.

This set up of Wage Indicator helped it to bring and keep together highly qualified people without any location restrictions, to leverage skills throughout the organization, to support the teams in a balanced work/home relationship and - most importantly - to save overhead costs to a large extent. Many teams normally work from home or small offices. Teams meet in those offices, internet café's, or in somebody's home, only when required and for short, informal meetings. Besides the project budget doesn't allow for physical meetings on a regular basis in the regions, or world wide.

Therefore key to Wage Indicator operations is that most of the work is done by email or phone. Rise of the internet, the creation of a fiber optic networks in many countries, and the rapid development of long distance communication technologies has made it easy for teams from all over the world to cooperate. Extensive use is made of Google Talk, Skype and emails. Selecting the right method of communication can be crucial. For example, e-mails can easily be misunderstood and are not suitable for sensitive or difficult messages. Slowly, as outreach expands, physical distance and lack of face-to-face contact in more remote teams is becoming an issue though. This makes itself especially felt in developing countries which still struggle to have good internet connections.

Yet, working in a virtual organisation has proved beneficial to many teams in different countries. Since the project runs in 60 countries and different time zones, Wage Indicator offices literally are open 24/7. This arrangement ensures that there is virtual helpdesk available round the clock.

### **Team building in small steps**

In a wide ranging project such as Wage Indicator, an international team doesn't just happen. In this particular instance it started as a few people in a room, discussing how to address the issue of wage transparency in the labour market. Reflecting back on how the nucleus started, Paulien recalls: 'I called Kea, I knew her. She knew the data managers. A certain job site had good experiences with our programmers, and a big media house had a good working relation with the designer. It was the start of the internet era - there were not many people who could do this kind of job. This is how we had a complete team of researcher, data manager, website designer, media house and a journalist - all that we needed to kick start the project.'

### **Technical setup**

It was and remains a challenge to build and provide the public with a unified project in terms of same website, same design, same method of salary calculation, same salary survey. Technically therefore, operations were and are to a large extent centralized. Wage Indicator websites, surveys and Salary Checks are developed, managed and maintained from the Netherlands. However calculations are done in Bratislava, Buenos Aires, Düsseldorf. Minimum wages are collected by IIM Ahmedabad. Server hotels are in the Netherlands, the US and Hong Kong, but managed from the Netherlands.

### **Sticking together, but ...**

Wage Indicator is a good example of networked teams that are geographically distributed, not necessarily from the same organization, but nevertheless stick together. Such networks of teams are frequently created and just as frequently dissolved. They are usually formed to work on specific topics where members from different areas of expertise and organizations, pitch their ideas in an premeditated, topical discussion – for a limited period of time. Wage Indicator, though familiar, appears to be an exception to this rule.

When the teams work long distance without significant face-to-face time, the key element of keeping all of them closely networked is 'socializing'. Interestingly, the rare global Wage Indicator meetings are gatherings used to pass and exchange practical information, motivate and provide a sense of importance and belonging. Such meetings have helped to create trust and shared understanding between the disparate teams. Wage Indicator works as a multi-cultural group of young/old/female/black/white/brown/yellow/rich/poor/highly educated/a bit less educated/ young parents – and anything in between really. Respecting country/people/culture uniqueness is another key to understanding the sustainability of the network.

However, for this globally structured organisation with headquarters in Amsterdam and national teams spread around the world, communication differences, individuals' use of stereotypes and preconceptions, the use of technology and approaches to time management started to affect team effectiveness. There still is latent Eurocentrism in the Nordic teams: 'we are better than...' And then there are political issues, like teams from larger countries automatically assuming their voice is worth more than that of a team from a smaller country. Moreover, since teams are made up of researchers, journalists, marketing experts, web specialists who all have expertise and knowledge of their field, each one tend to think their idea is the best. The approach to deal with such potential problems is that teams who deliver and contribute to the project's innovative style are always treated as equal discussion partners.

Wage Indicator, mainly being a web-based organisation, has as a consequence a flat and flexible structure. The teams function as independent bodies, are linked across boundaries and have multiple leaders. The work is organised around projects and teams can simultaneously participate in a number of projects. The way the organization is set up allows a lot of experience sharing and networking. People work more as team mates than as subordinates, and their influence is based more on knowledge than position. Team members firmly believe that hierarchy is not an option amongst highly skilled professionals, who anyhow need freedom and space to perform.

### **Web marketing and media coalitions**

As already indicated there is the need of web marketing and media coalitions. Web marketing tools like Search Engine Optimization, social media marketing etc. means a huge effort, but does not necessarily cost much. Proposals that involve much money are as rule discarded up front and alternatives are sought.

Thus all national teams aim for free publicity, not just giving the project good visibility but also offering partners to be part of a truly global organisation.

Wage Indicator partners feel that these partnerships and alliances have worked well for all since there is mutual trust and respect. There is motivation to achieve shared objectives, and a clear outline of separate responsibilities for each partner involved. The partnerships bring with it a richness of different experiences and expertise to the global project. Partners are f.e. MSN, Monster, UOL.

## Funds and Sales for Survival and Growth

Most of the Wage Indicator projects have been/are funded by local or international funders.

	Projects			
	Project name	Period	Countries involved	Project leader 2)
1	Decent Wage Asia	3 year - 2011/2013	4	WIF
2	WISUTIL	1 year - 2011	22	AIAS
3	Everybody Wants to Earn a Bit More	1 year - 2011	5	WIF
4	Decent Work in southern Africa	2,5 year - 2009/2011	3	WIF
5	Tariffs of the self employed	1 year - 2011	1	WIF
6	Decisions for Life - A MDG3 project	2,5 year - 2009/2011	14	ITUC
7	TUSALATIN - Online and offline research	3 years - 2008-2010	4	WIF
8	DecentWorkCheck	1 year - 2008	22	WIF
9	WIBAR 2 - Support for trade union bargaining in Europe	1 year - 2008		AIAS
10	EurOccupations - Development of a European occupation database	3 years - 2006-2009	7	EUR
11	Global - Towards a Global WageIndicator	4 years - 2005-2008	6	WIF
12	Flexible wages	1 year - 2007	1	WIF
13	Woliweb - Work Life Web	3 years 2004 - 2007	8	AIAS
14	WIBAR 1 - WageIndicator support for trade union bargaining in Europe	1 year - 2006	8	AIAS
15	CLOSE - Correction Wage Gap in Sectors	1 year - 2007	1	AIAS
16	Tijdwijzer - Research on working time - time check	1,5 year - 2004	1	WIF
17	Loonwijzer and immigrants	1 year 2002	1	AIAS
18	Vrouwenloonwijzer	1 year 2001	1	FNV
1)	Total budget for WIF approx			€ 4.000,000
2)	WIF = Wage Indicator Foundation. Some projects are shared f.e. with University of Amsterdam, or ITUC.			

These projects are usually secured by developing competitive proposals and by broadening the funders' base gradually. At present, more than a dozen national and international funding agencies are or have been supporting Wage Indicator projects. With each project expansion has resulted, both in terms of geography and disciplines. The growing volume of work accompanying projects funded, also had to result in the institutional growth of the Wage Indicator group. The strategy to mainstream social inclusion and community empowerment into Wage Indicator projects has yielded good results in terms of fund raising. Additionally, new scope and focus areas are identified which are core to the labour market but yet not addressed by other agencies or institutions. The success of participatory research and development projects largely depends on how well the real problems of communities are accommodated and addressed.



It was the threatening overdependence on grants that forced Wage Indicator to think about shifting the weight in the balance towards other sources of income than project moneys. In 2004 already therefore Wage Indicator started selling its tools to companies/agencies and it started to raise fees internally. The income to run its projects is generated from (a) Google ads on websites (b) data selling, (c) license fees for Salary Checks and salary surveys, (d) research & publications, and (e) country fees.

Some of the products Wage Indicator developed over the years have commercial potential, a potential not yet fully exploited. Understandably maybe, as these products had to be tried, tested and had to mature, all of which takes time.

	<b>Products</b>	<b>Since</b>	<b>Countries</b>	<b>How, What</b>	<b>Online or Offline</b>
1	Salary Survey	2000	60	long, short, very short	online/offline
2	Salary Check	2001	30	varies: 25 or 500 occupation with a salary indication	online
3	Vip Salaries	2006	55	550 vips all currencies and languages	online
4	Minimum wages	2005	30	FAQ - plus ALL figures	online/offline
5	Labour law	2007	39	Decent Work Agenda topics extensively explained	offline/online
6	Women section	2001	21	stories/tips	online
7	Starters section	2004	6	stories/tips	online
8	Elderly / Pension	2008	6	stories/tips	online
9	Career section	2001	30	stories/tips/ vacancies	online
10	Data set	2001	60	data from salary survey	
11	Extra questions in survey	2006	60	for academic or commercial analyses	online
12	Jobs & Salaries	2009	20	more job related info	online
13	Graphs	2011	40	graphs out of the data set	offline/online
14	Workbarometer	2008	175	26 labour indicators	online

## Regional model

In August 2010 it was decided to have regional offices for improved management and sharing the growing burden. Simultaneously some division of tasks was introduced. These tasks were: website management, search engine optimization (SEO), design, strategy, fund raising, data management, and such. As a first result the situation by mid 2011 looks like this:

<b>Headquarters and Regional Office –Amsterdam</b>
• Overall project management, management Europe, USA
• financial management
• all sites management, technical, content and marketing supervision
• global survey, data management and data analyse
• WorkBarometer
<b>Regional Office –Buenos Aires</b>
• management Latin American sites
• data analyses for more countries & international level
• calculations for (some) Latin American countries
• decent work check for all countries (technical & design)
• WorkBarometer for all countries (technical & design)
• design websites for all countries
<b>Regional Office – Cape Town/Maputo</b>
• management southern African sites
<b>Regional Office – Bratislava</b>
• management Czech and Slovak sites
• salary calculations, except some Latin American countries, and Germany
• wage reports
• uploading salary checks
<b>Regional Office – Ahmedabad</b>
• management Asian sites
• uploading content for all sites in Asia and partly Africa
• search engine optimization in cooperation with Wage Indicator London
• minimum wages data collection and presentation online - to start with Asian, Africa, Latin America
<b>Regional Office – Minsk</b>
• management and content creation of all Russian language sites and content uploading
• search engine optimization for Yandex and Google in cooperation with Wage Indicator Office London.

Regional offices function similar across regions. These offices work together to support the headoffice in monitoring, supervising and standardising work processes, website formats, etc. They have proven to be beneficial as they guarantee a global approach, sharing of workload, increasing cost effectiveness (Amsterdam has to highest tariff per hour) and delegation of tasks, ensuring commitment to the project.

