

Name of the institution

Federal Public Service Employment, Labour and Social Dialogue (see <http://www.meta.fgov.be>)

Name of the project

Databank on salaries and working time.

Acronym

CAO-CCT

Description of the project and situation within the context of the institution

The information about the wage scale salaries in the sectors (the 170 joint industrial committees and subcommittees) is recorded in collective agreements. These are filed with the clerk of the General Directorate of the Collective Labour Relations of FPS Employment, Labour and Social Dialogue. They are in principle declared generally binding and as binding standards must be respected by all employees in the sector. The Inspectorate of Social Legislation is charged with monitoring this.

A (sometimes) extensive occupational classification has already been drawn up by most joint industrial committees, whereby the employees are classified in various categories (varying from only a few to a few dozens of categories). To this, a salary wage scale is linked, which in the joint industrial committees for the white-collar workers in many cases also takes into account the age and/or seniority. Periodical wage increases are then agreed upon in the joint industrial (sub)committees. What is more: every joint industrial committee has its own system with which the salaries are linked to the consumer prices index. Various premiums and supplements and the number of working hours are determined in collective bargaining agreements.

The project consists of better exploiting the information contained in the collective bargaining agreements and is made up of two parts: making the information available and calculating the conventional earnings index and the conventional working time index.

1. Publication of the information

The collective agreements are published on the site of the FPS, but to determine what salary someone has, it is not self-evident to depart from that: the original wage scale has to be returned to and all the indexing and salary increases have to be applied (correctly). This is de facto unfeasible. This is why in the private sector various overviews of the current salaries are published (above all at the initiative or with the cooperation of the social secretariats), but the federal government department intends to at least publish an up-to-date overview of the current wage scales that apply, the number of working hours and the various premiums. It is after all self-evident that generally binding standards are published by the government. The checks by inspectorates can then also be based on government information.

To this end, the information present at the clerk must be used to create a **Database of "Salaries and working time"**, in which the original data can automatically be indexed and within which the increases determined in collective bargaining agreements can simply be incorporated. The database must be user-friendly and sufficiently flexible to allow changes to the wage scale structure, changes to the indexing system or ad-hoc adjustments¹ to be made without all too many problems.

¹ It happens that the social partners in a special case decide to temporarily disregard the rules agreed upon, for example to avoid a temporary wage decrease or bring forward indexing.

It must furthermore be possible to easily construct the output for the federal government department's website from the database and it must be easy for the site's visitor to consult.

The database must also be accessible for analytical and scientific research both within and outside the federal government department.

2. The conventional earnings index and the conventional working time index

a) Principle of conventional earnings index

A "conventional earnings index" as calculated and published by the FPS since 1958, has the aim of showing the evolution of the wages that are the result of collective bargaining. Various methods are possible, but in principle it comes down to the fact that the wages are followed via a number of "measuring points" month after month (or quarter after quarter). A weight is attributed to each of the measuring points and it is on this basis that the index is compiled for the entire economy or parts of it. In addition, the system must make it possible to isolate the effects of various factors on the increase of the index (indexing, conventional increase, number of working hours...).

b) The current index and the "measuring points"

At present, the conventional earnings index has one measuring point per joint industrial committee. Before 1997 an "average wage scale wage" was compiled. Now this wage is increased on the basis of the indexing (are calculated by the Directorate for Socio-Economic Studies of the FPS and then verified against all the other sources) and on the basis of the conventional increases. In most cases, after all increases uniformly concern all the wage scale wages of the joint industrial committee, so that they can simply be considered on the "average wage scale wage". If this is not the case, a (well thought-out) ad-hoc solution must be elaborated.

The calculation of the index is currently partly computerised: all increases (also the indexing) are calculated manually and then integrated in an Excel file from which the index results then follow.

c) An expansion of the index

The current index is limited to the actual wage scale wages. The index therefore has the following limitations:

- All kinds of other remunerations (shift work, night work, remuneration for waiting...) and premiums (end-of-year premiums, one-off premiums ...) are not incorporated.
- Wage agreements at company level are not incorporated.
- Prospects of the index can only be made every now and then.

Both the National Labour Council and the Central Council for Trade and Industry have repeatedly asked the federal government department to find a solution to these problems. What is more: other institutions such as the National Bank and the Federal Planning Bureau are also asking for this. Naturally this information is also significant for insight into the wage policy for the FPS itself.

➤ Remunerations and premiums

In most joint industrial committees there are different permanent remunerations and premiums that do and do not recur. They cannot be included in an "average" (it is pointless to add up remuneration for waiting and an end-of-year premium) and furthermore they do not act uniformly, not even within one and the same joint industrial committee. Inclusion of this in the index means that the number of measuring points must be substantially increased. Manual adjustments to them are very time consuming. That is why it is necessary to make a

link to the “Wages and working time” database. In addition, this would also make it possible to set up a more flexible system with several measuring points for the actual wage scale wage.

