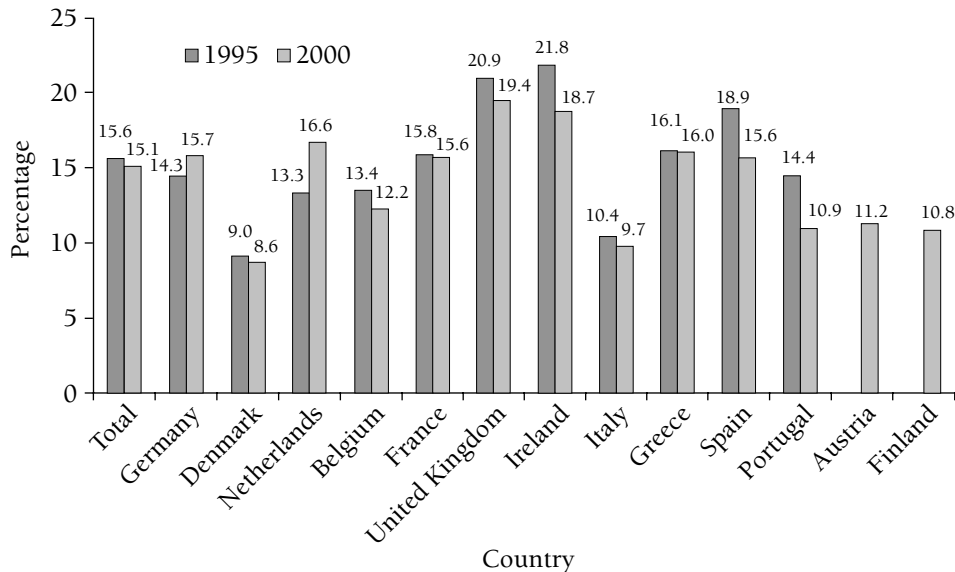


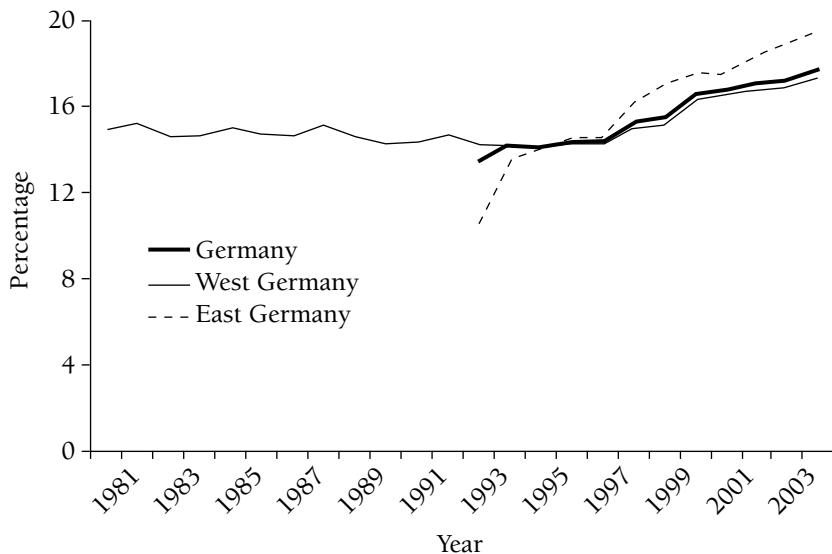
Figure 1.1 Share of Low Wages in EU Countries, 1995 and 2000



Source: European Commission (2004, 168); authors' calculation.

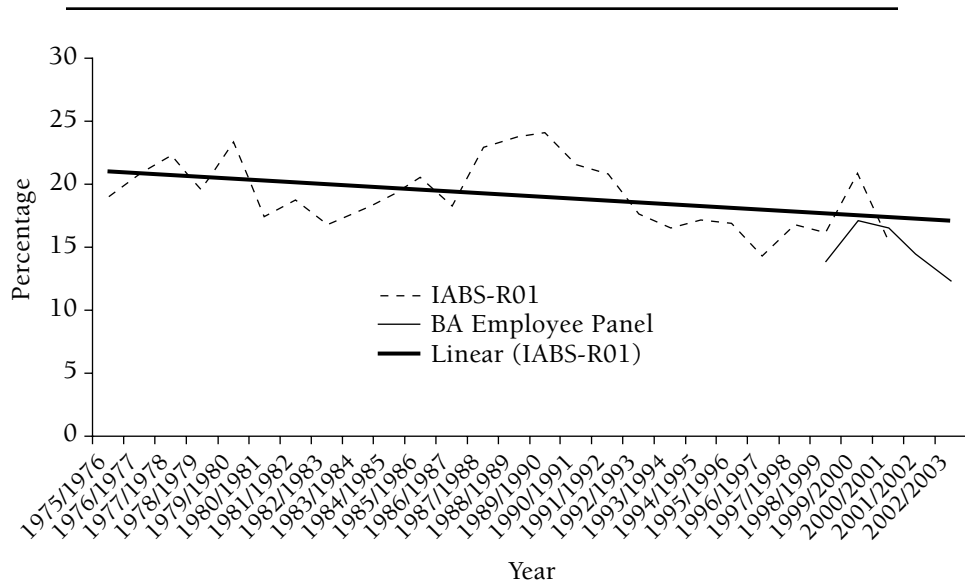
Note: The low-pay threshold is defined as two-thirds of the country-specific median hourly gross wage. Employees working more than fifteen hours per week are covered, excluding apprentices.

Figure 1.2 Share of Low-Wage Workers Among Full-Time Workers Covered by the Social Security System (with Separate Low-Wage Thresholds for East and West), 1980 to 2003



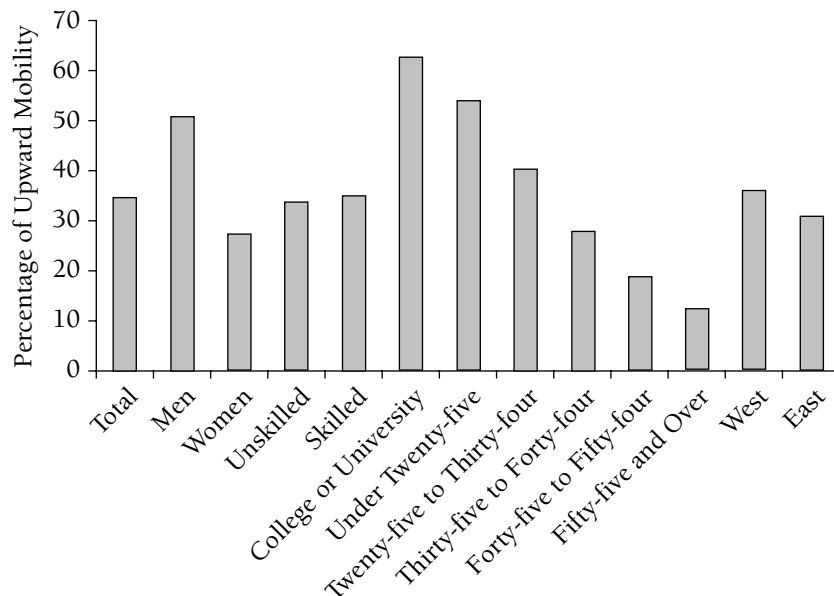
Source: IAB regional sample (IABS-R01) and BA employee panel; authors' calculations.

