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### **Satisfied with temporary jobs? Job satisfaction among young European adults working on temporary contracts.**

In recent years, as a consequence of the financial crisis and rising demand for labour market flexibility, we could observe a growing number of insecure jobs among youth in Europe (Eurofund, 2015). The last findings of Dekker & van der Veen (2015) show that the insider-outsider theory of employment invariably fits to the picture of European labour markets - permanent employment is still related to higher level of job quality than flexible jobs. Temporary contracts usually imply lower employment protection and transfer into less stable labour market position (Kalleberg, 2000). Temporary workers receive less employer funded training, earn less money and have lower levels of job satisfaction (Booth, Francesconi, & Frank, 2002; Draca & Green, 2004). It is not surprising that some authors treat a temporary contract as an indicator of job insecurity (Pearce, 1998). However, the link between temporary jobs and job insecurity is not strong enough to imply the relationship between this type of contracts and lowered job satisfaction. Witte & Näswall (2003) found no direct association between temporary work and reduction in job satisfaction. Moreover, when they controlled for subjective job insecurity, having a temporary contract had a positive impact on a job satisfaction. This result might be explained by the fact that some types of temporary jobs should be considered as a form of introduction to permanent employment (Booth i in., 2002). The overall association between type of contract and the level of job satisfaction seems to be more complex . The literature review of the research on psychological consequences of temporary employment remains "inconsistent and inconclusive". Temporary workers are a heterogeneous group, consisting of people in different life situations, with different motives for accepting (or not) temporary employment (De Cuyper i in., 2008). Highly educated young adults, working as professionals within so called creative sectors or people starting their careers, might be fully satisfied with their temporary contracts. On the other hand, young people who are already planning to start their own families might perceive their temporary contract as source of unnecessary risk and score lower on the job satisfaction scale. Thus, there is a need to distinguish between temporary workers by choice and people with precarious jobs who would prefer regular contracts (Nunez & Livanos, 2014).

The perception of temporary contracts might differ between countries, depending on the characteristics of national labour markets and country specific employment regulations (De Cuyper i in., 2008). Taking this into consideration, we state the following hypotheses:

- Differences in countries labour market characteristics explain substantial part of the variation of the level of job satisfaction of youth, when the individual characteristics are controlled.
- On the average, temporary contracts are not associated with the lower job satisfaction of young adults. However, the relationship between the type of contract and job satisfaction is moderated by the individual factors: stage of life (indicated by marital status, housing situation) or occupational group and related type of job. Thus, certain groups of young temporary workers might score lower on the job satisfaction scale.
- The characteristics of national labour market (strictness of employment protection or strong presence of labour market unions), might moderate the impact of temporary work on an individual job satisfaction. Within countries with stronger position of employee, having a temporary work is not associated with lower job satisfaction.

## Data

Analysis is based on the cross-sectional EU-SILC database (year 2013) on behalf of the EXCEPT project. The effective sample was limited according to the EXCEPT project's assumptions – we were interested in labour market situation of recent school leavers, aged 15-29.

## Method

For the purpose of analysis we use multilevel modelling with cross-level interactions and random intercept. As a dependent variable we use 10 points scale referring to respondent's opinion about the degree of satisfaction with his job.

At the individual level we control for educational attainment; sex; several dummy variables indicating respondent's stage of life (living with parents, partner, children); occupational group and job characteristics; household income and individual earnings. At the country level we control for the economic situation of the country (unemployment rate, GDP per capita) and particular characteristics of national labour market: share of temporary workers, strictness of employment protection for temporary workers, density of trade unions.

Our variable of interest is a dummy variable indicating if a person has temporary contract and its interactions with the individual level and the country level variables.

## Preliminary results

First results indicate that even with controlled individual characteristics, there is a significant variation across countries in terms of the level of job satisfaction. On the country level, share of the temporary workers among youth and its interaction with variable of interest (being a temporary worker) are not significant – the relative popularity of temporary work within country doesn't seem to have an impact on the job satisfaction among young temporary workers. However, the unemployment level within the country has a significant, negative impact on the level of job satisfaction of youth. This result might suggest that on the labour markets with a strong position of employer, young workers are less satisfied with their job. On the other hand, a significant cross-level interaction with the density of trade unions suggests that young temporary workers in countries with a stronger labour union representation are more satisfied with their insecure jobs. The higher individual earnings (or household income) the higher job satisfaction, but the interaction shows that temporary workers living in households with higher income are less satisfied with their jobs. Analysis showed also that living with a partner has a significant positive effect on the job satisfaction. However, a significant interaction term shows that temporary workers who live with their partner report lower job satisfaction.

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