

ECONOMIC IMPACT OF PRECARIOUS EMPLOYMENT

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OVERVIEW

- I. Profile of workers in precarious employment
- II. Impact of precarious employment on workers
- III. Impact of precarious employment on the wider economy
- IV. Conclusion

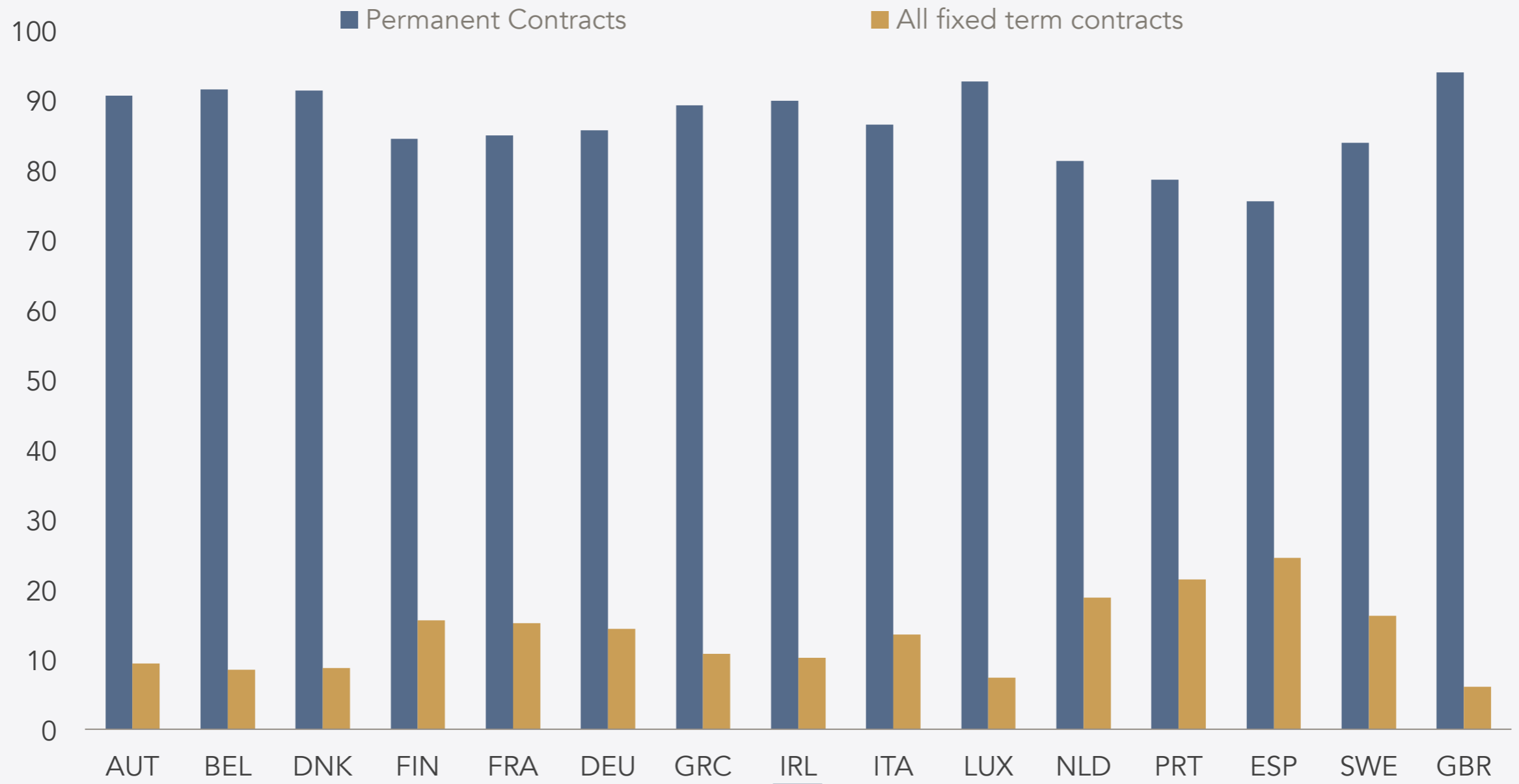


PROFILE OF WORKERS IN PRECARIOUS EMPLOYMENT