Figure 1.3 Share Among West German Full-Time Workers Covered by the Social Security System of the Upwardly Mobile from the Low-Wage Sector, in All Transitions in Each One-Year Period



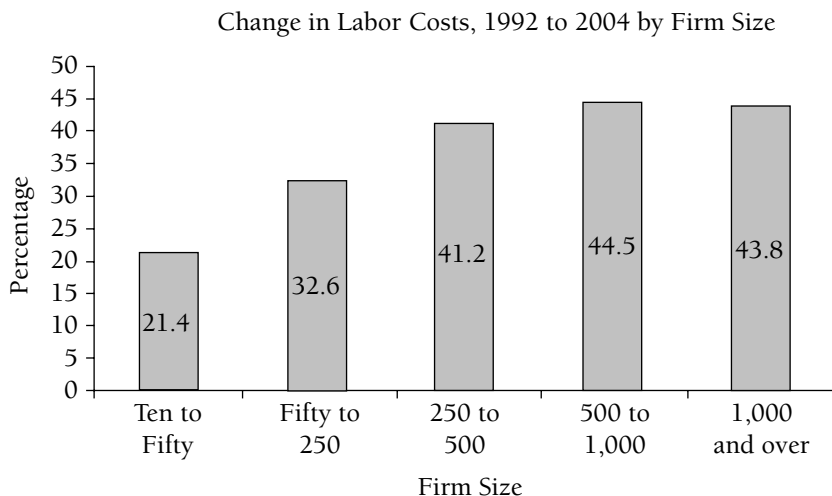
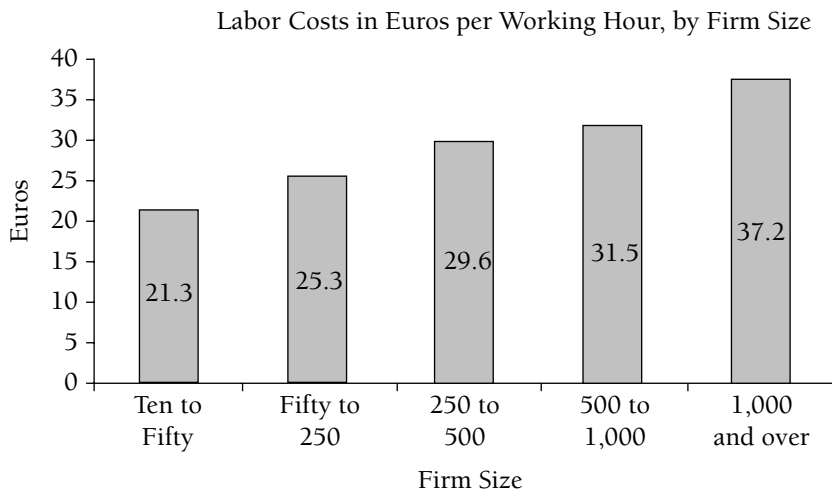
Source: IAB regional sample and BA employee panel; authors' calculations.

Figure 1.4 Upward Mobility Out of the Low-Wage Sector Between 1998 and 2003 for German Full-Time Workers Covered by the Social Security System



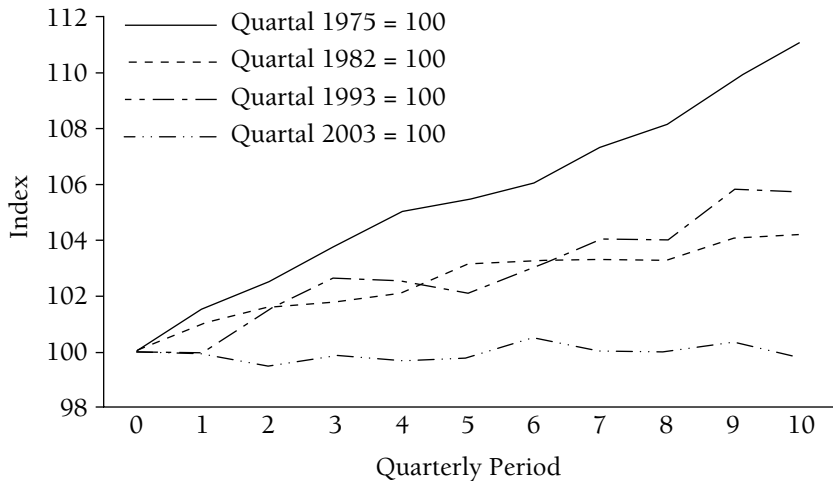
Source: BA employee panel, authors' calculations.

Figure 1.5 Labor Costs, 2004, and Rate of Change in Labor Costs, 1992 to 2004



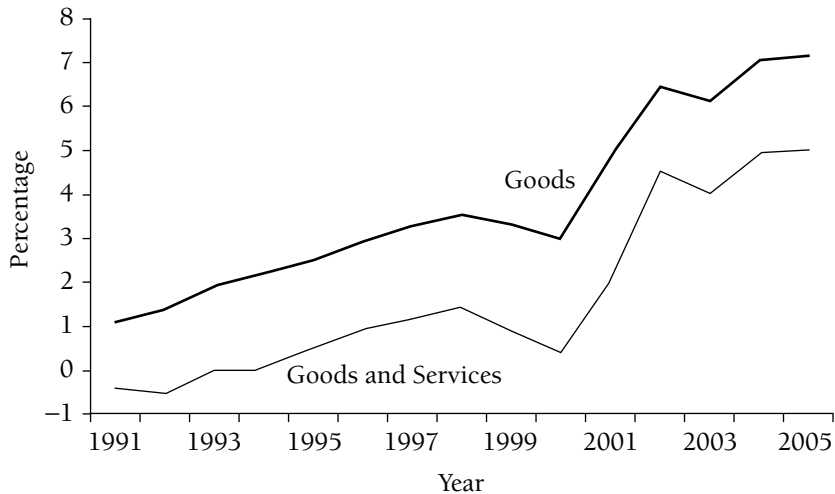
Source: Statistisches Bundesamt (2006b); authors' illustration.