The regional model has put a cap on economies of scale, and has allowed easier expansion to new regions and countries. Addition of this new layer to the management has also accelerated sharing of best practices and applying lessons learnt to new contexts more seamlessly. However, some problems remain to be solved. The funding still has to come mainly from Amsterdam. A regional office doesn't mean so far that an office

takes over or refuses to comply with a request from HQ. There is a lot of dependency still on the Amsterdam office in terms of taking strategic decisions or funding.

### **Global is everyday reality**

Today Wage Indicator is positioned as a specialised organisation for wage and labour law information dissemination and research. Even as recently as three years back the 'founding mothers' never thought of having a format for the websites or a structured organisation with regional offices. Earlier they were flexible in their requirements, but as Wage Indicator grew they realised the need to impose uniformity on all country operations. Organisations/companies generally start with a format, a contract and a structure which at times doesn't fit reality. Wage Indicator in this respect worked just the other way around.

For an organisation like Wage Indicator, 'globalization' is not a marketing buzzword or an abstract vision for the future. It is simply everyday reality. Engaged in a host of products and services, Wage Indicator has now a presence in 60 countries.

	<b>Full Operations</b>		<b>Visits in 2010</b>
1	Angola	Meusalario.org/Angola	25153
2	Argentina	Elsalario.com.ar	781660
3	Australia 1)	Mywage.org/Australia	
4	Azerbaijan	Qazancim.az	37284
5	Belarus	Mojazarplata.by	438052
6	Belgium	Loonwijzer.be/Votresalaire.be	419124
7	Brazil	Meusalario.org.br	739110
8	Chile	Tusalario.org/chile	89769
9	China 1)	WageIndicator.cn	
10	Cambodia 1)	Prake.org	
11	Colombia	Tusalario.org/Colombia	230809
12	Czech Republic	Mujplat.cz	163537
12	Denmark	Lontjek.dk	10539
14	El Salvador	Tusalario.org/El Salvador	15042
15	Finland	Palkkalaskuri.fi	70546
16	France	Votresalaire.fr	10653
17	Germany	Lohnspiegel.de	1200311
18	Guatemala	Tusalario.org/Guatemala	52281
19	Hungary	Berbarometer.hu	27032
20	India	Paycheck.in	492095
21	Indonesia	Gajimu.com	128888
22	Italy	Iltuosalario.it	3957
23	Kazakhstan	Mojazarplata.kz	108967
24	Mexico	Misalario.org	218418
25	Mozambique	Meusalario.org/Mocambique	19416
26	Netherlands	Loonwijzer.nl	5867808
27	Pakistan 1)	Paycheck.pk	
28	Paraguay	Tusalario.org/Paraguay	50861
29	Poland	Twojezarobki.pl	33837
30	Russia	Mojazarplata.ru	197819
31	Slovakia	Mojplat.sk	9922
32	South Africa	Mywage.co.za	183827
33	South Korea 1)	Wagecheck.co.kr	
34	Spain	Tusalario.es	289502

35	Sri Lanka 1)	Salary.lk	
36	Sweden	Lonecheck.se	29587
37	UK	Paywizard.co.uk	120567
38	Ukraine	Mojazarplata.com.ua	192953
39	USA	Paywizard.org	326159
40	Vietnam 1)	Luong.com.vn	
41	Zambia	Mywage.org/Zambia	15523
42	Zimbabwe	Mywage.org/Zimbabwe	19440
1) No figures for 2010 yet, promotion will start in 2011			

	<b>Small operations – salary survey only</b>		<b>Visits in 2010</b>
43	Austria	Lohnspiegel.org/Osterreich	1008
44	Armenia	Mojazarplata.org/Armenia	2374
45	Botswana	Mywage.org/Botswana	1980
46	Bulgaria	Moiatazaplata.org	251
47	Georgia	Mojazarplata.org/Georgia	2374
48	Ireland	Mywage.org/Ireland	910
49	Kyrgyzstan	Mojazarplata.com/Kyrgyzstan	310
50	Luxembourg	Lohnspiegel.lu	572
51	Malawi	Mywage.org/Malawi	1980
52	Moldova	Mojazarplata.org/Moldova	930
53	Montenegro	Mojazarplata.org/Montenegro	187
54	Namibia	Mywage.org/Namibia	1980
55	Portugal	Meusalario.org/Portugal	2121
56	Romania	Salarulmeu.ro	383
57	Slovenia	Mojaplaca.si	220
58	Tajikistan	Mojazarplata.org/Tajikistan	2374
59	Turkmenistan	Mojazarplata.org/Turkmenistan	2374
60	Uzbekistan	Mojazarplata.org/Uzbekistan	2374

### Is the system sustainable?

The system has worked well in achieving its goal of creating an enjoyable working environment and keeping people engaged. But will this help Wage Indicator to sustain itself in the global market? In coming years, in order to efficiently manage projects and its virtual network, a broad scope in terms of dynamic management, restructuring of the management approach, strategic planning and implementation is required. Coordinating mechanisms will have to be strengthened to ensure that teams/offices across boundaries are managed effectively.

While inviting new partners to join the Wage Indicator network, the head office will have to ensure that the partners understand and value the vision and objectives of Wage Indicator and are dedicated to achieving a common goal. When a virtual organisation such as Wage Indicator grows tenfold, the possibility of teams slowly getting scattered is high. Hence, a system which ensures continuous communication, coordination, and trust among the various partners is of utmost importance. Other crucial elements for smooth functioning of Wage Indicator in a global arena would be recruiting and coaching new leaders as well as developing new sets of managerial skills to 're'create and sustain the organization.

*This article consist of parts of a full report prepared by IIM Ahmedabad.*

\* \* \*

### **3. The Impact of Lohnspiegel.de on the Trade Union Movement**

Reinhard Bispinck, Project Manager Lohnspiegel.de, Wirtschafts- und Sozialwissenschaftliches Institut (WSI), Düsseldorf

Wage Indicator and trade unions have one thing in common: a focus on wages. By providing wage information they serve people's interests: to know if they are paid properly. But the likeness stops right there. Wage Indicator is a foundation, trade unions have members. Wage Indicator does not negotiate to improve workers' conditions. Wage Indicator just tries to provide relevant, current wage and wage related information for the empowerment of working people, regardless of trade union membership. However, it was seen by some as a competitor of trade unions. Now it has become a close friend to, sometimes rival, trade unions.

The German Lohnspiegel aims at collecting and analysing data in order to contribute to the transparency of wages, and to explore and analyse working conditions and working time. These are all topics at the core of the daily work of the trade unions. In comparison to other statistical data sources in Germany, the Lohnspiegel offers analyses possibilities at the level of occupations, and with international comparability of data as an added dimension.

#### **Allocation at WSI for good reasons**

In autumn 2003 researchers of the Institute of Economic and Social Research (Wirtschafts- und Sozialwissenschaftliches Institut, WSI) within the Hans-Boeckler-Foundation met with representatives of several German trade unions and the Wage Indicator Foundation in Berlin to discuss possible cooperation. This was the start of a project which established a continuing and fruitful research and transfer-process.

WSI had two special reasons for joining the initiative. Because, first of all, for decades WSI has hosted the Collective Agreement Archive as a central documentation centre for the collective bargaining process and its outcome and therefore it has detailed expertise on (negotiated) wages and salaries. Thus, it was absolutely appropriate to allocate the German Wage Indicator (LohnSpiegel in German) here. The second reason was the connection of WSI and its archive to the unions. From the beginning, therefore, the project in Germany was set up in close consultation with the unions.

#### **Union support**

The cooperation with the unions initially focused on supporting the introduction of the Lohnspiegel website. In numerous union newspapers short articles were published to inform the membership about the project and the new service. And - what was even more important - all trade union websites put links to the LohnSpiegel website in a prominent position. That helped a lot, especially at the beginning, but even today despite that fact that Lohnspiegel is well established and certainly the market leader in Germany amongst all non-commercial providers of salary surveys.

The trade unions were at first probably a bit sceptical because it was unclear what outcomes the survey would produce. But it soon became clear that the unions could use the results well.

### **Work in progress**

The development of LohnSpiegel made rapid progress. The website provided data on occupations soon, so much so, that Salary Checks could be calculated for a growing number of occupations in quick succession:

- 20 in June 2005
- 50 in December 2005
- 90 in April 2006
- 130 in July 2006
- 180 in November 2007
- 250 in October 2008
- 280 in November 2009
- 300 in March 2011

The more data the Salary Check could offer, the more valuable the tool was for the employees, as the web statistic shows. In 2010 Lohnspiegel recorded on average 100,000 unique visitors per month, that is 1.2 million per year. In 2010 nearly 21,000 users filled in the (lengthy) questionnaire. Since 2004 Lohnspiegel collected about 180,000 records. The broad data base, enabled the capacity to create numerous analyses, which were of practical use for trade unions.

Scientific research focused on three areas:

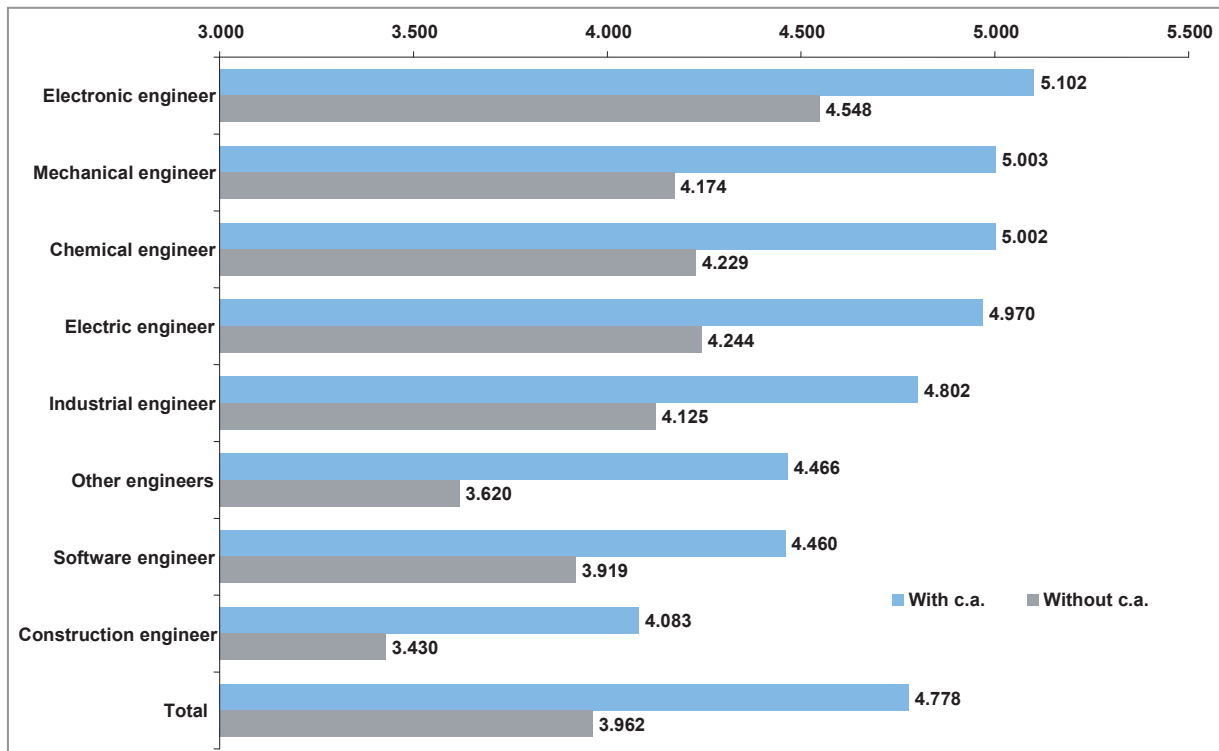
- detailed analyses of the income situation in selected occupations e.g. engineers, economists, car mechanics, bankers, IT system administrators, technicians, office personnel, wholesalers
- cross-cutting areas such as the gender pay gap, the economic crisis and its impact on employees, job market entrants
- international comparisons on collective bargaining coverage, restructuring in multinationals, and decent work

