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DISENTANGLING THE FACTORS SHAPING INVOLUNTARY NON-STANDARDS JOBS AMONG YOUNG WORKERS IN EUROPE: A CAPABILITY APPROACH

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Summary

The purpose of the chapter is threefold. First, descriptive statistics are used to compare the situation of the European countries regarding involuntary part-time and involuntary temporary employment. Second, the main goal of the paper is to measure the relative weight of individual and contextual levels on these involuntary situations. Third, we aim at identifying contextual determinants, including relevant macroeconomic, policy or institutional factors.

We use data from the European Union Labour Force Survey (LFS) and focus on young Europeans aged 15-24 being employed in 2012. Our analyses consist in determining both the individual and contextual determinants of capability-unfriendly jobs, i.e involuntary part-time jobs as well as involuntary temporary jobs. This is done by enriching EU-LFS data with macro and meso variables derived from other data sets, such as the Labour Market Policy database. The issue at stake is to understand the relative importance of the various levels at play (individual, regional, national) and the determinants at each level (for instance, economic structures, active labour market policies), therefore multilevel models are implemented.

Besides individual effects, there are important contextual effects on the propensity to be in an involuntary temporary job or in an involuntary part-time job. Biggest effects are observed at the country level, not at the regional one. 14% of the variation in the propensity to be in an involuntary part-time job lies between countries, and 27% of the variation in the propensity to be in an involuntary temporary job lies between countries. Interestingly, country determinants for involuntary part-time jobs and involuntary temporary job differ. For what concerns the propensity to be in an involuntary part-time job, it increases with the country GDP, individual characteristics being controlled for. This propensity also increases with the early-school-leavers rate and with the unemployment rate of young people. No effect is observed for active labour market policy expenditures. Concerning the propensity to be in an involuntary temporary job, country GDP and early-school-leavers rate have no effect on it. On the other hand, this propensity increases with the share of GDP dedicated to active labour market policy expenditures.



Introduction

The deterioration in young people's job quality was overshadowed for much of the 2000s by other concerns, such as the rise in youth unemployment. Nevertheless, job quality had been a priority issue for the European Commission at the end of the 1990s, against the background of a slight improvement in the economic situation. At the beginning of the new century, faced with a slowdown in economic growth and rising unemployment, the European Union embarked on a gradual revision of the European employment strategy, shifting the emphasis from job quality to quantity and 'refocusing priorities on growth and employment'. The concern with quality was subsequently displaced by flexicurity. As the second decade of the 21st century began, European leaders began to refocus attention on job quality, with reference to the Europe 2020 strategy that had been developed during the crisis years. The strategy reaffirmed the importance of this issue and made it necessary to review the quality of the jobs held by young people.

At the Special European Council held in the year 2000, the member states drew up the so-called Lisbon strategy, which aimed to create more jobs of better quality by 2010. Nevertheless, the economic climate in the EU changed from the spring of 2008 onwards, leading to a sharp rise in unemployment. Young people under 25 years of age were one of the groups hardest hit by the crisis, which demonstrated the particular sensitivity of this age group to the change in economic circumstances. Between 2006 and 2012, their unemployment rate rose by almost 6 percentage points, double that for the economically active population as a whole. By 2012 it had reached 23%, compared with 10.6% for adult workers in the EU-28.

Down According to Robert Salais, 'the upheaval introduced by the capability approach relates to the choice of the (yardstick against which collective action (policies, legislation, and procedures) should be devised, implemented and assessed. For Sen, the only ethically legitimate reference point for collective action is the person, and specifically his situation as regards the amount of real freedom he possesses to choose and conduct the life she/he wishes to lead' (Salais, 2005: 10).