Figure 1.6 Rise in Private Consumer Spending in West Germany in the First Ten Quarters of Each Economic Cycle, up to 1990



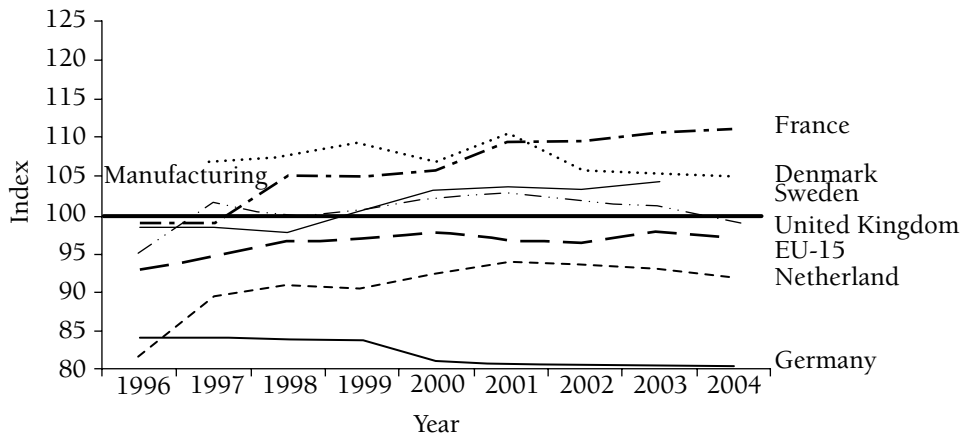
Source: Arbeitsgemeinschaft (2006, 263).

Figure 1.7 Germany's Export Surpluses as a Percentage of GDP



Source: Eurostat, taken from D  thmann et al. (2006, 16).

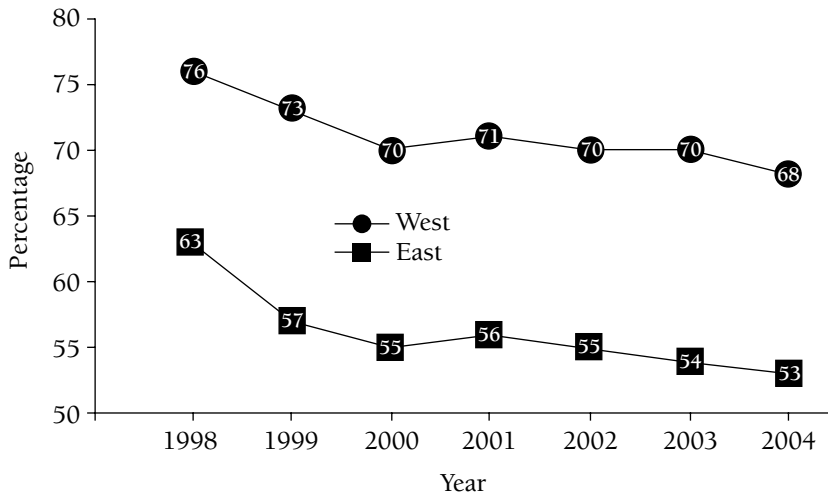
Figure 1.8 Evolution of Labor Costs in the Private Service Sector Relative to Manufacturing



Source: Eurostat, taken from Dütthmann et al. (2006, 13).

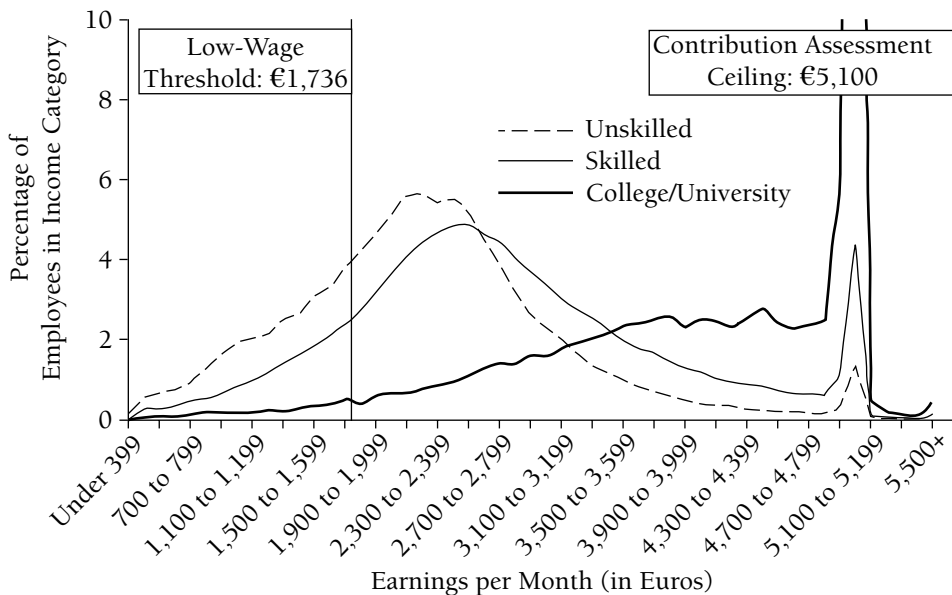
Note: Index, manufacturing = 100.

Figure 1.9 Coverage of Employees by Collective Agreements in West and East Germany



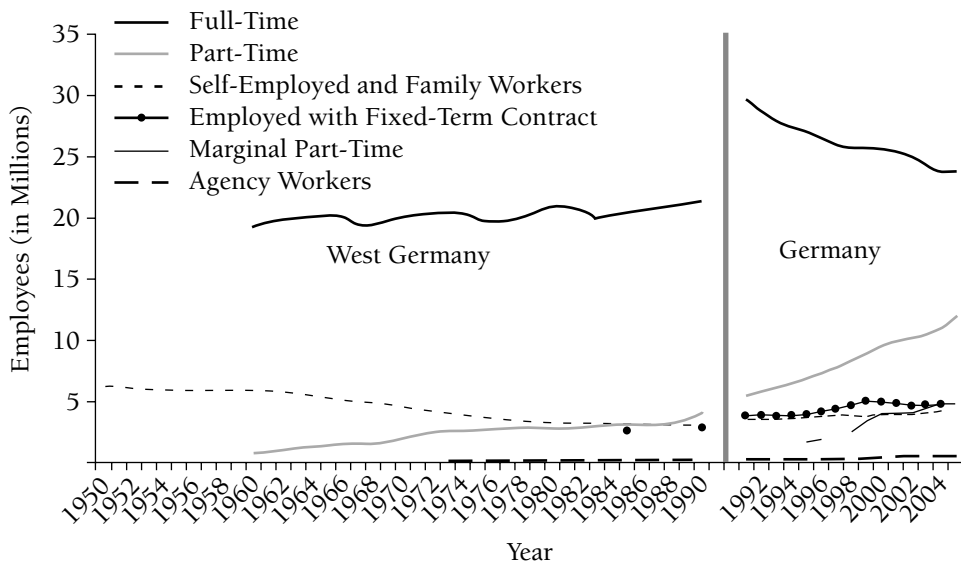
Source: IAB establishment panel, DGB (2004); Ellguth and Kohaut (2005); authors' illustration.

