Wages in Guinea

WageIndicator survey 2012

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About University of Dar es Salaam/Economics Department - www.udsm.ac.tz
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About University Lansana Conte de Sonfonia Conakry (Guinea) - http://www.uglc-sonfonia.org/web/
The University of Lansana Conte de Sonfonia Conakry (UGLC-SC) was established in 2005 under the name of the Polytechnical Institute of Conakry, after the country's oldest university, the Gamal Abdel Nasser University of Conakry, was unable to accommodate the increasing number of students. Currently, the UGCL-SC is the second biggest university in Guinea, enrolling about 30.000 students of many African nationalities. Six thousand students are enrolled in the faculty of economics and business (FASEG). Hassane Diallo is a PhD candidate in economics at the Graduate School of the University of Cheick Anta Diop of Dakar. He holds a master degree in economics from the UCAD's international programme of 18 Francophone countries called the New Interuniversity Postgraduate Programme in Economics (NPTCI). He specializes in applied macroeconomics and is interested in behavioural economics as well as in the relation between financial systems and economic growth. Diallo teaches courses in econometrics, political economy, economic analysis and research methodology. He is the director of the Laboratory of Studies and Research in Applied Economics (LAREEA), a project conducted in collaboration with several national and international universities.

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The University of Amsterdam is a 350-years old research university. Its Amsterdam Institute for Advanced Labor Studies (AIAS) is an interdisciplinary research institute focusing on labor issues, particularly industrial relations, organization of work, working conditions, wage setting, labor- market inequalities, employment and labor market governance. AIAS maintains a large portfolio of internationally funded research projects and international data bases and data collections. Since 2003, AIAS chairs the Supervisory Board of the Wage Indicator Foundation. Kea Tijdens is a Research Coordinator at AIAS and a professor of sociology at Erasmus University Rotterdam. She is the scientific coordinator of the WageIndicator web-survey on work and wages. She has analyzed the data concerning the wage ranking of health care occupations in 20 countries, the impact of short-time arrangements in Germany and the Netherlands, and the relationship of collective bargaining coverage and wage brackets. Janna Besamusca is a PhD candidate at the University of Amsterdam. She has conducted research into working conditions and unionism in low wage sectors and is now studying the effect of country contexts on the position of women in the labor market worldwide.

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More information: Votresalaire.org/Guinee , www.WageIndicator.org

Executive summary Wages in Guinea

This WageIndicator Data Report presents the results of the face-to-face survey on wages and working conditions in Guinea, conducted between the 13th of September and 2nd of October 2012. In total 1,962 persons were interviewed, the majority in urban areas. More male than female workers were interviewed and more younger than older workers. On a scale from 1=dissatisfied to 10=satisfied, half of the respondents rate their satisfaction with life as a whole a six or higher and 10% score an 8 or higher.

The workers in the survey live in households with on average 3.9 members, including themselves. Roughly half live with a partner and children, 33% live without either a partner or children. Nearly three in ten workers had diplomas from secondary education. One in four workers followed no formal education, 10% stopped at primary education, 20% followed post-secondary vocational education and 17% had a university bachelor or master degree.

In the sample, 66% were employed as managers, 9% work in services and sales and 9% as clerical support workers. Four in ten respondents work in trade, transport and hospitality, 30% in the public sector, 16% work in agriculture, manufacturing and construction and 14% in commercial services. Almost half the people work in an organization with 10 or fewer employees (47%). Some 27% of workers are covered by collective agreements, whereas 56% wish to be. The average usual working week of respondents is 52 hours in 5.9 days.

Some 22% of workers are self-employed, 35% were employed on a permanent contract, 31% on a fixed-term contract and 13% had no contract at all. 53% of the workers were entitled to social security. Three in ten workers have no agreed working hours, 37% received their wages in a bank account, whereas 60% receive them in cash. On a 5 point scale of informality, 27% of workers are in the lowest category, whereas 17% are in the highest category.

The median net hourly wage of the total sample is 2887 Guinean Franc (FG). Employees with permanent contracts have by far the highest earnings (4330 FG), whereas self-employed workers (990 FG) have the lowest earnings. At 1947 FG, workers in firms with less than ten employees earn the lowest wages, whereas employees in firms between 51 and 100 employees earn the highest wages (5160 FG). The more informal a job is, the lower are the net hourly wages. Those on the lowest end of the scale earn only 1209 FG per hour, whereas those in the fourth category earn wages far above that (median is 6240 FG). Managers have the highest median wages (3495 FG), followed by skilled agricultural workers (3029 FG). The lowest paid workers are plant and machine operators (1283 FG), followed by technicians (1460 FG). By industry, the lowest wages are found in trade, transport, and hospitality (1780 FG). Six in ten self-employed workers earn less than FG 1500 per hour, as do nearly half of the employees without contracts.

Some 79% of the sample is paid on or above the poverty line and 74% on or above the minimum wage of 400,000 francs per month of FG 400,000 per month gross, that trade unions, employers and the government agreed upon on the 14th of December 2012. Self-employed workers are the single most vulnerable group; just less than half earn more than the poverty line and only 44% earn the prospective minimum wage rate. Whereas 65% of fixed term employees earn more than the poverty line, just 48% earn more than the future minimum wage. Only 52% of informal workers are paid above the poverty line compared to 97% of the most formal workers. Especially for the lowest two categories on the informality scale, the share of workers earning above the minimum wage (41% of the lowest, and 69% of the second category) is much smaller than those with incomes above the poverty line.

Eight in ten managers are paid above the poverty line and minimum wage rate, implying the minimum wage will not lead to any improvement in salaries for 80% of the managers because they already earn more than that. The largest effects can be found among technicians and associate professionals (72% above the poverty line, 41% above the minimum wage), workers in elementary occupations (78% above the poverty line, 49% above the minimum wage) and services and sales workers (80% above the poverty line, 61% above the minimum wage rate). Workers in trade, transport and hospitality are most at risk of being not paid above the poverty line (only 65% do) and even less likely to earn the future minimum wage rate (56%).

A worker's position on informality index, working for a small firm, permanent contract status, gender and age affect the likelihood of being paid on or above the poverty line. Most of these effects also count, but have smaller effects, when explaining whether someone is paid on or above the future minimum wage, for which the informality index and occupational status become more important.

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1 Introducing the survey

Aim of the survey

This WageIndicator Data Report presents the results of the face-to-face WageIndicator survey in Guinea, conducted between the 13th of September and 2nd of October 2012. The survey aimed to measure in detail the wages earned by Guinean workers, including the self-employed. In total 1,962 persons were interviewed. This survey is part of the global WageIndicator survey on work and wages. These surveys are also posted on WageIndicator websites. The continuous, global WageIndicator web-survey is an international comparable survey in the national language(s). The survey contains questions about wages, education, occupation, industry, socio-demographics, and alike.[1] Once a WageIndicator survey is created for use on a national WageIndicator website, a paper-based questionnaire for face-to-face interviews can be drafted from the web-survey. These paper-based surveys supplement the web-based surveys in countries with low internet access rates.

The questionnaire

The WageIndicator survey was adapted from the global standard questionnaire to the Guinean setting. Most of the questions were retained without changing the intended purpose. The Guinea questionnaire for the face-to-face interviews is available in one language, namely French, as is shown in Table 1.

Table 1 Number of respondents and language of the survey

	Number of respondents	Per cent
French	1,962	100%

Source: WageIndicator face-to-face survey Guinea, 2012, unweighted data

Sampling and fieldwork

The sampling and interviewing of the respondents was done by the University Lansana Conte de Sonfonia Conakry (Guinea), in cooperation with the University of Dar-es-Salaam (Tanzania). A multi stage sampling technique was employed. First using the total wage employment in the country a weighted sample was obtained and spread by regional location. Then based on a country-level sampling frame of establishments, a random sample of the establishments was adopted. From the random sampled establishments a list of workers from a broad range of occupations was interviewed. The sample was restricted to paid workers. The interviewers received training before conducting the interviews.

Respondents were interviewed in their work places, homes, meeting venues and in the street. During the field work the cooperation of interviewees was good and no major problems were encountered. On a five-point scale from 1=very cooperative to 5=not at all cooperative, the interviewers ranked the interviewees on average 1.8. A small group was not cooperative (2.1%).

Data-entry was done under responsibility of CEDR, a professional interview agency based in Dar-es-Salaam. The data-entry took place in the *WageIndicator* data-entry module using a range of validity checks. The survey and the data entry were very closely monitored by Dr Godius Kahyarara, a senior economist from the University of Dar-es-Salaam, who also performed the double checks in all stages.

[1] See for more information about the survey Tijdens, K.G., S. van Zijl, M. Hughie-Williams, M. van Klaveren, S. Steinmetz (2010) Codebook and explanatory note on the WageIndicator dataset, a worldwide, continuous, multilingual web-survey on work and wages with paper supplements. Amsterdam: AIAS Working Paper 10-102. www.wageindicator.org/documents/publicationslist/publications-2010/codebook-and-explanatory-note-on-the-wageindicator-dataset.pdf

Weighting

Sampling is critical in reaching a national representative survey. In order to perfect the representativeness, weighting had to be applied. ILO's Estimates And Projections of the Economically Active Population (EAPEP 6th edition) was used for weighting according to gender and age. Table 2 shows the weights, indicating to what extent the gender/age group in the face-to-face survey was over- or underrepresented in comparison to the labour force estimates. If a weight is smaller than 1, the group is overrepresented. If the weight is larger than 1, the group is underrepresented. The table shows that particularly women under 30 and women aged 40 and older are underrepresented in the survey. This may possibly be caused by the fact that women in this group are more likely to work as a cooperating household member in agriculture. As such, they fall outside the sample of persons with a paid job, whereas in EAPEP they might have been considered as part of the labour force. In this paper, all graphs and tables are derived from weighted data. Most respondents reported their gender, of 47 people their sex could be deduced from information given elsewhere in the survey and of one person the gender remained missing. Hence, in the remaining of this report, we use 1961 of the 1962 interviews.

Table 2 Weights for the Guinea survey according to age and gender distribution

	Weight	N
Male 14-29 years	1.3334	331
Male 30-39 years	.4265	628
Male 40-80 years	.7396	491
Female 14-29 years	3.5625	106
Female 30-39 years	.8195	262
Female 40-80 years	2.0724	143
Total	1.00	1961

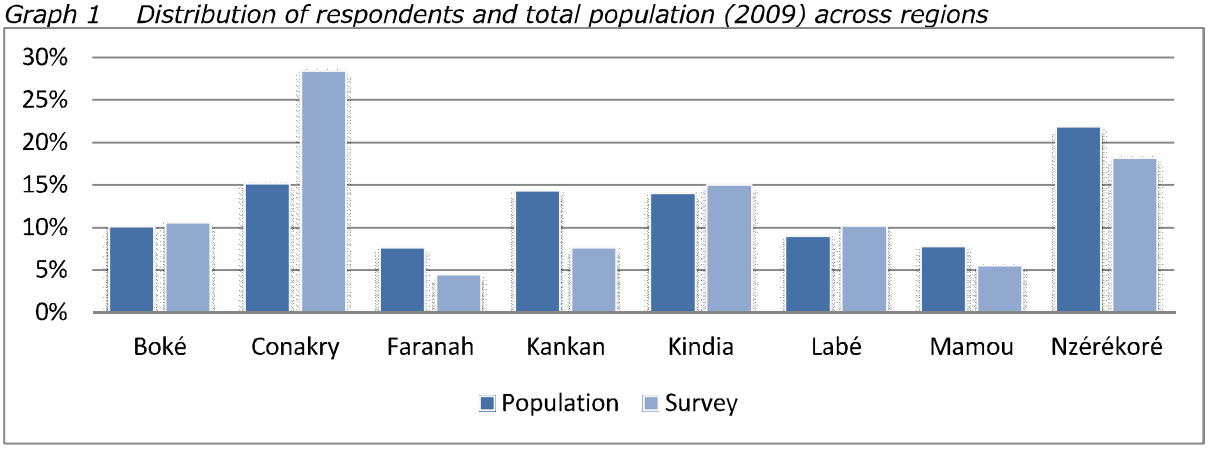
Source: The weights are based on the labour force estimates for 2012, derived from the Estimates And Projections Of The Economically Active Population (EAPEP 6th edition) database of the International Labour Organization (ILO). Three cases had no information about gender.