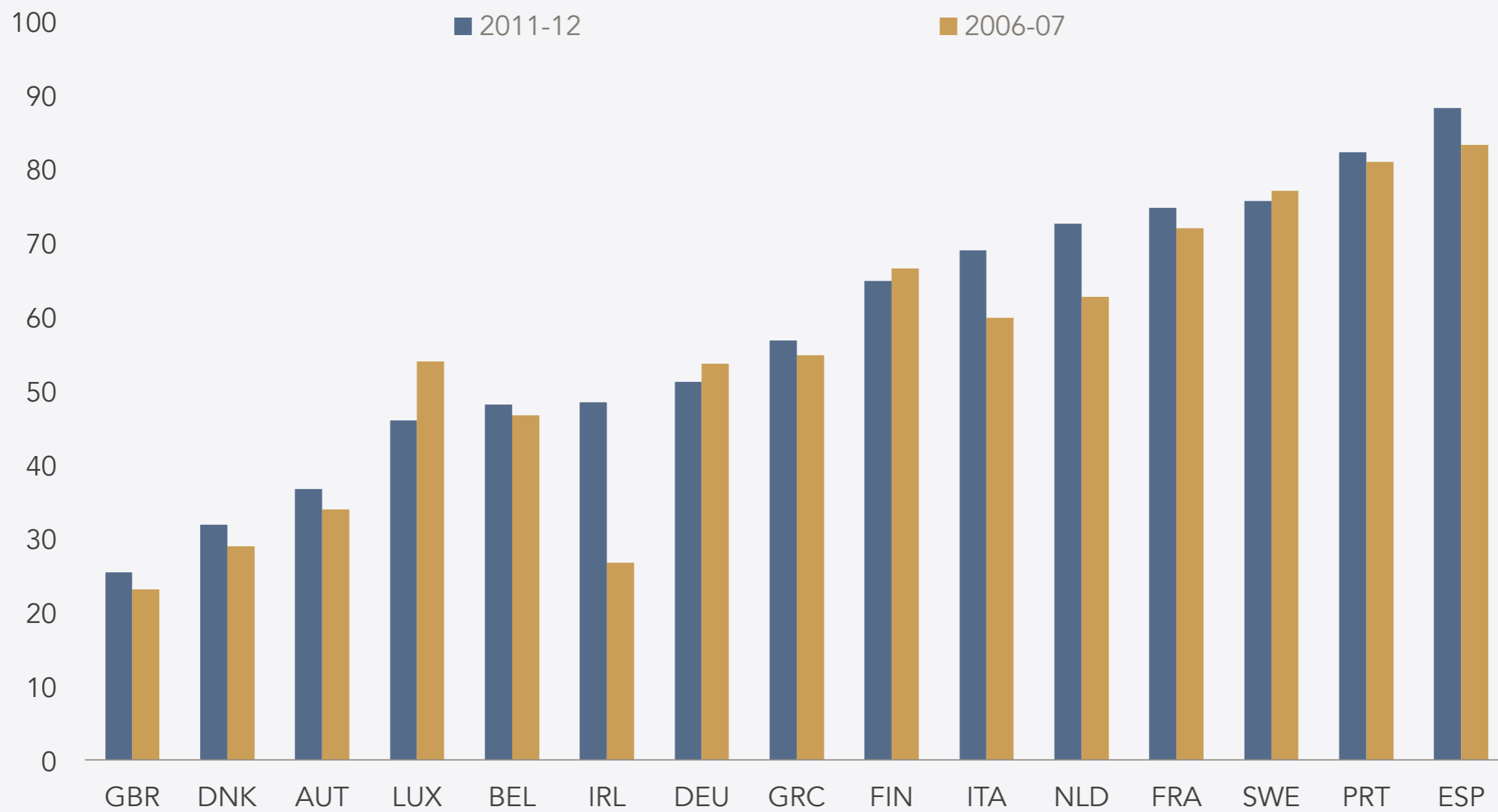
PERMANENT & FIXED-TERM CONTRACTS

Percentage of all employees, average 2011 - 2012



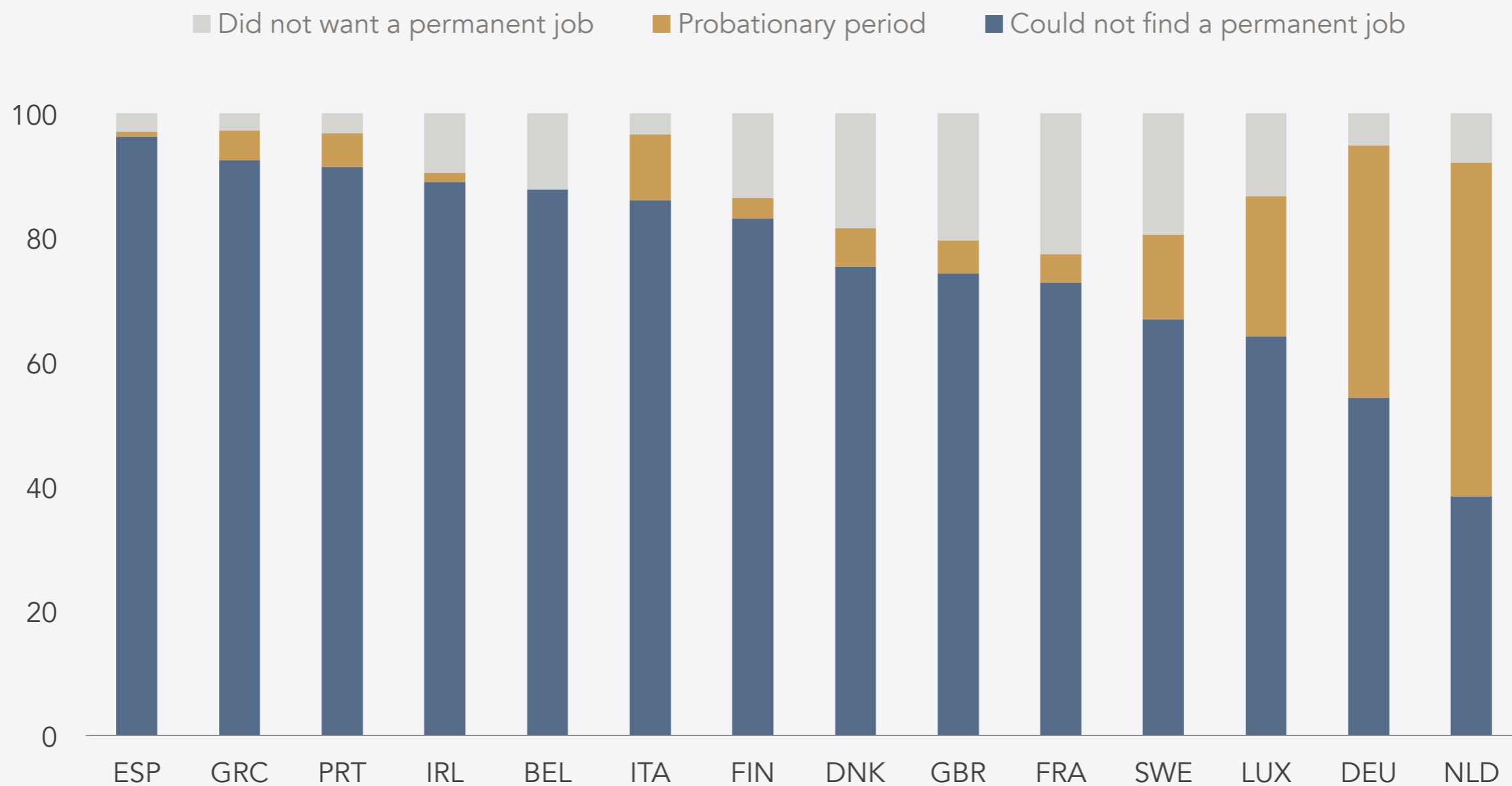
FIXED-TERM CONTRACTS AMONG NEW HIRES

Percentage of employees with no more than three months tenure



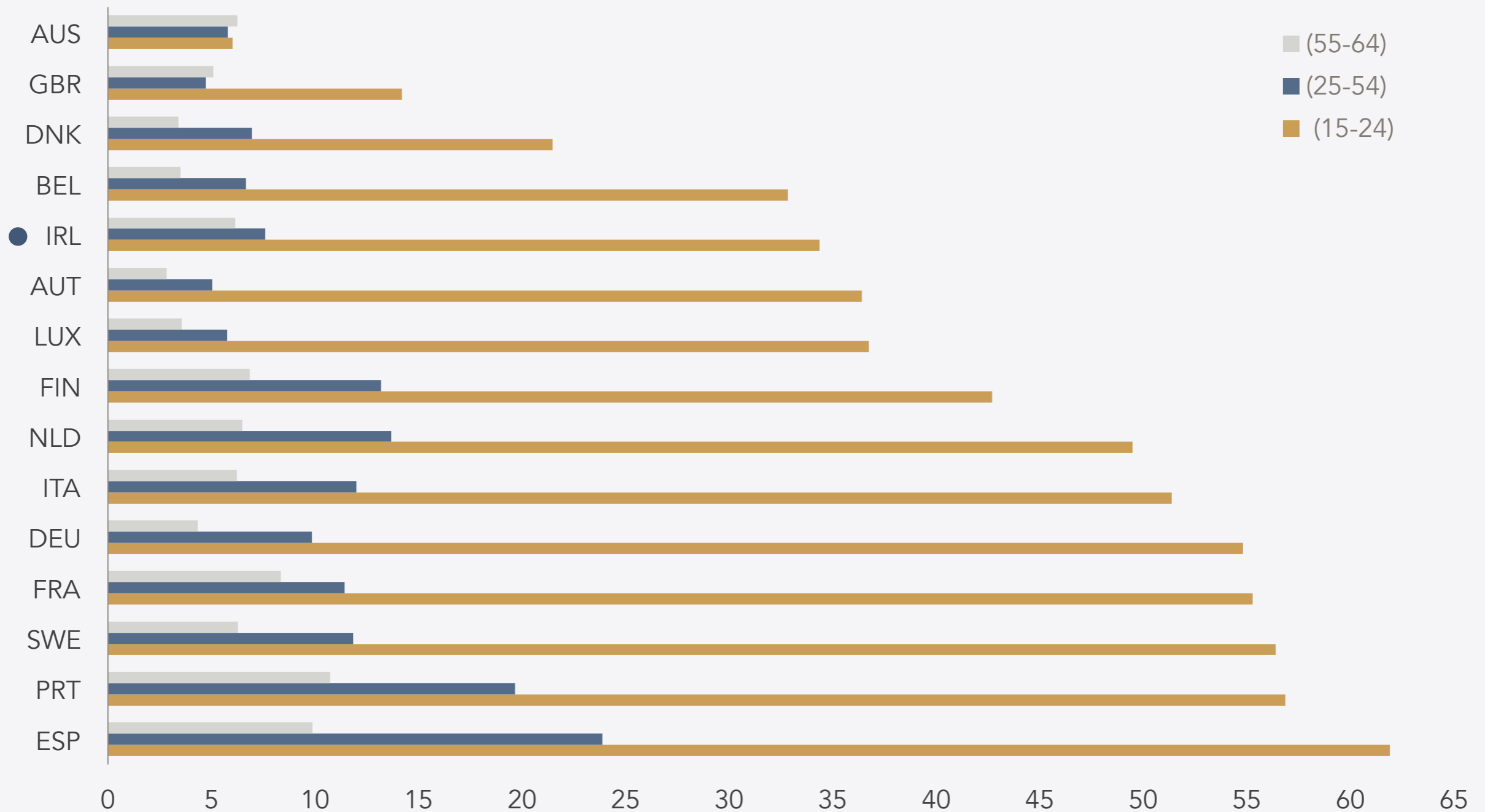
REASON FOR HAVING FIXED TERM CONTRACT