### **Cooperation with the unions**

Trade unions are especially interested in facts and figures on specific jobs and occupations. To know what employees are actually paid for a specific job and how this relates to the negotiated wages and salaries is crucial. Lohnspiegel can offer different forms of cooperation:

- **Publication of Lohnspiegel news**  
Regularly trade union websites publish the latest results of Lohnspiegel-analysis, for example, the update and increased outreach of the Salary Check. Sometimes they publish short articles in their member magazines.
- **Use of the Salary Check**  
Many trade union officials use the Salary Check in their everyday work as is evidenced by incidental calls and other feedback, and occasionally they ask for further information.
- **Cooperation with specific union departments**  
A practical example is the cooperation with the metal workers union IG Metall, especially with their engineering department. The union has been making major efforts to attract members in this occupational group. On the basis of the Lohnspiegel data we carried out an in-depth-analysis of engineers' income and the results were contrasted with collectively agreed pay and conditions. It turned out that – contrary to widespread belief – the collective agreements provided relatively good working conditions, and that engineers are not always able to negotiate better conditions on their own.

### *Earnings of engineers and collective agreement (c.a.)*



*Source: WSI-Lohnspiegel database*

IG Metall published a flyer with the core results which was widely circulated, put it on their special engineering website, and organized union workshops and discussions on the well known Hannover Messe. Meanwhile the Lohnspiegel analysis has been updated twice. A similar cooperation has been established with chemical workers' union IG BCE, which is trying in a comparable way to improve its membership base in the academic field.

- **Issue-related cooperation**  
Often cooperation is derived from specific questions and issues. When the Lohnspiegel team conducted an analysis of the impact of the economic crisis on employees based on a dataset with ca. 10,000 records, it got some requests from trade unions related to special branches and sectors. The data was evaluated with a special view to the situation in the metal and the chemical sector.

#### Impact of the economic crisis on employees - key findings

- **Economic situation:** More than a third (38%) of respondents stated that the economic situation of their employing organisation had deteriorated between the beginning of 2009 and the time at which they responded to the survey. The most marked deterioration, measured in terms of employee responses, was in the metalworking industry, where this was indicated by 65% of respondents.
- **Changes in employment:** This corresponded with the economic situation: 41% of respondents stated that employee numbers had fallen in their workplace, with metalworking (67%) and chemicals (53%) especially hard hit.
- **Workforce reduction measures:** Overall, there was a preference for 'soft' measures, such as leaving vacancies unfilled, allowing fixed-term contracts to expire, and terminating the use of agency employees. Short-time working was used by 19% of workplaces. None the less, in 18% of workplaces core employees experienced redundancy – especially in 'crisis-hit' organisations.
- **Branches:** Crisis-hit firms in the metalworking industry made much greater use of short-time working than other branches (73%), closely followed by the termination of agency staff.
- **Incomes:** Special payments, such as profit-sharing and other bonuses, were particularly frequently cut (14% of respondents). 11% of employees indicated that they had suffered cuts in their regular monthly income, together with reductions in other elements of remuneration, such as Christmas and holiday payments, allowances and premium pay. There were marked differences between 'crisis-hit' and other workplaces.

**Source:** Bispinck, Reinhard / Dribbusch, Heiner / Öz, Fikret, Impact of the economic crisis on employees: Results of an online-survey by the Lohnspiegel project. Reihe: WSI Report, Nr. 2, March 2010.

Another example is the analyses of different aspects of the gender pay gap over the years. Results have been presented at trade union meetings and published in different union publications and newsletters on gender equality.

#### Perspectives

The cooperation of the Lohnspiegel project with trade unions is well established. The compatibility of the collective agreement archive and the Lohnspiegel database has been very helpful in this regard. The service function, especially of the Salary Check, is fully accepted and intensively used by union officials. The most intense cooperation thus far has been with the metal and chemical workers unions (IG Metall and IG BCE).

To enlarge and intensify the connection between Lohnspiegel and the unions two approaches appear reasonable. One, the in depth analyses could be partly focused on current topics of union politics so that the unions can immediately and easily benefit from the research results. The basis could be special questions added to the survey for a limited time. It would be very valuable for the trade unions whenever data for actual political or strategic discussions are needed quickly.

Secondly, it would be useful to cooperate with the unions even closer with regard to the general Lohnspiegel database: targeted surveys could enlarge the data base for selected groups of employees in specific sectors, companies or occupations. This certainly would help to meet the information needs of the unions.

\* \* \*



## 4. The Effect of Elsalario.com.ar on the Argentine Labour Market

Victor Beker, Regional Office Wage Indicator Latin America,  
Centro de Estudios de la Nueva Economia (CENE), Buenos Aires

One of the defining aspects of Wage Indicator is its curiosity about people. Its survey probes deep. Wage Indicator wants to know about the personal characteristics of the individual and their occupation. Because only based on this data can it calculate and give back this volunteered information in the shape of Salary Checks for individual occupations. This feature is at the heart of Wage Indicator. It makes its dataset different from all other datasets on the labour market. And it therefore qualifies as a service tool for individual working people in its own right, different from what national statistical agencies offer.

When I learned about the existence of the Wage Indicator project five years ago, I immediately liked it. It was a case of love at first sight. I mainly liked it because it was typical 21st century:

- based on the internet
- worldwide
- provides tailor-made information

### **The Argentine Wage Indicator case**

The Argentine site became operative in June 2006. During the first 12 months it received 252,000 visits, which means an average of 21,000 visits per month. This allowed us to provide the first Salary Check in March 2007 out of a sample of around 4,000 cases gathered until January of that year. Now we have a data base of 20,000 observations. Elsalario is the leading site in Argentina as far as wage information is concerned. Nowadays we have 2,800 daily visitors.

The Elsalario data base provides a lot of information on the labour force and its earnings. We could therefore produce different reports on themes like the gender wage gap, the influence of education and experience on wages, the differential in wages between formal and informal workers, determinants of wage differentials, satisfaction with work and with life in general, etcetera. As a consequence, we have become one of the three main points of reference on labour issues in Argentina.

However, the sample size is not yet large enough to allow us to estimate wages for the different provinces in Argentina, where there are significant regional differentials. The sample size grows, but slowly. The fact is that although we have a good number of visitors, most of them take advantage of the information they get, but they are reluctant to complete the questionnaire. We initially dealt with that difficulty by putting the questionnaire on the home page. So, each visitor was faced first of all with the survey. This was very effective: many of the visitors filled up the questionnaire. But the length of the questionnaire does not make it very user friendly. So now we face a dilemma. I would say that a long questionnaire is advisable when the priority is to have a lot of data, but it gives the site an uninviting image. A shorter survey would improve the image, but generate less data. I think this is something we have to evaluate in each case.

### **The power of internet**

We have already mentioned how, starting from nothing, we now have a regular traffic of 2,800 visits per day on average, which is fairly significant for an Argentine site.

85% of the visits come through Google. There are surprising spikes in numbers of visitors from time to time. Let me just mention that on one single day we had 30,000 visits thanks to a link on that particular day in a much visited national newspaper portal.

### **Elsalario helps to narrow gaps**

People wanted to know if Elsalario could be used as an instrument to raise wages. This was one of the first questions we were asked when we started the project. The fact is that it is an instrument to make the labour market more transparent. It is incredible how many people do not know what the market is paying for a position he/she is applying for. So Elsalario can help these people. It also helps employers know what they should pay, particularly when they are searching for a new employee. In this respect I think its main contribution is to narrow the gap between the minimum and maximum wage paid for the same job.

This makes the Elsalario experience quite different from my previous one at the National Bureau of Statistics. There we were mainly interested in big numbers. We wanted to know the overall population, the average wage, etc., not how much Juan Perez earns. Here the point of view is exactly the opposite. Juan Perez is interested in knowing how much he should be earning and that is what El Salario tells him.

This project has to do directly with people, with the individual. And it is amazing to see, at least in Argentina, how many people do not know their labour rights and how far they are from trade unions, which should be the ones to educate them on this matter and help them when they are in trouble at their places of work. We receive a lot of questions which should be addressed to trade unions and answered by them. But they are not. My conclusion is that trade unionists in Argentina also think in big numbers, not in individuals. In this respect, there is a huge gap between people and trade unionists in this country. The second main contribution from Elsalario has been to partially fill in this gap.

\* \* \*

## 5. Behind the Screen: same Backbone for Standard, Mobile and Partners

Huub Bouma, Developer Wage Indicator, Wyldebeast & Wunderliebe, Groningen

Interactivity has been built into the Wage Indicator concept from the start: a permanent give and take of data with the public. This flow of data has had to be engineered. In addition, while scaling up, Wage Indicator has faced the challenge of cultural variety. All those languages! Today Wage Indicator is accessible in all scripts, through cable and mobile networks, in standard and lite versions, long and short, thick and thin. All this flow is based on software originally designed for Wage Indicator by the troika of Wyldebeast & Wunderliebe (Huub Bouma, Duco Dokter, Wietze Helmantel). It does the development and support of the survey, the Salary Check back end, as well as the custom Plone add-ons. Wage Indicator is hosted on 17 machines located in Groningen, Hong Kong and Dallas. Wyldebeast & Wunderliebe also does the maintenance of these servers.