2 Socio-demographic characteristics

Regions

The interviews were done in all administrative regions of Guinea. The spread over the different regions in the sample resembles that of the actual population in Guinea. In general, the regions in Maritime and Mid-Guinea are slightly overrepresented in the survey and those in Upper-Guinea and Forested Guinea a little underrepresented. The largest number of interviews was done in Conakry (28%), the smallest number in the Faranah region (4%) The majority of the respondents lived in towns with 100,000 - 1 million inhabitants (53%) and 46% lived in smaller cities of between 10,000 and 100,000 inhabitants.

Graph 1 Distribution of respondents and total population (2009) across regions

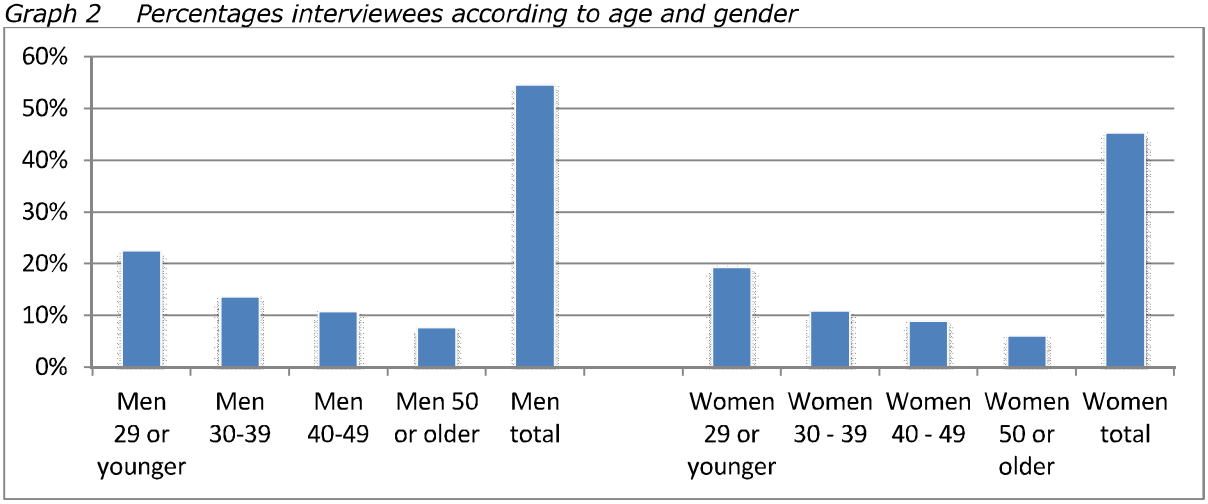


Source: WageIndicator face-to-face survey Guinea, 2012, weighted data (N=1961)

Age and gender

Graph 2 reveals the distribution of the men and women in the survey over four age groups. More male than female workers were interviewed (55% versus 45%). Compared to older workers more young workers (men and women) aged 29 years or under were interviewed (43%). This resembles the general workforce in Guinea, which declines sharply with age.

Graph 2 Percentages interviewees according to age and gender

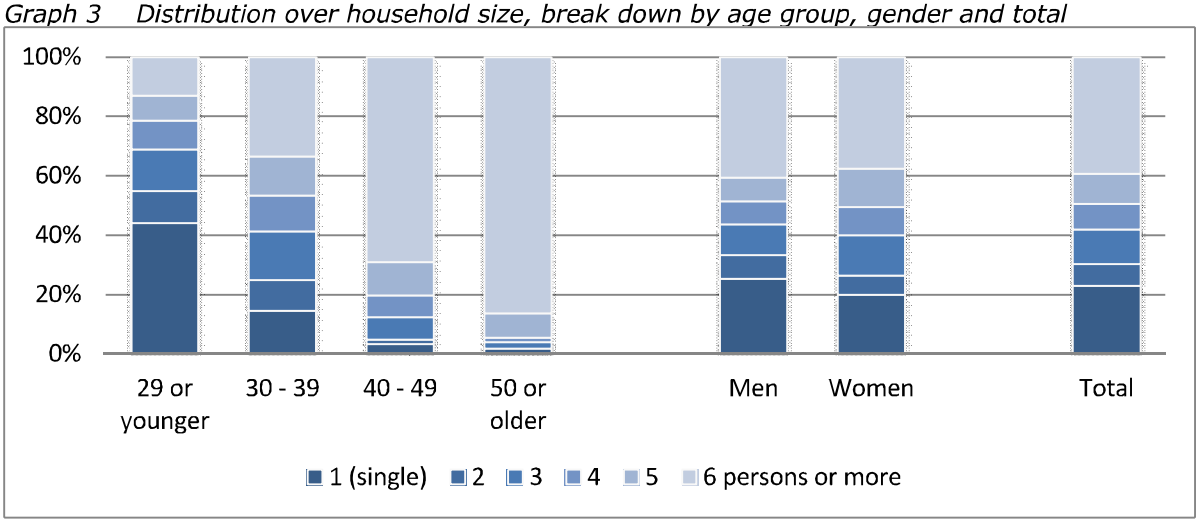


Source: WageIndicator face-to-face survey Guinea, 2012, weighted data (N=1961)

Household composition

The workers in the survey live in households with on average 3.9 members, including themselves. Graph 3 shows that four in ten interviewees live in a household with six or more members and just fewer than one in four live in a single-person household (see bar total). Not surprisingly, younger workers are more likely to live in single- person households, while 86% of workers who are fifty years or older live in households with six people or more. Some gender differences were found; men are more likely to live either alone or in a six-person household and women are a little more likely to live in a household with two to five persons.

Graph 3 Distribution over household size, break down by age group, gender and total

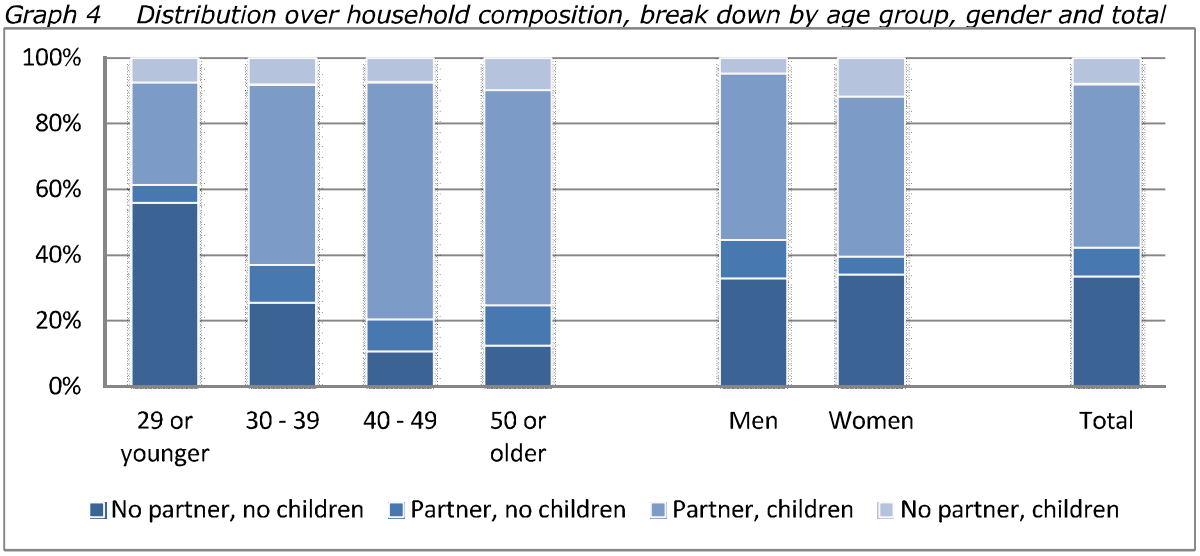


Source: WageIndicator face-to-face survey Guinea, 2012, weighted data (N=1961, missing 6-7)

Living with partner and children

Graph 4 shows whether men and women from different age categories live with partners and children. The survey explicitly asks for children in the household rather than own children, assuming that the worker most likely will have to provide for them. Roughly half of both male and female workers live with a partner and children; seven in ten workers above 40 years of age do as well, whereas only three in ten people under 30 do. One in ten women and one in twenty men, live with children but without partner. Just over three in ten men as well as women live without either a partner or children. Note that these workers do not necessarily live in a single-person household. They may live with other relatives or non-relatives in their household.

Graph 4 Distribution over household composition, break down by age group, gender and total



Source: WageIndicator face-to-face survey Guinea, 2012, weighted data (N=1961, missing 17-19)

3 Employment characteristics

Labour force

According to the ILO economically active population estimates and projects, Guinea has an economically active population of just over 4.3 million people. The labour force participation rate is 78% for men and 66% for women. Participation rates are particularly high in the age group 30-39 and more than nine in ten men between 25 and 54 years of age are in the labour market.

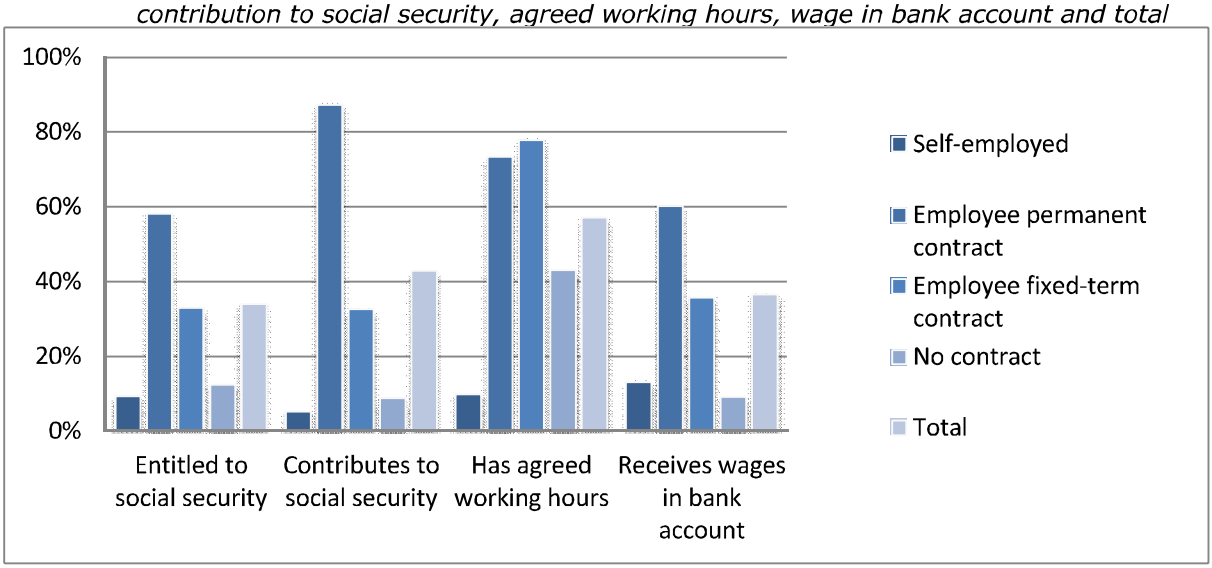
Status in employment and labour contract

The survey distinguishes registered self-employed, employees with a permanent contract or a fixed-term contract and workers without a contract. In the sample, over two in ten workers are self-employed (22%). Some 35% of workers waged employment with a permanent contract. Three in ten workers are employees with a fixed-term contract (31%), whereas 13% have no contract at all. Women are less likely to be self-employed or to work without a labour contract. Older workers are more likely to have a permanent contract or be self-employed, whereas young people are more likely to work on fixed term contract or to have no contract at all.

