Abstract: Using European Labor Force Surveys, this paper examines the extent and development of the two most prominent forms of atypical employment, namely, temporary and part-time employment. Theoretically, both types of atypical employment provide employers with flexibility and increase employment rates. The motives to provide and use temporary and part-time employment, however, differ considerably, both for employers and employees. While temporary employment ensures firms’ external flexibility by reducing the costs of firing and hiring, part-time work is a way to ensure internal flexibility and accommodate employees’ demands for reduced working hours. Working part-time may therefore reflect employees’ preferences, whereas temporary employment does not.

The different forms of atypical employment has been used as means to increase employment rates and decrease unemployment rates of young and elderly workers. Although atypical employment might increase labor market participation, it may substitute regular employment and therefore, not reduce unemployment and social exclusion. It may even aggravate social exclusion. Atypical employment can increase the uncertainty in individuals’ professional and private lives and exclude them from organizational benefits, such as participation in training and access to internal career ladders.

The first question that this paper seeks to answer is whether part-time work and temporary employment are used as alternative or complement flexibilization strategies in different European countries. In other words, can we observe different flexibility patterns within Europe?

The second question is to what degree the two forms of atypical employment have contributed to the labor market integration of young and elderly workers. Therefore, the extent and the development of temporary employment and part-time work along with unemployment rates, inactivity rates and employment rates will be observed – for the workforce in general and for these groups in particular. In other words, can we observe different exclusion patterns within Europe?

The descriptive analyses of this paper are based on the EU-LFS data from 1997 to 2008. To ensure inter-temporal comparability within countries, we used the second quarter (in two cases the first). The following countries are included: Austria, Germany, Belgium, France, Netherlands for central Europe, Hungary, Estonia and Romania for eastern Europe, Greek, Italy, Portugal, Spain for southern Europe, Denmark, Finland, Iceland, Norway for northern Europe. The Anglo Saxon countries (and other) cannot be included, because in some of the years, young and inactive individuals cannot be separated from those still in the educational system.