The demands for reliable, quick and usable systems have increased over the years and yet we still spend the same amount of time maintaining all the systems. This can only be achieved by doing things smarter and inventing new solutions. We have refactored our code and systems many times to keep ahead of the growing demands. Plone is a Content Management System we use. It is a single source publishing system to deliver the Wage Indicator websites, the sites for the commercial partners and mobile websites.

### System Architecture

Just for the delivery of the websites we are using dedicated servers. On the first level we have the web and caching servers. The second level is where the real work happens: the Plone CMS server. The third level is for the database. All our servers have a backup system, in case of a hardware failure.

### Our choice for Plone as our CMS

A couple of years ago a closed source CMS ('OrangeMarble') was used to host a couple of Wage Indicator websites. The number of sites grew fast, and the Foundation was paying an increasing amount of money just for the license. Wyldebeast & Wunderliebe suggested the use of Plone as a new CMS, because it's open source, which means you don't need to pay for a license. But more importantly, it provides much more space for customizations and flexibility.

Here's a marketing quote to impress you with our choice of Plone:

*'Plone is among the top 2 per cent of all open source projects worldwide, with 340 core developers and more than 300 solution providers in 57 countries. The project has been actively developed since 2001, is available in more than 40 languages, and has the best security track record of any major CMS.'*

Plone is known for its great functionality and flexibility. However it comes at a cost: it is not very fast. We try our best to make it fast by using load balancers, caching servers, and a lot of processing power.

### Plone single source publishing

The look and feel of a Plone website is implemented with a so-called theme (sometimes also called a skin). This determines the layout of the page, the font, the colours etc. We have two themes in Plone: the 'old' Wage Indicator theme and the new

theme named MMX. Virtually all Wage Indicator websites now have the MMX theme. We have dozens of commercial partner websites which we host. A partner website is basically a Wage Indicator website with a partner theme.

Often partners have special demands such as 'never show Google ads on a MSN partner site'. This is achieved by having a filter option on the Wage Indicator specific content items. For each item a content editor can specify the partner filtering option ('don't show' or 'only show' for a specific partner). Plone will take these filtering options into account, once it has detected that a request for a partner site has been made.

Generally the partner provides a HTML template which contains a placeholder where the Wage Indicator content will be injected. This injection occurs with a special technique which is commonly known as Diazo, XDV or Deliverance. The underlying technique has been around for many years, and it is called XSLT (Extensible Stylesheet Language Transformation). We're using a configuration file (written in XML) which tells what parts to delete, replace and copy from the Plone content and the partner template. This is a very flexible and fast way to implement a partner skin, and it works great.

### **Mobile and lite skins**

The technique for the mobile skin is very comparable to the technique for the commercial partners. By default all content is disabled for mobile sites though, and has to be explicitly enabled in order to be shown. The mobile skin and the transformation rules can be managed within Plone. Once a mobile device is detected by the web server, the device is redirected to the mobile URL (e.g. m.loonwijzer.nl). This can be overridden by clicking on the link at the bottom of the page, which sets a cookie in which the preference is stored, and the web server will respect this preference and not do the automatic redirection. We might introduce lite versions of some sites in the near future. These will also use the same filtering and theming techniques, but will result in light weight pages with as little CSS, java script, and images as possible, to make the pages load fast on slow internet connections.

### **Future**

We are presently working on migrating the current Plone system from version 3.3 to the latest version 4.1. We expect to see a huge performance improvement. We are quite happy with the current system, and expect to be even more so after the Plone upgrade. But as demand grows we might have to redesign some or all parts again – for us, business as usual.

So let's see how long we will stick with this system.

\* \* \*

## 6. Why Mojazarplata.by in Belarus is the best

Taisa Bandarenka, Regional Office Wage Indicator NIS countries,  
Manager Mojazarplata, Minsk

The marketing of Wage Indicator websites has proven to be a most challenging task. First: what does marketing through 'new' media mean? What are the best instruments? How do you know that the tools you choose will 'hook' your unknown and volatile customers out there? How subtly must one operate to reach their hearts and minds? And second: what if your target audience has more important worries than just their job and income in an aggressive political climate?

Success is usually reached through a combination of boring theory=knowledge, experience + creativity (which can be harmful without the first two constituents). This approach works despite borders and in any given political or economic situation in a country. Mojazarplata's sites may serve as an example. We coordinate Belarus, Kazakhstan, the Ukraine and Azarbaijan (the latter in two languages). And as you may be aware, especially in Belarus we face a rather aggressive political climate in which free media is under pressure and many journalists are prosecuted and arrested. Here are some web statistics to make the point that the given political or economic situation in a country does not have to have all that much impact on your success.

Period	Total visits	SEO-visitors	Number of Surveys
2009	186.058	97.166	3.387
2010	494.783	277.850	14.436

*Dynamic of growth of total and SEO visits, surveys from April 2009 to April 2011  
(SEO visitors are those that come to the site through search engines)*

As compared to year 1, during year 2 total traffic increased 2.6 times, SEO visits 2.9 times and the number of filled in surveys 4.3 times.

The secrets for this success, in my view, are hidden in our strategic SWOT analysis. **SWOT** focuses on the **S**trengths, **W**eaknesses, **O**pportunities, and **T**hreats involved in a project. It helps to specify the objective of a project and to identify the internal and external factors that **S**trengthen or **W**eaken your chances to achieve that objective. **O**pportunities are external chances to make greater sales or finding partners in the environment. **T**hreats are external elements that could cause trouble for your business.

- **S**trengths: groundwork that had been laid by the Wage Indicator Foundation, joining an experienced international team, the possibility of recruiting local staff, etc.
- **W**eaknesses: at the beginning a rather vague knowledge about the project, work distances leading to miscommunication and hindering coordination, a focus on individual work instead of a common goal, etc.
- **O**pportunities: lack of competitors, existence of strong potential partners that may be interested in our product (if properly done), etc.
- **T**hreats: unfavorable political and economic situation, underestimation of project potential resulting in a skeptical attitude amongst users and potential partners.

SWOT is also essential because steps in the planning process for achieving the objectives can be identified easier. Our particular analysis led to subsequent steps in:

1. planning and organization
2. marketing
3. management of human and financial resources, evaluation
4. professional journalism.

## 1. Planning and organization

Task 1 was to answer the question if Wage Indicator is a unique product that will be noticed and promoted in the Belarusian market, as we started in Belarus. (The other three countries joined later.) It was important to decide and determine whether the objective was attainable, based on the SWOT outcome. We said: yes. Then the first step was the design of an editorial outline (site format) based on the Wage Indicator structure, but also taking into account local audience interests (by adding special sections on e.g. average salary, legal advice, career, etc). The next step was the planning of editorial content well in advance, based on calendar events and fixed dates (from updating minimum and average salaries to Lady Gaga and other VIPs birthdays, etc.). The last but not the least step was analyzing both traffic and the number of filled in surveys (as the end goal) on a regular basis. Based on the results for a certain period a forecast could be made for the next period (usually monthly).



*Google Analytics: Mojazarplata.by total, SEO and other traffic 01.04.10 to 01.04.11*

The picture makes clear at once that SEO (the largest piece of the pie) has been decisive in gaining traffic and promotion of the site.

## 2. Marketing

There are many definitions of marketing. But this one sounds best to me:

*'Marketing is essentially about marshalling the resources of an organization so that they meet the changing needs of the customer on whom the organization depends.'* (Palmer)

In our marketing strategy we have focused mostly on SEO and media partners. Traffic Tools appears to be a most efficient, powerful, and completely automated way to promote your website. It helps potential customers find you. Using SEO elements consistently and properly will channel traffic to you even when your human recourses are limited. But the web manager should at least be able to analyze statistics and make forecasts based on the outcomes.

February	Completed	Conv	Total visits/SEO visit
1	37	2	2 180 / 1 742
2	22	2.32	1 919 / 1 545
3	21	2.05	1 732 / 1 403
4	17	2.18	1 459 / 1 176
5	15	1.93	888 / 740
6	15	2.2	969 / 771
7	16	2.44	1 522 / 1 174
8	100	1.49	2 052 / 1 241
9	25	2.68	1 692 / 1 296
10	26	2.15	1 728 / 1 376
11	19	2.79	1 541 / 1 218
12	7	4.14	1 043 / 831
13	11	2.73	1 159 / 897
14	16	2.88	1 617 / 1 281
15	219	Средняя зарплата	/ 1 432
16	46		/ 1 355
17	66		/ 1 456
18	57		/ 1 412
19	24		3 / 849
20	29	1.97	1 285 / 942

*Survey statistics and total visits/SEO visits in February 2011 of Mojazarplata.by.*

Though SEO plays a significant role Figure 2 shows that media partners are just as crucial in achieving the final goal (numbers of surveys exceeded 100 per day when stories or releases were re-published by partners). And here we come to 'meeting the changing needs of the customer' from the marketing definition just given. Here the customer we defined were our potential partners. How do you meet their needs?

- You should have a perfect product to offer (even without a Salary Check)
- Additional skills in negotiating and sales are required to pursue a partner
- Marketing through content is also most effective, i.e. providing our content to partners.



Still one cannot expect results fast, especially when coordinating from another country. In Belarus partnership with tut.by, the biggest internet portal, was established in half a year and a Salary Check was created pretty soon after. But it took another year to build effective partnerships in Kazakhstan and Ukraine. In the tables below one can note a difference between data during year 1 (without partners) and year 2 data (having partners). It means that in the end efforts to find a proper internet partner will pay off.

### **Ukraine**

Period	Total visits	SEO-visitors	Number of Surveys
09-04-01 till 10-04-01	31.440	18.224	746
10-04-01 till 11-04-01	188.325	105.265	4.326

*Total and SEO-visits, surveys on Mojazarplata.com.ua/ru during year 1 and year 2 (April 2009 to April 2011)*

### **Kazakhstan**

Period	Total visits	SEO-visitors	Number of Surveys
09-04-01 till 10-04-01	30.947	16.407	765
10-04-01 till 11-04-01	146.891	76.552	4.558

*Total and SEO-visits, surveys on Mojazarplata.kz during year 1 and year 2 (April 2009 to April 2011)*

## **3. Human and financial recourses, evaluation**

People are crucial for implementing the project. Recruiting and finding professionals with proper skills and attitude is not easy, especially freelancers. Keeping people motivated, however, is still more difficult. Encouragement and teaching does not always work. The scheme that may work (but again not always): regular performance evaluation, evaluation of obtained results and payment of fees based on the results achieved.

## **4. Professional journalism**

A final word on the external threat the project faces in the rather aggressive political situation in Belarus where free media is under pressure and many journalists are prosecuted and arrested. We just try to keep a professional attitude following standards of the quality press:

- provide balanced, fair and factual information
- where possible supported by links of reliable sources
- provide people with the information they want about salaries, work conditions and job opportunities.