Percentage of employees with a fixed term contract, excluding students & apprentices, 2011 - 2012



TEMPORARY EMPLOYMENT BY AGE GROUP

Percentage of employees with a fixed term contract, 2011 - 2012



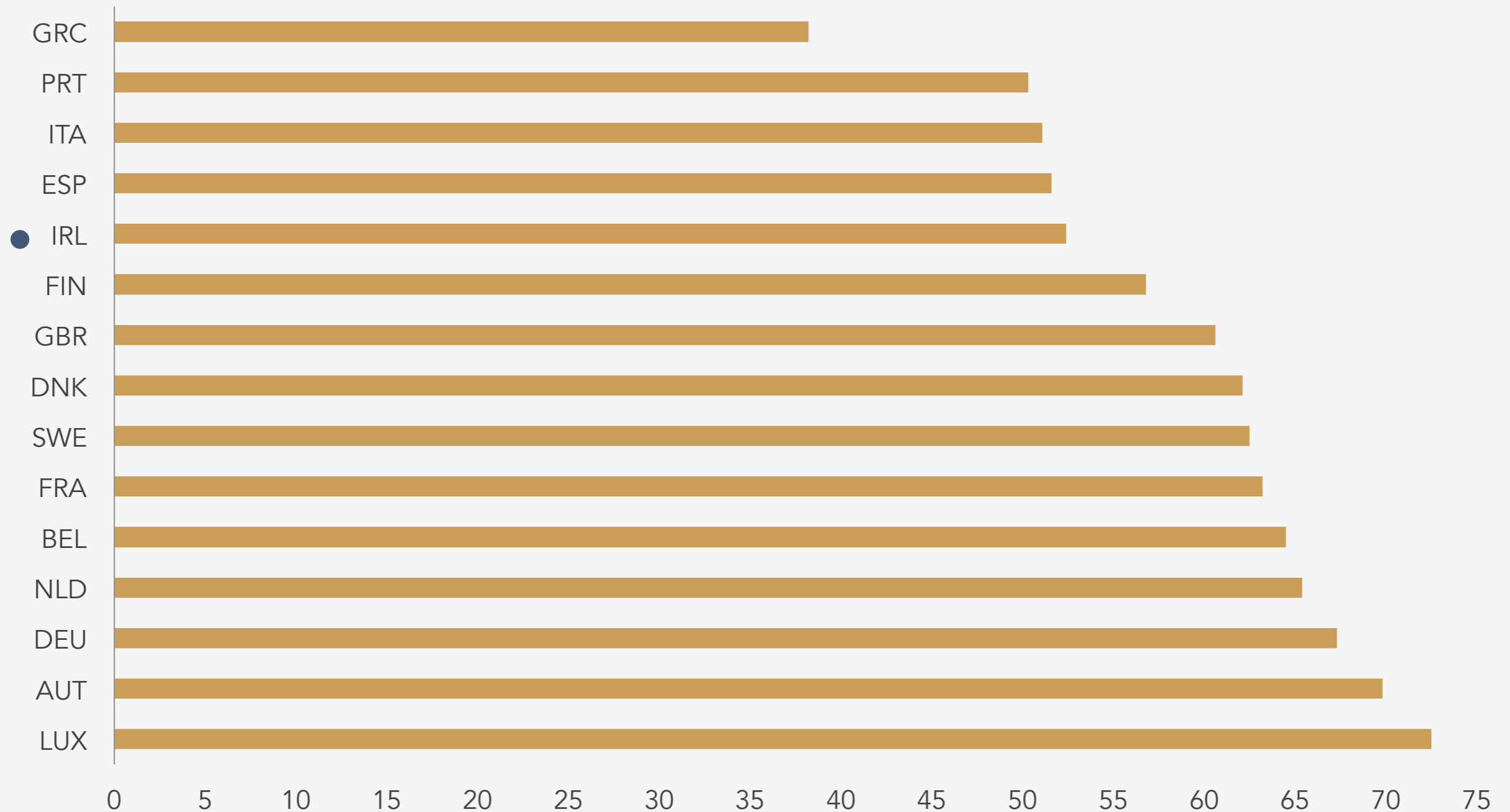
NON-STANDARD EMPLOYMENT BY EDU ATTAINMENT

Employees aged 15 – 64 excluding employers, student workers and apprentices.