The survey included questions about entitlement and about contributions to social security. Just over half of the workers (53%) state that they are entitled to social security. Graph 5 shows that almost six in ten workers on permanent contracts are entitled to social security, compared to 33% of workers on fixed term contracts, 12% of those without contracts and just 9% of the self-employed. Almost three in four workers contribute to social security (74%). Four in ten workers who are not entitled to social security state that they do contribute to it, whereas 15% of those who are entitled state they do not contribute.

Informal work might relate to unlimited working hours. Three in ten workers state that they have no agreed working hours (30%), the remaining group has agreed working hours (in writing 48%, verbally agreed 21%). Graph 5 shows that three in four permanent workers have working hours agreed, as well as eight in ten fixed term workers. Workers without contracts and the self-employed are more likely to have no agreement about working hours (43% and 10% respectively). One survey question asked if wages were received in a bank account or cash in hand (by bank 37%, in cash 60%, in kind or combination 3%). Workers on permanent contracts are most likely to receive their wages in a bank account (60%), compared to 36% of fixed term workers, 13% of self-employed and 9% of those without contracts.

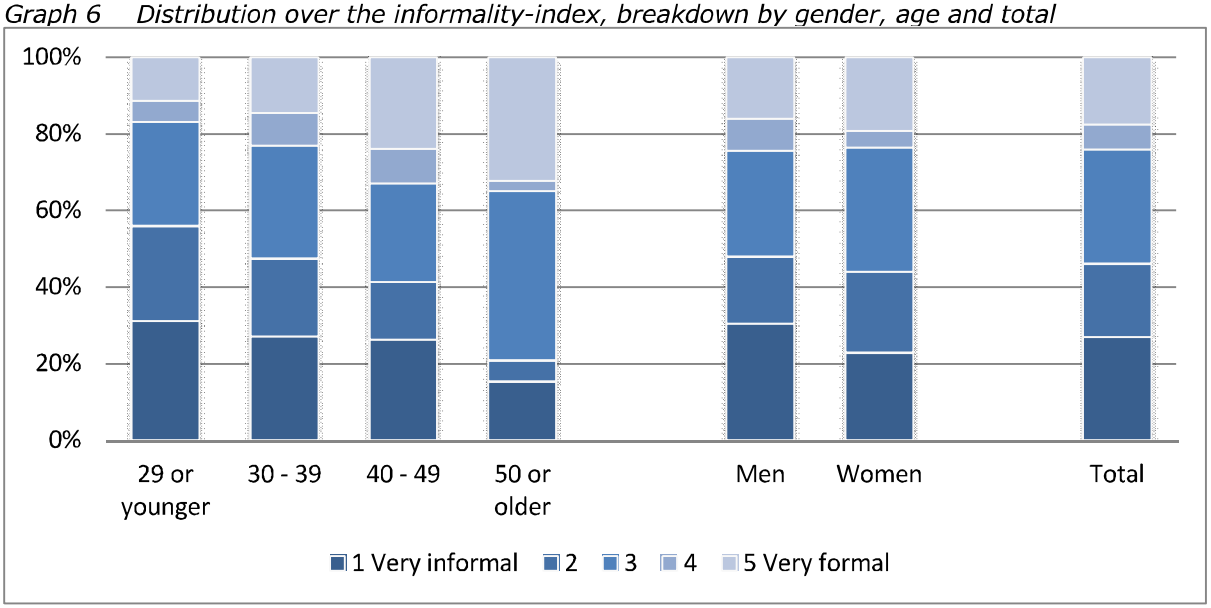
Graph 5 Distribution over status in employment, break down by entitlement to social security, contribution to social security, agreed working hours, wage in bank account and total



Source: WageIndicator face-to-face survey Guinea, 2012, weighted data (N=1961, missing 17-87)

The data allow us to investigate who the formal and the informal workers are and to compute an 5-points informality-index, ranging from 1=very informal to 5=very formal. We identified the workers who are not entitled to social benefits, do not contribute to social security, and have no employment contract; this group is placed at the informal end of the spectrum. The workers who are entitled, do contribute and have a permanent contract are placed at the other end of the spectrum. Graph 6 shows that 27% of workers are in the lowest category in the index, whereas 17% are in the highest category. The graph shows that workers 29 years or younger are often found in informal jobs and those between 30 and 49 are more likely to work in formal jobs, as are those aged 50 and over. Women work slightly more often in formal jobs compared to men.

Graph 6 Distribution over the informality-index, breakdown by gender, age and total

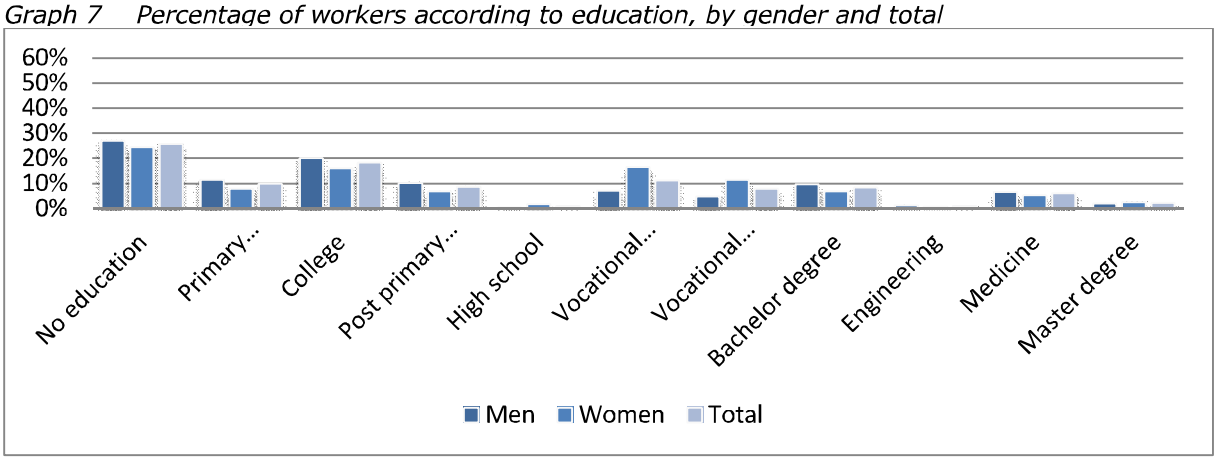


Source: WageIndicator face-to-face survey Guinea, 2012, weighted data (N=1961, missing 16-18)

Employment by educational category

As is shown in Graph 7, slightly nearly three in ten workers had diplomas from secondary education (28%). One in four workers followed no formal education, 10% stopped at elementary education, two in ten followed post-secondary vocational education and 17% had a university bachelor or master degree. No substantial gender differences regarding education arise. Men are most likely to either stop after primary or secondary education, or continue into higher education; women are more likely to finish vocational education. Some 14% of workers report being overqualified for their job and another 7% consider themselves under-qualified (not in the graph).

Graph 7 Percentage of workers according to education, by gender and total

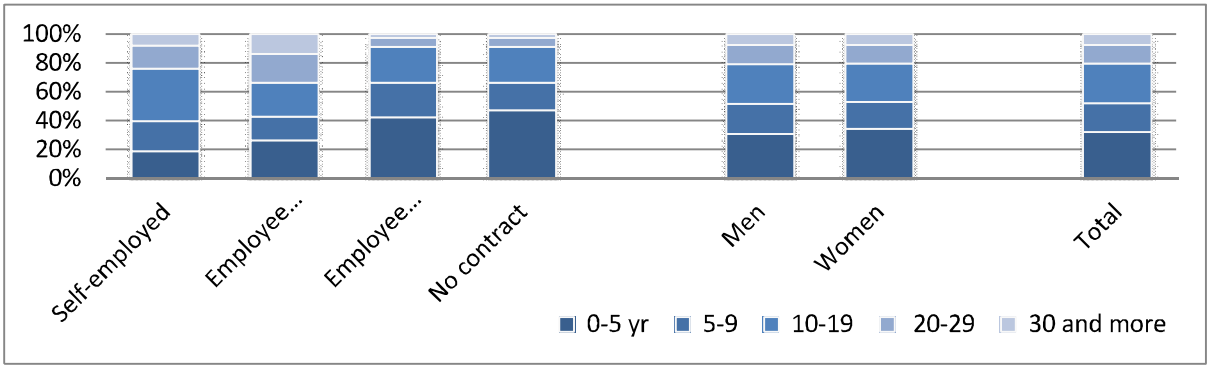


Source: WageIndicator face-to-face survey Guinea, 2012, weighted data (N=1961, missing 5)

Years of work experience

On average, the workers have worked for 11.4 years. Three in ten workers have less than five years of experience (Graph 8). Two in ten have worked between 5-9 years and another quarter between 10 and 19 years. Two in ten have worked for more than 20 years in the labour market. Few differences are found between the self-employed and the workers on permanent contracts, but the employees on fixed term contracts or the workers without contracts have less experience (13 and 14 years for the former, versus 8 ears for the latter). Men have more experience than women, except among the self-employed.

Graph 8 Distribution over years of work experience, breakdown by employment status, gender and total



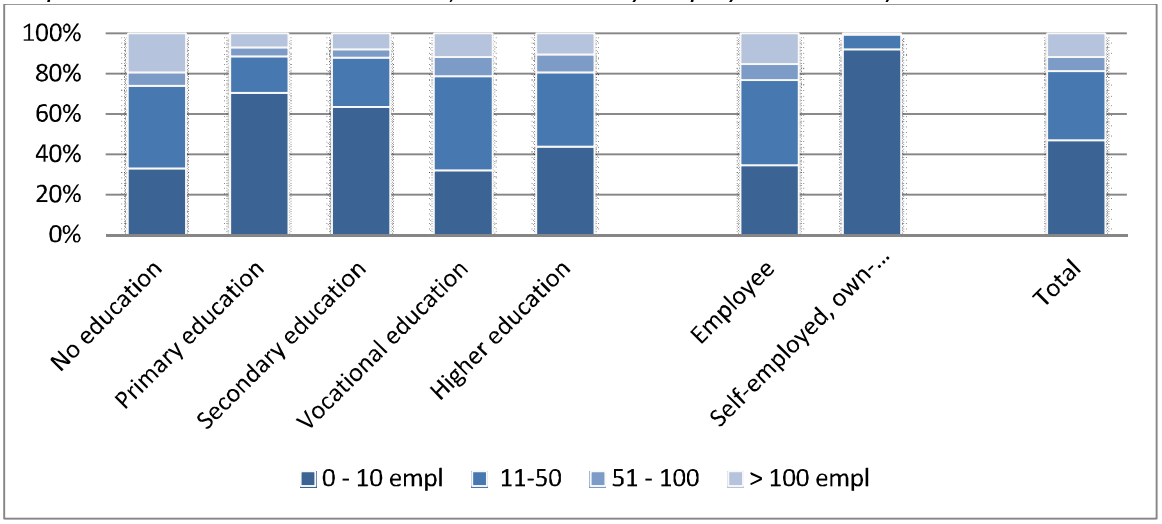
Source: WageIndicator face-to-face survey Guinea, 2012, weighted data (N=1961, missing 0-15)

The survey has a few questions about spells out of labour participation. Two in ten respondents (21%) have experienced such a spell, but only 12% have experienced a spell for more than one year. The spell reasons were not asked, but most likely these are due to unemployment.

Firm size

Almost half the people in the sample work in an organization with 10 or fewer employees (47%), 34% work in an organization with 11-50 employees, 7% work in businesses of 51 to 100 employees and 12% work for businesses employing over a 100 people. Graph 9 shows that the self-employed work almost exclusively in small firms (92%). Furthermore, the less educated workers are, the more likely they are to work for small firms. Big firms seem to provide employment for uneducated or very highly educated workers, whereas the smaller businesses employ those with primary and secondary education.