Figure 1.10 Earnings Distribution for West German Full-Time Employees Covered by the Social Security System, by Educational Level, 2003



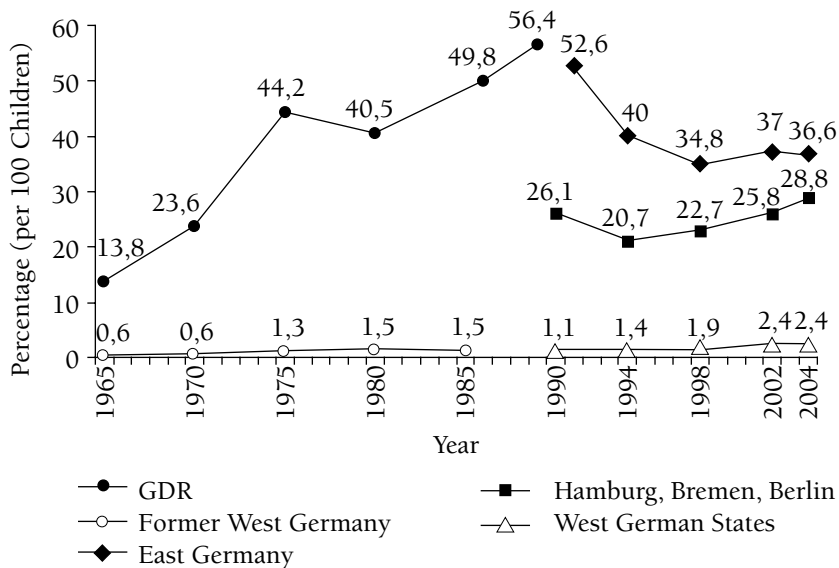
Source: BA employee panel, wave 24, authors' calculations.

Figure 1.11 Number of Employees, by Employment Form, up to 1990 in West Germany and After 1991 in Germany Including East Germany



Source: Federal Employment Services; Federal Statistical Office, Eurostat; authors' illustration.

Figure 1.12 Evolution of the Provision of Day Care for Children Age Zero to Three, by Region, 1965 to 2004



Source: Konsortium Bildungsberichterstattung (2006, 34); authors' illustration.

Table 1.1 Low-Wage Thresholds (Gross) and Share of Low-Wage Workers Among Full-Time Workers Covered by the Social Security System, 2003

	Model 1	Model 2
Median wage (euros per month)	€2,492 Germany	€1,963 (East) €2,604 (West)
Median wage (euros per hour)	€14.94 Germany	€11.77 (East) €15.61 (West)
Low-wage threshold (euros per month)	€1,661 Germany	€1,309 (East) €1,736 (West)
Low-wage threshold (euros per hour)	€9.96 Germany	€7.84 (East) €10.41 (West)
Share of low-wage workers		
West Germany	15.4%	17.3%
East Germany	36.8	19.5
Germany (East and West)	19.6	17.7

Source: Bundesagentur für Arbeit (BA) employee panel, authors' calculations. Hourly wages are estimated for an average weekly working time of 38.5 hours, as there is no information on working time in the data.

Table 1.2 Structural Characteristics of Low-Wage Full-Time Workers Covered by the Social Security System, 2003

	Incidence (in Category)	Distribution (Low-Wage Worker)	Distribution (Total Economy)	Concentration
Educational level ^a				
Unskilled	30.2%	22.2%	13.0%	1.71
Skilled	17.6	75.5	75.6	1.00
College or university	3.6	2.3	11.4	0.20
Sex				
Men	10.0	35.9	63.2	0.57
Women	30.8	64.1	36.8	1.74
Age				
Under twenty-five	42.8	18.0	7.4	2.42
Twenty-five to thirty-four	18.6	25.9	24.6	1.05
Thirty-five to forty-four	14.8	27.8	33.2	0.84
Forty-five to fifty-four	14.5	20.6	25.1	0.82
Fifty-five and older	14.3	7.7	9.6	0.81
Nationality				
German	17.0	89.7	93.3	0.96
Non-national	27.0	10.2	6.7	1.53
Total economy	17.7	100.0	100.0	1.0

Source: BA employee panel; authors' calculations.

^a In 11.6 percent of all cases, no data on vocational training are available. In the analysis that follows, we have assumed that the cases where this information is missing are equally distributed across all training levels; see Reinberg and Hummel (2002); Riede and Emmerling (1994); Reinberg and Schreyer (2003).

Table 1.3 Structural Evolution of Low-Wage Work Among West German Full-Time Workers Covered by the Social Security System, 1980 to 2003

	1980	1995	1999	2003
Educational level				
Unskilled	22.6%	23.6%	27.7%	29.8%
Skilled	13.5	13.2	15.5	16.7
College or university	1.8	2.3	3.1	3.7
Sex				
Men	5.1	6.7	8.3	9.3
Women	36.3	29.2	31.3	31.9
Age				
Under twenty-five	33.5	33.7	39.8	42.3
Twenty-five to thirty-four	11.4	13.0	15.6	17.8
Thirty-five to forty-four	10.7	12.3	13.8	14.4
Forty-five to fifty-four	10.4	11.6	13.4	14.0
Fifty-five and older	11.2	11.5	12.8	14.2
Nationality				
German	15.7	13.2	15.5	16.4
Non-national	14.1	23.5	25.6	26.6
Total economy	15.6	14.2	16.3	17.3

Source: BA employee panel and IAB employment subsample; authors' calculations.

Table 1.4 Low-Wage Thresholds and Shares of Low-Wage Work Among All Workers, Including Part-Time Workers, 2004

	Low-Wage Threshold	Share of Low-Wage Work
West Germany	€9.83	20.5%
East Germany	7.15	22.5
Germany		20.8

Source: German Socio-Economic Panel (GSOEP) 2004; authors' calculations.

Note: Based on 29,044,714 employees.

Table 1.5 Structural Characteristics of All Low-Wage Workers, Including Part-Time Workers, 2004

	Incidence (in Category)	Distribution (Low-Wage Worker)	Distribution (Total Economy)	Concentration
Working time				
Full-time	14.6%	51.5%	72.1%	0.71
Part-time	21.1	22.2	21.6	1.03
Marginal part-time	85.8	26.3	6.3	4.19
Educational level				
Unskilled	42.1	22.4	11.2	2.01
Skilled	21.5	67.2	65.6	1.02
College/university	9.4	10.4	23.2	0.45
Nationality				
German	20.3	92.7	95.2	0.97
Non-national	31.2	7.3	4.8	1.50
Sex				
Men	12.6	30.4	50.7	0.60
Women	29.6	69.6	49.3	1.41
Total economy (based on 29,044,714 employees)	20.8	100	100	1.0

Source: GSOEP (2004); authors' calculations.