The (CA) provides an analysis frame to reconsider the relationship between freedom and responsibility. It develops a demanding conception of freedom based on democratic participation, opportunity access and the power to act. Capabilities aim at giving an actual content beyond its formal aspects, to the concept of freedom. One of the specificities of the approach is thus to combine a descriptive assessment prospect of the freedom to act with a normative prospect which makes the equal distribution of this freedom a principle of justice (Sen, 2009). At the core of the capability approach, exercising any responsibility requires a scope of choice between various possible options and a power to convert the chosen option into an actual achievement. As a consequence, if young people from disadvantaged backgrounds are called to become active player of their school-to-work transition this implies from a normative point of view that they are given the means which enable them to

take their responsibility. In Salais' words, the more this condition is satisfied the more economic efficiency and social justice can be reconciled (Salais and Villeneuve, 2004)

This perspective sets out an ambitious way forward for public policy-making, which is not merely about enhancing people's adaptability to labour market requirements but first and foremost about promoting their real freedom to choose the life they have every good reason to lead. Collective action is therefore expected to develop opportunities for people while acknowledging their free choice with regard to ways of living or being. Central to this endeavour is the capability for work, i.e. "The real freedom to choose the work one has reason to value" (Bonvin and Farvaque, 2006). As a consequence, labour market policies cannot only take into account how to make the individual employable, but also how to adjust the available jobs so that they meet what the individual has reason to value.

Hence, a global approach of job quality, which draws on the Capability Approach initiated by Amartya Sen, puts the focus on the extent of the individuals "real freedom to lead the life they have reason to value". It includes the capability for work, i.e. the real freedom to choose the work one has reason to value (Bonvin and Farvaque, 2006). To consider job quality through the lens of Sen's capabilities approach it is to change perspective in order to focus on the real freedom young people enjoy to choose a job they have good reasons to value. This perspective differs from the standard indicators, which consider job quality independently of the constraints that may determine individuals' choices. In particular, to focus on actual freedoms is to separate the situations in which individuals actually find themselves from what they are free to do. The same employment situation may result from the presence or absence of freedom of choice. For example, someone who is in a part-time job because they have been unable to find a full-time position does not enjoy as wide a range of choices as a person who has deliberately opted for part-time work for personal reasons.

This chapter is an attempt to shed some light on involuntary part-time employment as well as involuntary temporary employment and their determinants, or at least their correlates, in 2012, five years since the crisis began. Unlike most studies of involuntary employment, we adopt a comparative perspective. We contrast and compare European countries in terms of performance and institutions. The capability approach is used here to understand how individual and environmental factors interactively affect processes that lead to involuntary part-timer and involuntary temporary worker. Using multi-level regressions, the paper assesses the contribution of both individual and country-level characteristics (educational institutions, labour market policies, business-cycle indicators) to a possible explanation in working involuntary in a temporary or part-time job. Thus, the purpose of the chapter is threefold. First, using descriptive statistics the issue at stake is to compare the situation of the European countries regarding involuntary part-time and involuntary temporary employment. Second, it aims at identifying the role of structural factors and business cycles by exploiting cross-sectional variation across countries from the LFS survey. Third, the main goal of the paper is to measure the relative weight of determinants including relevant macroeconomic, policy or institutional factors.

2. Background

2.1 Contrasted levels of involuntary temporary and part-time jobs in Europe in 2012

The Europe 2020 strategy promotes non-standard forms of employment (such as part-time and temporary working) to support increasing fluidity in the labour market (European Commission, 2010). From the capability approach, non-standard employment may be considered negative when it occurs involuntarily.

Table 1 – Involuntary part-time employment as % of total employment in 2012, age 15-24

	% in 2012
Austria	2.3
Belgium	5.6
Cyprus	10.6
Germany	2.7
Denmark	5.9
Estonia	1.7
Greece	23.1
Spain	8.4
Finland	10.2
France	12.6
Hungary	5.0
Ireland	15.6
Italy	20.3
Lithuania	2.8
Luxembourg	4.0
Netherlands	6.4
Poland	4.4
Portugal	9.2
Romania	12.6
Sweden	16.6
Slovakia	3.5
United Kingdom	10.8

There are substantial contrasts in the prevalence of involuntary part-time work in 2012 (Table 1). Whereas levels below 5% are observed in Estonia, Lithuania, Germany, Austria, Slovakia, Luxembourg and Poland, involuntary part-time jobs represent more than 20% of total employment in Italy and Greece.