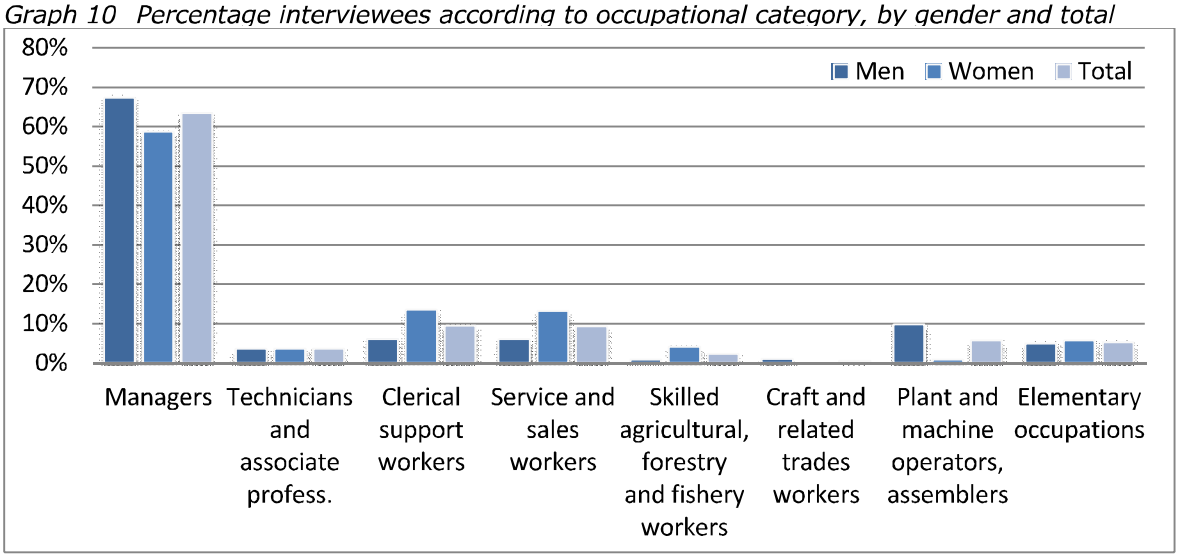
Graph 9 Distribution over firm size, break down by employment status, education and total



Source: WageIndicator face-to-face survey Guinea, 2012, weighted data (N=1961, missing 16-23)

Employment by occupational category

Graph 10 Percentage interviewees according to occupational category, by gender and total



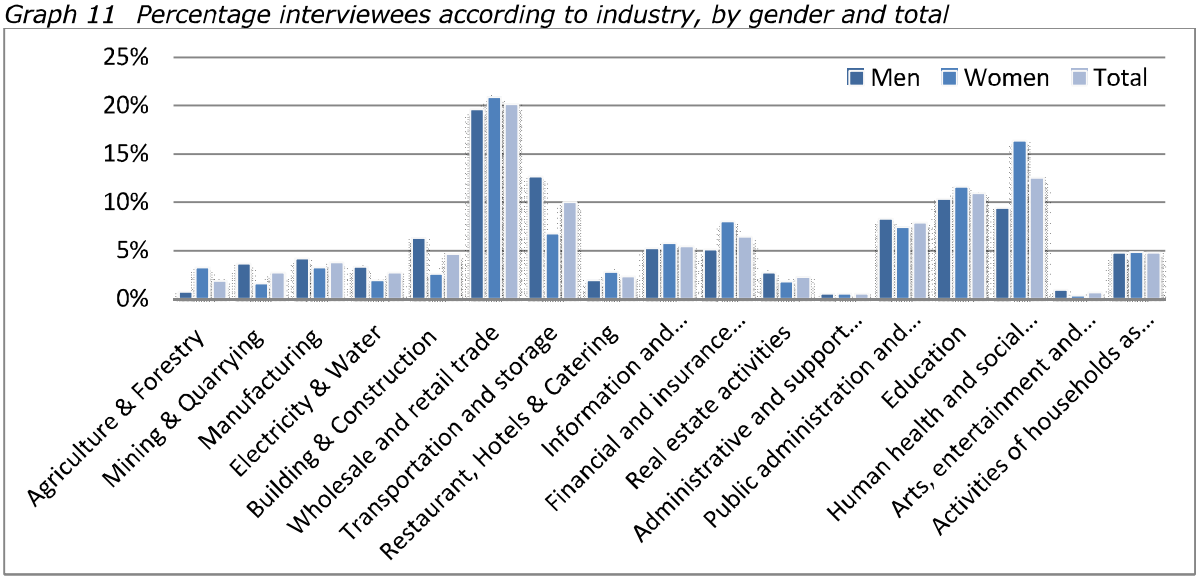
Source: WageIndicator face-to-face survey Guinea, 2012, weighted data (N=1961)

Graph 10 shows that six in ten workers in the sample report being employed as managers. This group, most likely includes all business owners, including micro-enterprises. Note that our sampling method is likely to elicit the business owners rather than the workers to take the survey. Sizeable groups of respondents work in services and sales (9%) and as clerical support workers (9%). There are no professionals and hardly any crafts workers in the sample. Women more often work as clerical or services and sales workers (13% of women, 6% of men), men are overrepresented among plant and machine operators (10% men, only 1% women).

Employment by industry

Four in ten respondents work in trade transport and hospitality and three in ten in the public sector; 16% work in agriculture, manufacturing and construction and 14% in commercial services. The biggest group of interviewees worked in the wholesale and retail trade (20%), as is shown in graph 11. Women are overrepresented in social work, in financial services and agriculture. Men are overrepresented in mining, quarrying, construction, transportation and storage.

Graph 11 Percentage interviewees according to industry, by gender and total



Source: WageIndicator paper survey Guinea, 2012, weighted data (N=1961, missing 5)

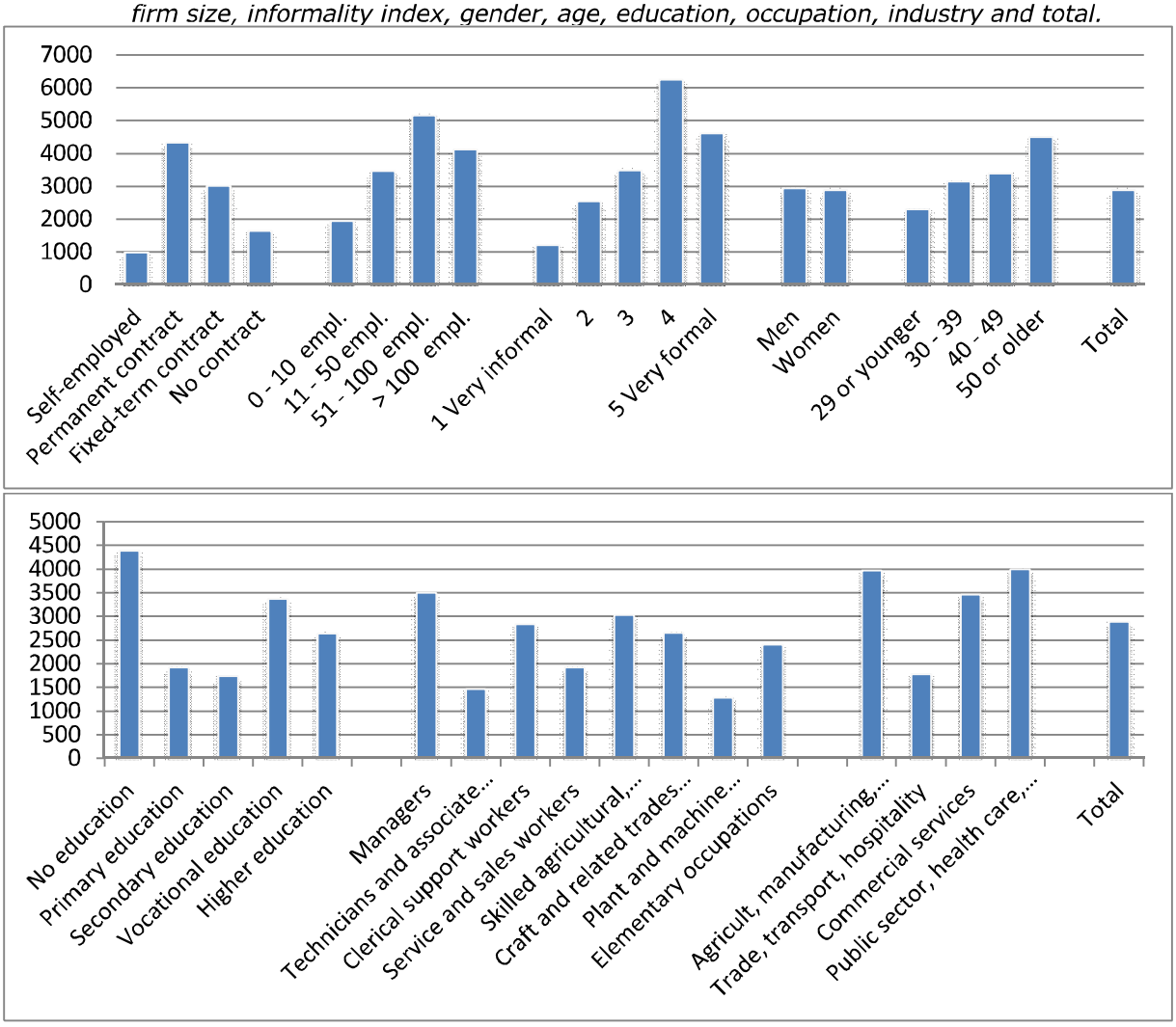
4 Remuneration

Wage levels

The median net hourly wage of the total sample is 2887 Guinean Franc (FG), as Graph 12 shows. The median wage is the middle of all observations within a defined category, e.g. all female workers. It should not be confused with the average or mean wage, which is the sum of all wages of the individuals divided by the number of observations. The median has the advantage that it is not overly influenced by small numbers of high earners.

Graph 12 reveals that employees with permanent contracts have by far the highest earnings (4330 FG), whereas self-employed workers (990 FG) have the lowest earnings. At 3021 Francs, employees on fixed term contracts earn just above average, whereas those without contracts fall below it (1650 FG). With 1947 FG workers in firms with less than ten employees earn the lowest wages, whereas employees in firms between 51 and 100 employees earn the highest wages (5160 FG). The graph also shows that the lower on the informality-index, the lower the net hourly wages, with the exception of the fourth and fifth level, which are reversed. Those on the lowest end of the scale earn only 1209 FG per hour, whereas those in the fourth category earn wages far above that (median is 6240 FG). Men have marginally higher wages compared to women, and with 2309 FG young workers have substantial lower wages than workers in the oldest age group (4503 FG).

Graph 12 Median net hourly wages in Guinean Franc (FG), break down by employment status, firm size, informality index, gender, age, education, occupation, industry and total.