Table 1.6 Evolution of Low-Wage Employment Among West German Full-Time Workers Covered by the Social Security System, by Characteristics of the Firm, 1980 to 2003

	1980	1995	1999	2003
Industry ^a				
Agriculture	44.4%	41.6%	38.6%	40.7%
Manufacturing	12.2	8.9	8.9	9.1
Construction	7.9	8.1	10.5	11.4
Infrastructure and transport services	6.2	8.9	12.6	15.3
Business services	28.4	27.5	26.9	27.5
Economic transaction services	23.7	17.1	18.6	18.9
Political transaction services	6.4	6.0	6.7	6.2
Household and personal services	29.0	28.5	31.2	32.1
Size of firm				
One to nineteen	33.6	31.5	34.6	36.4
Twenty to ninety-nine	16.6	14.4	16.5	18.4
100 to 499	11.6	8.4	10.1	10.4
500 and more	4.5	2.3	3.3	3.2
Total economy (share of low pay)	15.6	14.2	16.3	17.3

Source: BA employee panel and IAB employee sample (75–95); authors' calculations.

^a We aggregated single industries in the following way:

Infrastructure and transport services: electricity, gas and water supply, sewage and refuse disposal, sanitation and similar activities, transport and logistics, post and telecommunications

Business services: research and development, architectural and engineering activities and related technical consultancy, technical testing and analysis, computer and related activities, investigation and security activities, industrial cleaning, services related to management, other business activities

Economic transaction services: commerce, banking and insurance, real estate

Political transaction services: activities of trade unions, business, employers' and professional organizations, activities of other membership organizations, public administration and defense, compulsory social security

Household and personal services: health and social work, education, hotels and restaurants, tourism, recreational, cultural, and sporting activities, other services related to households and persons

Table 1.7 Share of Low-Wage, Full-Time Workers in the Case Study Industries and Occupations and Covered by the Social Security System, 2003

Industry and Occupation	West Germany	East Germany	All of Germany
Food, tobacco (NACE 15, 16)	34.3%	45.9%	36.6%
Producer of meat products and sausage (BKZ 402)	34.8	40.4	36.0
Manufacturer of sugar, con- fectionary goods, or ice cream (BG2 433)	40.2	(19.7)	35.5
Retail (NACE 52)	33.1	34.9	33.4
Sales assistant or sales clerk (BKZ 682)	41.5	46.8	42.6
Cashier (BKZ 773)	36.8	(27.5)	35.2
Hotels and restaurants (NACE 55)	72.0	65.5	70.5
Other guest attendant (BKZ 913)	82.0	78.4	81.3
Housekeeper (BKZ 923)	88.3	75.9	86.2
Cleaning staff (BKZ 933)	91.7	86.4	90.8
Health (NACE 85)	23.5	19.4	22.6
Nursing assistant (BKZ 854)	25.3	21.3	24.5
Cleaning staff (BKZ 933)	43.3	32.3	41.4
Total economy	17.3	19.5	17.7

Source: BA employee panel; authors' calculations.

Table 1.8 Long-Term Development of the Share of Low-Wage, Full-Time Workers Covered by the Social Security System in the Case Study Industries and Occupations, West Germany, 1980 to 2003

Industry or Occupation	1980	1995	1999	2003
Food	34.3%	33.4%	31.3%	34.3%
Producer of meat products and sausage (BKZ 402)	22.5	31.3	31.8	34.8
Manufacturer of sugar, confectionary goods, or ice cream (BKZ 433)	59.0	39.0	39.0	40.2
Retail	29.9	22.0	32.7	33.1
Sales assistant or sales clerk (BKZ 682)	53.5	36.9	42.0	41.5
Cashier (BKZ 773)	55.4	48.9	37.4	36.8
Hotel and restaurant	62.1	67.9	69.5	72.0
Other guest attendant (BKZ 913)	75.9	81.2	84.2	82.0
Housekeeper (BKZ 923) (for 1980 and 1995 together with BKZ 922: consumer advisers)	84.1	89.2	82.9	88.3
Cleaning staff (BKZ 933)	78.9	91.0	92.6	91.7
Health	20.3	19.7	21.4	23.5
Nursing assistant (BKZ 854)	11.4	9.6	19.3	25.3
Cleaning staff (BKZ 933)	31.0	22.4	37.1	43.3
Total economy	15.6	14.2	16.3	17.3

Source: BA employee panel and IAB-employment subsample; authors' calculations.

Note: Data before 1995 and after 1995 are based on different industry classifications and are not fully comparable.

Table 1.9 Employment Rate for Women Age Fifteen to Sixty-four, 1993 to 2005

	Germany		Netherlands		United Kingdom		Denmark		France	
	1993	2005	1993	2005	1993	2005	1993	2005	1993	2005
Employment rate	55.1	59.6	52.2	66.4	60.8	65.9	68.2	71.9	51.5	57.6
Employment rate in full-time equivalents	46.4	45.2	33.6	41.7	46.4	51.5	58	61.1	46.3	50.8

Source: European Commission (2006).

**Table 1A.1 Share of Low-Wage, Full-Time Workers,
Covered by the Social Security System,
in the Case Study Industries, 2003**

NACE	Industry	Low-Wage Share
15.11	Production and preserving of meat	25.07%
15.12	Production and preserving of poultry meat	57.66
15.13	Production of meat and poultry-meat products	49.41
15.81	Manufacture of bread, fresh pastry goods, and cakes	62.41
15.82	Manufacture of rusks and biscuits, preserved pastry goods, and cakes	30.77
15.84	Manufacture of cocoa, chocolate, and sugar confectionary	28.84
52.11	Retail sale in nonspecialized stores with food, beverages, or tobacco predominating	28.65
52.12	Other retail sale in nonspecialized stores	22.71
52.2	Retail sale of food, beverages, and tobacco in specialized stores	62.49
52.45	Retail sale of electrical household appliances and radio and television goods	26.46
55.1	Hotels	61.09
74.5	Labor recruitment and provision of personnel	71.50
74.7	Industrial cleaning	56.19
74.86	Call center activities	52.63
85.11	Hospital activities	5.66

Source: BA employee panel, weakly anonymized version, teleprocessing.

Table 1A.2 Share of Low-Wage, Full-Time Workers, Covered by the Social Security System, in the Case Study Industries and Occupations, 2003

	Industry	Occupation	Low-Wage Share
15.11	Production and preserving of meat	Case study occupations ^a	25.32%
15.12	Production and preserving of poultry meat	Case study occupations	63.89
15.13	Production of meat and poultry-meat products	Case study occupations	40.97
15.81	Manufacture of bread; fresh pastry goods, and cakes	Case study occupations ^b	44.32
15.82	Manufacture of rusks and biscuits, preserved pastry goods, and cakes	Case study occupations	36.99
15.84	Manufacture of cocoa, chocolate, and sugar confectionary	Case study occupations	39.78
52.11	Retail sale in nonspecialized stores with food, beverages, or tobacco predominating	Sales assistant or sales clerk (BKZ 682)	41.12
52.11	Retail sale in nonspecialized stores with food, beverages, or tobacco predominating	Cashier (BKZ 773)	26.42
52.12	Other retail sale in nonspecialized stores	Sales assistant or sales clerk (BKZ 682)	28.30
52.12	Other retail sale in nonspecialized stores	Cashier (BKZ 773)	27.08 ^c
52.2	Retail sale of food, beverages, and tobacco in specialized stores	Sales assistant or sales clerk (BKZ 682)	74.61
52.2	Retail sale of food, beverages, and tobacco in specialized stores	Cashier (BKZ 773)	100.00 ^c
52.45	Retail sale of electrical household appliances and radio and television goods	Sales assistant or sales clerk (BKZ 682)	23.74
52.45	Retail sale of electrical household appliances and radio and television goods	Cashier (BKZ 773)	48.84
55.1	Hotels	Other guest attendant (BKZ 913)	72.78
55.1	Hotels	Housekeeper (BKZ 923)	89.74
55.1	Hotels	Cleaning staff (BKZ 933)	93.86
85.11	Hospital activities	Nursing assistant (BKZ 854)	8.78
85.11	Hospital activities	Cleaning staff (BKZ 933)	19.64

Source: BA employee panel, weakly anonymized version, teleprocessing.