Table 2 – Involuntary temporary employment as % of total employment in 2012, age 15-24

	% in 2012
Austria	1.1
Belgium	18.3
Cyprus	13.7
Denmark	7.0
Estonia	2.4
Finland	17.9
France	20.5
Germany	2.5
Greece	10.7
Hungary	13.2
Ireland	10.2
Italy	20.1
Lithuania	3.5
Luxembourg	10.2
Netherlands	7.6
Poland	32.3
Portugal	40.2
Romania	2.4
Slovakia	14.7
Spain	44.1
Sweden	24.2
United Kingdom	4.8

There are also important differences in the prevalence of involuntary temporary jobs (Table 2). In 2012, the share of involuntary temporary jobs among total employment lies below 5% in Austria, Estonia, Romania, Germany, Lithuania and the United Kingdom. At the opposite side of the distribution, involuntary temporary jobs account for more than 20% of total employment in Italy, France, Sweden, Poland, Portugal and Spain.

In this context, this chapter focus on involuntary part-time employment as well as involuntary temporary employment and their determinants, or at least their correlates, in 2012, five years since the crisis began. Unlike most studies of involuntary employment, we adopt a comparative perspective. We contrast and compare countries, very different European labour markets in terms of performance and institutions, yet sharing a recent increase in involuntary part-time work and for the majority of them some divergence in involuntary temporary employment.

2.2 Disentangling the determinants of working involuntary in a temporary or part-time job: highlighting the respective weight of conversion factors

A crucial distinction in the capability approach is the distinction between commodities (that is, goods, services, formal rights) on the one hand and functionings on the other hand. However, the relation between the good and the functionings to achieve certain beings and doings is influenced by conversion factors (Robeyns, 2003).

As mentioned by Bonvin and Farvaque (2006), put differently, the very point of the CA, is to focus on the conversion factors allowing to translate formal rights and formal freedoms into real rights and real freedoms, i.e. capabilities. Conversely, the CA also requires struggling against obstruction factors such as the lack of available jobs or infrastructure, that impede the appropriate conversion of commodities or any form of individual capital (be it income or competencies) into capabilities.

Conversion factors that could develop or impede real freedom young people enjoy choosing a job they have reason to value could be attributable to individual characteristics (lack of education, competences, gender, or experience on the labour market). Secondly contextual characteristics may play a role that may impede the appropriate conversion of commodities or any form of individual capital (be it income or competencies) into capabilities. The main purpose of this chapter is then to share ideas about the contextual characteristics of that may impact the involuntary part-time and temporary part-time:

Hence, knowing individual characteristics a person owns or can use is not enough for public action. Therefore we need to know much more about the person and the circumstances in which she is living and disentangling the determinants of working involuntary in a temporary or part-time job.

Multi-level models have been the subject of renewed interest since the development of large international databases. These models are useful when individuals are 'nested' into higher level structures. In our study, individuals are 'nested' in countries, each country being characterized by specific national institutions but also by specific economic trends (especially in the crisis). Multi-level models offer an interesting framework enabling both individual and contextual determinants of an observed event to be taken into account.

3. Data and methods

As stressed in the previous part of the chapter, the issue at stake is to shed some light on involuntary part-time employment as well as involuntary temporary employment and their determinants, or at least their correlates, in 2012, five years since the crisis began. We adopt a comparative perspective. We contrast and compare countries.

The most appropriate way of analyzing it is through a multilevel the most appropriate way of analyzing it is through a multilevel model (Goldstein, 2003; Rabe-Hesketh and Skrondal, 2005). As is well known, multilevel approaches are particularly appropriate for measuring country-level or regional-level variation in relation to individual-level variation and to control for country-level or regional-level influences. In our case, by taking a multilevel approach, we are able to ask whether involuntary part-time young workers or involuntary temporary young workers among people across Europe reflects different individual characteristics in different countries, whether it reflects the different contextual characteristics in each country or whether it is a mixture of these two features.

3.1 The LFS Survey

The empirical analysis is based on the European Labour Force Survey (EU-LFS). It consists on a cross-sectional and household sample survey, coordinated by Eurostat. The database comprises observations on labour market participation and persons outside the labour force. The EU-LFS is the largest European household sample survey, providing quarterly and annual data on labour participation of people aged 15 and over and on persons outside the labour force. It covers residents in private households according to labour status : employment, unemployment, inactivity.