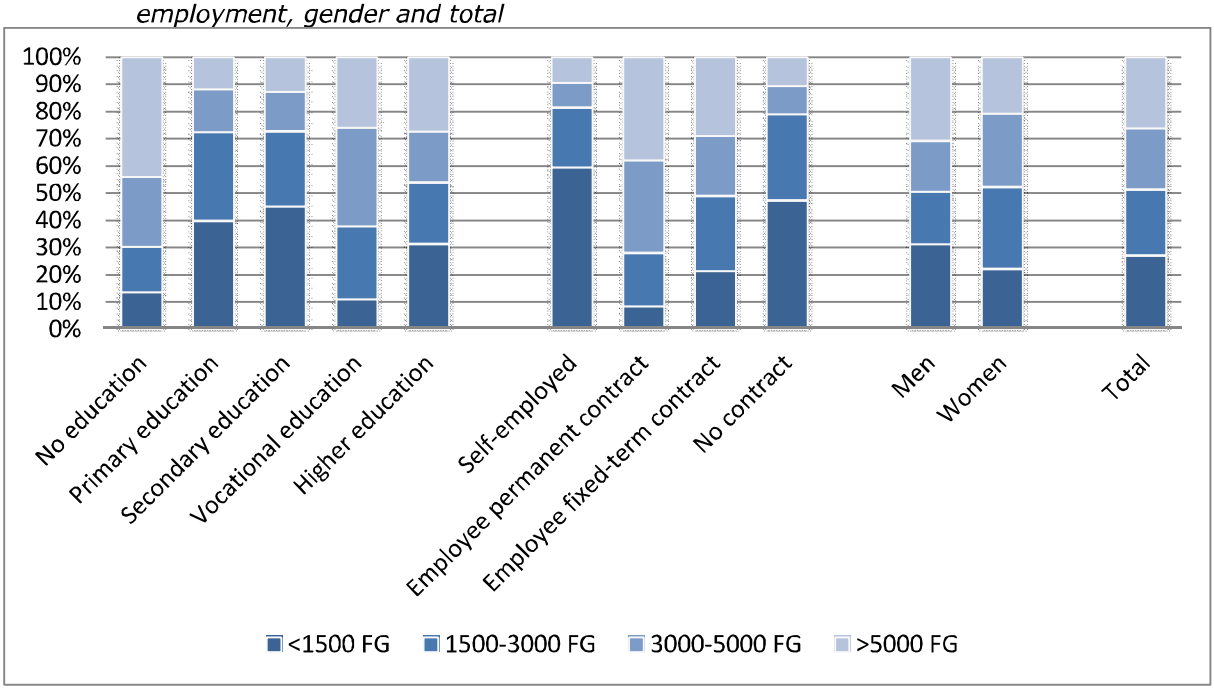
Source: WageIndicator face-to-face survey Guinea, 2012, weighted data (N=1961, 109-125 missing)

The relation between wages and education is less than clear cut. Whereas in most countries wages increase with levels of education, in Guinea only workers without education (FG 4389) and those with vocational education and training (FG 3368) earn above average wages (in the former case this is probably co-determined by the fact that most workers without education are either older workers, who earn more than young people, or agricultural workers). Workers with general higher education (like university bachelor and master degrees, engineering and medicine diplomas) (FG 2634) earn significantly more than workers with just primary (FG 1929) or secondary education (FG 1740). By occupational category, the graph shows that not surprisingly, the managers have the highest median wages (3495 FG), followed by skilled agricultural workers (3029 FG). The lowest paid workers are plant and machine operators (1283 FG), followed by technicians (1460 FG). By industry, the graph shows that the highest wages are earned in the public sector, health care, and education (3993 FG), followed by agriculture, manufacturing and construction (3965 FG) and commercial services (3464 FG). The lowest wages are found in trade, transport, and hospitality (1780 FG).

The graph depicts the wage differentials for several categories of workers. The impact of each category on an individual's net hourly wage can be investigated, controlled for the impact of the other categories (see Appendix 2). The results show that working for small companies has a negative effect on wages. Workers with a higher occupational status earn more, as do people with more years of work experience.

The graph with the median wages certainly provides a clear picture of the remuneration of the workers in the survey. However, the distribution over several wage groups is of equal importance to explore. To do so, we divide the workers in four groups of approximately equal size. Graph 13 shows that 27% of the workers earn less than 1500 Franc, another 24% earn between 1500 and 3000 Franc, 23% earn between and 3000 and 5000 Franc and the remaining 26% earn more than 5000 franc per hour. Six in ten self-employed workers earn less than FG 1500 per hour, as do nearly half of the employees without contracts; in comparison, only 21% of fixed term employees and just 8% of workers with permanent contracts do. Four in ten workers without education earn more than FG 5000 per hour, whereas four in ten workers with primary education and 45% of those with secondary education earn less than 1500 FG per hour. Six in ten workers with vocational training earn more than 3000 Francs, while university graduates are more evenly spread over the income categories, indicating their education paid off largely for some and not at all for others.

Graph 13 Distribution over hourly wages in Guinean Franc (FG), break down by education, employment, gender and total



Source: WageIndicator face-to-face survey Guinea, 2012, weighted data (N=1961, missing 109-124)

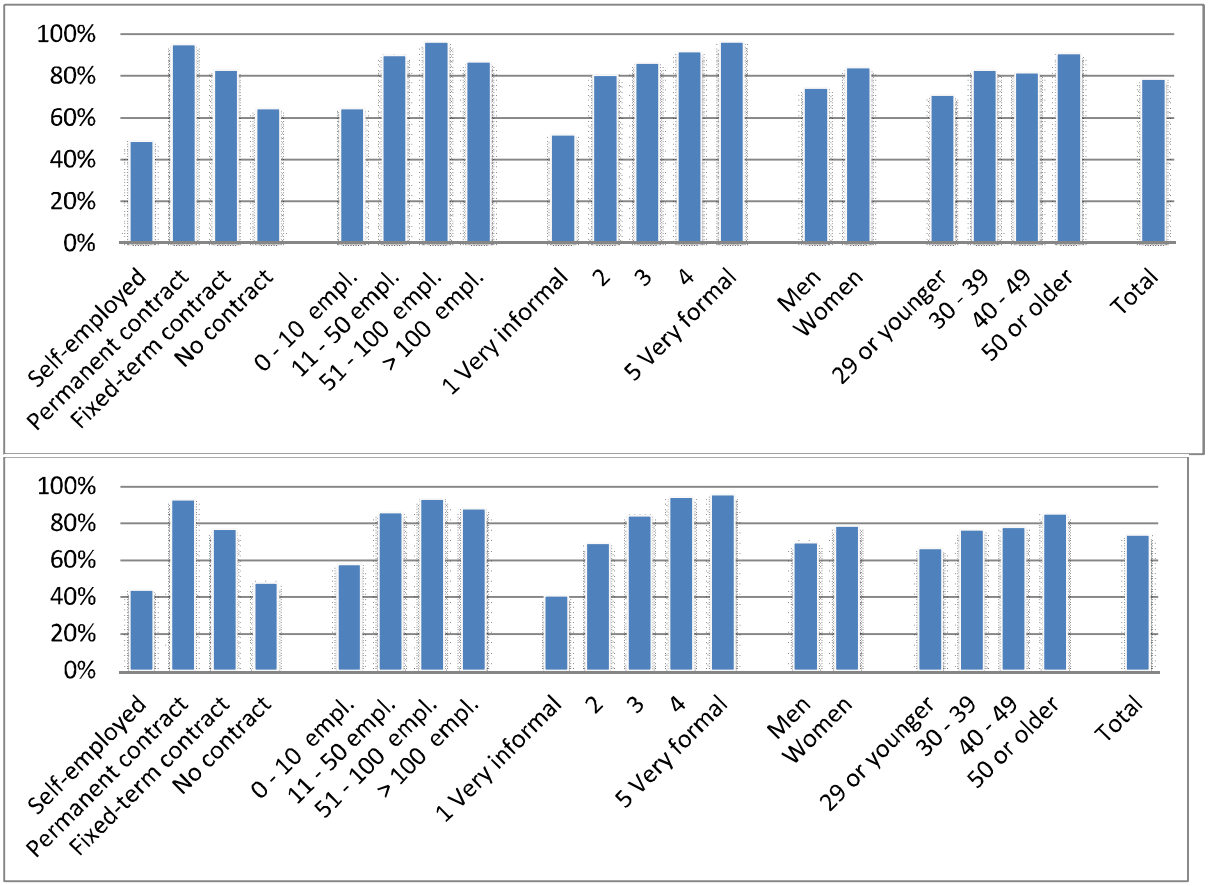
Wages below the poverty and minimum wage rate

Guinea does not have a country-wide minimum wage. While the law offers the possibility to set wages in sectoral or firm level collective agreements, this systems is not applied very effectively[2]. On the 14th of December 2012, after the interviews for this report had already been done, trade unions, employers and the government signed an agreement to introduce an country-wide minimum wage that should apply to all occupations as the minimum. The agreement states the minimum wage will be set at GF400,000 per month, but does not detail its operationalization[3].

Given that no minimum wage existed at the time of the interviews, in this report we compared the wages earned by respondents to the poverty line for one person, which in 2012 was FG8815 net per day. We used net hourly wages to analyse which workers earn incomes above the poverty line and which did not. It is important to take into account that these are poverty lines for one person. A person who needs to support a family could be paid above the poverty line and still be poor. The estimates of the share of people working for wages below the poverty line, therefore, is conservative because we only took into account individuals.

In addition, we tested to what extent the respondents are paid according to the future minimum wage rate of FG 400,000 per month gross. The rate of FG 400,000 is higher than the poverty line, which counting for an average month of 30 days, amounts to FG 264,450 net. Given that no hourly rate has been defined for the future minimum wage, we tested this analysis on reported monthly wages instead. In the tests on the minimum wage, we therefore limited our analysis to the workers who had reported to be working full-time and to be receiving a monthly wage or income.

Graph 14 Percentages of workers paid on or above the poverty line (above) and prospective minimum wage (below) by employment status, firm size, informality index, gender, age and total.

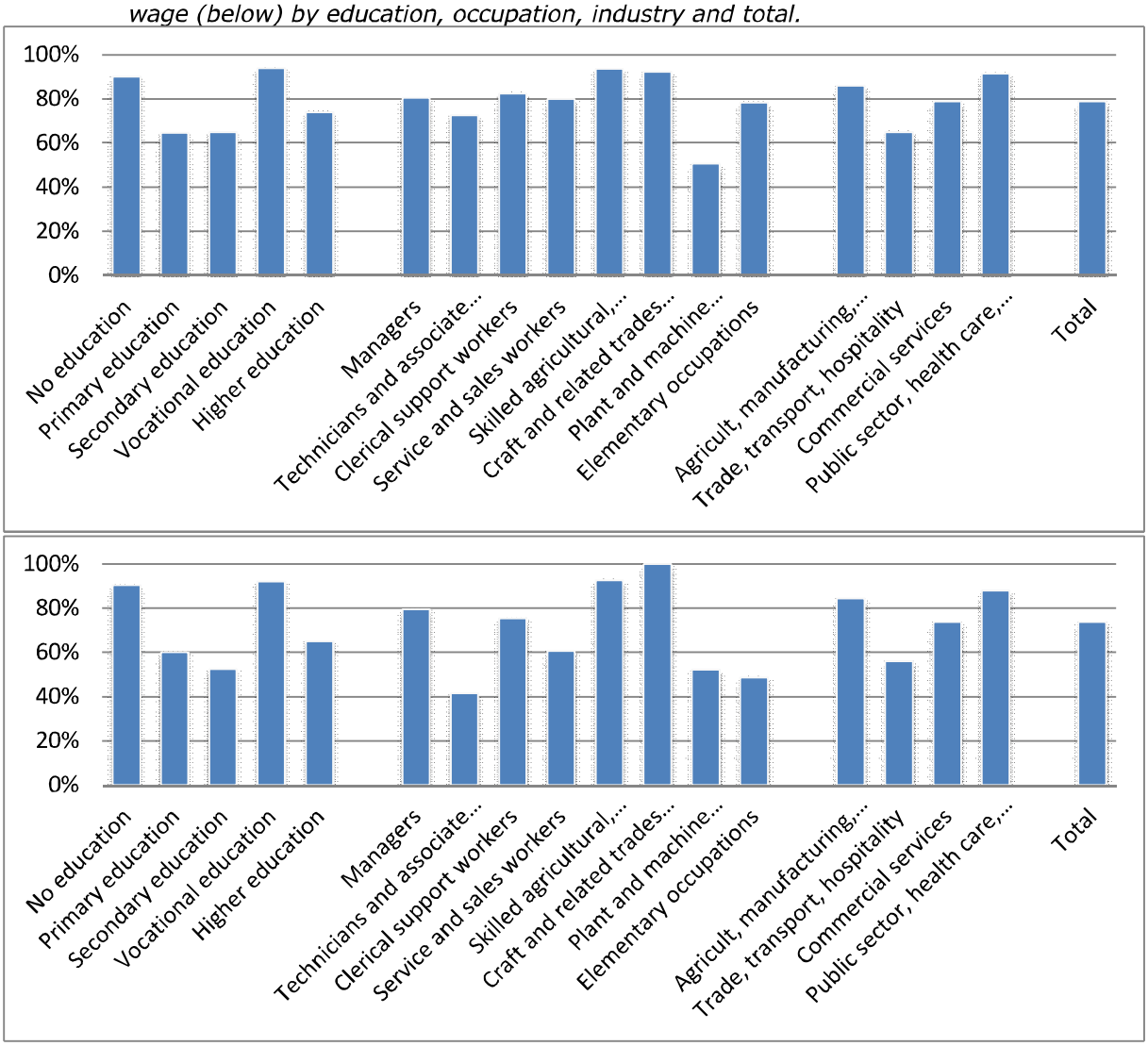


Source: WageIndicator face-to-face survey Guinea, 2012, weighted data (N= 1961, 109-489 missing)