^a In meat and poultry production the relevant occupations are: BKZ 402, BKZ 522, BKZ 531, and BKZ 744.

^b In the manufacture of bread, pastry goods, cakes, and biscuits the relevant occupations are: BKZ 391, BKZ 433, BKZ 522, BKZ 531, and BKZ 744.

^c Based on less than twenty cases; should be interpreted with care.

Table 1A.3 All Employees Covered by the Social Security System by Full-Time, Part-Time, Mini-Job, and Industry and Occupation, 2003

Industry and Occupation	Full-Time	Part-Time	Mini-Job
Food, tobacco (NACE 15, 16)	75.6%	7.4%	17.0%
Producer of meat products and sausage (BKZ 402)	89.0	3.7	7.3
Manufacturer of sugar, confectionary goods, or ice cream (BKZ 433)	93.3	4.0	2.8
Retail (NACE 52)	49.8	24.8	25.4
Sales assistant or sales clerk (BKZ 682)	38.7	33.1	28.2
Cashier (BKZ 773)	22.8	66.9	10.3
Hotel and restaurant (NACE 55)	51.3	12.5	36.2
Other guest attendant (BKZ 913)	41.5	17.2	41.3
Housekeeper (BKZ 923)	56.0	12.9	31.1
Cleaning staff (BKZ 933)	26.7	17.2	56.1
Health (NACE 85)	61.6	26.3	12.2
Nursing assistant (BKZ 854)	54.0	33.1	12.9
Cleaning staff (BKZ 933)	17.1	29.0	53.9
Total economy	71.8	13.7	14.5

Source: BA employee panel; authors' calculations.

Note: Based on a dataset from the Federal Employment Services. Contrary to all other tables based on this dataset, this table includes part-time workers. This is possible because the information provided does not refer to the low-wage sector but to total employment in the industry and occupation.

Table 1A.4 All Employees Covered by the Social Security System, by Educational Level and Industry and Occupation, 2003

Industry and Occupation	Unskilled	Skilled	College or University
Food, tobacco (NACE 15, 16)	22.6%	74.6%	2.8%
Producer of meat products and sausage (BKZ 402)	50.2	49.4	0.4
Manufacturer of sugar, confectionary goods, or ice cream (BKZ 433)	59.5	40.5	0.0
Retail (NACE 52)	16.6	80.6	2.8
Sales assistant or sales clerk (BKZ 682)	17.4	82.2	0.4
Cashier (BKZ 773)	22.2	77.4	0.3
Hotel and restaurant (NACE 55)	33.9	64.7	1.5
Other guest attendant (BKZ 913)	40.3	58.9	0.8
Housekeeper (BKZ 923)	57.2	42.5	0.3
Cleaning staff (BKZ 933)	64.4	34.4	1.2
Health (NACE 85)	12.1	77.7	10.1
Nursing assistant (BKZ 854)	29.1	70.4	0.6
Cleaning staff (BKZ 933)	61.9	37.7	0.4
Total economy	16.3	73.3	10.4

Source: BA employee panel, authors' calculations.

Note: Based on a dataset from the Federal Employment Services. Contrary to all other tables based on this dataset, this table includes part-time workers. This is possible because the information provided does not refer to the low-wage sector but to total employment in the industry and occupation.

Table 1A.5 All Employees' Covered by the Social Security System, by Sex and Industry and Occupation, 2003

Industry and Occupation	Men	Women
Food, tobacco (NACE 15,16)	45.8%	54.2%
Producer of meat products and sausage (BKZ 402)	59.3	40.7
Manufacturer of sugar, confectionary goods, or ice cream (BKZ 433)	36.8	63.2
Retail (NACE 52)	27.3	72.7
Sales assistant or sales clerk (BKZ 682)	17.1	82.9
Cashier (BKZ 773)	4.6	95.4
Hotel and restaurant (NACE 55)	37.9	62.1
Other guest attendant (BKZ 913)	34.9	65.1
Housekeeper (BKZ 923)	4.5	95.5
Cleaning staff (BKZ 933)	20.3	79.7
Health (NACE 85)	19.2	80.8
Nursing assistant (BKZ 854)	23.6	76.4
Cleaning staff (BKZ 933)	4.2	95.8
Total economy	51.3	48.7

Source: BA employee panel, authors' calculations.

Note: Based on a dataset from the Federal Employment Services. Contrary to all other tables based on this dataset, this table includes part-time workers. This is possible because the information provided does not refer to the low-wage sector but to total employment in the industry and occupation.

Table 1A.6 Logistic Regression for the Probability of Full-Time Employees Covered by the Social Security System Being Low-Paid, 2003 (Odds-Ratios)

Independent Variable	Without Establishment Characteristics	With Establishment Characteristics
Sex (ref.: men)		
Women	4.20**	4.19**
Age (ref.: forty-five to fifty-four)		
Under twenty-five	4.10**	3.94**
Twenty-five to thirty-four	1.30**	1.21**
Thirty-five to forty-four	1.09**	1.06**
Fifty-five and over	1.02	0.99
Nationality (ref.: German)		
Non-national	1.48**	1.68**
Educational level (ref.: skilled)		
Unskilled	2.16**	2.61**
College or university	0.21**	0.31**
Industry (ref.: manufacturing)		
Agriculture		2.54**
Construction		0.56**
Infrastructure and transport services		1.23**
Business services		2.62**
Economic transaction services		1.12**
Political transaction services		0.50**
Household and personal services		3.22**
Occupational group (ref.: production-oriented activities)		
Primary services		0.84**
Secondary services		0.29**
Establishment size (ref.: one to nineteen)		
Twenty to ninety-nine		0.41**
100 to 499		0.22**
500 and over		0.06**
East/West (ref.: West Germany)		
East Germany		1.09**
Pseudo R ²	0.1615	0.2845

Source: BA employee panel, authors' calculations.

