The title of my research project is ‘Forms of employment and labour market transitions before and during the economic crisis in Europe’ and the research question is: Do temporary contracts lead to a permanent position and a high-quality-labour market integration or do they just represent a trap to precariousness and job instability?

My project focuses on the transitions from temporary-to-permanent-employment and on how individual and country-level characteristics affect these transitions. I will study the transition patterns and the influence of some factors on these patterns before the crisis (2005-2008) and compare them to the patterns after 2008 (and till 2011).

The individual characteristics that I will include in my models are highest education level attained, previous work experience and previous status of individuals, duration of temporary jobs, unemployment spells, gender, age, country of birth and residence. The institutional factors at national level that I will take into consideration are related to national labour markets and educational systems’ key features, such as labour market flexibility, links between education and labour market, prevalence of general or vocational education and policies to deal with unemployment. These will be the explanatory and control variables of the model and the outcome will be a dummy variable for finding or not a permanent employment.

According to the labour market segmentation theory, temporary positions are mostly expanded in countries with rigid labour markets and strict employment protection legislation. Prior to the economic crisis, a significant share of employment growth was due to atypical forms of employment – part-time and temporary contracts. According to Eurostat on-line dataset, temporary employment declined the first years of the recession (till 2010) and then increased again. Has the use of temporary contracts led eventually to transitions into stable employment?

To answer this question I will use the longitudinal component of the EU-SILC dataset, covering the time period between 2005 and 2011. The sample of analysis will include all individuals between 16 and 60 years old, followed by the panel for at least three years.

This project has a comparative cross-country perspective. I will focus on most of the EU-15 members, classified in groups based on labour market and economic features and the effects of the crisis on the labour market outcomes. The first group will include Greece, Italy, Spain, Portugal and France, countries significantly affected by the economic crisis, usually classified as having internal
labour markets organised around enterprises, high employment protection, high general and youth unemployment rates, less standardised and stratified educational systems with a prevalence of comprehensive schools and weak links between education and the labour market. The first group will be compared to countries that have been affected by the crisis in a lesser degree or that have already recovered. These countries are divided in two groups based on their national currency: one including Austria, Finland and the Netherlands; and the other including Denmark, Sweden and the United Kingdom. Most of these countries have - among other common features - occupational labour markets, highly standardised and stratified educational systems, strong links between education and employment (dual systems) and a strong vocational and training system.