

# Contents

## **Preface**

Acknowledgements

Contents

List of Tables and Figures

Abbreviations and Terms specific to the Chilean Context

## **1 Introduction: Model Performance or Precarious Employment?**

## **2 Employment in the Development Context: The Contribution of the Capability Approach**

### 1. Sen's Capability Approach

1.1. Commodities and Entitlements

1.2. Functionings

1.3. Capabilities

### 2. Why the Capability Approach?

2.1. Basic Needs

2.2. Social Exclusion

2.3. Comparison of Approaches

### 3. Applications of the Capability Approach

### 4. The Labour Market in the Context of Development Thought

4.1. Labour Market Policies as a fall out of other Development Policies

4.2. The Labour Market as a Vehicle of Development and Expanded Capabilities

### 5. The Quality of Employment

5.1. Defining the Quality of Employment

5.2. Applying the capability approach to the labour market

### 6. Conclusions

## **3 The Never-ending Story of Labour Market Reform**

1. The Process of labour market reform in Chile
2. The Labour Market before 1973
3. Labour Market Reforms under the Pinochet Administration
4. A Decade of Labour Market Reforms under Aylwin and Frei (1990-2000)
5. Legislative Reform under Lagos
6. Concluding Remarks

#### **4 The Characteristics of Employment in Chile**

1. Sources of Information
  - 1.1. The National Employment Survey
  - 1.2. The Employment Module of the National Household Survey, CASEN
  - 1.3. Other Labour Market Surveys
  - 1.4. The Politics of Information
2. Participation, Employment, Unemployment and Wages
3. How do we look at the data on the Chilean Labour Market?
4. The Characteristics of Employment in Chile
  - 4.1. The Male and Female Workforce
  - 4.2. Levels of Education
  - 4.3. Age Structure
  - 4.4. Economic Sector
  - 4.5. Levels and Distribution of Income
  - 4.6. Health, Social Security and Unemployment Insurance
  - 4.7. Tenure and Job Rotation
  - 4.8. Size of Employer
  - 4.9. Vocational Training, Additional Employment and Part-time Work
  - 4.10. Finding and Leaving Jobs
5. What the Data does not tell us
6. Conclusions so far

#### **5 The Development of the Chilean Labour Market**

1. Unemployment and Underemployment
2. Employment, Poverty and Income Distribution
3. Wage-earners without Contracts and Shifts in the Occupational Status
4. Social Security Contributions
5. Employment by Size of Company
6. The Effects of the 1998/9 Economic Crisis

7. Employment Mobility within the Chilean Labour Market
8. Conclusions

## **6 Practical Reality versus Theoretical Legislation: The Characteristics of Unemployment and the new Unemployment Insurance Scheme**

1. How does the Unemployment Insurance work?
2. Ideological and Theoretical Context
3. The Political Context of the Unemployment Insurance Legislation in Chile
4. Characteristics of the Employed and Unemployed
5. Simulation of the Unemployment Insurance
6. Evaluation of the Chilean Unemployment Insurance Scheme and Conclusions

## **7 Vocational Training: Missing the Opportunities**

1. Theoretical considerations and the Latin American context
2. The Historical Context: SENCE's Origins
3. Vocational Training under the Concertación: Reforming SENCE's statute
4. The Evolution of Vocational Training in Chile
  - 4.1. Empirical Evidence on Vocational training: the Official Data
  - 4.2. The Empirical Evidence on Vocational Training: Data from the National Household Survey (CASEN)
  - 4.3. What the Data does not tell us and other Conclusions so far
5. Targeted Vocational Training
  - 5.1. *Chile Joven*
  - 5.2. Apprenticeships
  - 5.3. Emergency Employment and Vocational Training: *ProEmpleo*
6. Conclusions and Policy Recommendations

## **8 Measuring the Quality of Employment**

1. The Need for a Quality of Employment Indicator

2. Methodological issues and the ILO's Decent Work Indicators
3. Construction of an Alternative Quality of Employment Indicator
  - 3.1. Description and Composition of the Quality of Employment Index
  - 3.2. Occupational Status and Social Security Coverage
  - 3.3. Income
  - 3.4. Stability of employment: Tenure
  - 3.5. Training
  - 3.6. Weighting and other Methodological issues
4. Practical Applications of the Quality of Employment Indicator
  - 4.1. Segments of the Labour Force with Low Quality Employment
  - 4.2. Individuals in the Index
5. Conclusion

## **9 Conclusions: Quantity and Quality**

1. The Contributions of the Capability Approach
2. Inappropriate Information Systems on the Chilean labour market
3. Institutional Inertia and Lack of Political Will
4. Policy Recommendations