[2] See http://www.votresalaire.org/guinee/home/salaire/salaire-minimum/salaire-minimum-faq
[3] See http://www.votresalaire.org/guinee/home/salaire/salaire-minimum

In the survey, net hourly and daily wages have been computed, based on the reported number of working hours per week. The result of the analysis shows that 79% of the sample is paid on or above the poverty line and 74% on or above the minimum wage of 400,000 francs per month. Graph 14 shows in detail in which groups this occurs most frequently. Self-employed workers are the single most vulnerable group; just less than half earn more than the poverty line and only 44% earn the minimum wage rate. The largest difference between the number of workers earning the minimum wage and the poverty line exists for fixed term workers, 65% of whom earn more than the poverty line, but just 48% earn more than the future minimum wage. Workers in firms employing between 51 and 100 people are most often paid above the poverty line (96%). In contrast, 64% of workers in firms employing 10 or less people are paid above the poverty line and 58% earn the future minimum wage rate. Differences are found according to the informality-index. Only 52% of informal workers are paid above the poverty line compared to 97% of the most formal workers. Especially for the lowest two categories on the informality scale, the share of workers earning above the minimum wage (41% of the lowest, and 69% of the second category) is much smaller than those with incomes above the poverty line. Women, while earning less than men in total, are more likely to be paid at least the minimum wage or above the poverty line. The older workers are, the more likely they are to be paid above the poverty line and on or above the minimum wage rate.

Graph 15 Percentage of workers paid above the poverty line (above) and prospective minimum wage (below) by education, occupation, industry and total.



Source: WageIndicator face-to-face survey Guinea, 2012, weighted data (N=1961, 109-481 missing)

As graph 15 shows, educations, occupations and industries vary widely with respect to the extent to which the workers are paid on or above the poverty line and the future minimum wage rate. Workers without education or with vocational education are almost always paid above both the poverty line and the minimum wage rate. Interestingly, while workers with secondary education are slightly more likely than those with primary education to be paid above the poverty line, they are less likely to be paid above the minimum wage rate. Eight in ten managers are paid above the poverty line and minimum wage rate, implying the minimum wage will not lead to any improvement in salaries for 80% of the managers because they already earn more than that. The largest effects can be found among technicians and associate professionals (72% above the poverty line, 41% above the minimum wage), workers in elementary occupations (78% above the poverty line, 49% above the minimum wage) and services and sales workers (80% above the poverty line, 61% above the minimum wage rate). Workers in trade, transport and hospitality are most at risk of being not paid above the poverty line (only 65% do) and even less likely to earn the future minimum wage rate (56%).

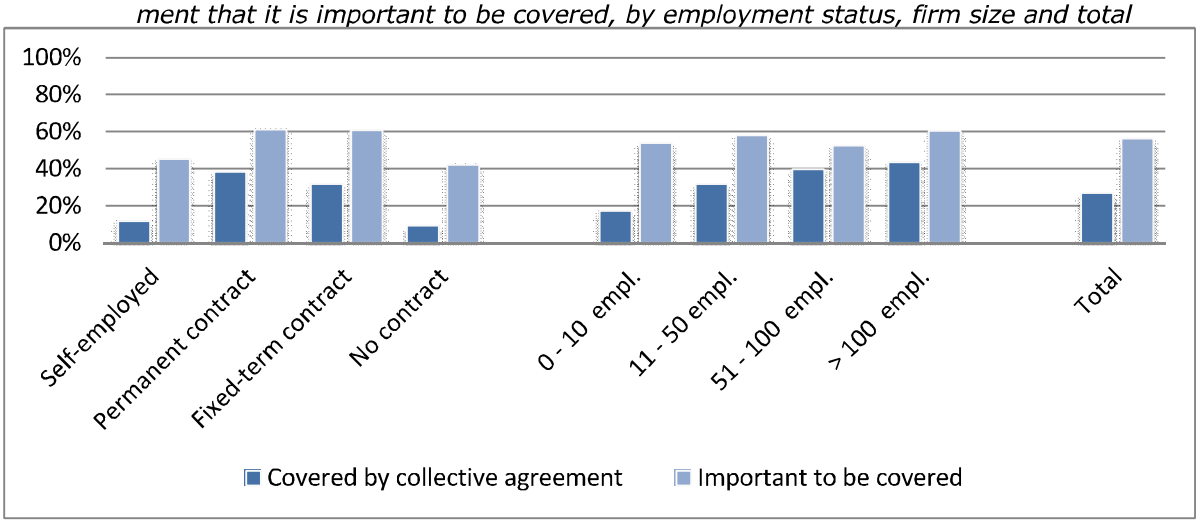
The impact of each category on an individual's outcome can be investigated, while controlling for the impact of the other categories (see Appendix 2). This shows that particularly the informality index, working for a small firm, permanent contract status, gender and age affect the likelihood of being paid on or above the poverty line. Most of these effects also count, but have smaller effects, when explaining whether someone is paid on or above the future minimum wage, for which the informality index and occupational status become more important.

Bargaining coverage

Collective agreements are an important instrument for wage setting. This raises the question to what extent the workers in the survey are covered by an agreement. Just over one in four respondents are covered (27%). This ranges from 17% of workers in companies of less than 10 people and 9% of workers without contracts, to 44% of workers in companies employing more than 100 workers and almost four in ten of employees with permanent contracts (38%). The Appendix holds an analysis which workers are covered by an agreement if controlled for other characteristics. It shows that workers on permanent contracts and with higher occupational statuses are more likely to be covered, whereas those working for small firms are less likely.

The survey has a question asking whether workers think that it is important to be covered by a collective agreement. Whereas 27% of workers are covered, 56% wish to be covered. This latter percentage is almost equal for all firm sizes. The wish to be covered is considerable larger among employees with permanent or fixed term contracts (61%) than among the self-employed (45%) and those without contracts (42%).

Graph 16 Percentages of workers covered by a collective agreement and agreeing with the statement that it is important to be covered, by employment status, firm size and total

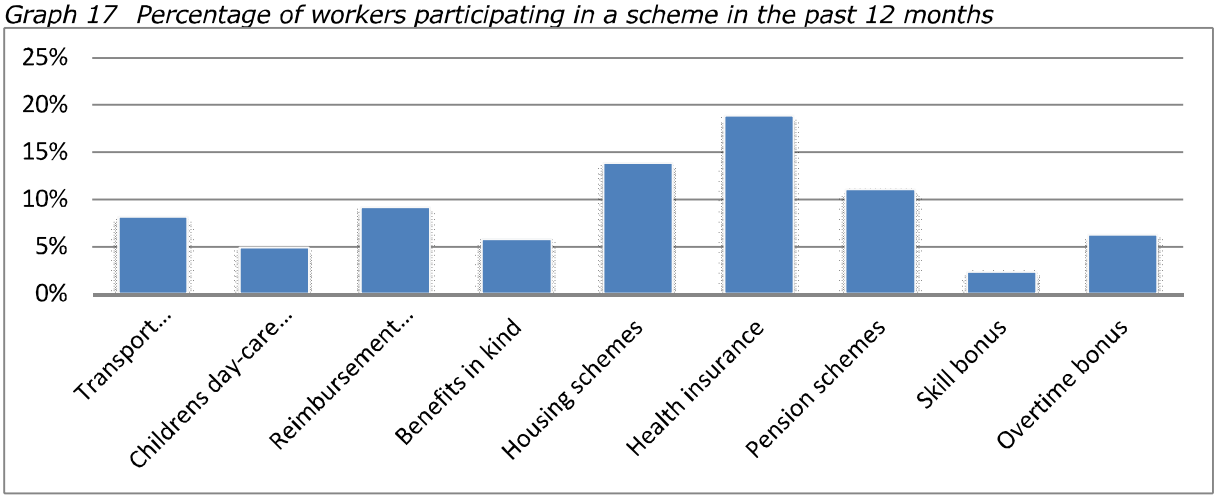


Source: WageIndicator face-to-face survey Guinea, 2012, weighted data (N=1961, 493 missing for coverage, don't know/not applicable are coded as not covered, N=1961, 484 missing for importance of being covered)

Participation in schemes and receiving allowances

The survey has several questions about participation in schemes and bonuses. These questions are asked to both the employees and the self-employed, except for the overtime bonus, which is only asked to the former group. Graph 17 shows that participation is generally low and that housing schemes (14%), health insurance or health care schemes (19%) and pension schemes (11%) are most common.

Graph 17 Percentage of workers participating in a scheme in the past 12 months

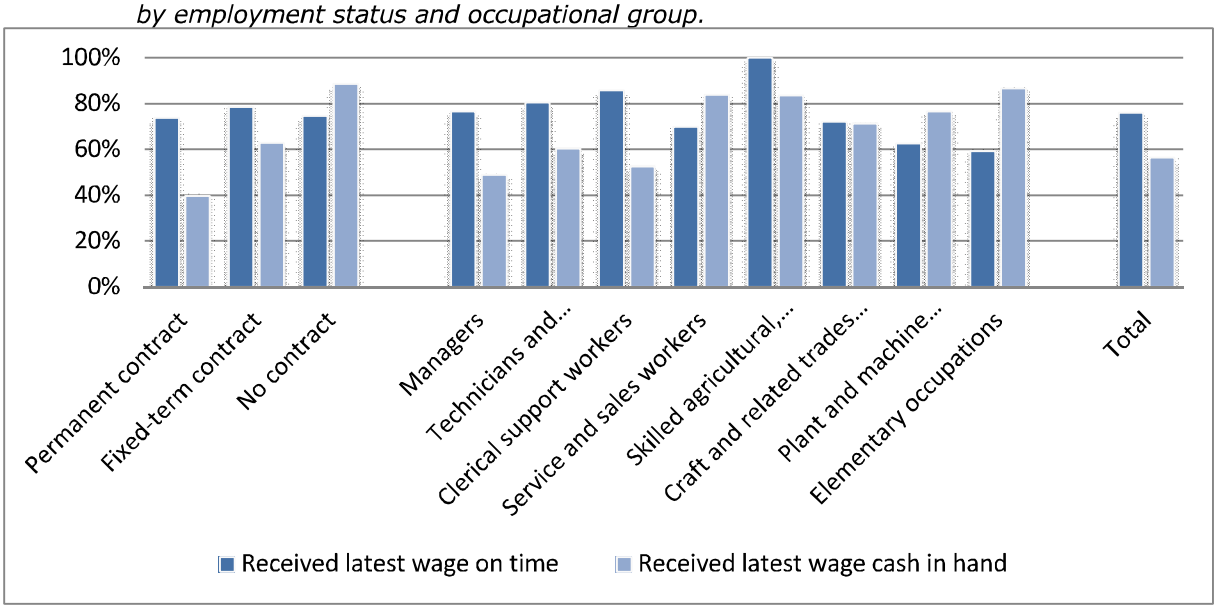


Source: WageIndicator face-to-face survey Guinea, 2012, weighted data (N=1961, 8-441 missing)

Wages on time and cash in hand

The survey asks employees whether they received their wage on time and whether they received it by a bank draft or cash in hand. Graph 18 shows that three in four workers report receiving their wage on time. This ranges from all of the skilled agricultural, forestry and fishery workers to 59% of workers in elementary occupations. More than half of the workers (56%) receive their wage cash in hand. In this case, there are large differences between the occupational categories. Service and sales workers (84%), agricultural workers (83%) and those in elementary occupations (87%) very often receive wages in cash, whereas much fewer managers do (49%).