➤ Companies

This cannot be solved in the short term, in the long term it is possible to see whether the necessary information can be retrieved from the collective bargaining agreements filed by companies. But this is in no way a priority.

➤ Prospects

Prospects must be made of the current index if one or more institutions ask for them and if (on the basis of the biennial negotiating cycle that starts with entering into an inter-professional agreement) any information is available. The index prospects of the Federal Planning Bureau are used for this. Since the system is not fully computerised and because there is not a constant flow of information about future wage increases, this cannot be done on a regular basis.

To make good prospects, it is important that all the information is charged in the database (even if this does not lead to immediate publication on the site) as soon as it becomes available (even if this is informal, provisional, in draft collective agreements, etc.).

d) The project

Within the framework of the project, both the methodology of the conventional earnings index (and in parallel those of the conventional working time index) must be updated and expanded to the premiums and the link to the database must be departed from, amongst other things to simplify the calculation, make simulations possible (with for example a weight of the sectors that changes every year) and to allow the periodical elaboration of prospects, also on the basis of series of the consumer prices index delivered by external parties.

Furthermore, when setting up new indices, the continuity of the series and the necessary calculation of “back-data” must be taken into account. As the index also plays a role in a number of regulations and contracts, legal aspects must also be taken into account.

Tasks to be accomplished

a. by the research team

Analysis of the data in the collective agreements:

- analysis of the data already collected within the framework of setting up the database;
- analysis of the current methodology of the conventional earnings index and of the conventional working time index;
- analysis of the users’ needs;
- international comparison of the methodology of the index;
- development of a new methodology for the index;
- co-development of the IT system for the database: system analysis, conception of user interfaces;
- test the database (in different development phases);
- research the possibilities for expanding the database for a more in-depth analysis of (also qualitative aspects of) the collective bargaining agreements (horizontal analysis);
- exploratory analysis of the possibility of an index in company collective bargaining agreements are also incorporated.

b. By the public institution:

1. *Prior to the project*

- initial thorough analysis of the data in the collective agreements (already done);
- give a decisive answer about the feasibility of setting up a complete database within the FPS (in cooperation with the programme government department for Scientific Policy). If it should turn out that this own database is not feasible, the FPS will decide to buy the data from one of the private companies that publish the data. However, in that case, too, the project remains completely relevant.

2. *During the course of the project*

- assist and adjust the project;
- assist in setting up the methodology of the index;
- programming work;
- test the database (in different development phases);
- connection of the database to the website of the federal government department and to the internal data flows.

Expected final product

a. by the research team

A completely functional database that makes it possible to consult the sector wages and number of working hours on the website of the FPS, in which data can simply be entered, with which the calculations for the index with all the accompanying simulations can be carried out simply and that can be used for further policy and/or scientific analysis. The scientific team is expected to produce a report concerning the comparability of the data in an international/European perspective.

b. For the public institution

Ditto.

Valorisation of the final product

a. for the public institution: integration of the final product in its own functioning

- The database will make it possible to inform the public sufficiently about the current minimum wages and number of working hours in the sector.
- The database will simplify the checks on wages by the inspectorates.
- The database will improve the information for the policy about wages and the number of working hours.
- The database will simplify the calculation of the index of the conventional wages and number of working hours and expand the possibilities.

b. for the 'general public': access conditions and modalities for scientific users and the general public

- It will be possible to consult the wages and number of working hours in the sector via the website of the federal government department.
- The data of the conventional earnings index will be available and it will be possible to make simulations on demand.
- The database as a whole will be made available for further scientific research.

Timing, planning of the activities and allocated budget

a. Timing of the activities

1 septembre 2005- 31 August 2007

b. planning of activities: phasing of the tasks

1. for the research team

- Analysis of the information available and the needs: 3 months
- Delineating the structure of the database: 2 months
- Developing a trial setup for the database: 2 months
- Testing the database: 2 months
- Analysis of the methodology of the index : 2 months
- Designing a new methodology: 2 months
- Developing the definitive database: 5 months
- Testing the database: 6 months

2. for the public institution

See the schedule above.

Particular conditions

a. suggestions for the composition of the steering committee

In view of the importance of the results for the various institutions, at least the department of the federal government department (Socio-economic Studies, Collective Labour Relations, Inspectorate of Social Legislation) and the other interested institutions (National Labour Council, Central Council for Trade and Industry, National Bank, Federal Planning Bureau) should be involved in this.

b. Confidentiality clause for the data (if applicable)

Not applicable.

c. Presence of the research team in the institution (if applicable)

Presence at the federal government department will be necessary on a regular basis, depending on what phase the project is in. The necessary space will be made available for this.

d. Other

None