	Lower educated	Middle educated	Higher educated
GRC	61.6	37.5	26.6
DEU	60.4	36.9	32.7
NLD	59.8	59.5	54.1
AUT	54.6	32.4	34.5
ESP	50.0	40.0	33.0
IRL	48.7	40.4	26.8
BEL	43.3	38.4	35.0
ITA	43.1	37.9	41.0
GBR	41.9	35.1	29.1
SWE	41.4	34.8	30.6
FRA	40.0	34.1	30.7
FIN	38.4	31.0	23.5
PRT	36.8	30.6	31.4
DNK	35.7	28.0	23.9
LUX	29.8	28.6	25.4

SHARE OF WOMEN IN NON-STANDARD EMPLOYMENT

Percentage of employees with a fixed term contract, 2011 - 2012



TEMPORARY EMPLOYMENT BY OCCUPATION

Employees aged 25 - 54, 2011 - 2012

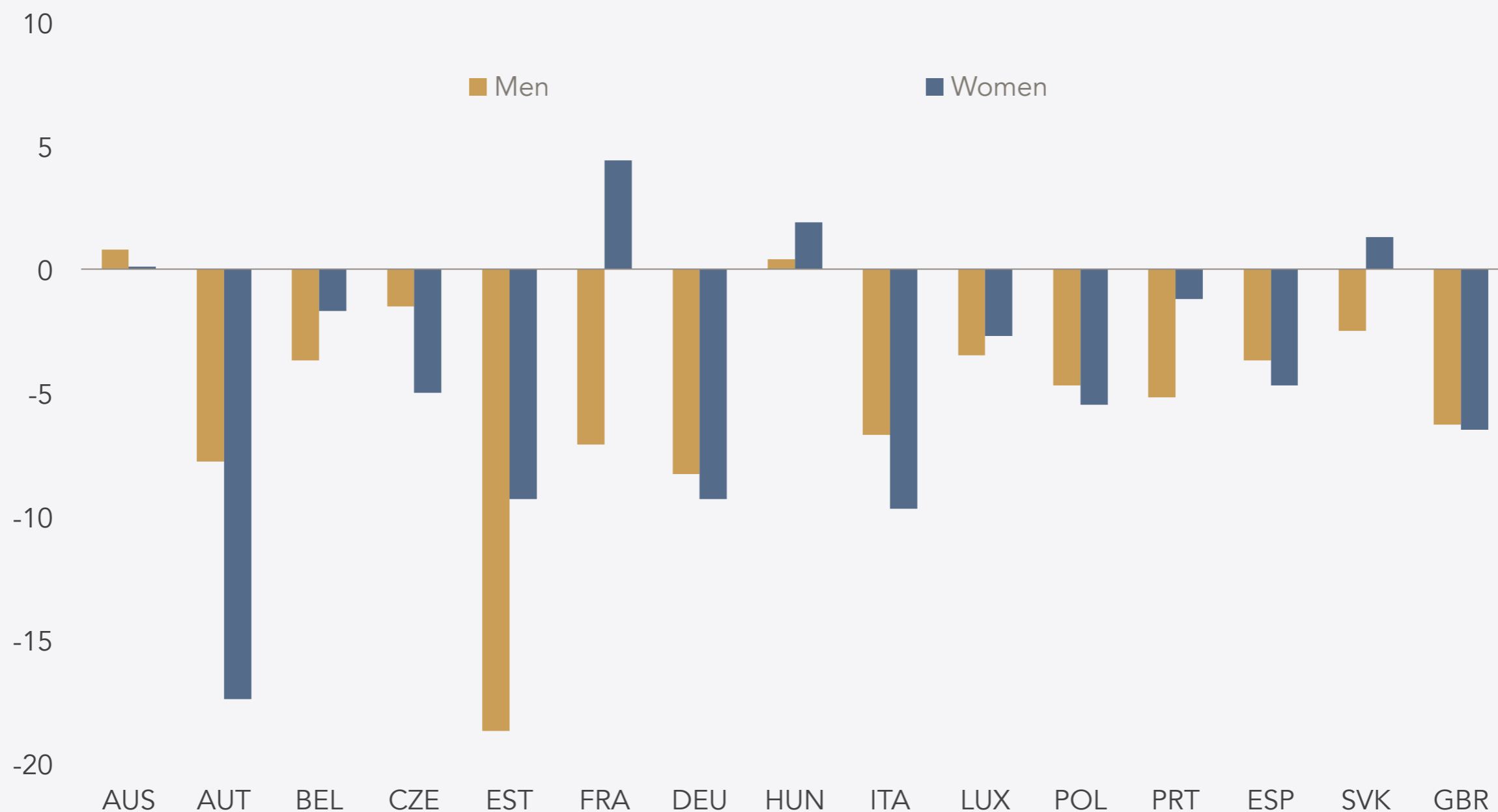
	Managers & professionals	Clerical, services sales &	Skilled Agric, craft & machine ops	Elementary occupations
ESP	19.0	21.4	24.7	40.2
PRT	19.2	17.6	18.3	27.7
NLD	10.8	15.3	14.6	23.0
FIN	13.4	13.6	7.4	20.1
ITA	10.1	11.9	10.6	21.0
SWE	9.3	16.3	9.6	25.7
FRA	8.8	12.1	13.0	21.0
GRC	6.9	8.5	11.1	29.3
DEU	9.5	9.1	8.0	13.8
IRL	6.4	8.3	7.3	11.8
DNK	7.4	7.6	4.2	7.5
BEL	5.9	6.6	5.8	11.7
LUX	5.9	5.8	4.6	6.9
AUT	6.7	3.9	3.3	5.3
GBR	3.7	4.5	4.2	6.1