Graph 18 Percentages of employees reporting that they received their wage on time and in cash, by employment status and occupational group.



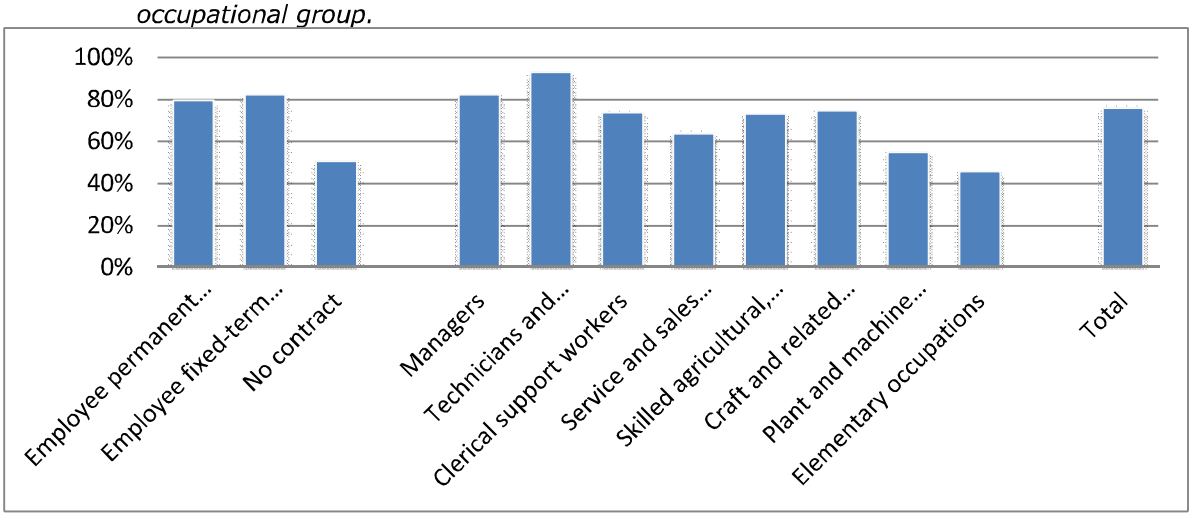
Source: WageIndicator face-to-face survey Guinea, 2012, weighted data (N=1494 (on time), N=1525 (cash), employees only)

5 Working hours

Working hours agreed

One survey question asks if the respondents have agreed their working hours with their employer, either in writing or verbally. The vast majority of the employees, 76%, have agreed working hours (Graph 19). This is highest for the employees with a fixed term contract (82%) and lowest for the workers without a contract (51%). Managers (82%) and technicians and associate professionals (93%) most often have agreed working hours. Workers in elementary occupations (46%) and plant and machine operators (55%) have least often agreed working hours.

Graph 19 Percentages of employees with agreed working hours, by employment status and occupational group.

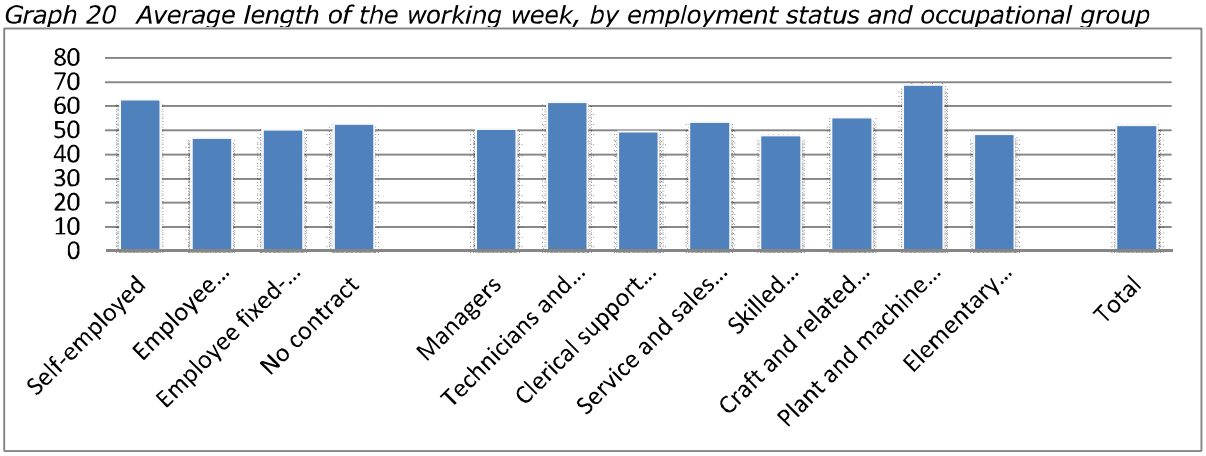


Source: WageIndicator face-to-face survey Guinea, 2012, weighted data, (N=1961, 546-560 missing, employees only)

Usual working hours

Graph 20 shows that the average usual working week of respondents is 52 hours, which is much longer than the standard 40 hours working week. Self-employed workers make most hours (62) and those on permanent contracts work the fewest (47 hours). Plant and machine operators work an average of 69 hours per week, whereas workers in elementary occupations work 49.

Graph 20 Average length of the working week, by employment status and occupational group

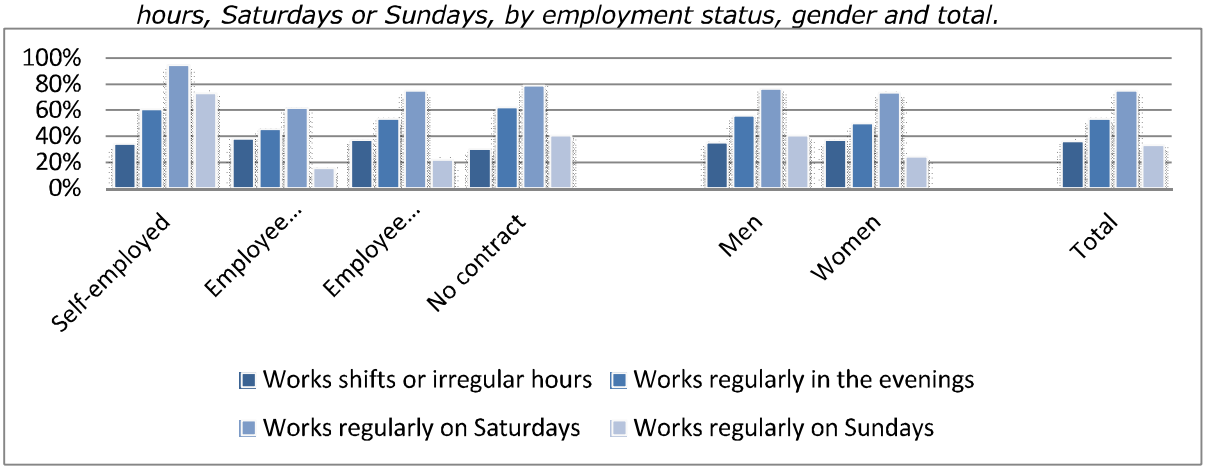


Source: WageIndicator face-to-face survey Guinea, 2012, weighted data (N=1961, 0-17 missing)

Shifts or irregular hours

The survey includes a question asking if the respondent works shifts or irregular hours. Graph 21 shows that 36% of workers report doing so. The incidence of shift work or irregular hours is highest for employees with a permanent contracts. Women work shifts or irregular hours more often than men do. Working in the evenings is reported by 53% of workers in the sample, most frequently by workers without contracts or self-employed and more so by men than by women. Three in four workers report working Saturdays, while four in ten work Sundays. Working regularly on weekends occurs most often among the self-employed and among men.

Graph 21 Percentages of workers reporting to be working in the evenings, shift work or irregular hours, Saturdays or Sundays, by employment status, gender and total.

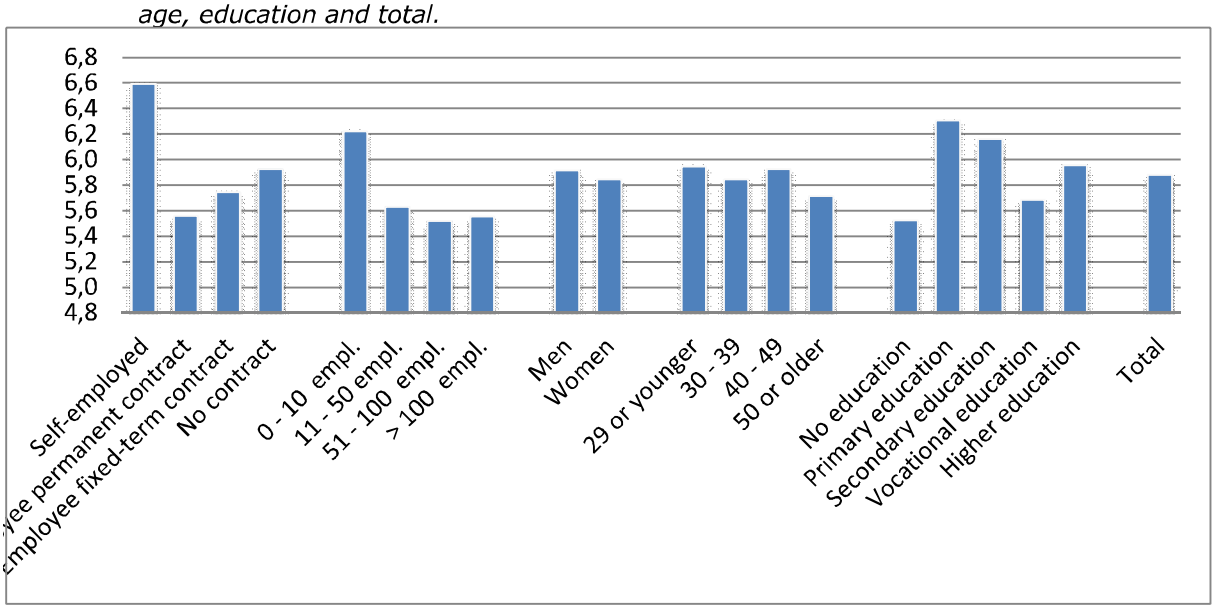


Source: WageIndicator face-to-face survey Guinea, 2012, weighted data (N=1961, 35-150 missing)

Average working days per week

On average, the workers in the sample report to be working 5.9 days a week. Graph 22 shows that particularly the self-employed work more days than the average, as so do the workers in small firms, men, and the workers with primary school.

Graph 22 Average number of working days per week, by employment status, firm size, gender, age, education and total.