The EU-LFS currently covers 33 (participating) countries, providing Eurostat with data from national labour force surveys: the 28 Member States of the European Union, three EFTA countries (Iceland, Norway and Switzerland), and two EU candidate countries, i.e. the Former Yugoslav Republic of Macedonia and Turkey. Each quarter some 1.8 million interviews are conducted throughout the participating countries to obtain statistical information for some 100 variables. The sampling rates in the various countries vary between 0.2 % and 3.3 %.

The LFS is an important source of information on the situation and trends in the EU labour market. Most notably, it forms the basis for the monthly harmonised unemployment rate, one of Eurostat's key short-term indicators. Due to the diversity of information and the large sample size the EU-LFS is also an important source for other European statistics, e.g. education statistics or regional statistics.¹

¹ More information on the EU-LFS is available at the following address:
http://epp.eurostat.ec.europa.eu/portal/page/portal/employment_unemployment_lfs/introduction

The survey covers the entire population living in private households and excludes those in collective households such as boarding houses, halls of residence and hospitals. Employed population consists of those persons who during the reference week did any work for pay or profit for at least one hour, or were not working but had jobs from which they were temporarily absent.

The first indicator considered here refers to involuntary part-time workers: the share of young people aged 15-24, who are in part-time work, wish to work more and are available to do so. The second indicator considered here refers to involuntary part-time workers: the share of young people ages 15-24, who would prefer to work full-time but has been unable to obtain full-time employment. The percentage of young employees working involuntary in a temporary or part-time job can be directly measured using the variables *temperas* or *ftptreas* of the LFS database.

The perspective outlined above supposes, on the one hand, to include into the LFS database national information related to environmental conversion factors alongside with the individual ones. For this purpose, the ALM database from Eurostat (Eurostat, 2012) is first used to complement EU-LFS database and integrate Active Labour spending of each country. Besides, the national unemployment rate (Eurostat 2009) and early school leaver rate published by Eurostat is also included as additional information of LFS. Besides, GDP is also included. Second it entails adopting econometric models that would allow disentangling individual and environmental conversion factors which influence the various involuntary part-time and temporary employment identified in the previous section. This will require the use of multilevel models (Snijders 1999, Bressoux 2008).

3.2 Estimation Strategy: multilevel modelling

Multilevel models are used to specify the effect of social context and explore the link between the macro and micro levels of social phenomena. The analysis is based on the assumption that people are nested within regions nested within countries and the analysis provides fixed effects that are assumed to be homogeneous across countries and random effects capturing differences between countries.

When individuals are nested within higher units, we can assume that two members of the same unit (here, country and region) are more likely to 'resemble' each other than two individuals randomly drawn from the sample. In other words, an unobservable cluster-effect may affect practices. Multilevel models are appropriate tools to explore hierarchical datasets (Snijders and Bosker, 1999). Traditional regression models seek to explain the variation of the response variable by using predictors that describe differences in mean behaviour. Multilevel models have the same goal, but they also take advantage of the nested structure of the data to provide information on residual variance (variation that remains unexplained by predictors). Information derived from the model allows to partition this residual variation in two components: an individual and a cluster component. In other words, multilevel

models allow decomposing the overall residual variance into a 'within-variance' component (which reflects variation among individuals) and a 'between-variance' components (which reflects variation among clusters).

Three-level logistic multilevel models are implemented on a step-by-step basis. First, an empty multilevel model is run. This model does not contain any explanatory variable but just take into account the country and region clustering. It is implemented to make a baseline assessment of variance components: with this model, it is possible to decompose the variability of the propensity to be in an involuntary part-time job, or involuntary temporary job, into three parts: one which is accounted for by the country-level, one which is accounted for by the region-level, and the other which is accounted for by the individual-level. Then individual and contextual predictors are successively added to the model.

Variables at the individual level are the following: age (15-19 years old, 20-24 being the reference category), educational level (ISCED-low, ISCED-high, ISCED-medium being the reference category). At the NUTS1 level, GDP per capita in purchasing power standards is used. GDP, and thus GDP per capita, provides a measure of the total economic activity in a region. It is used to compare the degree of economic development of regions. The PPS (purchasing power standard) is an artificial currency that takes into account differences in national price levels. This unit allows meaningful volume comparisons of economic indicators over countries. GDP per capita in PPS, ALMP expenditures, youth unemployment rate and early school leaver (ESL) rate are introduced as country variables. The European Union defines early school leavers as people aged 18-24 who have only lower secondary education or less and are no longer in education or training.².