IMPACT OF PRECARIOUS EMPLOYMENT ON WORKERS



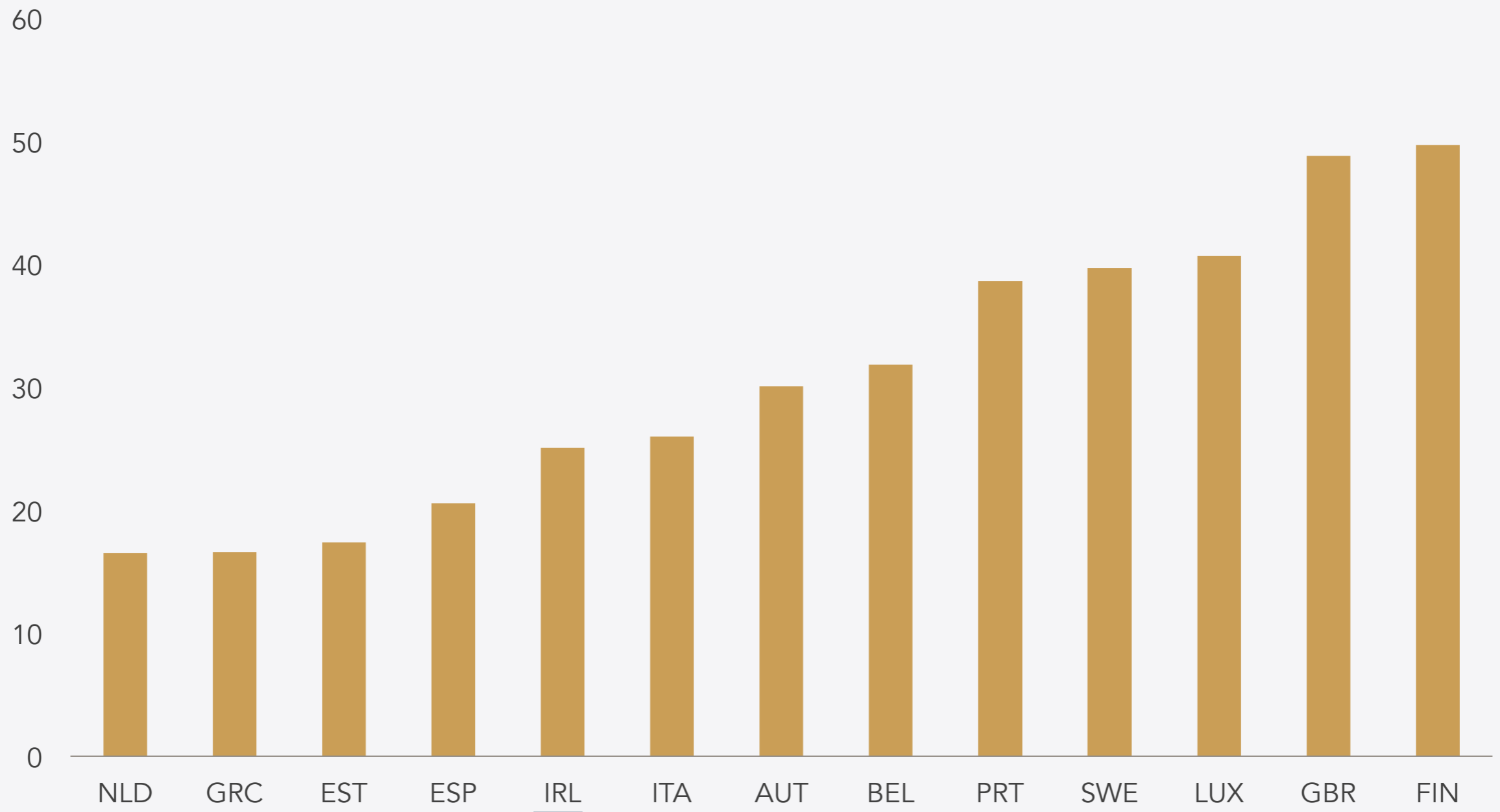
WAGE PENALTY FOR NON-REGULAR EMPLOYEES

Estimated average difference in hourly wages between full-time non-regular and permanent employees. Wage penalty for non-regular employees expressed as a percentage of the wage of permanent employees



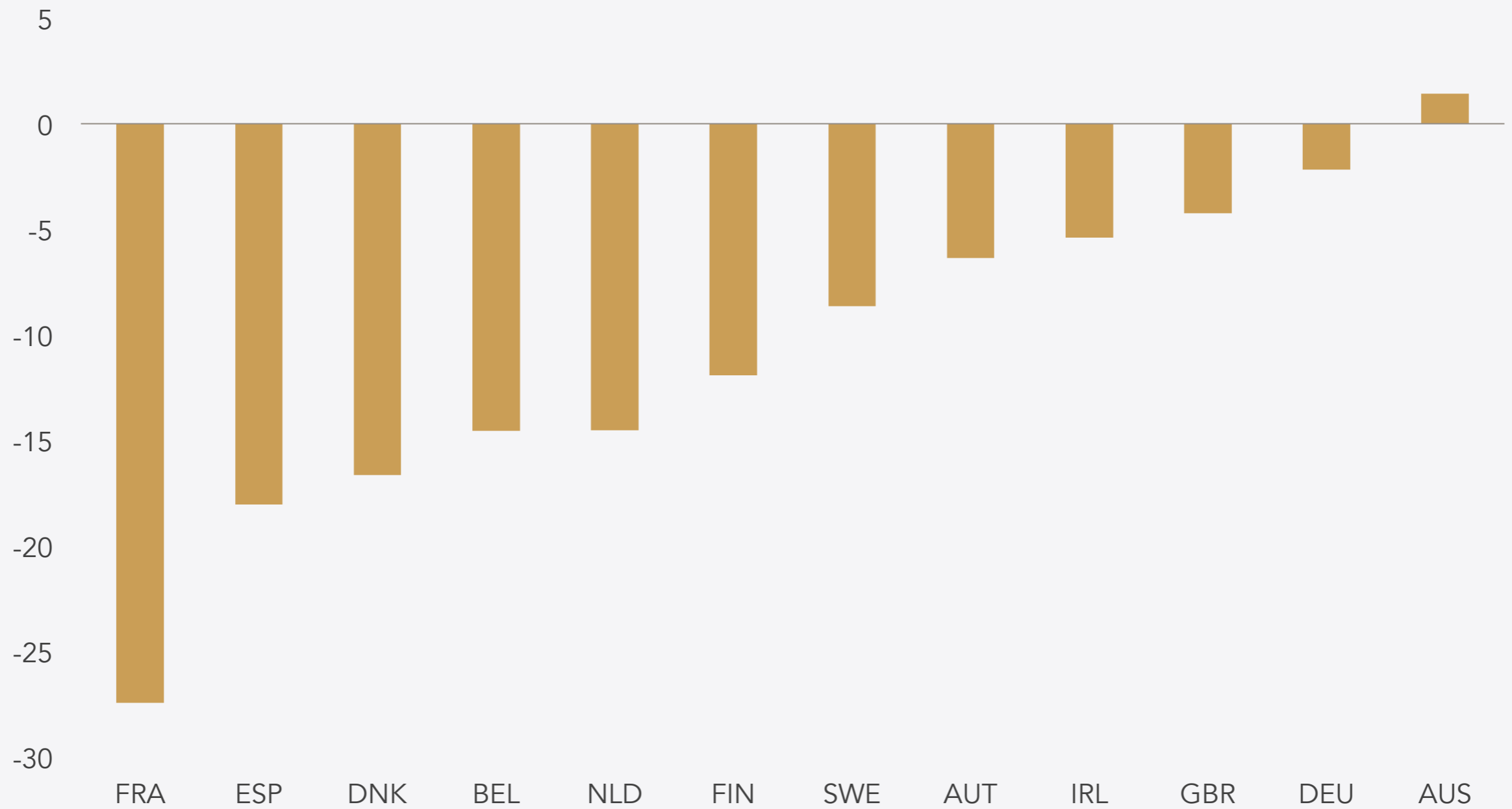
TRANSITION FROM TEMPORARY TO FULL TIME

Percentage share of employees in 2008 that were employed as full-time permanent employees in 2011



TEMPORARY WORKERS & TRAINING

Estimated percentage effect of temporary contract status on probability of receiving employer sponsored training, 2012