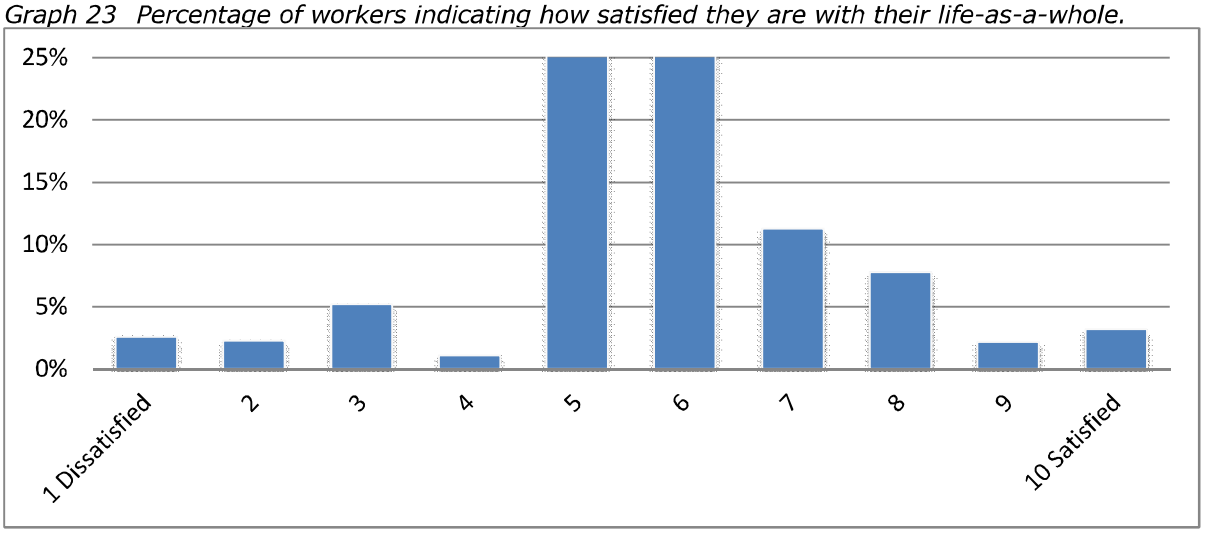


Source: WageIndicator face-to-face survey Guinea, 2012, weighted data (N=1961, 0-17 missing)

6 Satisfaction with life-as-a-whole

The survey includes a question about satisfaction with life-as-a-whole on a scale from 1=dissatisfied to 10=satisfied. As graph 23 shows, exactly half of the respondents (50%) rate their lives a six or higher and 10% score an 8 or higher. On average, the interviewees score a 5.6.

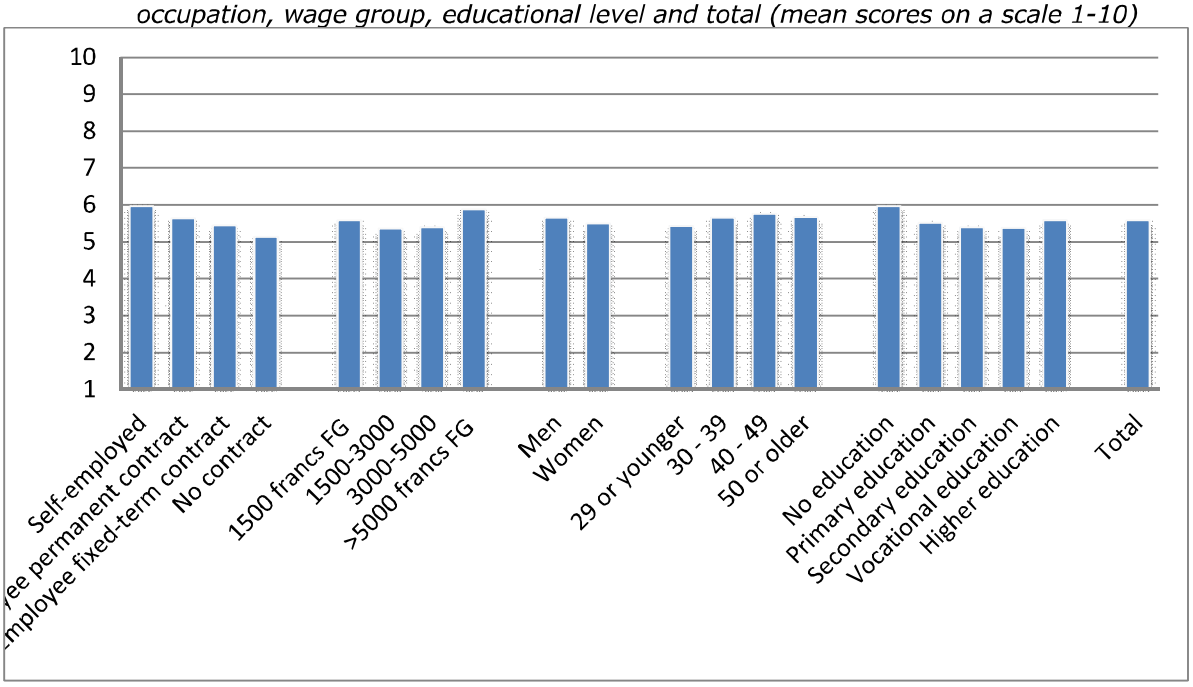
Graph 23 Percentage of workers indicating how satisfied they are with their life-as-a-whole.



Source: WageIndicator face-to-face survey Guinea, 2012, weighted data (N=1961, 2 missing)

Groups do differ with respect to their life satisfaction as a whole. Graph 24 shows a breakdown for several groups. Workers earning less between 1500 and 3000 Francs per hour, employees without a contract, workers under 29 and people with secondary and vocational education are least happy. When explaining the variance in life satisfaction, however, wage is the only factor that matters.

Graph 24 Average satisfaction with life-as-a-whole, breakdown by employment status, gender, occupation, wage group, educational level and total (mean scores on a scale 1-10)



Source: WageIndicator face-to-face survey Guinea, 2012, weighted data (N=1961, 2-111 missing)

Appendix 1 List of occupational titles

ISCO code	Occupational title	Unweighted frequency
1120050000000	Technical department manager	154
1120060000000	Engineering department manager	29
1120070000000	Installation or repairs department manager	11
1120080000000	Manufacturing department manager	83
1211020000000	Financial department manager	104
1212020000000	Personnel department manager	85
1219030000000	Laboratory department manager	47
1219040000000	Housekeeping department manager	2
1219050000000	Administrative services department manager	166
1219070000000	Purchasing department manager	30
1219980000000	Department manager, all other	176
1221030000000	Marketing department manager	4
1221040000000	Sales department manager	196
1222020000000	Advertising department manager	3
1222030000000	Communications department manager	43
1222040000000	Public relations department manager	22
1223030000000	R&D department manager	83
1330020000000	IT department manager	52
1412010000000	Restaurant manager	6
3322000000000	Sales representative	76
3332030000000	Travel organiser	1
4120060000000	Secretary	72
4221020000000	Travel agency clerk	7
4221040000000	Travel consultant	5
4226030000000	Receptionist, telephonist	15
4322050000000	Transport scheduling clerk	43
4412020000000	Courier	2
5113010000000	Travel guide	6
5120040000000	Food preparation worker	16
5131010000000	Waiter or waitress	29
5212010000000	Street vendor (food products)	28
5414010000000	Security guard	78
6111030000000	Field crop or vegetable farm worker	9
6121010000000	Dairy farmer	1
6121040000000	Cattle farmer	5
6210010000000	Forestry worker	1
6210020000000	Logging worker	2
6310010000000	Subsistence crop farmer	3
6330010000000	Subsistence mixed crop or livestock farmer	13
7115010000000	Carpenter	18
8322020000000	Taxi driver	76
8332010000000	Truck driver	61
8341020000000	Motorised forestry equipment operator	1
9112010000000	Cleaner in offices, schools or other establishments	92
9211020000000	Fruit, nut or tea picker	2
9313070000000	Carpenter helper	3
9333010000000	Freight handler, all other	1
	Total	**1962**

Appendix 2 Regressions

Dependent variable: log net hourly wages					
	B	Std. Error	Beta	t	Sig.
Constant	7,714	,126		61,050	0,000
Female	,054	,061	,018	,883	,377
Educational level (0=lowest, .., 6=highest)	-,043	,015	-,057	-2,791	,005
Employee permanent contract	,515	,069	,169	7,415	,000
Firmsize 1-5 empl	-1,396	,083	-,425	-16,873	,000
Firmsize 6-10 empl	-,200	,090	-,051	-2,235	,026
Firmsize 11-20 empl	-,088	,082	-,025	-1,077	,282
Tenure (0-61 yrs)	,013	,003	,086	4,155	,000
Socio-Econ. Index of occ. status (ISEI 11=lowest, ..,76=highest)	,004	,002	,045	2,158	,031
N	1815				
R-square	.272				

Dependent variable: Paid up or above the poverty line yes/no						
	B	S.E.	Wald	df	Sig.	Exp(B)
Informality index (1=very informal, .., 5=very formal)	,381	,075	25,649	1	,000	1,464
Firmsize 1-5 empl	-1,587	,192	68,054	1	,000	,204
Firmsize 6-10 empl	,109	,239	,208	1	,648	1,115
Firmsize 11-20 empl	,070	,225	,098	1	,755	1,073
Employee on permanent contract	,738	,245	9,038	1	,003	2,091
Educational level (0=lowest, .., 6=highest)	-,003	,004	,459	1	,498	,997
Female	,562	,141	15,843	1	,000	1,754
Lives with partner	,256	,195	1,721	1	,190	1,292
Lives with child	-,078	,197	,158	1	,691	,925
Age (13-66 yrs)	,032	,008	16,347	1	,000	1,033
Socio-Econ. Index of occ. status (ISEI 10=lowest, ..,79=highest)	-,003	,004	,855	1	,355	,997
Constant	-,325	,406	,640	1	,424	,723
N	1805					
-2 Log Likelihood	1411.475					

Dependent variable: Paid up or above the future minimum wage rate yes/no						
	B	S.E.	Wald	df	Sig.	Exp(B)
Informality index (1=very informal, .., 5=very formal)	,581	,079	54,155	1	,000	1,787
Firmsize 1-5 empl	-1,069	,209	26,109	1	,000	,343
Firmsize 6-10 empl	-,305	,226	1,833	1	,176	,737
Firmsize 11-20 empl	,252	,237	1,133	1	,287	1,287
Employee on permanent contract	,527	,227	5,402	1	,020	1,694
Educational level (0=lowest, .., 6=highest)	-,006	,004	2,011	1	,156	,994
Female	,432	,149	8,432	1	,004	1,541
Lives with partner	,247	,197	1,579	1	,209	1,280

Lives with child	-,069	,200	,119	1	,731	,934
Age (13-66 yrs)	,019	,008	6,080	1	,014	1,019
Socio-Econ. Index of occ. status (ISEI 10=lowest, ..,79=highest)	,016	,004	17,693	1	,000	1,016
Constant	-1,777	,431	17,025	1	,000	,169
N	1405					
-2 Log Likelihood	1245.771					

Dependent variable: Covered by a collective agreement yes/no (don't know answers coded as no)

	B	S.E.	Wald	df	Sig.	Exp(B)
Employee on permanent contract	,447	,122	13,465	1	,000	1,563
Educational level (0=lowest, .., 6=highest)	-,001	,003	,225	1	,635	,999
Female	-,018	,111	,025	1	,874	,983
Firmsize 1-5 empl	-1,095	,160	46,787	1	,000	,334
Firmsize 6-10 empl	-,554	,159	12,133	1	,000	,575
Firmsize 11-20 empl	-,299	,139	4,590	1	,032	,742
Tenure (0-61 yrs)	,005	,005	1,016	1	,313	1,006
Socio-Econ. Index of occ. status (ISEI 11=lowest, ..,76=highest)	,014	,003	20,171	1	,000	1,014
Constant	-1,555	,235	43,930	1	,000	,211
N	1910					
-2 Log Likelihood	2078.879					

Dependent variable: Satisfaction with life as-a-whole (1 – dissatisfied to 10 – satisfied, excluding values 1 and 10 in the analyses)

	B	S.E.	Beta	t	Sig.
Constant	5,642	,167		33,719	,000
Employee on permanent contract	-,028	,082	-,009	-,340	,734
Education level (0=lowest, .., 6=highest)	-,002	,002	-,032	-1,303	,193
Female	-,066	,073	-,023	-,913	,361
Less than 1500 FG	-,229	,104	-,071	-2,209	,027
1500 - 3000 FG	-,336	,103	-,101	-3,256	,001
3000 - 5000 FG	-,269	,102	-,078	-2,645	,008
Living with a partner	,017	,096	,006	,183	,855
Living with a child	,174	,095	,060	1,830	,067
<29 years	-,030	,086	-,010	-,352	,725
30-39 years	-,046	,055	-,054	-,836	,403
40-49 years	,068	,054	,081	1,263	,207
Socio-Econ. Index of occ. status (ISEI 11=lowest, ..,76=highest)	,002	,002	,026	1,035	,301
N	1707				
R-squared	.020				

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