**p ≤ 0.01 (other values are not significant)

Table 2.1 The Call Center Industry in Germany

Year	Number of Call Centers	Number of Employees	Number of Seats
1995		44,800	31,000
1996		85,100	44,800
1997		116,100	61,100
1998	1,600	150,500	79,200
1999	2,300	187,300	98,600
2000	2,750	224,800	108,300
2001	3,350	261,800	137,800
2002	3,750	280,000	150,000
2003	4,300	320,000	162,000
2004	4,900	330,000	170,000
2005	5,550	350,000	175,000
2006	5,700	380,000	190,000

Source: Author's compilation, from Deutscher Direktmarketing Verband (2006).

Table 4.1 Collectively Agreed Wages for Nursing Staff in Public Hospitals, 2005

Occupation/Pay	BAT (Until January 31, 2005) ^a		TVöD (Since October 1, 2005) ^b	
	East	West	East	West
Unqualified nursing assistant				
Monthly	€1,746 to €2,074	€1,923 to €2,283	€1,570 to €2,073	€1,693 to €2,237
Hourly ^c	€10.07 to €11.97	€11.53 to €13.68	€9.06 to €11.96	€10.15 to €13.41
Nursing assistant with state exam				
Monthly	€1,817 to €2,337	€2,000 to €2,555	€1,626 to €2,332	€1,776 to €2,516
Hourly ^c	€10.48 to €13.48	€11.99 to €15.31	€9.38 to €13.45	€10.65 to €15.08
Nurse (entry-level)				
Monthly	€1,992 to €2,540	€2,175 to €2,778	€1,993 to €2,523	€2,150 to €2,723
Hourly ^c	€11.49 to €14.65	€13.04 to €16.65	€11.50 to €14.56	€12.89 to €16.32
Low-wage threshold (2004)				
Hourly ^c	€7.15 (East); €9.83 (West)			

Source: Author's compilation.

^a Bundesangestellten Tarifvertrag; eight to nine seniority-based increments, the last received after a maximum of sixteen years; wages (gross) for married employees, including Christmas and holiday pay, excluding children allowance.

^b Tarifvertrag für den Öffentlichen Dienst Kommunen: four to five seniority-based increments, the last received after fifteen years; wages (gross), including Christmas and holiday pay, excluding performance-related payments.

^c Hourly wages are calculated for the collectively agreed weekly working time, which is forty hours in East Germany and thirty-eight and a half hours in West Germany. However, in some West German regions, weekly hours have been extended without pay compensation; accordingly, hourly wages are lower in these regions.

Table 4.2 Collectively Agreed Wages for Hospital Cleaning Staff, 2005

Public Hospitals (TVöD, Since October 1, 2005) ^b					
Pay	Public Hospitals (BMT-G, Until January 31, 2005) ^a	New Low-Wage Group	Highest-Wage Group for Cleaners	Church-Owned Hospitals (AVR-DW-EKD, Since June 1, 2004) ^a	Private Cleaning Industry (Since January 1, 2005)
West					
Monthly	€1,733 to €1,976	€1,386 to €1,548	€1,558 to €1,957	€1,386 to €1,468	€1,330
Hourly ^c	€10.39 to €11.84	€8.28 to €9.28	€9.34 to €11.73	€8.31 to €8.80	€7.87
East					
Monthly	€1,573 to €1,794	€1,281 to €1,435	€1,444 to €1,813	€1,257 to €1,332	€1,075
Hourly ^c	€9.08 to €10.35	€7.39 to €8.28	€8.33 to €10.46	€7.25 to €7.68	€6.36
Low-wage threshold (2004)		€7.15 (East); €9.83 (West)			

Source: Author's compilation.

^a Wages (gross) for married employees, including Christmas and holiday pay, excluding children allowance.

^b Wages (gross), including Christmas and holiday pay, excluding performance-related payments.

^c Hourly wages are calculated for the collectively agreed weekly working time (see table 4.1 notes for more details on public hospitals). In the private cleaning industry, weekly working time is thirty-nine hours in both East and West Germany.

Table 4.3 Employee Groups in Hospitals That Assumed Assisting Tasks in Nursing, 1991 to 2004

Year	Full-time Equivalents (Annual Average)		Number of Employees (as of December 31)				
	Nurses ^a	Nursing Assistants ^a	Nurses ^b	Nursing Assistants ^b	Nurses in Training	Nursing Assistants in Training	Community Service Conscripts
1991	n.a.	n.a.	322,655	66,856	n.a.	n.a.	n.a.
1997	376,000	44,000	364,911	55,395	n.a.	n.a.	n.a.
2000	383,000	39,000	367,076	47,402	70,578	1,876	n.a.
2002	376,000	37,000	372,723	44,559	68,287	1,850	16,728
2004	371,000	33,000	357,843	38,848	64,701	1,527	14,070
2006	363,000	30,000	354,967	37,744	62,557	1,678	13,081
Changes	1997 to 2006: -3%	1997 to 2006: -32%	1991 to 2006: +10%	1991 to 2006: -44%	2000 to 2006: -11%	2000 to 2006: -11%	2000 to 2006: -22%

Source: Federal Statistical Office, hospital statistics, vol. 2000 to 2004; DKG (2004, 38, 41); author's calculations.

^a Including nurses and nursing assistants not based on the wards and nurses and nursing assistants in training.

^b Only nurses and nursing assistants based on the wards; not including nurses and nursing assistants in training.

Table 5.1 Employment in the Hotel Industry, 2004

	Total Employees	Full-Time Employees	Part-Time Employees	Exclusively Mini-Jobs
Hotel industry, 2004	277,413	69.9%	6.0%	24.1%
Difference, 1999 to 2004	+8.4%	+0.8	+16.2	+35.9
Total economy, 2004	31,326,848	70.9	13.8	15.3
Difference, 1999 to 2004	+0.6	-6.6	+17.6	+31.6

Source: Jaehrling et al. (2006, 116).

Table 5.2 Structural Employment Characteristics of the Hotel and Restaurant Industry, and of the Total Economy, by Occupation, 2003

	Hotel and Restaurant Industry	Housekeepers in Hotels and Restaurants	Total Economy
Gender			
Women	62.1%	95.5%	48.7%
Men	37.9	4.5	51.3
Nationality			
German	81.3	80.2	93.2
Non-German	18.7	19.8	6.8
Age			
Under twenty-five	26.7	10.4	13.8
Twenty-five to thirty-four	24.6	17.5	21.2
Thirty-five to forty-four	22.9	30.9	29.4
Forty-five to fifty-four	15.8	27.0	22.5
Fifty-five or older	9.9	14.1	13.0
Working time			
Full-time	51.3	56.0	71.8
Part-time	12.5	12.9	13.7
Mini-job	36.2	31.1	14.5
Education ^a			
Unskilled	33.9	57.2	16.3
Skilled	64.7	42.5	73.3
College or university	1.5	0.3	10.4

Source: BA employee panel; author's calculations.