IMPACT OF PRECARIOUS EMPLOYMENT ON THE ECONOMY



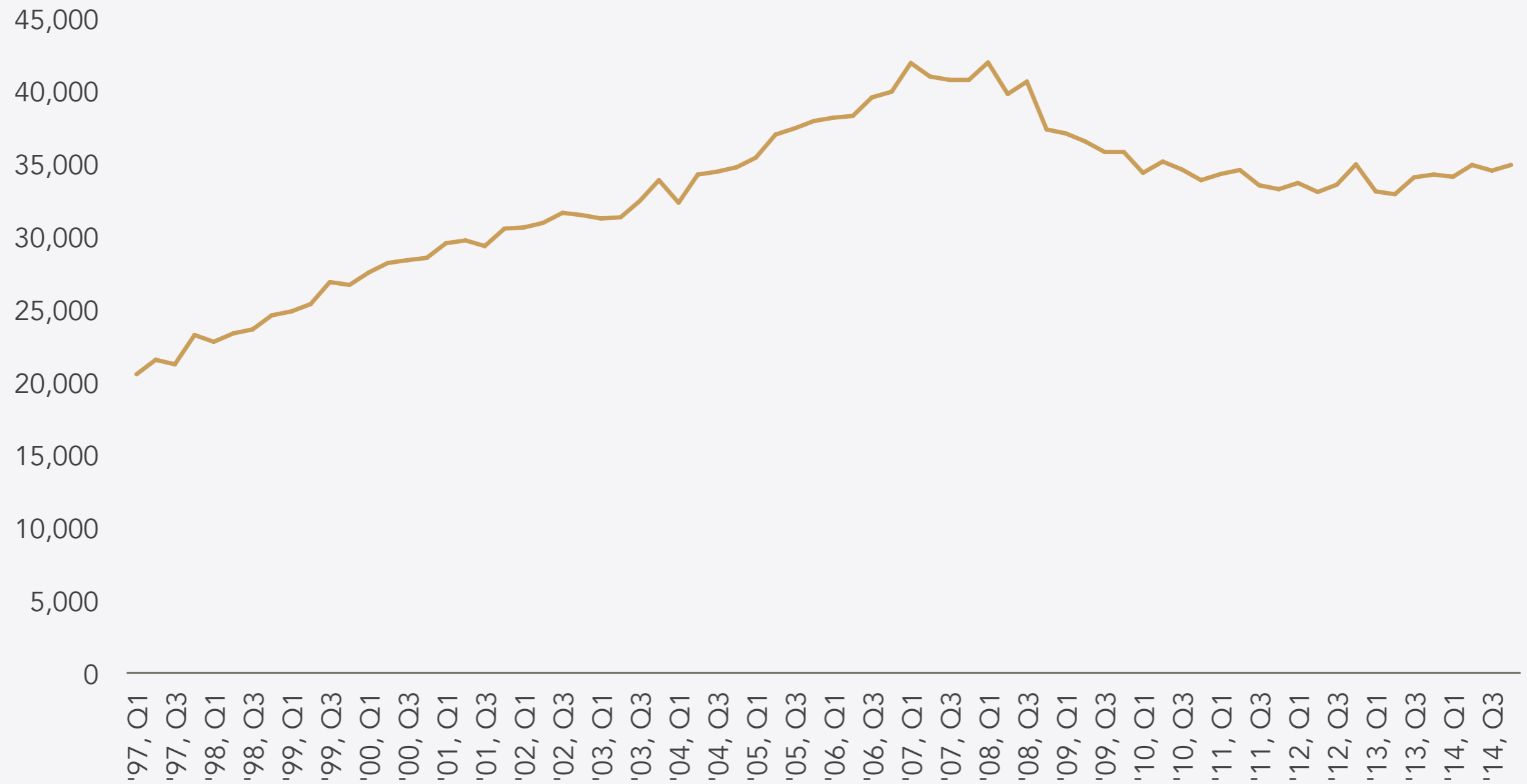
IMPACT OF PRECARIOUS WORK ON THE ECONOMY

- I. Consumption & domestic demand
- II. Income Inequality and economic growth
- III. Skills profile, training and lost potential

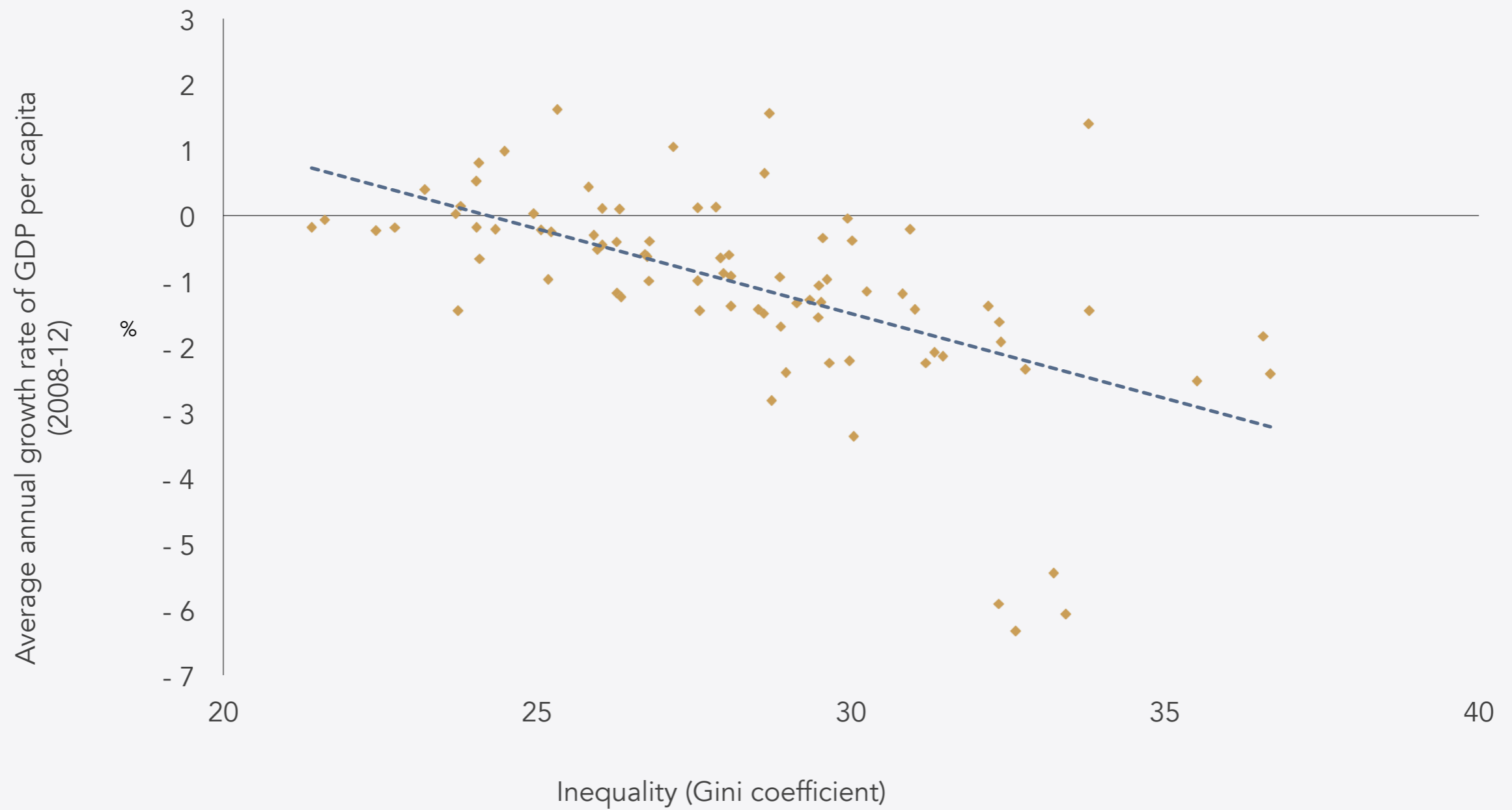


DOMESTIC DEMAND

At constant market prices (seasonally adjusted)