² Early school leavers are therefore those who have only achieved pre-primary, primary, lower secondary or a short upper secondary education of less than 2 years.

4. Results

The results presented in this section stem from multilevel models presented in table 3. The models uncover the relationship between the variables of interest, involuntary temporary work, and the conversion factors that may influence the propensity to be in an involuntary temporary job. The issue of individual conversion factors relates to the gender variable, age and the level of education. Social conversion factors comprise ALMP expenditures, youth unemployment rate and early school leaver (ESL) rate.

What we learn from these models is first the proportion of the observed response variation that lies at each level of the model hierarchy, namely the country level, NUTS1 level and individual level. Calculating variance partition coefficients (VPC) allow to establish the relative importance of countries, NUTS1 and individuals as sources of variation the propensity to be in an involuntary temporary job. 27% of the variation in the propensity to be in an involuntary temporary job lies between countries, 2% lies within countries between NUTS1 and 71% lies within NUTS1 between individuals. Thus, there is important variation in the propensity to be in an involuntary temporary job across countries, but modest variations within countries between regions; most of the variation is seen across individuals.

A very modest decline in the country variance is observed when adding individual variables to the model. This small decline indicates that country effects are not produced by composition effects in terms of sex, age and educational level. Being a woman is associated with a higher propensity to be in an involuntary temporary job. Compared to young people aged 20-24, 15-19 years old have a lower propensity to be in an involuntary temporary job. Highly-educated youngsters have a lower propensity to be in an involuntary temporary job, compared to people with an ISCED-medium level. No significant differences are observed between ISCED-low and ISCED-medium levels.

Adding NUTS1 and country variables decreased notably the country variance. Individual characteristics being controlled for, country GDP and early-school-leavers rate have no effect on the propensity to be in an involuntary temporary job. On the other hand, this propensity increases with the share of GDP dedicated to active labour market policy expenditures.

The last model allows the educational effect to vary between countries. What the previous models have implicitly assumed is that the effect of educational level is the same across all countries. This last model indicates that the effect of the educational level varies between countries. This fact should be investigated in depth in future research.

Table 3: Logistic Multilevel Model – Involuntary temporary employment

	Model 1		Model 2		Model 3		Model 4	
	Log-odds	P-value	Log-odds	P-value	Log-odds	P-value	Log-odds	P-value
Intercept	-2,21	0,000	-2,28	0,000	-2,9	0,000	-2,9	0,048
<i>Individual level</i>								
Female (ref. male)			0,25	0,000	0,27	0,000	0,27	0,000
Age 15-19 (ref. 20-24)			-0,31	0,000	-0,32	0,000	-0,29	0,000
ISCED-low (ref. ISCED-medium)			0,03	0,197	0,016	0,502	0,02	0,837
ISCED-high (ref. ISCED-medium)			-0,006	0,773	-0,09	0,001	0,04	0,618
<i>Contextual level</i>								
GDP NUTS1					-0,03	0,044	-0,03	0,000
GDP country					-0,05	0,300	-0,05	0,335
ESL rate					0,005	0,917	0,003	0,953
Active LM expenditures					3,48	0,001	3,42	0,002
Unemployment rate 15-24					0,04	0,055	-0,03	0,000
<i>Random-effects Parameters</i>								
<i>Random intercept</i>								
Variance NUTS1	0,09		0,09		0,05		0,05	
Variance country	1,25		1,23		0,63		0,65	
VPC NUTS1	2%		2%		1%			
VPC country	27%		27%		16%			
<i>Random slope</i>								
Variance country, ISCED-low							0,2	
Variance country, ISCED-high							0,06	

4.3 Individual and contextual determinants of involuntary part-time employment

The results presented in this section stem from multilevel models presented in table 4. The models uncover the relationship between the variables of interest, involuntary part-time work, and the conversion factors that may influence the propensity to be in an involuntary part-time job. The issue of individual conversion factors relates to the gender variable, age and the level of education. Social conversion factors comprise ALMP expenditures, youth unemployment rate and early school leaver (ESL) rate.