\* \* \*



## 7. Search Engine Optimization: Brains beat Money

Irene van Beveren, Search Engine Optimizer, Wage Indicator Office, London

For those new to internet marketing strategies: SEO stands for Search Engine Optimization. It is the practice of knowing the words or phrases people use when they search the internet via search engines like Google. If you know these words and phrases, or keywords as they are called in the SEO world, you can use them to boost the traffic to your website.

Now to the basic question: is SEO for free? Does SEO brain beat money? It sounds promising, but is it true? Is SEO the cheapest of all marketing strategies? The one thing I've learned is that good SEO comes with Research that leads to Relevance.

### Advertising

Wage Indicator did a Google Adwords campaign in the US during a couple of months in 2008/09. We followed a simple strategy. Adwords is Google's paid-for advertising program. In Adwords you design your own ads and Google shows them in the right bar next to the search results column. The more you pay, the better your ad is visible, but ads about salaries face a very competitive market in the US – the ads are expensive and every click eats into our budget.

period	visits	through adwords	data intake
Nov 07- Jan 08	16,560		134
Nov 08- Jan 09	30,910	5,134	516
Nov 09- Jan 10	54,088		95
Nov 10- Jan 11	88,206		208

As the stats above show: 1/6 of the visits during a three month period came via Adwords delivering 516 completed surveys, which was (and still is) a lot for the US, but the costs did not offset the benefits: our budget didn't justify paying \$3.20 per completed survey.

So we were depending on SEO. It worked – we tripled the number of visit, but that didn't bring in more surveys. The number of filled out surveys appears to vary per country. For example, Sweden counted just 2600 visits in March and still had 174 completed surveys! Brazil had 76,797 visits in December 2010 and a staggering 567 completed surveys. I wish I could tell you that this is a result of good SEO, but it's not.

### Media partners

We now enter the glorious world of having a media partner. 38% of the Brazilian visits came via media partners, most of them via UOL – a Brazilian news portal.

The stats show that most visitors from referring sites in all countries are more willing to complete surveys than SEO visitors. Why? These visitors are probably already interested in salary and job info, which is not always the case for SEO visits. The US has a very popular American Idol salaries page, but none of these visitors go to the survey – they just want the info they searched for.

So, an influential online media partner could be the best bet for increasing traffic and completed surveys. But it's not as easy as it seems: it takes a lot of effort and sales resources to close a deal with a media partner. In the US we weren't successful find-

ing one. The recession didn't help either, and still potential partners across the globe are hesitant to step in or renew.

The German site though is still going strong with almost half of the visitors coming from referring sites and thousands of completed surveys per month – the Swedish site even has 98% (!) referring visits, but the visit amount is not enough to gain the same number of surveys as Germany.

#### *South Africa visits*



SEO is not the way to attract loads of visitors in a short time and it depends highly on the internet penetration/speed per country and the available online information about jobs and wages in these countries. But if these circumstances are right some countries are able to double the number of visit to their site, without the help of ads or an expensive sales rep (see South Africa example above). SEO is something we can do ourselves! All Wage Indicator editors are already writing a lot of content, it's just a matter of adding the right keywords to the text and knowing what content to write: Research leads to Relevance!

#### *Keyword Rich Unique High Quality Content*

This is one of the key SEO elements, available on Wageindicator.net. The best keywords per country can be discovered via various free Google tools. Countries that share the same language may prefer different synonyms as keywords. For example: for the word salary the Dutch use *salaris* more, and the Belgians prefer *loon*. But there is more to it: singular forms are used more than plural. Depending on professions the male or female job title can be more in favour.

If you know the 20-50 most important keywords and phrases for your country, you can use them in texts, headers, browser titles and descriptions. Check your traffic, used keywords and most read pages via Google Analytics (or the Metrics on Wageindicator.net!) and use this information to let your site benefit.

For the journalists amongst you, don't try to write catchy online headers. Search engines don't buy that. Try to compose a keyword rich header. That might be boring, but search engines love it and it will boost the traffic to your article. And don't think that adding nation wide news will help your traffic growth: it's not specific enough. Only the big news sites will benefit by doing this, because they have powerful brands. It's far better to go for 'evergreens' – fact sheets with practical information, with a long shelf life.

According to analytics currently our most important content themes are: Minimum wages, VIP's, Benefits, Income tax, Pension, and Social Security. The stats prove that these subjects boost traffic. If you write about it once, it only needs updating, but the SEO benefits are lasting for years.

### *India visits*



India's traffic (see above) multiplies year over year, especially because of the minimum wage pages. VIPs, especially local VIPs and international footballers have the same effect. Don't add just a tool on one page to find, for example, all minimum wages or all VIPs. You need a lot of keyword rich pages to boost traffic – Google prefers to rank very specific pages, instead of generic overviews.

### *Internal link structure*

Link all the important keywords – for example, the sentence 'A higher minimum wage for miners' – can be linked to minimum wage pages and the job and salary info for miners. Seduce visitors to stay on your site. They might click on your links and even may fill out your survey – the link to the survey is already on every page! Unlike visitors, search engines prefer keyword rich links: so never link meaningless words like 'click here', but link keywords if you want to get a higher ranking by search engines.

### *Avoid duplicate content*

Never copy paste when you write articles - Google penalizes plagiarism with a lower search engine position. They ignore copycats.

### *Twitter and Facebook*

The stats don't show huge benefits of social media, but Facebook has already more traffic than Google, so we should be visible there and we are. Using Twitter is easy to gain some traffic without a big effort – just tweet your content, especially when it is in the news. For example: Prince Harry marries, tweet his RAF salary.

### **Is SEO cheap?**

The more visitors to a site the more completed surveys. Finding a big media partner is the best option to reach that goal, and the 'link love' from a strong partner domain will help our SEO efforts. SEO needs a lot of pages of *keyword rich unique high quality content*. That's hard work, but editors are already doing that. Making content while keeping SEO in mind is just a bit different: you need keyword rich content that is relevant for our users according to your SEO research via keyword tools and Google analytics. At Wage Indicator we are halfway to getting that mindset. The 21<sup>st</sup> century editor must know about SEO to face the tough competition for traffic and by then SEO will be as cheap or as expensive as any content.

And then: it will never stop and we need to learn a lot more. So, say hello to mobile search, location based search and personalised search. Never a dull moment with SEO.

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## 8. Online Surveys: towards a Global Standard

Kea Tijdens, Research Coordinator Wage Indicator,  
University of Amsterdam/AIAS, Amsterdam

Since 2001, Wage Indicator has run a web-survey on work and wages in an increasing number of countries. This salary survey is posted on all Wage Indicator websites worldwide. It is a continuous survey, and the survey is comparable across countries. In addition offline versions of the online survey are being introduced in less developed countries. An assessment of their potential.

How successful has the survey been? In ten years, we have collected valid wage data from almost 900,000 individuals in a total of 56 countries (although one should take into account that in more than 12 of these countries operations did not start until 2010, so here data-intake is minor). Based on the survey data, we were able to prepare Salary Checks in almost 30 countries, and more Checks will follow. Furthermore, the survey data has been used extensively for research. To date, this has resulted in 234 publications, all of which can be found at the publications section of [wageindicator.org](http://wageindicator.org).

### **Paper surveys in countries with low Internet access**

The very first Wage Indicator survey in 2000 was a paper-based survey, printed in a number of women's weeklies in the Netherlands. This survey was also posted on the internet, leading to a large response. More than 7,000 web-surveys were completed, compared to 6,000 of the paper questionnaires. That's how we discovered that surveys on the internet were viable. In 2006 and 2007, our partner in Hungary conducted 10,000 interviews on work and wages using the Wage Indicator survey.

In recent years, we have increasingly been launching websites in countries with low internet access rates. Whenever possible and when funding is available, personal interviews have been conducted using a paper-based version of the Wage Indicator web-survey. In 2009, interviews were held in Guatemala and in Paraguay. In 2010 and 2011, interviews have been held or will be held in Cambodia, China, Indonesia, Pakistan, and Zambia. All interviews target a predefined set of occupations or industries, and we aim to make these selections comparable across countries. All these surveys make a valuable contribution to the Wage Indicator wages database.

### **Building a worldwide wages and occupations database**

A globalising economy requires worldwide data on wages which is comparable and up-to-date, thereby increasing our understanding of national labour markets within an international context. Currently the availability of such data is very limited, for example, the October Inquiry of the ILO which compiles information from governments about average wages in a number of occupations. Wage Indicator aims to contribute to an increased understanding of developments in this global economy. Using the survey data, thus the micro-data from individuals, its worldwide wages database allows for cross-country analyses of the wages of both employees and the self-employed which were not previously possible. We hope that the Wage Indicator database on wages, benefits, working hours, working conditions, and industrial relations at the workplace will help set the standard with regard to worldwide comparative analyses.

The Wage Indicator web-survey asks respondents about their occupation. For this purpose, we have developed a multi-country occupations database of approximately 1,700 occupations. Using the survey data, this allows for detailed analyses at the

level of occupations. Using the web-survey as a screening device will also allow us to ask occupation-specific questions about job content and skill requirements. Building on previous experiences in the EurOccupations project, we have recently submitted a research proposal to undertake more of this kind of analysis in Europe. It would make possible further analyses on occupations. And it would allow Wage Indicator to provide the internet audience with detailed feedback about their jobs which goes beyond wages to encompass information about relevant skills and task descriptions.

### **Research range**

A wide range of research is associated with the Wage Indicator dataset. Many topics are addressed, such as wages in specific occupations and across related occupations, wage distribution across occupations, collective bargaining coverage, working conditions in female dominated occupations, job satisfaction and happiness, trade union membership around the world, industry-specific analyses, tasks and skill requirements in occupations, and many more. In the years to come, these topics will be added to the research agenda. In addition, methodological research is undertaken continuously, related to bias in the dataset and drop-out rates, all aimed at improving the data collection. Wage Indicator and University of Amsterdam participate in the recently EU-funded COST network WEBDATANET. In this network, researchers discuss a wide variety of methodological issues related to data collection through the internet.

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## 9. Potential for Global Wage Comparisons

Martin Guzi, Regional Office Wage Indicator Bratislava and Central European Labour Studies Institute, Bratislava

A cornerstone of Wage Indicator is international comparison of earnings. Therefore Wage Indicator provides the ideal foundation for wage comparison across varied economic circumstances. A demonstration may illustrate this assertion.

