

WAGEINDICATOR SUPPORT FOR BARGAINING IN THE UTILITIES SECTOR (WISUTIL)

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Wages in utilities over time

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WISUTIL is a project of EPSU, the research institutes University of Amsterdam/ AIAS and FORBA/ Vienna, and the *WageIndicator* Foundation. WISUTIL is researching the impact of market liberalisation, privatisation, cross-border mergers and acquisitions, and technological change in the utilities sector. It covers 21 EU member states. The effects of these changes on wages, working conditions, occupational structures and skills, and workers' representation will be measured through the answers of workers in the utilities sector on the *WageIndicator* web-survey. The utilities sector is defined as the production, transmission and distribution of *energy*; collection, treatment and supply of *water*, including sewerage, and collection, treatment and recovery of *waste* (see for the division in sub-sectors the Appendix).

In the *WageIndicator* survey, wages are asked in a similar way across countries. One should note that this information is derived from a volunteer survey; therefore, it is not representative for the labour force at large in a country. In our first WISUTIL Newsletter, "Wages in utilities compared" (as of September 22, 2010), we compared wages for eight countries in what we called the electricity and the gas / water / sewerage sub-sectors with the wages paid in the eight economies at large, in manufacturing and in the public sector (excluding utilities). We did so based on combined *WageIndicator* data for 2008-2009. We found that the electricity sub-sector in all eight countries had the highest median hourly wages,² and that wages in gas / water / sewerage were much lower: in six countries lower in the economy at large and in manufacturing.

In this note, we concentrate again on wages, but here we compare over time. In a number of EU member states, *WageIndicator* websites are already in existence for some years, as are the related surveys on work and wages. Based on the response in six countries (Belgium, Finland, Hungary, the Netherlands, Spain and the United Kingdom), this allows us to chart developments in median wages over the years 2007, 2008 and 2009: see Table 1. For three other countries (Czech Republic, Germany, and Poland) we do not have enough data for all three years. For all nine countries as well as the 12 others, data for 2010 are still being analysed.

Table 1. Gross hourly wages in six countries, utilities, in national currency, median values and respondents (N), 2007-2009

	2007		2008		2009	
	Median	N	Median	N	Median	N
Belgium	14.04	189	15.92	137	14.56	59
Finland	11.96	53	11.66	194	14.92	79
Hungary	1385.68	53	1059.76	14	981.52	13
Netherlands	14.54	167	16.71	229	14.20	140
Spain	10.51	175	12.07	108	10.97	43
United Kingdom	13.50	108	13.04	159	11.93	38

² The median value separates the higher half of a sample from the lower half. Thus, if there are nine different values ranking from high to low, the fifth is the median.

Though the period under scrutiny is rather short, the results may be called disquieting. Two countries, Hungary and the United Kingdom, show a year-on-year decrease, with median wages in 2009 respectively 29% and 12% lower than those in 2007. Belgium, the Netherlands and Spain show the same pattern over time: a wage rise in 2008 and afterwards a fall in 2009, with the Netherlands ending up in 2009 at a slightly lower level (2%) than that in 2007. Over 2007-2009, with both 4% Belgium and Spain end up with a slight wage increase. Finland is the only country of the six indicating a substantial increase of median wages over 2007-2009 (25%), be it with a slight decrease in 2008. Further research in the WISUTIL project will aim at revealing the main causes of these wage developments in the various countries. In particular we will go into the issue whether privatisation and subcontracting may play a role here.

It may be interesting to have a look at the development of the median wages per occupational group working in the utilities sector. As an analysis of occupations per country would leave us with not enough data for a number of countries, we have pooled the available data for all nine countries for which we have data (Belgium, Czech Republic, Finland, Germany, Hungary, Netherlands, Poland, Spain, United Kingdom), irrespective of the number of respondents per country: see Table 2.