Calculating variance partition coefficients (VPC) allow us to establish the relative importance of countries, NUTS1 and individuals as sources of variation the propensity to be in an involuntary part-time job. 14% of the variation in the propensity to be in an involuntary part-time job lies between countries, 4% lies within countries between NUTS1 and 82% lies within NUTS1 between individuals. Thus, there is less variation in the propensity to be in an involuntary part-time job across countries, than in the propensity to be in a involuntary temporary job.

No decline in the country variance is observed when adding individual variables to the model. This indicates that country effects are not produced by composition effects in terms of sex, age and educational level. Being a woman is associated with a higher propensity to be in an involuntary part-time job. Compared to young people aged 20-24, 15-19 years old have a lower propensity to be in an involuntary part-time job. Highly-educated youngsters have a lower propensity to be in an involuntary part-time job, compared to people with an ISCED-medium level. No significant differences are observed between ISCED-low and ISCED-medium levels.

Adding NUTS1 and country variables decreased notably the country variance. Interestingly, country determinants for involuntary part-time jobs and involuntary temporary job differ. Individual characteristics being controlled for, living in a country with a higher GDP increases the propensity to be in an involuntary part-time job. This propensity also increases with the early-school-leavers rate and with the unemployment rate of young people. No effect is observed for active labour market policy expenditures.

The last model allows the educational effect to vary between countries. What the previous models have implicitly assumed is that the effect of educational level is the same across all countries. This last model indicates that the effect of the educational level varies between countries, especially for low ISCED levels. This fact should be investigated in depth in future research.

Table 4- Logistic Multilevel Model – Involuntary part-time employment

	Model 1		Model 2		Model 3		Model 4	
	Log-odds	P-value	Log-odds	P-value	Log-odds	P-value	Log-odds	P-value
Intercept	-2,59	0,000	-2,92	0,000	-5,33	0,000	-5,53	0,000
<i>Individual level</i>								
Female (ref. male)			0,83	0,000	0,94	0,000	0,94	0,000
Age 15-19 (ref. 20-24)			-0,31	0,000	-0,20	0,404	-0,17	0,000
ISCED-low (ref. ISCED-medium)			0,03	0,258	0,02	0,000	0,09	0,438
ISCED-high (ref. ISCED-medium)			-0,45	0,000	-0,53	0,000	-0,327	0,058
<i>Contextual level</i>								
GDP NUTS1					-0,02	0,003	-0,02	0,010
GDP country					0,05	0,000	0,06	0,046
ESL rate					0,05	0,006	0,03	0,249
Active LM expenditures					0,09	0,847	0,18	0,771
Unemployment rate 15-24					0,03	0,000	0,04	0,001
<i>Random-effects Parameters</i>								
<i>Random intercept</i>								
Variance NUTS1	0,15		0,15		0,14		0,13	
Variance country	0,54		0,54		0,17		0,18	
VPC NUTS1	4%		4%		4%			
VPC country	14%		14%		5%			
<i>Random slope</i>								
Variance country, ISCED-low							0,16	
Variance country, ISCED-high							0,36	

5. Discussion and conclusion

Besides individual effects, there are also important contextual effects on the propensity to be in an involuntary temporary job or in an involuntary part-time job. Biggest effects are observed at the country level. 14% of the variation in the propensity to be in an involuntary part-time job lies between countries, and 27% of the variation in the propensity to be in an involuntary temporary job lies between countries. Interestingly, country determinants for involuntary part-time jobs and involuntary temporary job differ. For what concerns the propensity to be in an involuntary part-time job, it increases with the country GDP, individual characteristics being controlled for. This propensity also increases with the early-school-leavers rate and with the unemployment rate of young people. No effect is observed for active labour market policy expenditures. Concerning the propensity to be in an involuntary temporary job, country GDP and early-school-leavers rate have no effect on it. On the other hand, this propensity increases with the share of GDP dedicated to active labour market policy expenditures.