INCOME INEQUALITY AND GROWTH, 2008 - 2012



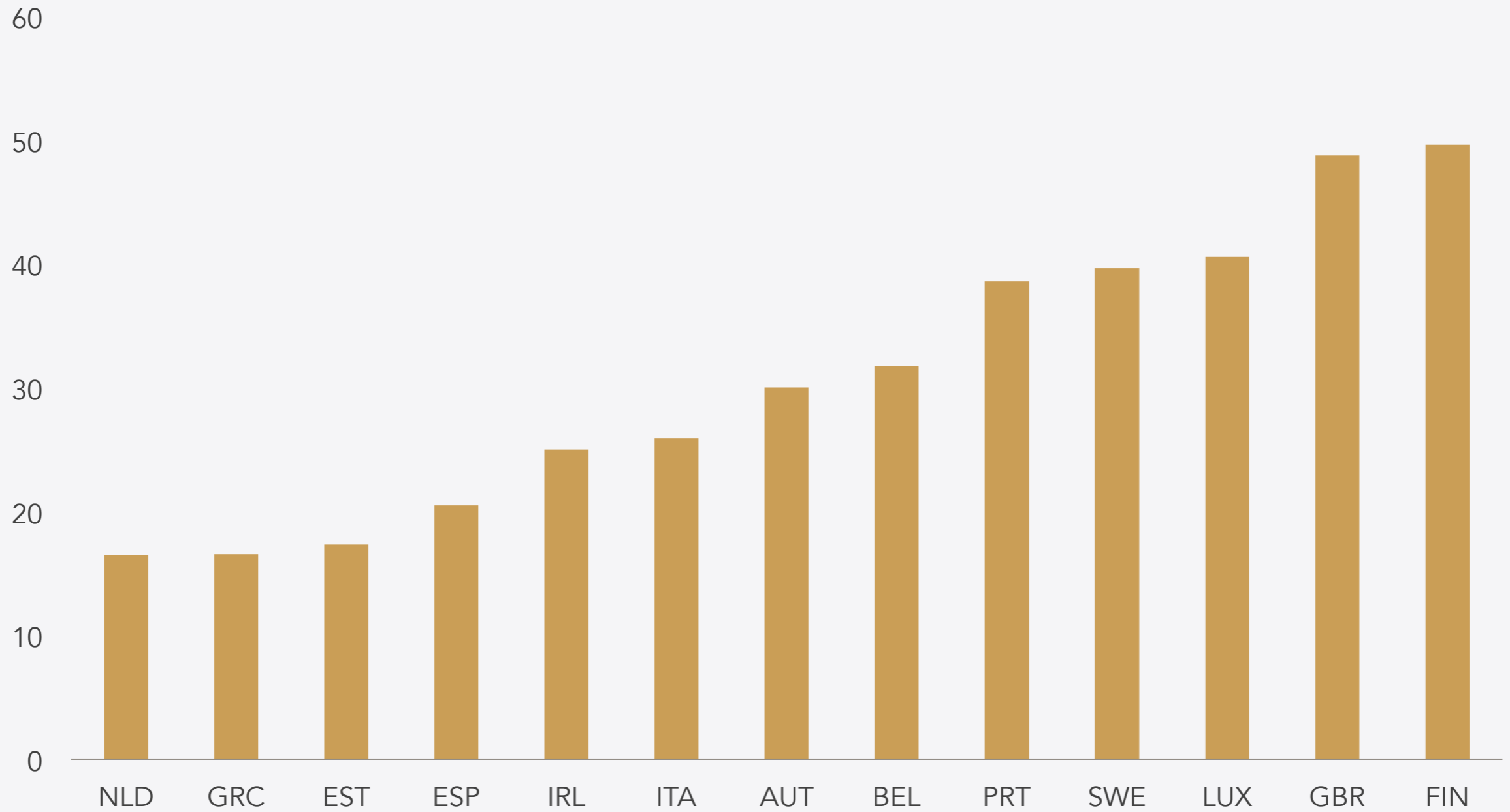
ROLE OF MOBILITY IN THE LABOUR MARKET

- I. Gateway or trap?
- II. Path to new jobs or replacing existing?
- III. Lifetime earnings and skill development



TRANSITION FROM TEMPORARY TO FULL-TIME

Percentage share of employees in 2008 that were employed as full-time permanent employees in 2011



