**Name, E-Mail:** Werner Eichhorst; eichhorst@iza.org
Regina Konle-Seidl; Regina.Konle-Seidl@iab.de
Alison Koslowski; alison.koslowski@ed.ac.uk
Paul Marx; marx@iza.org

**Institution:** IZA, Institute for the Study of Labor, Bonn, Germany
Institute for Employment Research, Nürnberg, Germany
University of Edinburgh, UK
IZA, Institute for the Study of Labor, Bonn, Germany

**Titel:** Quantity over quality? A European comparison of the changing nature of transitions between non-employment and employment

**Abstract:** This paper explores the empirical evidence for the claim that non-employed men and women in post-industrial labour markets are more likely to make the transition into employment than has previously been the case. It concludes that whilst the unemployed and the inactive remain distinct groups with regards to transitions into employment, post-industrial labour markets have indeed become more inclusive. Only a few countries saw decreased odds of transition over time for the unemployed, controlling for macro-economic conditions. The picture for the inactive is more mixed cross-nationally. Regarding the question whether an increasingly inclusive labour market is associated with a reduction in job quality, as measured by contract type, the study finds that there is a trend towards more precarious employment for the recently non-employed in some countries such as the Czech Republic, France, Italy and Belgium. In Denmark, Spain, the UK and Hungary, however, there was the opposite trend towards more permanent employment.

For our analysis, we use the yearly harmonised ELFS data on transition rates. With the variable in question (wstat1y) we are able to exploit a lagged variable which acquires retrospective information on an individual’s situation with regard to activity (employed, unemployed or otherwise inactive) in the previous year. In order to address the question of whether labour markets have become more inclusive between the years 1997 and 2007, logistic regressions are estimated and odds ratios are reported, to give insight to the odds of someone who was either unemployed or inactive in the previous year, making the transition into any form of employment. We control for the nature of the composition of the different groups making a transition by sex, age, education level, country and real GDP growth rate. Countries included in the analysis are Belgium, Czech Republic, Denmark, France, Hungary, Italy, Spain, France and the UK.