Activation policies have become a matter of growing importance in response to the converging pressure of economic globalization and the political “modernization” of social welfare. Thus, employment policies have undergone strong reforms since the beginning of the 1990’s in all developed countries. The main lines of these reforms relied on a theoretical paradigm resulting from the unemployment economic theory in which income support policies must be made more incentive to job search while schemes which result in lower labour costs are developed (including cuts in social security contributions) in order to stimulate employment, as well as job search or training schemes for the unemployed. This set of reforms usually summed up by the word “activation” plays out differently regarding the specificities of national institutions and policies. However it has generally resulted in a reduced generosity of unemployment insurance, the development of social contributions related to employment (negative income tax), the strengthening of employment services (often involving institutional reforms meant to improve efficiency), the incitation and even obligation to accept an active program of employment policy after a certain unemployment period (Erhel, 2008). This shift from demand-side policies to supply-side policies is determinant. It no longer comes to insuring macroeconomic conditions favourable to the capability for work, but to acting on work offers, assessing the individuals looking for a job and providing them with the measures considered as the most suitable to their reintegration into the labour market.

The inclusion of young people from disadvantaged backgrounds has become a priority on the agenda of the European Union. In this perspective, the most vulnerable groups (namely more particularly the unskilled youth, immigrants, etc.) are those who are the most targeted by activation logics. Young benefit recipients should be encouraged (via making work pay programmes) or constrained (via workfare schemes) to quickly reintegrate into the labour market (Bonvin and Orton, 2008), whether or not it is a voluntary choice. The impact of ALMP on involuntary temporary work is in line with the desire to raise employment rates,

which lies at the heart of the European strategy (Salais, 2006): it sees work as the ideal functioning, without taking account of work and employment quality or the person's specific circumstances (i.e. his or her physical, psychological or other ability to work, to balance work and family life, etc.). This perspective therefore views activation from the angle of adapting to labour market requirements and issues related to quality of life or work are left aside. Hence, active labour market expenditures fail to be viewed as capability-friendly as they increases the propensity of young workers to be in involuntary temporary jobs.

Appendix - Eurostat Labour Market Policy (LMP)

LMP statistics are an important source of data for monitoring the European Employment Strategy (EES) which advocates active and preventive labour market measures. Labour market interventions can be described as "Public interventions in the labour market aimed at reaching its efficient functioning and correcting disequilibria and which can be distinguished from other general employment policy interventions in that they act selectively to favour particular groups in the labour market". Public interventions refer to actions taken by general government in this respect, which involve expenditure, either in the form of actual disbursements or of foregone revenue (reductions in taxes, social contributions or other charges normally payable).

The scope of LMP statistics is limited to interventions that are explicitly targeted at groups of persons with difficulties in the labour market: the unemployed, persons employed but at risk of involuntary job loss and persons currently considered as inactive persons but who would like to enter the labour market. The unit of observation is the labour market intervention and data on the expenditure and participants for each intervention are collected annually from administrative sources in each country. In addition extensive qualitative information describing the details of each intervention is collected. LMP interventions are grouped into three main types – LMP services, LMP measures and LMP supports –and then further classified into nine detailed categories according to the type of action.

Category 1: Labour market services: they cover all services and activities of the Public Employment Services (PES) together with any other publicly funded services for jobseekers. LMP services cover all services and activities of the Public Employment Services (PES) together with any other publicly funded services for jobseekers. Services include the provision of information and guidance about jobs, training and other opportunities that are available and advice on how to get a job (e.g. assistance with preparing CVs, interview techniques, etc.)

LMP measures cover interventions that provide temporary support for groups that are disadvantaged in the labour market and which aim at 'activating' the unemployed, i.e. they require participants to take part in some activity, in addition to or instead of their regular job-search, that aims to broaden their skills or experience of work and therefore improve their chance of finding a regular job in future. Measures can also aim at helping people move from involuntary inactivity into employment or to maintaining the jobs of persons threatened by unemployment.

Category 2: Training;

Category 3: Job rotation and job sharing

Category 4: Employment incentives

Category 5: Supported employment and rehabilitation

Category 6: Direct job creation

Category 7: Start-up incentives

LMP supports cover financial assistance that aims to compensate individuals for loss of wage or salary and support them during job-search (i.e. mostly unemployment benefits) or which facilitates early retirement. It includes

Category 8: Out-of-work income maintenance and support

Category 9: Early retirement

Source: Eurostat (2012) Labour Market Policy – expenditure and participants.

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