This contribution exploits the sample of 40,000 respondents who replied to the questionnaire in 2009 and 2010. For the sake of international comparison, the sample comprises workers aged 25 to 55 years, with at least 5 years of working experience and working at least 30 hours a week. The information on earnings is reported for three widely defined occupations that largely differ by complexity and skill requirement. The first group of occupations includes white-collar workers in managerial positions excluding the chief executives and legislators. The second group includes specialized occupations in the IT sector. Given the worldwide technological progress in recent years, workers in IT are conjectured to be internationally the most homogeneous group with regard to occupational skills. The third group, blue-collar manual workers, comprises craftsmen, machine operators, assemblers and workers in elementary occupations. The comparison is done for 27 countries from all over the world: nine Western European countries, three Eastern European countries, the United States, seven countries in South America and four countries of the former Soviet Union. India and Indonesia are the only Asian countries and South Africa is the only African country in the comparison.

### Hourly wage rates

Table 1 summarizes the findings. The median gross and net hourly wage rates converted into 2010 US dollars are presented for managers, IT specialists and manual workers. Observable income differences between professions are largely attributable to complexity of occupations. As a result managers and IT specialists earn around USD 15 per hour on average globally, and manual workers around USD 8. In that respect wages in South Africa are the closest to the global average. The highest gross hourly wages workers in Western European countries and the US get, almost two times higher than the global average. Earnings in Eastern Europe are comparable to those in South America, but the wage disparities in South America are starker. The largest difference in earnings between occupations is found in Guatemala and Colombia. Earnings also vary substantially in the former Soviet countries both inter occupations and across countries. The lowest wage rates among countries are observed in Paraguay, in Ukraine and in Indonesia.

## Big Macs

Higher income levels not necessarily translate into higher living standards. The price level determines the amount of goods and services workers can buy with their earnings. To illustrate the relative purchasing power of wages a highly uniform product that is available everywhere in the same quality – a Big Mac sandwich – is used as a comparison commodity.<sup>1</sup> Table 1 reports the net hourly wage converted into the number of Big Macs workers could purchase with their hourly pay.<sup>2</sup> Wage rates measured in Big Macs provide a measure of worker welfare that is adjusted for one simple measure of purchasing power parity. Results reveal that major income differences between countries and occupations remain very pronounced. Workers in Mexico and Russia receive the highest compensation for their work in the region and their purchasing power is similar to Eastern European workers.

## Potential limitations of the study

1. Public service, healthcare and welfare systems are not equally well developed in every country. The gross salary deduction for taxes and social security contributions therefore vary from country to country. The impact of deduction on net income is much greater in European countries and the US. Payroll deductions are much lower in former Soviet countries and South America. On the other hand it should not be forgotten that social contributions provide benefits to individuals such as payment in case of illness or unemployment, personal pension scheme, childcare service and security of minimum wage. The value of welfare services is not considered in this study, however the reported ratio of gross/net wage rate illustrates the size of the welfare system in the country well.
2. There are substantial wage differences within countries for various job profiles. The type of employer plays a role here, typically the wages are markedly lower in the public sector than in the private sector, and similar distinctions exist between national and international companies. The characteristics of the employer are not considered.
3. The hourly wage rate is calculated using voluntarily self-reported data and thus 100 per cent accuracy of the data cannot be guaranteed. Respondents are always encouraged to provide only true and reliable information about their personal and employment characteristics. Data used in this study has been cleaned and the most non-reliable cases were eliminated in order to provide the most accurate estimates of wage information. Moreover the presented median wage rates provide a very realistic picture because median statistics is less sensitive to extreme values.

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<sup>1</sup> The idea has been used in Ashenfelter and Jurajda (2001) "Cross-country Comparisons of Wage Rates: The Big Mac Index"

<sup>2</sup> Big Mac prices were collected in July 2010  
([http://www.economist.com/node/16646178?story\\_id=16646178](http://www.economist.com/node/16646178?story_id=16646178))



### Some overall conclusions

The Wage Indicator data set proves to be a solid base for wage comparison across the globe. This case demonstrates a simple comparison of earnings in countries that are at very different stages of development. The findings indicate that similar work is compensated at very different rates, whether measured in US dollars or adjusted for purchasing power parity using the prices of Big Macs. There is an apparent similarity in compensations for the same occupations in the rich economies of Western Europe and US. The variability of wages is substantial in South America and in former Soviet countries. Moreover the study illustrates that wage disparity remains globally high also in homogenous professions, such as occupations in the IT sector.

#### *Gross and net hourly pay in USD and hourly Big Mac wage*

Country	Median gross (net) hourly wage rate						Big Macs per hour of work		
	Manager		IT specialist		Manual Worker		Manager	IT spec.	Manual W.
Belgium	31.9	(18)	30.7	(16.4)	19.3	(12.1)	3.9	3.5	2.6
Denmark	38.9	(23.9)	41.1	(25.1)	23.8	(15.1)	4.9	5.1	3.1
Finland	31.0	(19.7)	29.6	(19)	18.4	(13)	4.3	4.1	2.8
France	29.6	(23.5)	24.0	(18.6)	16.8	(12.8)	5.1	4.0	2.8
Germany	24.6	(15.3)	29.7	(17.7)	18.6	(12.5)	3.3	3.8	2.7
Netherlands	30.6	(18.9)	26.5	(16.9)	18.1	(12.6)	4.1	3.7	2.7
Spain	24.6	(17.1)	20.3	(14.7)	12.1	(8.9)	3.7	3.2	1.9
Sweden	30.4	(20)	26.7	(18.5)	18.5	(13.2)	3.1	2.8	2.0
United Kingdom	23.7	(16.6)	27.4	(19.9)	16.5	(12)	4.8	5.7	3.5
United States	29.4	(21.7)	35.1	(18.7)	13.0	(8.9)	5.8	5.0	2.4
Czech Republic	9.9	(7)	11.7	(8.1)	5.9	(4.5)	2.0	2.4	1.3
Hungary	10.2	(6)	6.8	(3.7)	4.1	(2.4)	1.8	1.1	0.7
Poland	7.4	(5.6)	6.7	(4.1)	4.4	(3.2)	2.2	1.6	1.2
Argentina	8.7	(6.9)	7.6	(6.1)	3.9	(3.1)	1.9	1.7	0.9
Brazil	7.9	(6.3)	8.9	(7)	3.7	(2.9)	1.3	1.4	0.6
Chile	10.9	(8.5)	9.9	(7.4)	4.3	(3)	2.5	2.2	0.9
Colombia	7.9	(6.7)	5.6	(4.3)	2.3	(2)	1.5	1.0	0.5
Guatemala	6.2	(5.5)	6.0	(5.3)	1.4	(1.3)			
Mexico	9.6	(7.2)	7.0	(5.6)	3.4	(1.6)	2.9	2.2	0.7
Paraguay	3.0	(2.2)	3.5	(2.9)	1.3	(1)			
Belarus	3.3	(2.7)	4.4	(3.7)	2.4	(1.9)			
Kazakhstan	5.1	(3.9)	5.9	(4.9)	2.8	(2.2)			
Russia	7.2	(6.1)	6.5	(5.4)	3.8	(3.3)	2.6	2.3	1.4
Ukraine	3.2	(2.4)	2.7	(2.2)	1.5	(1.1)	1.3	1.2	0.6
India	6.3	(5.1)	7.5	(6.1)	2.2	(1.7)			
Indonesia	3.4	(2.9)	2.3	(1.9)	2.0	(1.6)	1.1	0.8	0.6
South Africa	12.9	(9.4)	14.0	(10.3)	6.4	(5.1)	3.8	4.2	2.1

*Note: Reported are median wage rates in 2010 dollars;*

*Blank boxes indicate that Big Mac prices were not published for that country*

*Source: Wage Indicator 2009-2010; The Economist (July 2010)*

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## 10. Bias in the Data: so what?

Stephanie Steinmetz, University of Amsterdam/AIAS, Amsterdam

Volunteer web surveys, such as the Wage Indicator survey, are sometimes seen as problematic. But are the results useless because of this volunteer basis?

Web-based data collection is powerful. Over the past decade Wage Indicator has proven that it is possible to implement such a system in differing national, economic and cultural environments. A survey posted on a popular website can collect thousands of responses in just a few hours across national borders. Compared to traditional data collection, it is much less costly. It includes further advantages, such as targeting specific and/or rare populations and obtaining sensible information. Moreover, the new technologies related to web surveys offer the opportunity to ease the completion process and the processing of results. They allow flexible questionnaire design which also increases respondent flexibility.

### Opportunities for research

Against this background, the Wage Indicator data set gives researchers the opportunity to

- analyze wages and working conditions not only for the developed but also for the developing world;
- explore rare groups or small-scale units (like occupations) in more detail and include follow-up questions to receive a better understanding of these small-scale units worldwide;
- conduct before-and-after analyses of events expected to have a large impact on one or more topics in the survey (like the financial crisis);
- gather data on specific individual topics via temporary plug-in modules.

Due to its multiple client-side feedback systems (such as visitors' email and respondents' comments), the data collection process is also continuously improved and optimized. Additionally, the systems offer research methodologists the possibility to gain insights into drop out and survey completion processes.

### Justified criticism

However, researchers using this data source for their analysis are confronted with fundamental criticism reflecting the distrust of the scientific community towards this innovative mode of data collection. What are the main critiques and how fundamental are they?

In this context, one has to consider that the primary purpose of a survey is to gather information about the general population. This information is useless unless it is accurate and representative. To minimize the so-called selection bias, researchers have traditionally attempted to collect samples that provide a reliable cross-section of a given population and allow the drawing of random samples which produce representative results for the entire population. Therefore, volunteer web surveys, such as the WageIndicator, are particularly problematic because of its non-probability based nature and selectivity.

The selectivity is threefold:

1. first it is associated with internet access as this may be related to wages – the key variable in the data;
2. second, although the numbers of visitors to the Wage Indicator websites are large and growing, it is still a minority of the extremely large and heterogeneous population visiting the internet. In this respect, self-selection into the Wage Indicator websites may be related to a higher interest in wages. This in turn might lead to an underrepresentation of persons who are less interested in wages;
3. finally, once visiting the Wage Indicator website, the visitor still has to decide whether or not to complete the questionnaire. This may be related to time availability, satisfaction with the website or altruism to contribute to the project - factors which may itself be related to the key variable.

### **Deviations found**

As to the question of how selective the Wage Indicator data is, recent studies for several countries have shown the expected deviations as regards socio-demographic variables. A study by Tijdens (2006) comparing the Dutch Wage Indicator data with the Dutch Labor Force Survey between 2000 and 2004 found an under-representation of part-timers (particularly less than 20 hours a week), older age groups (particularly individuals older than 55) and low educated persons. This under-representation has, however, declined during 2001 and 2004. An actual study of Steinmetz et al. (2010) analyzing the selection bias of the Wage Indicator data in 2006 for the US, Germany, the Netherlands, Spain, Argentina and Brazil, shows similar results: in the majority of countries, older age groups (35-75), lower educated people and part-timers are under-represented in the samples. With respect to gender, an under-representation of women could only be observed in the Netherlands, Germany and Argentina.