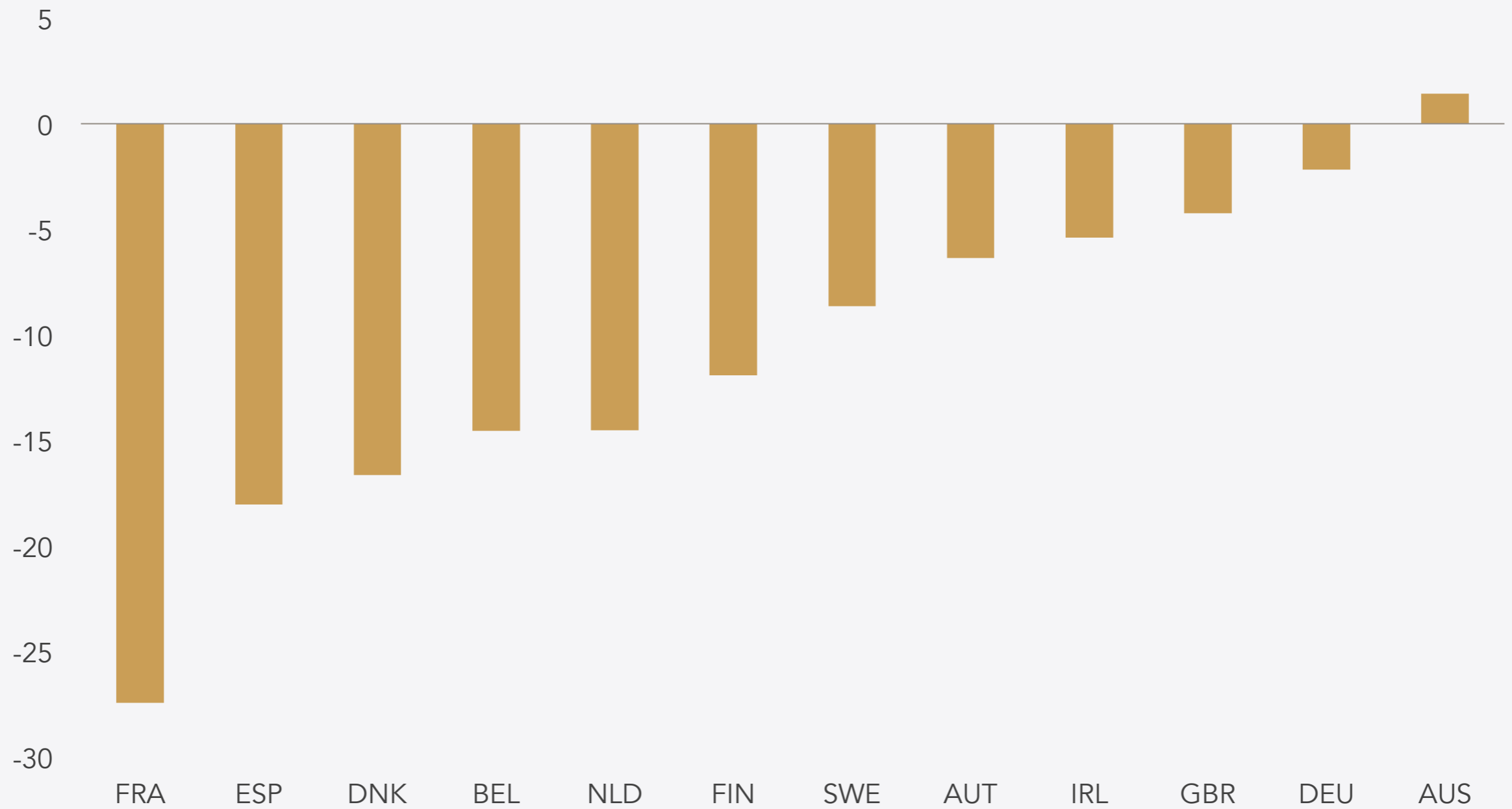
IMPACT OF PRECARIOUS WORK ON THE ECONOMY

Less than 50% of workers on temporary contracts in a given year were employed with full-time permanent contracts three years later



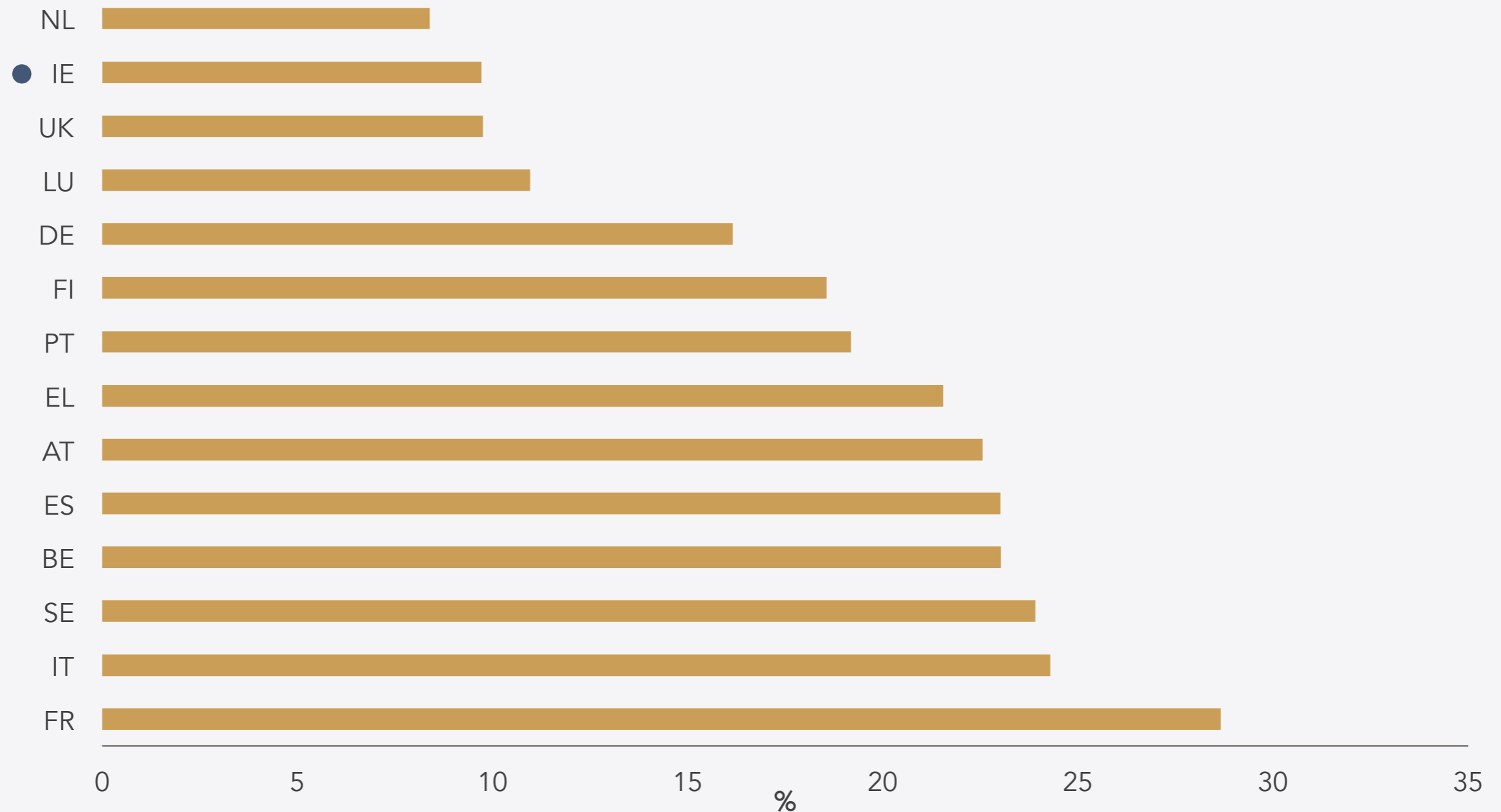
TEMPORARY WORKERS & TRAINING

Estimated percentage effect of temporary contract status on probability of receiving employer sponsored training, 2012



EMPLOYER SOCIAL SECURITY CONTRIBUTION

Tax wedge composition 2013



ROLE OF MOBILITY AND LIFETIME EARNINGS

I. Three quarters of short-term earnings

inequality is permanent

II. Life time earning differentials established in

first 10 years of a career to a large extent



CONCLUSION

- I. Gateway or trap?
- II. Path to new jobs or replacing existing?
- III. Lifetime earnings and skill development

