Youth employment crisis in Europe: an investigation of factors leading to involuntary non-standard employment.

Abstract

Young workers generally face more difficulties in trying to make an entry into the labour market and securing a stable and well-paid employment. In many instances, young workers find themselves in non-standard forms of employment not “by choice”, but involuntary. However, since the beginning of the economic crisis this situation has been intensified dramatically. In most EU countries, not only unemployment levels among young workers are significantly higher than other groups but also young workers are far more likely to find themselves in precarious types of employment. This study uses Labour Force Survey microdata on over 170,000 young male workers in order to investigate the incidence of involuntary non-standard employment (INE) in EU-15 countries. In particular, it investigates how various individual and socio-economic factors affect whether a young worker find himself/herself in a par-time or/and temporary employment involuntarily. A strong countercyclical pattern is confirmed as the occurrence of INE has been intensified since the start of the recent economic crisis. Previous state of non-employment is also found to affect adversely the current status of employment. Regarding personal characteristics, INE is found to be concentrated among the so-called “vulnerable” groups consisting of non-nationals and “blue-collar” workers, as well as highly educated workers, which can be considered as a “new-vulnerable” group. The findings of this study point towards the creation of a dual labour market affecting specific groups of workers. The results of the study can be used to highlight the areas that employment and social policy should focus in order to tackle with the rising issue of precarious employment among young workers.

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