So, obviously, also for the Wage Indicator data, the volunteer recruitment method forms the biggest problem. Therefore the obtained Wage Indicator results have to be interpreted with caution and cannot be generalized for the population of interest, i.e. the labour force. However, it is questionable whether they are really “useless” from a scientific perspective.

### **Counter bias strategies**

This brings us to the question of overriding concern: can the data quality of volunteer web surveys be improved? To reduce the bias, Wage Indicator employs several strategies.

The first two are related to web marketing. They are aimed at sub-populations and special questionnaire routing addressing those marginal labour force groups with a higher likelihood of dropping out during completion of the questionnaire. Thereby they become more numerous in the sample.

The third strategy is the development of different weights in order to correct subsequently for differences between the (web) sample and the population under consideration. The need of weights for generalizing web survey results for the whole population has always been emphasized, even though their application produces rather diverse results. Extensive studies based on the Wage Indicator data have confirmed this diversity. However, the results have also shown that the unweighted results of the Wage Indicator survey are quite comparable to the selected representative reference surveys. This supports the argument that, even though the applied weighting techniques do not always allow generalizing volunteer web survey results, the collected unweighted web data are not useless.

Instead, critiques stressing the impossibility to generalize findings of non-probability based web surveys should reflect on the fact that even 'appropriately'-collected data might be biased, particularly in relation to self-selection processes. Not surprisingly, Couper and Miller (2008) warned of treating survey quality as an absolute, and proposed evaluating it relative to other features of the design and the stated goals of the survey. Overall a trend is discernible that growing numbers of respondents approached in the traditional way, e.g. by telephone, decline cooperation.

### **Need for open discussion**

As the scientific community seems to be reluctant to consider such arguments, the Wage Indicator data will nonetheless be complemented with a set of simple weights. These can be applied particularly for descriptive purposes. This will allow researchers using the Wage Indicator data to deal with biases caused by socio-demographic characteristics. However, researchers should be aware that this will not solve all problems. Instead, they should try to contribute to a higher acceptance of this new data collection mode within academia. They may do so by reacting to the critiques with an open discussion of the potentials and constraints of the findings resulting from the use of such data.

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## 11. Why should Wage Indicator focus on Minimum Wage?

Maarten van Klaveren and Biju Varkkey, University of Amsterdam/AIAS and Indian Institute of Management, Ahmedabad

Many countries have legal minimum wages. Yet frequently, not even these are paid. Employers get away with neglecting the law. Or they simply don't know, just as their workers, that in their country or industry a legal minimum wage applies. Working people are being underpaid and are working too many hours. They need information on legal minimum wages and maximum working hours. Can minimum wage information provided by Wage Indicator make a difference?

### **Survival, redistribution or both**

Particularly in developing countries, the statutory minimum wage can be of crucial importance for the living standard and the perspectives in life of large parts of the population. It can fulfil the following objectives:

- A. guaranteeing a living wage
- B. income redistribution, including reduction of the gender wage gap.

A, guaranteeing a living wage, is in conformity with ILO, Convention 131, though that adds 'relate reasonably to the general level of wages...' It is a first step to B, e.g. income redistribution. If B is reached, A remains.

The choice for A, guaranteeing a living wage, may be logical for countries with a large poor population. Here minimum wage and related social benefits/programs can make the difference between starvation and decent life! An important example is the Indian MGNREGS: a centrally sponsored scheme that provides an amount of guaranteed wage employment, which has impacted the quality of life in rural India. Incidentally, this scheme has raised an interesting political debate with regard to the jurisdiction of the minimum wage.

### **Great variety of minimum wage systems**

It should be noted that across the world there is a range of minimum wage systems – from simple systems with one minimum wage to very complex structures. In India for example, each state has a different minimum wage, further divided according to occupation, skill level and regions. The latter also holds for South Africa and Indonesia, as well as many other countries.

Yet, still a lot of questions have to be answered, not least if a minimum wage system focuses on goal A, guaranteeing a living wage. Questions in particular regard the yardsticks for the calculation of minimum wages: minimal food requirements? What about the basis for calculation, families or individual workers? Should the economic situation be taken into account, like inflation rates?

### **Balancing act**

Setting the level of minimum wages will remain a balancing act. ILO studies divide between three groups of countries:

1. Countries with very low minimum wage levels: makes work discouraging (i.e. labour market participation) and does not help in redistributing incomes (minimum wage percentage of average wage = Kaitz index, low may mean that

- minimum wage in terms of Kaitz index is lower than 25 per cent: for example Pakistan, Sri Lanka, Botswana, Malawi).
2. Countries with very high minimum wage or 'maxi minimum wage', mostly showing up if collective bargaining is lacking: may fuel inflation because of availability of cash money, and may destroy industry competitiveness: violating tenants of decent work (for example Mozambique).
  3. Countries where minimum wage fulfils objectives both option of living wage and income redistribution without hampering employment creation (examples see below).

Remaining critique of minimum wages:

- possible displacement of employment, where jobs may shift to informal sector or even relocated, thus causing unemployment and affecting income of poor families;
- legal minimum wage may be limited to formal sector wage employment or few occupations. Large informal sector, characteristic of developing economies, tend to be ignored, though in India f.e. the situation is gradually changing.

### **On the road from A to B**

Anyway, a number of large developing countries is on the road from A to B, thus from providing just a living wage to redistribution of income. Examples:

- Indonesia: minimum wage increased in democratization process after fall of Suharto, but recent relative decrease of minimum wage level; minimum wage acts more as 'wage of the minimums' than as wage floor (research TURC, ADB).
- Brazil: from 1995-2009 substantial real increase of minimum wage, pushing up the wage floor in the formal sector and having lighthouse effect on the informal sector. Positive effects on employment, while the employment share of the formal sector continues to grow (research ILO and Lemos).
- South Africa: inclusion of vulnerable groups like domestic workers, positive effects on wages and slight negative effect on employment (research Hertz).
- India: introduced wage policy early on, statutory Minimum Wage Act of 1948. Discussions concerning enforcement of minimum wages and its effect on employment. Trade unions like SEWA argued for national minimum wage to avoid job losses when minimum wages are uprated (revised) in one part. Now a floor level minimum wage has been declared, which is disputed politically. Similar situations have been recorded in other countries.

### **Compliance is crucial**

While quite some countries have legislations (either separate law like India, or part of wider labour law, like Cambodia or Indonesia) and machinery to monitor, in many countries official enforcement remains weak to virtually absent: weak labour inspectorates (Zambia, Botswana, Pakistan, etc.) compound the problem. Minimum wage compliance is an area where unions with support of Wage Indicator can play constructive roles and ensure decent work practices.

### **How can Wage Indicator contribute?**

Labour market and wage transparency is the essential precondition for a healthy economy. Lack of transparency is a problem especially in countries with multiple minimum wages: South Africa, India, Indonesia. Wage Indicator can be of great help, like in South Africa and India. For instance, Paycheck India has been able to evolve as a must go point for minimum wage information.

Wage Indicator can provide support to unions, by making available necessary information. Wage Indicator analyses of compliance with minimum wages in practice put pressure on employers, governments, and unions. This process is currently embarked upon in Cambodia, Indonesia, Pakistan.

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## 12. Meusalario.org Campaign: Debates and Publicity

Egidio G. Vaz Raposo, Regional Office Wage Indicator, Maputo

Minimum wage Campaigns conducted by trade unions in southern Africa, are assisted by Wage Indicator. Decent Work checklists, developed by Wage Indicator, helped to set the agenda for public debates in 2010. Participants said non-compliance with minimum wage and long working hours were their main concerns. Wage Indicator staff in close cooperation with social partners therefore set up national Campaigns as a follow up, trying to raise awareness of these hot topics and do something about them. In Mozambique the Campaign takes the shape of public awareness raising, helped by independent media coverage.

### **Social unrest and food riots**

Mozambique badly suffers from the international economic crisis. Since 2008 it has faced social upheaval against rising living costs and lack of adequate government response. On February 5, 2008 the people in greater Maputo rebelled against the rising price of urban passenger transport. In 2010, on 1 and 2 September, people rioted against the rising price of food and fuel. And as recently as April 2011, employees from a private security company (G4S) protested against delayed payment of wages and other claims. All these upheavals have contributed to the growing awareness that participating in public debate is important to achieve a better Mozambique for all.

Yet out of thousands of NGOs working in Mozambique, just a few focus on labour relations, unionism and social dialogue. Consequently, there have been few initiatives intended to raise the level of knowledge about these issues. Apart from trade unions almost no one else works in this field. Hence the Wage Indicator initiatives have since 2010 grown in presence and impact. During 2010 the outline of the current 2011 Campaign took shape, aimed at raising awareness among workers about labour law, labour rights and duties, minimum wage and working hours in particular.

### **Integral approach**

Early on Meusalario recognized the need to add value and give greater scope by involving the government's Labour Inspectorate, the trade unions, and employer's organizations. Beyond these and at a later stage, Meusalario also called upon the ILO and the independent media to endorse the initiative.

### **Offline meetings and their impact**

The Campaign took shape during more than 10 meetings with workers from various sectors in four southern provinces, namely the City of Maputo, Maputo Province, Gaza and Inhambane. More than 300 workers attended these offline Decent Work and Labour Law debates. The debates covered a dozen Decent Work themes and issues. Labour law was discussed in terms of how well it is observed and the actions that government and unions are taking to resolve labour conflicts.

The impact of these meetings was great. They helped to single out the most pressing issues of minimum wage compliance and long working hours. The participation of government through Labour Inspectors made sure that many of the problems that employers and unions had, were now taken into account and new shapes for cooperation adopted. A good example are regular joint visits to workplaces involving employers, unions and Labour Inspectors, which before were carried out solely by the Labour Inspectorate. Special mention may be made here of private security companies and the cinema sector.

Cross sectoral discussion groups have evolved into groups for providing mutual aid. In the cinema sector for example, the majority of workers were earning less than stipulated by law. The discussion in Maputo on sector minimum wages helped them to claim wages as per the law. Today, the cinema sector, with the union and the government's help, have their wages regularized (at least on paper), though the actual payments continue to be irregular.

At the institutional level the offline debates have helped to establish closer working relationships between the trade union confederation OTM – Organização dos Trabalhadores de Moçambique - and local union committees. For example, in Xai-Xai, Gaza Province, the district trade union committees did not have regular contact with their provincial branch for a long time. But this has now been re-established through the Decent Work/Labour Law debates in 2010.