Table 2 Gross hourly wages ages per occupational group, utilities, standard USD, controlled for PPP, nine countries, 2007-2009

	2007		2008		2009	
	Median	N	Median	N	Median	N
1 Managers	20.81	103	22.07	129	19.25	86
2 Professionals	15.51	150	21.45	111	23.13	249
3 Technicians and associate professionals	14.52	148	16.75	156	16.88	154
4 Clerical support workers	13.18	128	14.52	95	12.58	129
5 Service and sales workers	15.98	17	14.47	32	12.14	31
7 Craft and related trades workers	13.37	75	12.15	56	13.70	92
8 Plant and machine operators, and assemblers	14.74	54	17.41	50	13.50	32
9 Elementary occupations	13.42	88	11.33	149	10.31	78
N		763		778		851

The outcomes show a continuous increase of median wages for two occupational groups: a large increase, of nearly 50%, for professionals (group 2), and a lower but still considerable increase (16%) for technicians and associate professionals (3). Remarkably, this increase does not show up for managers (1), whose median wages have fallen in the end by 8%. The wages of two other occupational groups, clerical support workers (4) and plant and machine operators and assemblers (8), show the same development, with an increase in 2008 followed

by a serious fall in 2009, resulting in net wage decreases of respectively 5 and 8% over 2007-2009. The median wages of two groups, service and sales workers (5, but mind the small numbers!) and elementary occupations (9), display a continuous and considerable fall, of 24% and 23%. The only group in the lower occupational ranks showing an increase over 2007-2009 is that of the craft and related trades workers (7), be it slightly (2%) and after a dip in 2008.

In table 3 we present the detailed gross hourly wages for the sub-sectors of utilities, for all nine countries. It is remarkable that in five of the six sub-sectors with each year over 20 respondents, the development is similar: a wage increase in 2008 and a decrease in 2009. This holds for energy in Belgium, water and waste in the Netherlands, as well as energy in Spain and in the UK. The only exception is the waste sub-sector in Finland, with a recovery in 2009 after an earlier fall. The table also reveals that the median wages show mostly the same ranking by sub-sectors: energy has the highest median wages, followed by water, with waste wages lowest. Here, exceptions can be found in Finland (2007 and 2009) and in Poland (2008 and 2009), but mind the small number of respondents in these countries. Moreover, in the UK in 2007 wages in water and waste were at the same level.

Table 3 Gross hourly wages in nine countries, sub-sectors of utilities, in national currency, median values and respondents (N), 2007-2009

		2007		2008		2009	
		Median	N	Median	N	Median	N
Belgium	Energy	14.69	93	16.88	78	15.77	30
Belgium	Water	12.77	33	15.81	24	13.02	12
Belgium	Waste	13.67	63	14.14	35	12.11	17
Czech Republic	Energy					167.46	132
Czech Republic	Water					138.57	59
Czech Republic	Waste					98.15	46
Finland	Energy	18.44	2	19.14	19	19.10	22
Finland	Water	10.32	3	14.82	9	10.68	9
Finland	Waste	11.95	48	10.95	166	13.09	48
Germany	Energy					21.80	180
Germany	Water					19.29	52
Germany	Waste					15.53	36
Hungary	Energy	1422.46	26	1059.76	8	1016.17	11
Hungary	Water	1379.91	25	1041.19	6		
Netherlands	Energy					16.11	66
Netherlands	Water	15.01	23	17.32	47	14.38	34
Netherlands	Waste	14.46	144	16.45	182	12.51	40
Poland	Energy	23.03	50	24.24	35	16.84	3
Poland	Water	18.09	46	15.21	24	20.06	2
Poland	Waste	16.25	17	21.40	13	11.27	4
Spain	Energy	11.55	107	14.43	65	11.35	28
Spain	Water	9.83	36	10.41	24	8.66	7
Spain	Waste	8.15	32	9.43	19	7.49	8
United Kingdom	Energy	15.54	58	16.12	75	13.23	21
United Kingdom	Water	10.04	21	11.53	39	12.03	7
United Kingdom	Waste	10.05	29	9.74	45	8.95	10

Appendix

Table 4 Division of the utilities sector in sub-sectors, using the NACE 2.0 industry coding

NACE 2.0	sub-sector
3511 Production of electricity	Energy
3512 Transmission of electricity	Energy
3513 Distribution and trade of electricity	Energy
3521 Manufacture of gas	Energy
3522 Distribution and trade of gaseous fuels through mains	Energy
3530 Steam and air conditioning supply	Water
3600 Water collection, treatment and supply	Water
3700 Sewerage	Water
3811 Collection of non-hazardous waste	Waste
3812 Collection of hazardous waste	Waste
3821 Treatment and disposal of non-hazardous waste	Waste
3822 Treatment and disposal of hazardous waste	Waste
3832 Recovery of sorted materials	Waste
3900 Remediation activities and other waste management services	Waste