Note: All employees covered by the social security system, including part-timers, marginal part-timers, and apprentices.

^a Apprentices excluded.

Table 5.3 Distribution of Low-Wage Earners in the Hotel and Restaurant Industry, by Employment Characteristics, 2004

	Low-Wage Shares	
	Hotel and Restaurant Industry	Total Economy
Total employment	70.2%	22.1%
Full-time	58.4	13.7
Part-time	73.0	20.3
Mini-jobs (exclusively)	97.0	78.9
Skilled	66.6	21.9
Unskilled	82.4	47.2

Source: Jaehrling et al. (2006, 117).

Note: The low-wage shares for the economy as a whole shown here were also calculated with SOEP 2004, but the categories of employees included differ from the calculations in table 1.5. The main difference is that the calculations presented in chapter 1 exclude students and pensioners, whereas these groups are included in table 5.3.

Table 5.4 The Organization of Room Cleaning in the Case Study Hotels

Market Segment	Upscale				Economy			
	H1	H2	H3	H4	H5	H6	H7	H8
Location	Central	Central	Peripheral	Peripheral	Central	Central	Peripheral	Peripheral
In-house room cleaning	Partial	Partial	Complete	No	No	Partial	No	Complete
In-house housekeeper	Yes	Yes	Yes	Yes	No	No	No	Yes
Number of in-house room attendants	24	4	3	0	0	2	0	9
Number of external room attendants (average)	15	30	0	39	6 to a maximum of 14	4	14	0

Source: Author's compilation.

Table 5.5 Summary of the Hotel Case Study Findings

	Upscale Market Segment	Economy Market Segment
Type of worker	Women, migrants	Women, migrants
Main strategy (housekeeping)	Lean staffing Mix of internal and external staff	Newcomers immediately externalize the cleaning function
	Internal control (head housekeeper)	No internal head house- keeper
Working patterns	Stable working patterns for internal staff	Fluctuating working pat- terns for external staff
	Fluctuating working pat- terns for external staff	
Work organization	Physically demanding Increased workload (more amenities, increased control)	Physically demanding High workload
Training and development	On-the-job training Few internal advance- ment opportunities for internal staff	On-the-job training No internal advancement opportunities
	No opportunities for ex- ternal staff	
Wages and benefits	Fixed wages for internal staff below the low-wage threshold	Monthly income fluctuates depending on the num- ber of rooms to clean
	Wage increases and bene- fits according to the col- lective agreement	Exact wages and benefits of external staff often treated as firm secrets be- cause firms compete by wages
	Pay per room for external staff	
	No overtime pay	No overtime pay
	Christmas allowance just for internal staff under a CLA	No Christmas allowance

Source: Author's compilation.

Table 6.1 Low-Wage Work and Employment Structure in the Retail Sector, by Employment Form, 2004

	Share of Low-Wage Earners	
	In the Economy as a Whole	In the Retail Sector
Employment form		
Full-time	13.7%	34.4%
Part-time	20.3	28.5
Marginal part-time	78.9	86.8
Sex		
Men	14.4	27.7
Women	30.2	47.1
Total	22.1	42.0

Source: Jaehrling et al. (2006, 117).

Note: The low-wage shares for the economy as a whole were also calculated with SOEP 2004, but the categories of employees included differ from the calculations in Table 1.5. The main difference is that the calculations presented in chapter 1 exclude students and pensioners, whereas these groups are included in table 5.3, since these groups form a substantial share of marginal part-time employees.

Table 6.2 Low-Wage Work in the Retail Trade, by Occupation and Sector, Full-Timers Only, 2003

	Share in Total Retail Employment	Share of Full-Time Employees with Low Wages ^a	Share of Sales Staff ^b (Full-Time Only) with Low Wages ^a	Share of Checkout Oper- ators ^c (Full-Time Only) with Low Wages ^a
Retail trade		33%	42%	35%
Food retail chains	24.0%	28.6	41.1	26.4
Specialist food retailers	8.2	62.5	74.6	100
Electrical retailing	3.3	26.5	23.7	48.8

Source: Special evaluation of BA employee panel, author's calculation.

^a The low-wage threshold is defined as two-thirds of median gross monthly earnings. The low-wage threshold is €1.736 per hour West Germany and €1.309 in East Germany.

^b Sales staff as defined in ISCO 682.

^c Checkout operators as defined in ISCO 773.

Table 6.3 Employment Structure of the Retail Trade in the United States and Germany, 2003

	U.S. Retail Trade	German Retail Trade	German Food Retail Chains	German Electrical Retailing
Full-time	72%	49%	34%	77%
Part-time	28	25	40	8
Marginal part-time	—	26	26	15

Source: Holgate (2006), based on U.S. Current Population Survey (CPS); BA employee panel; author's calculations.

Table 7.1 Development of the Share of Low-Wage Workers in the Case Study Occupations, 1999 to 2003

Industry and Occupation	West		East		Germany	
	1999	2003	1999	2003	1999	2003
Food, tobacco (NACE 15, 16)	31.3%	34.3%	41.0%	45.9%	33.1%	36.6%
Producer of meat products and sausage (BKZ 402)	31.8	34.8	33.5	40.4	32.2	36.0
Manufacturer of sugar, confectionary goods, or ice cream (BKZ 433)	39.0	40.2	(22.6)	(19.7)	35.9	35.5
Retail (NACE 52)	32.7	33.1	35.4	34.9	33.2	33.4
Sales assistant or sales clerk (BKZ 682)	42.0	41.5	48.4	46.8	43.4	42.6
Cashier (BKZ 773)	37.4	36.8	(23.5)	(27.5)	35.1	35.2
Hotel and restaurant (NACE 55)	69.5	72.0	63.6	65.5	68.1	70.5
Other guest attendant (BKZ 913)	84.2	82.0	75.2	78.4	82.7	81.3
Housekeeper (BKZ 923)	82.9	88.3	75.7	75.9	81.6	86.2
Cleaning staff (BKZ 933)	92.6	91.7	88.0	86.4	91.8	90.8
Health (NACE 85)	21.4	23.5	16.5	19.4	20.3	22.6
Nursing assistant (BKZ 854)	19.3	25.3	9.3	21.3	17.5	24.5
Cleaning staff (BKZ 933)	37.1	43.3	23.4	32.3	34.5	41.4
Total economy	16.3	17.3	17.5	19.5	16.6	17.7

Source: BA employee panel; authors' calculations.

Note: Numbers in brackets are based on a small number of cases and should be interpreted with care.

Table 7.2 The Predominant Strategies in the Case Study Industries to Cut Wages and Increase Flexibility

Industry	Temp Agencies	Outsourcing	Mini-Jobs
Food	+	++ (including posted workers)	–
Retail	–	–	++
Hotels	–	++	+
Hospitals			
Nursing assistants	–	–	–
Cleaners	–	++	++
Call centers	–	++	–

Source: Authors' industry and company case studies.

++: very important; +: relevant; –: is used only seldom or not at all