In summary, the offline activities have been fruitful in providing space for dialogue and mutual learning among workers from different backgrounds and branches of industry. Furthermore, the presence of senior government and trade union officials have given the meetings more status. Participants have seen opportunities to not only learn from each other, but more importantly have perceived the meetings as helping to solve their problems, or at least properly report them to competent authorities. So ultimately, Wage Indicator has brought together unions, workers and government officials to discuss issues of common interest at a more sophisticated level.

#### **Meusalario.org for reference and debate**

The online availability of all relevant information has made Meusalario a national reference website when it comes to labour related issues. It provides input for debates on the labour market, working hours and wages in particular, e.g. not only minimum wages, but of course also the current market wages, wages paid by government and contract wages negotiated by the unions. All this practical information is used for reference and as input for new a new round of debates, this time amongst specialized groups of workers such as private security, domestic workers and secretaries in the same branch of industry, part of the current Campaign

#### **Media Campaign for wider impact**

If at the beginning Meusalario was unknown to the public and the press, after a year it has become well known. Drawing on experiences and the visibility gained earlier in 2010, by the end of that year Wage Indicator began its minimum wage and working hours Campaign on three fronts of the Mozambican press, namely tv and radio, print newspapers and online news portals. Public advertisements at workplaces and unions will be also be featured. The independent media in Mozambique is sympathetic to the cause.

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## **13. Minimum Wage Trade Union Campaign in Zambia**

Silvia Chimpampwe, director gender and women, Zambia Union of Financial Institutions and Allied Workers (ZUFIAW), Lusaka

Minimum wage Campaigns conducted by trade unions in southern Africa, are assisted by Wage Indicator staff. Together they try to raise awareness of the right working people have to be paid at least minimum wages – and other non-negotiable rights stipulated by law. In the Zambia Campaign a trade union takes the lead, assisted by information on Mywage.org throughout.

### **Focus on minimum wages**

Because of the Zambia Campaign's focus on minimum wages, it mainly targets workers that are non-unionised and have no trade union representation. This large group includes shop workers, service sector workers and domestic workers. They are generally paid the bare minimum, often work casually, have no contracts or job security, put in long working hours and are vulnerable to sexual harassment. They are denied even the basic employment conditions contained in the legislation of the country. Informal working relationships are the situation for the vast majority of the Zambian working population – estimated at well over 80 per cent.

The Campaign produces sector debates, radio shows, posters, brochures and flyers that carry the Decent Work message with relevant links for more information access. The union also uses the Decent Work checklist. After people fill in the checklist we distribute the Minimum Wage Act to give credence to the results of the checklist. Throughout Campaign activities, results and supporting factual information is posted on Mywage.org.

### **On the shop floor**

Some telling examples. Only recently the multinational chain store Shoprite Checkers faced its third countrywide strike. Workers said the management had for the last 15 years not remitted pension or social security benefits! In retaliation for the latest strike, on 1st April 2011, all unionised employees of Shoprite Checkers countrywide were dismissed. In Livingstone, that same chain store apparently employed young women workers under temporary conditions for periods in excess of two years, contrary to the law which limits casual work to six months. The recent Shoprite strike is in part a victory for young women workers, especially those who joined the Campaign in Chipata, Lusaka and Livingstone.

In eastern Chipata the union learnt during a sector debate, that the minimum wage had never even been heard of! Workers were completely unaware of the minimum conditions of work set out in the Minimum Wage Act, and therefore of their basic rights that are not negotiable.

Early Campaign results also showed that a number of participants could be linked to trade unions in their sectors. These include the Guards Union of Zambia, where young women are demanding maternity rights. At the National Union of Communication and Industrial Workers young unmarried women are realising that they work longer shifts with less pay than their married colleagues.

In Chipata moreover, union activists linked domestic workers' recruitment agencies to the Domestic Workers Union to assist in the formalisation of this sector after it was legally recognised. In Livingstone the union helped young women workers in

the service sector to demand that their employers remit their social security deductions to the National Pension Scheme (NAPSA). It did so by linking them to NAPSA agents who were able to follow up and ensure this was done on their behalf, without exposing them to the risk of victimisation. The National Pension Scheme is the main vehicle for providing retirement and other social security benefits to workers. It has the mandate to prosecute employers who fail to pay contributions.

### **The role of Mywage.org in the Campaign**

Mywage.org Zambia has been the Campaign's online channel for the information the union disseminates to the participants and passers by who consult Campaign materials. Furthermore, the website serves as an apt reference point for people wishing to get more information on particular topics, as the website covers all the aspects of the Campaign in practice.

Mywage.org is a strategic tool for not only trade unions, but for all workers seeking information about joining a union or improving their work situation. The site is like a search engine for workers looking for trade union information and legislation information regarding their work & minimum wage stipulations. The union refers people who are hard pressed for time and cannot participate in meetings and debates, to the website. Moreover it is posted all Campaign materials so as to encourage people to visit and read about the minimum wages and other information.

### **Phone in radio shows**

An important observation from the Campaign is that people get very emotional over labour debates. Given that most do not have the time to visit the debates, the Campaign radio programs help more people to access the debates by phoning in and venting their frustrations.

### **Union to influence minimum wage setting**

The Campaign has enhanced the image and reputation of the Zambia Union of Financial Institutions and Allied Workers (ZUFIAW) as a facilitator. The dissemination of minimum wage and maximum working hours information has indirectly assisted in the recruitment and organisation of members. The Campaign's focus on minimum wages has helped the unions re-evaluate their strategy. With the influx of foreign investors wages everywhere are now pegged at the minimum, only recently set at 409,000 Zambian kwacha a month. A salary of 1.5 million kwacha by contrast may appear very high. But in real terms the food basket costs an average of 3 million kwacha per month. So as a ZUFIAW realises the urgent need to upgrade these minimum wages. And it voices this urgent need at the tripartite body in which it participates, a body which (re)sets this minimum wage annually. Annual revision of minimum wages is a novelty for Zambia and - as can be concluded from the above figures - it is an absolute necessity.

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## 14. The effect of Collective Bargaining Data Online

Saliem Patel, Partner in Wage Indicator Southern Africa,  
director Labour Research Services (LRS), Cape Town

Wage Indicator tries to post real wages, VIP salaries and minimum wages online in as many countries as possible. In South Africa Wage Indicator will add in partnership with LRS collective agreements online. Who will benefit most from this cooperation? Employers or shop stewards?

### **LRS uses AWARD database**

For the past 25 years the LRS has helped unions put systems in place to collect agreements and centralise the information they have, trained negotiators to calculate real wages and the wage gap and develop bargaining strategies. At the base of this was the development of a database, the Actual Wage Rates Database (AWARD), in which we capture wage and benefits data. This database allows the LRS to publish reports on minimum wages which can be easily linked to the Wage Indicator website.

### **Many different minimum wages**

It is important to note that there is no national minimum wage in South Africa. The LRS populates the database with minimum wage information which we get from collective bargaining agreements. In South Africa bargaining happens at company level (resulting in company agreements) and at industry level (resulting in Bargaining Council agreements). In addition, there are administered wages set by government (in consultation with social stakeholders). These are called Sectoral Determinations for vulnerable sectors of workers who are largely unorganised but collectively account for a large proportion of the workforce. These wages are also included in the database.

### **Widespread ignorance**

Large numbers of workers get paid the minimum wage that has either been negotiated between unions and the company, unions and employers in a sector where there is a Bargaining Council or those set in the Sectoral Determination. Decisions on wages are highly influenced by these minimum wages. So while the minimum wage may be an abstract concept in another context, it is a very practical concept in South Africa. It is important to note also that data on minimum wages is not collected, let alone analysed and used to promote socio-economic development by any other organisation or institution in South Africa. So there remains widespread ignorance on what minimum wage has been agreed upon in a company or sector unless the trade union actively campaigns around this.

Unfortunately the LRS database is dependent on agreements its get from trade unions associated with it one way or another. LRS has to verify their sample every year to see how representative the data is for the various sectors in the economy. It does so by looking at the number of agreements and the number of workers covered by those agreements as compared to the overall number of people employed in the sector.

Nevertheless, the data allows LRS to track wages, wage increases and benefits won by a union in companies, sectors, and nationally. LRS uses this data to establish real wage increases by subtracting inflation and by benchmarking this data against other indicators like company profits, directors' fees, economic growth, and poverty datum lines.

### **Monitoring trends with Wage Indicator**

The advantage of having a partnership with Wage Indicator is that LRS can now compare the minimums with actuals collected by Wage Indicator web surveys. These are generally of higher paid workers and will enable LRS to develop a better understanding of the trends for the higher paid workers locally and internationally. So for instance LRS would be looking at how trends in Wage Indicator can be compared to trends that are picked up from AWARD. These are some of the trends among low paid workers in South Africa , as analysed using AWARD-data:

1. minimum wages are very low, in real terms the average minimum wage is below what it used to be 5 years ago;
2. large numbers of people are not catered for in existing bargaining units, the majority of workers is excluded from social dialogue;
3. increasing flexibility and precarious forms of work undermine unionisation and solidarity;
4. the low levels of social protection contained in bargaining agreements, specifically pension, medical aid, housing and education, have resulted in workers too "rich" to qualify for government income subsidies and too poor to cater for their basic household needs;
5. feminisation of the workforce in the bottom work grades which have very low pay, while women continue to bear huge social and reproductive responsibilities;
6. ignorance and ignoring of HIV & AIDS – bargaining on these issues has not been prioritised, which contributes to and entrenches the stigma of being HIV positive.

### **Regional impact**

During the past two years progress has been made on a regional level where unions are in a much weaker position still than in South Africa. AWARD has been successfully introduced in Namibia, Swaziland, Zambia, Zimbabwe and in Ghana. This LRS has done in partnership with sister labour organisations based in those countries.

Future developments centre around four areas:

- completing the technical work of establishing AWARD as an online resource;
- broadening its use by making AWARD applicable for Global Union Federations in Africa to  
engage multinational companies as well as multilateral organisations on policy issues;
- developing online educational courses for new trade union activists to use AWARD for  
developing trade union strategies;
- maintaining and building partnerships that add value to the further technical, methodological and conceptual development of AWARD.

### **Serving shop stewards' needs better**

The major benefit for LRS from the link with Wage Indicator will be technical assistance and conceptual development. On the one hand to improve the quality of analytical reports. On the other hand allowing for widespread and easy access. These reports assist trade union negotiators to develop appropriate demands for negotiations. They will now be accessible to thousands of shop stewards on Wage Indicator's website whenever they need it – even by mobile phone. In addition, these reports will be accessible to labour analysts and policy makers. In this way they will contribute to more informed discussions and policy options as regards Decent Work.

\* \* \*

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